Police Advisory Commission

October 20, 2025

St. Louis Park
MINNESOTA

1	**Initiative name: Community Town Halls**		
	Initiative type: ☐ Staff support (review project, policy or program and provide feedback) ☐ Independent research project ☒ Gather community feedback ☒ Lead community event	**Initiative origin:** ☐ Applicant-initiated ☐ Staff-initiated ☒ Commission-initiated ☐ Council-initiated **Legally required** (e.g. response to Legislative changes or Judicial decisions)? ☐ Yes ☒ No	**Commissioner lead(s) name(s):** n/a **If joint commission initiative, list other board or commission:** n/a **Is this an established work group?** ☒ Yes ☐ No
	Initiative description: Community connections through town halls Hosting localized town hall conversations with residents to offer a space for open dialogue focused on building strong networks of relationships and communication pathways. These would be information in/out sessions focused on: 1) listening to residents' thoughts about public safety in their community, and 2) providing residents with information about safety-related trends and tips for their area, introducing them to the SLP PD's transparency & outreach efforts, and providing residents with contacts/connections to community resources (e.g. SLP PD contacts, social work, behavioral health, domestic violence, etc.). This would also provide excellent opportunities to connect with/engage block captains, neighborhood association leaders, and other stakeholder groups in the planning and presentation of information to their communities. **Strategic Priority:** ☒ 1 ☐ 2 ☐ 3 ☐ 4 ☒ 5 ☐ N/A		
	Deliverable: ☐ Research report ☒ Summary of community input ☒ Other ☐ N/A **Target completion date:** Ideally, this would be an ongoing effort that launches during the summer of 2025.		
	This section to be completed by staff:		
	Council request (if applicable): ☐ Review and comment or reply ☐ Review and decide ☒ Informational only – no response needed		
	Budget required: None		
	Staff support required: Pat Coleman - Targeted community notifications for town halls.		

2

Initiative name: PAC Outreach

Initiative type:	**Initiative origin:**	**Commissioner lead(s) name(s):**
☐ Staff support (review project, policy or program and provide feedback) ☒ Independent research project ☒ Gather community feedback ☐ Lead community event	☐ Applicant-initiated ☐ Staff-initiated ☒ Commission-initiated ☐ Council-initiated **Legally required** (e.g. response to Legislative changes or Judicial decisions)? ☐ Yes ☒ No	Jay Wolkenbrod **If joint commission initiative, list other board or commission:** n/a **Is this an established work group?** ☐ Yes ☒ No

Initiative description: Outreach to other cities' public safety advisory groups.
Connecting to other cities' public safety advisory groups (commissions, committees, etc.) with an emphasis on building relationships that allow us to share experiences and best practices.

Strategic Priority: ☒ 1 ☐ 2 ☐ 3 ☐ 4 ☒ 5 ☐ N/A

Deliverable: ☐ Research report ☒ Summary of community input ☒ Other ☐ N/A

Target completion date: Ongoing collaborative initiative with opportunities to provide the Council with periodic informative updates.

This section to be completed by staff:

Council request (if applicable): ☐ Review and comment or reply ☐ Review and decide ☒ Informational only – no response needed

Budget required: None

Staff support required: None

Liaison comments: Update 10/01/25 – The PAC is in the process of creating a contact list of other communities' boards and commissions.

<table>
<tr><td rowspan="10">3</td><td colspan="3">Initiative name: Youth Recruitment</td></tr>
<tr><td>Initiative type:
☐ Staff support (review project, policy or program and provide feedback)
☐ Independent research project
☒ Gather community feedback
☒ Lead community event</td><td>Initiative origin:
☐ Applicant-initiated
☐ Staff-initiated
☒ Commission-initiated
☐ Council-initiated

Legally required (e.g. response to Legislative changes or Judicial decisions)?
☐ Yes
☒ No</td><td>Commissioner lead(s) name(s):
Jillian Dixon
Diane Slais
If joint commission initiative, list other board or commission:
n/a

Is this an established work group?
☐ Yes
☒ No</td></tr>
<tr><td colspan="3">Initiative description: Youth recruitment & involvement
Recruitment and involvement of youth members on the PAC provides an important opportunity to develop youth leaders and bring a broader perspective on public safety. An ongoing effort to actively recruit, involve, and retain youth members will help ensure that important youth member positions do not sit vacant.</td></tr>
<tr><td colspan="3">Strategic Priority: ☒ 1 ☐ 2 ☐ 3 ☐ 4 ☒ 5 ☐ N/A</td></tr>
<tr><td colspan="3">Deliverable: ☐ Research report ☐ Summary of community input ☒ Other ☐ N/A</td></tr>
<tr><td colspan="3">Target completion date: Ongoing effort</td></tr>
<tr><td colspan="3">This section to be completed by staff:</td></tr>
<tr><td colspan="3">Council request (if applicable): ☐ Review and comment or reply ☐ Review and decide ☐ Informational only – no response needed</td></tr>
<tr><td colspan="3">Budget required: None
Staff support required: None</td></tr>
<tr><td colspan="3">Liaison comments: Update 10/01/25 – PAC commissioners have reached out to SLP school district leadership to develop PAC promotion and recruitment initiatives on campus.</td></tr>
</table>

4	**Initiative name: Community Survey**		
	Initiative type: ☐ Staff support (review project, policy or program and provide feedback) ☐ Independent research project ☒ Gather community feedback ☐ Lead community event	**Initiative origin:** ☐ Applicant-initiated ☐ Staff-initiated ☒ Commission-initiated ☐ Council-initiated **Legally required** (e.g. response to Legislative changes or Judicial decisions)? ☐ Yes ☒ No	**Commissioner lead(s) name(s):** n/a **If joint commission initiative, list other board or commission:** n/a **Is this an established work group?** ☐ Yes ☒ No
	Initiative description: Survey/data gathering Continue to explore/advocate for a broad community survey of attitudes towards policing. Community town halls would also provide an opportunity for informal data gathering about attitudes towards policing both before and after the event to assess impact.		
	Strategic Priority: ☒ 1 ☐ 2 ☐ 3 ☐ 4 ☒ 5 ☐ N/A		
	Deliverable: ☒ Research report ☒ Summary of community input ☐ Other ☐ N/A		
	Target completion date: Report available to council following our November 2025 meeting.		
	This section to be completed by staff:		
	Council request (if applicable): ☐ Review and comment or reply ☐ Review and decide ☐ Informational only – no response needed		
	Budget required: Undetermined at this time.		
	Staff support required: Undetermined at this time.		
	Liaison comments: Update 10/01/25 – The PAC applied to the Humphrey School of Public Affairs for survey development assistance and was accepted. Graduate students will develop a survey instrument and implementation plan for the PAC as a class project. PAC can use this project as a template for a future survey with no obligations.		

5	**Initiative name: Vision 4.0**		
	Initiative type: ☒ Staff support (review project, policy or program and provide feedback) ☐ Independent research project ☐ Gather community feedback ☐ Lead community event	**Initiative origin:** ☐ Applicant-initiated ☐ Staff-initiated ☐ Commission-initiated ☒ Council-initiated **Legally required** (e.g. response to Legislative changes or Judicial decisions)? ☐ Yes ☒ No	**Commissioner lead(s) name(s):** Karl Gamradt **If joint commission initiative, list other board or commission:** n/a **Is this an established work group?** ☐ Yes ☒ No
	Initiative description: Assist the City with its Vision 4.0 planning process.		
	Strategic Priority: ☒ 1 ☐ 2 ☐ 3 ☐ 4 ☒ 5 ☐ N/A		
	Deliverable: ☐ Research report ☐ Summary of community input ☐ Other ☒ N/A		
	Target completion date: n/a		
	This section to be completed by staff:		
	Council request (if applicable): ☐ Review and comment or reply ☐ Review and decide ☒ Informational only – no response needed		
	Budget required: None		
	Staff support required: None		
	Liaison comments: Update 10/01/25 – Commission Chair Karl Gamradt participated in the Vision 4.0 process.		

Other Activities & Lessons Learned

Other Activities in 2025

- Department tour (Feb)
- Becoming a candidate (Apr)
- Behavioral Health Unit presentation (May)
- NNO Ride-Along (Aug)
- Axtel Group (Oct)

Lessons Learned

- Clarification of proper workflow & communication pathways needed
- "How-to" manuals needed for commissioners & liaisons alike
- Updated bylaws & related city code needed

Questions ?

Annual TIF Status Report & Financing Tools
City of St. Louis Park

Stacie Kvilvang & Jason Aarsvold – Ehlers

October 20, 2025

Overview

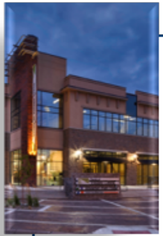
- Number of TIF Districts By Type
- District Overview and Outcomes
- TIF for Affordable Housing
- Captured Tax Capacity
- District Decertification and Options
- Discussion / Direction From City Council

District Overview

- Created **31** TIF Districts since **1972**
- **20** today

6 Housing Districts

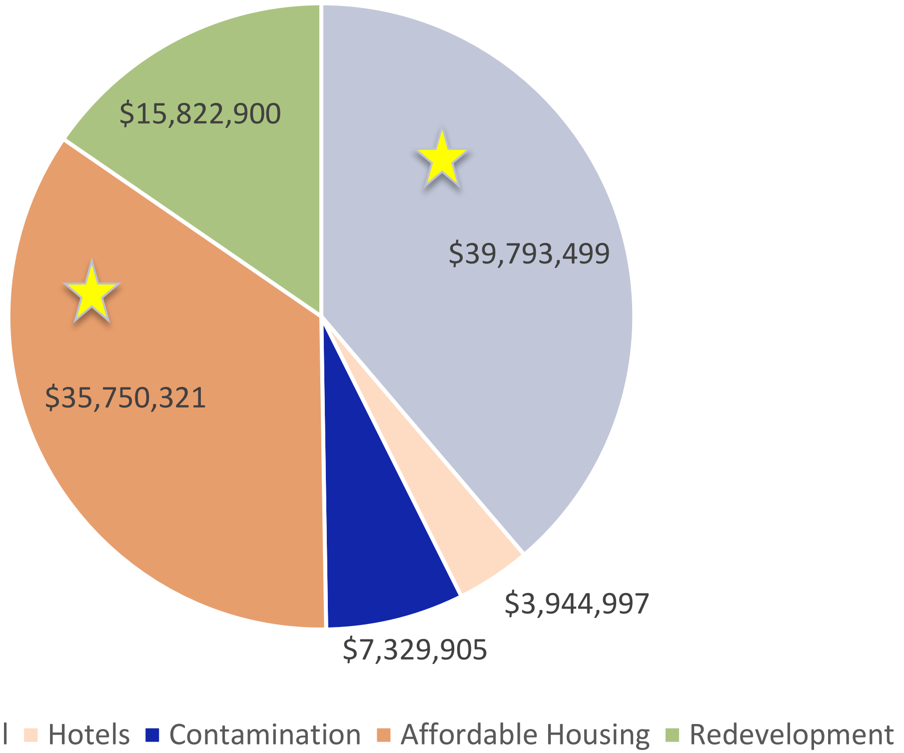
12 Redevelopment Districts



2 Renovation & Renewal Districts

District Overview

Largest TIF investment has been in **2 transformational projects** (Excelsior and Grand and West End) and **affordable housing**



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TIF Investment and Outcomes

	Use	Total Units or Sq. Ft.	Market Rate	Affordable	% Affordable	TIF Investment
	Residential	5,230 units	4,448	782	15%	$105,630,622
	Commercial	566,654 sq. ft.	N/A	N/A	N/A	
	Office	94,500 sq. ft.				
	Industrial	201,100 sq. ft.				
	Hotel	488 units				

Note: Numbers are cumulative since 1972

- **$1.3 billion** in value on fully developed districts
- **1, 177%** increase in market value overall

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Assumptions

1. Elmwood Village decertifies at the end of 2025

Required

2. Aquila Commons remains open at least through 2026 and transfer funds to the AHTF (approximately $205,000) per legislative authority

Recommended

3. Modify Elmwood Apartments TIF plan in 2025 to elect additional 10% for affordable housing (approximately $248,000/year)

Recommended

4. Make anticipated deposits to AHTF from all other eligible districts in 2025

Recommended

   a. Wolfe Lake, Mill City, Zarthan, 4900 Excelsior (AHTF Districts) & West End
   b. City / EDA needs to determine if it wants to keep the AHTF districts open through 2026 or decertify at the end of 2025

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Special Legislation- $ to AHTF

- **10** redevelopment districts and **2** housing districts provide(d) funding to AHTF
- Approximately **$7.475M** since 2020
- Approximately **$2.797** to transfer in 2025 (**$2.391M** from 4 Districts decertifying in 2026)
    - ✓ Total to date would be **$10.272M**
- Anticipate total of **$13.648M** available to be transferred by time legislative authority ends on ***December 31, 2026***
    - ✓ ***This amount reduces to $11.672M if City Council determines to decertify the 4 districts in purple in 2025***

POOLING FOR AFFORDABLE HOUSING (TRUST FUND)

Gray Shaded Areas Depict TIF District That Have Been Modified to Allow For Additional 10% - Green Shaded Area Are Hsg TIF Districts

Year	Wolfe Lake Redev	Zarthan Redev	Mill City Redev	Ellipse Redev	Eliot Park Redev	Shoreham Redev	West End Redev	4900 Excelsior Redev	Park Comm Redev	Elwood Apts Redev	Park Center Hsg	Aquila Hsg	Yearly Total	Cumulative
2020				170,000									170,000	**170,000**
2021	109,421			492,066	163,361	146,387					460,787	583,962	1,955,984	**2,125,984**
2022				353,562	135,627	542,960					184,410		1,216,559	**3,342,543**
2023	125,000	495,000	630,000	279,809	2,620						177,667	210,940	1,921,036	**5,263,579**
2024	275,000	600,000	630,000					475,000				232,131	2,212,131	**7,475,710**
2025	**253,284**	**586,738**	**692,771**				**200,000**	**859,141**				**204,868**	**2,796,801**	**10,272,511**
2026	221,789	565,832	645,222				200,000	542,059	745,000	250,000		204,868	3,374,770	**13,647,282**
TOTAL	**984,494**	**2,247,570**	**2,597,993**	**1,295,437**	**301,608**	**689,347**	**400,000**	**1,876,200**	**745,000**	**250,000**	**822,864**	**1,436,769**		

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Captured Tax Capacity

- **11.7%** of tax capacity captured in TIF
  - ✓ 2026 decrease to **10%** is due to Elmwood TIF district decertification
    - If Council decides to decertify AHTF Districts and Elmwood Village Apartments at end of 2025, the 2026 decrease would be down to **8.3%**
  - ✓ 2027 Decrease is due to Wolf Lake, Zarthan, Mill City, 4900 Excelsior & Elmwood Apts. Decertification
    - **8.3%** and same as noted above since it is currently assumed these districts are still open through 2026
  - ✓ 2028 Decrease to **6.2%** is due to Park Commons (Excelsior and Grand) decertification
  - ✓ 2026 – 2030 fluctuate between **6.2%** and **10%** over next five years as districts come on and decertify
  - ✓ Assumes no new TIF districts are established

District	Actual					Projected				
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Captured TIF Tax Capacity	**11,817,305**	**12,614,033**	**13,809,130**	**13,822,199**	**14,165,903**	**12,230,478**	**10,297,809**	**7,794,039**	**8,418,861**	**8,388,905**
Total Tax Capacity (Gross)	102,157,645	106,119,396	116,626,650	120,912,490	121,168,959	122,380,649	123,604,455	126,088,905	127,349,794	128,623,292
Percentage of Tax Base in TIF	**11.6%**	**11.9%**	**11.8%**	**11.4%**	**11.7%**	**10.0%**	**8.3%**	**6.2%**	**6.6%**	**6.5%**

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9 Districts Decertifying in Next 5 Years

TIF District	Obligation(s) Paid In Full		Decertifies Dec. 31	Next 5 Captured Tax Capacity
Elmwood Village	2024		2025	2,056,519
*4900 Excelsior	2024	***City Council may elect to decertify in 2025***	2026	652,874
*Zarthan	2022		2026	456,228
*Mill City	2023		2026	516,141
*Wolfe Lake	2020		2026	189,268
Elmwood Apartments	2026		2027	208,480
Park Commons	2027		2027	2,737,328
Highway 7 Corporate Center	2027		2027	163,214
Bridgewater Bank	2029		2029	221,525
Total Annual Captured Net Tax Capacity Returned to Tax Rolls				**7,201,577**

District Decertifying – Elmwood 2025

Elmwood

- Captured tax capacity 2,056,519

Contribution to AHTF in 2025

- $0

TIF Returned in 2025

- $3,895,973 returned to the County for redistribution
- **$1,631,105** is City's portion of returned TIF
- Unrestricted use of funds by City

Decertification Equates to Reduction in Tax Rate For 2026

- **$42** Reduction in Taxes On Average Value Home (2.14% decrease)

Districts Contributing to AHTF That Could Decertify at End of 2025

Wolfe Lake, Zarthan, Mill City & 4900 Excelsior	• Combined captured tax capacity of 1,814,511
Contribution to AHTF in 2025	• $2,391,933
Available to transfer in 2026 to AHTF if not Decertified	• $1,975,916
Decertification Would Equate to Reduction in Tax Levy For 2026	• **$35** Reduction in Taxes On Average Value Home

Prioritizing Outcomes

Option 1: Maximize TIF pooling

- Keep all six eligible districts open in 2026.
- Transfer an estimated $2.429 million to the AHTF
- Median value homestead house will see an estimated 15.6% or $279 increase (down from the estimated 18.4%) in the city's portion of their property tax bill due to the closure of the Elmwood Village district.

Option 2: Maximize property tax relief

- Close all eligible TIF districts at the end of 2025.
- Assumes no tax petitions for Elmwood Apartments and sufficient tax increment received in second half of 2025.
- No transfers to the AHTF in 2026.
- Median value homestead house will see an estimated 12.3% or $238 increase (down from 18.4%) in the city's portion of their property tax bill.

Option 3: Balance both objectives

- Close Wolfe Lake, 4900 Excelsior TIF, Elmwood Apartments and Elmwood Village districts at the end of 2025. Hold open Aquila Commons, Mill City and Zarthan/16th.
- Transfer an estimated $1.416 million into the AHTF.
- City receives surplus TIF revenue share of around $400,000 in 2026 with no restrictions on use.
- Median value homestead house will see an estimated 14.2% increase (down from 18.4%) in the city's portion of their property tax bill.

Impacts of each option

TIF	Captured Net Tax Capacity	Estimated transfer to AHTF	Estimated property tax relief for a median valued, homesteaded single family home
Active districts that must close at the end of 2025			
Elmwood Village	$ 2,056,519	n/a	-$42
Option 1: Maximize TIF pooling			
Total (including Elmwood Village)	$ 2,056,519	$ 2,429,770	-$42
Option 2: Maximize property tax relief			
Total (including Elmwood Village)	$ 4,262,752	n/a	-$85
Option 3: Balance both objectives			
4900 Excelsior	$ 652,874	$ -	
Aquila Commons	$ -	$ 204,868	
Elmwood Apartments	$ 208,480		
Mill City	$ -	$ 645,222	-$62
Wolfe Lake Commercial	$ 189,268	$ -	
Zarthan Ave/16th Street (CSM)	$ -	$ 565,832	
Total (including Elmwood Village)	**$ 3,107,141**	**$ 1,415,922**	

St. Louis Park MINNESOTA

Anticipated Uses of the AHTF

- Developer Assistance for new affordable units
  - Wooddale Station: estimate $1 million
- Current housing program funding:
  - Approx. $2 million budgeted annually, $2.2 million in ongoing revenue with current maximum HRA levy and LAHA levels
- Future increases to housing program funding based on demand
- Maintaining fund balance for emergencies:
  - I.e., funding for rental vouchers during federal government shutdown (approx. $425k/mo)
- Strategic land acquisition:
  - Example: Mtka Blvd Twin Homes development $1.3 million

Policy considerations

- Does the council want to continue with staff direction given on Oct. 14, 2024, to transfer 2025 TIF into the Affordable Housing Trust Fund (approx. $2.796M)?
- Does the council want to:
    - decertify any or all the following TIF districts at the end of 2025 to lower the property tax impact in 2026, or
    - hold open any or all to retain surplus TIF for other city uses: 4900 Excelsior, Aquila Commons, Elmwood Apartments, Mill City, Wolfe Lake Commercial, Zarthan Ave/16th St?

Let’s Talk!

Why is Reinvestment Important

- Tax base
- Appearance / desirability (your brand)
- Housing Diversification
- Development of public infrastructure
- Stability (public safety)
- Sustainability
- Extends to success in other areas (i.e. private investment)

Why Consider Providing Assistance?

Fill a Financing Gap

Encourage development that normally wouldn't occur without assistance ("but for")

Remove barriers preventing private market from developing in accordance with City vision

Complex land assembly

Contaminated land and/or blighted buildings

High infrastructure costs and/or development fees

Affordable housing and/or sustainability requirements

City Vision incompatible with market

Local Funding Tools For Redevelopment

Tax increment financing (TIF)	Tax abatement	Grants	Deferred loans
Local fee waivers	EDA Development Fund	Affordable Housing Trust Fund	Public land contributions, write-downs

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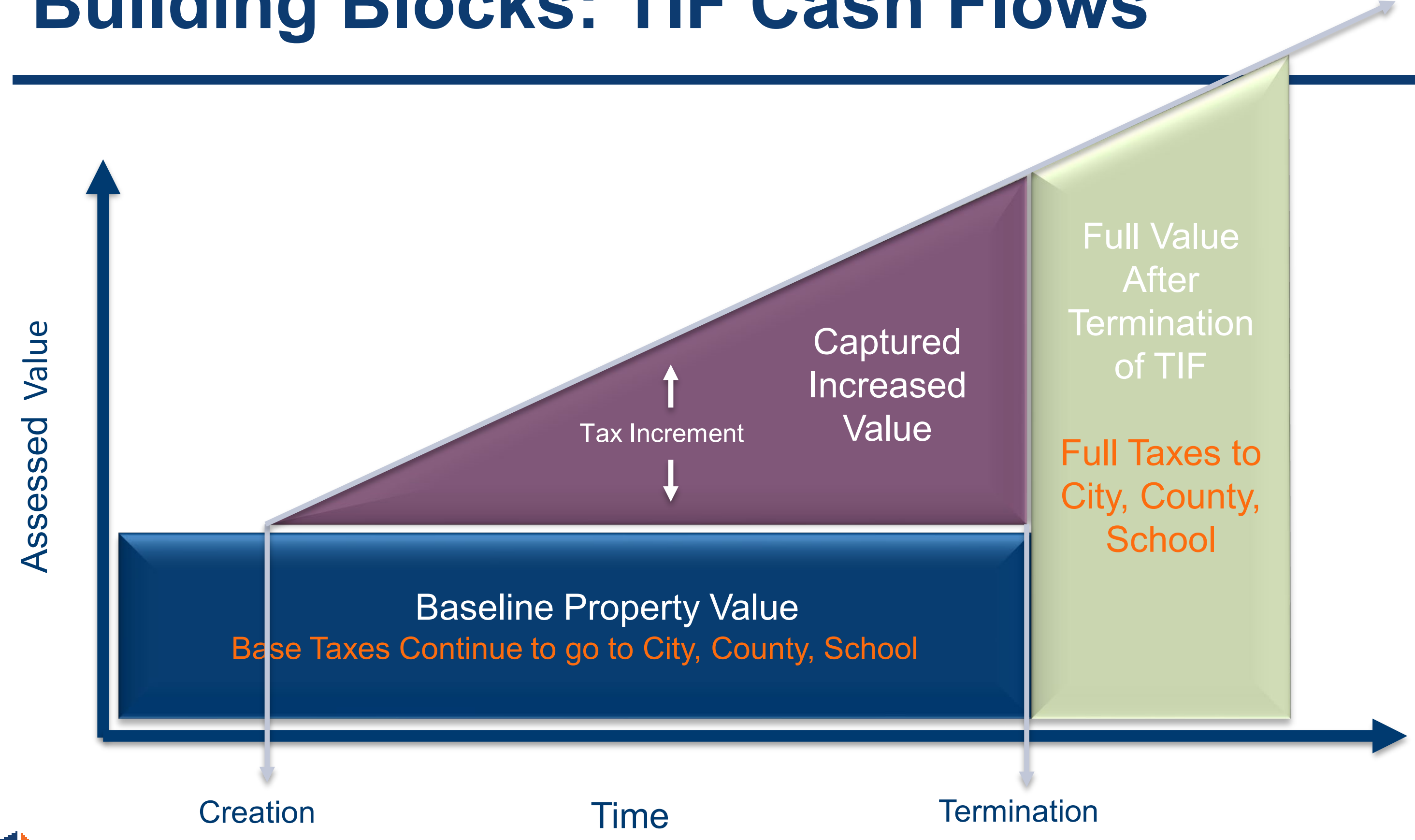
Building Blocks: TIF Cash Flows



Building Blocks: TIF For Housing

WHAT IS EXCLUDED FROM TIF?	
Total Property Taxes	400,719
less State-wide Taxes	0
less Fiscal Disp. Adj.	0
less Market Value Taxes	(37,503)
less Base Value Taxes	(31,582)
Annual Gross TIF	331,634
Less OSA Fee	(1,194)
Less EDA Admin Fee	(33,044)
Net TIF Available to Develope	297,396

Developer receives $.74 for every tax dollar paid

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Redevelopment or Renovation & Renewal TIF

Term: **16** to **26** years

Goal: Clean-up blighted sites & remove substandard buildings

Requirements: Coverage & blighted buildings

Excelsior and Grand

Elmwood Village

West End

Housing TIF

Term: **26** years

Goal: Create rental or owner-occupied housing for persons who qualify as low- to moderate income

Requirements: Renters / owners must meet income requirements

Aquila Commons

Texa Tonka

Rise on 7

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Use of TIF

Land

- Acquisition
- Remediation
- Demolition

Site Improvements

- Grading/Excavation
- Footings / Foundations
- Storm water ponding
- Underground or surface parking
- Roads, sidewalks, curb, gutter

Affordable Housing

- Anything

But For Test

1. Increase in market value (Texa Tonka)

MARKET VALUE BUT / FOR ANALYSIS	
Current Market Value - Est.	2,144,000
New Market Value - Est.	27,430,000
Difference	25,286,000
Present Value of Tax Increment	5,052,813
Difference	20,233,187
Value likely to occur without Tax Increment is less than:	**20,233,187**

2. Reasonable foreseeable future
   - ✓ History of site
   - ✓ Site specific issues (extraordinary costs, several proposals all asking for TIF, etc.)
   - ✓ Requirements of City (affordable housing, green building policy, sustainability measures, etc.)
   - ✓ Financial feasibility
3. Proforma review
   - ✓ Not required by Statute but good policy to help determine #2

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Tax Abatement – TIF "Lite"

More flexible than tax increment & simpler to establish… but requires approval from each <u>participating</u> taxing jurisdiction

Shorter term and less dollars since typically only city taxes abated

Tax Abatement Limitations

- Term: up to 20 years
  - ✓ Capped at 15 years if City, County <u>and</u> School participate
- An entity's annual abatements may not exceed greater of:
  - ✓ 10% of Net Tax Capacity - OR -
  - ✓ $200,000
- Parcels may not be in a TIF District simultaneously
- Consent of property owner not required

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Tax Abatement is in the Public Interest

Statutory Finding: Proposed abatement will…

- Increase or preserve tax base
- Provide employment opportunities
- Help acquire or construct public facilities
- Redevelop or renew blighted areas
- Provide access to services
- Provide public infrastructure
- Stabilize tax base

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Trade Offs of Using TIF or Tax Abatement

Pros

- Leverages other tax dollars
- Greater control of development
- Limited risk to the city
- Advances strategic priorities

Cons

- Captures taxes on increased market value for a period of time
  - ✓But City may still get some taxes if current tax rate is higher than frozen
  - ✓2025 Amount is approximately **$1.043M**

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State/Federal Funding Tools For Redevelopment

Local Affordable Housing Aid (LAHA)

4d(1) Tax Classification

Low Income Housing Tax Credits (LIHTC)

Tax Exempt Bonds

Hennepin County - Transit Oriented Communities (TOC)

DEED - Redevelopment Grants

Metropolitan Council – Livable Communities Grants

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Affordable Housing Aid

Local Affordable Housing Aid (LAHA): 7 County Metro

- Funded by 0.25% Metro Sales Tax
- Tax started October 1, 2023
- First disbursement in 2024
- Populations over 10,000
- St. Louis Park 2025 Amount = $848,000

Allowable Uses - LAHA

Emergency rental assistance & operating emergency shelter facilities

Financial support to nonprofit affordable housing providers

Qualifying ownership or rental projects

(new construction, acquisition-rehab, gap financing)

Operations & management of financially distressed residential properties

Supportive services & staff for supportive housing

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Allowable Uses (LAHA): Typical City Programs

Single-Family Housing Rehabilitation

Down Payment Assistance

Acquisition / demolition of sites for development for affordable housing

Grants/loans for affordable units in new market rate construction

~~Administration~~

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Income Requirements

Eligible Activity	Income Requirements
Emergency Rental Assistance	80% of Area Median Income (AMI)
Nonprofit Affordable Housing Developers Aid	Legislation is silent
Qualifying Ownership	115% AMI
Qualifying Rental	80% AMI

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Other Program Requirements: 2024 Legislation

The aid must supplement and <u>not</u> supplant any existing "Locally Funded Housing Expenditures."

To comply with this requirement, local governments must…

- Report their local funded housing expenditures from the two previous fiscal years
- Detail and justify any expenditure reduction(s)
- Post the report publicly on their website

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4d Tax Classification

Lower Tax Rate	Requirements	Restrictions	Use of Tax Savings
• .25% vs. 1.25% on market rate • Annual application to MN Housing by March 1st • Annual certification to MN Housing regarding use of savings	• Subject to Section 8 contract • LIHTC Project • Financed by Rural Hsg. Services of USDA • Subject to rent / income restrictions under financial assistance agreement with unit of government & recorded against the property	• At least 20% of units at 60% AMI • Only receive lower tax rate on qualifying units	• Property maintenance • Security • Improvements • Rent stabilization • Increase replacement reserves

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Tax Differential

City XYZ Overall Tax Rate	126.19%	City XYZ Tax Rate	48.85%

Tax Rate Type	# of Units	Value Per Unit	Taxable Value	Tax Capacity	Overall Taxes	City Portion of Taxes
Market Rate	150	$ 200,000	$ 30,000,000	375,385	$ 473,695	$ 183,361
4d(1)	150	$ 200,000	$ 30,000,000	75,000	$ 94,642	$ 36,635

Units classified as 4d(1) pay approximately ¼ of what market rate units pay

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Low Income Housing Tax Credits and Tax Exempt Bonds

Low Income Tax Credits

- Federal tax credits accessed by developers through State or other qualifying agency
- Limited partner purchases credits to provide funding to project
- Provides majority of funding for project without a need for return

9% Credits

- Smaller projects (around 70 units or less)
- Lower income requirements (usually 100% affordable at or below 50% AMI)
- Not as competitive

4% Credits

- Can do larger projects
- Modest incomes (usually 100% at 60% AMI or with income averaging)
- Highly competitive
- Requires tax exempt bond allocation

Tax Exempt Bonds

- Allocated through State
- Highly competitive
- Can take up to 3+ years to obtain

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Let's Talk!