



PRESS RELEASE

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STIMULUS FUNDING SAVES APARTMENT COMMUNITY AND JOBS

Governor Jack Markell, Senator Tom Carper and Delaware State Housing Authority (DSHA) Director Anas Ben Addi today announced that Hollybrook Farms, LP has received just over \$4.3 million in funding through American Recovery and Reinvestment Act of 2009, better known as ARRA, to renovate units at the housing community located in Laurel. Specifically, the funding was made available through ARRA's Tax Credit Exchange Provisions (TCEP). This funding will save the property from foreclosure and preserve 124 units of affordable housing, in addition to the federal annual subsidy of \$649,000. The project will also help boost the economy and provide nearly 200 jobs during construction.

Governor Markell said, "The only way we are going to get our economy going again is by creating jobs and getting Delawareans back to work," said Governor Jack Markell. "There will be 189 jobs associated with this project and businesses want to be in areas where their employees can find affordable housing. Delaware is truly a state of neighbors. When we find a problem, we put our heads together and get things done. Hollybrook Apartments is a great example of that."

Senator Carper commented, "This is stimulus funding doing exactly what it was intended to do—help the economy, create and sustain jobs, and support the completion of 'shovel-ready' projects. The stimulus funding is being put to good use here in Delaware."

DSHA Director Anas Ben Addi stated, "Delaware, like many other states, faces a shortage of affordable housing. Without this infusion of ARRA funding this property was in real danger of going into foreclosure. Delaware needs every single unit of affordable housing we have, so we cannot afford to let that happen. The tax credit programs have provided a much-needed boost to this industry. On behalf of Delaware's citizens, I would like to thank everyone—investors, developers, legislators, construction workers—for working together to see this project completed."

The Hollybrook Apartment community has 15 buildings with a total of 124 units. These buildings have been re-designed (new roofs, exterior siding, windows) with all new HVAC systems, new plumbing, bathrooms, kitchens, carpet, vinyl flooring and appliances. Appliances and HVAC are Energy Star®, six handicapped-accessible units have been completed, along with a new community building, new offices and a new maintenance building. The project is currently about 72 percent completed.

The U.S. Department of Agriculture, provider of the original financing for Hollybrook Apartments, also joined the celebration. Tammye H. Trevino, Administrator for Housing and Community Facilities Programs in USDA's Rural Development agency said, "Many times an extensive renovation of an existing Rural Rental Housing Property financed by USDA is a challenging undertaking. But, it is an effort well worth taking as it provides rural communities with decent, safe and quality affordable rental housing that many low-income residents can call home for years to come. On a larger scale it is a long term investment in this community and represents the useful nature of ARRA funding as it's delivered to communities across this nation. We salute the hard work and cooperation expended by many to get this revitalization effort to where it is today."

David Layfield and Jib Edwards are the developers of Hollybrook Farms, LP and have been working together, along with contractor Gillis Gilkerson, Inc., to renovate the site. Layfield noted, "Throughout my twenty years of developing affordable housing, Hollybrook has, by far, been the most challenging project. With more moving parts than a Swiss watch, it has taken a great deal of diligence and hard work to bring to fruition. Without the American Recovery and Reinvestment Act (ARRA) assistance, Hollybrook could not have been completed. We are eternally grateful for the assistance that ARRA has brought to Hollybrook and similar affordable housing communities all over the country." Edwards commented, "This property was first built over 30 years ago by my father and his partner, I am thankful for the support of all the dedicated professionals who were united in the idea of preserving decent affordable housing. I am also happy to see the quick application of American Recovery and Reinvestment Act (ARRA) was able to keep this project rolling forward and I think that when Washington D.C. envisioned the Act this was a project that was the correct application of the resources created by ARRA."

The TCEP is part of the American Recovery and Reinvestment Act of 2009. Housing Credit Agencies can exchange a portion of their housing credit ceiling for cash which can be used to finance the construction or acquisition and rehabilitation of qualified low-income housing buildings. The funding is provided through the Internal Revenue Service.

For more information, please contact Christina Hardin-Dirksen, Chief of Community Relations, at (302) 739-4263 or Christina@destatehousing.com. For more information on DSHA's programs, visit our website at <http://www.destatehousing.com>.

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