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Agencies Announce New Development Fund to Aid Rebuilding Efforts

Renaissance Guild encourages responsible land use

Gulfport, MS— The Gulf Coast Renaissance Corporation (Renaissance), along with the Mississippi Home Corporation (MHC), launched a new affordable housing development fund for the Gulf Coast at a press conference this afternoon. The Mississippi Gulf Coast Development Fund (MGCDF) will spur the development of workforce housing in the region by providing gap financing and direct lending to nonprofit and mission-driven developers who build owner-occupied and rental units for families making at or below 120% of the Area Median Income (around \$60,000 a year for a family of four).

“The MGCDF will help others build much-needed workforce housing on the Gulf Coast and ultimately provide a better quality of life for its residents,” said Renaissance Chairman Anthony Topazi. “The Coast needs more housing, but we don’t want to just help get more houses built. We want to help build attractive, diverse, sustainable communities,” said Topazi. “This loan fund is designed to insure this outcome.”

Developers who utilize the fund will also have to meet the high, but attainable, design standards of the Renaissance Builder & Developer Guild. The Guild, administered by Mississippi State University’s Gulf Coast Community Design Studio, was created to foster the redevelopment of communities as environmentally, economically, and socially sustainable through responsible land use practices with a particular focus on mixed-use and mixed-income communities.

“We want to help achieve the highest level of quality in the redevelopment of the Mississippi Gulf Coast - a quality that provides safe housing for all income levels,” said Topazi. “We want to see walkable communities where residents can live, work, learn and play.”

The MGCDF was made possible through private contributions to Renaissance. The Mississippi Home Corporation will service the loans for Renaissance.

Dr. Ben Mokry, Senior Vice President of the Mississippi Home Corporation, explained, “The Gulf Coast Development Loan Fund is designed to fill some of the construction lending gaps facing residential builders on the coast.”

Pursuant to its goal, the MGCDF provides both gap financing and direct lending to eligible borrowers to help finance the acquisition and construction of single and multifamily developments.

“The national credit crisis in residential housing has compounded the challenges facing coast rebuilding since Katrina,” said Mokry, emphasizing the importance of the MGCDF. “A small number of lenders were making site acquisition, predevelopment, and construction loans for smaller affordable residential housing before the recent credit crunch. Particularly the availability of acquisition loans, development financing often had terms and conditions that made it less financially feasible for smaller contractors to undertake development,” he said.

Anyone interested in the new Mississippi Gulf Coast Development Fund should contact the Gulf Coast Renaissance Corporation at 228-896-3386 or MHC at 800-544-6960.

Gulf Coast Renaissance Corporation is a 501(c)(3) nonprofit founded by the Gulf Coast Business Council following Hurricane Katrina with a mission to facilitate the development of mixed income communities which provide safe, quality, affordable housing for the workforce of the Mississippi Gulf Coast.

The Mississippi Home Corporation was created by the State in 1989 to serve as the State’s Housing Finance Agency. In that capacity, MHC administers the Mortgage Revenue Bond program and the Housing Tax Credit program, among others. MHC’s mission is to enhance Mississippi’s long-term economic viability by financing safe, decent, affordable housing and helping working families build wealth.

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