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2024

**Leveraging with State
Rental Tax Credits**

Panelists

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What's going on in Kansas?

Kansas Authority –

- Approximately \$8M in annual LIHTC authority
- Small State PAB – approximately \$350M
 - \$280M for 4% LIHTC/PAB projects

State Kansas Affordable Housing Tax Credit

- Created from HB 2237 and codified at K.S.A.79-32-304 – 79-32-309
- 100% Match to Federal LIHTCs
 - 9% and 4%

Program Goals with KAHTC

- More Units
- Increased Affordability
- Fair Distribution of Resources Across the State
- Sustaining Long-Term partnerships

Impact of State Credit

Increased Units

	9% LIHTC	# of Units	4% LIHTC	PAB Amount	# of Units
2021	10 projects	496	4 projects	50,416,350	402
2022	12 projects	383	1 project	5,000,000	50
2023	12 Projects	517	11 projects	229,502,400	1592
2024*	14 Projects	619	7 projects	176,587,000	1174

Impact of State Credit

Increased Affordability

- Increased Required Deeper Income Targeted Units

Fair Distribution of Resources Across the State

- Limit Developments per County
- Minimum Percentages in Urban and Rural Counties

Impact of State Credit

Sustaining Long-Term partnerships

- New developers can receive one project and may not receive a second until the first has closed. A third will not be awarded until a complete cost certification has been received.
- No Principal will receive more than two awards per application round.
- Principals may have no more than five awarded applications and/or developments with KHRC that have not submitted the full cost certification packet for review at the same time.

Learning Lessons

- Debt Requirements
- Multiple Rounds
- New Teams in Kansas
- Increased Workload

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AZ State Tax Credit

STC Requirements:

- Minimum of \$500,000 per application
- Maximum of \$1,000,000 per application
- STC amount must be a least 50% of the federal LIHTC amount
- Allocated

Success of State Tax Credits:

- 14 projects (eight 4% and six 9%)
- 1,589 affordable units
- Total STC Awarded To Date: \$13,818,050

AZ – 1st State Tax Credit Project

Centerline on Glendale I

• Cedar Rapids Bank	\$23,500,000
• Maricopa County	\$3,000,000
• City of Glendale	\$250,000
• AHCCCS	\$1,000,000
• US Bank LIHTC Equity	\$18,098,190
• US Bank STC Equity	\$7,400,000
• Owner Equity Investment	\$100
• ADOH HOME/NHTF	\$3,000,000
• Deferred Developer Fee	\$3,242,731
Total Development Cost:	\$59,491,021

Details:

- 4% LIHTC
- Glendale, AZ
- 186 units



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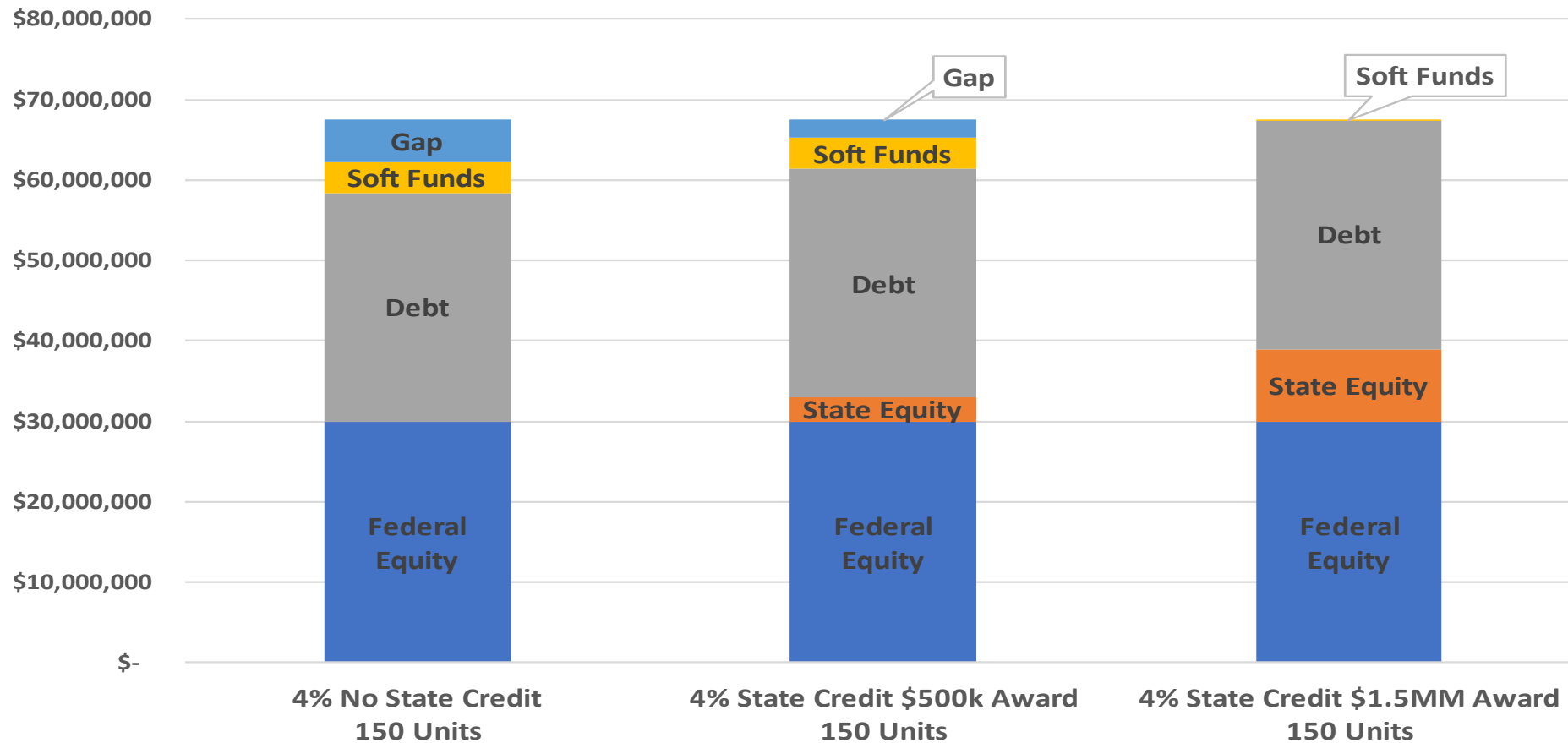


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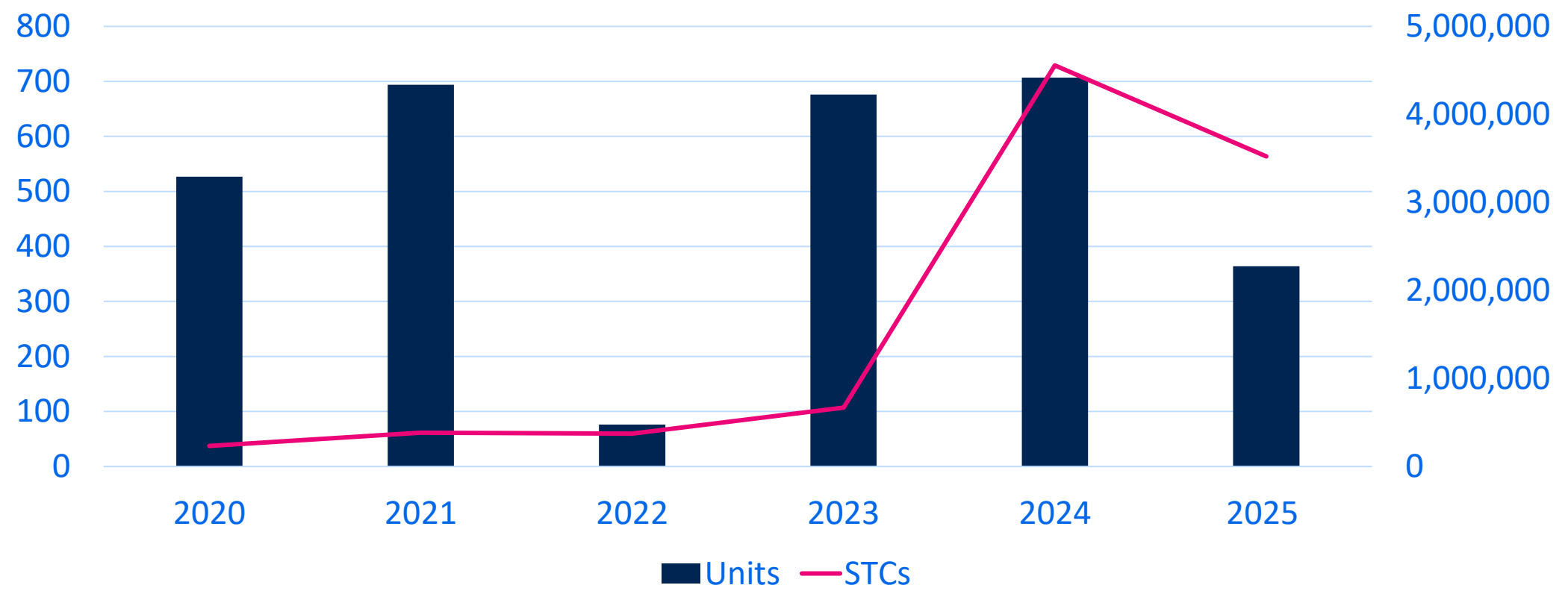
2024



4% State Credit Impact Comparison



Unit production, 9% paired with STCs



4%/TEB Unit Production with STCs

