



STATE OF MICHIGAN

GRETCHEN WHITMER
GOVERNOR

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
LANSING

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EXECUTIVE DIRECTOR

February 16, 2023

LOW INCOME HOUSING TAX CREDIT PROGRAM

NOTICE OF TAX CREDIT FUNDING ROUND

The Michigan State Housing Development Authority announces that the second competitive funding round for 2023 Low Income Housing Tax Credit will have **an application submission deadline of 5:00 p.m. Eastern time, April 3, 2023.** MSHDA will allocate the remaining balance of Michigan’s 2023 tax credit ceiling in the April 3, 2023 funding round. Credit will be allocated according to Michigan’s 2022-2023 Qualified Allocation Plan and any subsequent administrative updates and administrative procedural modifications that have been posted to the Authority’s website. Applicants should pay special attention to the due dates outlined in Section V.A. of the 2022-2023 Qualified Allocation Plan as some of the due dates are prior to the April 3, 2023 Funding Round deadline.

The April 3, 2023 funding round will make approximately \$13 million in annual LIHTC available to eligible applicants. All applicants are encouraged to review the 2022-2023 QAP for a description of the allocation process to be followed in awarding the credit from the April round. The following is a breakdown of approximate credit available by Category:

PSH Category	\$	3,434,409
Open Category - Urban	\$	3,899,470
Open Category – Balance of State	\$	2,067,277
Strategic Investment Category	\$	110,554
Undesignated	\$	3,542,000
Total Credit Available:	\$	13,053,710

Additionally, as outlined in the 2022-2023 QAP, allocations made from the Categories in the October 2022 funding round also counted towards the fulfillment of a Statutory Set-Aside. Based on the allocations made from the October 2022 funding round, the Set-Aside requirements for the Nonprofit Set-aside, the Rural Set-Aside, the Elderly Set-Aside and the Tribal Housing Set-Aside have been met. The Distressed Set-Aside is unmet at this time. If this Set-Asides is not otherwise fulfilled from the allocations made from the PSH Category, Open Category – Urban, Open Category – Balance of State, and Strategic Investment Category as mentioned above, then as applicable the 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 Distressed Set-Aside:

Distressed	\$	4,699,784
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Applications for projects financed with the proceeds of tax-exempt bonds 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 2022-2023 Qualified Allocation Plan. Credit will be allocated according to Michigan's 2022-2023 Qualified Allocation Plan and Allocation Policy #1 and #6.

All applications must be submitted on the Authority's 2022-2023 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 per the 2022-2023 QAP, the MSHDA offices in Lansing and Detroit will not be accepting hand-delivered applications. Applicants will be able to submit their application electronically as long as it is received by MSHDA no later than 5:00 p.m. Eastern time on April 3, 2023. **Applicants must 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. Approximately two weeks prior to the funding round deadline, the Application Portal will be made available on MSHDA's web site: www.michigan.gov/mshda.

If you have any questions regarding any of the above items or general questions, please contact Elizabeth Rademacher at rademachere3@michigan.gov or (517) 290-6732.