

Tax Considerations

Workforce Housing – Ownership

- Government Ownership
- Issuer – Sovereign power over the development

Workforce Housing – Public Benefit

- Provide affordable housing to middle income households
- Public Benefit Agreement

Workforce Housing – Qualified Management Agreements (“QMAs”)

- Restriction on private use
- PAA and PMA must be QMAs

Subordinate Bonds – And Any Other Subordinate Payment Streams

- Must satisfy debt/equity analysis
- Facts and circumstances based

Qualified 501(c)(3) Bonds – Furthering a Charitable Purpose

- Relief of the poor, the distressed, or the underprivileged
- Lessening the burdens of government

Qualified 501(c)(3) Bonds – General

- Ownership and Use
- Donnelly Amendment
- QMAs
- TEFRA still required
- <https://www.orrick.com/en/Events/2021/12/Financing-affordable-housing-with-501-c-3-bonds>