



M E M O R A N D U M

TO: Interested Parties

FROM: Andrew Martin, Director of Rental Development

DATE: August 16, 2016

RE: LIHTC Program updates

This memo is intended to provide potential applicants and stakeholders interested in Michigan's Low Income Housing Tax Credit ("LIHTC") program with updates to application materials and clarifications to program requirements. The documents listed below have been updated to be consistent with the 2017-2018 Qualified Allocation Plan ("QAP") and Scoring Criteria. These documents should be used with all application submissions going forward with the exception of projects already funded. The documents listed below are being posted to MSHDA's website concurrently with the issuance of this memo.

- The following documents have been updated to coincide with the changes in the 2017-2018 QAP and Scoring Summary and to make general improvements in key areas.
 - LIHTC Program Application
 - Addendum I
 - Addendum III Checklist and Application
 - 10% Certification Exhibit Checklist
 - Placed in Service Exhibit Checklist
- Scoring Criteria
 - Please note for the October 2016 Funding Round, points under Scoring Criteria F. 3, Targeted Supporting Housing Populations, will not be available to any applicant. The targeted population of "Homeless Frequent Emergency Department Users with Care Needs" has not been clearly defined and all details have not yet been worked out for this population. MSHDA has been working with the Michigan Department of Health and Human Services (DHHS) to get the necessary information and data in place to be able to implement this scoring criterion, but more work needs to be done. Once the details have been fully worked out further guidance will be released and these points will be available in future funding rounds.
 - The Cost Containment and Credit Efficiency has been updated to (1) include the most recent funding round data, (2) remove the oldest funding round data, and (3) update the inflation factors with recent data.
 - The Low Income Targeting was updated to better function for projects that are structured as a mixed-use development through a condominium structure. The scoring criteria was also updated to clarify that projects with Project Based Rental Assistance (PBRA) cannot count the rental assistance towards points in PSH units. Only PBRA in non-PSH units are eligible for point in the Low Income Targeting section.

- Tab W in MSHDA's Combined Application
 - Some of the tabs in A through QQ have been eliminated if the program or information contained in the tab was out of date and irrelevant. Tab W, Policy 6 was updated to reflect the new QAP.

Questions

If you have any questions regarding any of the updates, the upcoming October 3, 2016 Funding Round, or the LIHTC program, please contact LIHTC staff at (517) 373-6007.