2024 housing credit summit

strengthening colorado

welcome

Cris White

Executive Director and CEO

Colorado Housing and Finance Authority

keynote

Michael Novogradac, CPA
Managing Partner, Novogradac

2024 housing credit summit

colorado housing and finance authority

celebrating 50 years chfa

KEYNOTE ADDRESS

for the CHFA 2024 Housing Credit Summit

Michael Novogradac, CPA
Managing Partner, Novogradac
michael.novogradac@novoco.com
@Novogradac

AGENDA

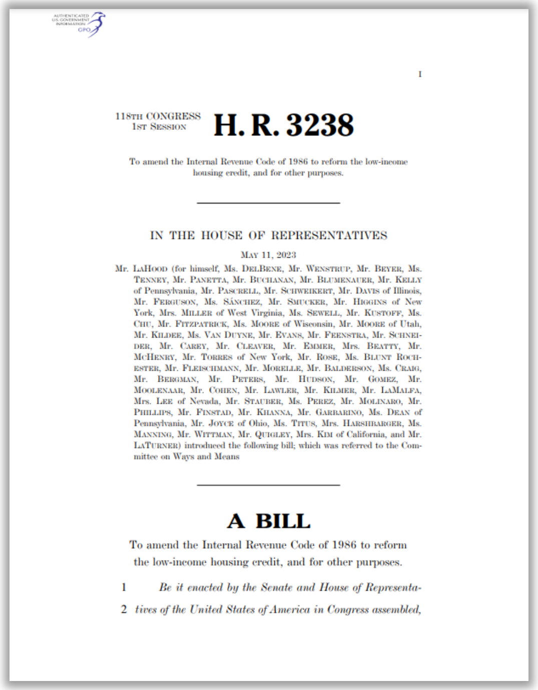
- Affordable Housing Credit Improvement Act of 2023
- Legislative Priorities & Timeline
- Tax Relief for American Families and Workers Act of 2024
- Other Affordable Housing Tax Incentive Bills
- 2025 Major Tax Bill
- 2024 Election
- Regulatory Environment & More
- HUD Income Limits
- Rise of State Tax Credits

Affordable Housing Credit Improvement Act of 2023

Affordable Housing Credit Improvement Act

REINTRODUCED MAY 11, 2023

117th Cosponsors : **H.R. 2573**: 71**R** 137**D**
118th Cosponsors : **H.R. 3238**: 108**R** 108**D** *as of 2/6/24*



I

118TH CONGRESS
1ST SESSION
H. R. 3238

To amend the Internal Revenue Code of 1986 to reform the low-income housing credit, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 11, 2023

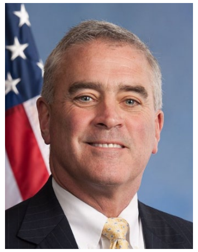
Mr. LAHOOD (for himself, Ms. DELBENE, Mr. WENSTRUP, Mr. BEYER, Ms. TENNEY, Mr. PANETTA, Mr. BUCHANAN, Mr. BLUMENAUER, Mr. KELLY of Pennsylvania, Mr. PASCRELL, Mr. SCHWEIKERT, Mr. DAVIS of Illinois, Mr. FERGUSON, Ms. SÁNCHEZ, Mr. SMUCKER, Mr. HIGGINS of New York, Mrs. MILLER of West Virginia, Ms. SEWELL, Mr. KUSTOFF, Ms. CHU, Mr. FITZPATRICK, Ms. MOORE of Wisconsin, Mr. MOORE of Utah, Mr. KILDEE, Ms. VAN DUYNE, Mr. EVANS, Mr. FEENSTRA, Mr. SCHNEIDER, Mr. CAREY, Mr. CLEAVER, Mr. EMMER, Mrs. BEATTY, Mr. MCHENRY, Mr. TORRES of New York, Mr. ROSE, Ms. BLUNT ROCHESTER, Mr. FLEISCHMANN, Mr. MORELLE, Mr. BALDERSON, Ms. CRAIG, Mr. BERGMAN, Mr. PETERS, Mr. HUDSON, Mr. GOMEZ, Mr. MOOLENAAR, Mr. COHEN, Mr. LAWLER, Mr. KILMER, Mr. LAMALFA, Mrs. LEE of Nevada, Mr. STAUBER, Ms. PEREZ, Mr. MOLINARO, Mr. PHILLIPS, Mr. FINSTAD, Mr. KHANNA, Mr. GARBARINO, Ms. DEAN of Pennsylvania, Mr. JOYCE of Ohio, Ms. TITUS, Mrs. HARSHBARGER, Ms. MANNING, Mr. WITTMAN, Mr. QUIGLEY, Mrs. KIM of California, and Mr. LATURNER) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to reform the low-income housing credit, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

LAHOOD
R-IL

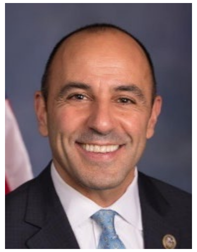


WENSTRUP
R-OH

TENNEY
R-NY

DELBENE
D-WA

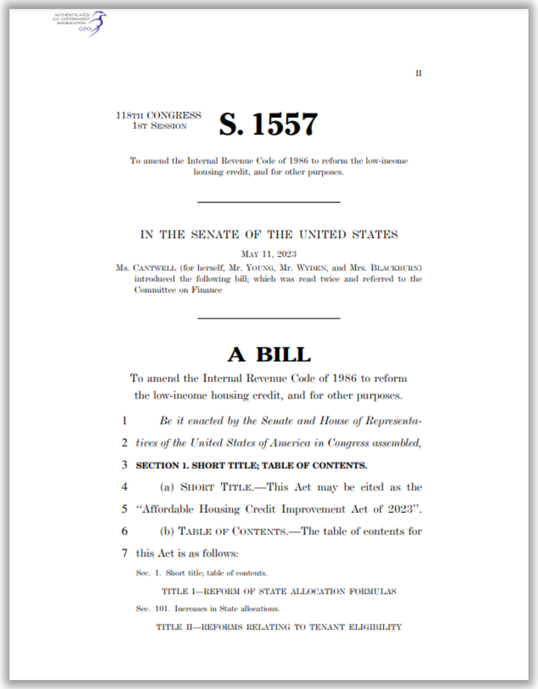
BEYER
D-VA



PANETTA
D-CA

Retiring at the end of 2024

117th Cosponsors : **S. 1136**: 11**R** 33**D**
118th Cosponsors : **S. 1557**: 15**R** 14**D** 1**I** *as of 2/6/24*



II

118TH CONGRESS
1ST SESSION
S. 1557

To amend the Internal Revenue Code of 1986 to reform the low-income housing credit, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 11, 2023

Ms. CANTWELL (for herself, Mr. YOUNG, Mr. WYDEN, and Mrs. BLACKBURN) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to reform the low-income housing credit, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Affordable Housing Credit Improvement Act of 2023".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—REFORM OF STATE ALLOCATION FORMULAS

Sec. 101. Increases in State allocations.

TITLE II—REFORMS RELATING TO TENANT ELIGIBILITY

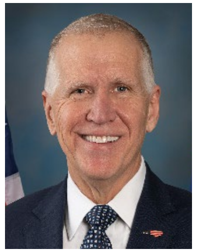
CANTWELL
D-WA

WYDEN
D-OR

BROWN
D-OH

YOUNG
R-IN

BLACKBURN
R-TN



TILLIS
R-NC

Primary LIHTC and PAB Production Provisions

AHCIA 2023

Lowering the 50% Test down to 25% *(Section 313)*

- Lowering the "financed by" threshold from **50% to 25%** for PAB financed housing starting in 2024

Increasing 9% allocations *(Section 101)*

- Restoring and making permanent the **12.5% allocation increase** that expired in 2021, increasing 9% LIHTC authority by 25% in 2023 and in 2024 plus an inflation adjustment in 2024

Implementing three 30% basis boost provisions

- Primarily affecting the 4% LIHTC credit (all of which were included in the 2021 AHCIA), starting in 2023, unless otherwise noted:
  - an extension of the **discretionary 30% basis boost** for 9% LIHTC to PAB-financed properties *(Section 308)*, starting in 2024,
  - a 30% basis boost for properties **in Native American** areas *(Section 402)*,
  - a 30% basis boost for properties in **rural areas** *(Section 501)*

Implementing 50% ELI basis boost *(Section 307)*

- Giving states discretion to provide a **50% basis boost for apartments reserved for ELI renters**, as long as at least 20% of the apartments are reserved for ELI households, making more deeply income targeted developments more financially feasible

Primary LIHTC and PAB Production Provisions

AHCIA 2023

Lowering the 50% Test down to 25% *(Section 313)*	Increasing 9% allocations *(Section 101)*	Implementing three 30% basis boost provisions	Implementing 50% ELI basis boost *(Section 307)*
1.1Mil HOMES	**232k** HOMES	**210k** HOMES	**110k** HOMES

Novogradac estimates of additional affordable rental homes over 10 years

AS OF JANUARY 2024

House Ways and Means Committee Roster

★ HR 2573 Cosponsors *117th Congress*

★ HR 3238 Cosponsors *118th Congress as of 2/6/24*

Announced retirement/resignation

DEMOCRATS		REPUBLICANS	
Richard Neal, Ranking Member, MA		★ *Jason Smith, Chair, MO*	
Lloyd Doggett, TX	★★ Judy Chu, CA	★★ Vern Buchanan, FL	★★ Greg Murphy, NC
Mike Thompson, CA	★★ Gwen Moore, WI	Adrian Smith, NE	★★ David Kustoff, TN
★★ John Larson, CT	★★ Dan Kildee, MI	★★ Mike Kelly, PA	★★ Mike Carey, OH
★★ Earl Blumenauer, OR	★★ Don Beyer, VA	★★ David Schweikert, AZ	★★ Randy Feenstra, IA
★★ Bill Pascrell, NJ	★★ Dwight Evans, PA	★★ Darin LaHood, IL	Michelle Fischbach, MN
★★ Danny Davis, IL	★★ Brad Schneider, IL	★★ Brad Wenstrup, OH	★★ Brian Fitzpatrick, PA
★★ Linda Sánchez, CA	★★ Jimmy Panetta, CA	Jodey Arrington, TX	★ Nicole Malliotakis, NY
★★ Terri Sewell, AL	★★ Jimmy Gomez, CA	★★ Drew Ferguson, GA	★★ Blake Moore, UT
★★ Suzan DelBene, WA		★★ Ron Estes, KS	★ Michelle Steel, CA
		★★ Lloyd Smucker, PA	Greg Steube, FL
		Kevin Hern, OK	★★ Claudia Tenney, NY
		★★ Carol Miller, WV	★ Beth Van Duyne, TX

February 13, 2024

Senate Finance Committee Roster

★ S 1136 Cosponsors
117th Congress

★ S 1557 Cosponsors
118th Congress as of 2/6/24

Up for election in 2024

Announced retirement

DEMOCRATS		REPUBLICANS	
★★ *Ron Wyden, OR, Chair*		*Mike Crapo, ID, Ranking Member*	
★★ **Debbie Stabenow, MI**	★ Mark Warner, VA	Chuck Grassley, IA	Steve Daines, MT
★★ **Maria Cantwell, WA**	★★ **Sheldon Whitehouse, RI**	John Cornyn, TX	★★ Todd Young, IN
★★ **Bob Menendez, NJ**	★★ Maggie Hassan, NH	John Thune, SD	**John Barrasso, WY**
★★ **Tom Carper, DE**	★★ Catherine Cortez Masto, NV	Tim Scott, SC	Ron Johnson, WI
★★ **Ben Cardin, MD**	**Elizabeth Warren, MA**	★ Bill Cassidy, LA	★ Thom Tillis, NC
★★ **Sherrod Brown, OH**		James Lankford, OK	★★ **Marsha Blackburn, TN**
★★ Michael Bennet, CO			
★★ **Bob Casey, PA**			

Legislative Priorities & Timeline

FEB. 13
CHFA 2024 Housing Credit Summit

MAR. 1
Continu
THUD, E

MAR
Con
FAA

JAN FEB MA

February 13, 2024

What to Expect in 2024

JAN. 1
Continuing resolution could be subject to 1% across-the-board cuts

JAN. 17
HR 7024 introduced

JAN. 19
HR 7024 (as amended) passes House Ways & Means Committee by a 40-3 vote

JAN. 31
HR 7024 (as amended) passes full House by a 357-70 vote

FEB. 13
CHFA 2024 Housing Credit Summit

MAR. 1
Continuing Resolution expires for Agriculture, THUD, Energy/Water, & VA-Military Construction

MAR. 8
Continuing Resolution expires for remaining 8 annual spending bills

FAA authorization and aviation tax extender expires

APR. 30
Deadline for OMB to implement the 1% across-the-board cuts

JAN. - APR. Potential "year-end" tax bill

JAN FEB MAR APR MAY JUN JUL AUG

JAN. - JUN. States and territories hold primaries and caucuses

JAN. 15
IA Rep. caucus

JAN. 22
NH Rep. primary

FEB. 8
NV Rep. caucus

FEB. 24
SC Rep. primary

MAR. 5
Super Tuesday:
16 states + American Samoa to hold primaries/caucuses

JAN. – APR.

Potential "year-end" tax bill

What to Expect in 2024

EXPIRED PROVISIONS

"Democratic" Ask	"Republican" Ask
• Refundability and enhancement of child tax credit	• Business could reinstate expensing R&E costs in the first year, eliminates 5-year amortization • Add back depreciation and amortization to earnings before interest and taxes as basis to calculate 30% limit on interest cost deductions for businesses • Reinstate 100% bonus depreciation (eliminate phasedown over 2023-25)

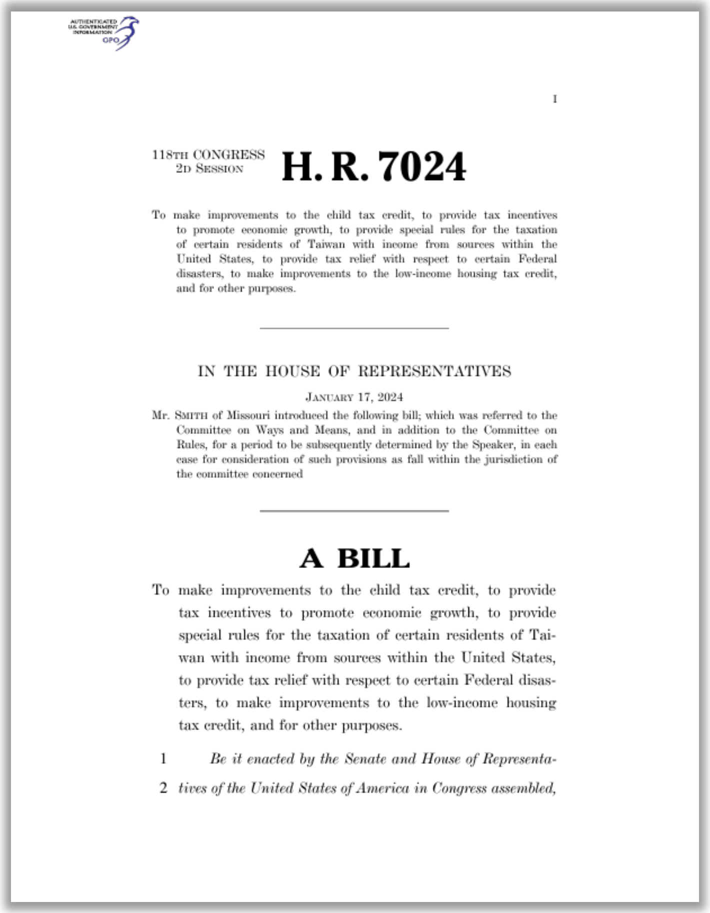
JAN FEB MAR APR MAY JUN JUL AUG

Tax Relief for American Families and Workers Act of 2024

Tax Relief for American Families and Workers Act of 2024

H.R. 7024

Introduced Jan. 17, 2024 | Passed House Ways & Means Committee Jan. 19, 2024 | Passed full House Jan. 31, 2024



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118TH CONGRESS
2D SESSION

H. R. 7024

To make improvements to the child tax credit, to provide tax incentives to promote economic growth, to provide special rules for the taxation of certain residents of Taiwan with income from sources within the United States, to provide tax relief with respect to certain Federal disasters, to make improvements to the low-income housing tax credit, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 17, 2024

Mr. SMITH of Missouri introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To make improvements to the child tax credit, to provide tax incentives to promote economic growth, to provide special rules for the taxation of certain residents of Taiwan with income from sources within the United States, to provide tax relief with respect to certain Federal disasters, to make improvements to the low-income housing tax credit, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

- Low-Income Housing Tax Credit Provisions
  - Restoration of 12.5% increase in 9% allocations for 2023-2025
  - Reduction in Private Activity Bond financing threshold from 50% to 30% for 2024-2025
- Restoration of 100% bonus depreciation for 2023-2025, retains 20% for 2026
- Adding back depreciation and amortization (EBITDA) to calculation on limit of deducting debt under Section 163(j) – 2023 - 2025
- Restoring expensing for R&D
- Allowing more low-income households to receive refund from Child Tax Credit
- Taiwan
- Disaster relief for individuals
- Accelerating the end of the Employee Retention Tax Credit (pay for)

Affordable Housing Credit Improvement Act

EFFECT OF PRIMARY PROVISIONS

Undersubscribed (19 states)

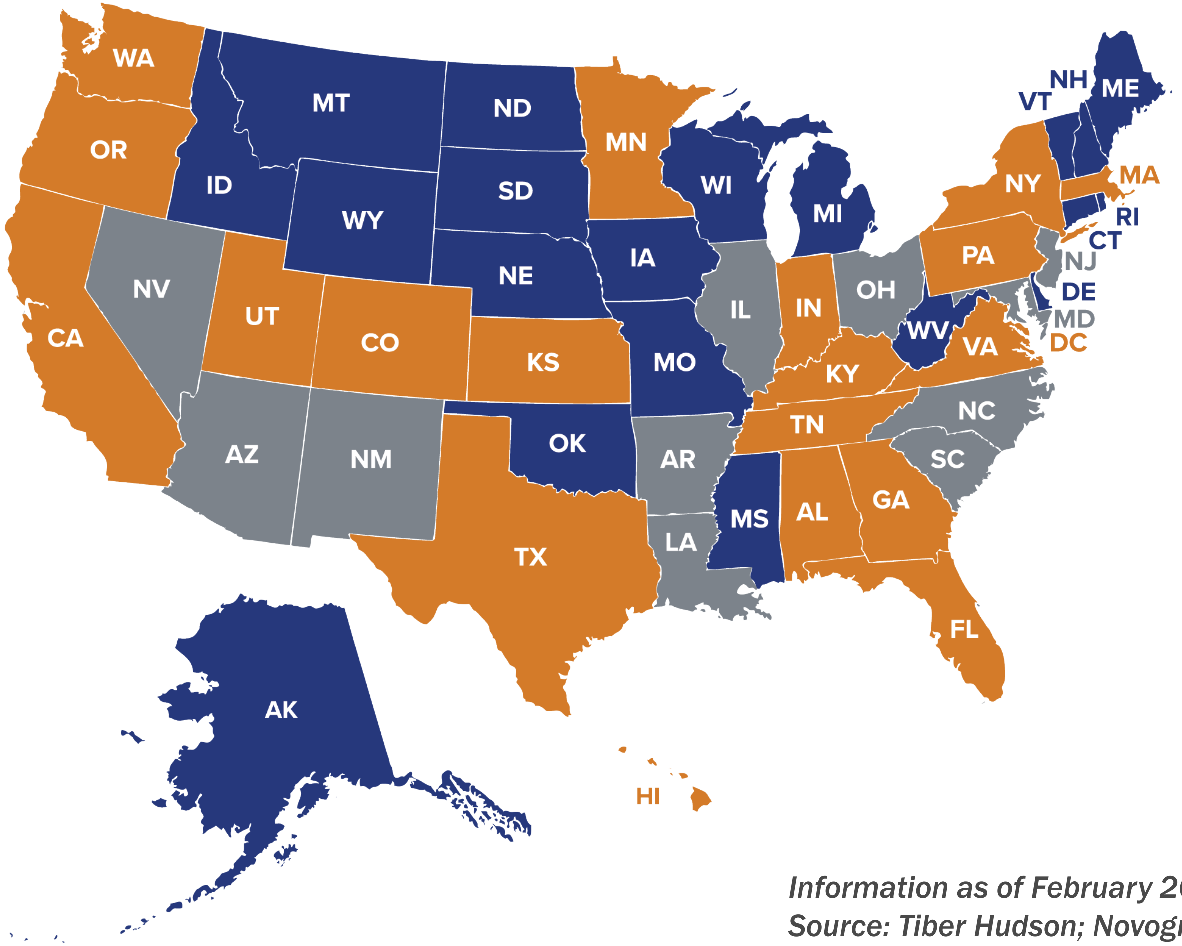
Parity (11 states)

Oversubscribed (20 states & Washington, D.C.)

Lowering the 50% Test to 30%

186,310 units for 2024-2025
(estimate as of Jan. 2024)

850,670 units 2024-2033
(estimate as of Jan. 2024)



Information as of February 2024
Source: Tiber Hudson; Novogradac

Affordable Housing Credit Improvement Act

EFFECT OF PRIMARY PROVISIONS

Increase in 9% allocations

Restoring the 12.5% increase in 9% allocations for 2023-2025:

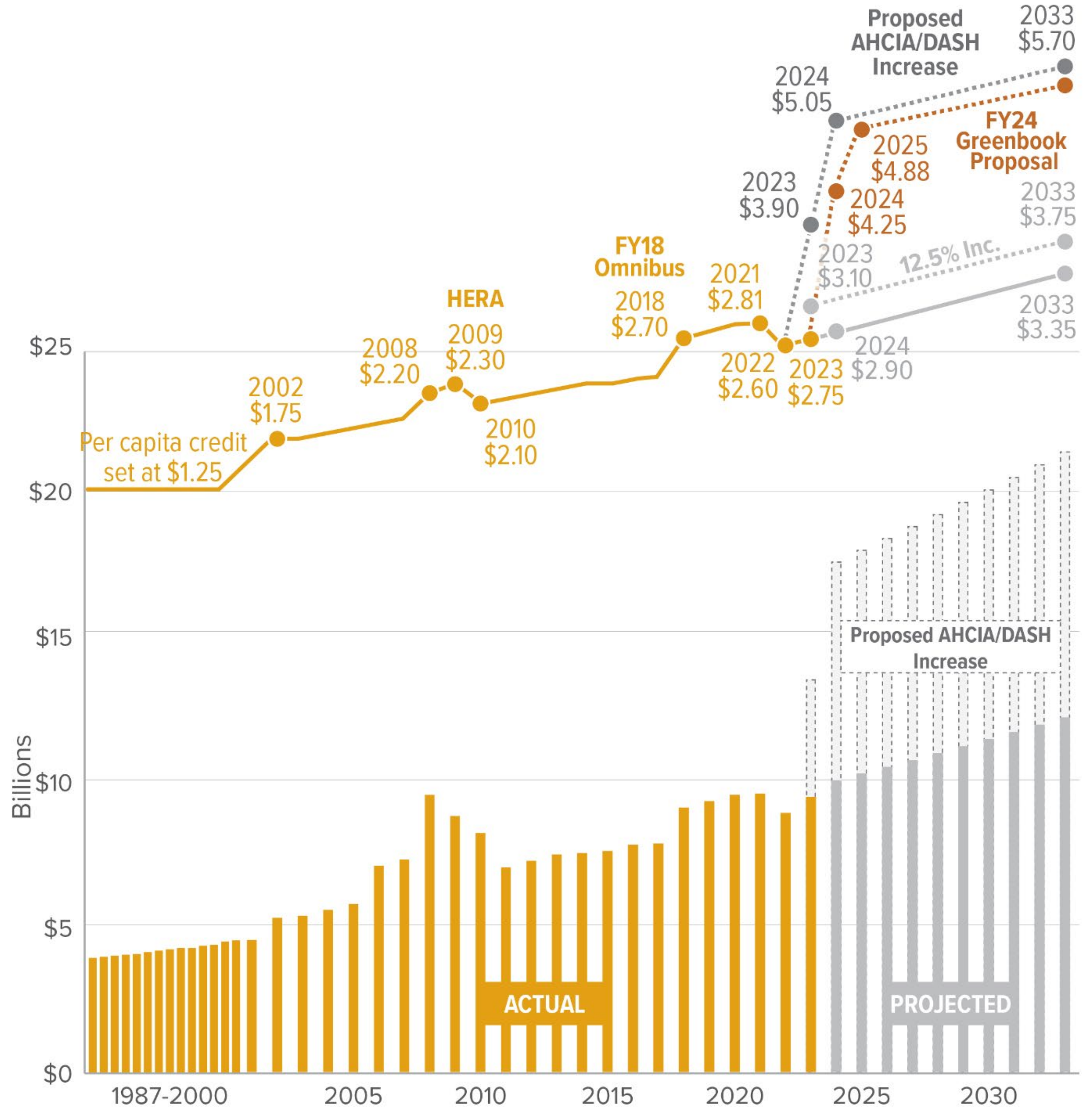
16,263 units

Restoring the 12.5% increase in 9% allocations for 2024-2033:

61,940 units

(estimates as of Jan. 2024)

9% LIHTC Allocations



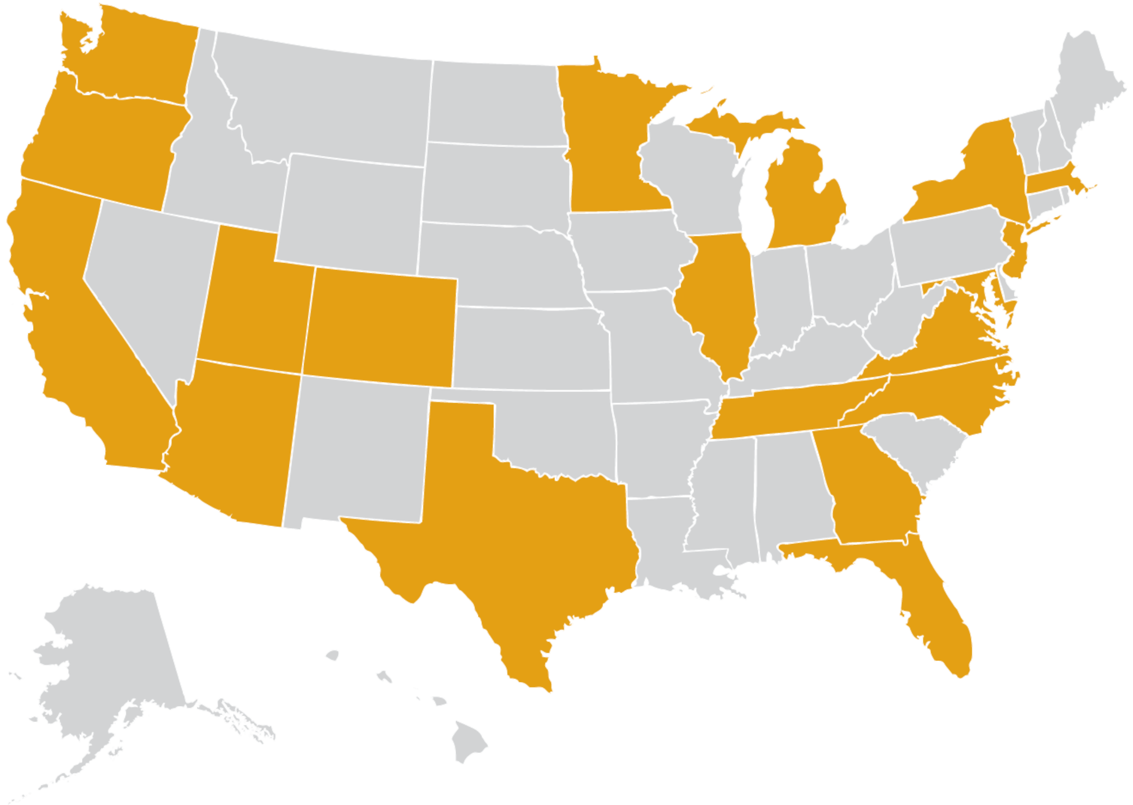
Source: Novogradac

NOVOGRADAC

Affordable Housing Credit Improvement Act

ESTIMATE AS OF JAN. 2024

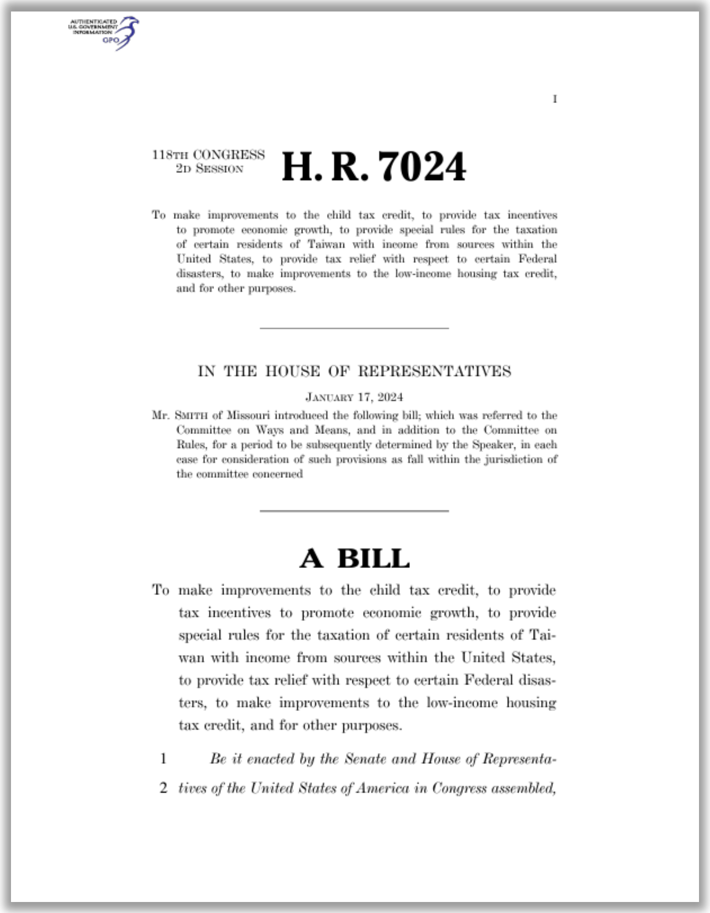
		Temporary	Additional Homes Over 10 Years
1	California	39,620	179,510
2	New York	19,460	88,150
3	Texas	17,830	80,320
4	Florida	12,600	56,740
5	Georgia	8,750	39,570
6	Virginia	7,170	32,410
7	Washington	6,890	31,180
8	Oregon	6,640	30,160
9	Tennessee	6,190	27,990
10	Illinois	5,750	25,810
11	Massachusetts	5,140	23,220
12	Minnesota	4,820	21,790
13	Maryland	4,810	21,760
14	North Carolina	4,740	21,250
15	Colorado	4,170	18,850
16	New Jersey	4,120	18,490
17	Arizona	3,430	15,390
18	DC	3,260	14,840
19	Michigan	2,850	12,640
20	Utah	2,700	12,210



Tax Relief for American Families and Workers Act of 2024

H.R. 7024

Introduced Jan. 17, 2024 | Passed House Ways & Means Committee Jan. 19, 2024 | Passed full House Jan. 31, 2024



AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

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118TH CONGRESS 2D SESSION **H. R. 7024**

To make improvements to the child tax credit, to provide tax incentives to promote economic growth, to provide special rules for the taxation of certain residents of Taiwan with income from sources within the United States, to provide tax relief with respect to certain Federal disasters, to make improvements to the low-income housing tax credit, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 17, 2024

Mr. SMITH of Missouri introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To make improvements to the child tax credit, to provide tax incentives to promote economic growth, to provide special rules for the taxation of certain residents of Taiwan with income from sources within the United States, to provide tax relief with respect to certain Federal disasters, to make improvements to the low-income housing tax credit, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

ISSUES TO CONSIDER

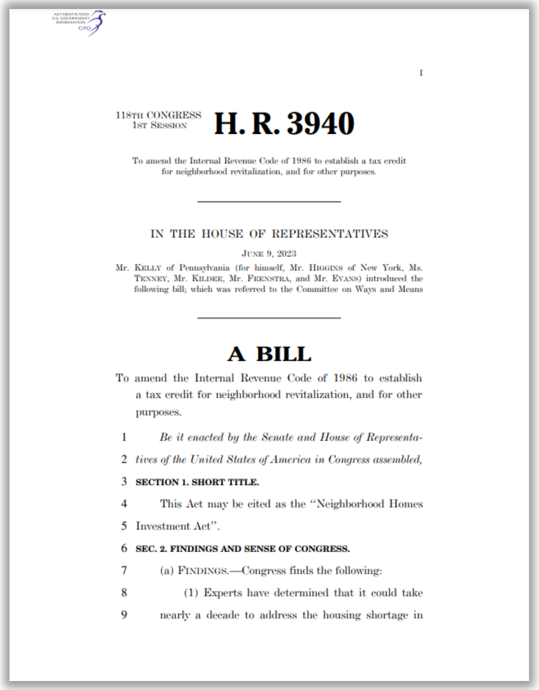
- Lowering Max Allocations from 55% to 33%
- 2024 - 55% Existing Awards
  - Use recycling bonds
- More acq rehab / preservation / resyndications
- How to model going forward - return to 50% test in 2026

Other Affordable Housing Tax Incentive Bills

Neighborhood Homes Investment Act

H.R. 3940 introduced June 9, 2023 | S.657 introduced March 6, 2023

117th Cosponsors : **H.R. 2134**: 31**R** 78**D**
118th Cosponsors : **H.R. 3940**: 20**R** 28**D** *as of 2/6/24*


AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

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118TH CONGRESS
1ST SESSION
H. R. 3940

To amend the Internal Revenue Code of 1986 to establish a tax credit for neighborhood revitalization, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 9, 2023

Mr. KELLY of Pennsylvania (for himself, Mr. HIGGINS of New York, Ms. TENNEY, Mr. KILDEE, Mr. FEENSTRA, and Mr. EVANS) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to establish a tax credit for neighborhood revitalization, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

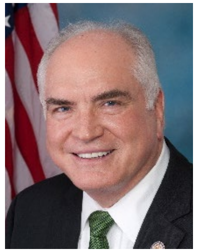
SECTION 1. SHORT TITLE.

This Act may be cited as the "Neighborhood Homes Investment Act".

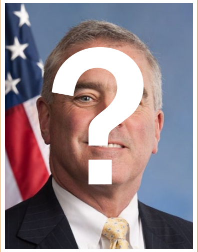
SEC. 2. FINDINGS AND SENSE OF CONGRESS.

(a) FINDINGS.—Congress finds the following:

(1) Experts have determined that it could take nearly a decade to address the housing shortage in


KELLY
R-PA


LAHOOD
R-IL


WENSTRUP
R-OH

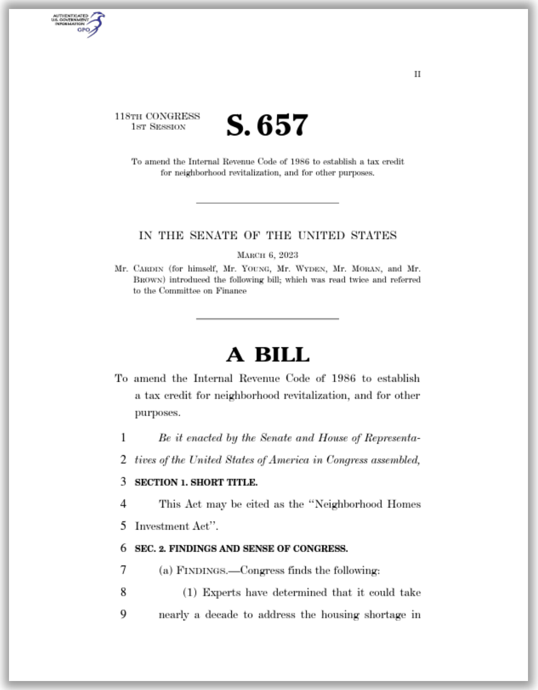

HIGGINS
D-NY
LARSON
D-CT


SEWELL
D-AL


KILDEE
D-MI

Retiring at the end of 2024

117th Cosponsors : **S. 98**: 7**R** 17**D**
118th Cosponsors : **S. 657**: 5**R** 6**D** *as of 2/6/24*


AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

II

118TH CONGRESS
1ST SESSION
S. 657

To amend the Internal Revenue Code of 1986 to establish a tax credit for neighborhood revitalization, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 6, 2023

Mr. CARDIN (for himself, Mr. YOUNG, Mr. WYDEN, Mr. MORAN, and Mr. BROWN) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to establish a tax credit for neighborhood revitalization, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

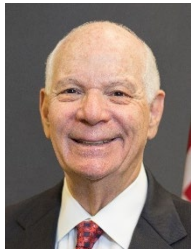
SECTION 1. SHORT TITLE.

This Act may be cited as the "Neighborhood Homes Investment Act".

SEC. 2. FINDINGS AND SENSE OF CONGRESS.

(a) FINDINGS.—Congress finds the following:

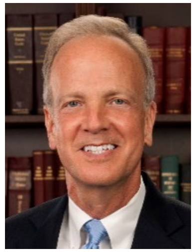
(1) Experts have determined that it could take nearly a decade to address the housing shortage in


CARDIN
D-MD


WYDEN
D-OR

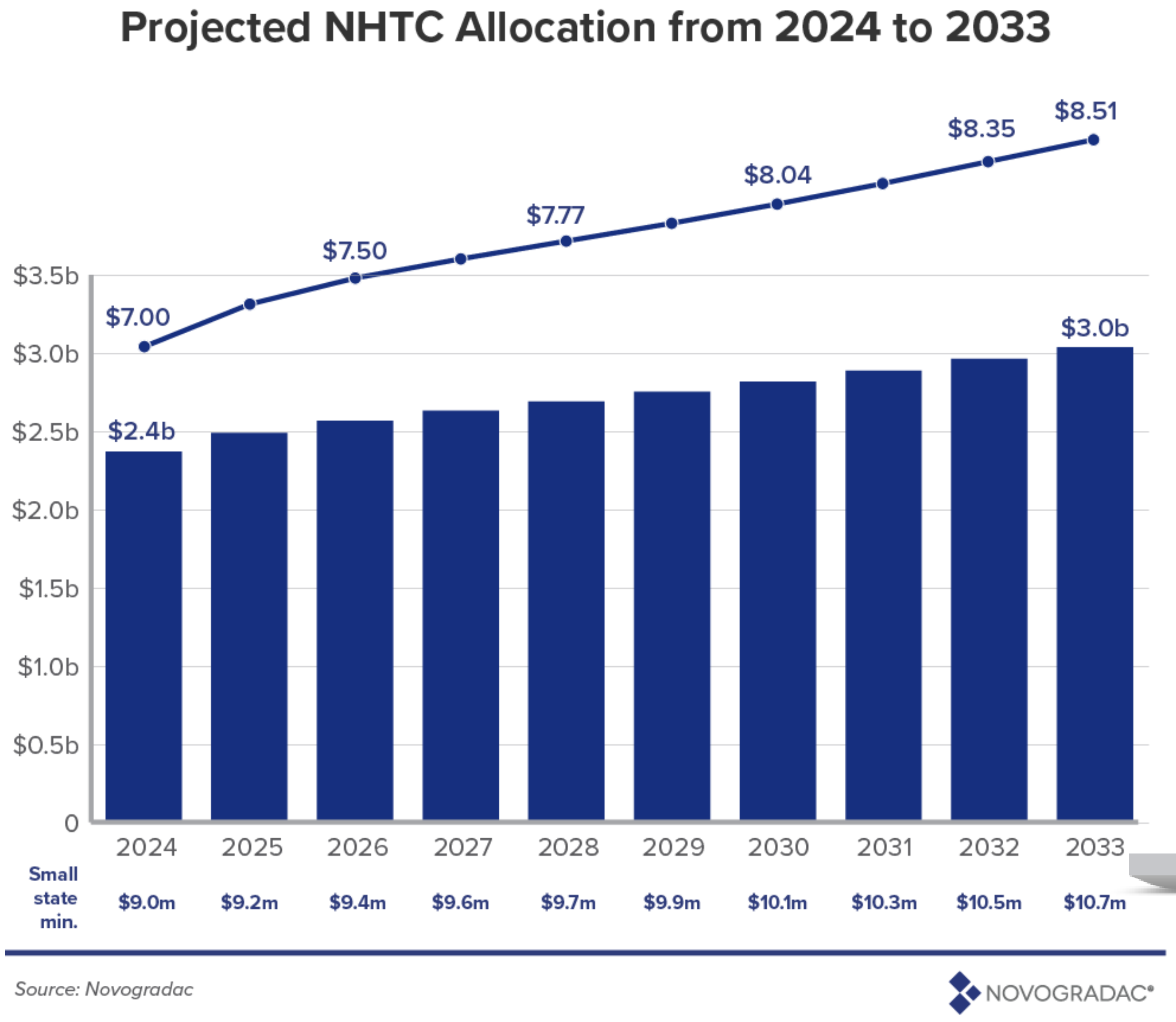

BROWN
D-OH


YOUNG
R-IN


MORAN
R-KS


GRAHAM
R-SC

Neighborhood Homes Investment Act



www.novoco.com/notes-from-novogradac

Workforce Housing Tax Credit Act

a.k.a. Middle-Income Housing Tax Credit (MIHTC)

INTRODUCED DECEMBER 7, 2023

I

118TH CONGRESS
1ST SESSION

H. R. 6686

To amend the Internal Revenue Code of 1986 to provide a credit for middle-income housing, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 7, 2023

Mr. PANETTA (for himself and Mr. CAREY) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to provide a credit for middle-income housing, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

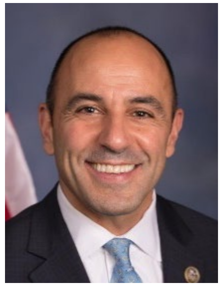
SECTION 1. SHORT TITLE.

This Act may be cited as the "Workforce Housing Tax Credit Act".

SEC. 2. SENSE OF CONGRESS RELATING TO THE MIDDLE-INCOME HOUSING TAX CREDIT.

It is the sense of Congress that—

(1) the middle-income housing tax credit under section 42 of the Internal Revenue Code of 1986 is



PANETTA
D-CA

CAREY
R-OH

II

118TH CONGRESS
1ST SESSION

S. 3436

To amend the Internal Revenue Code of 1986 to provide a credit for middle-income housing, and for other purposes.

IN THE SENATE OF THE UNITED STATES

DECEMBER 7, 2023

Mr. WYDEN (for himself and Mr. SULLIVAN) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to provide a credit for middle-income housing, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Workforce Housing Tax Credit Act".

SEC. 2. MIDDLE-INCOME HOUSING TAX CREDIT.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 42 the following new section:

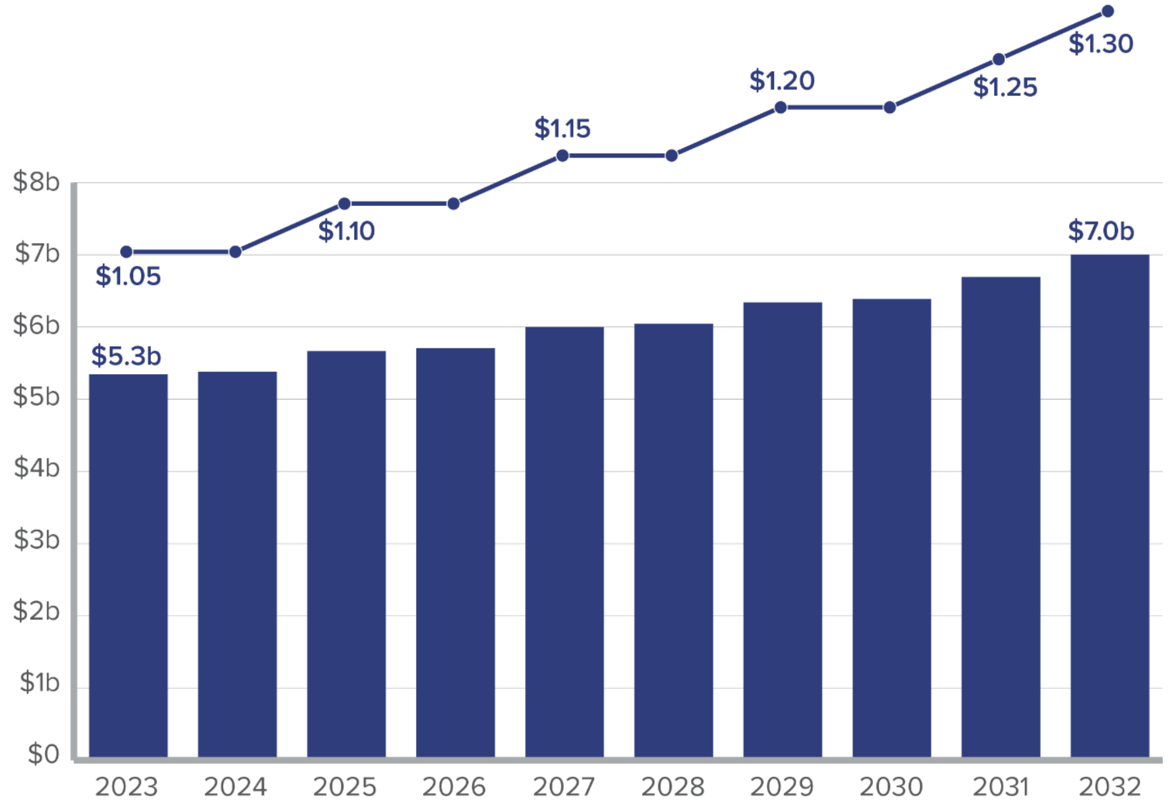
WYDEN
D-OR

SULLIVAN
D-AK

Workforce Housing Tax Credit Act

a.k.a. Middle-Income Housing Tax Credit (MIHTC)

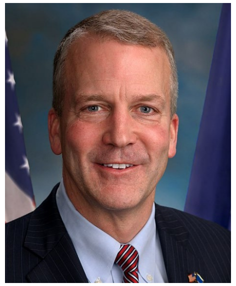
Projected 5% MIHTC Allocation from 2023 to 2032



Source: Novogradac

NOVOGRADAC®

WYDEN
D-OR



SULLIVAN
R-AK

CAREY
R-OH

PANETTA
D-CA

Proposed Increase in Rental Homes Financed and Overall Economic Impact Due to DASH Act Provisions Over 10 Years

OVER 10 YEARS

DASH/MIHTC Rental Homes			Economic Impact		
2% Units	5% Units	TOTAL RENTAL HOMES	Jobs	Wages & Business Income	Taxes
127,900*	216,100	**344,100**	560,400	$63,473,156,600	$22,030,191,800

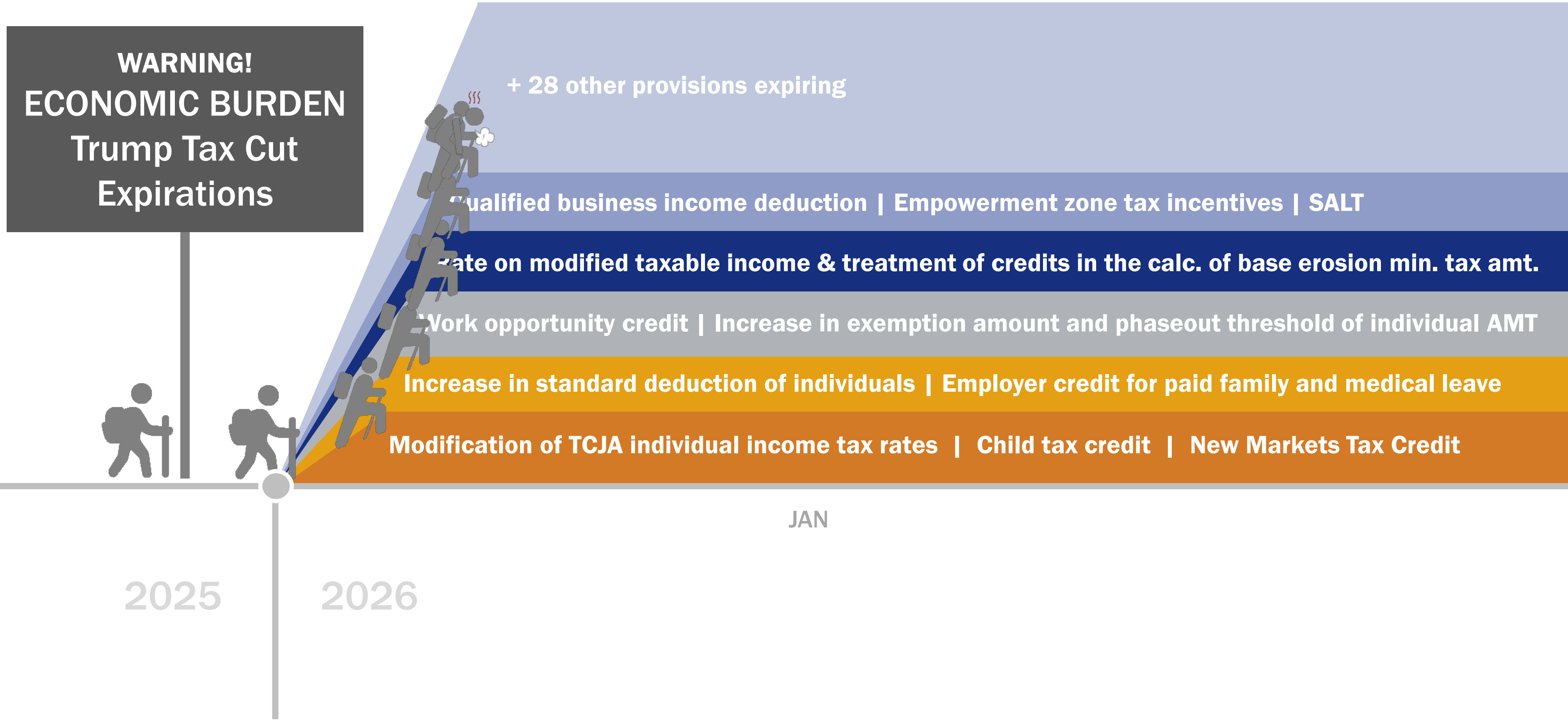
*Estimate assumes at least 15% of multifamily private activity bond issuance includes MIHTC assistance.

Source: Novogradac

NOVOGRADAC®

2025 Major Tax Bill

Expiring Provisions: 12/31/2025



Deficit Impact of Extending Tax Cuts and Jobs Act Provisions

EXPIRING PROVISIONS DEC. 31, 2025

Policy (First Year Policy Expires of Changes)	2024-2033 Cost/Savings (-)
Reduced Individual Income Tax Rates (2026)	$1.8 trillion
Elimination of Personal Exemptions (2026)	-$1.6 trillion
End of Alternative Minimum Tax (AMT) for most taxpayers (2026)	$1.1 trillion
Doubled Standard Deduction (2026)	$1.0 trillion
$10,000 SALT Deduction Cap and Other Deduction Changes (2026)	-$935 billion
Increased Child Tax Credit from $1,000 to $2,000 (2026)	$604 billion
20 Percent Pass-Through Deduction (2026)	$548 billion
Limit on Pass-Through Business Loss Deduction (2029)	-$137 billion
Doubled Estate Tax Exemption Threshold (2026)	$126 billion
Opportunity Zone Capital Gains Deferrals (2027)	$67 billion
Subtotal, Extend TCJA Individual and Estate Tax Extensions	**$2.6 trillion**
100 Percent Bonus Depreciation (2023)	$325 billion
Reinstated R&E Expensing (2022)	$200 billion
Reduced Foreign-Derived Intangible Income (FDII) Deduction (2026)	$111 billion
Looser Limit on Qualified Business Interest Deduction	$50 billion
Other Changes (2026 and 2028) NMTC Permanence: estimated $8 billion over 2026-35	$39 billion
Subtotal, Extend TCJA Business Provisions	**$720 billion**
Interest	$420 billion

$3.8 TRILLION

Total, Extend TCJA Individual, Estate, and Business Provisions with Interest

Sources: *Congressional Budget Office, Joint Committee on Taxation, and Committee for a Responsible Federal Budget. Numbers may not sum due to rounding*

ELECTION 2024

Source: Cook Political as of 2/6/24

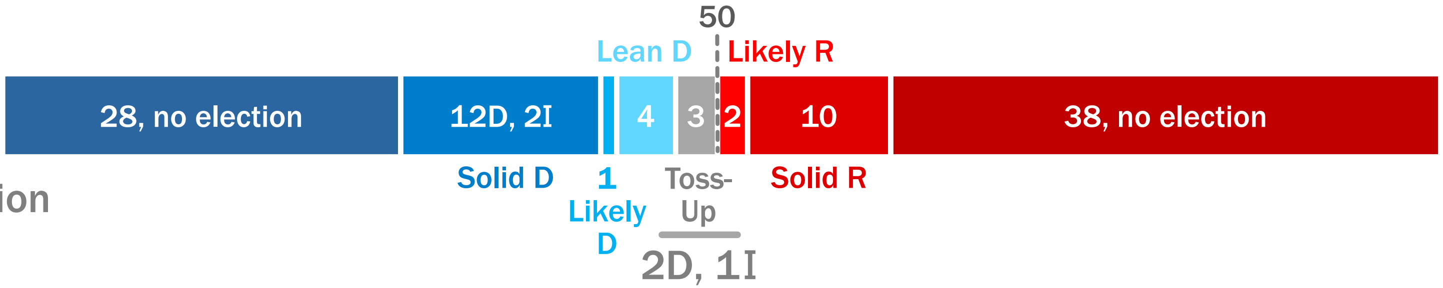
2024 House & Senate Outlook

Current Senate

48D 3I 49R

20D, 3I, 11R seats up for reelection

Senate Race Ratings



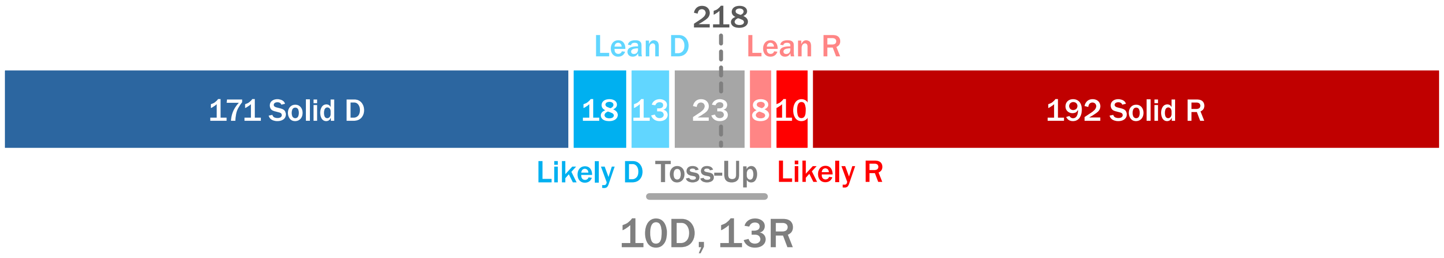
Notable Races

Open Seat - WV *(currently held by Joe Manchin-D)*, Open Seat - MI *(currently held by Debbie Stabenow-D)*,
Rosen - NV, Tester - MT, Brown - OH, Menendez - NJ, Baldwin - WI, Sinema - AZ | Scott - FL, Cruz - TX

Current House

219R 212D

House Race Ratings



4 Vacancies

NY-03 (former seat of expelled George Santos-R) – special election today to fill seat, **CA-20** (former seat of former Speaker Kevin McCarthy-R), **OH-06** (former seat of Bill Johnson-R), **NY-26** (former seat of Brian Higgins-D)

Source: Cook Political as of 2/6/24

2024 Key Senate Races

LEAST VULNERABLE → MOST VULNERABLE

REPUBLICAN SEATS

Cruz (TX)

Scott (FL)

Rep. incumbents in red states

DEMOCRATIC SEAT

Open Seat (MI)
- *Currently held by Debbie Stabenow-D*

Formerly held dem. seat in a purple/blue state

DEMOCRATIC SEATS

Casey Jr. (PA)

Menendez (NJ)
- *Facing federal indictment and significant primary opposition*

Rosen (NV)

Baldwin (WI)

Dem. incumbents in purple/blue states

DEMOCRATIC SEATS

Open Seat (WV)
- *Currently held by Joe Manchin-D*

Tester (MT)

Brown (OH)

Dem. incumbents in red states

2024 Election Scenarios

2024 Election Scenarios

Democrat | Republican | Republican
R

Republican | Democrat | Democrat

Republican Sweep

Republican | Republican | Republican
R

PROTECTING OURSELVES

The "Defensive" Path

Republican | Republican | Democrat

PROTECTING OURSELVES

The "Modest Defensive" Path

Democrat | Republican | Democrat

SEEKING RESOURCES

The "Modest Offensive" Path

Democratic Sweep

Democrat | Democrat | Democrat

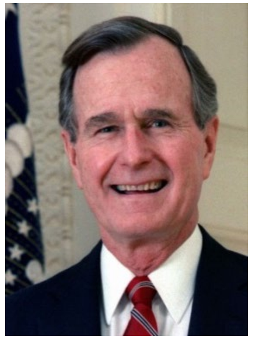
SEEKING RESOURCES

The "Aggressive Offensive" Path

Recent Presidents Who Had Major Tax Bills the Year of Their Inauguration


CARTER


REAGAN


BUSH


CLINTON


BUSH


OBAMA


TRUMP


BIDEN

Recent Presidents Who Were Reelected

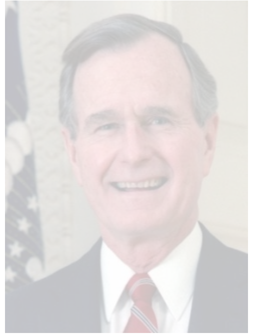
Major Tax Bills During Second Term

Since two-term limit was established, six out of nine presidents (66%) running for reelection were successful.

CARTER

REAGAN

Tax Reform Act of 1986



BUSH

CLINTON

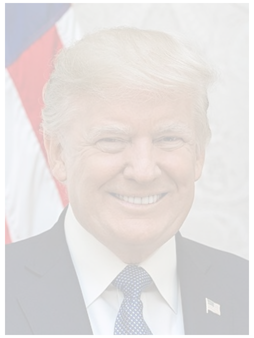
Taxpayer Relief Act of 1997

BUSH

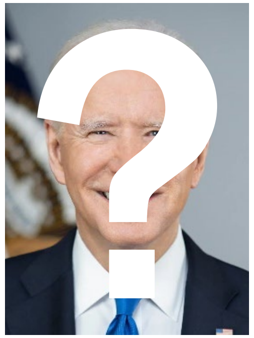
Tax Increase Prevention and Reconciliation Act of 2005 (TIPRA)

OBAMA

American Taxpayer Relief Act



TRUMP



BIDEN

Regulatory Environment & More

Supply & Demand Factors affecting
INVESTOR EQUITY PRICING

Recent Tax Legislation

- *More energy tax credits*
- *Transferrable tax credits*
- *Refundable tax credits*
- *Book minimum tax*

Inflation & Higher Interest Rates

ESG, Impact Investing & Public Commitments

Recession?

Additional factors?

OECD
BETTER POLICIES FOR BETTER LIVES

Global Minimum Tax?

Guidance released July 17, 2023

FASB
FINANCIAL ACCOUNTING STANDARDS BOARD

FASB Changes

Final FASB Accounting Standards Update (ASU) released March 29, 2023

Basel III Endgame

Capital requirements for large banks

Community Reinvestment Act

OCC, FDIC and Fed released final regulations Oct. 24, 2023

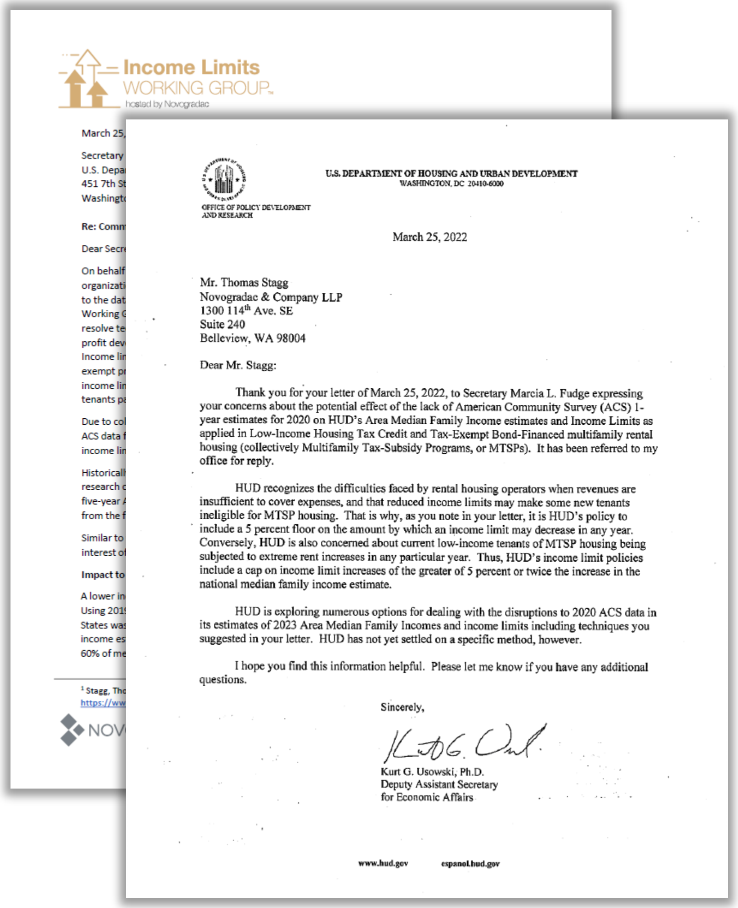
HUD Income Limits

Income Limits

Income Limits WORKING GROUP™ hosted by Novogradac

- Only **54 areas** had a decrease this year – less than 2% of the areas across the country
- Cap was 5.92%, over **85% of areas were capped**
- Average increase was **5.45%**
- Recent high rates of inflation potentially not captured in year-over-year ACS data change – potential implications for 2024?
  - 2022 1-Year ACS was released in Sept. 2022 5-Year ACS was released in Dec.
  - Novogradac's Income Limit Estimate has been updated and is estimating an **average increase of 6.7%** for the areas we can estimate.
    - Utilizing HUD's new cap methodology
  - Over **95% of areas** will have an increase.

www.novoco.com/**podcast**



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-6000

OFFICE OF POLICY DEVELOPMENT AND RESEARCH

March 25, 2022

Mr. Thomas Stagg
Novogradac & Company LLP
1300 114th Ave. SE
Suite 240
Belleview, WA 98004

Dear Mr. Stagg:

Thank you for your letter of March 25, 2022, to Secretary Marcia L. Fudge expressing your concerns about the potential effect of the lack of American Community Survey (ACS) 1-year estimates for 2020 on HUD's Area Median Family Income estimates and Income Limits as applied in Low-Income Housing Tax Credit and Tax-Exempt Bond-Financed multifamily rental housing (collectively Multifamily Tax-Subsidy Programs, or MTSPs). It has been referred to my office for reply.

HUD recognizes the difficulties faced by rental housing operators when revenues are insufficient to cover expenses, and that reduced income limits may make some new tenants ineligible for MTSP housing. That is why, as you note in your letter, it is HUD's policy to include a 5 percent floor on the amount by which an income limit may decrease in any year. Conversely, HUD is also concerned about current low-income tenants of MTSP housing being subjected to extreme rent increases in any particular year. Thus, HUD's income limit policies include a cap on income limit increases of the greater of 5 percent or twice the increase in the national median family income estimate.

HUD is exploring numerous options for dealing with the disruptions to 2020 ACS data in its estimates of 2023 Area Median Family Incomes and income limits including techniques you suggested in your letter. HUD has not yet settled on a specific method, however.

I hope you find this information helpful. Please let me know if you have any additional questions.

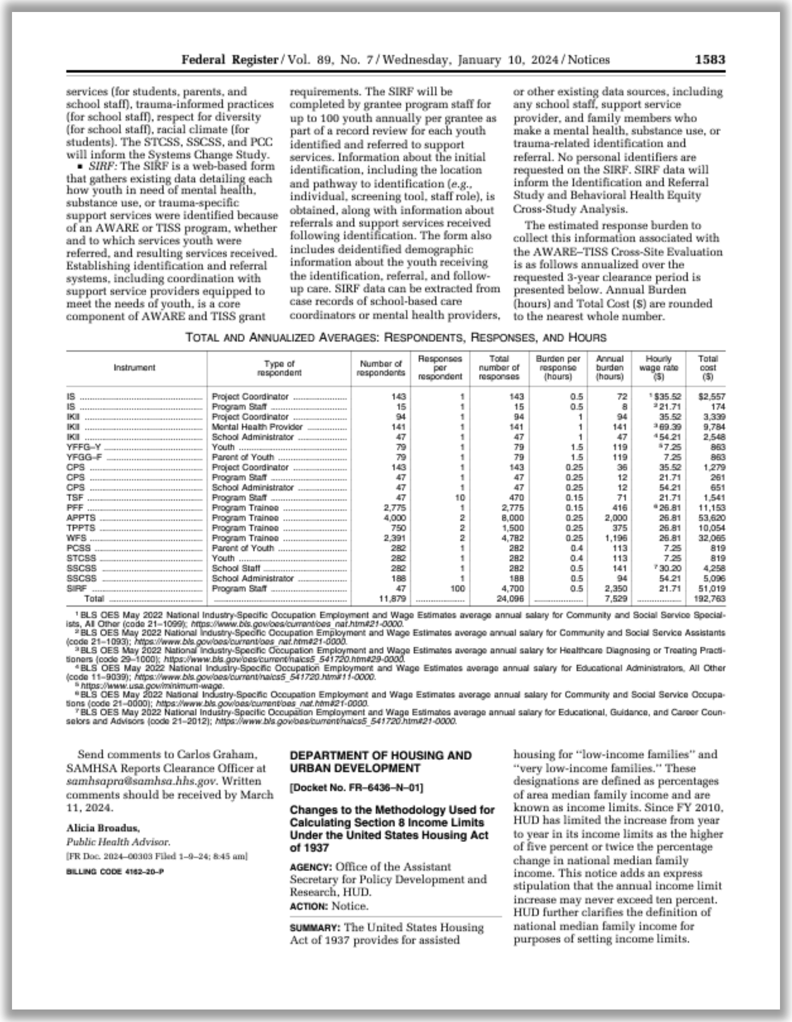
Sincerely,

Kurt G. Usowski, Ph.D.
Deputy Assistant Secretary
for Economic Affairs

www.hud.gov espanol.hud.gov

Income Limits WORKING GROUP™
hosted by Novogradac

Income Limits


Federal Register / Vol. 89, No. 7 / Wednesday, January 10, 2024 / Notices 1583

services (for students, parents, and school staff), trauma-informed practices (for school staff), respect for diversity (for school staff), racial climate (for students). The STCSS, SSCSS, and PCC will inform the Systems Change Study.

▪ *SIRF:* The SIRF is a web-based form that gathers existing data detailing each how youth in need of mental health, substance use, or trauma-specific support services were identified because of an AWARE or TISS program, whether and to which services youth were referred, and resulting services received. Establishing identification and referral systems, including coordination with support service providers equipped to meet the needs of youth, is a core component of AWARE and TISS grant requirements. The SIRF will be completed by grantee program staff for up to 100 youth annually per grantee as part of a record review for each youth identified and referred to support services. Information about the initial identification, including the location and pathway to identification (*e.g.*, individual, screening tool, staff role), is obtained, along with information about referrals and support services received following identification. The form also includes deidentified demographic information about the youth receiving the identification, referral, and follow-up care. SIRF data can be extracted from case records of school-based care coordinators or mental health providers, or other existing data sources, including any school staff, support service provider, and family members who make a mental health, substance use, or trauma-related identification and referral. No personal identifiers are requested on the SIRF. SIRF data will inform the Identification and Referral Study and Behavioral Health Equity Cross-Study Analysis.

The estimated response burden to collect this information associated with the AWARE–TISS Cross-Site Evaluation is as follows annualized over the requested 3-year clearance period is presented below. Annual Burden (hours) and Total Cost ($) are rounded to the nearest whole number.

TOTAL AND ANNUALIZED AVERAGES: RESPONDENTS, RESPONSES, AND HOURS

Instrument	Type of respondent	Number of respondents	Responses per respondent	Total number of responses	Burden per response (hours)	Annual burden (hours)	Hourly wage rate ($)	Total cost ($)
IS	Project Coordinator	143	1	143	0.5	72	[1] $35.52	$2,557
IS	Program Staff	15	1	15	0.5	8	[2] 21.71	174
IKII	Project Coordinator	94	1	94	1	94	35.52	3,339
IKII	Mental Health Provider	141	1	141	1	141	[3] 69.39	9,784
IKII	School Administrator	47	1	47	1	47	[4] 54.21	2,548
YFFG–Y	Youth	79	1	79	1.5	119	[5] 7.25	863
YFGG–F	Parent of Youth	79	1	79	1.5	119	7.25	863
CPS	Project Coordinator	143	1	143	0.25	36	35.52	1,279
CPS	Program Staff	47	1	47	0.25	12	21.71	261
CPS	School Administrator	47	1	47	0.25	12	54.21	651
TSF	Program Staff	47	10	470	0.15	71	21.71	1,541
PFF	Program Trainee	2,775	1	2,775	0.15	416	[6] 26.81	11,153
APPTS	Program Trainee	4,000	2	8,000	0.25	2,000	26.81	53,620
TPPTS	Program Trainee	750	2	1,500	0.25	375	26.81	10,054
WFS	Program Trainee	2,391	2	4,782	0.25	1,196	26.81	32,065
PCSS	Parent of Youth	282	1	282	0.4	113	7.25	819
STCSS	Youth	282	1	282	0.4	113	7.25	819
SSCSS	School Staff	282	1	282	0.5	141	[7] 30.20	4,258
SSCSS	School Administrator	188	1	188	0.5	94	54.21	5,096
SIRF	Program Staff	47	100	4,700	0.5	2,350	21.71	51,019
Total		11,879		24,096		7,529		192,763

[1] BLS OES May 2022 National Industry-Specific Occupation Employment and Wage Estimates average annual salary for Community and Social Service Specialists, All Other (code 21–1099); *https://www.bls.gov/oes/current/oes_nat.htm#21-0000.*
[2] BLS OES May 2022 National Industry-Specific Occupation Employment and Wage Estimates average annual salary for Community and Social Service Assistants (code 21–1093); *https://www.bls.gov/oes/current/oes_nat.htm#21-0000.*
[3] BLS OES May 2022 National Industry-Specific Occupation Employment and Wage Estimates average annual salary for Healthcare Diagnosing or Treating Practitioners (code 29–1000); *https://www.bls.gov/oes/current/naics5_541720.htm#29-0000.*
[4] BLS OES May 2022 National Industry-Specific Occupation Employment and Wage Estimates average annual salary for Educational Administrators, All Other (code 11–9039); *https://www.bls.gov/oes/current/naics5_541720.htm#11-0000.*
[5] *https://www.usa.gov/minimum-wage.*
[6] BLS OES May 2022 National Industry-Specific Occupation Employment and Wage Estimates average annual salary for Community and Social Service Occupations (code 21–0000); *https://www.bls.gov/oes/current/oes_nat.htm#21-0000.*
[7] BLS OES May 2022 National Industry-Specific Occupation Employment and Wage Estimates average annual salary for Educational, Guidance, and Career Counselors and Advisors (code 21–2012); *https://www.bls.gov/oes/current/naics5_541720.htm#21-0000.*

Send comments to Carlos Graham, SAMHSA Reports Clearance Officer at *samhsapra@samhsa.hhs.gov*. Written comments should be received by March 11, 2024.

Alicia Broadus,
Public Health Advisor.
[FR Doc. 2024–00303 Filed 1–9–24; 8:45 am]
BILLING CODE 4162–20–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–6436–N–01]

Changes to the Methodology Used for Calculating Section 8 Income Limits Under the United States Housing Act of 1937

AGENCY: Office of the Assistant Secretary for Policy Development and Research, HUD.

ACTION: Notice.

SUMMARY: The United States Housing Act of 1937 provides for assisted housing for "low-income families" and "very low-income families." These designations are defined as percentages of area median family income and are known as income limits. Since FY 2010, HUD has limited the increase from year to year in its income limits as the higher of five percent or twice the percentage change in national median family income. This notice adds an express stipulation that the annual income limit increase may never exceed ten percent. HUD further clarifies the definition of national median family income for purposes of setting income limits.

HUD CAP Notice:

- Cap will be based on ACS data going forward
- 2024 Cap will be based on change in 2021 to 2022 ACS data.
- Cap will have a ceiling of 10%
- 2024 Will have a cap of 10% calculated as follows:

7.39% x 2 = ~~14.78%~~ 10%

Change in 2021-2022 ACS

10% Ceiling

2024 income limit cap = **10%**

https://www.govinfo.gov/content/pkg/FR-2024-01-10/pdf/2024-00279.pdf

Income Limits

Income Limits WORKING GROUP™
hosted by Novogradac

www.novoco.com/**notes-from-novogradac**

Available at
www.novoco.com/**products**

- Insight into how income and rent limits in that area will change in future years
- Updated estimates when available data changes

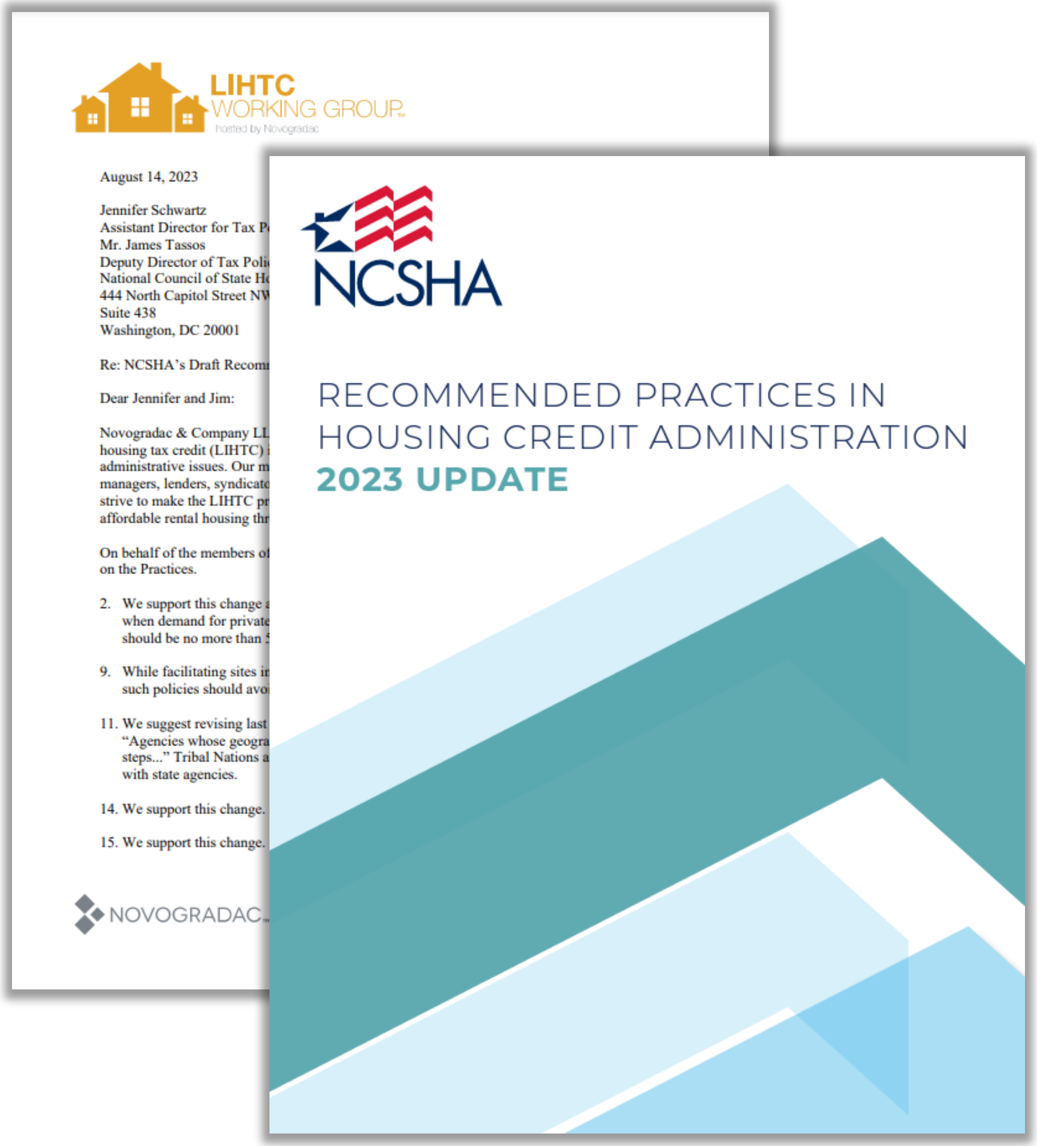
Rise of State Tax Credits

State Tax Credits

- More than half of states have already enacted a state LIHTC program
- Follow the status and learn more about state LIHTC programs at **www.novoco.com**

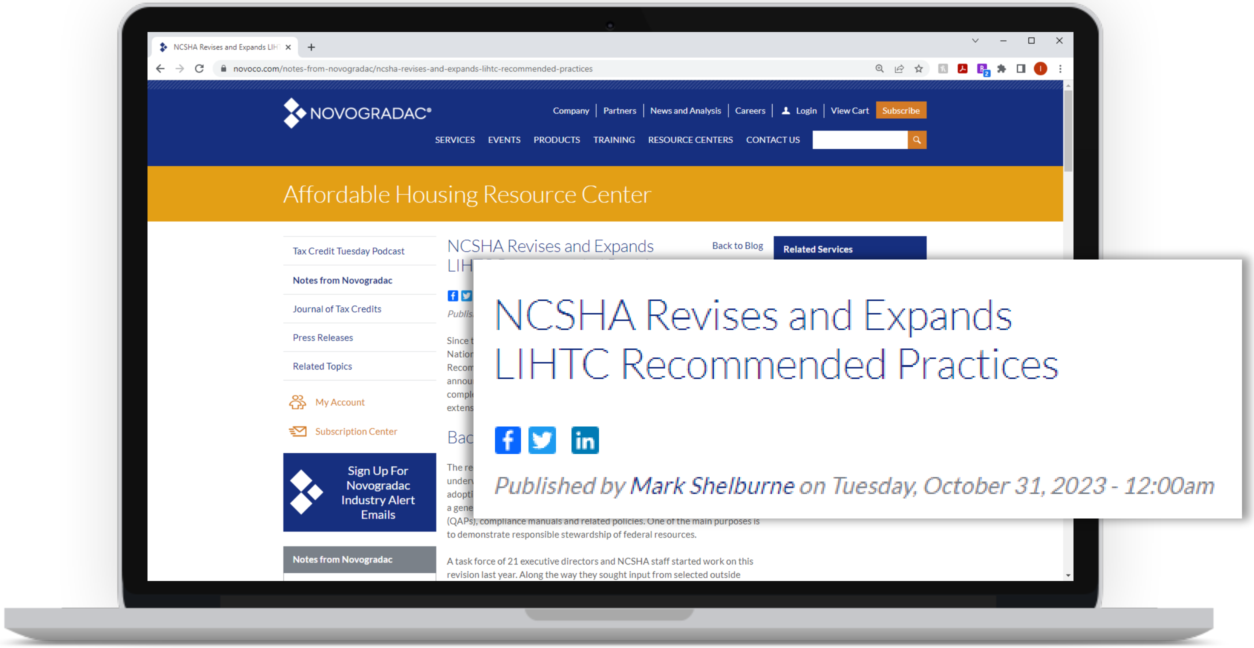
UPDATED OCTOBER 2023

NCSHA's Recommended Practices in Housing Credit Administration



https://www.ncsha.org/resource/ncsha-recommended-practices-in-housing-credit-administration/

www.novoco.com/notes-from-novogradac



KEYNOTE ADDRESS

for the CHFA 2024 Housing Credit Summit

Michael Novogradac, CPA
Managing Partner, Novogradac
michael.novogradac@novoco.com
@Novogradac

2024 housing credit summit

break

colorado legislative update

Jerilynn Francis
Chief Communications and Community Partnerships Officer, CHFA

2024 housing credit summit

colorado housing and finance authority

celebrating 50 years | chfa

building on success

State Affordable Housing Tax Credit

- $10M increase to pair with federal 9% credit
- $20M in state AHTC 2025-2031

Representative
Shannon
Bird

Representative
Ron
Weinberg

Senator
Rachel
Zenzinger

Senator
Cleave
Simpson

building on success

Middle Income Housing Tax Credit

- New pilot program
- $10M in 2025, 2026, and 2027
- Five-year credit
- 80% to 120% AMI, up to 140% in rural resort counties

Senator
Jeff
Bridges

Representative
William
Lindstedt

more housing now

Transit Oriented Communities (TOC) Tax Credit

- Stand-alone credit
- Modeled after state AHTC except for a few key differences
- Five-year credit
- Accelerated schedule:
  70% in year 1; 8% in years 2 and 3;
  7% in years 3 and 4

support our efforts

Jerilynn Francis

Chief Communications and Community Partnerships Officer

303.297.7427

jfrancis@chfainfo.com

Julia Selby

Legislative Liaison and Policy Analyst

303.297.5267

jselby@chfainfo.com

health, wealth, and housing

Megan Sandel, MD, MPH
Co-Lead Principal Investigator,
Boston Medical Center

2024 housing credit summit

colorado housing and finance authority

celebrating 50 years | chfa

Health, Wealth, and Housing

Megan Sandel, MD, MPH

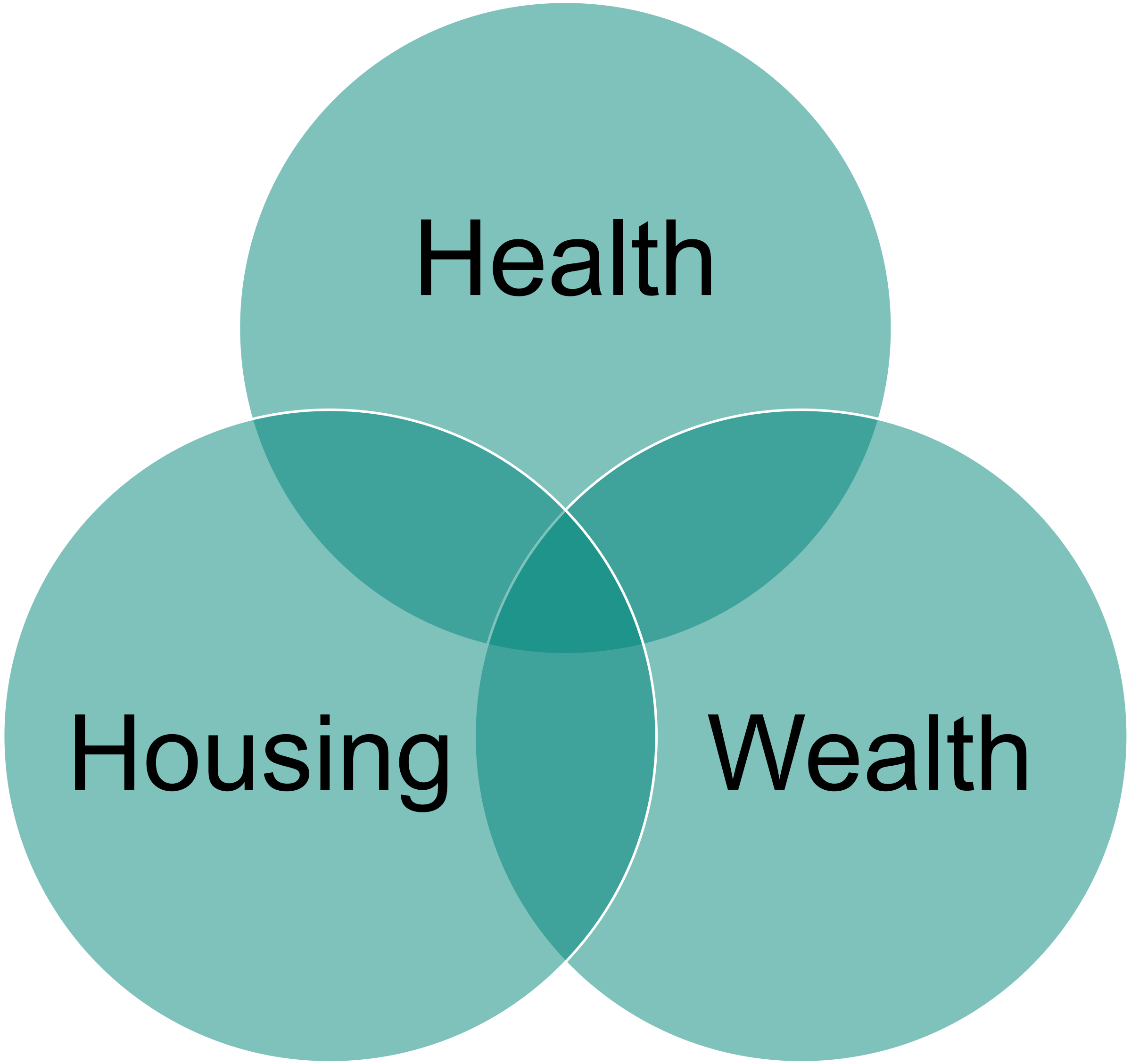
February 13, 2024

BOSTON MEDICAL CENTER

Roadmap

- Understanding the Social Drivers of Health, Wealth, and Housing
- Four Dimensions of Housing and Health
- How Health and Wealth are Interconnected
- Ingredients of Health + Housing Partnerships
- Future Directions

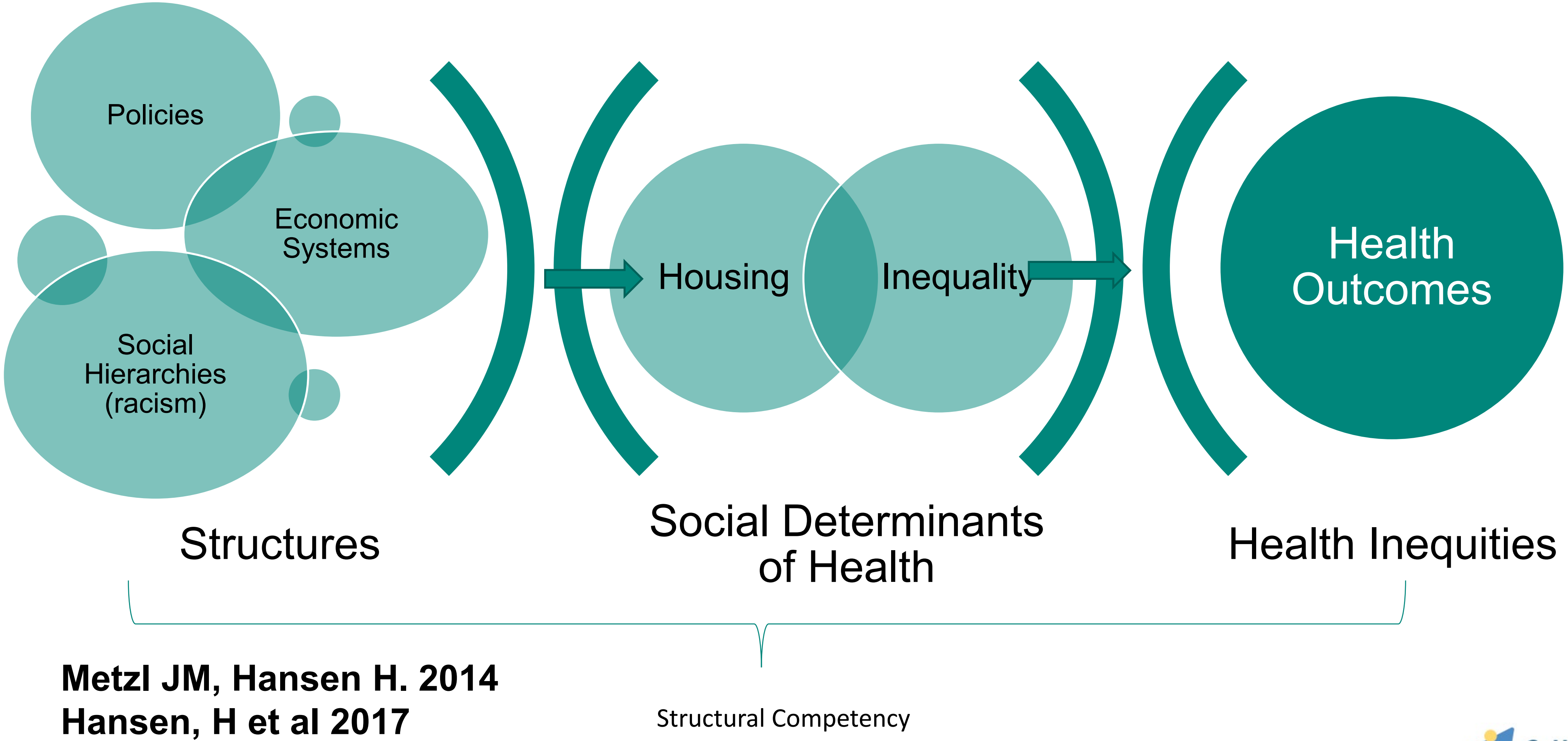
Intersections of Health, Wealth, and Housing (Where you live)



BOSTON MEDICAL CENTER

CHILDREN'S HealthWatch

Understanding how Structures underline differences in Social Determinants of Health Outcomes



Metzl JM, Hansen H. 2014
Hansen, H et al 2017

Social Factors Drive Health Positively and Adversely

Can be Both **Asset** and **Deficit** Oriented

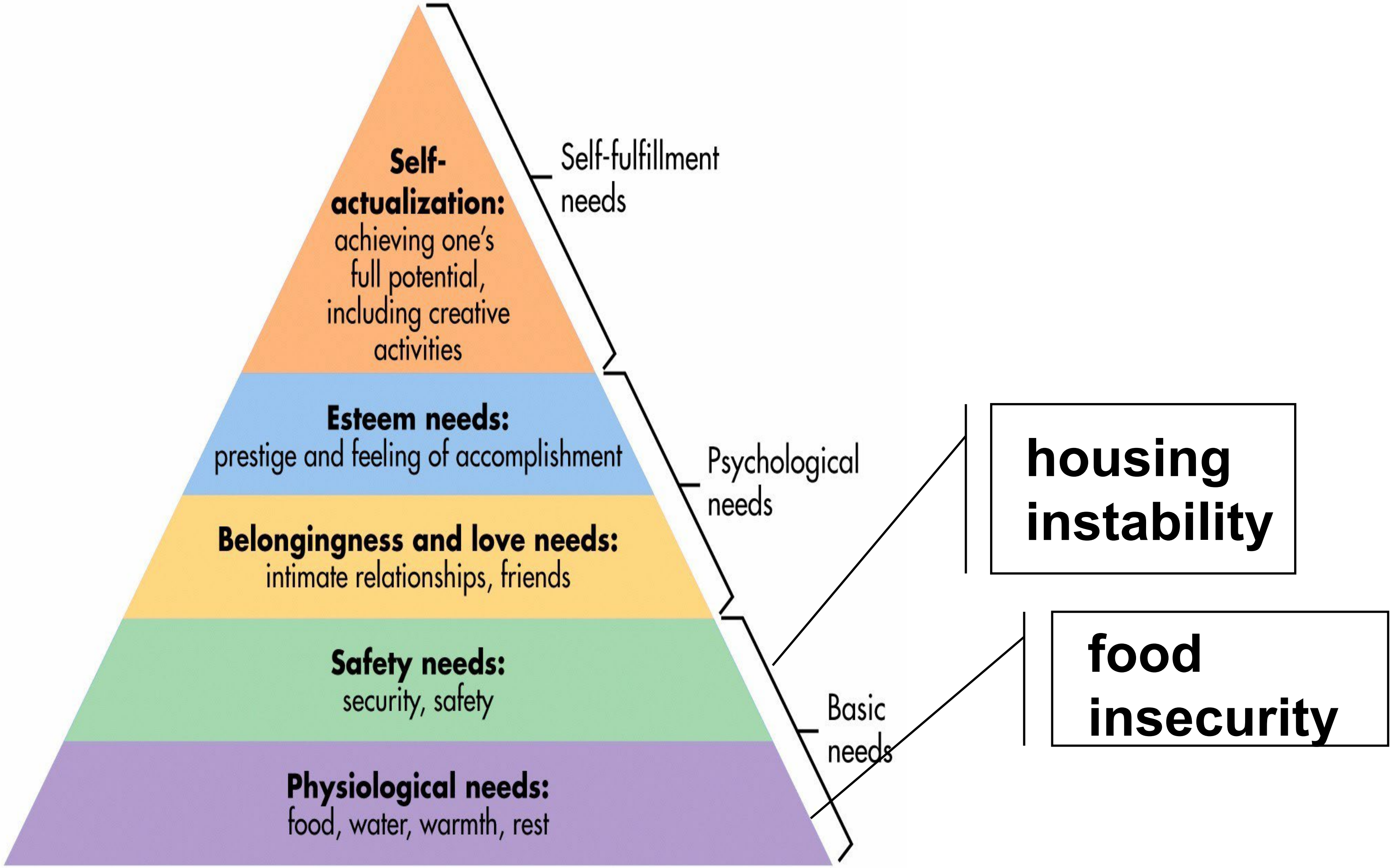
Often **Multi-factorial**, **Interactive**, **Multi-generational** and are **Not Random**

SDOH are the structural factors and conditions in which people are born, grow, live, work and age.

BOSTON MEDICAL CENTER

CHILDREN'S HealthWatch

Why Housing is the Foundation of Positive Health



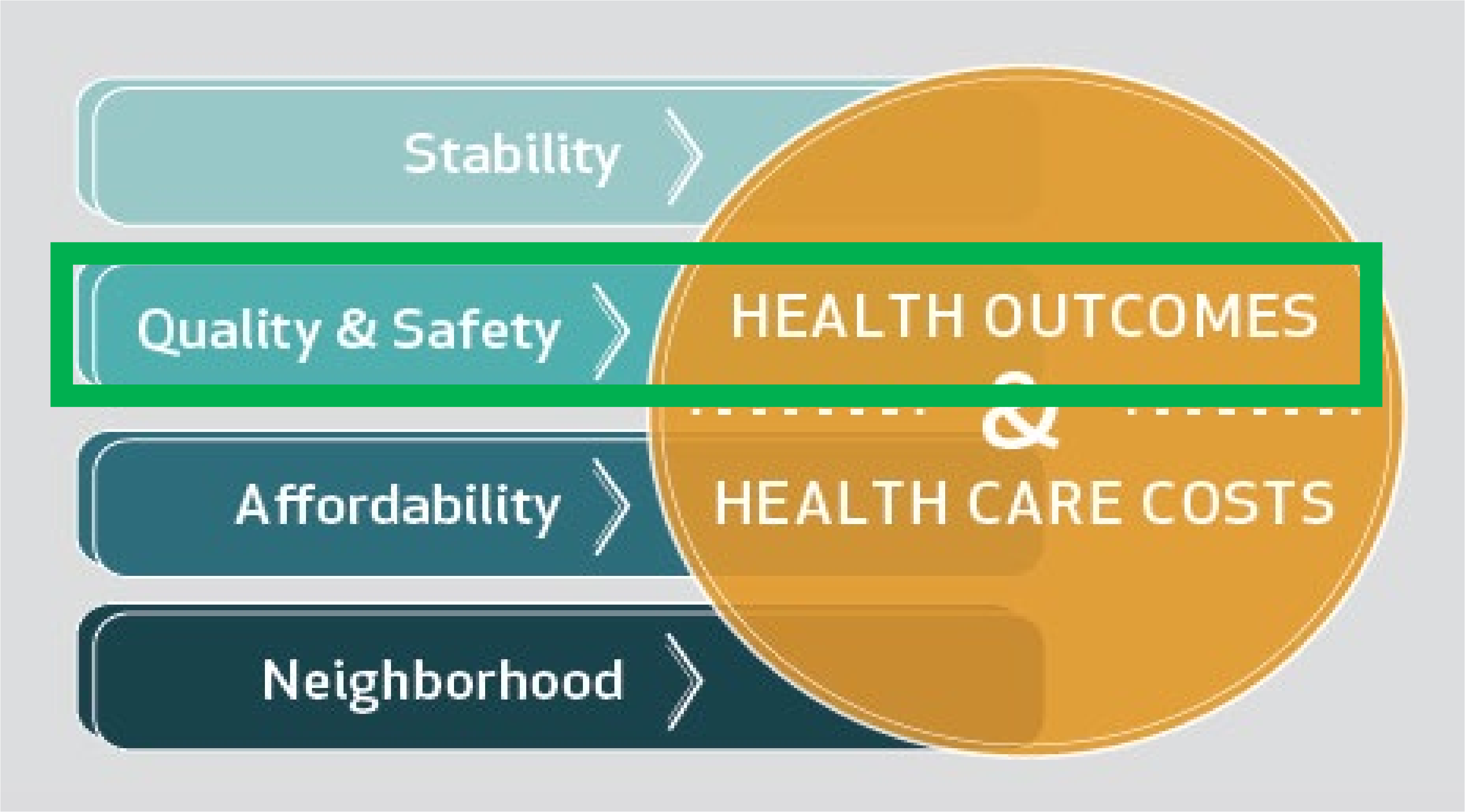
BOSTON MEDICAL CENTER

CHILDREN'S HealthWatch

Dimensions of Housing and Health Impact

Taylor, L. *Health Affairs*, 2018

Dimensions of Housing and Health Impact



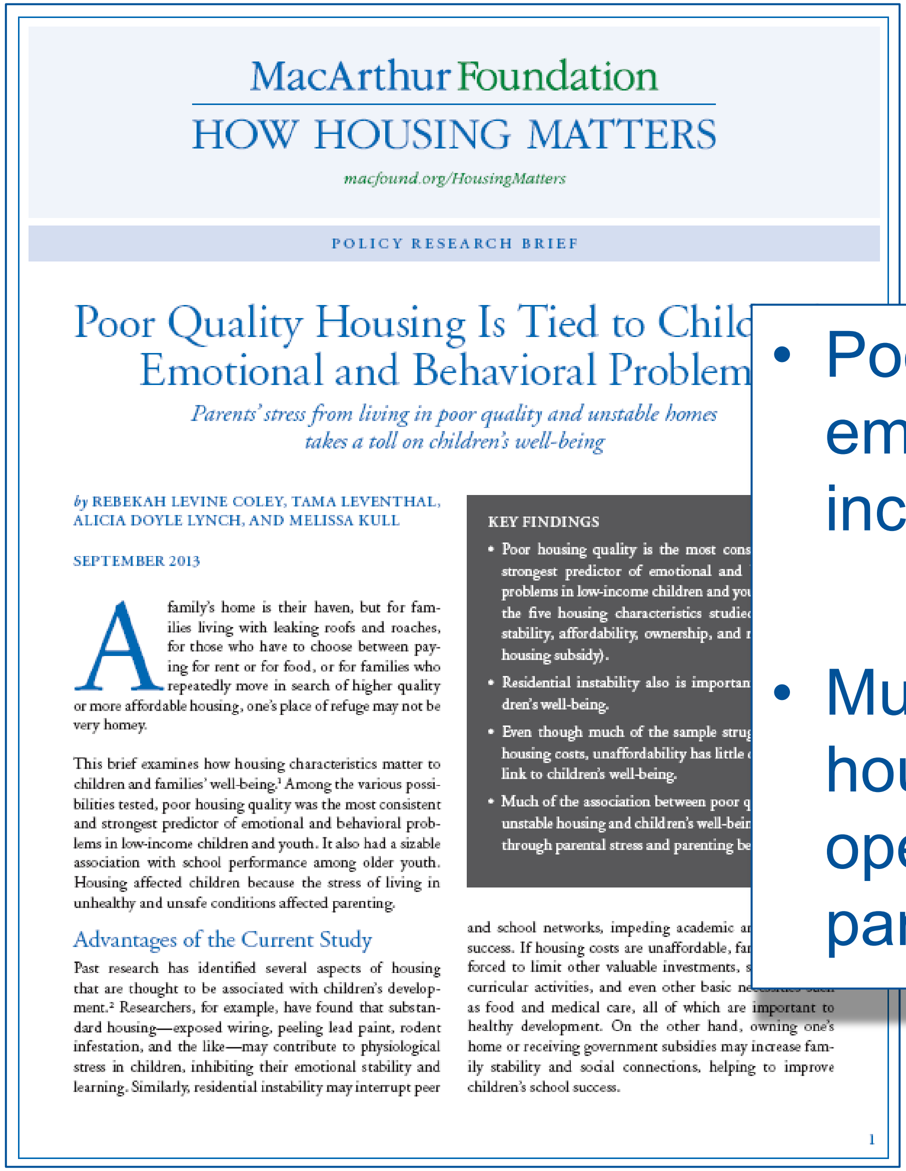
Taylor, L. *Health Affairs*, 2018

Evidence on Home Quality

- Accidents/Injuries – exposed wiring, needed repairs
- Development and worsening asthma, allergies tied to home
  - Pests (cockroaches and mice)
  - Molds/Chronic Dampness
  - Tobacco smoke
- Lead exposure tied to long term effects
  - Developmental delay, Attention deficit
- Heat or eat

Skinner et al, 2014

Home Quality and Mental Health



MacArthur Foundation

HOW HOUSING MATTERS

macfound.org/HousingMatters

POLICY RESEARCH BRIEF

Poor Quality Housing Is Tied to Child Emotional and Behavioral Problem

Parents' stress from living in poor quality and unstable homes takes a toll on children's well-being

by REBEKAH LEVINE COLEY, TAMA LEVENTHAL, ALICIA DOYLE LYNCH, AND MELISSA KULL

SEPTEMBER 2013

A family's home is their haven, but for families living with leaking roofs and roaches, for those who have to choose between paying for rent or for food, or for families who repeatedly move in search of higher quality or more affordable housing, one's place of refuge may not be very homey.

This brief examines how housing characteristics matter to children and families' well-being.[1] Among the various possibilities tested, poor housing quality was the most consistent and strongest predictor of emotional and behavioral problems in low-income children and youth. It also had a sizable association with school performance among older youth. Housing affected children because the stress of living in unhealthy and unsafe conditions affected parenting.

Advantages of the Current Study

Past research has identified several aspects of housing that are thought to be associated with children's development.[2] Researchers, for example, have found that substandard housing—exposed wiring, peeling lead paint, rodent infestation, and the like—may contribute to physiological stress in children, inhibiting their emotional stability and learning. Similarly, residential instability may interrupt peer

KEY FINDINGS

- Poor housing quality is the most cons strongest predictor of emotional and problems in low-income children and you the five housing characteristics studie stability, affordability, ownership, and housing subsidy).
- Residential instability also is importan dren's well-being.
- Even though much of the sample strug housing costs, unaffordability has little link to children's well-being.
- Much of the association between poor q unstable housing and children's well-bein through parental stress and parenting be

and school networks, impeding academic a success. If housing costs are unaffordable, fa forced to limit other valuable investments, curricular activities, and even other basic ne as food and medical care, all of which are important to healthy development. On the other hand, owning one's home or receiving government subsidies may increase family stability and social connections, helping to improve children's school success.

1

- Poor housing quality strongest predictor of emotional and behavioral problems in low-income children
- Much of association between poor housing quality and children's wellbeing operates through parental stress, parenting behaviors and mental health

BOSTON MEDICAL CENTER

CHILDREN'S HealthWatch

Maternal and Child Health outcomes associated with adverse housing

- Low birth weight and pre-mature birth
- Mental and behavioral health conditions, including anxiety and depression
- Developmental delays for infants and toddlers
- Increased need for urgent health services
- Poor overall caregiver health
- Adverse educational outcomes
- Other economic hardships like inability to afford food, utilities, and health care

Homelessness matters across the life course

Homelessness During Pregnancy: A Unique, Time-Dependent Risk Factor of Birth Outcomes

MATERNAL AND CHILD HEALTH JOURNAL

Homelessness During Infancy: Associations With Infant and Maternal Health and Hardship Outcomes

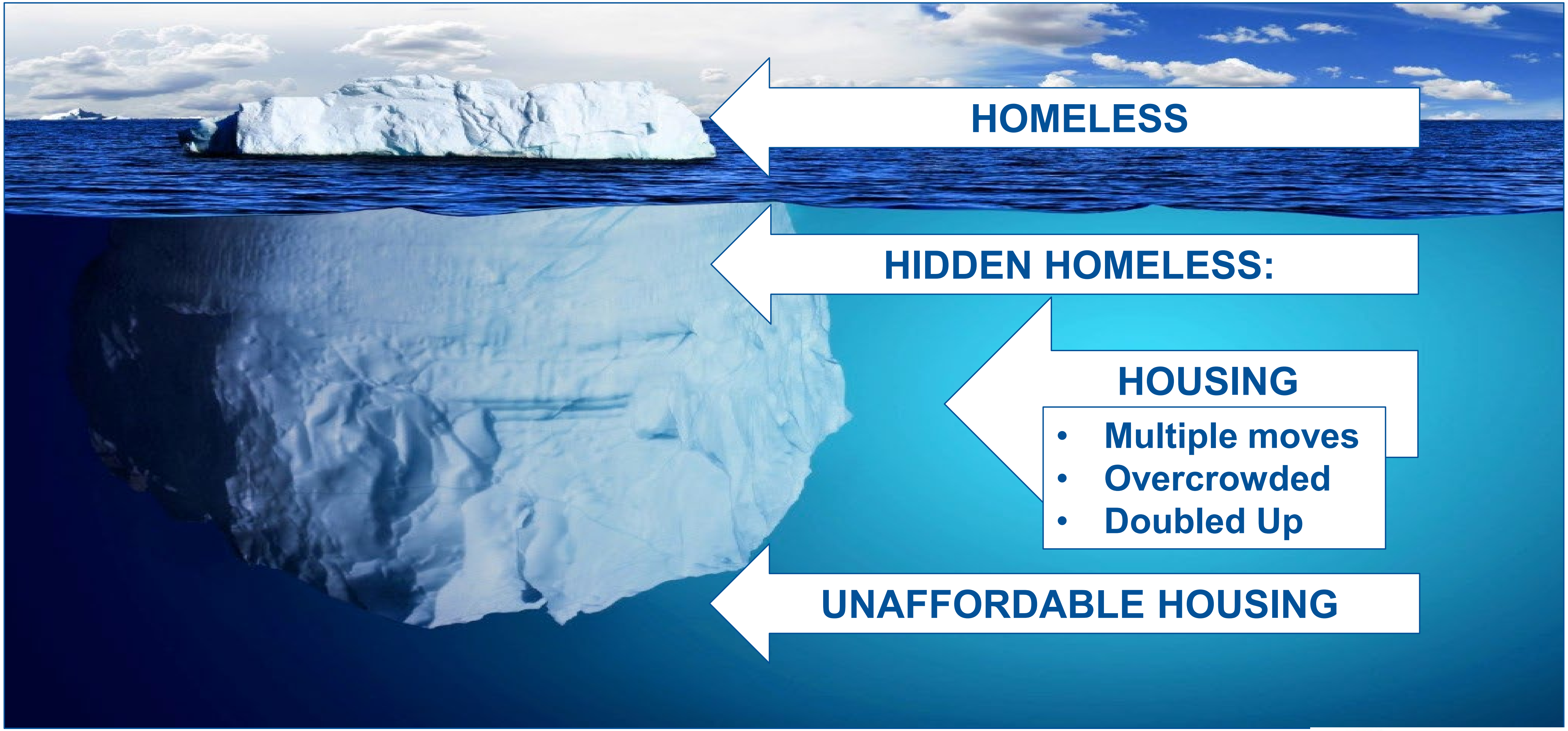
Cityscape

Timing and Duration of Pre- and Postnatal Homelessness and the Health of Young Children

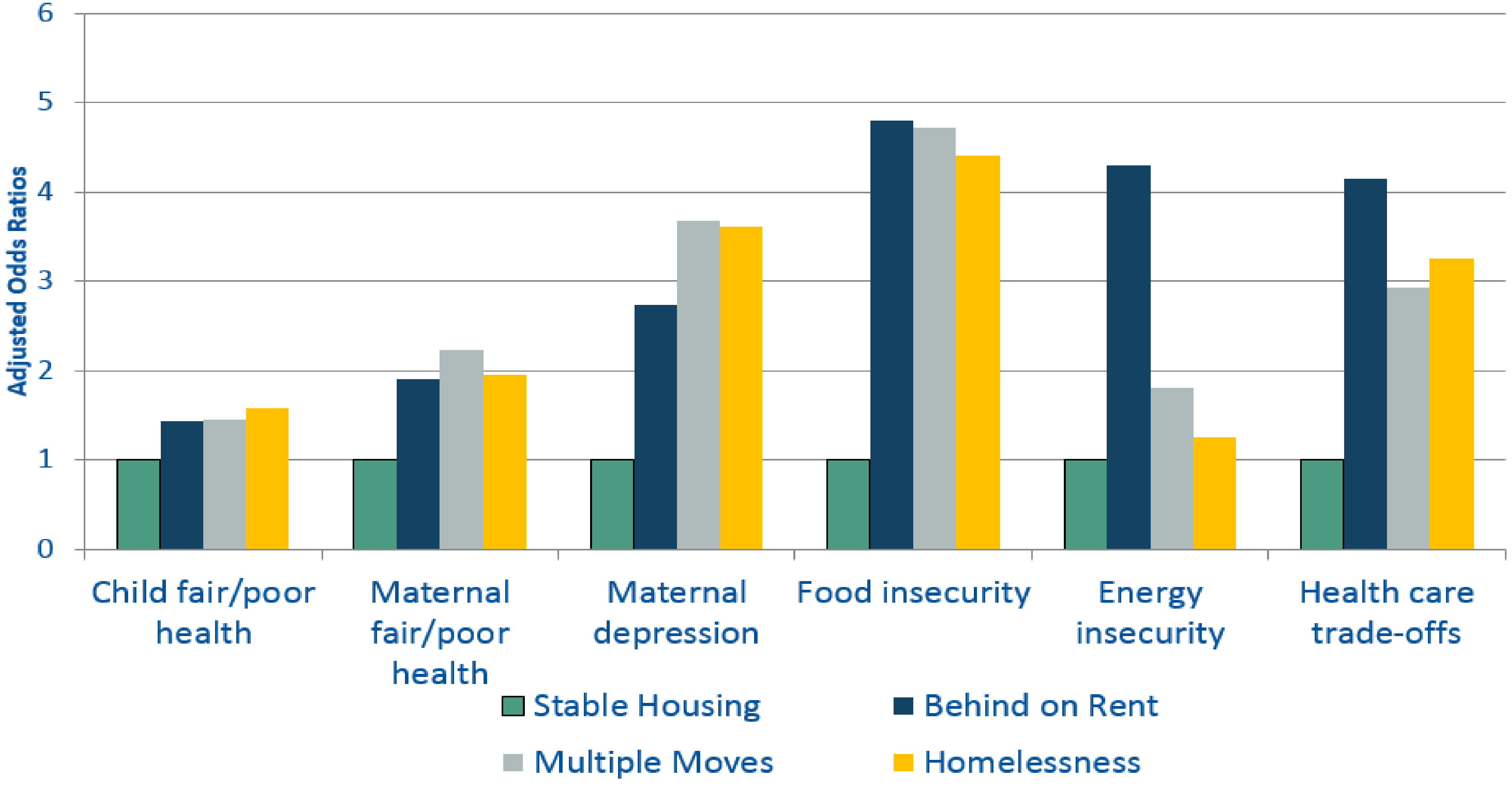
PEDIATRICS®
OFFICIAL JOURNAL OF THE AMERICAN ACADEMY OF PEDIATRICS

CHILDREN'S HealthWatch

Housing Stability Iceberg



Affordability and Stability Both Matter to Health



Sandel et al., Unstable Housing and Caregiver and Child Health *Pediatrics* 2018

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CHILDREN'S HealthWatch

Neighborhoods in BMC's catchment area still display stark disparities in many measures like prevalence of diabetes[1]

Allston/Brighton: 4.3%

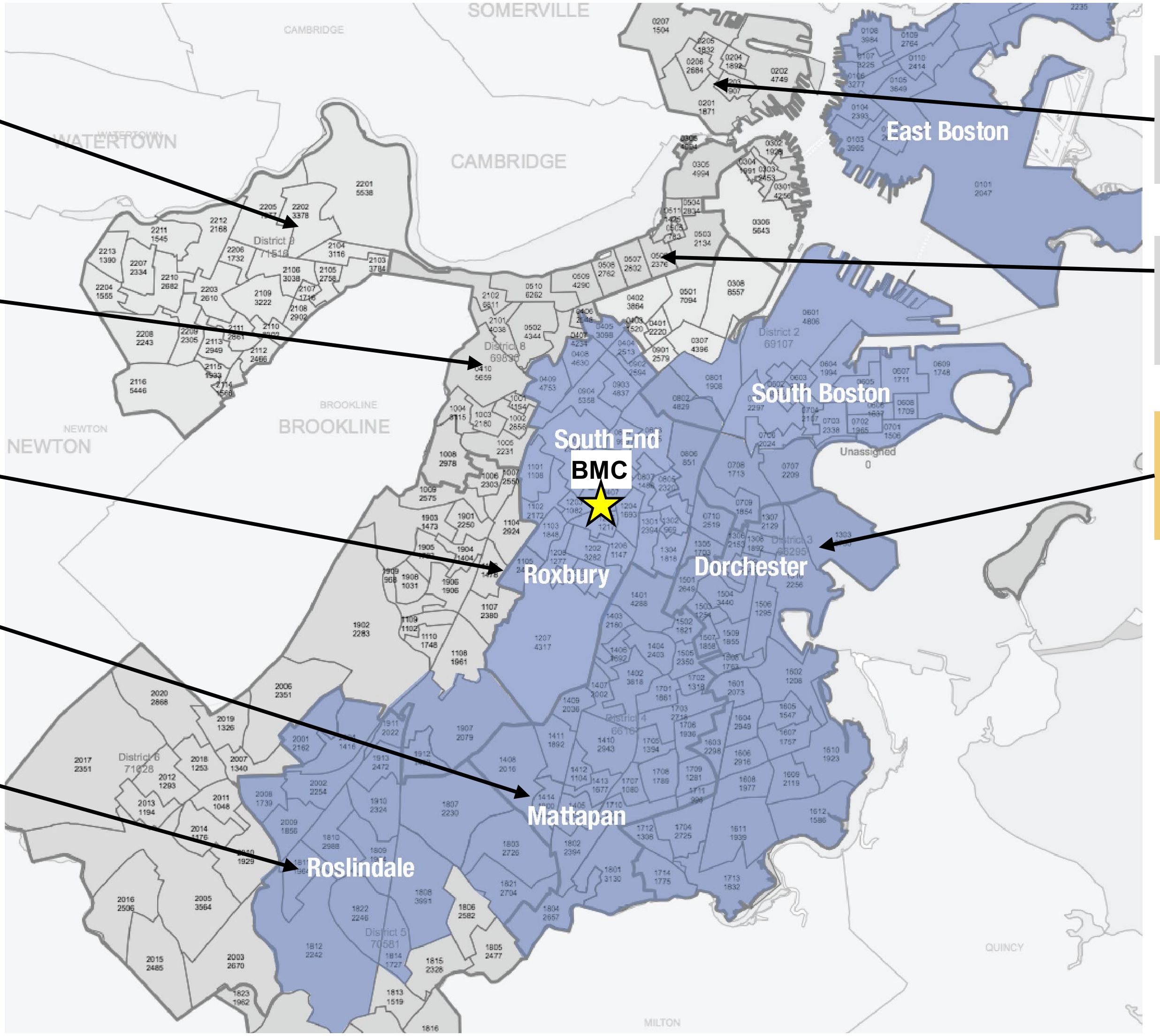
Fenway: 4.2%

Roxbury: 14.0%

Mattapan: 17.9%

Roslindale: 9.3%

Boston Overall: 8.5%



Charlestown: 4.5%

Back Bay: 5.0%

Dorchester: 10.0-12.8%

1. Percent of adults reporting a diabetes diagnosis, 2013, 2015, and 2017 combined

SOURCE: 2019 Boston Community Health Needs Assessment

Neighborhoods in our catchment area have higher rates of homicide by firearm[1] than other neighborhoods

Allston/Brighton:
0.8

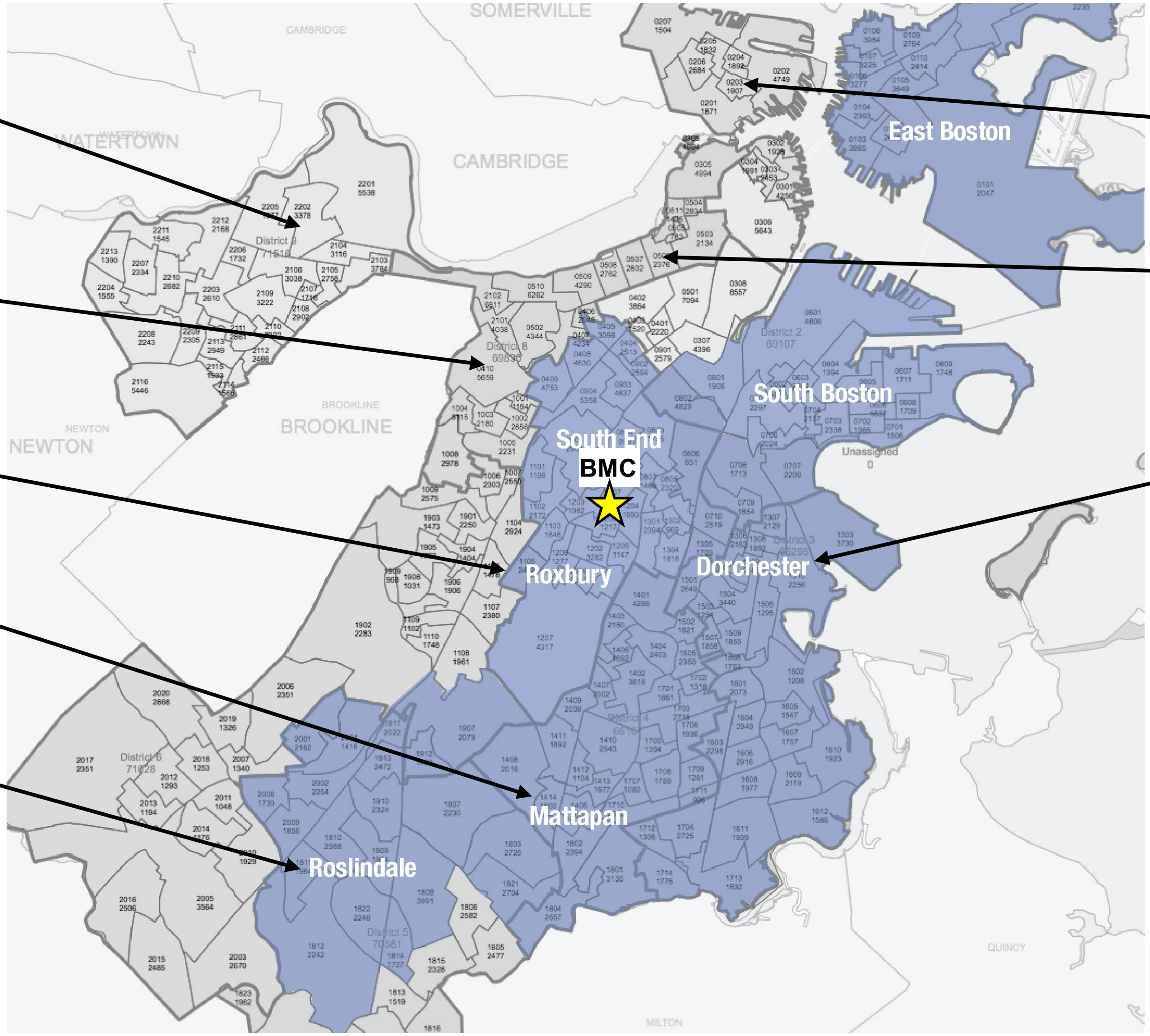
Fenway:
n/a – insufficient sample size

Roxbury:
7.3

Mattapan:
9.4

Roslindale:
5.5

Boston Overall: 3.8



Charlestown:
5.6

Back Bay:
n/a – insufficient sample size

Dorchester:
10.6-13.7

1. Reflects homicide by firearm rate, age-adjusted per 100,000 residents, 2011-2016 combined

SOURCE: 2019 Boston Community Health Needs Assessment

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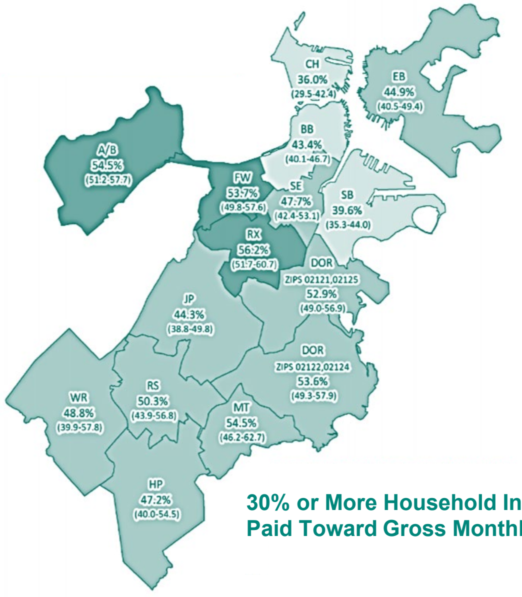
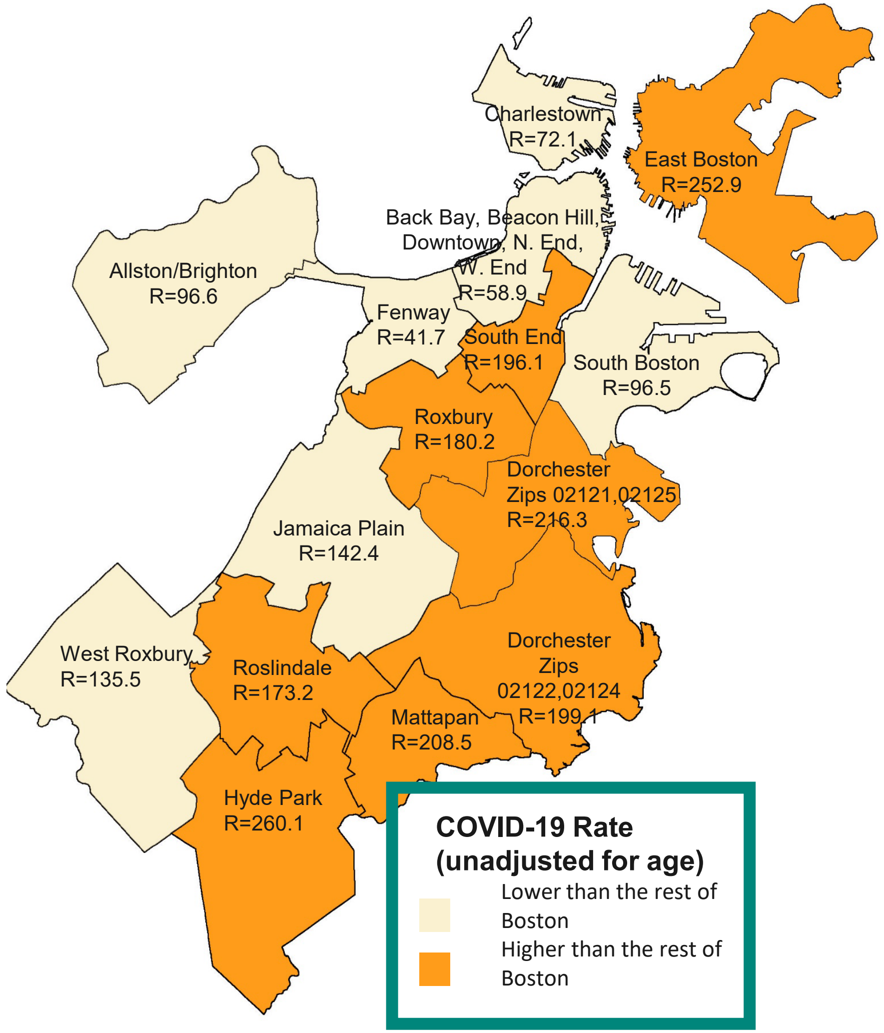
Deep-Rooted Inequity Across Economics and Health

Without coordinated and systems-level investments, legacies of discrimination and disinvestment will be compounded by the health and economic effects of COVID-19. Residents will find themselves fenced off from the paths to prosperity previously afforded to those privileged by society.



30% or More Household Income Paid Toward Gross Monthly Rent

Unemployment Rate



DATA SOURCE: Boston Public Health Commission, Boston Surveillance System (Jan. 1, 2020 to May 7, 2020, 1:32pm); Massachusetts Department of Public Health, Massachusetts Virtual Epiden Network (Jan. 1, 2020 to May 7, 2020, 1:32pm); U.S. Census Bureau, American Community Surve 2018 5-yr estimates (2014-2018)
DATA ANALYSIS: Boston Public Health Commission, Research and Evaluation Office

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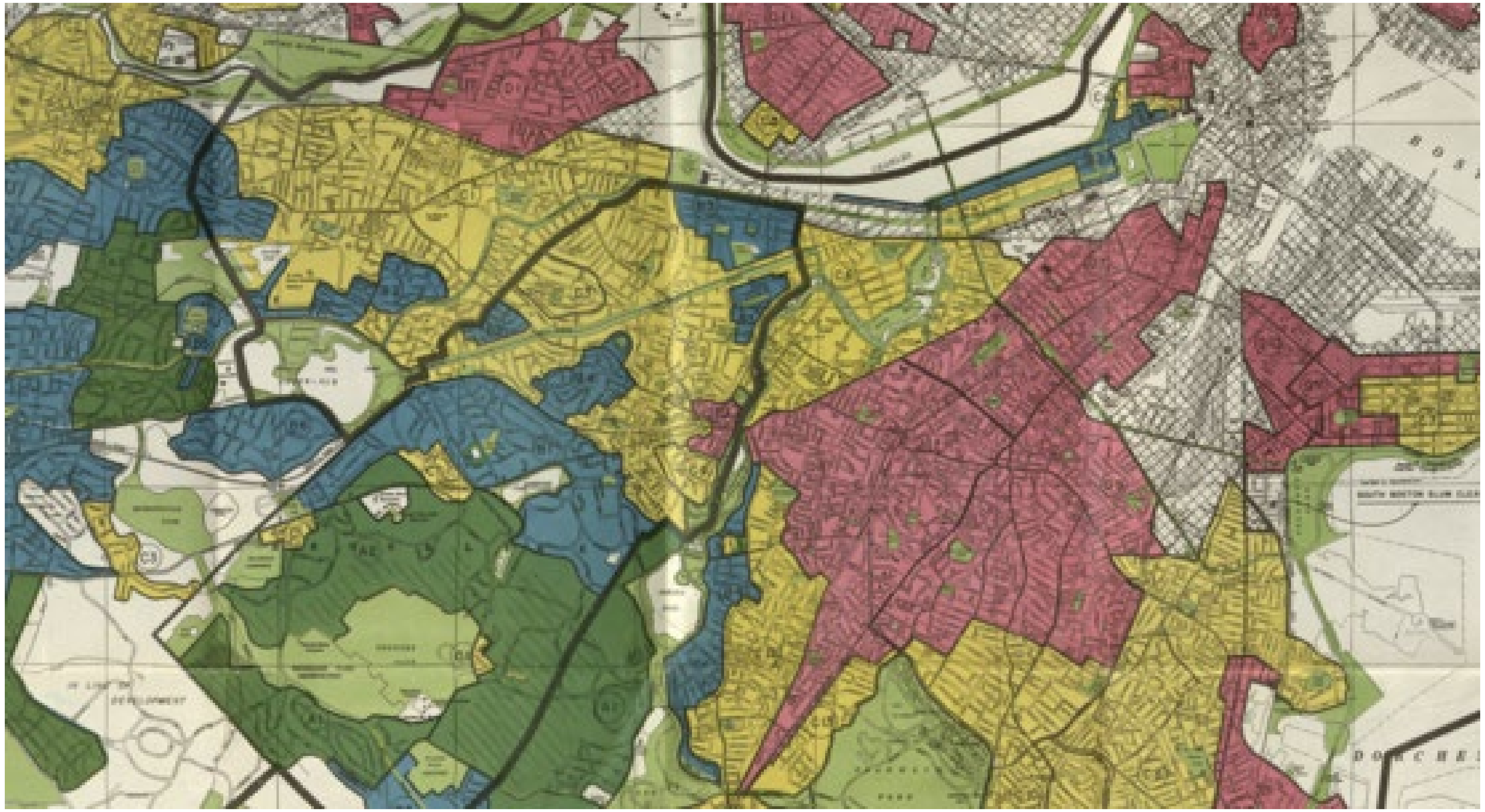
CHILDREN'S HealthWatch

Inequities built across generations require new Re-investment

Federal Housing Authority practice of redlining denied mortgages to African American and Low Income Populations

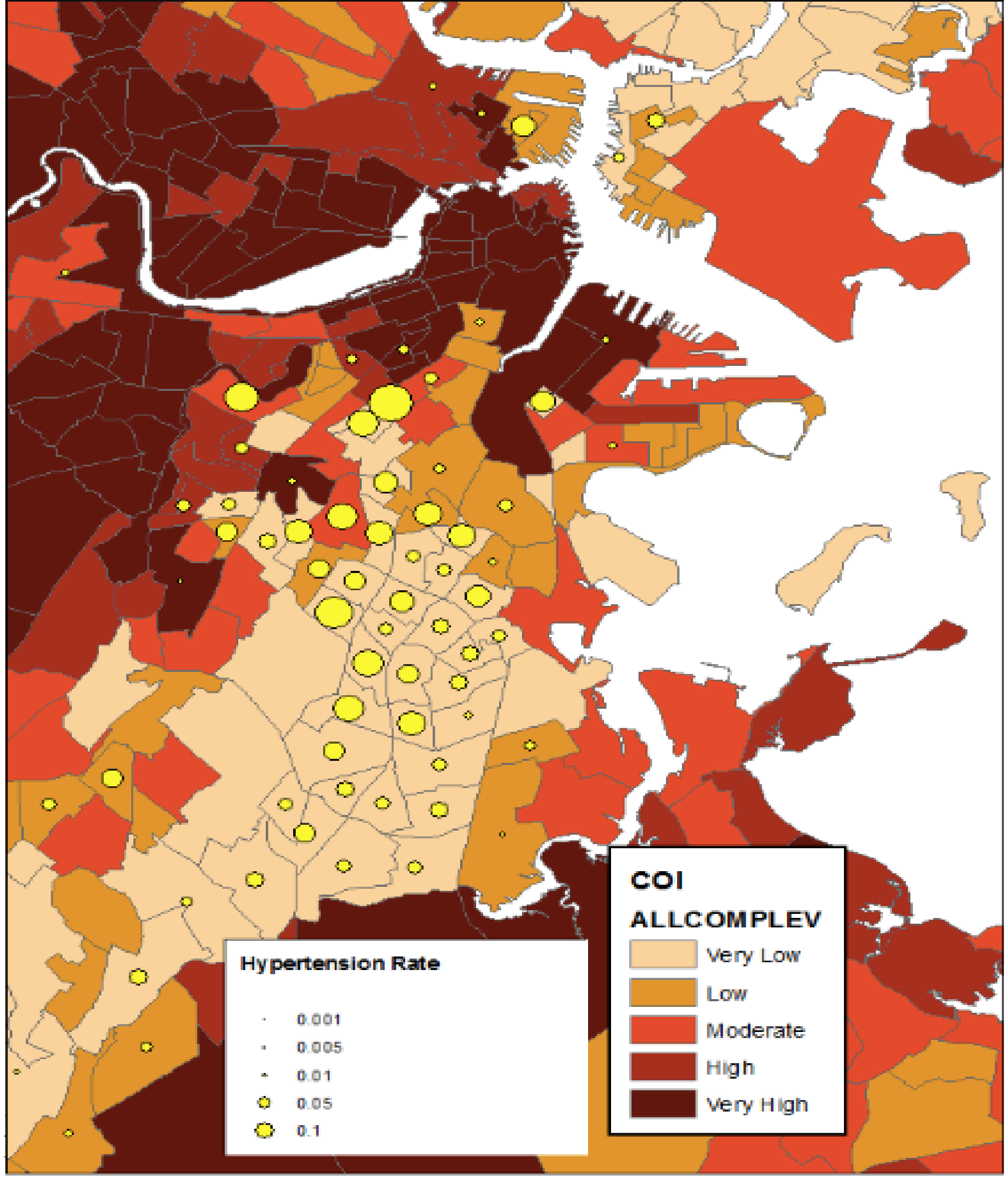


Best

Still Desirable

Definitely declining

Hazardous



Place, Opportunity, and Health

- Mapping Boston Neighborhoods by Child Opportunity Index from Kirwan Institute and diversitydatakids.org
- Vital Village Network at Boston Medical Center maps relationship between opportunity and stress

  (elevated BP at age 3)

Sandel et al.,
***Academic Pediatrics* 2014**

CHILDREN'S HealthWatch

To achieve Health Equity we must go to Upstream to Root Causes

The Importance of Moving Upstream—

When you're having to decide, 'well, do I use my limited resources to pay for rent, pay for utilities, feed my family, or do I use my limited resources for a co-pay or transportation to my medical appointments?' it's an easy decision…

Health and healthcare will always rank secondary to survival…

*Meanwhile, perpetual cycles of ER visits, hospital admissions, poor health outcomes, and high costs persist because those are the downstream consequences of root causes upstream… **until you go upstream you'll never eliminate the problem**.*

–Thea James, MD; VP of Mission at Boston Medical Center

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CHILDREN'S HealthWatch

Economic Opportunities are Health Opportunities

Poor kids: 2x as likely to be hospitalized & 1.5x as likely to die

3% of families open 529 college savings accounts

Poor kids: Risk of differences in brain growth

25% of our families don't have bank accounts

Poor adults: More depression, chronic illness

Cash helps: Earned Income Tax Credit = higher birth weight

Asset building helps: State-funded 529 accounts = better development at age 4

Cash helps: Lower rates of depression & suicide

Wealth equals Health.

Health

We are on the frontlines of how health and wealth are connected everyday. We se
the transformational impact of a stable, decent, affordable home.

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Wealth

An affordable home in a neighborhood of opportunity changes people’s life course, measured in in years and quality of life.

The Ingredients for Housing and Health Partnerships, towards Economic Mobility

Capital for housing production

+

Rental assistance and income boosting policies, better employment

+

Tailored services for family and individual needs

Better Health Starts with Finding a Home

ENTRY POINT

Support: During his stay in Denver, Colorado, temporary housing, Rashid Sayles (left) receives support from a Denver Health case manager. He recently had a visit from Bob Schulz (right), who works with Denver Health peer specialists and often shares his experiences with homelessness.

DOI: 10.1377/hlthaff.2023.01612

For Some Patients, Better Health Starts With Finding A Home

As the US homeless population grows older and sicker, new programs in Denver, Colorado, and elsewhere link care, services, and housing.

BY MICHELE COHEN MARILL

Rashid Sayles, 53, unfurled his legs in the Denver Health hospital bed and stretched them—left and right, left and right. Being able to move like this was both a small triumph and an act of hope. Sayles has been disabled since 2021, when in a rash and senseless act, his friend's ex-boyfriend shot him in the back. The bullet fractured his L1 vertebra, ripped through a lung, and damaged his liver, leaving him paralyzed from the waist down. He's been trying to regain mobility and put his life back together ever since.

Denver Health, a downtown Denver, Colorado, anchor for people in need since its founding in 1860, became Sayles's safety net. In the aftermath of the shooting, he's made multiple trips back to the hospital. It was his third visit that turned into a lengthy stay. Admitted for more than three months, Sayles found himself battling sepsis from a serious wound infection. By the time he was discharged, he learned that his roommates had been evicted from their apartment—which meant that he was homeless.

For three weeks, he lived on the streets. "I'm a survivor," says Sayles, who worked in construction before the shooting. "I'm not saying I'm tough or nothing. I've just had to do what I gotta do. It was either sink or swim. I was swimming. I started doing the doggie paddle." He managed to get a tent, an air mattress, and some blankets. He maneuvered with his wheelchair as best he could, but his condition worsened, and he ended up back in the hospital.

This most recent hospital stay was restorative in the most important way. He was finally in the right place at the right time—in need of transitional housing just as a new facility was opening.

In 2019, Denver Health entered a partnership with the Denver Housing Authority, which converted a vacant ten-story administrative building on the health system campus into housing for elderly and disabled adults. Known as 655 Broadway, the 1950s-era building has a distinctive grid of windows and aqua-colored, enamel-coated steel panels. Denver Health is leasing back a floor of fourteen single-room-occupancy units for transitional housing for patients who are homeless.[1]

By the numbers, it is a small step toward solving a large problem. In 2022, Denver Health treated 7,259 patients who were homeless; these patients had a total of 29,525 hospital visits.[2] Some became stuck in limbo; they were not in need of inpatient care but were too frail to be released to the streets or a shelter. One patient lingered in the hospital for 1,558 days.[3]

655 Broadway, which opened in December 2023, reflects a national recognition that housing is a necessary pre-

Photographs by Cyrus McCrimmon

NARRATIVE MATTERS

DOI: 10.1377/HLTHAFF.2023.01007

Finding A Place To Be Somebody

A formerly unhoused person shares his experiences living on the street and finding a voice for people experiencing homelessness in policy making.

BY LAWRENCE LINCOLN

Seven years ago, I lived on the streets of West Oakland, California—one of the legions of human beings whose trauma had hurled them into the position of having no place to be somebody. In my unhoused community, we huddled in our tarp-covered shanties—cobbled together out of discarded items under a cathedral of overpasses and elevated Bay Area Rapid Transit (BART) tracks by the truck stop off Interstate 80 on 6th Street. Like the other eighty or so displaced people I lived with, my struggle with mental health, substance use, and poverty had me falling off the edge of the world.

While people with someplace to go—someplace to be—flew by on the tracks and freeways above us, we inhabited lives of slow and quiet desperation. Our existence was focused on self-medicating, scrounging for scrap metal to pay for drugs, building shelters out of trash, putting out fires, cleaning and moving our camp, and hiding from the violence that attends poverty. We spent our days trying to survive, looking after the members of our street community who were hurting, and making many trips—so many trips—to the emergency department (ED), where we were often treated badly and denied critical services simply because we lacked a place to live. It was the only place we knew to seek health care, but we were often turned away.

Our few contacts with the world we had fallen from occurred when the California Department of Transportation (known as Caltrans) would come to move our camp, or when the police would show up, at random, to take one of us to the highway patrol station when they were training new recruits to recognize what it looked like when people were on drugs. Because I was the oldest person in the camp, had no criminal record, and felt comfortable communicating with law enforcement—and because I was White—I was often the person chosen to deal with the cops. On more than one occasion I found myself at the station, standing before the stare of a California Highway Patrol officer-in-training so that they could learn what the eyes of someone on drugs looked like.

Once, a young officer, under the watchful gaze of her training sergeant, was shining a flashlight in my face and looking deep into my eyes. "Don't stare too long, you might fall in love," I said, smiling through missing teeth and batting my eyelashes. It made the officer and the sergeant laugh and emboldened me to engage them in conversation. I asked the sergeant if the new recruits were being trained in helping people experiencing a mental health crisis. He thought that was funny, too, but I was serious. I wondered whether he knew what a mental health crisis would look like, even if it were staring him right in the face.

Building Trust (And Getting Glasses)

For years we lived like this, on the fringe—the trauma that brought us there compounded by how ostracized from the society of housed people our

Illustration by Brett Ryder

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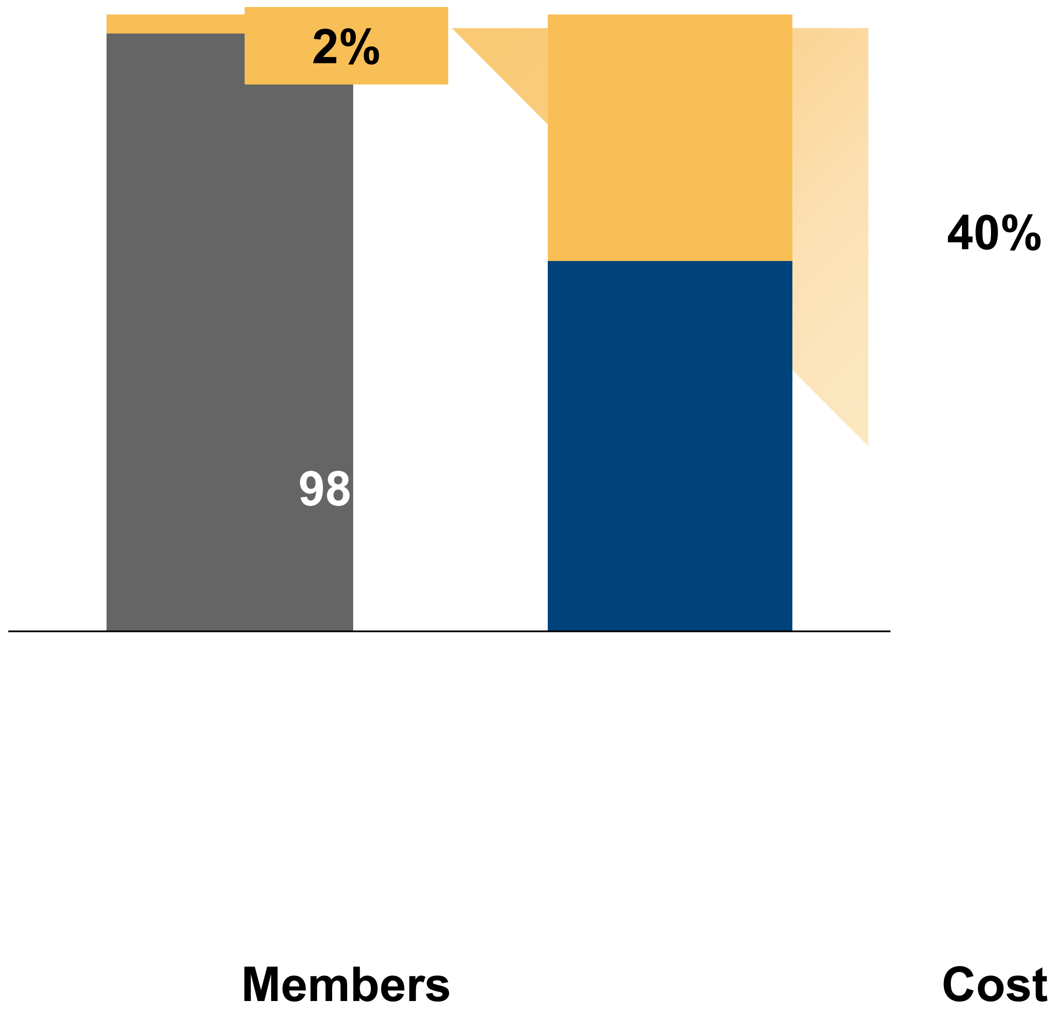
CHILDREN'S HealthWatch

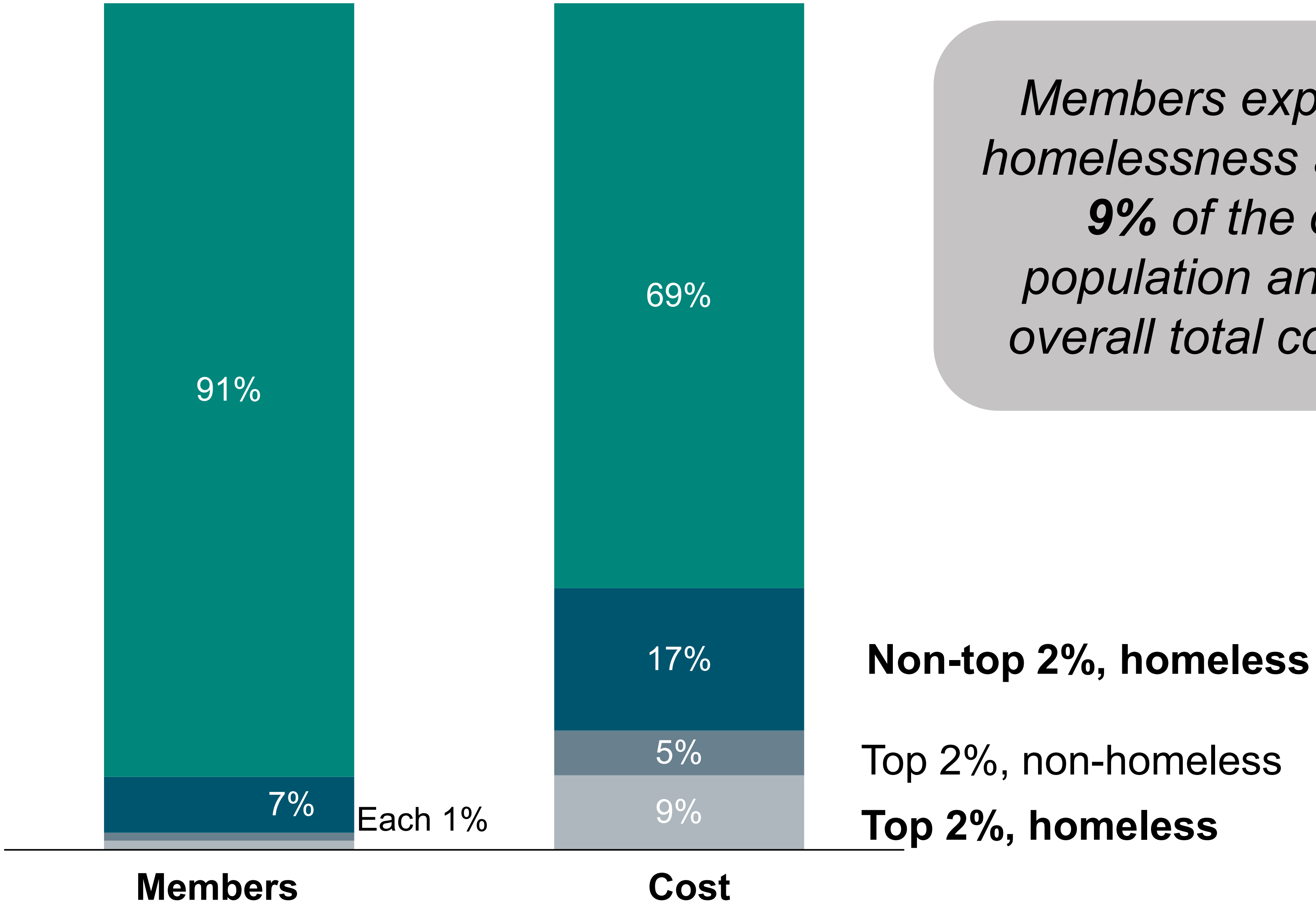
A small number of patients drives healthcare costs

2 percent of our patients account for 40% of our costs

Our highest risk patients have both clinical and social needs



Homelessness disproportionately drives healthcare costs



*Members experiencing homelessness account for **9%** of the overall population and **26%** of overall total cost of care*

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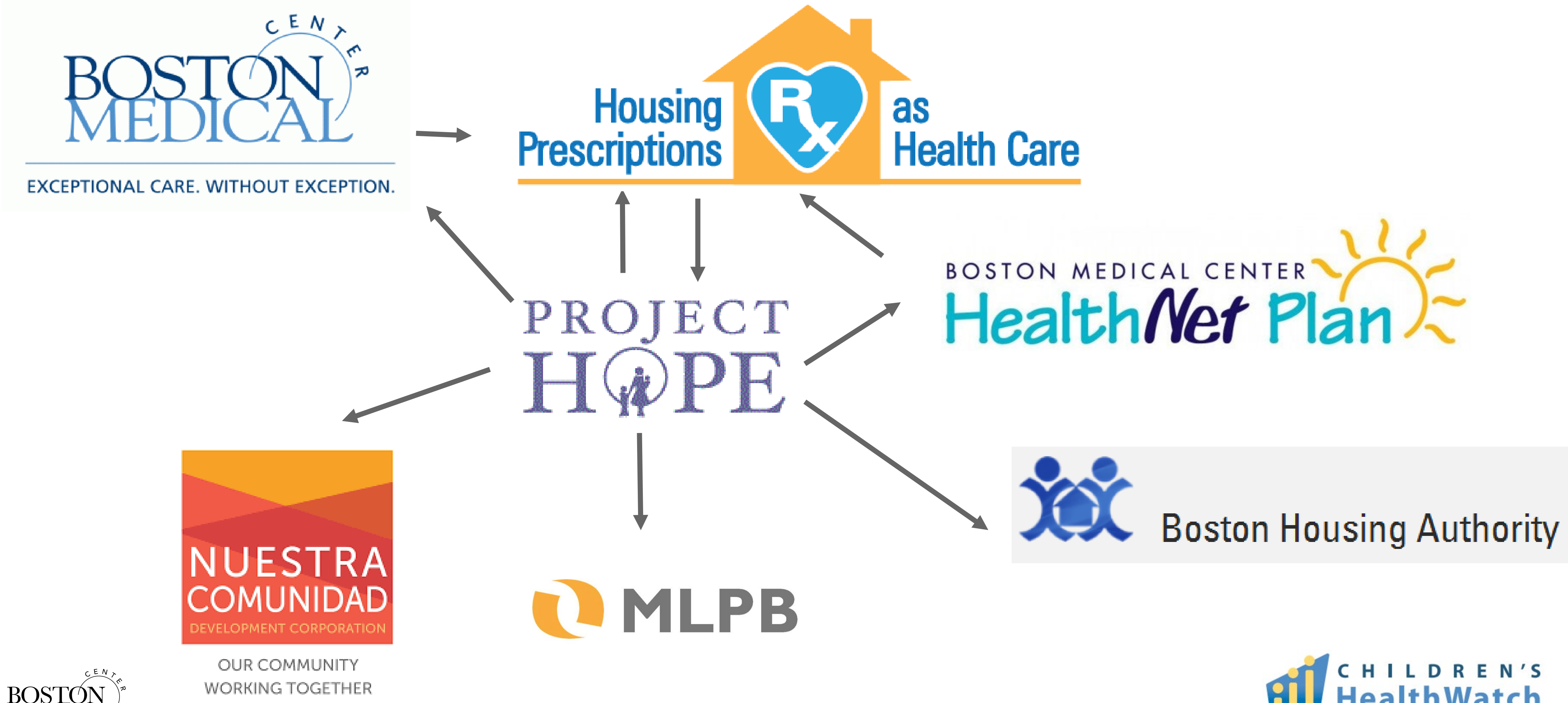
Connecting Systems for Medically Complex families



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Housing Prescriptions RCT show improved child health and parent mental health

HealthAffairs

INTEGRATING SOCIAL SERVICES & HEALTH

By Allison Bovell-Ammon, Cristina Mansilla, Ana Poblacion, Lindsey Rateau, Timothy Heeren, John T. Cook, Tina Zhang, Stephanie Ettinger de Cuba, and Megan T. Sandel

Housing Intervention For Medically Complex Families Associated With Improved Family Health: Pilot Randomized Trial

Difference-in-differences in changes from baseline to 6 months between intervention and control groups, among participants in Housing Prescriptions as Health Care in Boston, Massachusetts

	Difference	95% CI
Behind on rent in past year	19[a]	(−2, 40)
Two or more moves in past year	−9[a]	(−11, 28)
Homeless in past 6 months	15[a]	(−11, 40)
Child in fair or poor health	−32[a***]	(−59, −06)
In past 6 months, mean no. of child:		
Urgent care visits	−0.51	(−1.54, 0.51)
ED visits	−0.41	(−1.66, 0.83)
Hospitalizations	0.05	(−0.38, 0.49)
Mean GAD-2 score	−1.38**	(−2.46, −0.31)
Mean PHQ-2 score	−1.04**	(−1.95, −0.13)

Analysis demonstrated **significantly greater improvements in child health status and parent anxiety and depression scores** among those in the intervention group, compared to the control group.

Bovell-Ammon A, et al . *Health Affairs*, 2020

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CHILDREN'S HealthWatch

Supportive Housing in Denver showed better Psychiatric Care Outcomes

HOUSING

By Devlin Hanson and Sarah Gillespie

‘Housing First’ Increased Psychiatric Care Office Visits And Prescriptions While Reducing Emergency Visits

DOI: 10.1377/hlthaff.2023.01041
HEALTH AFFAIRS 43,
NO. 2 (2024): 209–217

ABSTRACT Housing First is an approach to ending homelessness that recognizes permanent housing as a platform for stability and engagement in health services. As part of a randomized controlled trial to test the effects of permanent supportive housing with the Housing First approach in Denver, Colorado, we analyzed the intervention’s impact on health care use, Medicaid enrollment, and mortality among people experiencing chronic homelessness who had frequent arrests and jail stays. Two years after assignment to the Housing First intervention, participants had an average of eight more office-based visits for psychiatric diagnoses, three more prescription medications, and six fewer emergency department visits than the control group. Although enrollment in Medicaid increased over the course of the study for both the intervention group and the control group, the intervention group was 5 percentage points less likely to be enrolled in Medicaid. Supportive housing had no significant impact on mortality. When considering pathways to scale up supportive housing, policy makers should recognize the potential of Housing First to facilitate the use of office-based psychiatric care and medications in a population with many health care needs.

Devlin Hanson, Urban Institute, Washington, D.C.

Sarah Gillespie (sgillespie@urban.org), Urban Institute.

Housing First is an approach to ending homelessness that recognizes housing as a platform for stability and engagement in health services. In contrast to approaches that require people to receive treatment for mental health or substance use disorders before securing housing, Housing First is built on the idea that people must have safe, affordable, and permanent housing to consistently engage with other services such as needed health care.[1] The Housing First approach is often used in permanent supportive housing programs, which combine long-term rental assistance and supportive services designed to maintain housing stability for people experiencing chronic homelessness.[2] Evidence has been mounting on the effectiveness of permanent supportive housing for outcomes such as housing retention[3] and reductions in jail time,[4–6] but rigorous evidence of its impact on health care use has been mixed. Based on an evaluation of the evidence on permanent supportive housing’s impact on health outcomes for people experiencing homelessness, an expert committee of the National Academies of Sciences, Engineering, and Medicine reported in 2018 that for most outcomes, the data were too limited to draw conclusions.[7]

Studies on the impact of supportive housing on hospitalization rates, lengths-of-stay, use of the emergency department (ED), psychiatric hospitalizations, detoxification facility days, and residential alcohol and drug treatment days have had mixed results.[3–6,8–12] Our study was intended to build on this work.

- Permanent Supportive Housing through Housing First resulted in:

  - Better use of office based psychiatric care
  - Fewer ER visits
  - Better medication usage
  - Demonstrated a high risk population can be reached and housed stably

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CHILDREN’S HealthWatch

Affordable Housing allows for more spending on health, child development

HOUSING

By Sandra Newman, Tama Leventhal, C. Scott Holupka, and Fei Tan

DOI: 10.1377/hlthaff.2023.01020
HEALTH AFFAIRS 43,
NO. 2 (2024): 278–286

Experimental Evidence Shows That Housing Vouchers Provided Measurable Benefits, Including Parent Stress Reduction

Sandra Newman (sjn@jhu.edu), Johns Hopkins University, Baltimore, Maryland.

Tama Leventhal, Tufts University, Medford, Massachusetts.

C. Scott Holupka, Johns Hopkins University.

Fei Tan, Tufts University.

ABSTRACT **This article presents early findings on the causal effects of a housing voucher on family stress, which plays an important role in children's healthy development. Using the Housing and Children's Healthy Development study, which is the only randomized controlled trial of housing vouchers (conducted in the Cleveland, Ohio, and Dallas, Texas, metropolitan areas), we found measurable health and related benefits accruing to families who received vouchers even though half of those who leased housing with vouchers only lived in that dwelling for roughly one year or less. Vouchers also substantially improved cost burdens, sufficiency of space, adequacy of heat, and daytime neighborhood safety. Our analysis shows that the affordability secured by the voucher (reduction of cost burden) played the most important role in reducing parent stress. One policy implication of the affordability findings is the need to keep families' housing cost burden affordable.**

The housing choice voucher program is the largest assisted housing program in the US, with an estimated annual cost of roughly $25 billion[1] (see online appendix A.1 for further details).[2] Although housing assistance is not an entitlement and is estimated to serve only about 25 percent of income-eligible households, the housing choice voucher program assists about 1.3 million families and more than 2.2 million children a year—more than the 1.1 million families assisted in 2019 by the Temporary Assistance for Needy Families entitlement program, which provides income assistance to low-income families with children.[3,4] Each voucher is worth approximately $10,000 a year, which is a significant improvement in the financial status of a low-income family. The relentless problems of homelessness and the shortage of affordable housing in the face of rising socioeconomic and racial inequality have generated calls for substantial increases in the housing choice voucher program and its conversion to an entitlement.[5]

Despite the significance of housing choice vouchers, evidence that meets the highest scientific standards and documents the causal impacts of vouchers on the lives of residents and the healthy development of children is lacking. The research has been stymied by inadequate designs and data, producing generally mixed findings. Experimental evidence from a randomized controlled trial, considered the gold standard, has been missing.

The Housing and Children's Healthy Development study is the first randomized controlled trial to examine the impact on children's healthy development of housing vouchers as they are implemented by public housing authorities across the nation. To date, the Housing and Children's Healthy Development study has completed two waves of data collection in two diverse metropolitan areas: Cleveland, Ohio, and Dallas, Texas. The sample consists of randomly chosen voucher "winners," who received the offer of a voucher, and "losers," who were not offered a voucher. The majority of wave 1 sample members

- When living in a home that limits how much income is spent housing (typically 30%) it can result in huge gains in health:
  - more money spent on child development
  - able to afford food, energy costs, medications
  - lower stress

Newman S, Holupka CS. Effects of assisted housing on children's healthy development. Hous Policy Debate. 2023;33(1):306–30.

What are the Future Directions?

- Understand the sources of dollars in healthcare and how they can be leveraged for change
- Cracking the code of resident services and how to match with housing production may require policy changes for future collaboration
- Hospitals and Health Plans as partners may have political capital for larger investment in housing
- State Housing Finance Agencies can create more acceleration in housing production to benefit everyone

Understand the different sources of money in Healthcare

Investment portfolios + Healthcare delivery + Community benefit

Different sources are driven by different motivations

Investment portfolios differ by Hospital and Health Plan

Healthcare delivery needs to be tied to specific patients

Community benefit is best but smallest $

Resident services require scale and targeting to have a return on investment

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Why a health insurance company entered the housing market

0:00 / 3:43 Support Us

Jennifer Simonson/Minnesota Public Radio

The Seasons Townhomes development Monday, Feb. 3, 2014 in Ramsey, Minn.

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Perspective

Housing as Health Care — New York's Boundary-Crossing Experiment

Kelly M. Doran, M.D., M.H.S., Elizabeth J. Misa, M.P.A., and Nirav R. Shah, M.D., M.P.H.

N Engl J Med 2013; 369:2374-2377 | December 19, 2013 | DOI: 10.1056/NEJMp1310121

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Article | References | Citing Articles (1)

Among the countries in the Organization for Economic Cooperation and Development (OECD), the United States ranks first in health care spending but 25th in spending on social services.[1] These are not two unrelated statistics: high spending on the former may result from low spending on the latter. Studies have shown the powerful effects that "social determinants" such as safe housing, healthful food, and opportunities for education and employment have on health. In fact, experts estimate that medical care accounts for only 10% of overall health, with social, environmental, and behavioral factors accounting for the rest.[2] Lack of upstream investment in social determinants of health probably contributes to exorbitant downstream spending on medical care in the United States. This neglect has ramifications for health outcomes, and the United States lags stubbornly behind other countries on basic indicators of population health.

The role of social determinants of health, and the business case for addressing them, is immediately clear when it comes to homelessness and housing. The 1.5 million Americans who experience homelessness in any given year face numerous health risks and are disproportionately represented amor highest users of costly hospital-based acute care. Placing people who are homeless in housing — affordable housing paired with supportive services such as on-site case mar

Audio Interview

Interview with Dr. Nirav Shah on New York State's decision to address housing needs as a social determinant of health. (10:56)

Listen

Download

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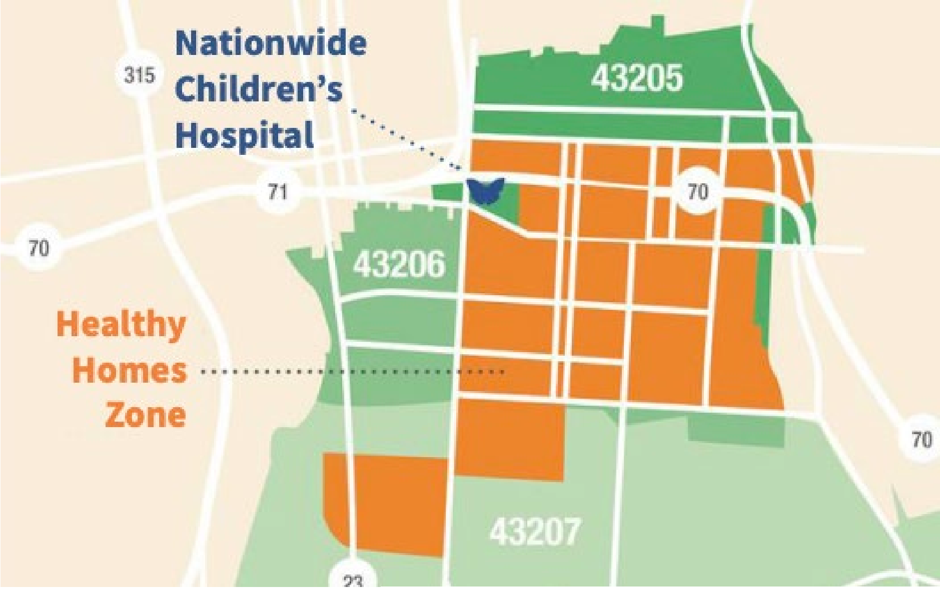
Partners can bring Political Capital and Leverage Funding



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2024 housing credit summit

break

celebrating 50 years

chfa®

2024 housing credit summit

colorado perspectives on housing credit panel

Kathryn Grosscup
Colorado Housing and Finance Authority
moderator

Albus Brooks
Milender White

Ann Melone
U.S. Bancorp Impact Finance

Jennifer Erixon
Walker and Dunlop

Scott Rathbun
Apartment Appraisers and Consultants

colorado perspectives on housing credit

Scott Rathbun

2024 housing credit summit

colorado housing and finance authority

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February 13, 2024

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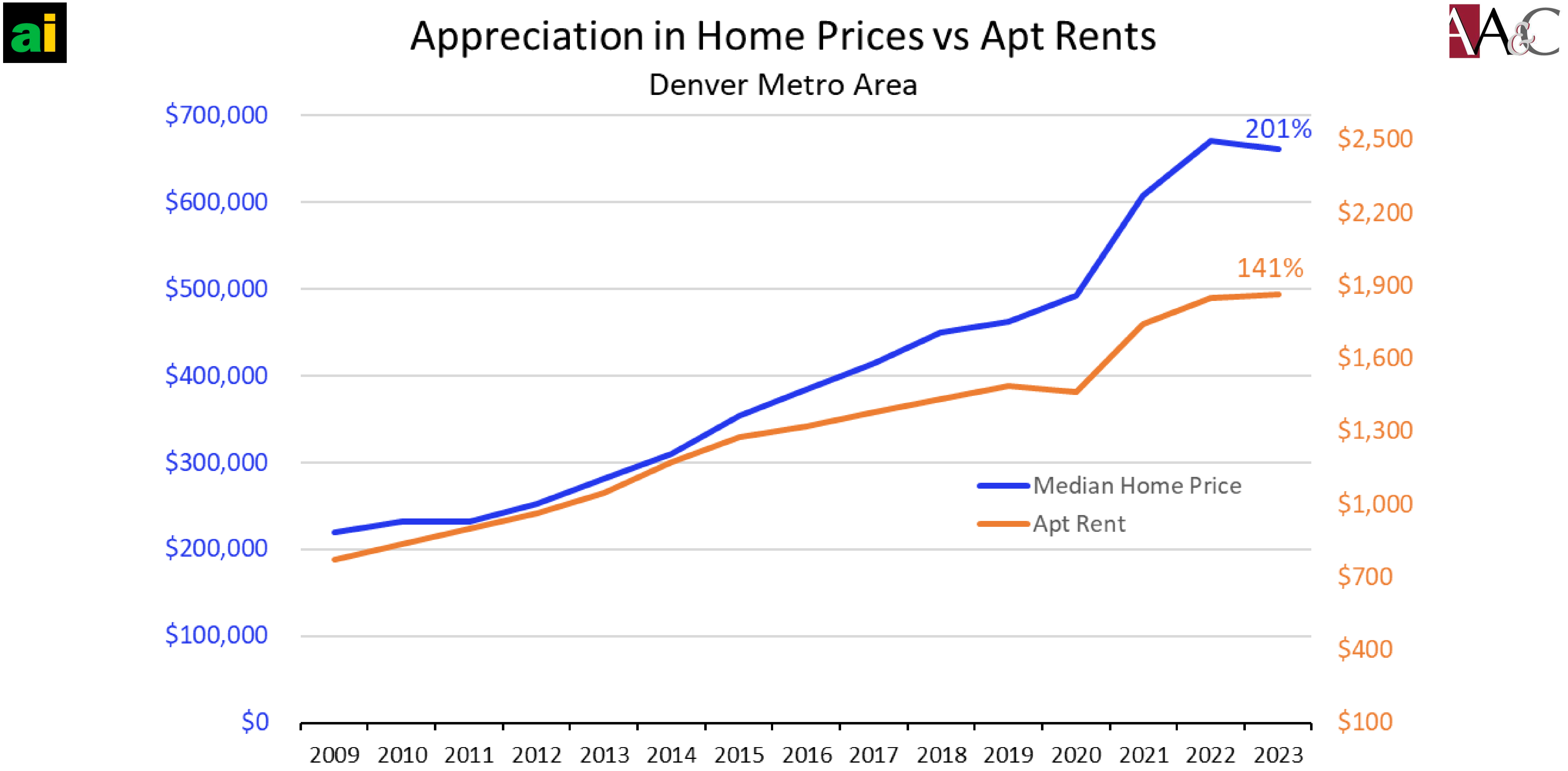
Apartment Insights

AA&C

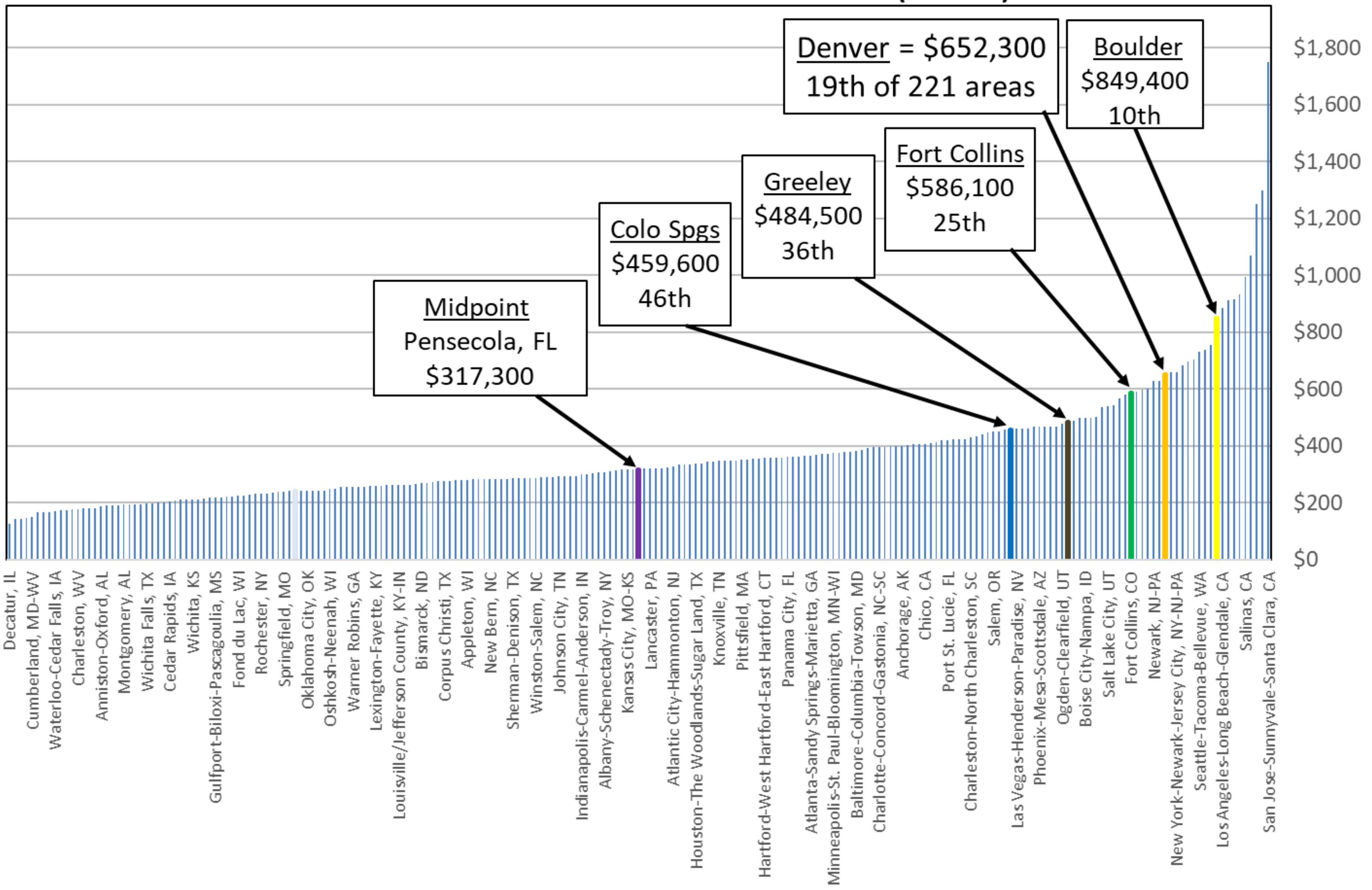
Apartment Appraisers & Consultants

Photo: Alexan Montview



Source: Median home prices - National Association of Realtors
Apartment rents - Apartment Insights, 2/2024.

Median Home Prices 4Q23 (000s)



Source: MLS Data, 4Q 2023, 221 largest cities

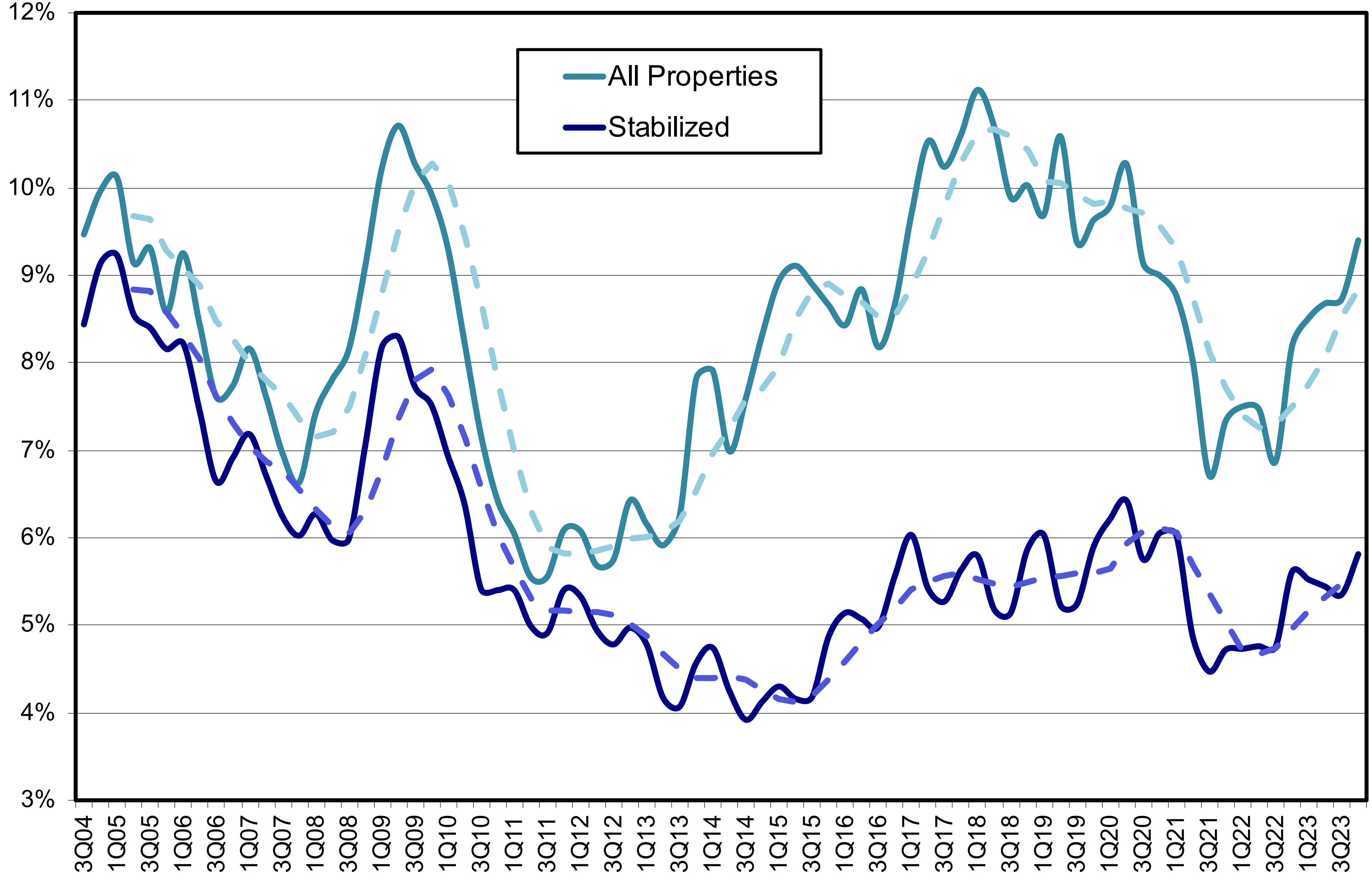
Rents and Vacancy

AA&C

Photo: Montview

ai

Stablized Vacancy Rate vs. All Property Vacancy



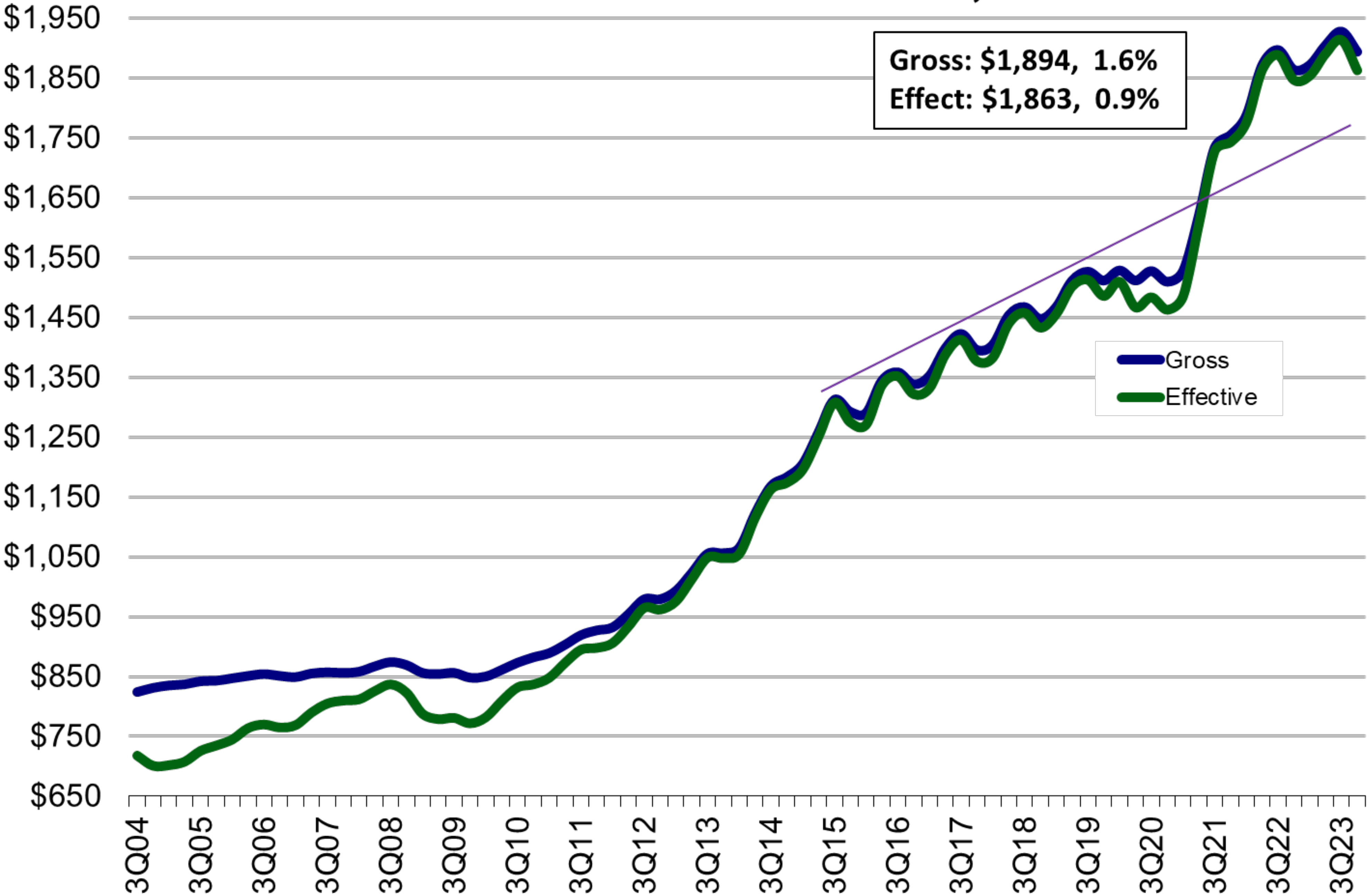
9.40%
Up 67 bps QoQ
Up 121 bps YoY

5.81%
Up 46 bps QoQ
Up 20 bps YoY

Current vacancy below 6% stabilized vacancy – not alarming.

Data Source: Apartment Insights, Denver, CO

Gross and Effective Rents, Denver



Gross rent down $34 QoQ

Gross rent up $30 YoY

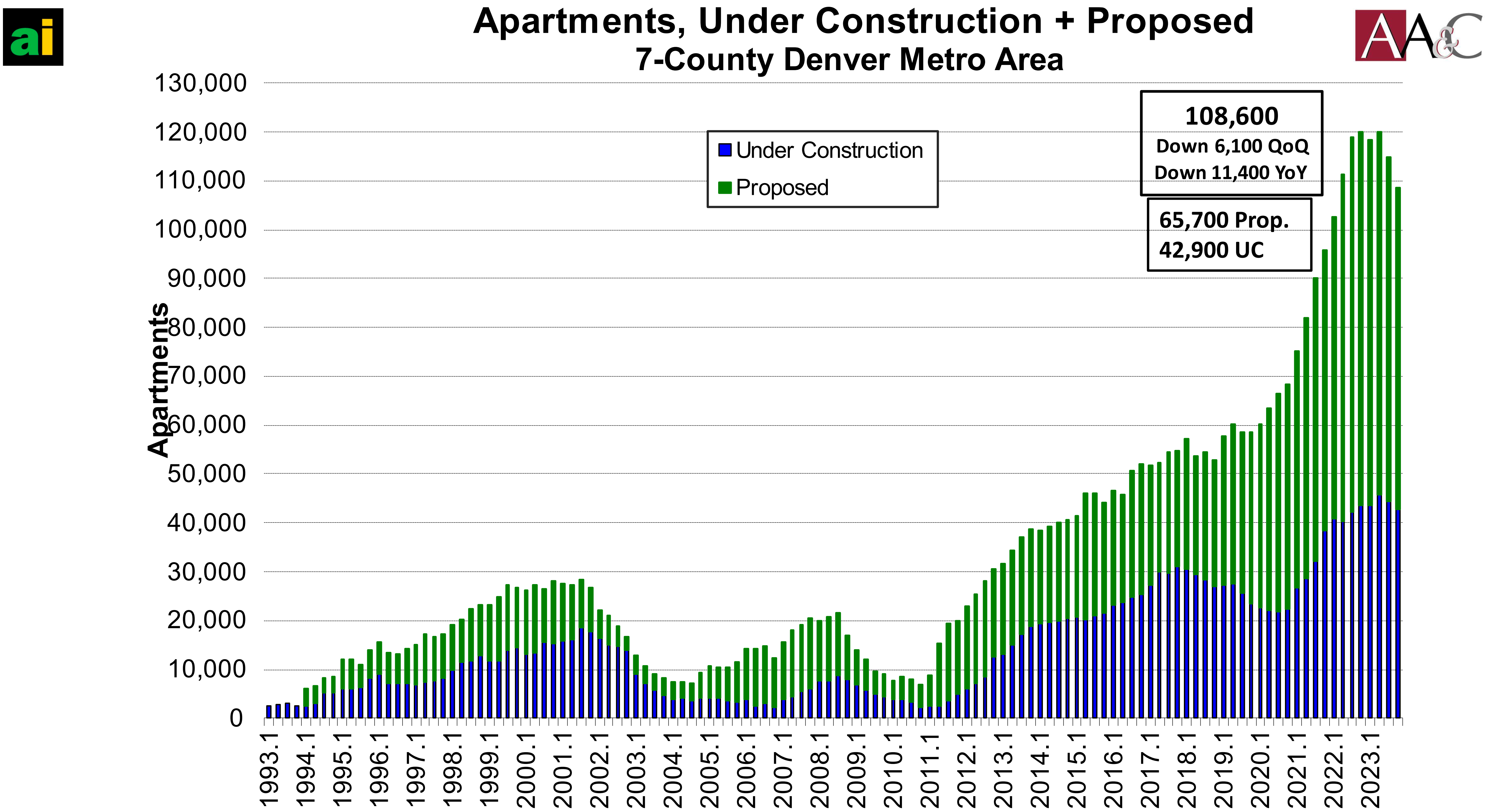
Net rent down $51 QoQ

Gross rent up $16 YoY

Data Source: Apartment Insights, Denver, CO

New Construction

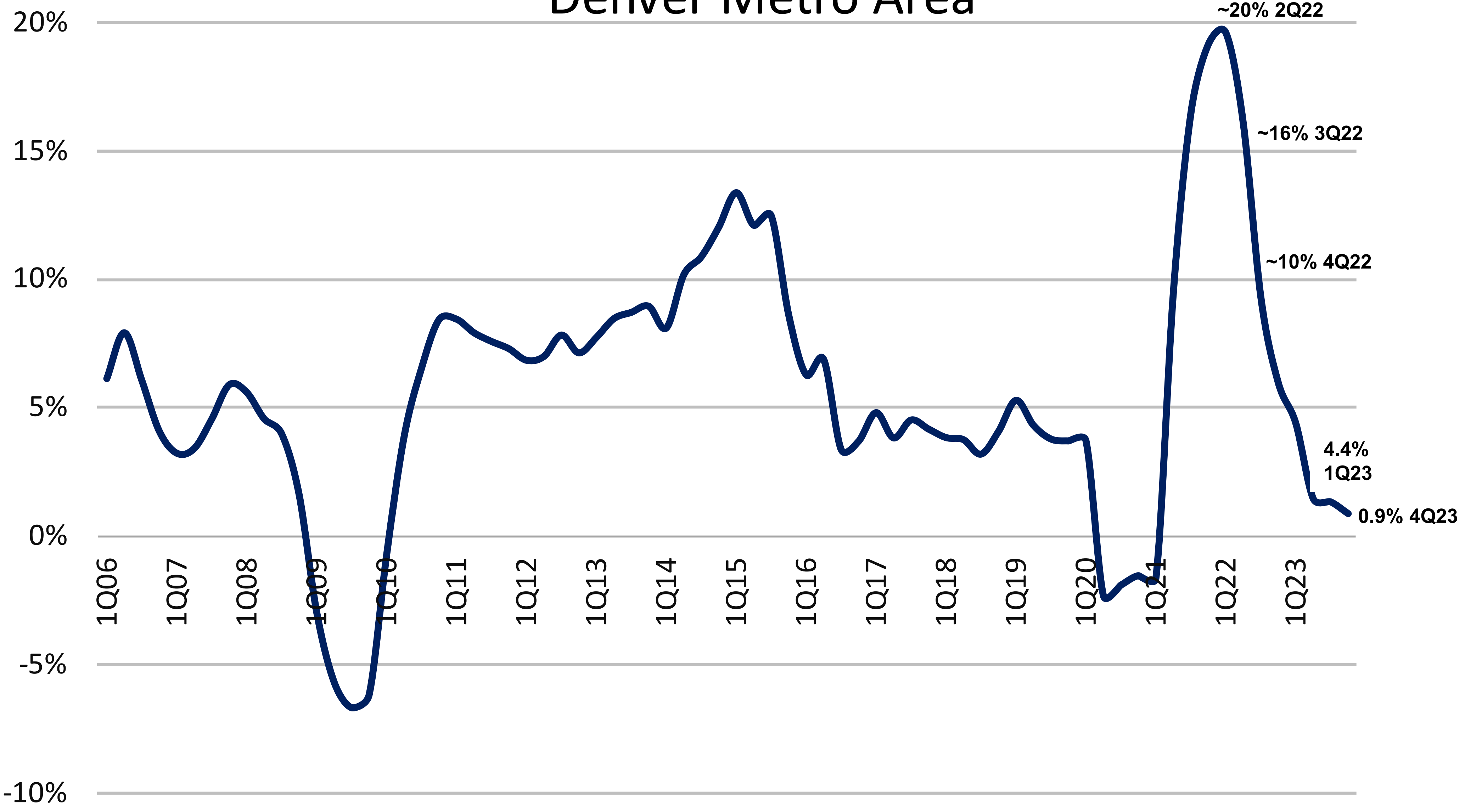
Photo: Ladora



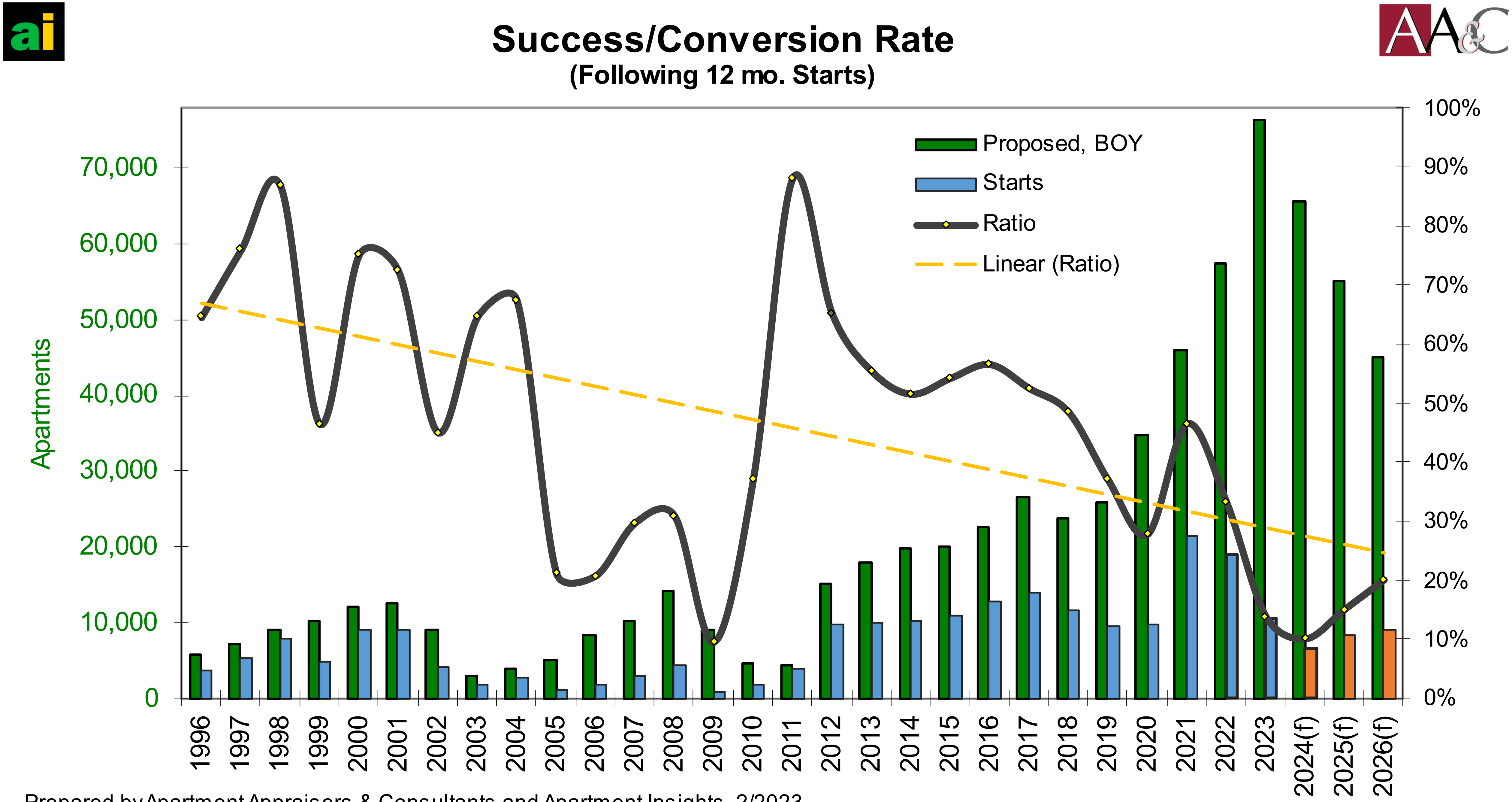
Prepared by: Apartment Appraisers & Consultants and Apartment Insights

Effective Rental Growth Rate

Denver Metro Area



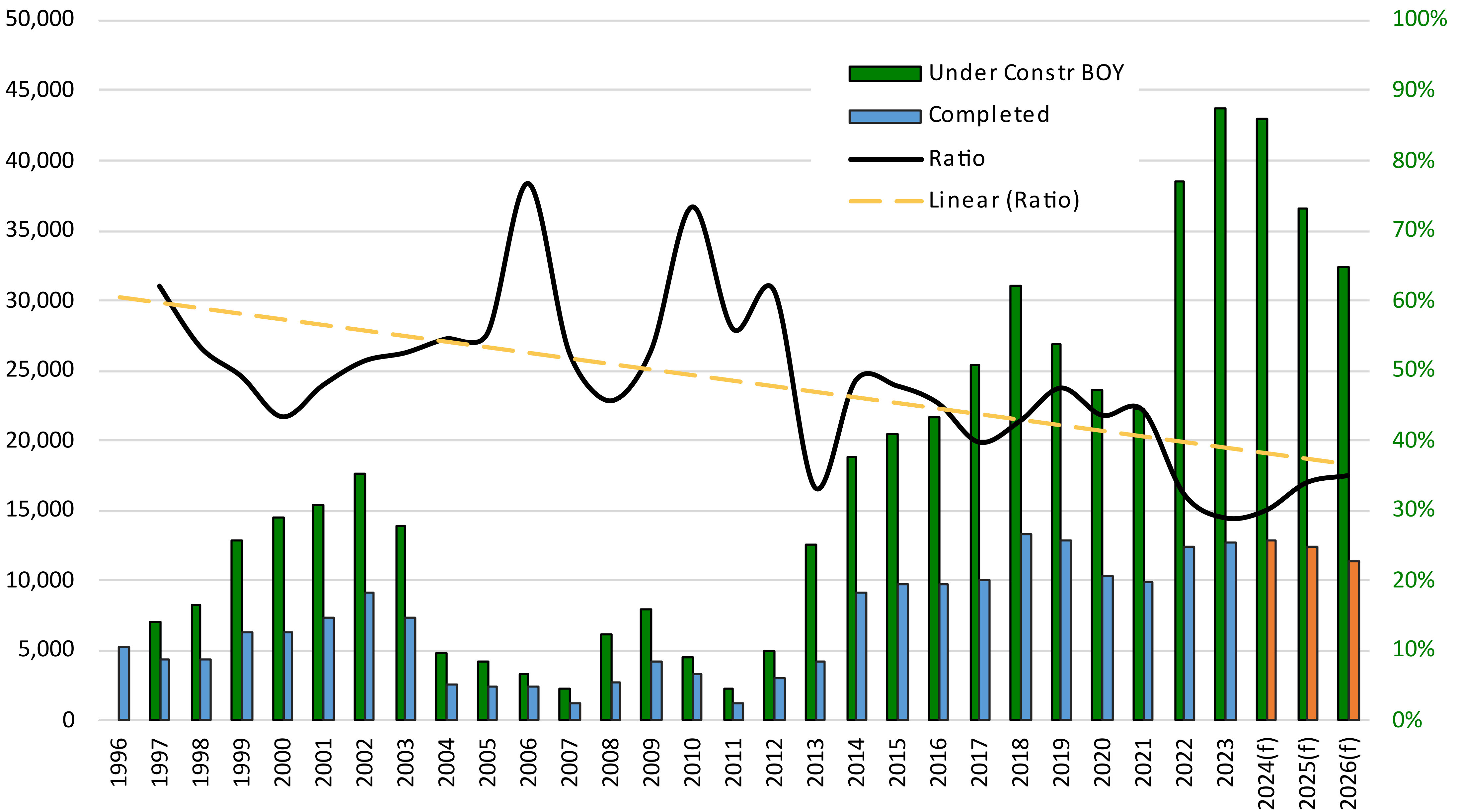
Data Source: Apartment Insights, Denver,



Prepared by Apartment Appraisers & Consultants and Apartment Insights, 2/2023 ai

Under Construction vs. Completions

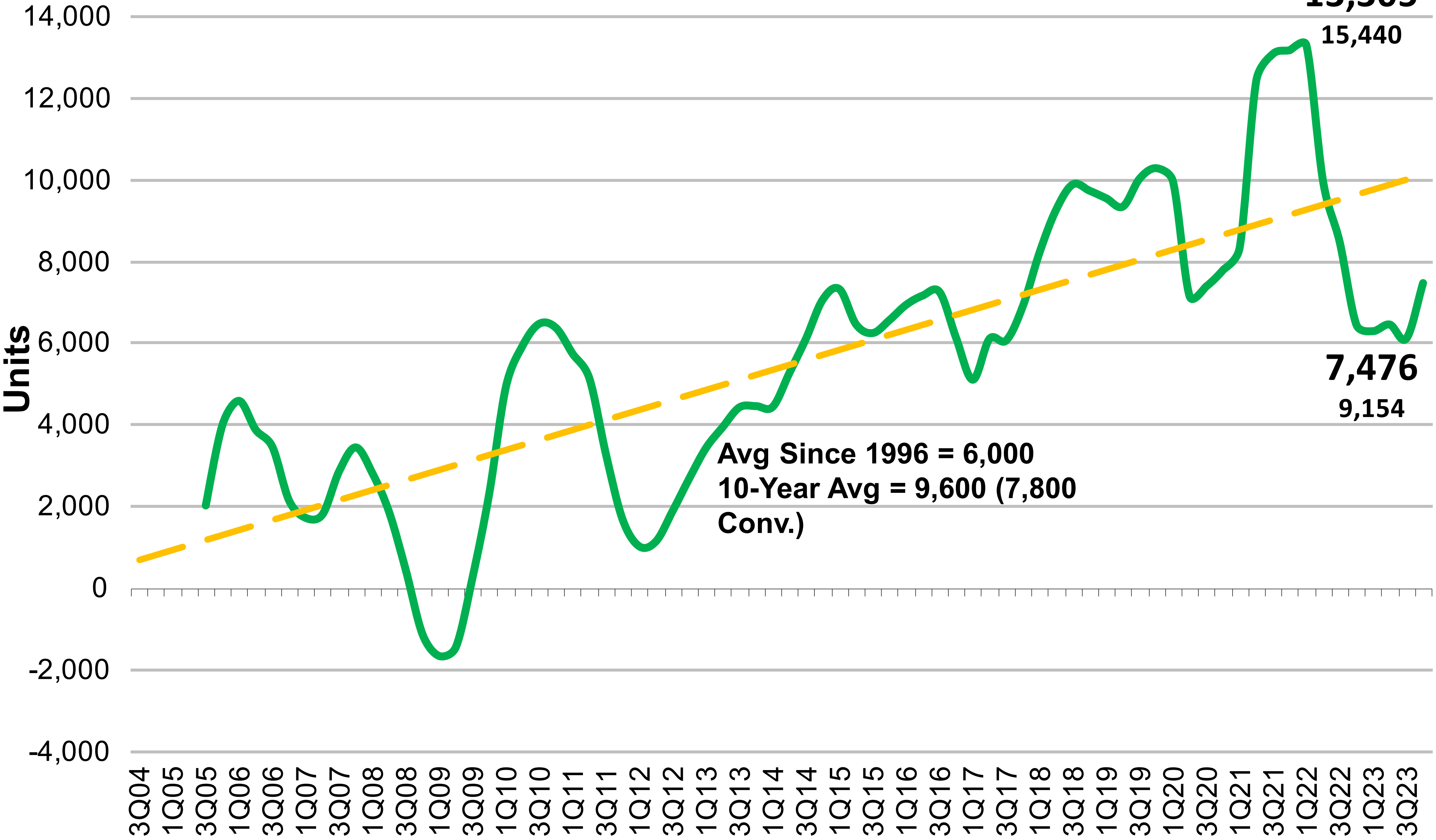
(Ratio = Following 12 Mos.)



Prepared by Apartment Appraisers & Consultants and Apartment Insights

Four Quarter Absorption - Denver CMSA

Conventional Apts

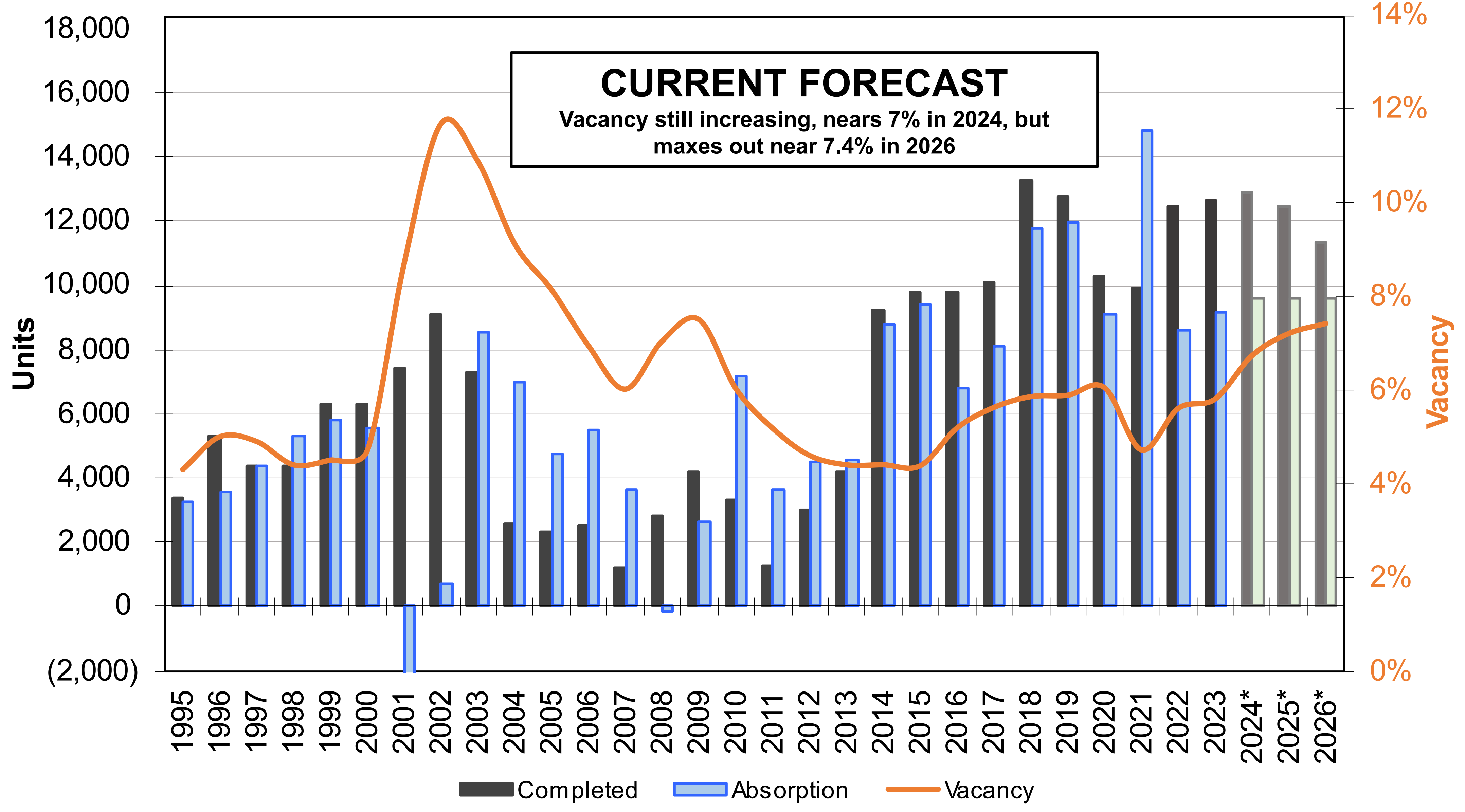


Q 1,105
Q Down 1,660
T-12 up 1,019

T-12 is still well below the peak of 13,305 conventional units (15,440 total units) reached in 1Q22, but is trending up, at least in the short term.

Data Source: Apartment Insights, Denver, CO

Supply & Demand, 7-County Denver Area

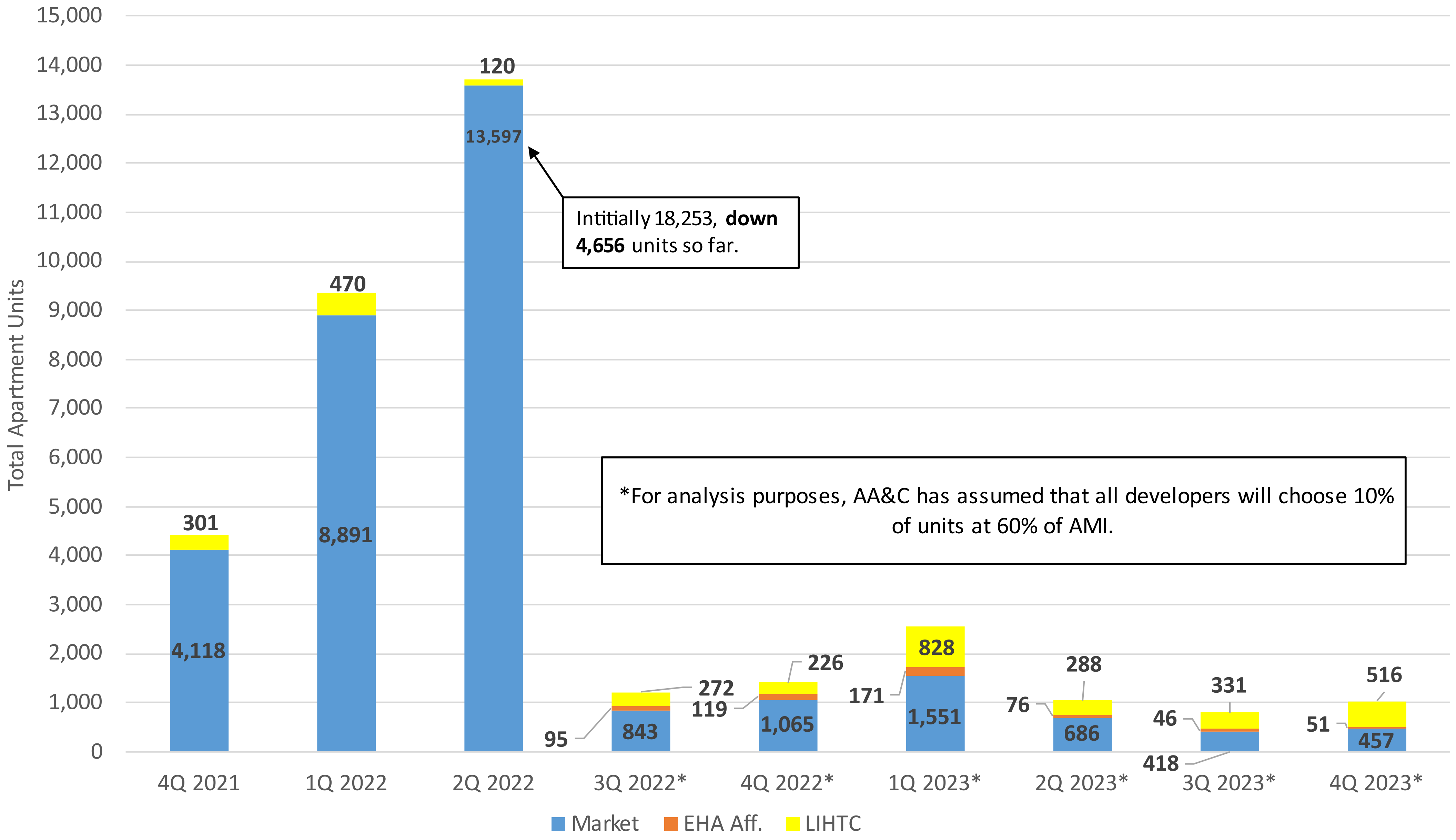


Source: AA&C, ApartmentInsights.com, and the Denver Metro Apt. Vac. & Rent Survey

* Forecast

Quarterly Apartment Applications

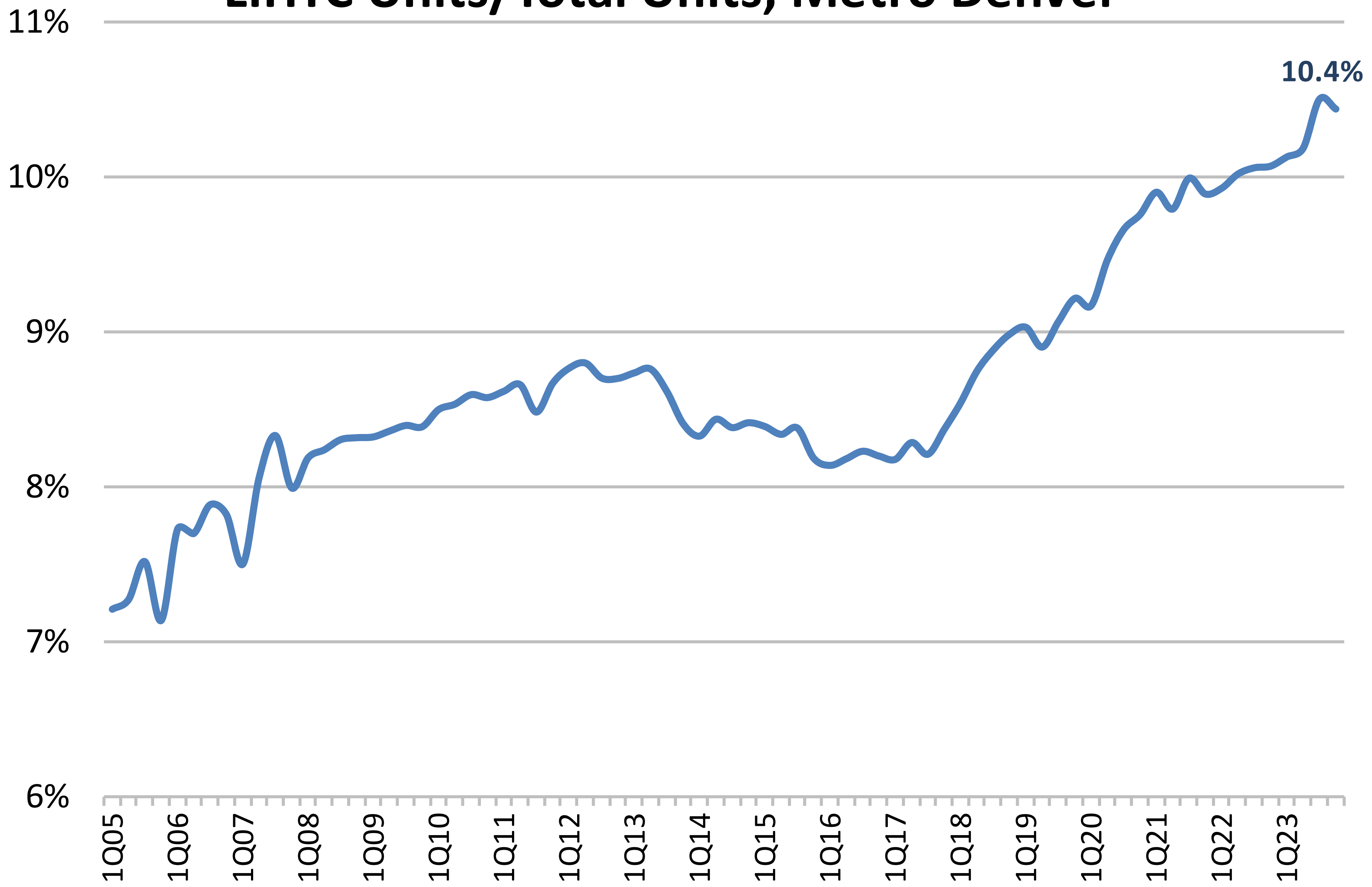
City & County of Denver



Affordable Analysis

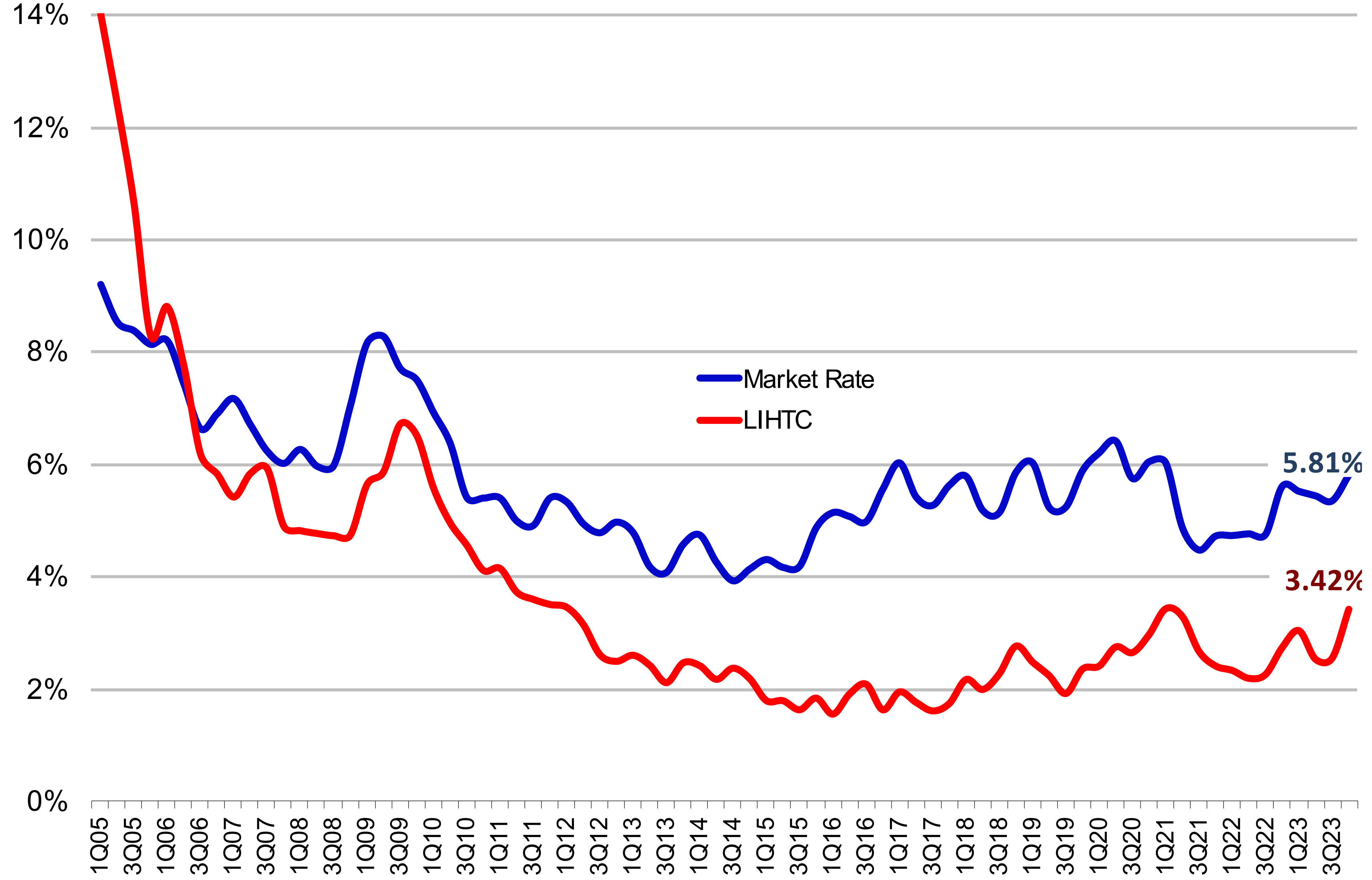
Photo: Pancratia Hall

LIHTC Units/Total Units, Metro Denver



Data Source: Apartment Insights, Denver, CO

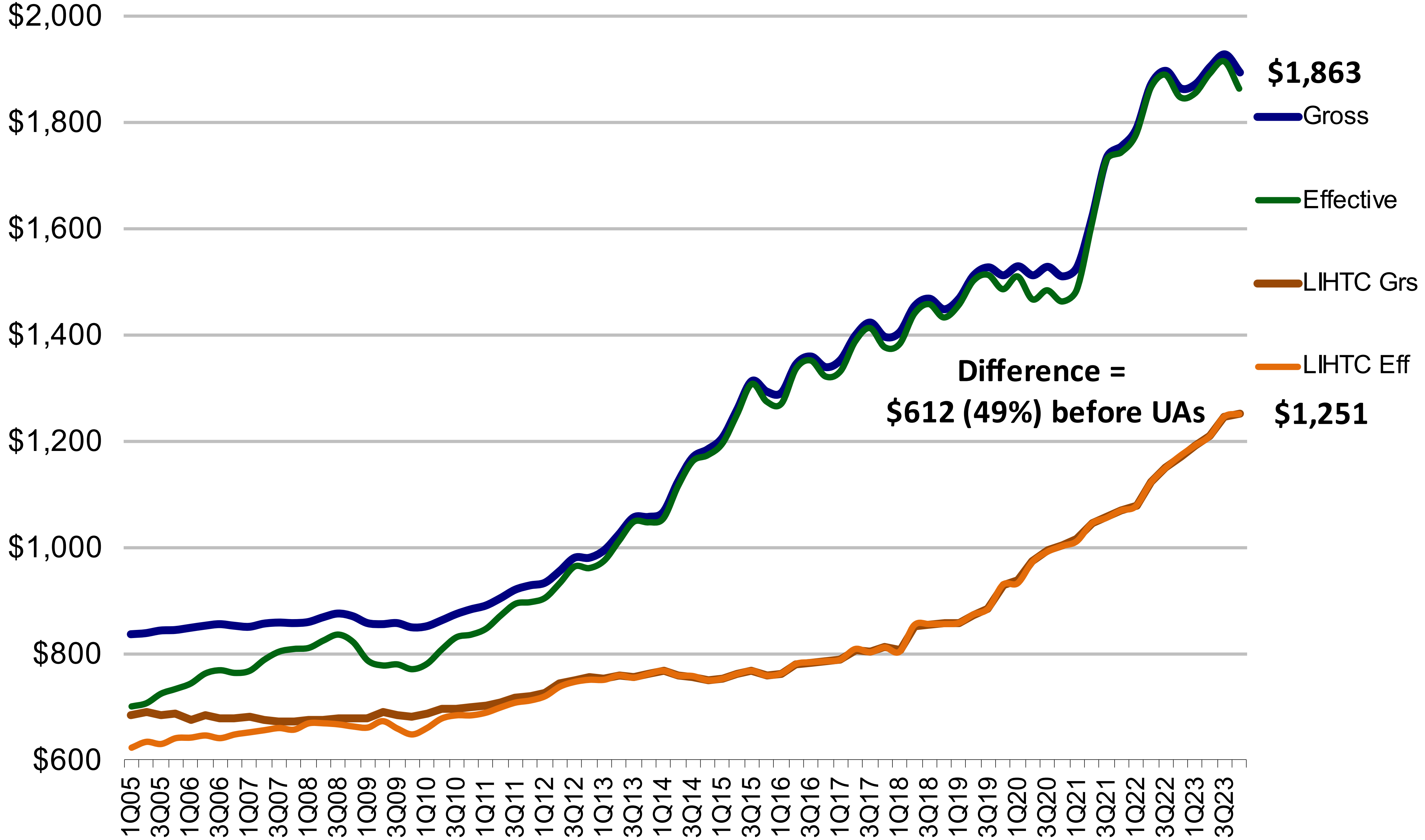
Vacancy Rates, Denver MSA



Data Source: Apartment Insights, Denver, CO

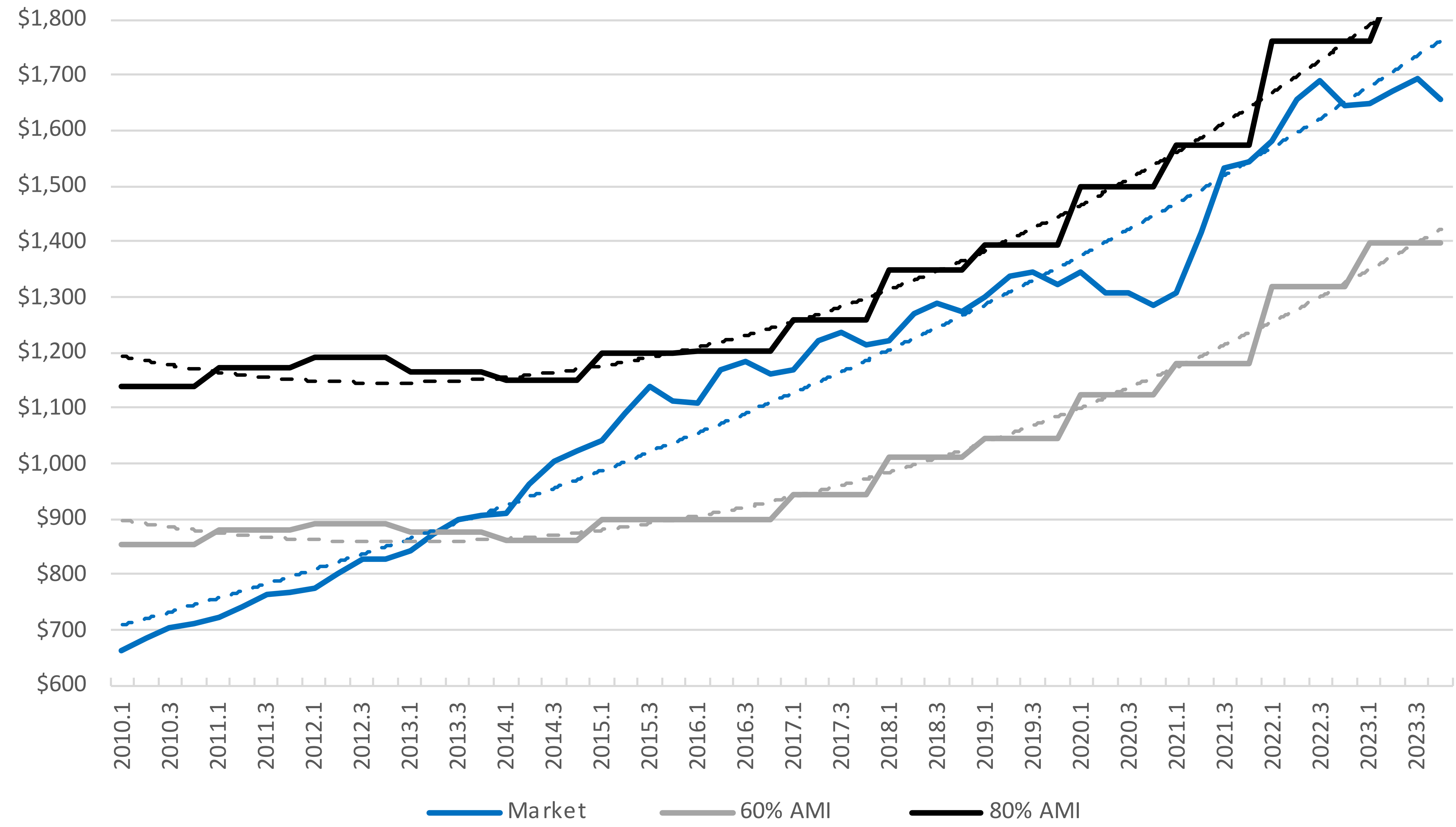
Market Rents vs Affordable Rents

Denver MSA

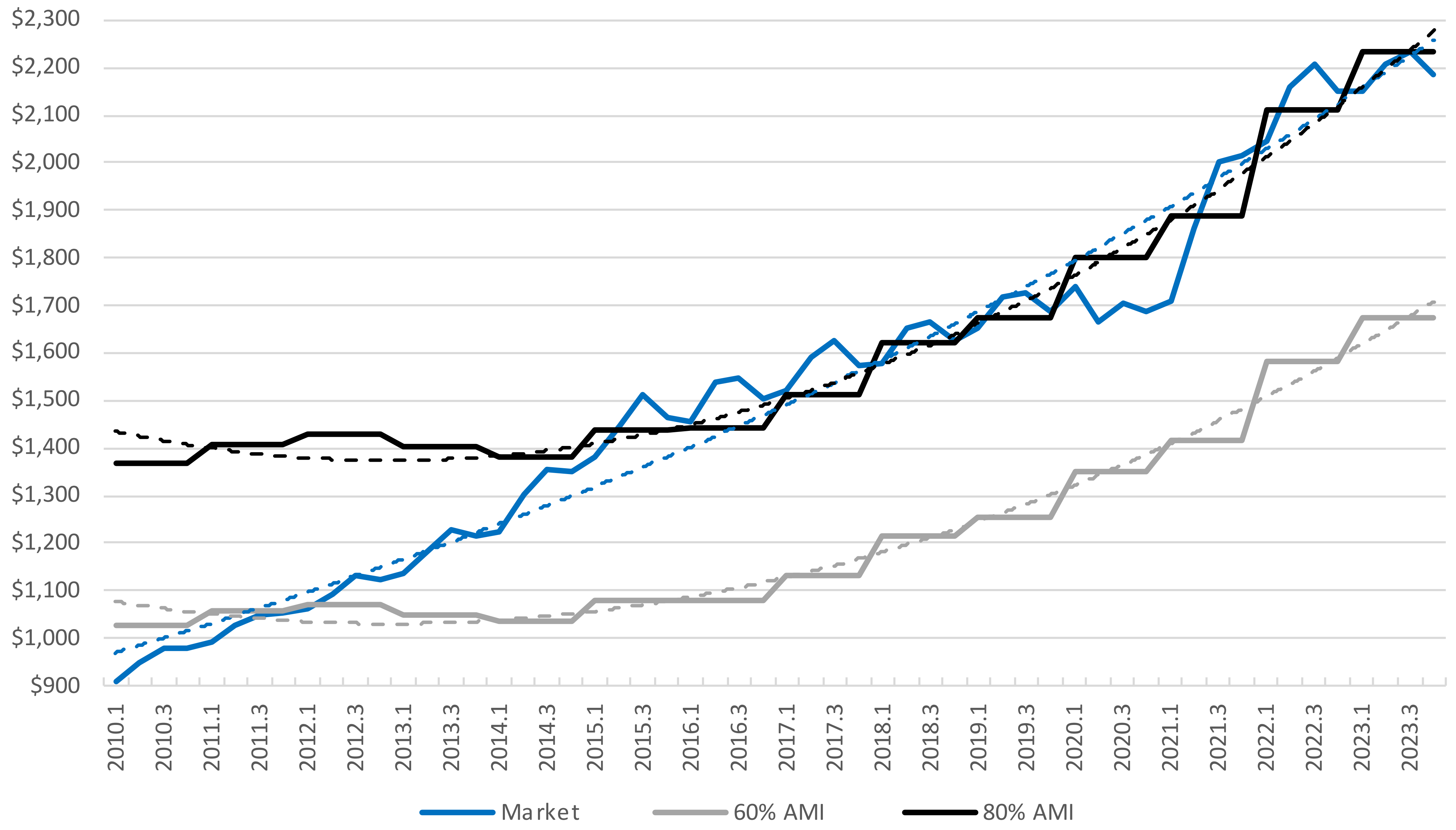


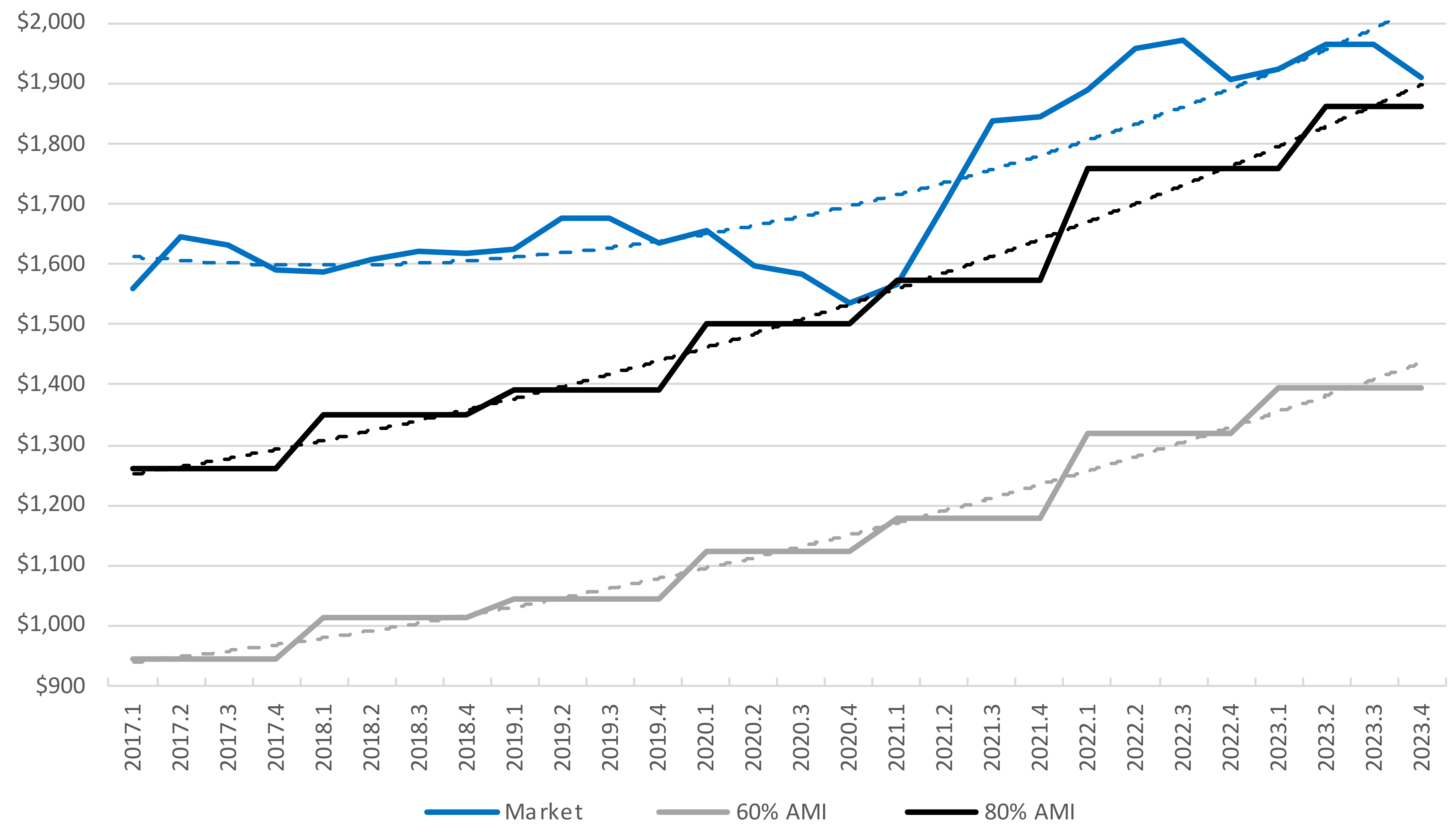
Data Source: Apartment Insights, Denver, CO

Avg. Net Market Rents vs. Affordable Rents (60% & 80%)- All 1-Bedroom/1-Bathroom

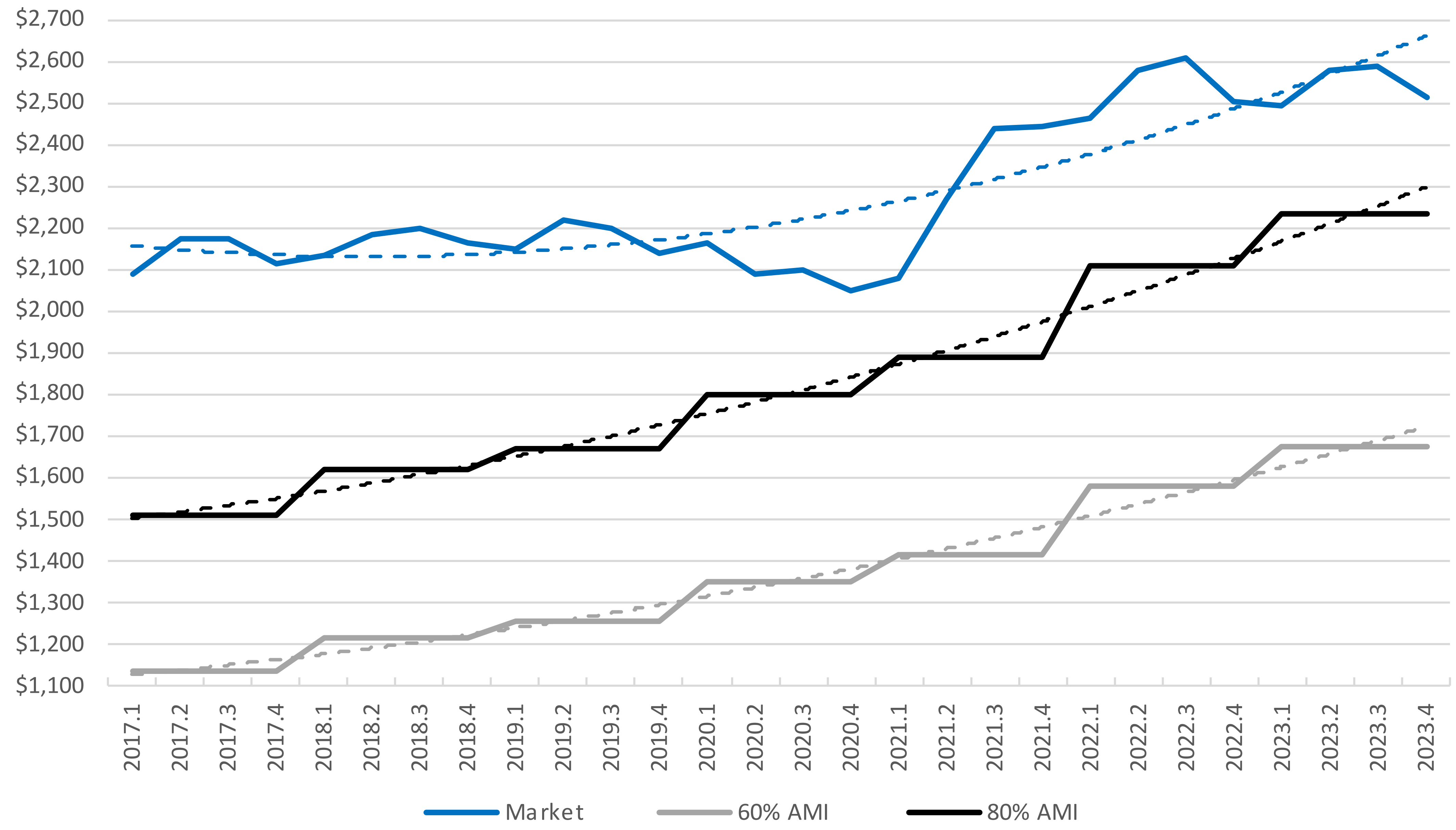


Avg. Net Market Rents vs. Affordable Rents (60% & 80%)- All 2-Bedroom/2-Bathroom




Avg. Net Market Rents vs. Affordable Rents (60% & 80%)- YOC 2015+
1-Bedroom/1-Bathroom
$2,000
$1,900
$1,800
$1,700
$1,600
$1,500
$1,400
$1,300
$1,200
$1,100
$1,000
$900
2017.1
2017.2
2017.3
2017.4
2018.1
2018.2
2018.3
2018.4
2019.1
2019.2
2019.3
2019.4
2020.1
2020.2
2020.3
2020.4
2021.1
2021.2
2021.3
2021.4
2022.1
2022.2
2022.3
2022.4
2023.1
2023.2
2023.3
2023.4
Market
60% AMI
80% AMI

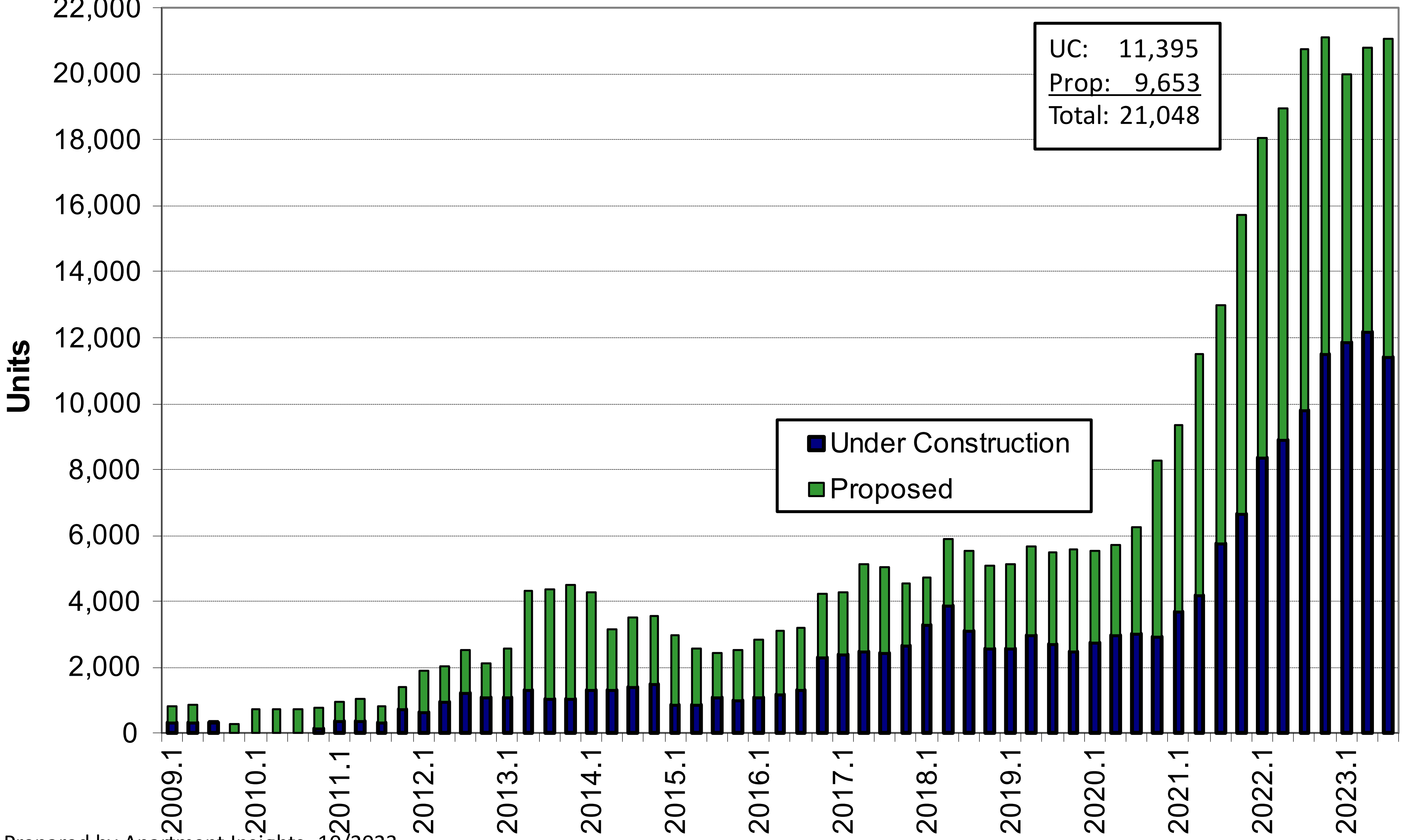
Avg. Net Market Rents vs. Affordable Rents (60% & 80%)- YOC 2015+
2-Bedroom/2-Bathroom



Colorado Springs

Apartments Under Construction + Proposed

Colorado Springs MSA



Prepared by Apartment Insights, 10/2023

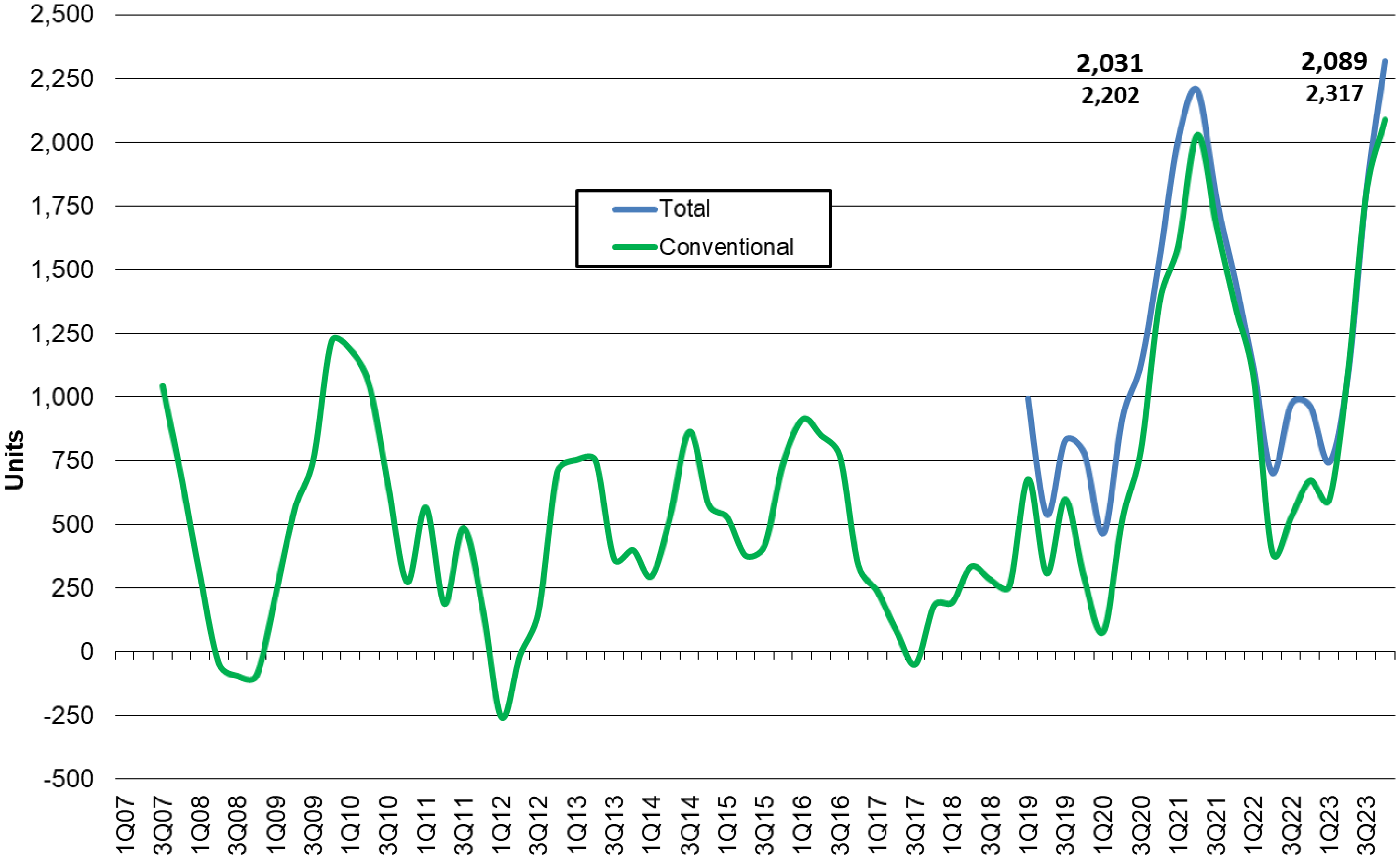
Developer success rate in Colorado Springs has been higher than northern markets.

11,400 units under construction that will deliver in the next 2 to 3 years (3,800 to 5,700 units per year).

Historical high annual absorption was just over 2,000 units per year, leaving at least 2,000 units vacant each year moving forward.

This will cause vacancy to continue to increase and rent growth to continue to be slow (likely negative).

Four Quarter Absorption - Colo Spgs MSA

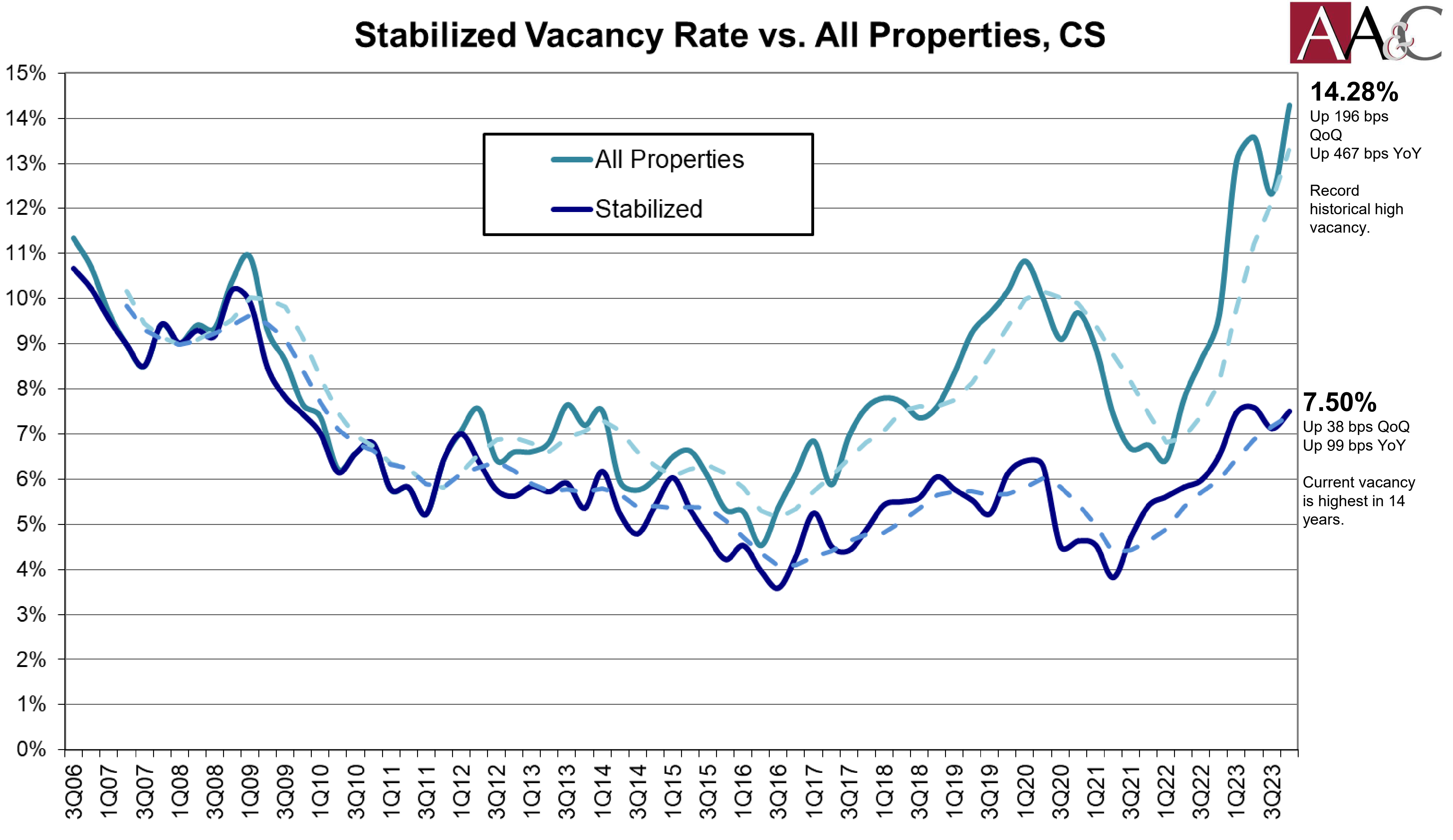


Conventional
Q 2,089
Up 285 QoQ
T-12 up 1,417

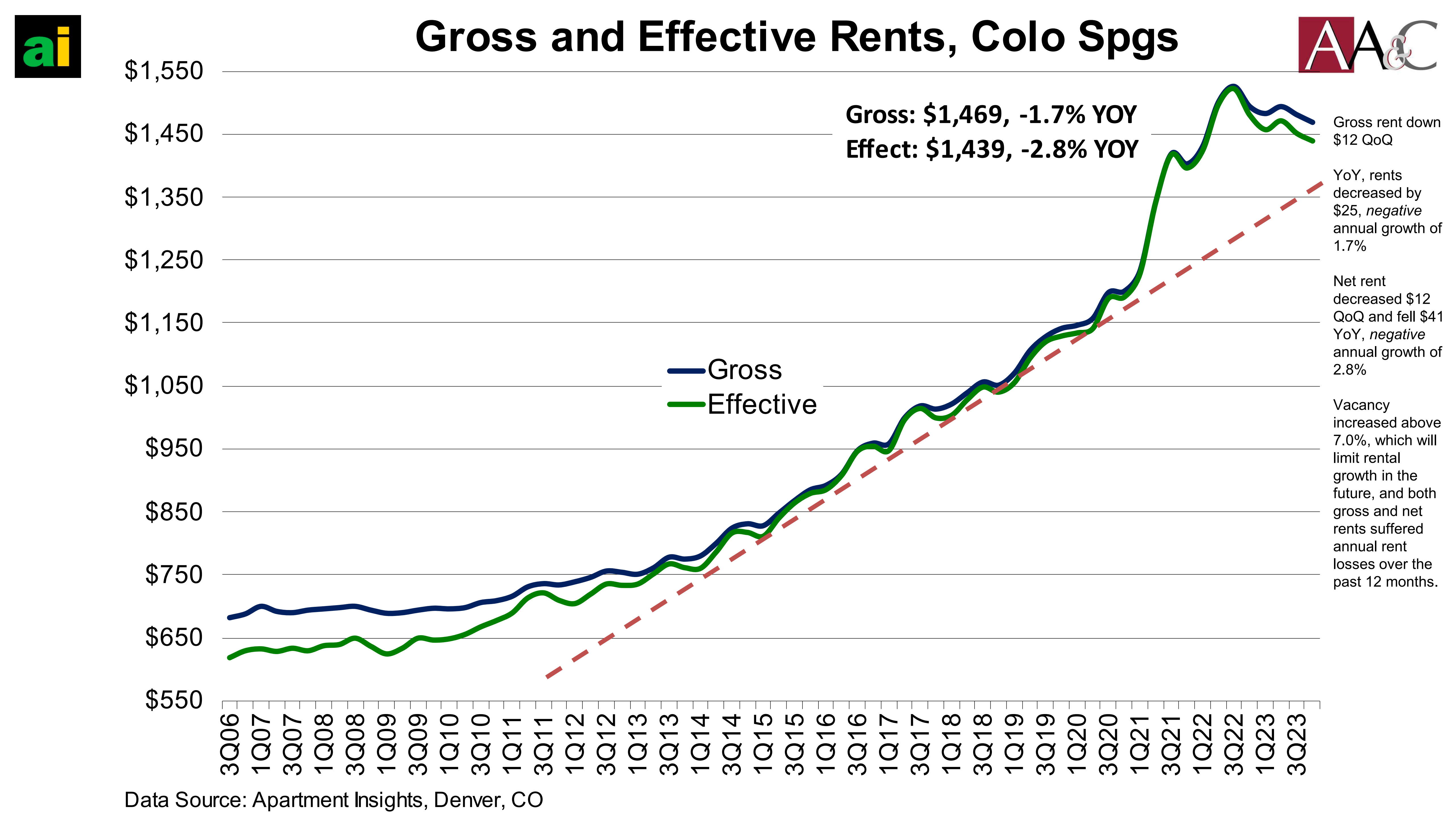
Total
Q 2,317
Up 509 QoQ
T-12 up 1,356

4Q 2023 is a new 12-month record, but not nearly enough to absorb new units being added to the market.

Data Source: Apartment Insights, Denver, CO



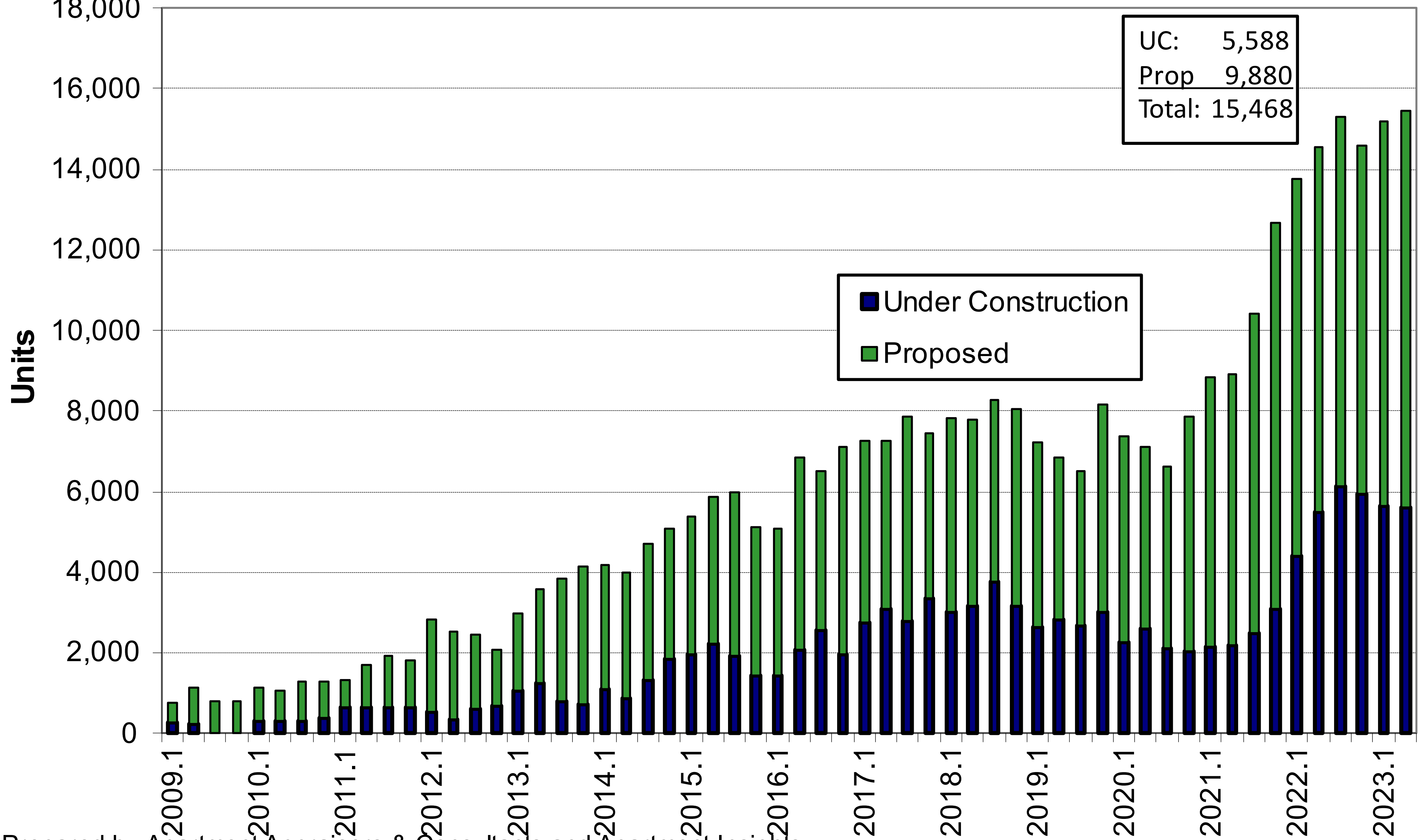
Data Source: Apartment Insights, Denver, CO



Gross and Effective Rents, Colo Spgs
Gross: $1,469, -1.7% YOY
Effect: $1,439, -2.8% YOY
Gross
Effective
$1,550
$1,450
$1,350
$1,250
$1,150
$1,050
$950
$850
$750
$650
$550
3Q06
1Q07
3Q07
1Q08
3Q08
1Q09
3Q09
1Q10
3Q10
1Q11
3Q11
1Q12
3Q12
1Q13
3Q13
1Q14
3Q14
1Q15
3Q15
1Q16
3Q16
1Q17
3Q17
1Q18
3Q18
1Q19
3Q19
1Q20
3Q20
1Q21
3Q21
1Q22
3Q22
1Q23
3Q23
Gross rent down $12 QoQ
YoY, rents decreased by $25, *negative* annual growth of 1.7%
Net rent decreased $12 QoQ and fell $41 YoY, *negative* annual growth of 2.8%
Vacancy increased above 7.0%, which will limit rental growth in the future, and both gross and net rents suffered annual rent losses over the past 12 months.
Data Source: Apartment Insights, Denver, CO


Northern Colorado

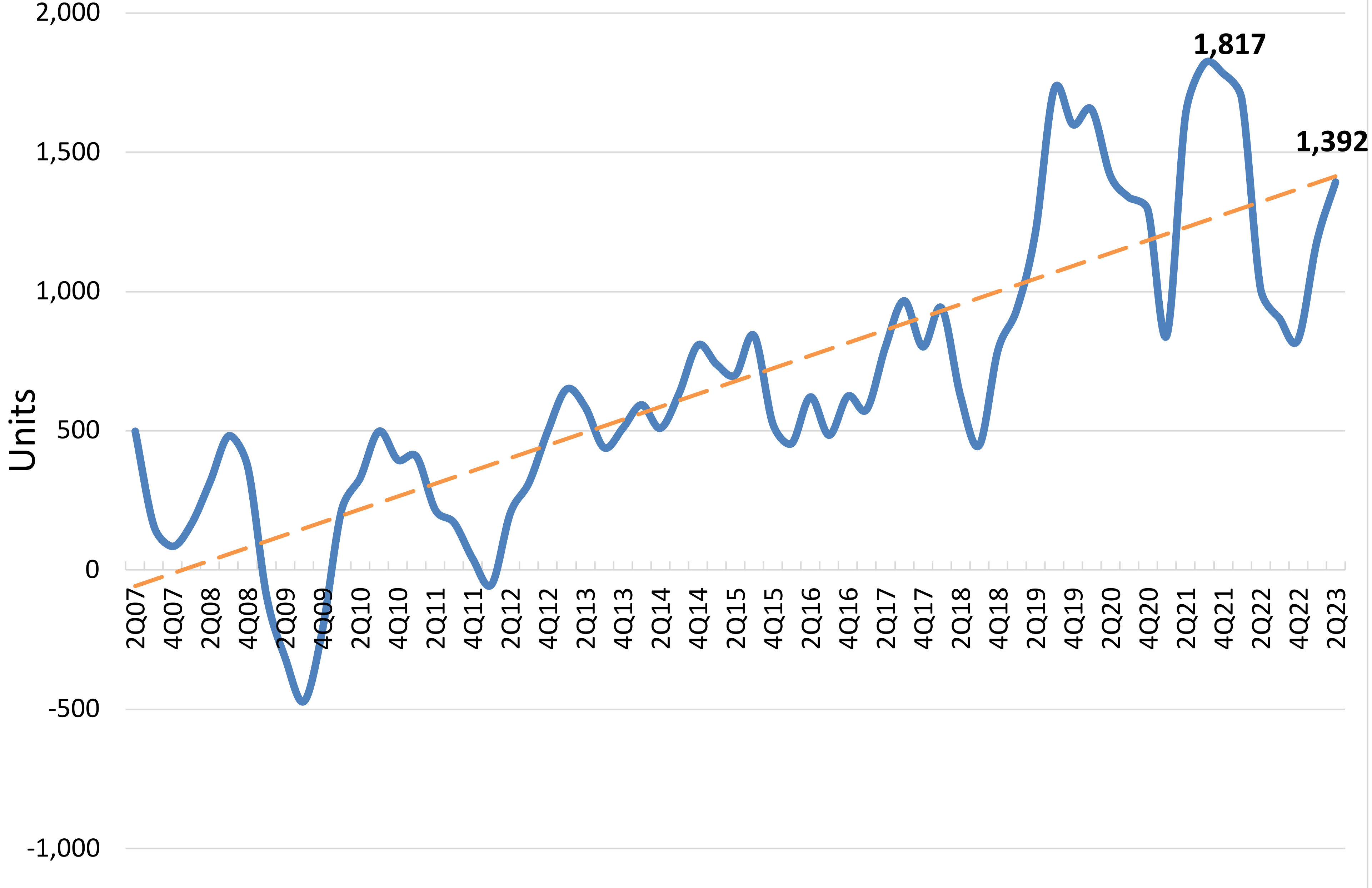
Apartments Under Construction + Proposed
Northern Colorado



This pipeline, with lower developer success rates, much like the DMA, indicates that at current absorption rates, the market area could be slightly overbuilt over the next 3 years, but could also stay at or near equilibrium.

Prepared by Apartment Appraisers & Consultants and Apartment Insights

Four Quarter Absorption - Northern Colo



Source: Apartment Insights, Denver, CO

Q 466

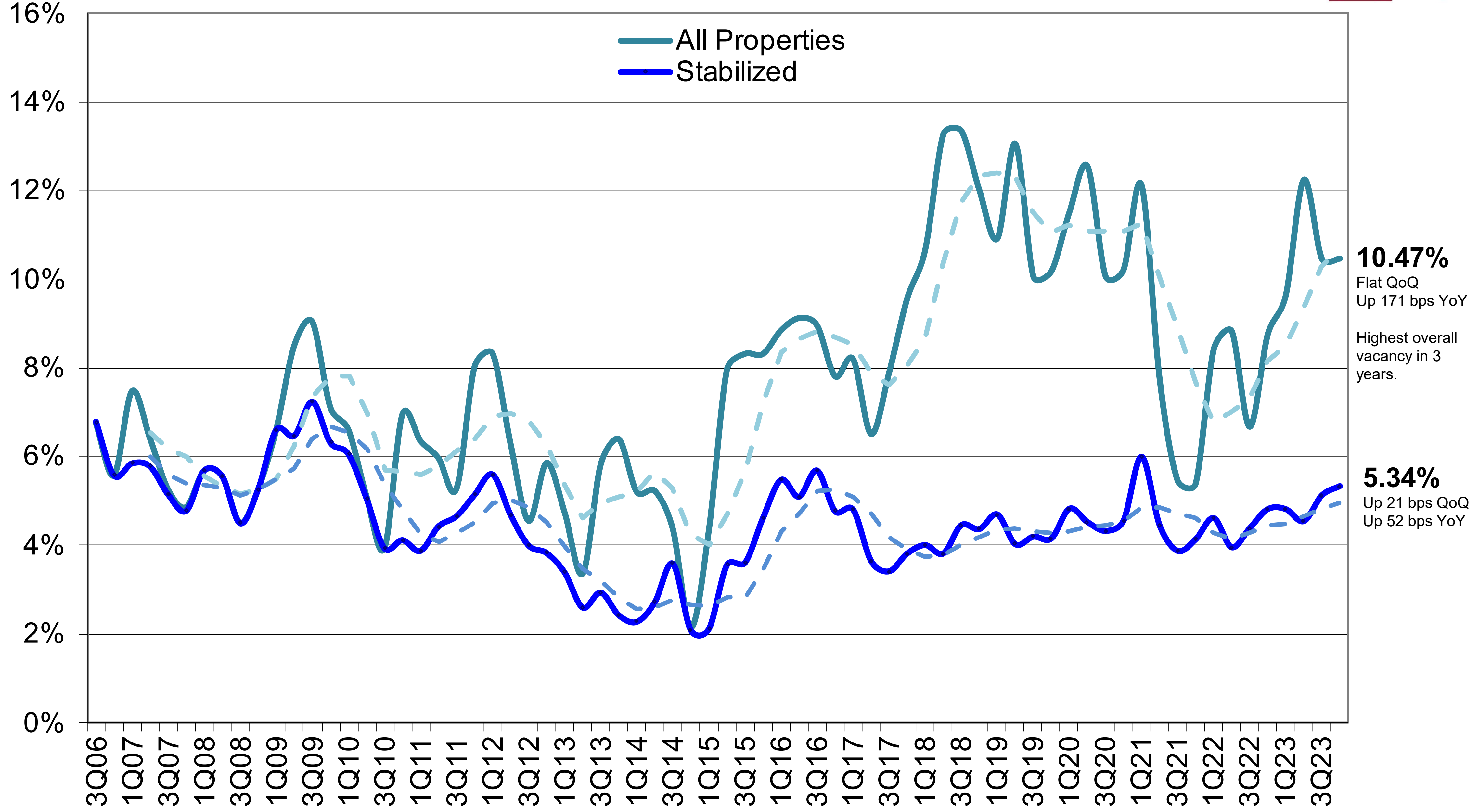
Up 163 QoQ

T-12 1,392

T-12 up 215

Current T-12 absorption is below recent historical highs, but still approximately double the long-term average for the area. Right on pace with the regression line.

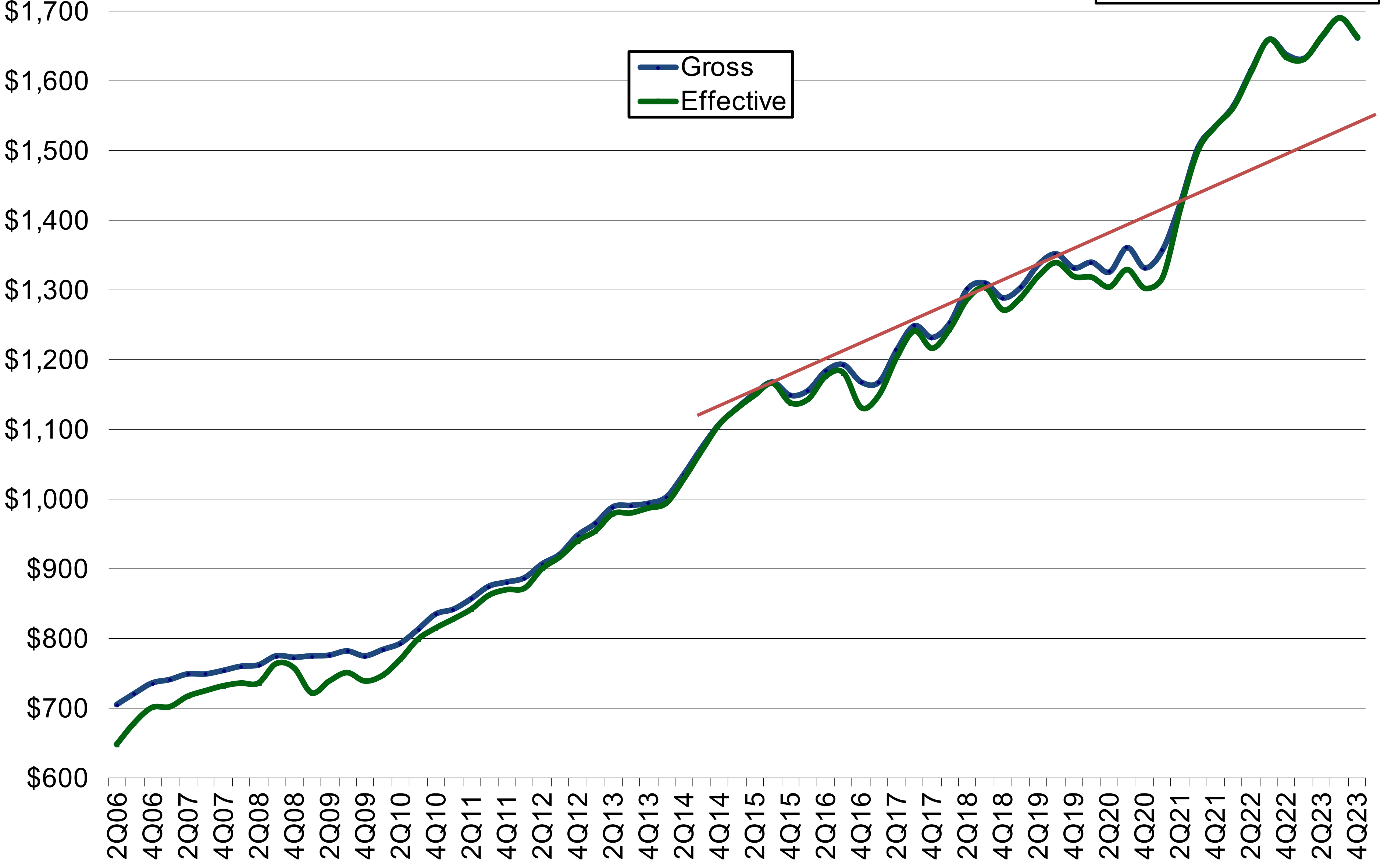
Stabilized Vacancy Rate vs. All Properties Vacancy



Data Source: Apartment Insights, Denver, CO

Gross and Effective Rents
Northern Colorado

Gross: $1,662, 1.5%
Effect: $1,662, 1.8%



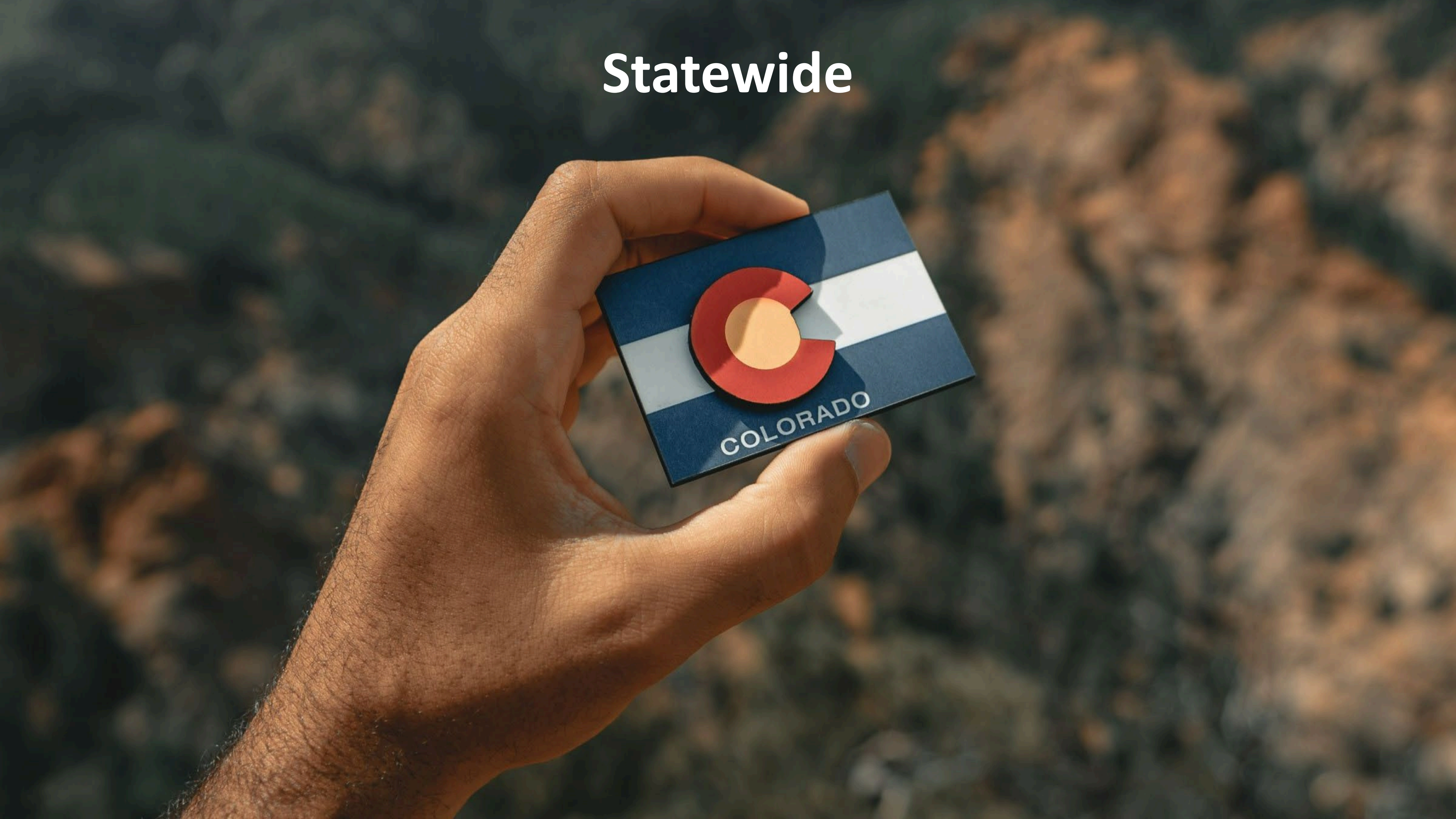
Gross: $1,662
Down $29 QoQ
Up $24 YoY, 1.5%

Net: $1,662
Down $28 QoQ
Up $29 YoY, 1.8%

Growth still slowed but is faster than both DMA (0.9%) and Colorado Springs (negative).

Data Source: Apartment Insights, Denver, CO

Statewide



colorado perspectives on housing credit

Jennifer Erixon

2024 housing credit summit

colorado housing and finance authority

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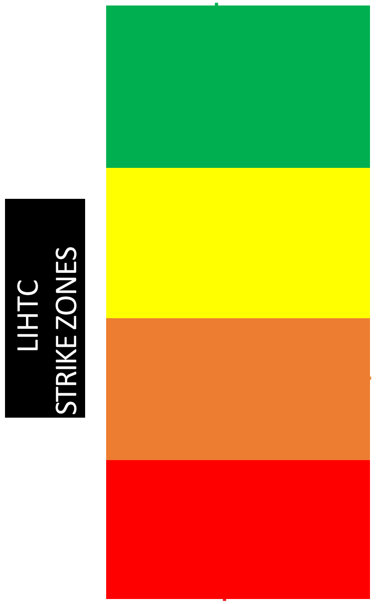
LIHTC Trends in 2024: Why Colorado Is Hot!

IN:

- Tested Markets
- Experience
- Debt Opportunities
- Regional Multi-Funds
- Liquidity
- State Credit Deals
- Income Averaging
- Predictable Closing Timeline

SYNDICATION LIHTC STRIKE ZONES



GREEN

Multi-funds: $5MM-$20MM in a strong market with less than 25% hard debt with a strong developer.

- CHFA's 9% allocations all fit

Proprietary: $12MM+ experienced LIHTC developer in a primary or secondary market with a focus on:

- Reasonable hard debt.
- Agency Duty to Serve Rural AND High Needs transactions

YELLOW

$5MM-$25MM with 26%-50% hard debt

- Fully section 8 (assuming the overhang isn't too large) or senior makes the deal more attractive.

Greater than $25MM with less than 25% FD

- Lower price per credit and strong sponsor preferred due to execution

ORANGE

Greater than $25MM with greater than 50% hard debt

RED

- 80/20s
- Assisted Living
- Historic Master Lease Structures

Caution Ahead

WATCH OUT FOR:

- PSH Structuring
- Residual Values
- Capital Accounts
- Assumed Growth Rents
- Competition From Other Credits
- Impact of CRA Reform
- Lag in Pricing to Treasury
- Election Year Fun

colorado perspectives on housing credit

Ann Melone

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Impact Finance

Q3 2023

Strengthening Colorado

U.S. Bancorp Impact Finance

Ann T. Melone

SVP, Business Development Officer

Affordable Housing LIHTC Equity

U.S. Bancorp Impact Finance overview

A trusted community development partner since 1988

U.S. Bancorp Impact Finance provides financial solutions that combine purpose and profitability to help create **lasting impact** for **people and the planet**.

Our tax credit investments and syndications, lending and other financial solutions help clients **financial, social and environmental goals.**

Who we serve	Where we invest	How we can support you
• Real estate developers • Business owners • Community Development Financial Institutions (CDFI) • Lenders • Investors • Government or nonprofit agencies	• Affordable housing (LIHTC) • Economic development (NMTC) • Historic renovations (HTC) • Renewable sources of energy (RETC) • We acquire a variety of state tax credits in over 100 state tax credit programs across the country	• Affordable housing, CDFI, and environmental and renewable energy lending • Federal and state tax credit equity investments • Tax credit syndications • A full suite of financial products and services

See end disclosures.

Low Income Housing Tax Credits (LIHTC)
Affordable housing lending

Covington Crossings Senior Living Covington, GA

North Park Senior Apartments
San Diego, CA

Pullman Artspace Lofts
Chicago, IL

Making safe and affordable housing possible

102,696 affordable housing units

$16.9 billion invested

$4.4 billion in current affordable housing loan commitment

1,555 investments and funds

Data as of September 30, 2023. See end disclosures.

Impact Capital for Developers of Color

- $250 million program that supports emerging Black, Indigenous, and other people of color developers
- Sponsor guidelines for experience and financial strength meaningfully adjusted to reduce systemic barriers
- Available for LIHTC equity investments, construction loans and permanent loans
- Developer must be 51% owned or led by people of color
- Must have some LIHTC experience
- Guideline guarantor strength at $50,000 in liquidity and $250,000 net worth
- Focus on Denver, although other areas may be considered.

Recent Colorado LIHTC Investments

All Saints Senior

Warren Village III

Montbello FreshLo

Making safe and affordable housing possible

2,509 affordable housing units

32 investments and funds

Data as of January 31, 2024. See end disclosures.

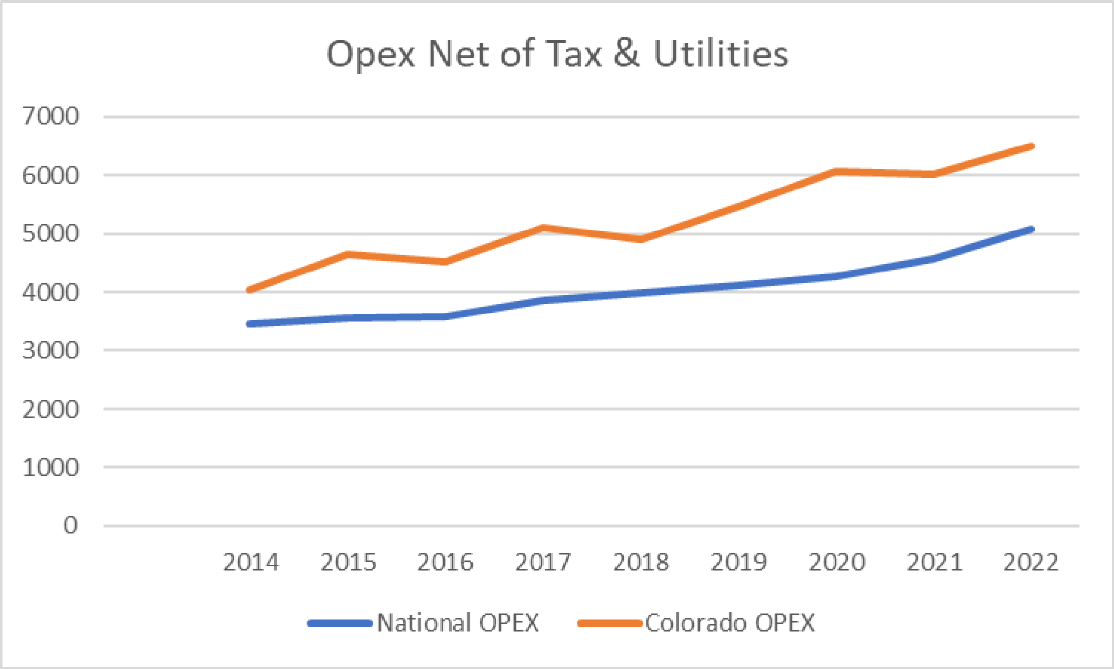
Strengths & Opportunities

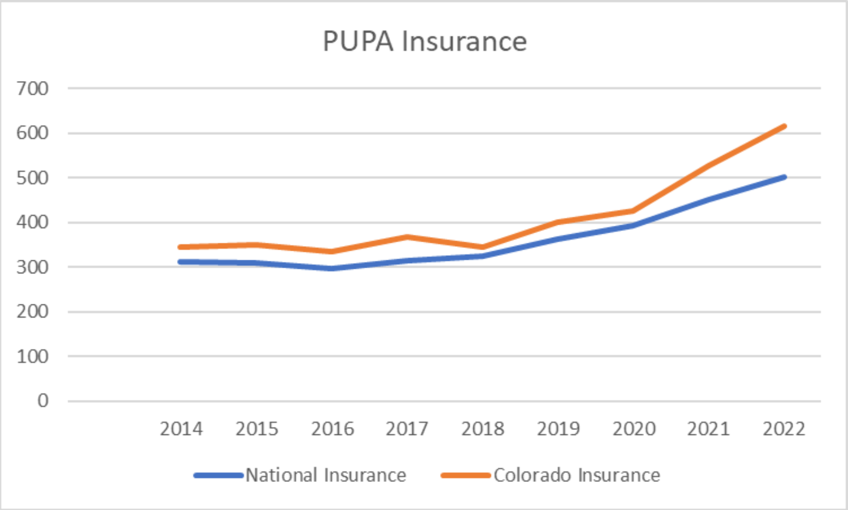
- Developments & Developers are excellent
- CHFA is a huge asset
- Underwriting standards are conservative
- State & local resources are available
- Markets have been resilient
- 45L and solar credits
- Potentially more sources from federal government on the way

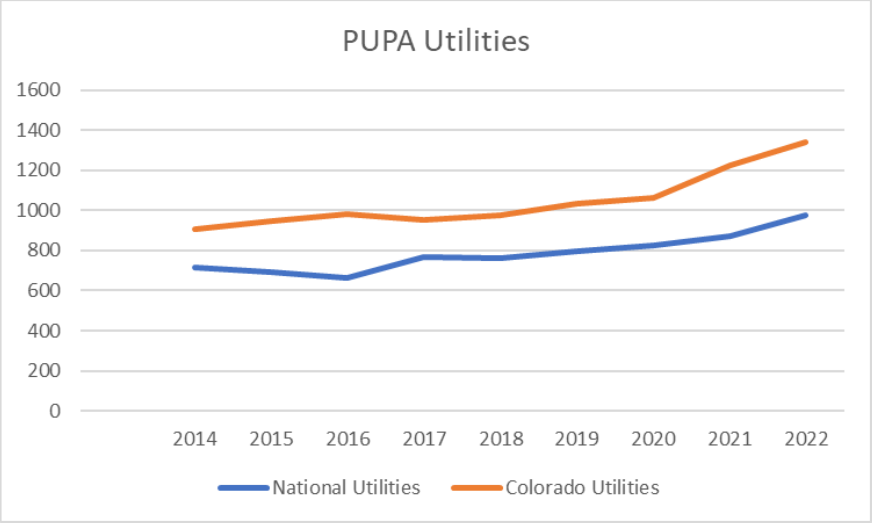
Risks & Challenges

- Permanent Supportive Housing – remains a need but increasingly difficult to underwrite
- Ever Increasing Complexity – more sources, new sources, condominiums, conversions, service partners, ground leases, income averaging – vanilla doesn't exist
- Preservation Deals - need more funding to renew and upgrade expiring tax credit properties
- Operating Expenses – on their way up
- Interest Rates and Tax Credit Pricing challenges
- More stringent capital requirements are coming for Banks – who will need to increase profits and reduce expenses to achieve the new standards
- Election uncertainty
- CRA Changes

National vs. Colorado – USBIF Investments







Thank you.

We're ready to help you explore options for your next step.

Ann T. Melone

Equity	ann.melone@usbank.com

Jodi Enos

Loans	jodi.enos@usbank.com

Visit us: usbank.com/impactfinance

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Albus Brooks

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colorado perspectives on housing credit panel

Kathryn Grosscup	Albus Brooks	Ann Melone	Jennifer Erixon	Scott Rathbun
Colorado Housing and Finance Authority	Milender White	U.S. Bancorp Impact Finance	Walker and Dunlop	Apartment Appraisers and Consultants
moderator				

thank you

Kathryn Grosscup
Manager, Housing Tax Credits
Colorado Housing and Finance Authority

strengthening colorado

Steve Johnson
Director, Community Development, CHFA

2024 housing credit summit

colorado housing and finance authority