2026-2027 Qualified Allocation Plan Public Hearing

September 19, 2024

MINNESOTA HOUSING

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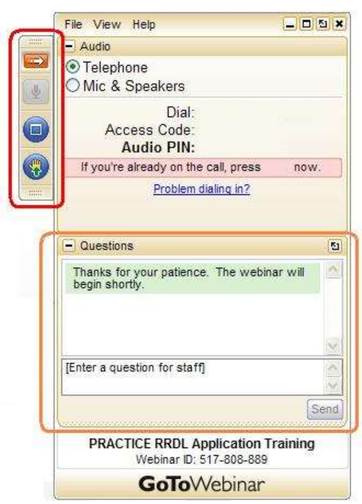
Virtual Meeting Logistics

- All participants muted.
- Please do not put your line on hold, this may trigger hold music.
- Attendance
- **For Comments:**
  - **Raise Hand function**
  - **Questions tab**
  - **5 minutes**
- Audio Troubleshooting



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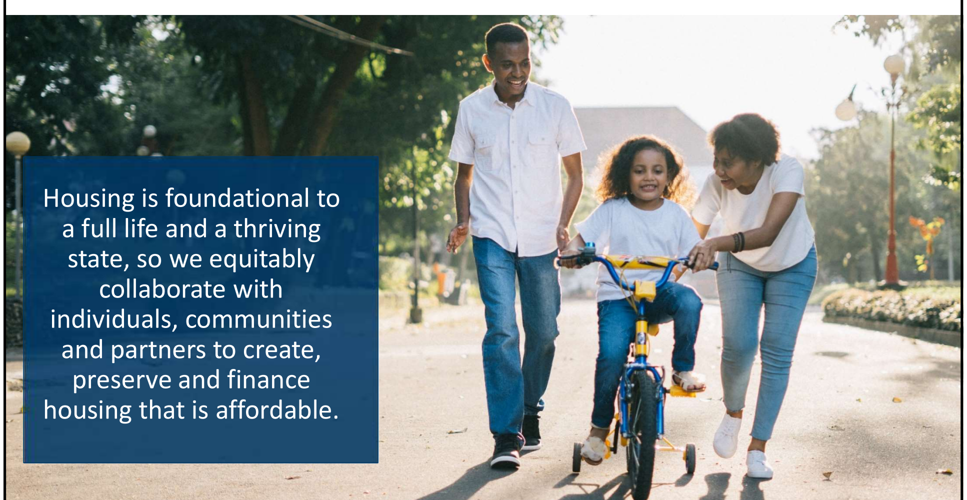
Acronyms and Shorthand

HTC - Housing Tax Credit

QAP - Qualified Allocation Plan

Section 42 -
Internal Revenue Code of 1986, § 42, 26 U.S.C. § 42

Our Mission



Agenda

1. Overview of HTC Program and QAP
2. Development Process
3. Public Comments
4. Adjourn at 11:00 A.M.

Handouts

1. 2026-2027 Qualified Allocation Plan Summary of *Additional* Proposed Changes
2. Qualified Allocation Plan
3. Self-Scoring Worksheet
4. Methodology Guide

What are Housing Tax Credits?

Low Income Housing Tax Credits are a federal resource

- Reduces investor’s federal tax liability for 10 years
- Investors buy HTCs and agree to 30 years or more of affordability
- Proceeds from sale of credits used for affordable housing

Outlined in Internal Revenue Code (IRC) Section 42 and Internal Revenue Service (IRS) guidance

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QAP Purpose

- IRS requirement
- Qualified Allocation Plan and Self-Scoring Worksheet
  - Geographic distribution and funding set-asides
  - Funding rounds, rules and procedures
  - Funding priorities

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QAP Development

- Public Feedback
  - Two public comment periods
- Initial Planning and engagement began in June 2023
- Release June 2024; Formal comment period June 6 – July 3
- First QAP Public Hearing June 27
- Release September 2024; Formal Comment period Sept 12- 20
- Board Approval – November 2024
- Governor Approval – December 2024 – January 2025

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QAP Proposed Changes

- **Greatest Needs Tenant Targeting**
- **Serves Lowest Income for Long Duration**
- **Increasing Housing Choice**
  - (previously Increasing Geographic Choice)
- **Supporting Community and Economic Development**
- **Building Characteristics**
- **Other language modifications**

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Public Comments Requested

Through tomorrow, September 20. 2024, 5 P.M.

- Written Comments
  - Email HTC.MHFA@state.mn.us
  - Mail to:

    Minnesota Housing, Attn: Tamara Wilson
    400 Wabasha Street North, Suite 400,

    St. Paul, MN, 55102
- Comments by Phone
  - Kelly Winter at 651.297.5142

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Public Comments

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