

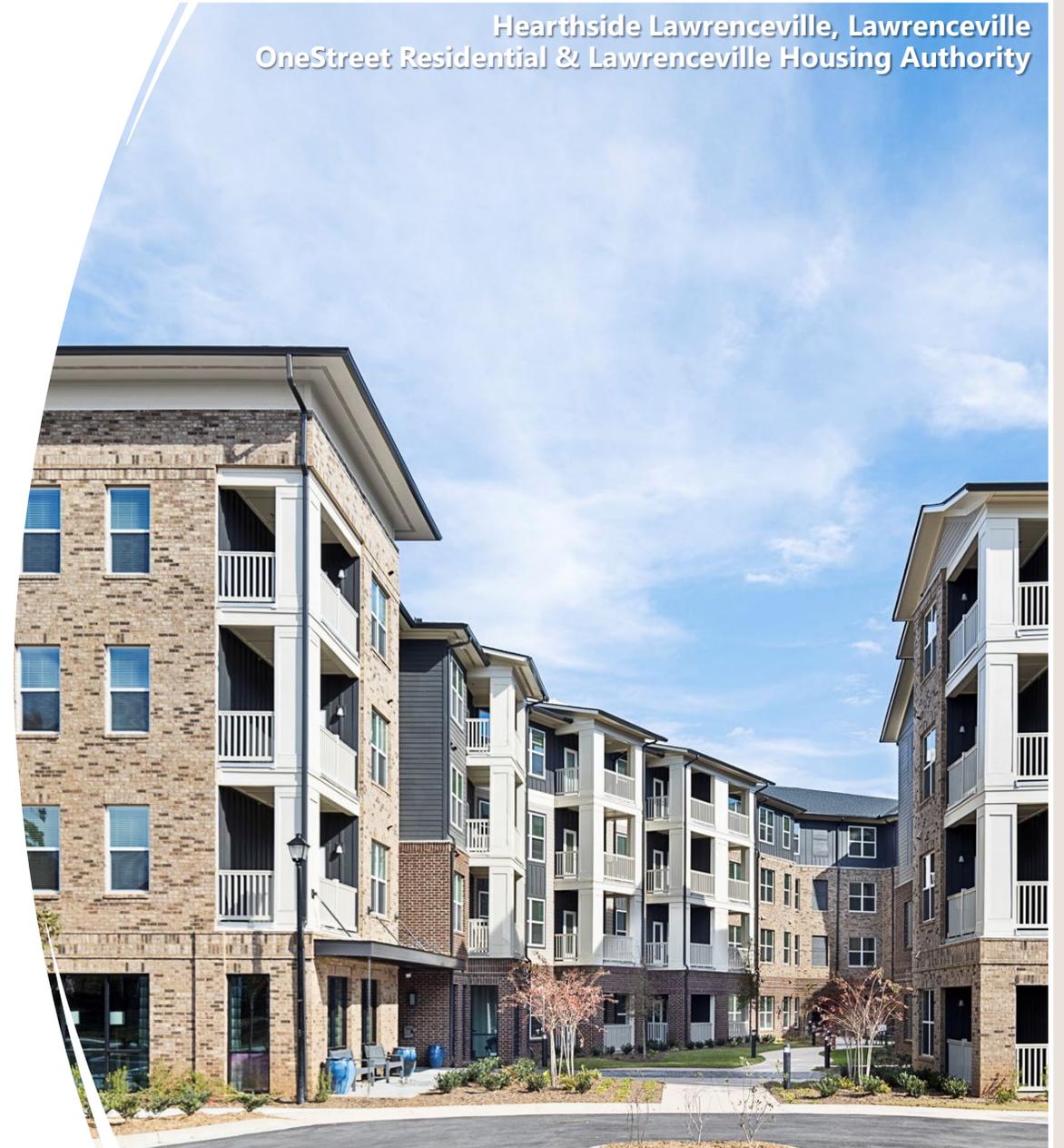
Hearthside Lawrenceville, Lawrenceville
OneStreet Residential & Lawrenceville Housing Authority

Housing Tax Credits

2024 GICH Retreat

April 16, 2024 | Tifton, Georgia

Mitch Kelly, Georgia DCA



DCA Organizational Flow



Commissioner
Christopher Nunn



Deputy Commissioner, Housing Assistance & Development
Philip Gilman



Division Director, Housing Finance & Development
Tommy Lowmon



Director, Office of Housing Finance
Mitch Kelly

Who is in the audience?

Reading the Room

You know about Housing Tax Credits

Reading the Room

You know about Housing Tax Credits

You don't know about Housing Tax Credits

Reading the Room

You know about Housing Tax Credits

You don't know about Housing Tax Credits

You have played a role in a Housing Tax Credit Development

Reading the Room

You know about Housing Tax Credits

You don't know about Housing Tax Credits

You have played a role in a Housing Tax Credit Development

You would like to learn more about Housing Tax Credits

Rivian's Georgia plant will be one of the industry's biggest

Rivian's nearly 2,000-acre vehicle production campus near Atlanta will feature an "adventure trail" and test track.

March 14, 2022 12:00 AM

Sewon America Announces 740 New Jobs in Effingham County

Hyundai Motor Group to Invest \$5.54 Billion in Georgia at First Fully Dedicated Electric Vehicle and Battery Manufacturing Facility

Microsoft plans to expand in Atlanta, turn city into major hub

Gov. Kemp and Visa Announce New Office Hub in Atlanta Will Create 1,000 Jobs

Home Manufacturer ADMARES to Create Over 1,400 Jobs in Ware County

Governor: Norfolk Southern Moving Headquarters to Atlanta

Railroad company Norfolk Southern Corp. is moving its headquarters from Norfolk, Virginia, to Atlanta, bringing with it 850 jobs and more than \$500 million in economic investment, Georgia Gov. Nathan Deal announced Wednesday.

By Jeff Martin and Ben Finley, Associated Press

Dec 13, 2018

Seohan Auto Georgia Announces 180 New Jobs in Liberty County

GOVERNMENT & POLITICS

FOR THE RECORD

Kia plant CEO tells state lawmakers affordable housing shortage hurting worker recruitment

BY: STANLEY DUNLAP - SEPTEMBER 29, 2022 7:57 PM



Housing Continuum

Temporary Housing | Supportive Housing | Rental (Workforce & Senior) | Homeownership

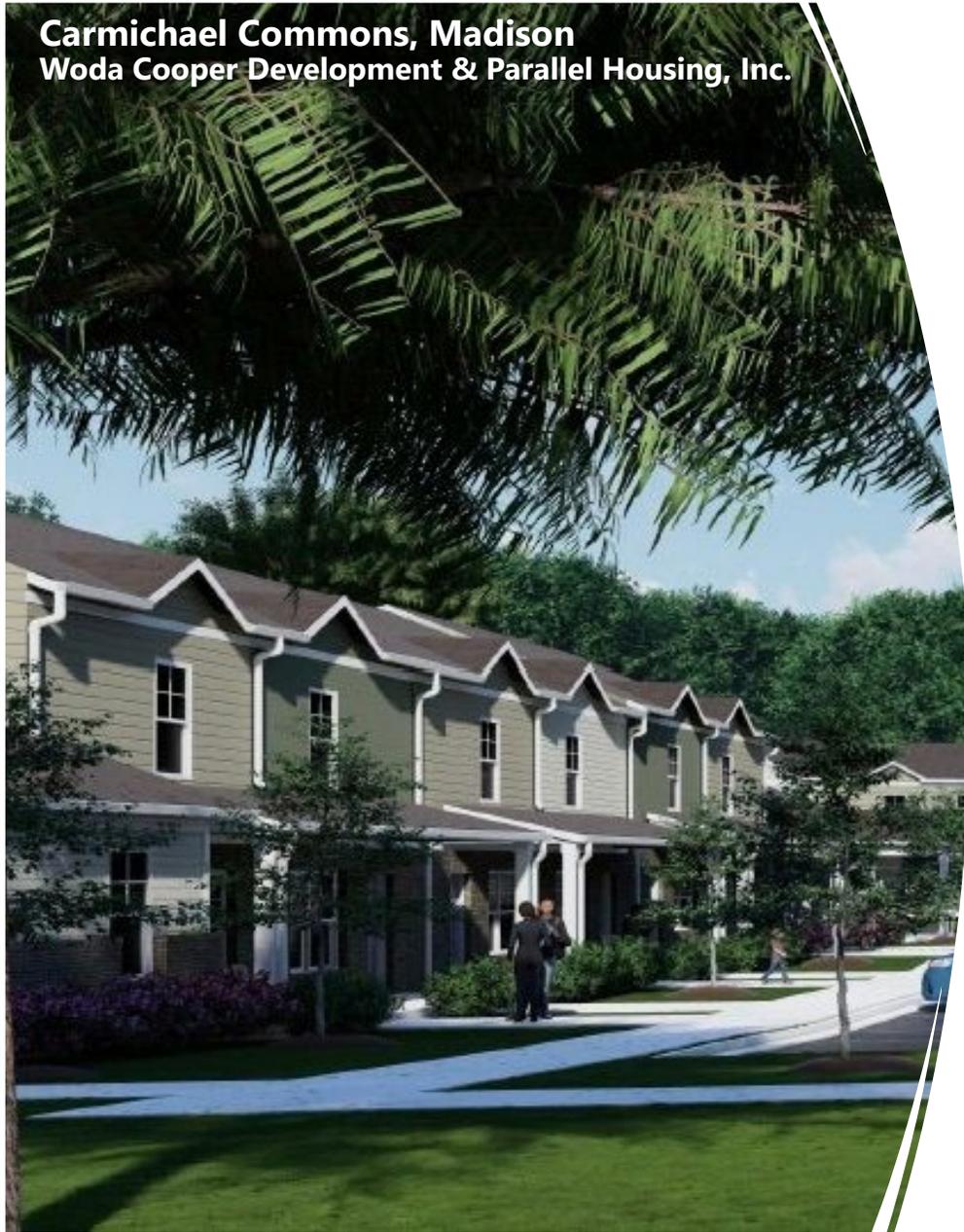
HOME-ARP

Housing Tax Credits

Rural Workforce Housing Initiative

CHIP

Carmichael Commons, Madison
Woda Cooper Development & Parallel Housing, Inc.



Basics

What is the Housing Tax Credit?

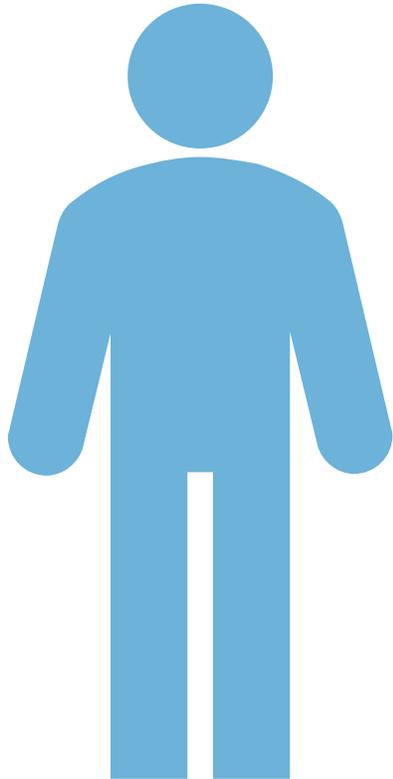
"an indirect federal subsidy used to finance the construction and rehabilitation of low-income affordable rental housing."

- **Novogradac**

Housing Tax Credit Basics

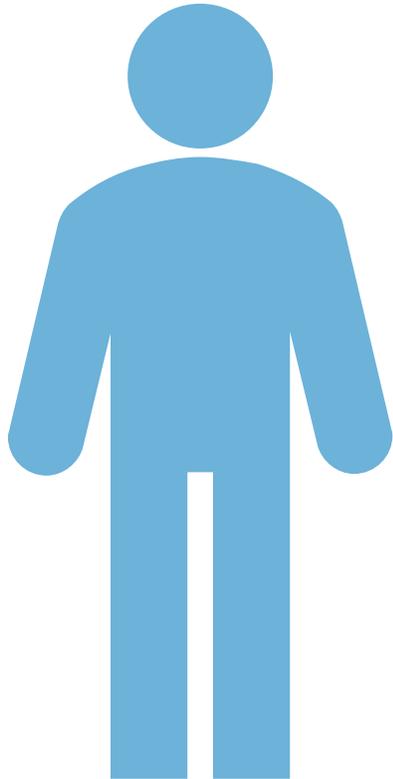
- Investor receives an annual tax credit for 10 Years
- Equity investment → less debt → lower rents
- Affordability for 30 years
- 4% or 9% Tax Credits
- Since 1986, over 3 million affordable homes (~90,000 per year) have been built.
- Bipartisan support

Example: Buying a House



Sale Price:	\$100,000
Down Payment:	\$20,000
Monthly Mortgage:	\$620
Annual Salary:	~\$22,000/yr

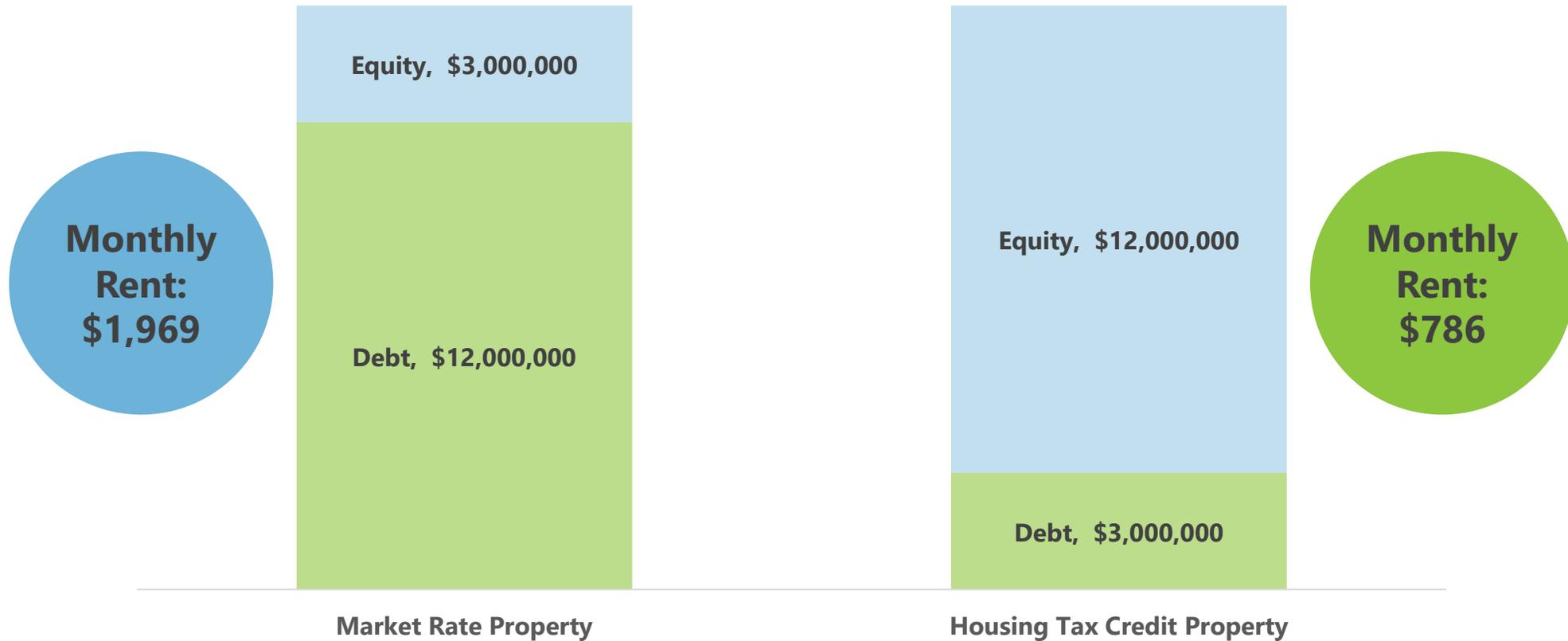
Example: Buying a House



Sale Price:	\$100,000
Down Payment:	\$20,000
Down Payment:	\$70,000
Monthly Mortgage:	\$232
Annual Salary:	~\$8,000/yr

Housing Tax Credit Effect

Cost to Construct - \$15 Million



Who do we serve?

0-80% AMI
(Area Median Income)

60% AMI - \$46,440

80% AMI - \$61,920

4-person Household in Tift County

Important Dates

9%

May

9% Housing Tax Credit application deadline

September-October

9% Housing Tax Credit award announcements

4%

October

4% Housing Tax Credit/
Bonds application deadline

January-February

4% Housing Tax Credit/
Bonds award announcements

Important Dates

9%

May

9% Housing Tax Credit
application deadline

QAP

- IRS Requirement
- Every state HFA has a QAP
- “Rulebook” for how DCA allocates tax credits
- DCA updates its QAP biannually
- Three sections:
 - 1. Core Section (administrative topics)
 - 2. Threshold (minimum requirements)
 - 3. Scoring (points are king)

QAP



STATE OF GEORGIA

2024-2025

QUALIFIED ALLOCATION PLAN

Georgia Housing Credit Program

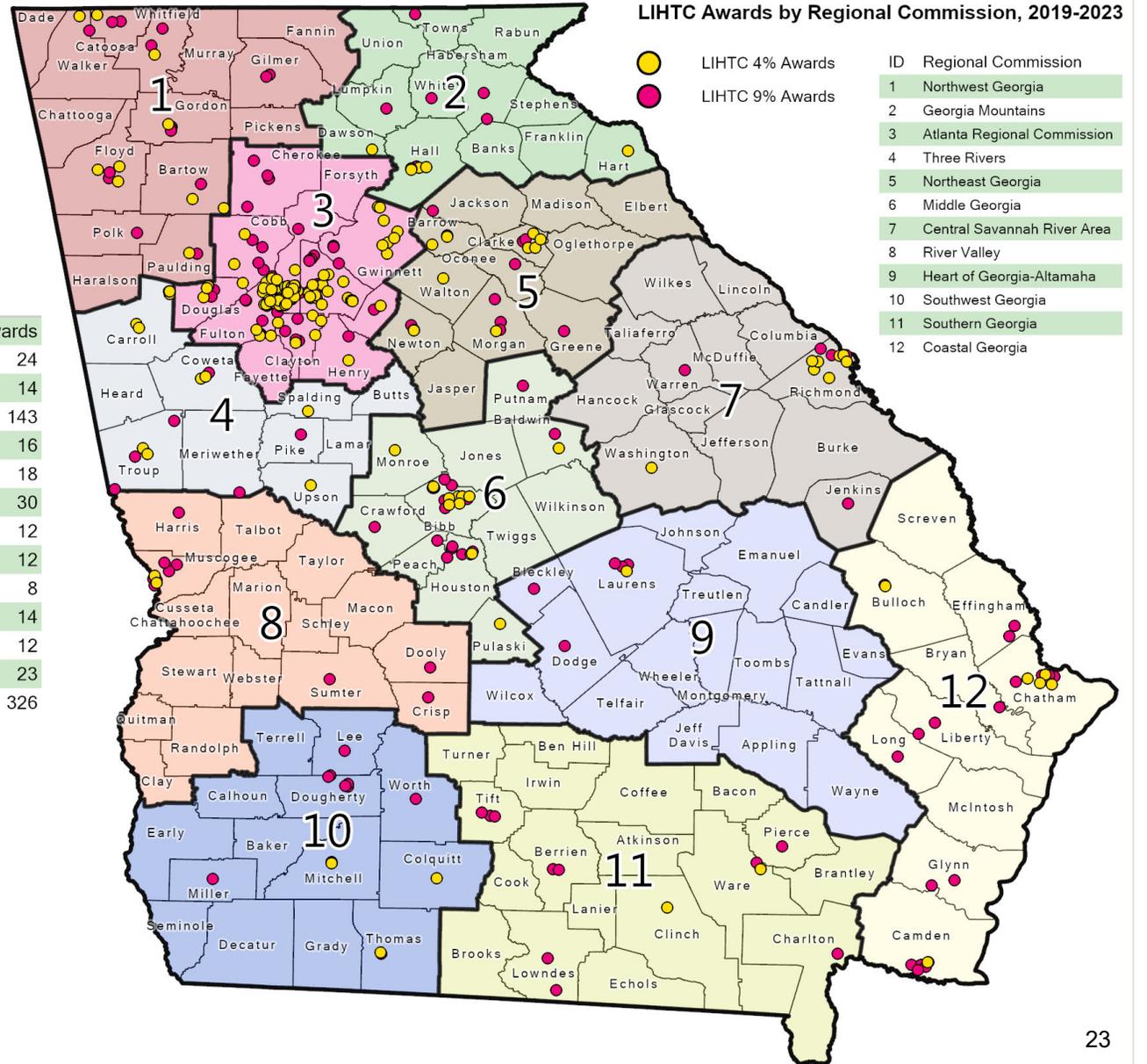
Geographic Spread

- 3 Geographic Locations: Rural, Atlanta Metro, and Other Metro
- DCA ranks applications within each geographic pool
 - Ex. Applications in Pooler will not be compared to applications in Atlanta

Geographic Pool	Target Allocation of 9% Credits: New Supply competition
Rural	35%
Other Metro	35%
Atlanta Metro	30%

Geographic Spread

ID	Regional Commission	2019	2020	2021	2022	2023	Four Percent	Nine Percent	Total Awards
1	Northwest Georgia	12	5	2	3	2	10	14	24
2	Georgia Mountains	4	5	3	1	1	6	8	14
3	Atlanta Regional Commission	37	63	12	22	9	92	51	143
4	Three Rivers	5	7	1	2	1	9	7	16
5	Northeast Georgia	5	7	1	3	2	10	8	18
6	Middle Georgia	9	11	4	2	4	18	12	30
7	Central Savannah River Area	4	5	0	2	1	2	10	12
8	River Valley	3	4	1	4	0	2	10	12
9	Heart of Georgia-Altamaha	4	2	2	0	0	3	5	8
10	Southwest Georgia	6	1	0	4	3	2	12	14
11	Southern Georgia	1	2	0	5	4	2	10	12
12	Coastal Georgia	9	3	4	6	1	6	17	23
Totals:		99	115	30	54	28	162	164	326



Columbia Canopy at Grove Park, Atlanta
Columbia Residential

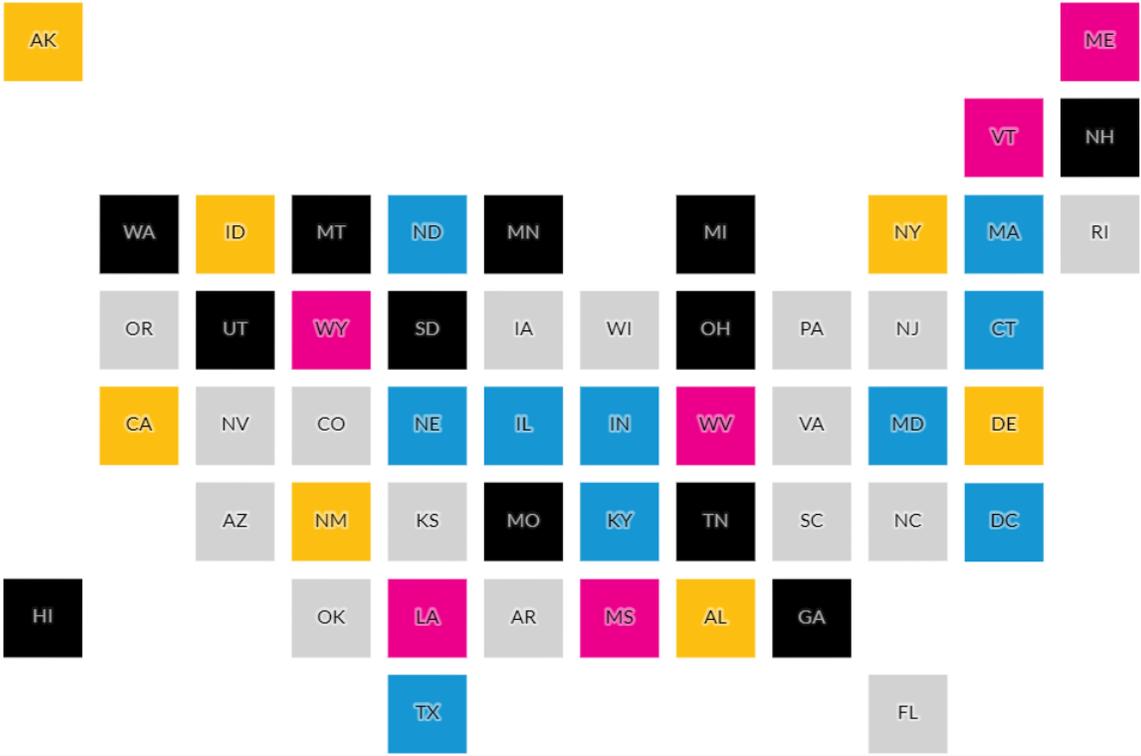
Impact & Benefits



Impact in Georgia

Low Income Housing Tax Credits Finance at Least 15 Percent of New Multifamily Housing in 40 States

■ 4.0-14.9 percent
 ■ 15.0-19.9 percent
 ■ 20.0-24.9 percent
 ■ 25.0-35.0 percent
 ■ More than 35 percent



LIHTC Provides Much-Needed Affordable Housing, But Not Enough to Address Today's Market Demands
Urban Institute

Economic Impact and Research

Jobs

- 100 newly constructed Housing Tax Credit units → 190 jobs

(National Association of Home Builders for Enterprise Community Partners, 2023)

Taxation Revenue

- 100 newly constructed Housing Tax Credit units → \$7.9 Million in Tax Revenue

(National Association of Home Builders for Enterprise Community Partners, 2023)

Economic Impact

- \$1 in State Housing Tax Credits → \$5.79 in Economic Activity

(Center for Housing and Community Research, College of Family and Consumer Sciences Department of Agricultural and Applied Economics – University of Georgia for the Georgia Affordable Housing Coalition, 2023)

Property Performance

- Only 1/2 of 1% of Housing Tax Credit properties have faced foreclosure

(CohnReznick, "Affordable Housing Credit Study," 2021)

Impact in Georgia



35,509

units created or
preserved



328

developments
funded



117

communities
served

5-Year Impact (2019-2023)

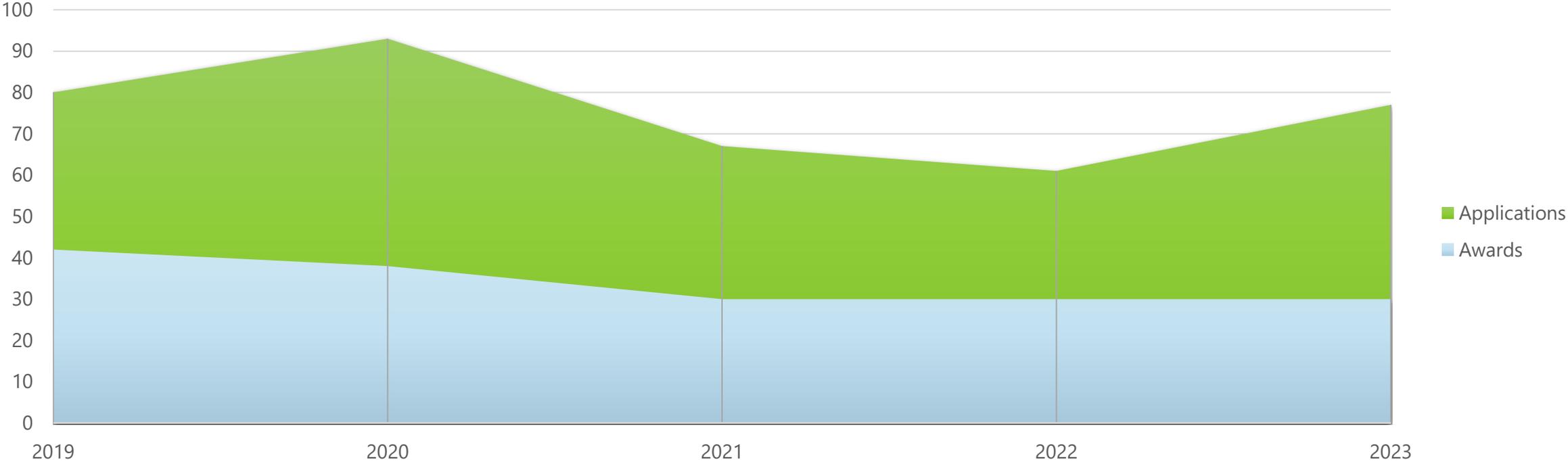
Sycamore Heights, Jefferson
OneStreet Residential and Tapestry Development Group

Getting Involved



Competition

9% Housing Credit Applications & Awards



Scoring

- How to get a development funded – POINTS
- Scoring sections (30+)

- GICH
- Community Transformation
- Revitalization Plan

- Favorable Financing
- Phased Developments
- PBRA Contracts
- Enriched Property Services

Planning

Participation

Scoring – Local Factors

Desirable/Undesirable Activities

Housing Needs Characteristics

Economic Development Proximity

Quality Education Areas

Scoring – Participation Factors

Revitalization/Redevelopment Plans

Favorable Financing

DCA Community Initiatives

Scoring – Getting Involved *Early*

What you control:

- Assessing community needs
- Issuing RFPs, RFQs, and RFIs
- Creating local incentives
- Reviewing and adjusting zoning

What you can influence:

- Organizing and garnering community buy-in
- Explaining plans and benefits
- Identifying and addressing potential concerns
- Learning from other communities



Thank you!



Banks at Mill Village, Columbus
Columbia Residential and Housing Authority of Columbus, Georgia

Mitch Kelly

Director, Office of Housing Finance



Mitchell.Kelly@dca.ga.gov

Direct: 470-597-5352

Sparrow Pointe, Rome
Birdsong Housing



Additional Information

2024 Policy Schedule

Jan. | Feb. | Mar. | Apr. | May | Jun. | Jul. | Aug. | Sep. | Oct. | Nov. | Dec. | ...

2024

2019-2023 Analysis & Evaluation

HFA Outreach & Research

Stakeholder Engagement & Individual Meetings

Listening Sessions & Focus Groups

2024 Analysis & Evaluation

2026-2027 Policy Priorities

2025 Policy Schedule

Jan. | Feb. | Mar. | Apr. | May | Jun. | Jul. | Aug. | Sep. | Oct. | Nov. | Dec. | ...

2025

2026-2027 Policy Priorities
& Public Comment

2026-2027 Policies Changes
& Proposals

'26 – '27 QAP Draft 1
& Public Comment

'26 – '27 QAP Draft 2
& Public Comment

'26 – '27 QAP
Final Draft

Housing
Comm.

DCA
Board

DCA Gap Financing (5-Years)

