

## Comparison of Current Statute to HAVEN Proposal

Topic	Current Statute	Under HAVEN
<b>Aggregate Bond Limit Definition</b>	Definition does not exist in the current statute.	55% of the reasonably expected basis of the project.
<b>Area Median Income (AMI) Definition</b>	Definition does not exist in the current statute. Income restrictions apply with use of tax credits.	Area Median Income published by HUD, adjusted for household size.
<b>Workforce Housing Definition</b>	Definition does not exist in the current statute.	For at least 15 years following completion, at least 80% of the units are occupied by tenants whose adjusted income does not exceed 60% of AMI and at least 80% of the units in the Project are rent restricted to an amount of 30% of 60% of AMI.
<b>Determination of Annual Volume Cap - Single Family Reservation</b>	<p>Out of the Housing Pool allocation, 31 percent of the adjusted allocation is reserved until the last Monday in July for single family housing programs.</p> <p>In 2017, there is \$182.6 million in the Housing Pool allocation and 31 percent reserved for single family housing programs is \$56.6 million.</p>	Eliminated in this section. Single family housing is an eligible use as Priority #4 (see Eligible Projects below).
<b>Manufacturing, Housing and Public Facilities Pools - Allocation Application for Housing Pool</b>	Submittal of an application, which should include a statement from applicant, as to whether the project preserves existing federally subsidized housing and whether the project is restricted to persons who are 55 years of age or older	Submittal of an application, along with a statement from applicant which states, whether the project preserves existing federally subsidized housing, whether owner intends to apply for low income housing tax credits, whether the project meets definition of workforce housing and whether the tax -exempt bond request exceeds the aggregate bond limit
<b>Manufacturing, Housing and Public Facilities Pools - Housing Pool Priority Order</b>	<p>After the reservation for single family housing, <b>Eligible projects in priority order:</b></p> <ol style="list-style-type: none"> <li>1. Projects that preserve existing federally subsidized housing,</li> <li>2. Projects not restricted to persons who are 55 years or older, and</li> <li>3. Other residential projects</li> </ol>	<p><b>Eligible projects in priority order:</b></p> <ol style="list-style-type: none"> <li>1. Preserve existing federally subsidized housing and aggregate amount of bonds requested do not exceed the bond allocation;</li> <li>2. Projects that intend to apply for low income housing tax credits and meet the definition of workforce housing and the aggregate amount of bonds requested do not exceed the aggregate bond limitation;</li> <li>3. Other residential projects that intend to apply for low income housing tax credits;</li> <li>4. Single family housing programs; and</li> <li>5. Other residential projects.</li> </ol> <p>If there one or more applications with equal priority and insufficient bonding authority in one period, the available bonding authority will be awarded by lottery, including partial allocation until all awarded. If partial allocation is awarded and project applies for a future allocation, the project will be fully funded in the future before a new project is funded in such priority.</p>

<b>Allocation of Unified Pool - Application for Residential Projects</b>	Submittal of an application, which should include a statement from applicant as to whether the project preserves existing federally subsidized housing and whether the project is restricted to persons who are 55 years of age or older	Submittal of an application along with a statement from the applicant, which states whether the project preserves existing federally subsidized housing, whether the owner intends to apply for low income housing tax credits, whether the project meets the definition of workforce housing, whether the aggregate amount of the bonds requested in the application for the same project exceeds the aggregate bond limitation.
<b>Allocation of Unified Pool - Priority Order</b>	<b>Eligible projects in priority order:</b> <ol style="list-style-type: none"> <li>1. Projects that preserve existing federally subsidized housing;</li> <li>2. Projects that are not restricted to persons who are 55 years of age or older; and</li> <li>3. Other residential rental projects.</li> </ol>	<b>Eligible projects in priority order:</b> <ol style="list-style-type: none"> <li>1. Residential rental projects that preserve existing federal subsidized housing and the aggregate amount of bonds requested do not exceed aggregate bond limitation;</li> <li>2. Residential rental projects that intend to apply for low income housing tax credits, meet the definition of workforce housing and the aggregate amount of bonds requested do not exceed the aggregate bond limitation;</li> <li>3. Other residential rental projects that intend to apply for low income housing tax credits; and</li> <li>4. Other residential projects.</li> </ol> <p>If there one or more applications with equal priority and insufficient bonding authority in one period, the available bonding authority will be awarded by lottery, including partial allocation until all awarded. If partial allocation is awarded and project applies for a future allocation, the project will be fully funded in the future before a new project is funded in such priority.</p>
<b>Unified Pool - Small Issue Pool</b>	Amount for small issue bonds in the Unified Pool, to the extent available, from first Monday in August through last Monday in November.  Balance is transferred to Minnesota Housing on December 1.	Amount for small issue bonds in the Unified Pool, to the extent available, from first Monday in August through last Monday in October.  This timing shift allows other applications for the balance of Unified Pool funding before the transfer of the balance to Minnesota Housing.
<b>Allocation Plan</b>	No plan required	By January 15 <sup>th</sup> of each year, MHFA shall prepare a tax exempt bond allocation plan that identifies: <ol style="list-style-type: none"> <li>1. The amount of tax exempt bonds allocated to MHFA during previous calendar year;</li> <li>2. Whether MHFA intends to carry forward bonds not otherwise allocated in previous year; and</li> <li>3. The carry forward balance of any tax exempt bonds allocated to MHFA.</li> </ol> <p>Prior to January 15<sup>th</sup> of year, MHFA must post on its website the bond allocation plan and invite public comment until February 1, and when the public comment period closes, such plan can be filed with the IRS.</p>