



City of Milwaukee

200 E. Wells Street
Milwaukee, Wisconsin
53202

Meeting Minutes

MILWAUKEE HOUSING TRUST FUND FINANCING MODELS SUBCOMMITTEE

LEO RIES, CHAIR

Lucia Murtaugh, Vice-Chair

Heather Dummer Combs, Sup. Marina Dimitrijevic, Rocky Marcoux, Robert Shelledy, Mike Soika

Staff Assistant, Linda Elmer, (414)-286-2232

Fax: 286-3456; E-mail: lelmer@milwaukee.gov

File Specialist, Charlotte Rodriguez, 286-8797; E-mail: crodri@milwaukee.gov

Monday, March 13, 2006

8:30 AM

Room 301-B, City Hall

Meeting convened: 8:38 A.M.

Members present: Heather Dummer Combs, Sup. Marian Dimitrijevic, Rocky Marcoux, Lucia Murtaugh, Leo Ries, Robert Shelledy and Mike Soika

Members excused: None

Also present: Ald. Michael Murphy, Chair of the Milwaukee Housing Trust Fund Task Force

1. Selection of Chair and Vice-Chair

Leo Ries was unanimously elected Chair; Lucia Murtaugh was unanimously elected Vice-Chair.

2. Funding Sources of a Housing Trust Fund

The Subcommittee reviewed multiple possible funding sources some of which would require state legislation, and others which would not. These included:

a) Mr. Soika recommended looking at retired tax incremental financing (TIF) funds to be diverted from the general city fund to the Housing Trust Fund. Mr. Marcoux noted that this would require no state or local legislation and would only require Council action to direct city funds to a specific entity. In 2006, the City will close \$150-\$170 million in TIF assessments, but those funds have already been calculated into the 2006 budget. The Subcommittee would also need to calculate how much annual revenue would be generated from an assessment base equivalent to the annual average amount of annually closed-out TIF assessment. A decision would need to be made of when to begin diversion of these funds. Mr. Marcoux noted that Milwaukee County, MATC and Milwaukee Public Schools could also be invited to commit their shares of retired TIF funds for housing.

Ms. Elmer will provide data on the existing TIFs and when they expire.

b) Mr. Soika recommended looking at using a percentage of annual general obligation bonds for housing. Since general obligation bonds are usually tied to tax-generating capital investments, Mr. Ries suggested looking at revenue generated by federal HOME and CDBG funds, as part of the basis for calculating the annual tax benefit for investing in affordable housing.

Ms. Elmer will research how much the City is bonding for on an annual basis and for what reasons.

c) The Subcommittee supported consideration of an increase in the real estate transfer fee. Sup. Dimitrijevic noted that the City and County are continually battling over the real estate transfer fee, but the County has been very supportive of affordable housing. She thinks the County would be open to a number of ideas for financing affordable housing. It was noted that changes to the real estate transfer fee would require a change in State law.

d) Ms. Dummer Combs would like the Subcommittee to look at linkage fees (requiring payment from developers, such as condominium developers or apartment conversions). Ald. Murphy was present and noted that he has looked at linkage fees in the past, but the City Attorney's Office was not supportive of this. Mr. Ries has some concerns as he feels that this places an extra burden on developers in the city versus the suburbs. Mr. Soika feels that apartment conversions would be the best form for linkage fees. At this point, Ms. Dummer Combs provided a table of funding sources for housing trust funds across the nation (Exhibit 1).

e) Ms. Murtaugh suggested a downtown parking fee.

f) She also suggested adding a \$1 fee for every \$30 ticket for entertainment within the City. It was noted this would require a change in State law.

g) Finally, she also suggested an increase in the hotel-motel tax. Ald. Murphy noted that this would also require a change in State law.

h) Mr. Shelledy suggested the sale of city property. Mr. Marcoux noted that many City properties are sold for \$1, which doesn't raise a large amount of revenue. Mr. Marcoux noted that it is a possible, but not a reliable, source of funds.

i) Mr. Soika asked if there are real estate filing fees that the City collects, but members and staff present were only aware of the rental property recording fee collected by the Department of Neighborhood Services.

j) Mr. Ries provided a Summary of Neighborhood Assistance Legislation created by LISC in August of 2005 (Exhibit 2), which provides a state tax credit for corporate and private contributions targeted at neighborhood improvement. This would require State legislation, but would provide an incentive for greater private sector investment in affordable housing development.

k) Ms. Dummer Combs noted that a portion of the city's Potawatomi revenue could be committed to the Housing Trust Fund.

l) Mr. Ries recommended continued consideration of the Minneapolis Neighborhood Revitalization Program, with the understanding that it would require changes in State law.

The Legislative Reference Bureau (LRB) will do a write-up on each of the suggestions in order to allow the Subcommittee to judge the fiscal impact of each. Ald. Murphy will request that the City Attorney and the Comptroller's Office attend the next Subcommittee

meeting to discuss the legal implications of any suggestions.

Mr. Soika recommended quantifying the economic benefit of increasing affordable housing (construction costs, increased tax revenue, etc.). Mr. Ries will try to get analyses from other cities related to this.

If members have other ideas, they may e-mail Ms. Elmer, who will pass the idea along to LRB, which will provide an analysis.

Ms. Elmer will also speak to Jennifer Gonda, who previously worked in the Budget office, related to her participation and data related to an affordable housing trust fund.

3. Administration of a Housing Trust Fund

This will be handled by the Organizational Criteria Subcommittee and will be added to its agenda for Thursday.

4. Set next meeting date and agenda

The next meeting date will be April 3rd at 1:30.

Meeting adjourned: 9:17 A.M.

*Linda M. Elmer
Staff Assistant*

Major U.S. Cities with Housing Trust Funds

City	Population	Rank by Size	Year Created	Funding Sources	Amount in Fund
New York, NY	8,104,079	1	2005	Battery Park City Authority Revenues Tax Increment Funds, Street Furniture Revenues, Program Income (including reprogrammed CDBG funds), Tobacco Settlement Funds, Hotel Occupancy Tax, City Business Tax	\$130 million through 2008
Los Angeles, CA	3,845,541	2	2000	City Corporate Funds	\$42 million with a goal of \$100 million
Chicago, IL	2,862,244	3	1989	Recording Fees (deeds and mortgages)	\$6.5 million 2004
Philadelphia, PA	1,470,151	5	2005	Linkage Impact Fees	\$15 million annually Total of \$59 million 1990-2004, \$3.65 million in 2003
San Diego, CA	1,263,756	7	1990	Interest on a \$10 million Corpus, Loan Repayments	\$1.25 million in 2004
San Antonio, TX	1,236,249	8	1988	Tax Increment Funds, Bond Funds, Loan	\$1.5 million in FY04-05, \$1.4 million in FY03-04
San Jose, CA	904,522	10	2003	(land sale) Land sales (Market Square Arena), developing	\$2 million
Indianapolis, IN	781,870	12	2004	Linkage Impact Fees	
San Francisco, CA	744,230	14	1987	Hotel/Motel Tax, General Fund, Capitalizes fund with UDAG (Urban Development Action Grants) payments	As of 2002, \$12 million
Columbus, OH	730,008	15	2000-2001	General Funds	\$2 million annually
Austin, TX	681,562	16	1999	Income from Hotel, General Obligation Bonds, CDBG	\$59 million over 5 years (\$29 million is CDBG)
Baltimore, MD	636,251	18	2005	Housing bonds, Property Sales, Loan repayment	\$45 million since 2001
Charlotte, NC	540,828	20	2001		

EXHIBIT

tabbles

3/15/06

Major U.S. Cities with Housing Trust Funds

City	Population	Rank by Size	Year Created	Funding Sources	Amount in Fund
Seattle, WA	571,480	23	1981	Property Tax Levy, City Fees	\$12+ million annually
Boston, MA	569,165	24	1986	Linkage Impact Fees	\$81.5 million since 1986
Denver, CO	556,835	25	1986	Interest in Corpus	
Washington, DC	553,523	27	1988	Real Estate Transfer Tax, Document Recording Fees, one-time commitment of \$25 million from land sale	\$45.4 million during 2003 and 2004 fiscal years
Nashville, TN	546,719	28	1996	UDAG Repayments, Metro Government Funds, private/local and state government grants	\$32 million + \$220 million in private financing
Portland, OR	533,492	30	1996	General Funds, HOME, CDBG, federal grants	\$48.8 million since 1996
Tucson, AZ (Pima County)	512,023	32	2005	Private Financing, Federal Block Grants, State Grants and Funding from the Industrial Development Authority of Pima County	\$1 million annually
Cleveland, OH	458,684	36	1991	CDBG and HOME funds	\$5 million to \$7 million annually
Miami, FL	379,724	46	1993	(Homeless Trust) Food and Beverage Tax, HOME, CDBG, SAIL, SHIP, LIHTC, AHP	\$6.8 million annually
Minneapolis, MN	373,943	48	2003	CDBG, HOME and ESG (Emergency Shelter Grant) funds	\$10 million since 2003
St. Louis, MO	332,223	53	2001	Sales Tax on out-of-state purchases over \$2,000	\$5 million annually
Milwaukee	583,624	22			

Updated Summary Neighborhood Assistance Legislation

August 2005

LISC

Local Initiatives Support Corporation

Prepared by: Arielle V. Linsky, State Policy Intern



Original research based on information from Neighbors Building Community,
Jenice L. View & Carol E. Wayman. Union Institute. 1995.

Revision of July 2001, September 2002, Summary Neighborhood Assistance Legislation

CONNECTICUT

Name of Program: R.E. Van Norstrand Neighborhood Assistance Act Program
Conception: 1982
Statute: Chapter 228a, §12.630-638
Oversight: Department of Revenue Services

Tax Credit Amount: 60%
State Credit Limit: \$5 million (\$3 million set aside for energy conservation, job training and programs serving low-income persons)
Project Credit Limit: No one entity shall be entitled to receive an aggregate amount of funding in excess of \$150,000 in any one fiscal year.

Minimum Business Donation (Credit): \$250
Maximum Business Donation (Credit): The maximum credit allowed to any business firm is \$75,000 annually and the maximum credit allowed in the aggregate to all business firms is \$5 million in any one fiscal year.
Tax Credit Carryover for Businesses: 2 year carryback

Donation Recipients: Nonprofit organizations, government organizations
Eligible Services: Childcare programs, community based alcoholism prevention or treatment programs, community services, crime prevention, education, health services, energy conservation, housing, job training, neighborhood assistance
Eligible Donations: Cash

Available Statistics:

	2000	2001	2002	2003	2004
Total number of approved business applications	832	474	453	386	371
Total number of participating businesses	441	241	205	206	202
Total number of participating organizations	368	390	376	376	339
Total number of approved programs	640	675	611	577	481
Total amount of donations to approved programs	\$6,043,236	\$4,087,528	\$3,589,583	\$4,456,929	\$3,520,110
Total amount of credit granted	\$3,332,144	\$2,326,712	\$2,640,996	\$2,674,157	\$2,112,066

Website: www.drs.state.ct.us

Contact: Susan Sherman, Legislative Program Manager
 Department of Revenue Services
 Research Unit
 25 Sigourney Street
 Hartford, CT 06106
 Phone: (860) 297-5687

Fax: (860) 297-5729

DELAWARE

Name of Program: Neighborhood Assistance Tax Credit
Conception: 1972/1999 (From 1972-1999, the Delaware Neighborhood Assistance Tax Deduction offered a 100% tax deduction of up to 5% of a corporation's income tax. As of June 30, 1999, the act was replaced with the Neighborhood Assistance Tax Credit, which allows a 50% tax credit on approved charitable donations to community-based organizations)
Statute: Title 30 Chapter 20 Delaware Code §§ 2001-2006. Rulemaking to be completed October 2002.
Oversight: Economic Development Office, Tax Appeal Board

Tax Credit Amount: 50%
State Credit Limit: \$500,000
Project Credit Limit: None

Minimum Business Donation (Credit): None
Maximum Business Donation (Credit): \$200,000 (\$100,000)
Tax Credit Carryover for Businesses: 5 years

Donation Recipients: Nonprofit organizations (specifically, community development corporations, community based organizations, and neighborhood organizations whose board consists of at least 51% of its members being part of the neighborhood or community), approved businesses

Eligible Services: Community services, crime prevention, education, healthcare services, housing, job training, neighborhood assistance, economic development

Eligible Donations: Cash, property, goods and services, technical assistance, stocks and bonds

Other: Programs within designated "impoverished areas;" creation of a Neighborhood Advisory Council, composed of representatives from both the public and private sectors, to provide guidance and recommendations to the Economic Development Office and Tax Appeal Board.

Available Statistics: Rulemaking for 1999 revisions to be completed October 2002. Under the previous program, only one company took advantage of the tax deduction. In 2005 two projects were approved for a total of \$45,000 for an existing business program.

Website: www.state.de.us/dedo

Contact: Barbara Rodgers
Delaware Economic Development Office
99 Kings Highway
Dover, DE 19901-7305
Phone: (302) 672-6828
Barbara.Rodgers@state.de.us
Fax: (302) 739-5749

FLORIDA

Name of Program: Community Contribution Tax Credit Program (CCTCP)
Conception: 1980
Statute: §§220.183, 624.5105, 212.08 (5) (q)
Oversight: Office of Tourism, Trade, and Economic Development

Tax Credit Amount: 50%
State Credit Limit: \$12 million (The state will reserve \$9.4 million of the credits for projects that provide homeownership opportunities for low-income persons)
Project Credit Limit: None

Minimum Business Donation (Credit): None
Maximum Business Donation (Credit): \$400,000 (\$200,000)
Tax Credit Carryover for Businesses 5 years

Donation Recipients: Nonprofit organizations (specifically community based development organizations), government organizations
Eligible Services: Community development projects, housing, job training, neighborhood development, and entrepreneurial development
Eligible Donations: Cash, property, goods, stocks and bonds

Other: Designated enterprise zones and Front Porch Florida Communities for community development projects (however, housing projects can be outside of EZ); businesses can donate to more than one project; contributions exclusively reserved for projects.

Available Statistics:

	FY 2002/2003			FY 2003/2004			FY 2004/2005		
	# Projects	# Donations	Tax Credits*	# Projects	# Donations	Tax Credits*	# Projects	# Donations	Tax Credits*
Project Areas:									
Community Development in EZ	22	79	\$1,085,544	9	51	\$1,377,231	5	51	\$1,948,382
Low-Income Housing in an EZ	2	67	\$2,236,786	2	45	\$1,570,529	3	34	\$1,349,250
Low-Income Housing not in an EZ	27	213	\$6,677,670	21	189	\$7,052,240	21	166	\$6,702,368
Total	51	359	\$10,000,000	32	285	\$10,000,000	29	251	\$10,000,000

* Tax credits awarded.

Website: <http://www.myflorida.com/myflorida/government/governorinitiatives/otted/>

Contact: Burt Von Hoff, Community Development Liaison burt.vonhoff@myflorida.com
 Executive Office of the Governor
 Office of Tourism, Trade, and Economic Development
 The Capitol, Suite 2001
 Tallahassee, FL 32399-0001
 Phone: (850) 487-0467 Fax: (850) 487-3014

ILLINOIS

Name of Program: Illinois Affordable Housing Tax Credit
Conception: 2001
Statute: Public Act 92-0491
Oversight: Illinois Housing Development Authority

Tax Credit Amount: Up to 50% tax credit
State Credit Limit: \$13m; increases by 5% for remaining four years
Project Credit Limit: None

Minimum Business Donation (Credit): \$10,000
Maximum Business Donation (Credit): None
Tax Credit Carryover for Businesses: Credit must be taken in one year; may be carried forward for up to five years if tax liability is insufficient

Donation Recipients: Nonprofit housing developers and CDC sponsors of affordable housing
Eligible Services: Rental and single family housing for very low income; employer assisted housing, technical assistance (including counseling), operating support
Eligible Donations: Money, securities, real and personal property
Other: Tied to income targets; City of Chicago has set-aside allocation

Available Statistics: Earlier Illinois legislation was not effective. 2001 revisions add new dimension to the program. Rulemaking has been completed.

Website: www.ihda.org/multifamilyfinancing/housingcredits

Contact: Charlotte Flickinger, Director of Tax Credits
Illinois Housing Development Authority
401 N. Michigan Avenue, Suite 900
Chicago, IL 60611
Phone: (312) 836-5240

Fax: (312) 832-2175

INDIANA

Name of Program: Neighborhood Assistance Program
Conception: 1984
Statute: § 6-3.1-9
Oversight: Indiana Housing and Community Development Authority

Tax Credit Amount: 50% of the contribution amount
State Credit Limit: \$2.5 million annually
Project Credit Limit: \$50,000 in tax credits per organization

Minimum Business/Individual Donation (Credit): \$100.00 (\$50.00 in tax credits)
Maximum Business/Individual Donation (Credit): \$50,000.00 (\$25,000.00 in tax credits)
Tax Credit Carryover for Businesses/Individuals: None

Donation Recipients: A business firm or a person who contributes to a neighborhood organization that is providing eligible services

Eligible Services: Community services (counseling, emergency assistance, medical care, recreational facilities, housing facilities, or economic development assistance), education, job training

Eligible Donations: Cash, check, credit card, stock that has been sold, land, or building materials

Other: NAP tax credits are offered annually for distribution by approved 501 (c) (3) not-for-profit corporations following the state fiscal year from July 1 to June 30. Organizations utilize the tax credits as incentives to encourage donations for certain neighborhood based activities. NAP tax credits are then subtracted from the donor's state income tax liability.

Available Statistics:

- 668 organizations awarded from 1997-1998 FY through 2005-2006 FY
- 138 applications received and 67 funded for 2005-2006 fiscal year
- Funding rate has been approximately 50% for several years (48% in 05-06 FY)
- Average tax credit award for 05-06 FY = \$37,313.43
- Activities funded in 05-06 (*Projects may encompass multiple activities; therefore calculations may count an organization more than one time*):

19 counseling, 9 child care, 9 medical care, 8 affordable housing, 8 emergency food assistance, 8 emergency shelter, 5 job training, 5 recreational facilities, 2 downtown revitalization, and 2 educational assistance.

Website: www.indianahousing.org under the subheading "Helping Communities"

Contact: Shazia Davis
Allocation Analyst sdavis@ihfa.state.in.us
Indiana Housing and Community Development Authority
30 South Meridian, Suite 1000
Indianapolis, IN 46204
Phone: (800) 872-0371; (317) 232-7777 Fax: (317) 232-7778

KANSAS

Name of Program: Kansas Community Services Program
Conception: 1994
Statute: §§79.32.194-199
Oversight: Department of Commerce

Tax Credit Amount: 50%, 70% (50% tax credit for projects in those rural areas with greater than 15,000 people; 70% tax credit for projects in areas containing less than 15,000 people)

State Credit Limit: \$4.1 million

Project Credit Limit: \$250,000 (50%), \$350,000 (70%)

Minimum Business Donation (Credits): \$250 (\$125, \$175)

Maximum Business Donation (Credits): None

Tax Credit Carryover: None

Minimum Individual* Donation (Credits): \$250 (\$125, \$175)

Maximum Individual* Donation (Credits): None

* As of July 1, 2001, individuals will be allowed to donate money in the Kansas Community Services Program.

Donation Recipients: Nonprofit organizations (specifically community service organizations), government organizations

Eligible Services: Community services (employment, food, housing, emergency assistance), crime prevention, healthcare services

Eligible Donations: Cash, property, goods and services, technical assistance, stocks and bonds

Other: Tax credits are awarded to approved nonprofit organizations, which in turn use the credits as incentives to encourage donations.

Available Statistics:

Year	# of Projects	# Businesses Applying for Credit	Tax Credits Awarded to Projects	Tax Credits Claimed by Projects	% Tax Credit Claimed
1999	30	995	\$5,000,000	\$3,575,293	71.5%
2000	29	961	\$5,000,000	\$4,135,356	82.7%
2001	26	1,114	\$4,130,000	\$4,105,449	99.0%
2002	28	1,231	\$4,130,000	\$4,130,000	100.0%
2003	29	1,711	\$4,130,000	\$4,130,000	100.0%
2004	27	1,647	\$4,130,000	\$4,130,000	100.0%

*Other information available: breakdown of credits by project.

KANSAS
(continued)

Website: <http://kansascommerce.com/>

Contact: J.R. Robl, Program Manager
Community Service Program
Kansas Department of Commerce and Housing
Community Development Division
1000 SW Jackson, Suite 100
Topeka, KS 66612-1354
Phone: (785) 296-3485

Fax: (785) 296-0186

LOUISIANA

Name of Program: Neighborhood Assistance Tax Credit
Conception: 1982
Statute: R.S. 47:35, R.S. 47:287.753
Oversight: Department of Revenue, Commissioner of Administration

Tax Credit Amount: Up to 70%
State Credit Limit: 1% of the corporation income tax of the previous fiscal year
Project Credit Limit: None

Minimum Business Donation (Credit): None
Maximum Business Donation (Credit): \$357,142 (\$250,000)
Tax Credit Carryover for Businesses: 5 years

Donation Recipients: Nonprofit organizations (neighborhood organizations), businesses administering neighborhood assistance projects
Eligible Services: Community services (counseling, emergency assistance, medical care), crime prevention, education, job training, neighborhood assistance
Eligible Donations: Cash, goods and services, technical assistance, stocks and bonds

Other: Tax credit must be approved by the local municipality, the Commissioner of Administration, and the Secretary of Revenue.

Available Statistics: N/A

Comments: Program is not funded at this time.

Website: N/A

Contact: N/A

MARYLAND

Name of Program: Community Investment Tax Credit
Conception: 1996
Statute: Title 5 Subtitle 14.01-13
Oversight: Department of Neighborhood Revitalization
Tax Credit Amount: 50%
State Credit Limit: \$1 million
Project Credit Limit: Initial limit of \$50,000, but can request extra funding

Minimum Business Donation (Credit): \$500 (\$250)
Maximum Business Donation (Credit): \$250,000 (\$125,000)
Tax Credit Carryover for Businesses: 5 years

Donation Recipients: 501 (c) (3) organizations
Eligible Services: Community services (including education and youth services, housing and community development job and self-sufficiency training, enhancing neighborhoods and business districts, arts, culture and historic preservation, technical assistance and capacity building and services for at-risk populations)
Eligible Donations: Cash, goods and stock.

Other: Tax credits are awarded to approved projects, which in turn use the credits as incentives to encourage contributions. Awards will be made to projects which either are located within or primarily serve residents of "priority funding areas."

Available Statistics: In Maryland, the nonprofits market the credits for capital projects or a service for at least two years. The organizations may request supplemental allocations of credits based on their track record and documentation of need. [The supplemental allocations for strong performers come from a pool of credits recaptured --after two or more years-- from non-performers.]

Year	# of Projects	# Businesses Applying for Credit	Tax Credits Awarded to Projects	Tax Credits Sold by Projects	% Tax Credit Claimed
1999	23	66	\$1,000,000	\$845,069	Data not Available
2000	34	114	\$998,884	\$921,011	Data not Available
2001	21	41	\$995,897	\$731,143	Data not Available
2002	40	138	\$960,000	\$650,899	Data not Available
2003 *	34	131	\$997,815	\$608,086	Data not Available
2004 *	49	117	\$1,000,000	\$285,402	Data not Available
2005 *	31	Pending	\$981,000.00	\$41,750.00	Data not Available

*To date, i.e., many of these projects are still actively marketing credits.

Website: <http://www.dhed.state.md.us/website/programs/cite/cite.aspx>

Contact: Mitra Basu basu@dhed.state.md.us
 Project Manager
 Division of Neighborhood Revitalization
 Maryland Department of Housing and Community Development
 100 Community Place
 Crownsville, MD 21032
 Phone: (410) 514-7255 Fax: (410) 987-4660

MICHIGAN

Name of Program: Neighborhood Assistance and Participation Act
Conception: 1980
Statute: §125.801-814
Oversight: Department of Labor (no longer in existence)

Tax Credit Amount: 50% Rebate
State Credit Limit: None
Project Credit Limit: None

Minimum Business Donation (Rebate): None
Maximum Business Donation (Rebate): \$100,000 (\$50,000 rebate) for the business's initial donation, increasing in \$100,000 (\$50,000) increments annually until total donation allowed is \$500,000 (\$250,000 Rebate)
Tax Rebate Carryover for Businesses: None

Donation Recipients: Nonprofit organizations (neighborhood organizations and community development commissions)
Eligible Services: Community services (counseling, recreational programs, emergency assistance, medical care), crime prevention, job training, physical revitalization
Eligible Donations: Cash

Other: The program applies to specific neighborhood areas that are considered "deteriorating environments."

Available Statistics: The program has been unfunded since 1982.

Website: N/A

Contact: N/A

MISSOURI

Name of Program: Neighborhood Assistance Program
Conception: 1978
Statute: §32.105-32.125, RSMo.
Oversight: Department of Economic Development

Tax Credit Amount: 50%, 70% (50% tax credit for projects in those areas with greater than 15,000 people; 70% tax credit for projects in areas containing less than 15,000 people)
State Credit Limit: \$18 million
Project Credit Limit: \$250,000 (50%), \$350,000 (70%)

Minimum Business Donation (Credit): None
Maximum Business Donation (Credit): \$500,000 (\$250,000, \$350,000)
Tax Credit Carryover for Businesses: 5 years

Donation Recipients: Nonprofit organizations, businesses administering neighborhood assistance projects
Eligible Services: Community services (counseling, mental health services, primary care services, child and adult day care centers, emergency assistance, substance abuse counseling, individual development accounts), crime prevention, education, job training, physical revitalization
Eligible Donations: Cash, property, goods and services, technical assistance, stocks and bonds
Other: Credits are awarded for projects for use for one, two, or three years.

Available Statistics:

Fiscal Year	Credits Awarded	Credits Issued*
1997	\$17,432,910	\$9,907,595
1998	\$20,597,918	\$10,038,299
1999	\$10,890,096	\$10,425,864
2000	\$17,986,106	\$12,572,577
2001	\$16,806,835	\$10,570,515
2002	\$15,472,826	\$10,543,250
**2003	\$14.8 million	\$12.2 million
**2004	\$14.7 million	\$9.8 million
**2005	\$16 million	\$11.3 million

*The credits issued column indicate figures for the current fiscal year only and not for the total life of the projects (ranging from one to three years).

** Missouri is still issuing credits for projects approved in these years.

Website: <http://www.ded.mo.gov/cd>
Contact: Brenda Horstman brenda.horstman@ded.mo.gov
 Community Development Program Coordinator
 Department of Economic Development
 Harry Truman Office Building, Room 770
 301 W. High Street, Post Office Box 118
 Jefferson City, MO 65102
 Phone: (573) 751-4539 Fax: (573) 822-4322

NEBRASKA

Name of Program: Community Development Assistance Act (CDAА)
Conception: 1985
Statute: §13-201-208
Oversight: Department of Economic Development
Tax Credit Amount: 40%
State Credit Limit: \$350,000
Project Credit Limit: \$25,000
Targeted Area Credit Limit: \$100,000 ("Targeted Area" defined as an area in which at least 50% of the residents are of a racial minority, 20% of citizens have incomes below poverty level, 70% have incomes less than 80% of the median family income in metropolitan area, and 9% are unemployed)

Minimum Business Donation (Credit): \$100 (\$40)
Maximum Business Donation (Credit): None
Tax Credit Carryover for Businesses: 5 years

Donation Recipients: Nonprofit organizations (specifically, community betterment organizations and community development corporations), government organizations (county, city, and villages discharging community assistance)

Eligible Contributors: Nebraska-based businesses and individuals

Eligible Services: Community services (youth, day care, and senior citizens centers, emergency assistance, counseling, home improvement services, recreational activities), crime prevention, education, human and healthcare services, housing, job training, physical facility and neighborhood development services

Eligible Donations: Cash, property, goods and services, technical assistance, stocks and bonds

Other: Projects must be situated in "chronic economic distress areas," defined by the State Legislature of Nebraska; Tax credits are awarded to approved nonprofit organizations, which in turn use the credits as incentives to encourage donations.

Available Statistics:

Fiscal Year	Number of Projects	Total Tax Credits Awarded to Projects	Total Tax Credits Claimed by Projects	Percent of Credit Claimed
2000	7	\$124,400	\$27,457	--
2001	14	\$250,000	\$138,180	--
2002	14	\$250,000	\$146,825	--
2003*	11	\$219,000	\$182,759	--
2004*	9	\$203,900	\$138,685	--
2005*	11	250,000	\$53,383	--

*As of June 30, 2005 (continued)

Website: <http://erd.neded.org/>
Contact: Dave Miller, CDAА Coordinator email: dave.miller@ded.ne.gov
 Nebraska Department of Economic Development
 Community and Rural Development Division
 301 Centennial Mall South, Post Office Box 94666
 Lincoln, NE 68509-4666
 Phone: (800) 426-6505 or (402) 471-3775 Fax: (402) 471-3778

PENNSYLVANIA

Names of Programs (3): Neighborhood Assistance Program: Neighborhood Assistance Program/Enterprise Zone (EZP); Neighborhood Assistance Program/Comprehensive Service Program (CSP) {replaced by the Neighborhood Partnership Program (NPP), though current CSP's will continue until they lapse}

Conception: 1967 (NAP), 1986 (NAP/EZP), 1995 (NAP/CSP); 2004 (NPP)

Statute: 62 P.S. §§ 2081-2089, 12 Pa. Code §135.1-135.44

Oversight: Department of Community and Economic Development

Tax Credit Amount: 20% (NAP/EZP), 50% (NAP), 70% (NAP/CSP/NPP)

State Credit Limit: \$18 million for all programs

Project Credit Limit: None (NAP), \$250,000 (NAP/EZP), \$175,000 (NAP/CSP/NPP)

Minimum Business Donation (Credit): None

Maximum Business Donation (Credit): NAP: \$500,000 (\$250,000); NAP/EZP: \$1.25 million (\$250,000); NAP/CSP: businesses can donate a maximum of \$250,000 (\$175,000 in credits) per project: two project maximum.

Tax Credit Carryover for Businesses: 5 years

Donation Recipients: Nonprofit organizations, businesses administering neighborhood assistance projects

Eligible Services: NAP: Community services (counseling, emergency assistance, medical care, recreation activities), education, job training, crime prevention, neighborhood assistance
 NAP/EZP: Real property improvements within the enterprise zone: rehabilitation, expansion or physical improvements to land or property owned by the business
 NAP/CSP/NPP: Those projects that serve clients who are low-income residents of economically distressed neighborhoods or that provide community and economic development activities within those neighborhoods: affordable housing programs, education, health and social services, community development, job training, crime prevention, community participation

Eligible Donations: Cash, property, goods and services, technical assistance, stocks

Other: Businesses can donate to more than one project; projects must be executed in designated "impoverished areas" or provide eligible services to clients with family income at or below 150% of the federal poverty guidelines.

Available Statistics:

Fiscal Year	Amount of Credit Awarded to Projects	Amount of Credit Claimed by Projects	Percentage of Credit Distributed
1997	\$10,427,150	\$6,809,139	65.30%
1998	\$10,170,350	\$5,228,600	51.41%
1999	\$8,657,433	\$6,112,372	70.60%
2000	\$9,611,089	N/A	N/A
2001	\$15,481,967	*N/A	N/A

*Includes tax credit awarded to NAP, NAP/EZP and NAP/CSP projects.

Website: www.NewPA.com

Contact: James Erta Reed, Chief, Human Resources Division jareed@state.pa.us
 Department of Community and Economic Development
 Center for Community Building, Office of Community Services
 4th Floor, Commonwealth Keystone Building
 Harrisburg, PA 17120-0225
 Phone: (717) 787-1984 Fax: (717) 214-5399

SOUTH CAROLINA

Name of Program: Community Economic Development Act
Conception: 2000
Statute: §34:43:10-50
Oversight: Department of Commerce

Tax Credit Amount: 33%
State Credit Limit: \$1 million/year for 5 years
Project Credit Limit: There is a limit of no more than \$250,000 Tax Credits per certified organization, per year (a limit of approximately \$750,000 dollars of cash investments per CDC-CDFI, per year).

Minimum Business Donation (Credit): None
Maximum Business Donation (Credit): None
Tax Credit Carryover for Businesses: 10 years

Donation Recipients: Nonprofit organizations (specifically, those organizations certified as community development corporations (CDCs) or community development financial institutions (CDFIs) by the Department of Commerce)

Eligible Services: Community services, education, housing development, entrepreneurship, job training, economic development, neighborhood assistance, provision of credit, capital or development services

Eligible Donations: Cash

Other: Certified nonprofit organizations use the credits as incentives to encourage donations.

Available Statistics: N/A

Website: http://www.secommerce.com/CDCs_tax.html

Contact: Shaunte Evans, Manager sevans@secommerce.com
Community Development Corporation Initiatives
South Carolina Department of Commerce
Division of Community & Rural Development
1201 Main Street, Suite 1600
Columbia, SC 29201
Phone: (803) 737-3837 Fax: (803) 737-0538

VIRGINIA

Name of Program: Neighborhood Assistance Program
Conception: 1981
Statute: § 63.2-2000 -- § 63.2-2006
Oversight: Department of Social Services

Tax Credit Amount: 45%
State Credit Limit: \$8 million (\$2.75 million allocated specifically for education programs)
Project Credit Limit: Changes annually, depending upon number of nonprofit applications;
the project credit limit for FY 2005 was \$350,000

Minimum Business Donation (Credit): \$889 (\$400)
Maximum Business Donation (Credit): \$388,889 (\$175,000)
Tax Credit Carryover for Businesses: 5 years
Minimum Individual Donation (Credit): \$500 (\$225)
Maximum Individual Donation (Credit): \$111,111.11 (\$50,000)

Tax Credit Carryover for Individuals: 5 years

* As of July 1, 2000, the legislation was expanded to grant tax credits to individuals donating under the program.

** Beginning January 1, 2002, the minimum and maximum donations for individuals were raised to \$900 and \$1666.67, respectively, with a change in tax credit value from 100% to 45% (resulting in a minimum credit of \$405 and maximum credit of \$750). Effective July 1, 2002, the minimum donation was changed to \$500. As of July 1, 2005, the maximum tax credit for cash donations by individuals increased to \$50,000.

Donation Recipients: Nonprofit organizations (specifically those whose primary function is to provide assistance for impoverished people)

Eligible Services: Community services, legal services, education, healthcare services, housing, job training

Eligible Donations: Business donors: cash, stock, goods, professional services, health care services, contracting services, real estate, and leased space
Individual donors: limited to cash donations

Other: Tax credits are awarded to approved nonprofit organizations, which in turn use the credits as incentives to encourage donations.

Available Statistics:

Fiscal Year	Number of Approved Recipients	Number of Businesses/Individuals Donating	Amount of Credit Awarded*	Amount of Credit Claimed by NPOs	Percent of Credit Claimed*
1997	289	2,204	~\$5.25m	\$4,404,325	83.9%
1998	227	1,312**	~\$5.25m	\$4,021,393	76.6%
1999	226	1,517	~\$5.25m	\$4,605,990	87.7%
2000	206	1,676	***~\$8m	\$5,949,194	74.4%
2001	222	5,020	~\$8m	\$6,849,810	85.6%
2002	235	4,859	\$8m	\$6,297,478	78.7%
2003	251	2,288	\$8m	\$6,286,695	78.6%
2004	255	2,090	\$8m	\$5,851,765	73.1%
2005***	220	1,475	\$8m	\$4,043,892	50.5%

*Program expanded to allow individuals to receive tax credits for cash donations.

**The drop in number of participants after FY96-97 was a result of legislation narrowing the scope of the program and limiting eligibility to nonprofits whose primary function is to provide assistance to impoverished individuals.

***The state credit limit was raised from \$5.25 million to \$8 million.

****As of July 21, 2005

*****Other information available: amount of donation and tax credit by business type, amount of donation and tax credit by donation type.

Website: <http://www.dss.virginia.gov/business/nap.html>

Contact: Maggie Wilson, Program Administrator maggie.wilson@dss.virginia.gov
Neighborhood Assistance Program
Office of Community Services
Virginia Department of Social Services
7 North Eighth Street, 3rd Floor
Richmond, VA 23219-3301
Phone: (804) 726-7923 Fax: (804) 726-7946

WEST VIRGINIA

Name of Program: Neighborhood Investment Program (NIP)
Conception: 1996
Statute: §11-13J
Oversight: West Virginia Development Office; NIP Advisory Board Twelve member council to select and approve projects, consisting of four officers of corporations licensed to do business in West Virginia, four executive directors of local non-profit organizations, and four economically disadvantaged persons of the state)

Tax Credit Amount: 50%
State Credit Limit: \$2 million
Project Credit Limit: None

Minimum Business Donation (Credit): \$500 (\$250)
Maximum Business Donation (Credit): \$200,000 (\$100,000)
Tax Credit Carryover for Businesses: None

Donation Recipients: Nonprofit organizations (specifically, community based organizations)
Eligible Services: Community services (counseling, emergency assistance, healthcare services), crime prevention, education, housing, job training, physical and environmental improvements
Eligible Donations: Cash, property, goods and services (due to a strict approval process, those services allowed are few), technical assistance, stock

Other: Tax credits are awarded to approved nonprofit organizations, which in turn use the credits as incentives to encourage donations; projects must occur within a certified "economically disadvantaged area;" the state collects a certification fee of three percent of every donation they issue credits for.

Available Statistics:

Fiscal Year	Number of Donation Recipients	Amount of Credit Awarded	Amount of Credit Claimed	Amount of Donations Received	Percent of Credit Distributed
1997	68	\$1,999,377	\$204,253	\$408,507	10.2%
1998	73	\$2,000,000	\$573,986	\$1,148,194	28.7%
1999	77	\$1,999,978	\$801,899	\$1,603,798	40.1%
2000	61	\$2,000,000	\$1,072,048	\$2,144,097	53.7%
2001	73	\$2,000,000	\$1,233,002	\$2,889,629	62%
2002	81	\$2,000,000	\$1,518,056	\$3,097,307	76%
2003	102	\$2,000,000	\$1,625,990	\$3,308,327	81%
2004	116	\$2,000,000	\$1,657,617	\$3,369,305	83%
**2005	121	\$2,000,000	\$1,760,920	\$3,945,677	88%

*Other information available: number of project applications, number of counties represented, total amount of credit requested, average amount of credit requested, and certification fee collected.

**Year-end close-out incomplete at the time of survey – statistics are not final

Website: <http://www.wvdo.org/index.cfm?main=/community/index>
Contact: Lisa Wells, Community Development Representative Lwells@wvdo.org
 West Virginia Development Office
 Capitol Complex, Building 6, Room 553
 Charleston, WV 25305-0311
 Phone: (304) 558-2001 Fax: (304) 558-2246

Year	Rate	Benefit	Eligibility	Max. Amount	Funding Source	Type of Program/Activity										Special Programs					Comments
						Comm	Crime	Edu	Health	Home	Jobs	Neigh	NPO	Govt	Club	Pres	G/S	T-A	S-B		
1982	60%	\$5m	\$125,000	\$75,000		X	X	X	X	X	X	X	X	X	X	X	X	X	X	2 yrs	Outreach focus: tax credit carryback
1972/1990 Rev.	50%	\$500,000	\$100,000	\$50,000		X	X	X	X ^H	X	X	X	X	X	X	X	X	X	X	5 yrs	Tax abatement to credit in 1999, reforming complete 2002
1980	50%	\$10m	\$400,000	\$200,000		X	X	X	X	X	X	X	X	X	X	X	X	X	X	5 yrs	Enterprise Zones
1993/2001 Rev.	Up to 50% tax abatement	13m	n/a	varies		X	X	X	X	X	X	X	X	X	X	X	X	X	X	5 yrs	Tried to income targets if used
1984	50%	\$2.5m	\$50,000	\$25,000		X	X	X	X ^H	X	X	X	X	X	X	X	X	X	X	None	Enterprise zones, Individuals can donate
1994	50%, 70%	\$4.1	none	varies		X	X	X	X ^H	X	X	X	X	X	X	X	X	X	X	None	Rural/Urban, Individuals can donate
1982	Up to 70%	1/3 of annual corporate income tax	\$357,142	\$250,000		X	X	X	X ^H	X	X	X	X	X	X	X	X	X	X	5 yrs	Rarely if ever used
1996	50%	\$1m	\$250,000	\$125,000		X	X	X	X ^H	X	X	X	X	X	X	X	X	X	X	5 yrs	Designated Neighborhood Revitalization Areas
1980	50%	Unlimited	\$250,000	\$125,000	Currently Unfunded	X	X	X	X ^H	X	X	X	X	X	X	X	X	X	X	None	Unfunded at present time
1978	50%, 70%	\$18m	\$500,000	\$350,000		X	X	X	X	X	X	X	X	X	X	X	X	X	X	5 yrs	Rural/Urban
1985	40%	\$350,000	none	none		X	X	X	X ^H	X	X	X	X	X	X	X	X	X	X	5 yrs	Chronic Economic Distress Areas
1967	20% EZP, 50% NAP, 70% CSP	\$18m	\$18m	\$175,000 project	\$250,000 (EZP), \$250,000 (NAP), \$350,000 (CSP each project)	X	X	X	X ^H	X	X	X	X	X	X	X	X	X	X	5 yrs	3 programs: NAP, Enterprise Zone (EZP), Comprehensive Service (CSP)
2000	33%	\$1m	none	none		X	X	X	X	X	X	X	X	X	X	X	X	X	X	10 yrs	Individuals can donate
1981	45%	\$8m	\$388,889	\$175,000		X	X	X	X ^H	X	X	X	X	X	X	X	X	X	X	5 yrs	Individuals can donate
1996	50%	\$2m	\$200,000	\$100,000		X	X	X	X	X	X	X	X	X	X	X	X	X	X	None	"Economically Disadvantaged Area"

G2 = goods & services
 S/B = stocks & bonds
 T-A = technical assistance
 X^H = health care services only
 X^S = stocks only
 * Organ does not have specific neighborhood assistance legislation however, several of the state's tax credit programs promote economic development.