

POLICY FOR BOND FINANCED MULTIFAMILY RENTAL DEVELOPMENTS

It has come to the attention of the Commission that certain affordable rental developments financed with tax exempt bonds and tax credits have had undocumented workers engaged in construction activities.

The Commission takes seriously its stewardship of these affordable housing programs and its role of being the tax credit allocator and administrator of these programs for the federal government and the State of Missouri.

In order to comply with the requirements and regulations governing the allocation of the Federal Low Income Housing Tax Credit and the State Low Income Housing Tax Credit, and to address the issues raised above regarding the use of undocumented workers, MHDC hereby adopts the following policy.

1. If MHDC is the issuer of the bonds, MHDC will not allocate Federal Housing Tax Credits or State Housing Tax Credits in connection with any Tax Exempt Bond financed transaction unless the owner and its principals agree to comply with IRC Section 42, and all relevant Missouri Statutes, and all rules and regulations promulgated thereunder, all federal, state and local labor laws, including any prevailing wage requirements, all MHDC requirements as set forth in the Qualified Allocation Plan and the MHDC Workforce Eligibility Policy.
2. If MHDC is not the issuer of the bonds in connection with any Tax Exempt Bond financed transaction, but receives an application and/or request to allocate the Federal Housing Tax Credits and/or the State Housing Tax Credits, MHDC will not issue any Tax Credits unless the owner and its principals agree to comply with IRC Section 42, and all relevant Missouri Statutes, and all rules and regulations promulgated thereunder, all federal, state and local labor laws, including any prevailing wage requirements, all MHDC requirements as set forth in the Qualified Allocation Plan and the MHDC Workforce Eligibility Policy.
3. The local bond issuer shall agree to require in the bond documents that the owner and its principals comply with relevant Missouri Statutes, all federal, state and local labor laws, including any prevailing wage requirements, and the MHDC Workforce Eligibility Policy.