



STATE OF MICHIGAN

GRETCHEN WHITMER
GOVERNOR

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
LANSING

GARY HEIDEL
ACTING EXECUTIVE DIRECTOR

December 30, 2020

LOW-INCOME HOUSING TAX CREDIT PROGRAM

NOTICE OF TAX CREDIT FUNDING ROUND

The Michigan State Housing Development Authority (MSHDA) announces that the competitive funding round for 2021 Low Income Housing Tax Credit (LIHTC) will have **an application submission deadline of 5:00 p.m., February 1, 2021**. MSHDA will allocate the entire balance of Michigan's 2021 tax credit ceiling in the February 1, 2021 funding round. Credit will be allocated according to Michigan's 2021 Qualified Allocation Plan (QAP) and any subsequent administrative updates and administrative procedural modifications that have been posted to the Authority's website.

The February 1, 2021 funding round will make approximately \$28.2 million in annual LIHTC available to eligible applicants. All applicants are encouraged to review the 2021 QAP for a description of the allocation process to be followed in awarding the credit from the February round. The following is a breakdown of approximate credit available by Category:

Preservation Category	\$	4,226,653
PSH Category	\$	6,199,091
Open Category - Urban	\$	7,889,751
Open Category – Balance of State	\$	3,381,322
Strategic Investment Category	\$	2,817,769
Undesignated Category	\$	3,663,097
Total Credit Available:	\$	28,177,683

Additionally, as outlined in the 2021 QAP, allocations made from the Categories in the February 2021 funding round also counted towards the fulfillment of a Statutory Set-Aside. If these Set-Asides are not otherwise fulfilled from the allocations made from the Preservation Category, PSH Category, Open Category – Urban, Open Category – Balance of State, and Strategic Investment Category as mentioned above, then as applicable the Non-Profit Set-Aside, Rural Set-Aside, Elderly Set-Aside, and Distressed Set-Aside will be given priority for any allocations made from the Undesignated Category until the minimum amounts required are satisfied. Below is a breakdown of the minimum amount of credit that will be needed to fulfill the Set-Asides:

Rural	\$2,817,769
Elderly	\$2,817,769
Nonprofit	\$2,817,769
Distressed	\$8,453,305

Applications for projects financed with the proceeds of tax-exempt bonds and not requesting gap financing from MSHDA may be submitted at any time, as they are not subject to the state tax credit ceiling. However, they must follow the procedures and requirements outlined in the 2021 QAP. Credit will be allocated according to Michigan's 2021 QAP and Allocation Policy #6.

All applications must be submitted on the Authority's 2021 LIHTC Program Application and the Low-Income Housing Tax Credit Addendum I, and must include all required exhibits. **The Application and Low Income Housing Tax Credit Addendum I are available on MSHDA's web site: www.michigan.gov/mshda.**

As was previously the case for the June 1, 2020 funding round, the MSHDA offices in Lansing and Detroit will not be accepting hand-delivered applications. Applicants will be able to either submit their application electronically or via mail as long as it is received by MSHDA no later than 5:00pm on February 1, 2021. In order to assist MSHDA staff with their reviews while working remotely, if possible, applicants are highly encouraged to submit their application(s) electronically through the application submission portal in which a project folder will be created to provide access for person(s) identified.

Please submit all mailed LIHTC applications to:

MSHDA
Low Income Housing Tax Credit Program
735 East Michigan Avenue
PO Box 30044
Lansing, MI 48909

If you have any questions regarding any of the above items or general questions, please contact Chad Benson at bensonc@michigan.gov or (517) 582-2302.