

2024-2025 Qualified Allocation Plan Methodology Guide

Applicable to the 2024 Multifamily Consolidated Request for Proposals (RFP) / 2025 Housing Tax Credits (HTC)

March 2024

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2024 – 2025 QAP Methodology Table

2023 Consolidated RFP/2024 HTC

Minnesota Housing will publish the geographic priorities for the 2023 Consolidated Request for Proposals (RFP)/2024 Housing Tax Credits (HTC) (Consolidated RFP) in June 2022 and update them in the spring of 2023 with the most currently available data as part of the early release of the Consolidated RFP application materials. Communities (areas) that were considered priority areas when the data was released in June 2022 will not be removed as part of the update in the spring of 2023. Communities (areas) can only be added as part of the spring 2023 data update.

2024 Consolidated RFP/2025 HTC

The analysis methods used to identify communities and priorities will not change from the 2023 Consolidated RFP/2024 HTC to the 2024 Consolidated RFP/2025 HTC. However, the most current data sources will be used to identify the initial communities that meet the geographic priority for the 2024 Consolidated RFP/2025 HTC. Communities that were eligible for points as part of the 2023 Consolidated RFP/2024 HTC might not be eligible for those points during the 2024 Consolidated RFP/2025 HTC.

Communities and geographic priorities have been updated to include the most recent available data. There will be no additional updates prior to the release of the 2024 Consolidated RFP/2025 HTC.

The methodologies and their corresponding data sources for the 2023 Consolidated RFP/2024 HTC and 2024 Consolidated RFP/2025 HTC are outlined below. Please refer to each individual methodology document for more detailed descriptions.

Interactive maps for past, current, and future geographic scores are accessible at <https://www.mnhousing.gov/policy-and-research/community-profiles.html>.

Hold Harmless Provision - Returning Applicants and New Applicants

We recognize applicants often select a location for their projects based on Minnesota Housing's geographic priorities and that applicants may need to apply more than once before receiving funding for that project. Because of this, Minnesota Housing will allow applicants who applied but were not selected for funding in the 2022 Consolidated RFP/2023 HTC Round 1 and/or 2023 HTC Round 2 to reapply and use the geographic scores from the prior year for that project. Similarly, applicants that applied but were not selected for funding in the 2023 Consolidated RFP/2024 HTC Round 1 and/or 2024 HTC Round 2 can reapply in the 2024 Consolidated RFP/2025 HTC Round 1 and/or 2025 HTC Round 2 using the prior year's score for that project.

The hold harmless provision applies to all the scoring categories in the table below, except for the No Multifamily Awards in the Past 5-Years category. Minnesota Housing recognizes that communities are applying for scarce resources and the intent of this category is to award points to a community that has not received funding in recent history.

New applicants or previously selected projects must use the updated geographic scores for the corresponding Consolidated RFP scoring round. For example, an applicant with a new or previously selected project in the 2023 Consolidated RFP/2024 HTC Round 1 or 2024 HTC Round 2 must use the geographic scores for the 2023 Consolidated RFP/2024 HTC. The ability to use the prior year's geographic scores only applies to projects that previously applied and who were not selected for funding.

Methodology	Definition	Data Sources	Annual Review of Eligibility	Other Notes
<p>Need for More Affordable Housing</p>	<p>Communities with a need for more affordable housing options either have a low share of affordable rental housing compared to all housing options in a community OR a large share of renters are cost burdened by their rent (30% or more of household income spent on rent).</p>	<p>Data source for low share of affordable rental housing compared to all housing; HUD Comprehensive Housing Affordability Strategy (CHAS) data: https://www.huduser.gov/portal/datasets/cp.html</p> <p>Data source for large share of renters that are cost burdened by their rent; American Community Survey (ACS); data.census.gov</p>	<p>*Pay close attention if your community met the scoring criteria when the data was originally published but did not with the release of the 2024 Consolidated RFP/2025 HTC data. Your project is still eligible to receive the points for the current Consolidated RFP/HTC round, but it may be an early indicator that it may not meet the criteria for the following year's Consolidated RFP/HTC rounds.</p>	<p>Affordable rental is considered rents affordable at or below 50% Area Median Income (AMI).</p> <p>Cost burdened is 30% or more of household income spent on rent.</p>

Methodology	Definition	Data Sources	Annual Review or Eligibility	Other Notes
Workforce Housing	Communities that have experienced job growth over a five-year period or have a significant portion of the workforce that travels 30+ miles into that community for work.	<p>Data source for job growth and job centers; Minnesota Department of Employment and Economic Development (DEED) Quarterly Census of Employment and Wages: https://mn.gov/deed/data/data-tools/qcew/</p> <p>Data source for long commute communities; US Census Bureau’s Longitudinal Employer-Household Dynamics (LEHD) program: https://lehd.ces.census.gov/data/</p>	<p>* Due to the impact that the COVID pandemic had on employment across Minnesota’s communities, Minnesota Housing will continue to use the 2022 Consolidated RFP/2023 HTC workforce housing communities for the duration of the 2024-2025 QAP as a hold harmless provision. Minnesota Housing will continue to evaluate job growth and long commute communities, as defined in the current methodology, and add any NEW workforce communities with updated jobs numbers. No communities will be removed from the existing methodology during the 2024-2025 QAP.</p>	<p>Communities must have 2,000+ jobs to be considered a workforce housing community or have an individual employer that has had a net increase of 100+ permanent employees over the past five years.</p> <p>A five-mile commuted buffer is applied in the 7-County Twin Cities Metropolitan Area, and a 10-mile commuted buffer for Greater Minnesota Communities.</p>

Methodology	Definition	Data Sources	Annual Review of Eligibility	Other Notes
Transit and Walkability	Access to transit, either fixed route or demand response. Located in a walkable area with nearby amenities.	Metro Transit, Minnesota Valley Transit Authority (MVTA), Duluth Transit Authority, East Grand Forks Transit, La Crescent Apple Express, Mankato Transit, Moorhead Transit (MATBUS), Rochester Public Transit, Saint Cloud Metro Bus.	*Pay close attention if your community met the scoring criteria when the data was originally published but did not with the release of the 2024 Consolidated RFP/2025 HTC data. Your project is still eligible to receive the points for the current RFP/HTC round, but it may be an early indicator that it may not meet the criteria for the following year's RFP/HTC rounds.	Data for demand response and dial-a-ride transit services in Greater Minnesota Rural and Small Urban Areas is accessible on MnDOT's transit website https://www.dot.state.mn.us/transit/find-your-transit-provider.html

Methodology	Definition	Data Sources	Annual Review of Eligibility	Other Notes
Rural/Tribal Designated Areas	Areas outside of the Twin Cities 7-County Metropolitan Area and Greater Minnesota urbanized areas.	Rural/Tribal Designated Areas are not subject to change.	No annual review needed. Areas eligible for these points are not subject to change.	Tier 1 – The project is located in a Rural/Tribal Designated Area and within a community that has a population fewer than 5,000. Tier 2 – The project is located in a Rural/Tribal Designated Area and within a community that has a population at or greater than 5,000.
Tribal Equivalent Qualified Census Tracts (QCTs)	In addition to HUD designated QCTs, Tribal Reservations are evaluated whether they meet the same criteria as HUD QCTs.	Data source American Community Survey (ACS); data.census.gov	*Pay close attention if your community met the scoring criteria when the data was originally published but did not with the release of the 2024 Consolidated RFP/2025 HTC data. Your project is still eligible to receive the points for the current RFP/HTC round, but it may be an early indicator that it may not meet the criteria for the following year's Consolidated RFP/HTC rounds.	HUD QCT Designation Algorithm found here: https://www.huduser.gov/portal/qct/QCT_Algorithm.html

Methodology	Definition	Data Sources	Annual Review of Eligibility	Other Notes
Opportunity Zones	Community development program established by Congress in the Tax Cut and Jobs Act of 2017 to encourage long-term investments in low-income and urban communities nationwide.	Census tracts were nominated by Governor Dayton and certified and designated by the U.S. Department of Treasury in May 2018.	No annual review needed. Areas eligible for these points are not subject to change.	These are Census tract based areas.
No Multifamily Awards in the Past Five Years	Cities or townships that have not received an award in the past five years.	<ul style="list-style-type: none"> • Consolidated RFP <ul style="list-style-type: none"> ○ HTC Round 1 ○ HTC Round 2 ○ Any Minnesota Housing deferred funding source <p>Excludes: Projects solely funded by a funding partner</p> <ul style="list-style-type: none"> • Pipeline projects with any eligible multifamily deferred funding source <p>4% only HTC projects</p>	<p>Data published in 2022 for the 2023 Consolidated RFP/2024 HTC will remain unchanged through the 2023 Consolidated RFP/2024 HTC. Communities will not be added or removed.</p> <p>Data published in 2023 for the 2024 Consolidated RFP/2025 HTC will remain unchanged through the 2024 Consolidated RFP/2025 HTC. Communities will not be added or removed.</p>	Minnesota Housing will not use the most recently awarded or allocated Multifamily Consolidated RFP funding, but rather will set the cut off one complete year prior. This allows communities advance notice to determine what communities are/are not included in this scoring criterion.

2024-2025 QAP Need for More Affordable Housing Options Methodology

2024 Consolidated RFP/2025 HTC

Communities with a need for more affordable housing options either have a low share of affordable rental¹ housing compared to all housing options in a community² **OR** a large share of renters are cost burdened by their rent³ (30% or more of household income spent on rent).

Communities are geographically defined by census tracts in the Metropolitan Area, as defined in the QAP, and Greater Minnesota – Urbanized Areas⁴ (these include Duluth, East Grand Forks, La Crescent, Mankato, Moorhead, Rochester, and Saint Cloud). For Greater Minnesota – Reservations and Rural/Small Urban Areas⁵, communities are geographically defined by reservation boundaries or place (city).

Projects located in communities are eligible for these points if:

- **Tier 1 Tracts or Cities, and Reservations (10 points):** those in the 80th percentile or higher in the highest share of cost burdened renters **OR** in the lowest share of affordable rental housing relative to the community type. Tribal Reservations are also considered Tier 1 for having a need for more affordable housing options.
- **Tier 2 Tracts or Cities (8 points):** those in the 50 – 79th percentile in the highest share of cost burdened renters **OR** in the lowest share of affordable rental housing relative to the community type.

To acknowledge differences in community types, percentiles were created by comparing census tracts within each community type.

This document includes maps of the census tracts that meet the two tiers of Need for More Affordable Housing Options for the Metropolitan Area, as defined in the QAP, and Greater Minnesota – Urbanized Areas. For Greater Minnesota – Reservations and Rural/Small Urban Areas a map and table of eligible places are provided. Applicants can map project locations and determine Need for More Affordable Options points through the Community Profiles interactive map at www.mnhousing.gov/profiles.

If additional areas become eligible applying the same criteria highlighted above using 2016-2020 CHAS data or 2018-2022 ACS data, Minnesota Housing will add them to the maps; no areas will be subtracted from the maps with the update. Refer to the 2024-2025 QAP Data Methodology table for more information on how data updates may impact point eligibility under this category. **UPDATE: Communities have been added to include the most recent eligible areas.**

¹ Affordable at or below 50% Area Median Income (AMI).

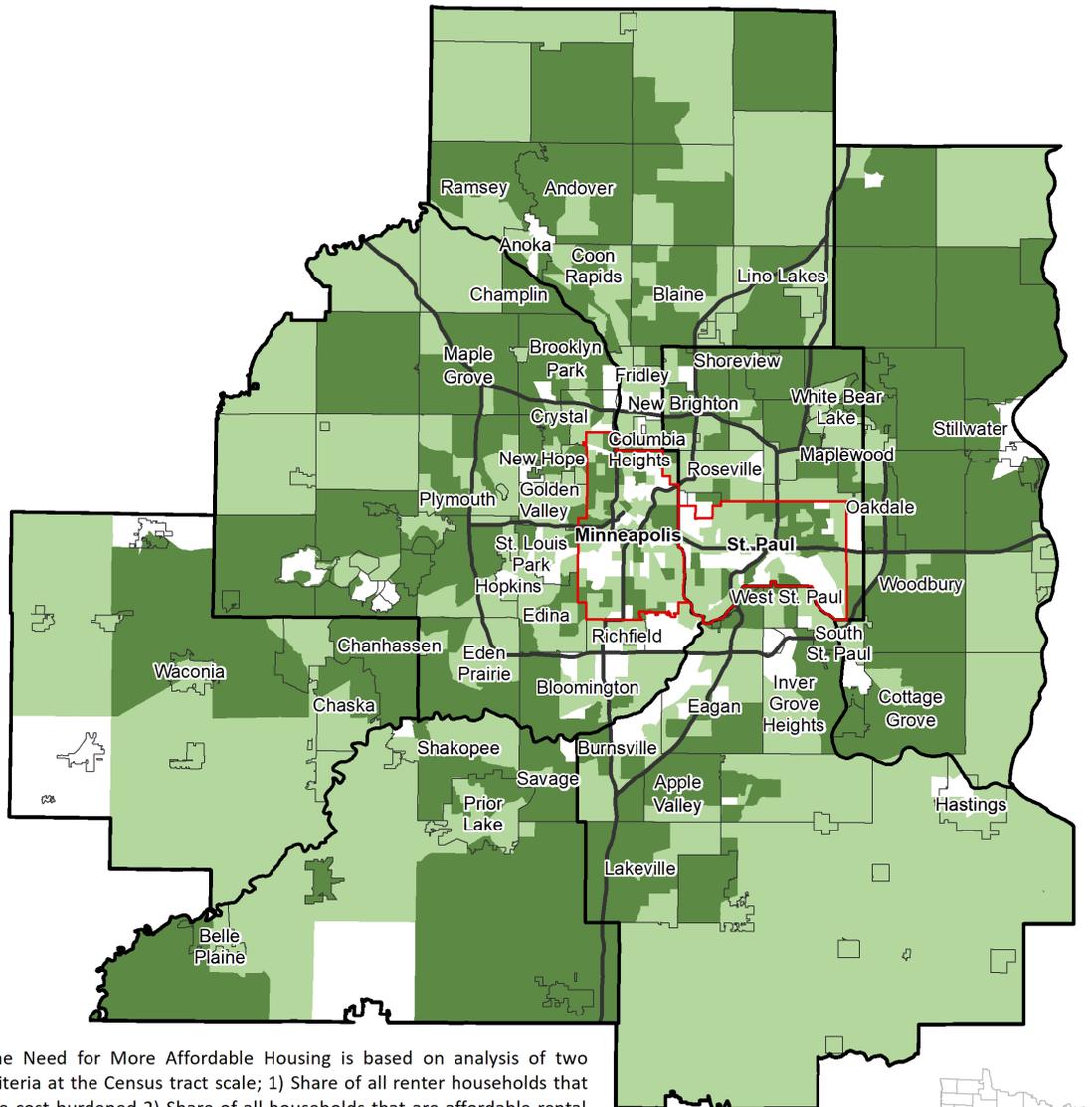
² Analysis based on data from the HUD Comprehensive Housing Affordability Strategy (CHAS) data; 2015-2019 and 2016-2020; <https://www.huduser.gov/portal/datasets/cp.html>.

³ Analysis based on data from the American Community Survey (ACS) 2017-2021 and 2018-2022; data.census.gov.

⁴ Defined by the U.S. Census as places/urban areas with populations greater than 50,000.

⁵ Communities with 500 or more households were used as a minimum threshold. In urban areas with populations less than 50,000.

Need For More Affordable Housing: Twin Cities Metro



The Need for More Affordable Housing is based on analysis of two criteria at the Census tract scale; 1) Share of all renter households that are cost burdened 2) Share of all households that are affordable rental at or below 50% AMI. If a Census tract is in the 80-100th percentile for cost burden OR 0-20th percentile for lacking affordable rental options, it is considered Tier 1 in this category. Tribal Reservations are considered Tier 1 areas. Tier 2 represents tracts in the 50-80th percentile for cost burden OR 20-50th for lacking affordable rental options.



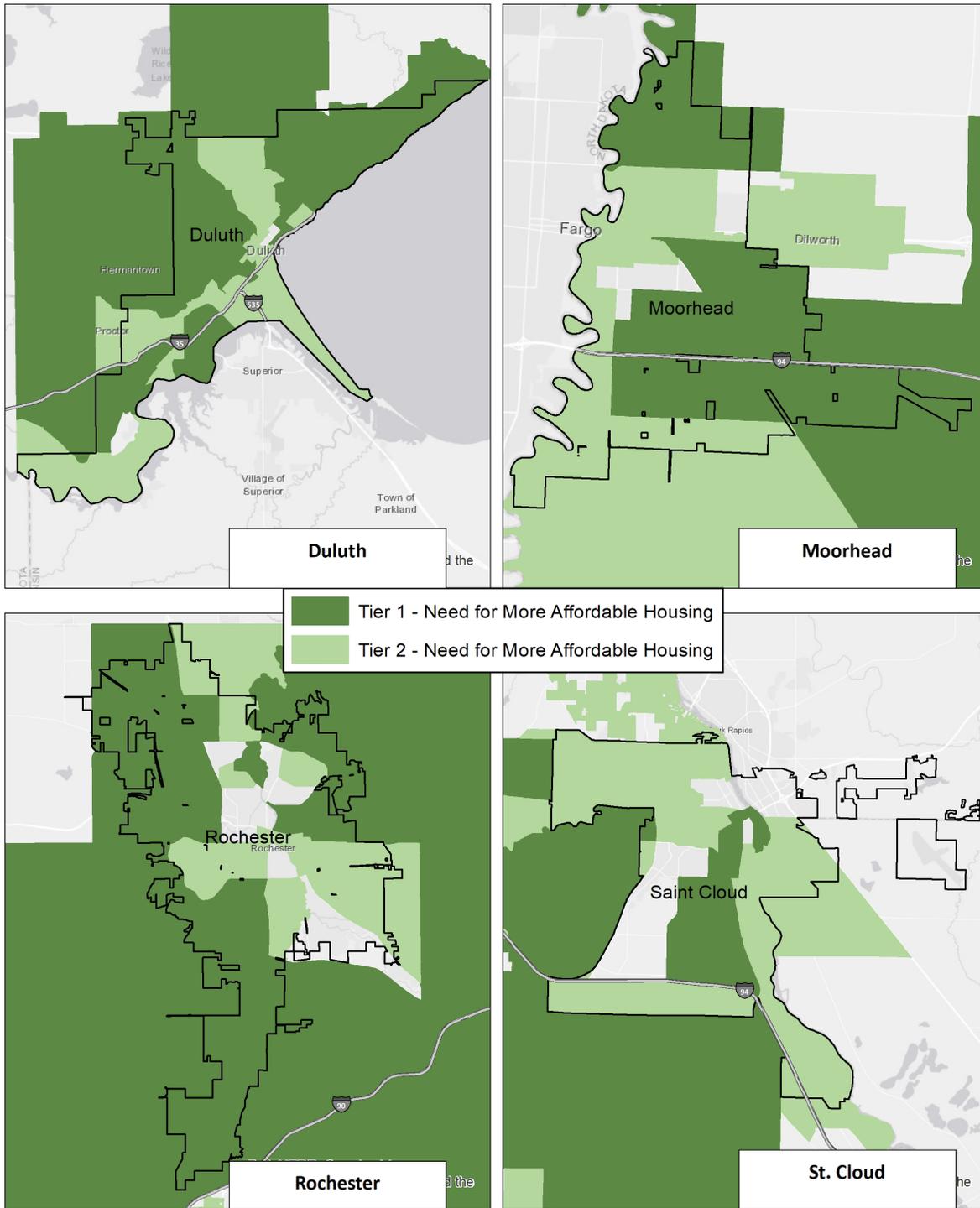
- Tier 1 - Need for More Affordable Housing
- Tier 2 - Need for More Affordable Housing



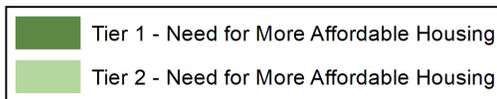
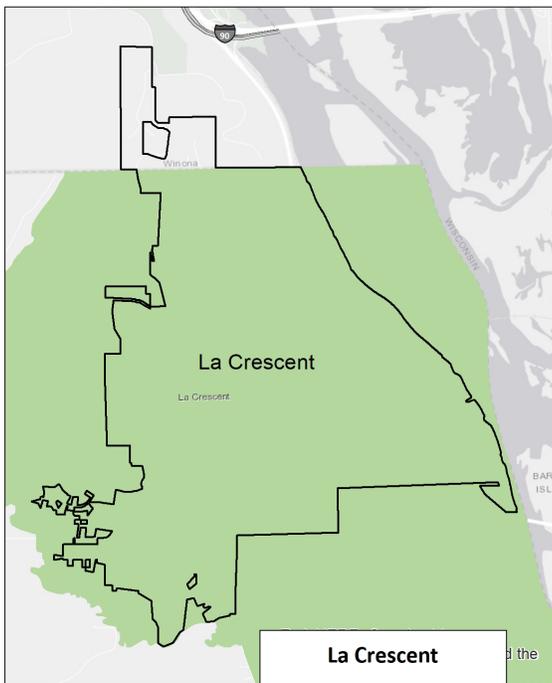
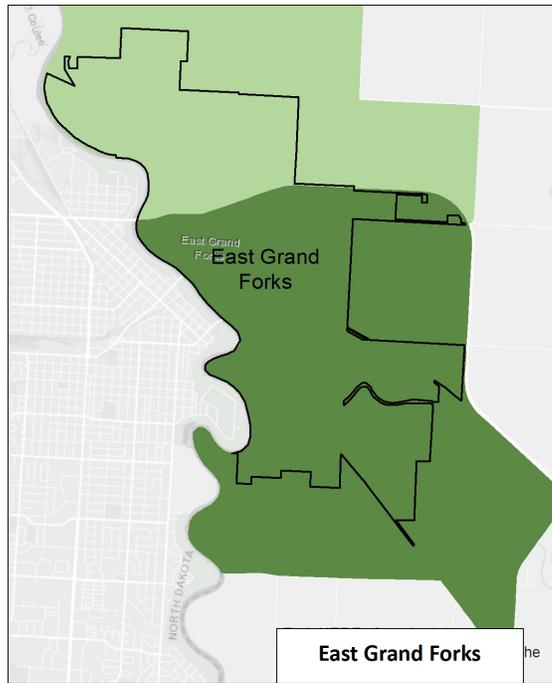
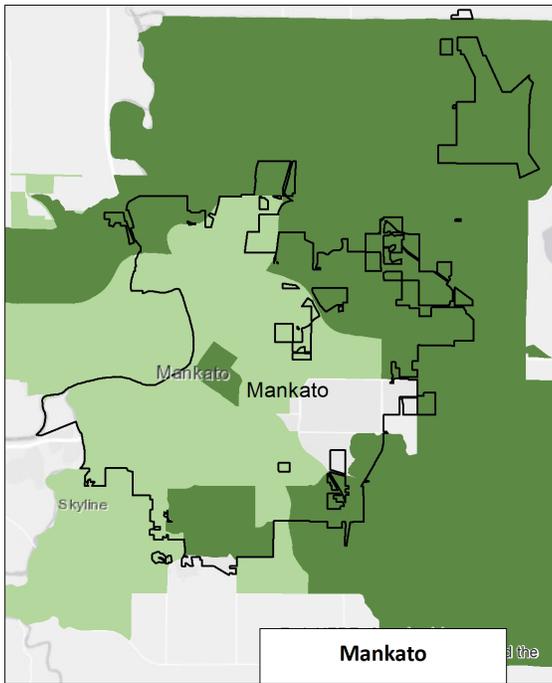
Source: Minnesota Housing analysis; 1/30/2024



Greater Minnesota - Urbanized Areas



Greater Minnesota - Urbanized Areas continued



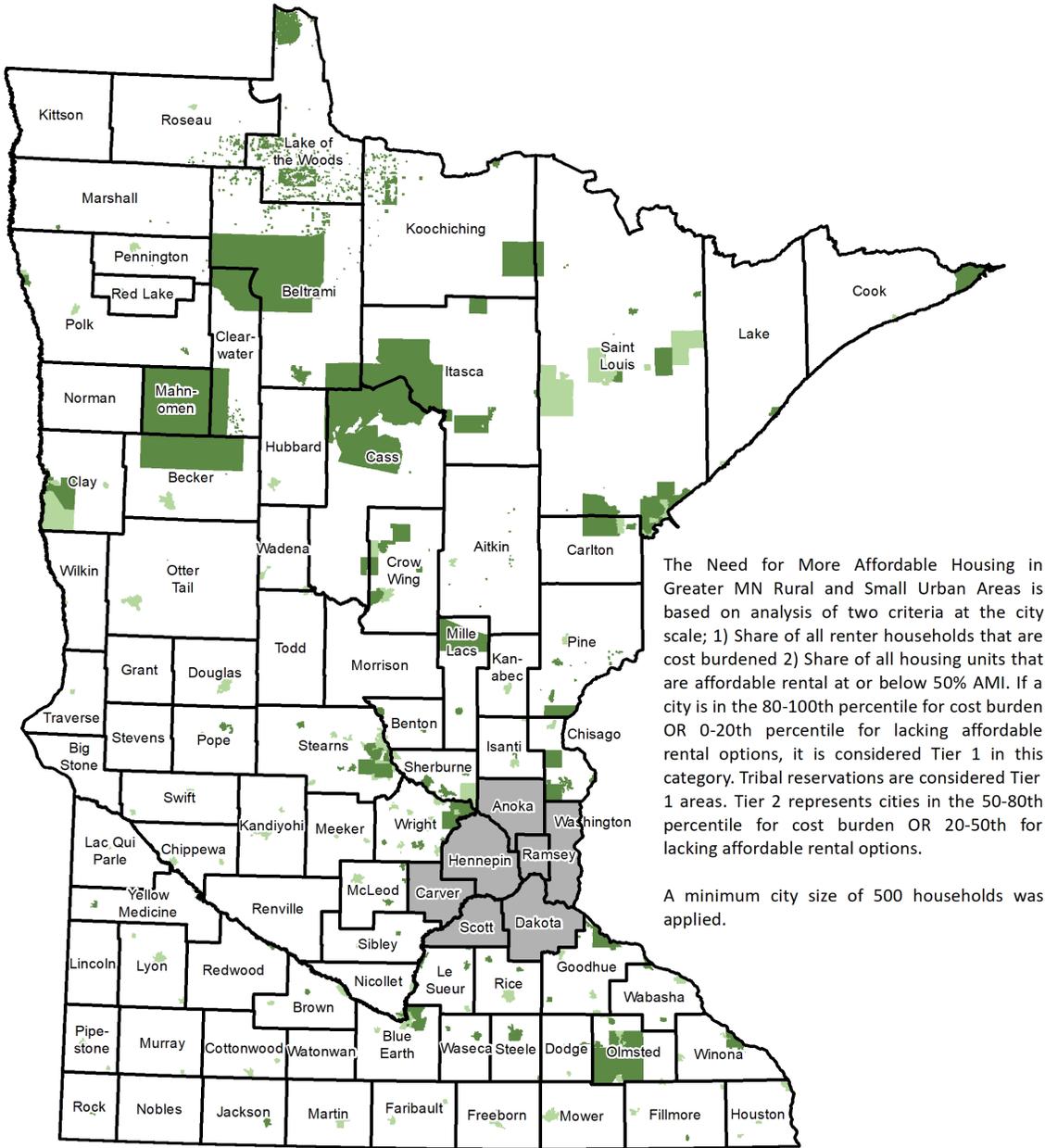
Greater Minnesota – Rural and Small Urban Areas

Place	Tier	Place	Tier	Place	Tier	Place	Tier
Ada	2	Ely	1	Minneota	2	Stacy	1
Aitkin	2	Esko	1	Montevideo	2	Staples	2
Albany	2	Eveleth	2	Montgomery	1	Starbuck	1
Albert Lea	2	Eyota	2	Monticello	2	Stewartville	2
Albertville	2	Fairmont	2	Montrose	1	Taylor Falls	1
Alexandria	2	Faribault	2	Morris	2	Thief River Falls	2
Annandale	2	Fergus Falls	2	Mountain Lake	2	Tracy	2
Arlington	1	Foley	1	Mora	2	Two Harbors	2
Aurora	2	Fosston	1	Mountain Iron	2	Virginia	2
Austin	2	Fulda	2	New Prague	1	Wabasha	2
Avon	2	Gilbert	1	New Ulm	2	Wadena	2
Babbitt	2	Glencoe	1	Nisswa	1	Waite Park	1
Baxter	1	Glenwood	1	North Branch	1	Warren	1
Becker	1	Goodview	2	North Mankato	2	Waseca	1
Bemidji	1	Grand Marais	2	Oronoco	1	Waterville	2
Benson	2	Grand Rapids	1	Otsego	1	Waverly	1
Big Lake	1	Granite Falls	2	Owatonna	1	Wells	2
Blooming Prairie	1	Hanover	1	Park Rapids	2	Wheaton	2
Blue Earth	2	Harmony	1	Paynesville	2	Willmar	2
Braham	2	Hawley	2	Pierz	2	Windom	2
Brainerd	2	Hayfield	2	Pequot Lakes	2	Winona	1
Breckenridge	2	Hermantown	1	Pine City	1	Winsted	1
Breezy Point	1	Hibbing	2	Pipestone	2	Winthrop	2
Buffalo	2	Hinckley	1	Pine Island	2	Wyoming	1
Byron	1	Howard Lake	2	Plainview	1	Zimmerman	1
Caledonia	2	Hoyt Lakes	1	Proctor	2	Zumbrota	2
Cambridge	1	Hutchinson	2	Red Lake Falls	1		
Canby	1	International Falls	1	Red Wing	1		
Cannon Falls	2	Isanti	2	Rice	1		
Chatfield	2	Jackson	1	Rice Lake	1		
Chisago City	1	Janesville	1	Richmond	1		
Chisholm	2	Kasson	1	Rock Creek	1		
Clara City	2	Keewatin	1	Rockford	1		
Cloquet	2	Kenyon	1	Rockville	1		
Cohasset	1	Lake City	1	Roseau	2		
Cokato	1	Lake Crystal	2	Rush City	2		
Cold Spring	1	Lake Shore	1	Rushford	2		
Coleraine	1	Lakefield	1	Sandstone	2		
Crookston	2	Le Sueur	1	Sartell	2		
Crosby	1	Lester Prairie	1	Silver Bay	1		
Crosslake	1	Lewiston	1	Sleepy Eye	1		
Dassel	2	Lindstrom	1	Spicer	2		
Delano	2	Litchfield	2	Spring Grove	2		
Detroit Lakes	2	Lonsdale	1	Spring Valley	2		
Dilworth	2	Luverne	1	Springfield	2		
Dodge Center	2	Madison	2	St. Augusta	1		
Dundas	1	Maple Lake	2	St. Charles	2		
Eagle Lake	1	Marshall	2	St. Joseph	1		
Edgerton	2	Melrose	1	St. Michael	1		
Elk River	2	Milaca	1	St. Peter	2		

Tribal Reservation	Tier
Bois Forte	1
Fond du Lac	1
Grand Portage	1
Leech Lake	1
Lower Sioux	1
Mille Lacs	1

Tribal Reservation	Tier
Prairie Island	1
Red Lake	1
Shakopee Mdewakanton Sioux	1
Upper Sioux	1
White Earth	1

Need For More Affordable Housing: Reservations and Greater MN Rural/Small Urban Areas



- Tier 1 - Need for More Affordable Housing
- Tier 2 - Need for More Affordable Housing



Source: Minnesota Housing; 1/30/2024



2024-2025 QAP Workforce Housing Communities Methodology

2024 Consolidated RFP/2025 HTC

Due to the impact that the COVID pandemic has had on employment across Minnesota’s communities, Minnesota Housing will continue to use the 2022 RFP/2023 HTC workforce housing communities for the duration of the 2024-2025 QAP as a hold harmless provision. Minnesota Housing will continue to evaluate job growth and long commute communities, as defined in the current methodology, and add any NEW workforce communities with updated jobs numbers. No communities will be removed from the existing methodology during the 2024-2025 QAP. **UPDATE: Communities have been added to include the most recent eligible areas.**

Communities with a need for workforce housing are identified using data on: (1) total jobs (2) five-year job growth, or (3) long distance commuting. Data on jobs and growth are from the Minnesota Department of Employment and Economic Development’s Quarterly Census of Employment and Wages.⁶ Data on commuting are from the U.S. Census Bureau’s Longitudinal Employer – Household Dynamics program.⁷ Workforce housing areas are defined separately for the Metropolitan Area as defined in the QAP and Greater Minnesota. The priority has two point levels, 6 and 3 points. The following sections describe the eligible communities and buffers around these communities for the two regions. Applicants will find interactive maps to identify whether a property falls within these areas at Minnesota Housing’s website at www.mnhousing.gov/profiles. Refer to the 2024-2025 QAP Data Methodology table for more information on how data updates may impact point eligibility under this category.

- **6 Points**

- **Top Job Centers.** A community is eligible if it is one of the top 10 job centers in Greater Minnesota or the top five job centers in the Metropolitan Area as defined in the QAP *Communities are buffered by 10 miles in Greater Minnesota and 5 miles in the Metropolitan Area as defined in the QAP to account for a modest commuteshed.*

(OR)

- **Net Five Year Job Growth.** Communities are eligible in Greater Minnesota if they have at least 2,000 jobs in the current year and had a net job growth of at least 100 jobs in the last five years. In the Metropolitan Area, as defined in the QAP, the minimum net job growth is 500. *Communities are buffered by 10 miles in Greater Minnesota and 5 miles in the Metropolitan Area as defined by the QAP to account for a modest commuteshed.*

(OR)

- **Individual Employer Growth.** A community is eligible if an individual employer has added at least 100 net jobs (for permanent employees of the company) in that community during the last five years and can provide sufficient documentation signed by an authorized representative of the company to prove the growth.

⁶The five-year job growth communities presented in this methodology are for 2014-2019, 2015-2020, 2016-2021, and 2017-2022. Data source: <https://mn.gov/deed/data/data-tools/qcew/>

⁷ Data from LEHD are current to 2021. Minnesota Housing will also add eligible communities with more current data if available by application release. Data source: <https://lehd.ces.census.gov/data/>.

(OR)

- **3 Points**

- **Long Commute Communities.** A community is eligible if it has at least 2,000 jobs in the current year and is not a top job center, job growth community, or an individual employer growth community, yet is identified as a long commute community. These are communities where 15% or more of the communities' workforce travels 30+ miles into the community for work. *Communities are buffered by 10 miles in Greater Minnesota and 5 miles in the Metropolitan Area, as defined by the QAP, to account for a modest commuteshed.*

The maps and tables below and on following pages list and display eligible areas for the Metropolitan Area, as defined by the QAP, (pages 2 – 4) and Greater Minnesota (pages 5 – 7). If additional communities become eligible prior to release of the Consolidated RFP, Minnesota Housing will add them to the lists; no communities will be subtracted from the lists with the update.

Twin Cities 7-County Metropolitan Area as defined by the QAP Job Centers and Job Growth Communities 2014-2019, 2015-2020, 2016-2021 or 2017-2022

(6 Points)

Twin Cities 7-County Metropolitan Area Top 5 Job Centers (2019, 2020,2021, or 2022)	Twin Cities 7-County Metropolitan Area Communities With Net Growth of 500 Jobs or More (2014-2019, 2015-2020, 2016-2021, or 2017-2022)	
Minneapolis, Hennepin	Andover, Anoka	Mendota Heights, Dakota
Saint Paul, Ramsey	Apple Valley, Dakota	Minneapolis, Hennepin
Bloomington, Hennepin	Bayport, Washington	Minnetonka, Hennepin
Eden Prairie, Hennepin	Blaine, Anoka	Mounds View, Ramsey
Plymouth, Hennepin	Bloomington, Hennepin	New Brighton, Ramsey
Eagan, Dakota	Brooklyn Center, Hennepin	New Hope, Hennepin
	Brooklyn Park, Hennepin	New Market Twp, Scott
	Burnsville, Dakota	North Saint Paul, Ramsey
	Chanhassen, Carver	Oakdale, Washington
	Chaska, Carver	Osseo, Hennepin
	Coon Rapids, Anoka	Plymouth, Hennepin
	Cottage Grove, Washington	Ramsey, Anoka
	Eagan, Dakota	Richfield, Hennepin
	Eden Prairie, Hennepin	Rogers, Hennepin
	Farmington, Dakota	Rosemount, Dakota
	Forest Lake, Washington	Roseville, Ramsey
	Fridley, Anoka	Saint Paul, Ramsey
	Ham Lake, Anoka	Savage, Scott
	Hopkins, Hennepin	Shakopee, Scott
	Inver Grove Heights, Dakota	Shorewood, Hennepin
	Lakeville, Dakota	Vadnais Heights, Ramsey
	Lino Lakes, Anoka	Waconia, Carver
	Mahtomedi, Washington	White Bear Lake, Ramsey
	Maple Grove, Hennepin	Woodbury, Washington
	Medina, Hennepin	

Source: Minnesota Housing analysis of Minnesota Department of Employment and Economic Development [Quarterly Census of Employment and Wages](#) (2014-2019, 2015-2020, 2016-2021 or 2017-2022).

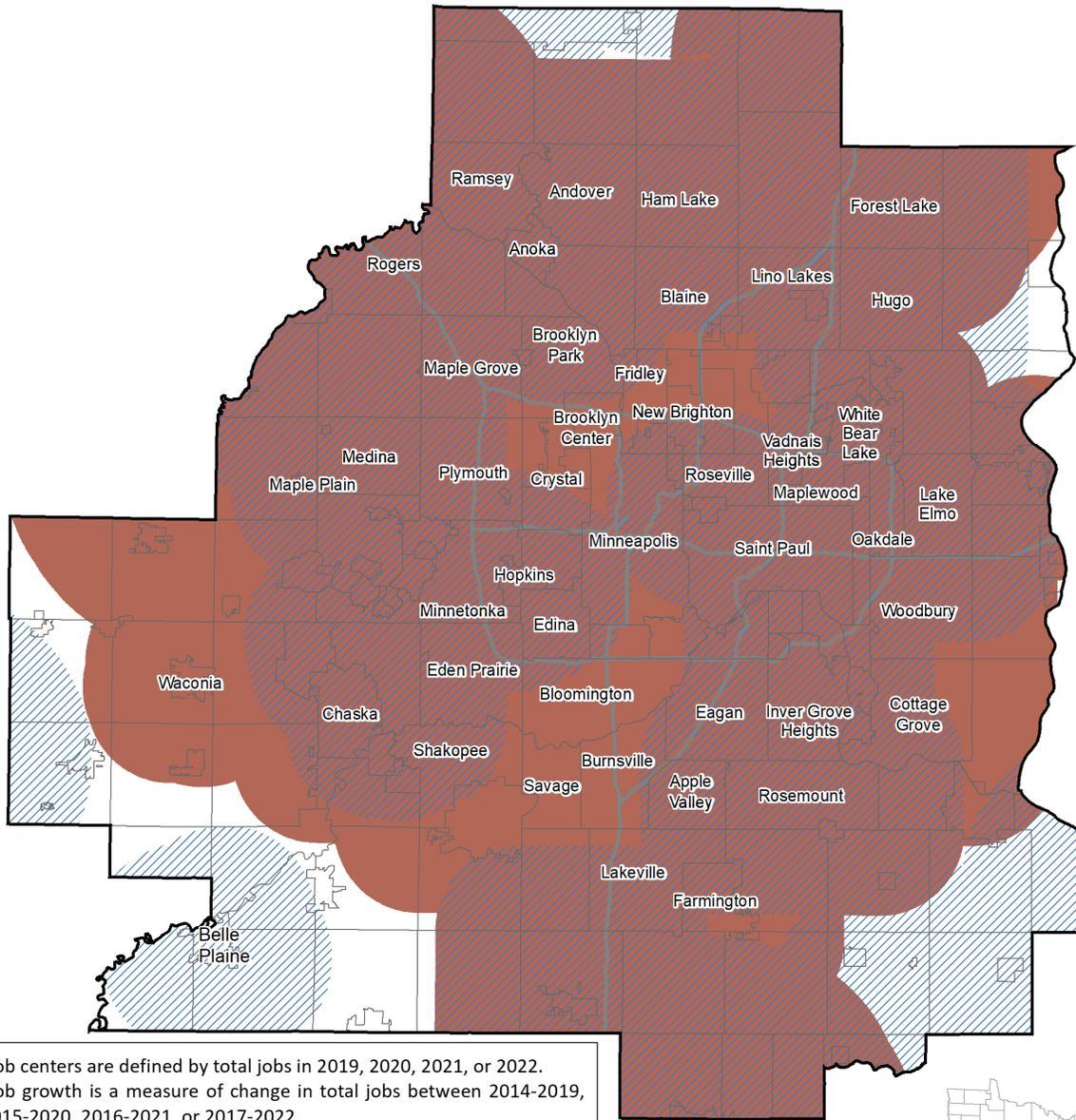
Twin Cities 7-County Metropolitan Area Long Commute Communities

(3 Points)

Belle Plaine	Inver Grove Heights
Champlin	Lake Elmo
Chanhassen	Medina
Falcon Heights	New Market Twp.
Forest Lake	North Saint Paul
Ham Lake	Oakdale
Hassan Twp	Rogers
Hopkins	Rosemount
Hugo	South St. Paul

Source: Minnesota Housing analysis of [U.S. Census Longitudinal Employer Household Dynamics Data](#), 2018, 2019, 2020 and 2021.

Metro Workforce Housing Communities for 2025 QAP



-Job centers are defined by total jobs in 2019, 2020, 2021, or 2022.
 -Job growth is a measure of change in total jobs between 2014-2019, 2015-2020, 2016-2021, or 2017-2022.
 -To be eligible as a job growth community, a community must have 2,000 or more jobs in 2019, 2020, 2021, or 2022.
 -Long Commute Communities have 2,000 or more jobs and 15% or more of the workforce travelling 30+ miles into the community for work.



- Long Commute Community (3 Points)
- Top 5 Job Center or Growth >= 500 Jobs (6 Points)



Source: Minnesota Housing analysis of MN Department of Employment and Economic Developments Quarterly Census of Employment and Wages. Date: 1/18/2024.



Greater Minnesota Job Centers and Job Growth Communities 2014-2019, 2015-2020, 2016-2021 or 2017-2022

(6 Points)

Greater Minnesota Top 10 Job Centers (2019, 2020, 2021, or 2022)
Rochester, Olmsted
Duluth, Saint Louis
Saint Cloud, largely Stearns
Mankato, largely Blue Earth
Winona, Winona
Owatonna, Steele
Willmar, Kandiyohi
Alexandria, Douglas
Moorhead, Clay
Bemidji, Beltrami
Austin, Mower

Greater MN Communities With Net Growth of 100 jobs or more (2014-2019, 2015-2020, 2016-2021, or 2017-2022)	
Albertville, Wright	North Branch, Chisago
Alexandria, Douglas	North Mankato, Nicollet
Bemidji, Beltrami	Northfield, Rice
Big Lake, Sherburne	Otsego, Wright
Brainerd, Crow Wing	Owatonna, Steele
Buffalo, Wright	Park Rapids, Hubbard
Cannon Falls, Goodhue	Perham, Otter Tail
Cold Spring, Stearns	Pine City, Pine
Delano, Wright	Princeton, Mille Lacs
Detroit Lakes, Becker	Rochester, Olmsted
Dodge Center, Dodge	Saint Cloud, Stearns
Elk River, Sherburne	Saint Joseph, Stearns
Faribault, Rice	Saint Michael, Wright
Glenwood, Pope	Saint Peter, Nicollet
Hermantown, Saint Louis	Sartell, Stearns
Litchfield, Meeker	Sauk Centre, Stearns
Little Falls, Morrison	Sauk Rapids, Benton
Mankato, Blue Earth	Thief River Falls, Pennington
Minden Township, Benton	Wadena, Wadena
Monticello, Wright	Waite Park, Stearns
Moorhead, Clay	Willmar, Kandiyohi
Mountain Iron, Saint Louis	Windom, Cottonwood
New Prague, Le Sueur	Worthington, Nobles
New Ulm, Brown	Wyoming, Chisago

Source: Minnesota Housing analysis of Minnesota Department of Employment and Economic Development [Quarterly Census of Employment and Wages](#) (2014-2019, 2015-2020, 2016-2021 and 2017-2022).

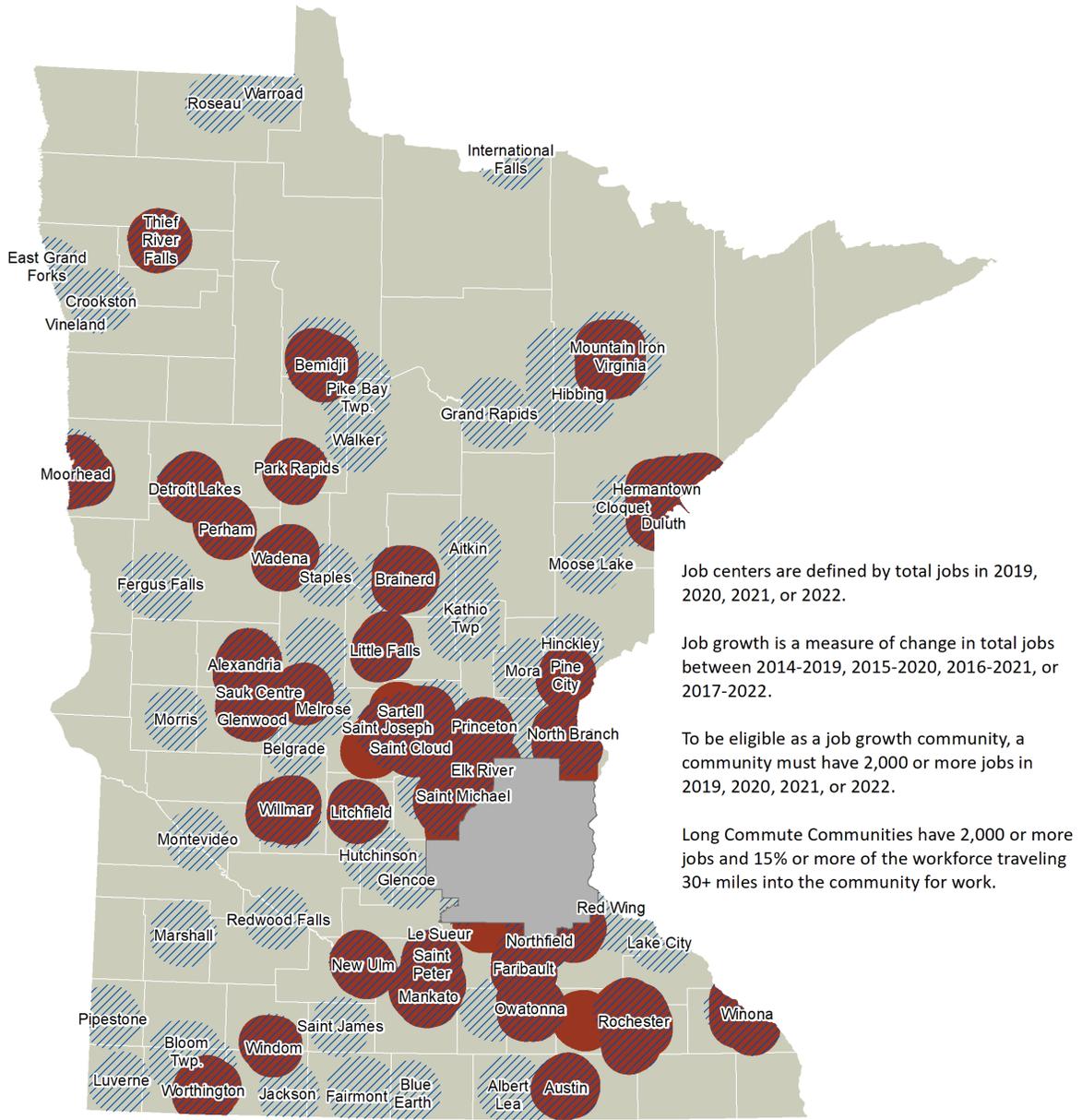
Greater Minnesota Long Commute Communities

(3 Points)

Greater Minnesota Long Commute Communities			
Aitkin	Fergus Falls	Monticello	Sauk Centre
Albert Lea	Foley	Moorhead	Sauk Rapids
Alexandria	Glencoe	Moose Lake	St. Cloud
Austin	Glenwood	Mora	St. James
Baxter	Goodview	Morris	St. Joseph
Becker	Grand Rapids	Mountain Iron	St. Michael
Belgrade	Hermantown	New Ulm	St. Peter
Bemidji	Hibbing	North Branch	Staples
Bloom Twp	Hinckley	North Mankato	Thief River Falls
Blue Earth	Hutchinson	Northern Twp	Virginia
Brainerd	International Falls	Northfield	Wadena
Buffalo	Jackson	Otsego	Waite Park
Cambridge	Kathio Township	Owatonna	Waseca
Cannon Falls	Lake City	Park Rapids	Walker
Cloquet	Litchfield	Perham	Warroad
Crookston	Little Falls	Pike Bay Twp	Willmar
Detroit Lakes	Long Prairie	Pine City	Willmar Twp
Duluth	Luverne	Pipestone	Windom
East Grand Forks	Mankato	Princeton	Winona
Elk River	Maple Lake	Red Wing	Worthington
Elk Township	Marshall	Redwood Falls	
Fairmont	Melrose	Rochester	
Faribault	Montevideo	Roseau	

Source: Minnesota Housing analysis of [U.S. Census Longitudinal Employer Household Dynamics Data](#), 2018, 2019 2020 or 2021.

Greater Minnesota Workforce Housing Communities for 2025 QAP



Job centers are defined by total jobs in 2019, 2020, 2021, or 2022.

Job growth is a measure of change in total jobs between 2014-2019, 2015-2020, 2016-2021, or 2017-2022.

To be eligible as a job growth community, a community must have 2,000 or more jobs in 2019, 2020, 2021, or 2022.

Long Commute Communities have 2,000 or more jobs and 15% or more of the workforce traveling 30+ miles into the community for work.

Long Commute Community (3 Points)
 Top 10 Job Center or Growth \geq 100 Jobs (6 Points)

0 20 40 Miles

Source: Minnesota Housing analysis of MN Department of Employment and Economic Developments Quarterly Census of Employment and Wages. Date: 1/16/2024.



2024-2025 QAP Transit and Walkability Methodology

2024 Consolidated RFP/2025 HTC

If additional areas become eligible under the same criteria outlined below prior to the 2024 RFP, Minnesota Housing will add the areas to the maps; no areas will be subtracted from the maps with the update. Refer to the 2024-2025 QAP Data Methodology table for more information on how data updates may impact point eligibility under this category. **UPDATE: Communities have been added to include the most recent eligible areas.**

Metropolitan Area (as defined in the QAP)

In the Metropolitan Area, as defined in the QAP, applicants can receive up to 9 points for transit and walkability. Applicants can claim points for access to transit and walkability together, or for either category separately.

Access to Transit (one of the following):		
<i>Applicants can map project locations and determine access to transit points at the Minnesota Housing Community Profiles tool at www.mnhousing.gov/profiles</i>		
Proximity to Light Rail Transit (LRT)/Bus Rapid Transit (BRT)/Commuter Rail Station, or Hi-Frequency Network.	Locations within ½ mile of a planned ⁸ or existing LRT, BRT, or Commuter Rail Station or Metro Transit’s Hi-Frequency Network.	Points 7
Access to High Service Public Transportation	Locations within one quarter mile of a high service ⁹ public transportation fixed route stop or within one half mile of an express route bus stop or park and ride lot.	4
Access to Demand Response/Dial-A-Ride	Served by demand response/dial-a-ride transit service. Excludes Metro Transit’s Transit Link Service. Transit service must be available Monday through Friday for a minimum of eight hours per day.	2
Walkability (one of the following):		
Located within Minneapolis or Saint Paul:		
Walk Score of 80+	Walk Score is based on results from the following tool: www.walkscore.com . ¹⁰	2
Walk Score of 60-79		1
Located within a Suburban Community		

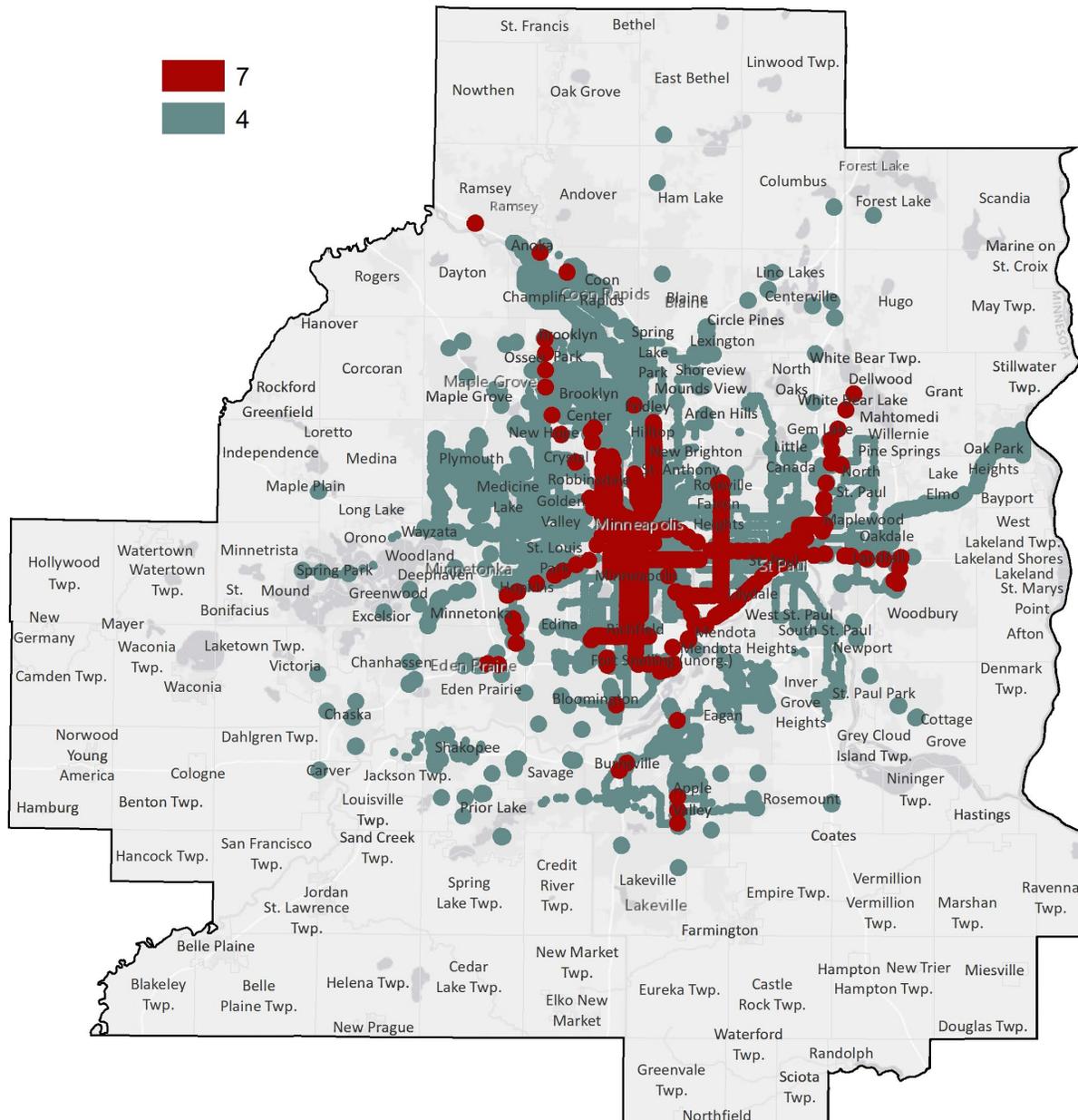
⁸ Includes planned stations eligible for Livable Communities Demonstration Account (LCDA) Transit Oriented Development (TOD) Grants (<https://metro council.org/Communities/Services/Livable-Communities-Grants/LCA/2020-LCA-TOD-application-guide.aspx>). Does not include Express Bus Stations eligible for LCDA TOD Grants.

⁹ High service fixed route stop defined as those serviced during the time period 6 a.m. through 7 p.m. and with service approximately every half hour during that time.

¹⁰ If applicants would like to request revisions of a location’s Walk Score, they should email Walk Score directly with details of the request to the following email address: mhfa-request@walkscore.com. Walk Score staff will review the request and make necessary adjustments to scoring within 45 business days. If an address cannot be found in the Walk Score tool, use closest intersection within ¼ mile of the proposed location.

Walk Score of 60+	Walk Score is based on results from the following tool: www.walkscore.com .	2
Walk Score of 50-59		1

The following map shows areas with access to transit. An interactive version of this map is accessible at <https://www.mnhousing.gov/policy-and-research/community-profiles.html>.



Map Source: Minnesota Housing analysis of Metro Transit data on Hi-Frequency Network, Planned and Existing Transit Lines, bus service, and park and rides (obtained January 2024)

Greater Minnesota – Urbanized Areas

For urbanized areas, defined by the U.S. Census as places with populations greater than 50,000, applicants can receive up to 9 points with a combination of access to fixed route transit and walkability. Applicants can claim points for access to fixed route transit and walkability together, or for either category separately. These areas, identified by the Minnesota Department of Transportation (MnDOT)¹¹, are in and around Duluth, East Grand Forks, La Crescent, Rochester, Moorhead, Mankato, and St. Cloud.

For urbanized areas:

Access to Transit (one of the following):		Points
Within ¼ mile of existing or planned ¹² fixed route transit stop		7
Between ¼ mile and ½ mile of existing or planned fixed route transit stop		4
Within ½ mile of an express bus route stop or park and ride lot		4
Walkability (one of the following):		
Walk Score of 70+	Walk Score is based on results from the following tool: www.walkscore.com . ¹³	2
Walk Score of 50-69		1
<ul style="list-style-type: none"> • The proposed housing must have access to transit service Monday through Friday for a minimum of 10 hours per day. • The maps in Figure 2 display fixed route stops and ¼ and ½ mile buffers in Duluth, East Grand Forks, La Crescent, Rochester, Moorhead, Mankato and St. Cloud. 		

¹¹ Greater Minnesota Transit Investment Plan: <https://www.dot.state.mn.us/transit/find-your-transit-provider.html>

¹² For a Greater Minnesota planned stop to be eligible for points under the QAP, applicants must provide detailed location and service information including time and frequency of service, along with evidence of service availability from the transit authority providing service. The planned stop or route must be available Monday through Friday and provide service every 60 minutes for a minimum of 10 hours per day.

¹³ If applicants would like to request revisions of a location’s Walk Score, they should email Walk Score directly with details of the request to the following email address: mhfa-request@walkscore.com. Walk Score staff will review the request and make necessary adjustments to scoring within 45 business days. If an address cannot be found in the Walk Score tool, use closest intersection within ¼ mile of the proposed location.

Figure 2: Transit Access Point Levels in Greater Minnesota

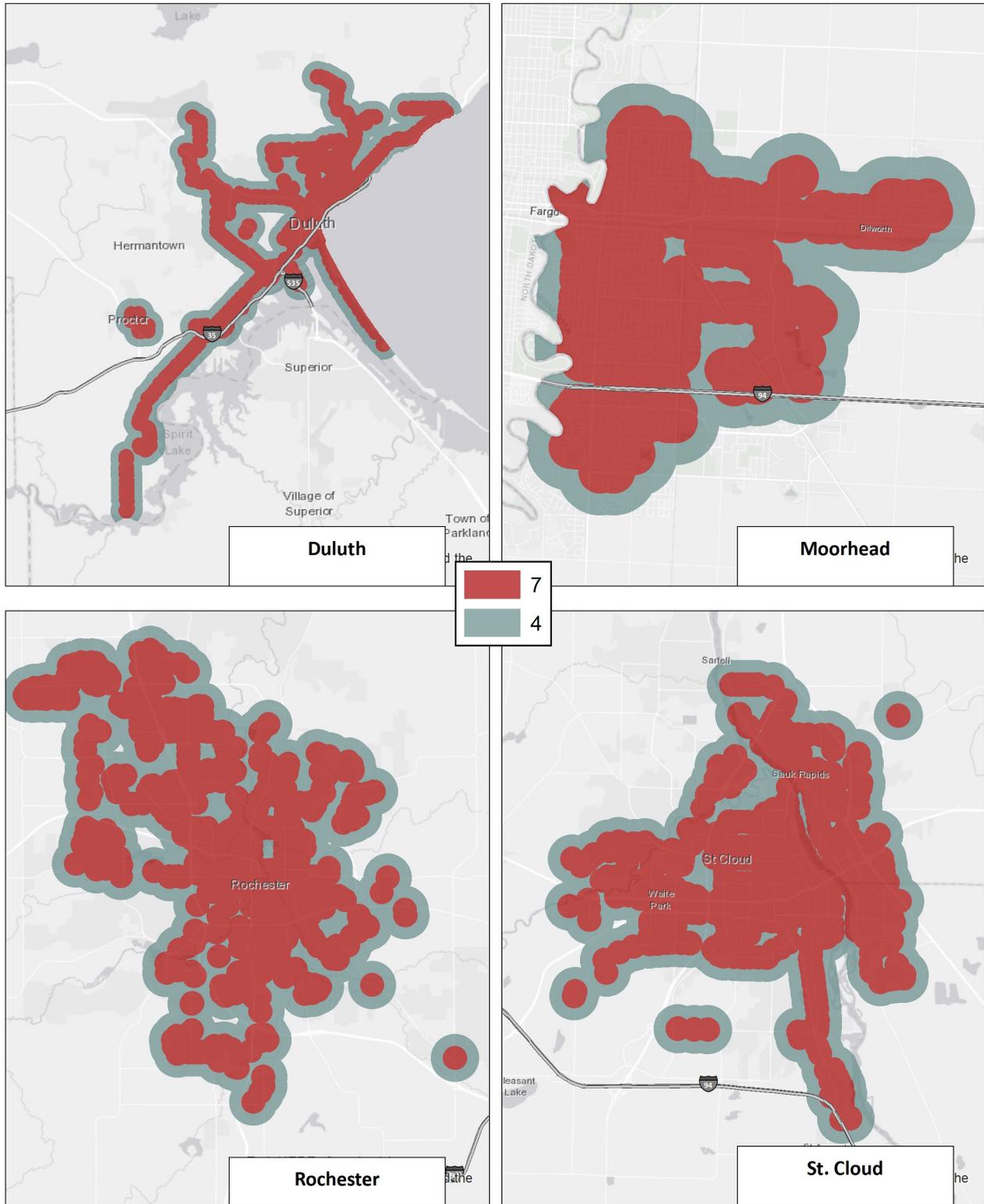
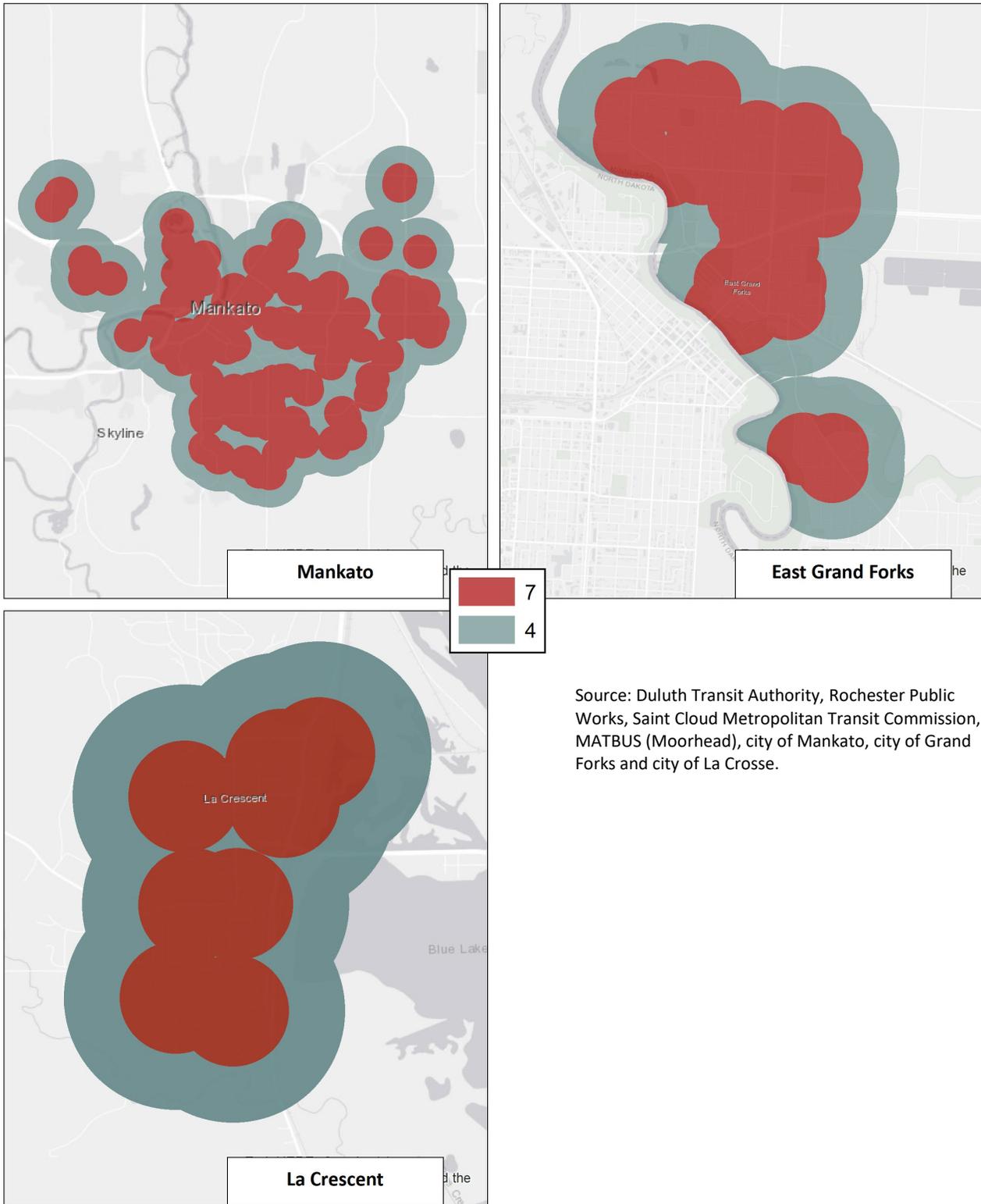


Figure 2: Transit Access Point Levels in Greater Minnesota



Source: Duluth Transit Authority, Rochester Public Works, Saint Cloud Metropolitan Transit Commission, MATBUS (Moorhead), city of Mankato, city of Grand Forks and city of La Crosse.

Greater Minnesota – Rural and Small Urban Areas

For rural and small urban areas, places with populations less than 50,000, applicants can receive up to 9 points by having access to route deviation service or demand response/dial-a-ride, and walkability. Applicants can claim points for access to route deviation service or demand response/dial-a-ride and walkability together, or for either category separately. Route deviation service is different from fixed route transit in that the vehicle may leave its predetermined route upon request by passengers to be picked up or returned to destinations near the route, after which the vehicle returns to the predetermined route. Passengers may call in advance for route deviations similar to that of demand response/dial-a-ride or access the service at designated route stops without advanced notice. Demand response usually involves curb-to-curb or door-to-door service with trips scheduled in advance (also known as “Dial-A-Ride”).

Refer to MnDOT’s website at <https://www.dot.state.mn.us/transit/find-your-transit-provider.html> to locate a project’s transit service provider.

For rural and small urban areas:

Access to Transit (one of the following):		Points
Within ½ mile of a designated transit stop OR served by demand response/dial-a-ride OR within ½ mile of a commuter rail station ¹⁴ and is available daily Monday through Friday providing same day service		7
Served by demand response/dial-a-ride with prior day or greater notice needed and is available daily Monday through Friday.		4
Walkability (one of the following):		
Walk Score of 50+	Walk Score is based on results from the following tool: www.walkscore.com . Applicant must submit a dated print out of location’s Walk Score from the Walk Score tool. ¹⁵	2
Walk Score of 30-49		1
For proposed housing in communities with deviated route service but beyond the ½ mile requirement, requests for route deviations must meet the advanced notice requirements for demand response in that pointing category to receive the points.		

¹⁴ Includes the Elk River and Big Lake Stations serviced by Metro Transit’s Northstar Commuter Rail.

¹⁵ If applicants would like to request revisions of a location’s Walk Score, they should email Walk Score directly with details of the request to the following email address: mhfa-request@walkscore.com. Walk Score staff will review the request and make necessary adjustments to scoring within 45 business days. If an address cannot be found in the Walk Score tool, use the closest intersection within ¼ mile of the proposed location.

2024-2025 QAP Rural/Tribal Designated Areas Methodology

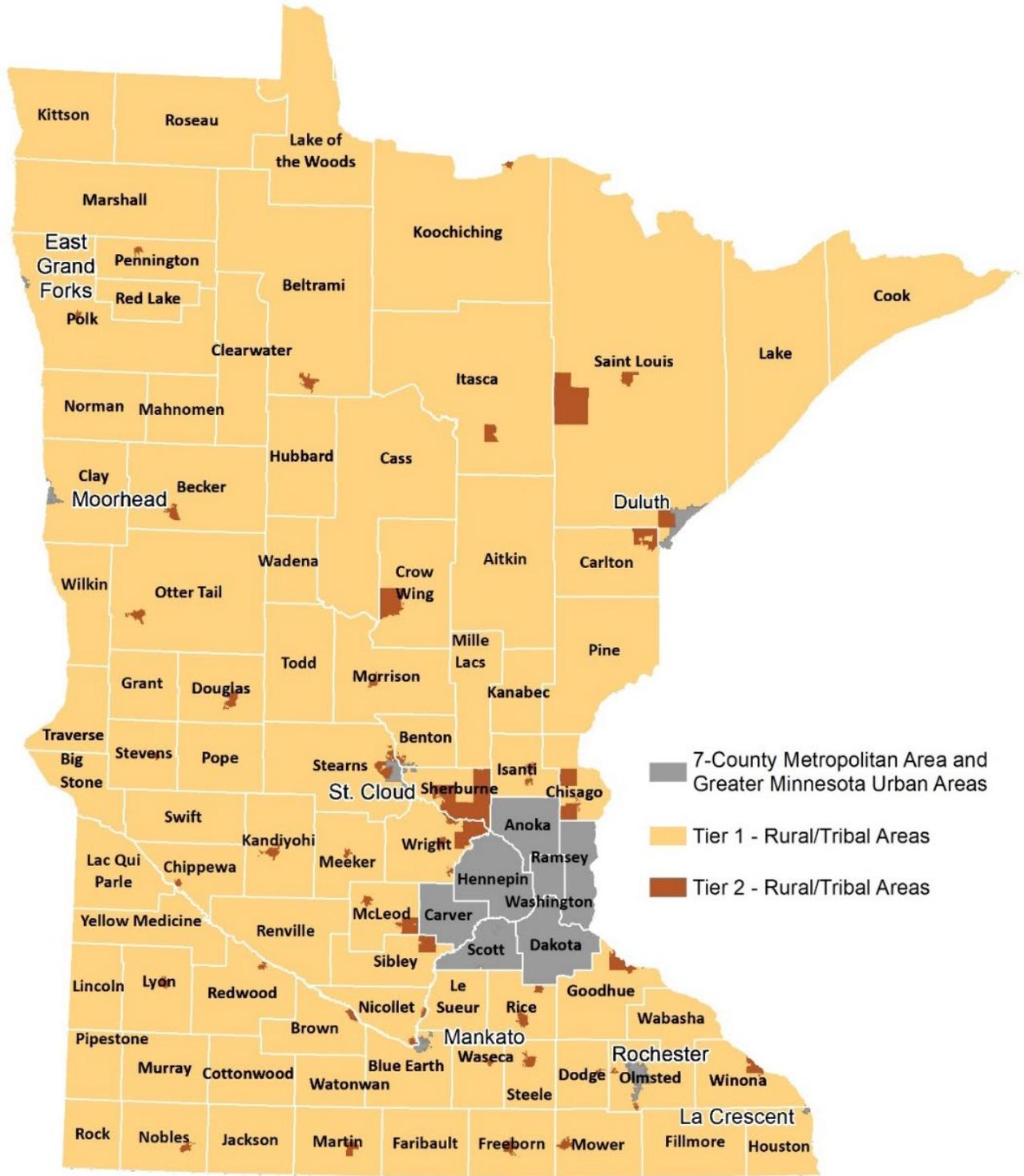
2024 Consolidated RFP/2025 HTC

Minnesota Housing defines rural/tribal designated areas as areas outside of the Metropolitan Area, as defined by the QAP, and urbanized areas in Greater Minnesota. Urbanized areas in Greater Minnesota are areas with populations over 50,000. They include Duluth, East Grand Forks, La Crescent, Mankato, Moorhead, Rochester and St. Cloud. Refer to the 2024-2025 QAP Data Methodology table for more information on how data updates may impact point eligibility under this category.

There are two tiers under the Rural/Tribal Designated Areas:

- **Tier 1 (6 Points)** – The project is in a Rural/Tribal Designated Area that is located outside of the Metropolitan Area and within a community that has a population fewer than 5,000.
- **Tier 2 (4 Points)** – The project is in a Rural/Tribal Designated Area that is located outside of the Metropolitan Area and within a community that has a population at or greater than 5,000.

The map below shows areas receiving the rural/tribal designation points.



2024-2025 QAP Qualified Census Tracts (QCT), Tribal Equivalent Areas Methodology

2024 Consolidated RFP/2025 HTC

QCTs are based on census tract boundaries, but the boundaries of larger census tracts and reservations in Greater Minnesota do not always align. Thus, large geographic areas of some low-income reservations are not classified as QCTs. Reservations that meet the criteria for designation as a QCT are treated as a QCT equivalent area for scoring purposes if either (1) the entire reservation meets the definition of a QCT or (2) if a tract within the reservation is eligible under current HUD QCT criteria¹⁶. Applicants will find interactive maps to identify whether a property falls within these areas on Minnesota Housing’s website at <https://www.mnhousing.gov/policy-and-research/community-profiles.html>.

2024 Consolidated RFP/2025 HTC Eligible Areas

(3 Points)

The reservations in the table below and identified on the map on the following page are eligible as Tribal QCT Equivalent Areas. To be eligible, these areas must meet either income or poverty thresholds:

- Areas are eligible based on income thresholds if 50% or more of households have incomes below the average household size adjusted income limit for at least two of three evaluation years (2018-2020 or 2019-2021).
- Areas are eligible based on the poverty threshold if the poverty rate is 25% or higher for at least two of three evaluation years (2018-2020 or 2019-2021).

Indian Reservations or Trust Land in Minnesota Based on Characteristics of Eligibility for Qualified Census Tracts (Values in parenthesis represent years eligible from 2019-2021)

Indian Reservation	Years Eligible Based on Income	Years Eligible based on Poverty
Bois Forte Reservation, MN	3 (3)	3 (3)
Lower Sioux Indian Community, MN	2 (3)	0 (0)
Mille Lacs Reservation and Off-Reservation Trust Land, MN	3 (2)	0 (0)
Prairie Island Indian Community and Off-Reservation Trust Land, MN	0 (0)	3 (3)
Red Lake Reservation, MN	3 (3)	3 (3)
Upper Sioux Community and Off-Reservation Trust Land, MN	2 (2)	0 (0)
White Earth Reservation and Off-Reservation Trust Land, MN	2 (3)	0 (0)

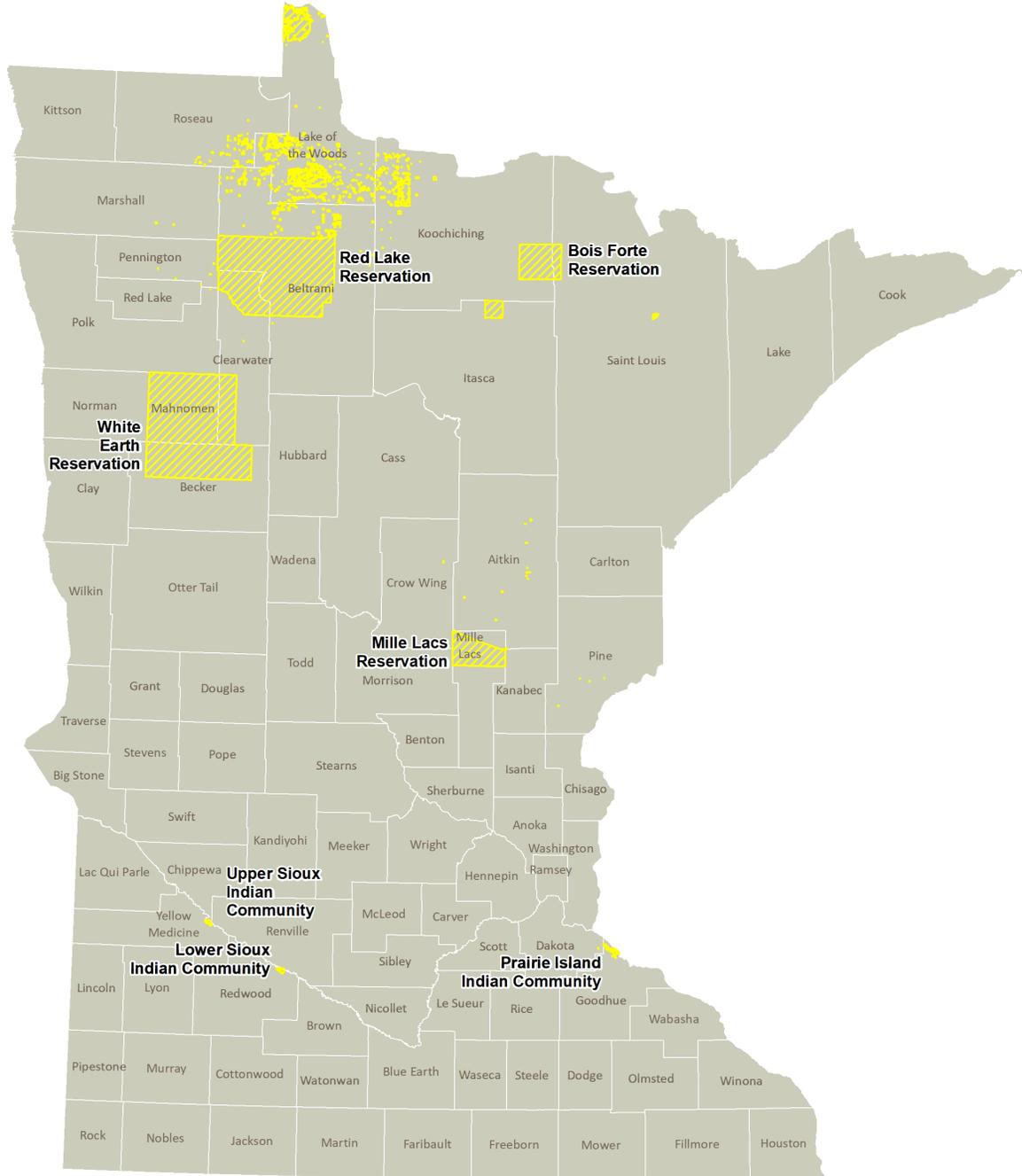
Sources: [Decennial Census](#), [HUD Income Limits](#) (Statewide for Very Low Income, 50%), [American Community Survey](#) 2014-2018, 2015-2019, 2016-2020 and 2017-2021 samples.

Minnesota Housing will update the list of eligible reservations with the most current data prior to releasing the Consolidated RFP. Reservations can only be added and will not be removed based on the update. Refer to the 2024-2025 QAP Data Methodology table for more information on how data updates may impact point eligibility under this category. **UPDATE: Communities have been added to include the most recent eligible areas.**

¹⁶ HUD QCT Designation Algorithm found here: https://www.huduser.gov/portal/qct/QCT_Algorithm.html
2024-2025 Qualified Allocation Plan
Methodology Guide

Tribal Lands Eligible Under QCT Methods

Tribal Lands Eligible Under QCT Methods



 Reservations Eligible for QCT Tribal Equivalent



Source: Minnesota Housing Analysis of American Community Survey Data 2017-2021, 2016-2020, 2015-2019, and 2014-2018. Tribal lands are 2018 boundaries from the US Census of American Indian, Alaska Native, and Native Hawaiian geographies.



2024-2025 QAP Opportunity Zones Methodology

2024 Consolidated RFP/2025 HTC

Opportunity Zones are a community development program established by Congress in the [Tax Cut and Jobs Act of 2017](#) to encourage long-term investments in low-income and urban communities nationwide.

In accordance with [H.R.1 Tax Cut and Jobs Act of 2017](#), Governor Dayton nominated 128 census tracts for designation as a qualified opportunity zone. On May 18, 2018, the U.S. Department of Treasury certified and formally designated these [census tracts](#) as qualified Opportunity Zones.

Opportunity Funds are a new class of private sector investment vehicles authorized to aggregate and deploy private investment into Opportunity Zones. **Census tracts designated as Opportunity Zones do not change.**

Opportunity Funds allow U.S. investors holding unrealized gains in stocks and mutual funds to pool their resources in projects located in Opportunity Zones, which will be invested in rebuilding low-income communities.

Opportunity Funds pool investments in Opportunity Zones.

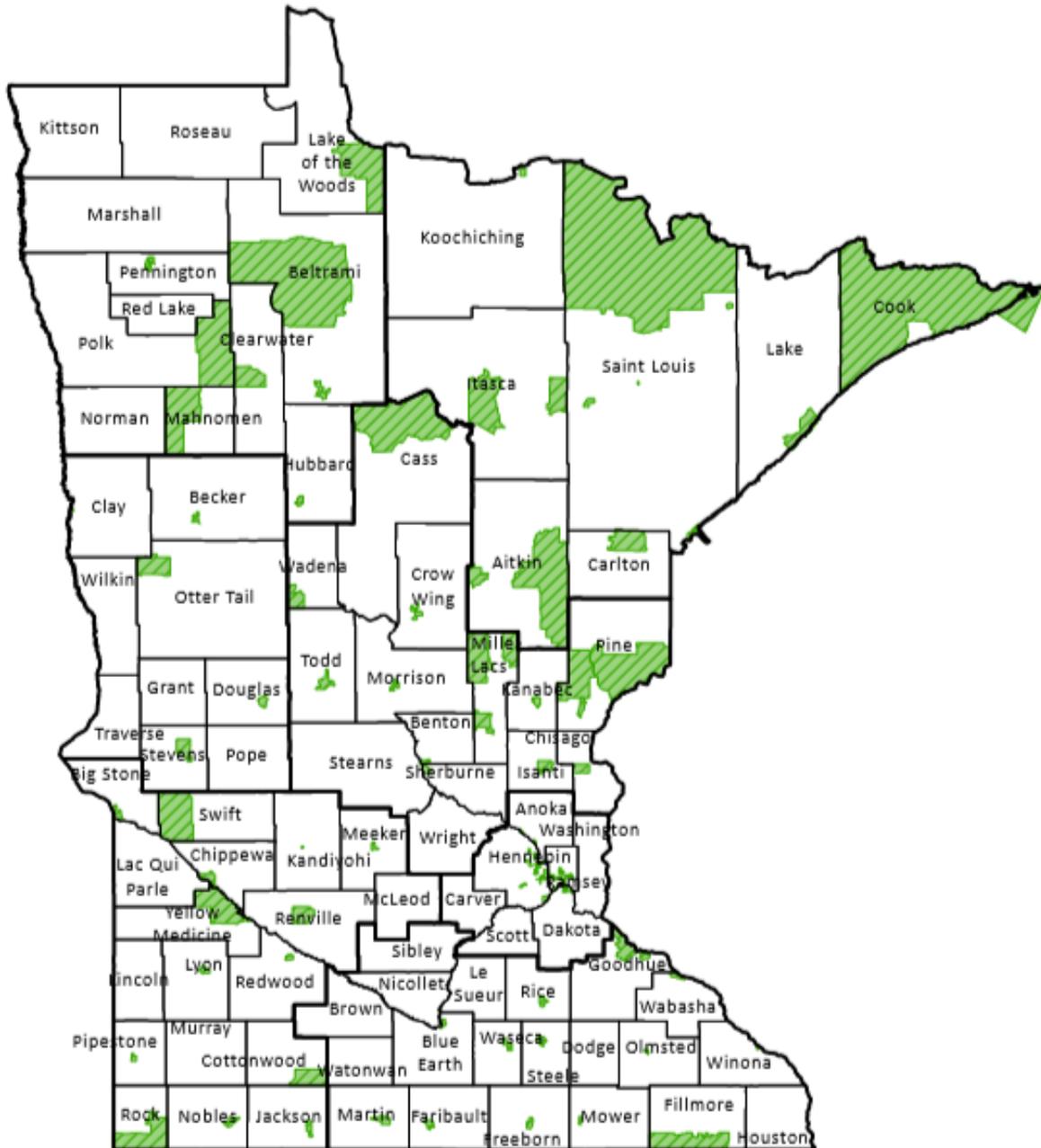
U.S. investors are eligible to receive:

- A temporary tax deferral for capital gains invested in an Opportunity Fund
- A step-up in basis for capital gains reinvested in an Opportunity Fund
- A permanent exclusion from taxable income of capital gains from the sale or exchange of an investment in a qualified opportunity zone fund if the investment is held for at least 10 years

The following maps show the designated 128 census tracts. For more information regarding Opportunity Zones in Minnesota visit the Department of Employment and Economic Development's (DEED) website at <https://mn.gov/deed/business/financing-business/tax-credits/opp-zones/> or for a list of census tracts by county go to <https://mn.gov/deed/business/financing-business/tax-credits/opp-zones/census-opp-zone-tracts.jsp>.

Opportunity Zones Designations

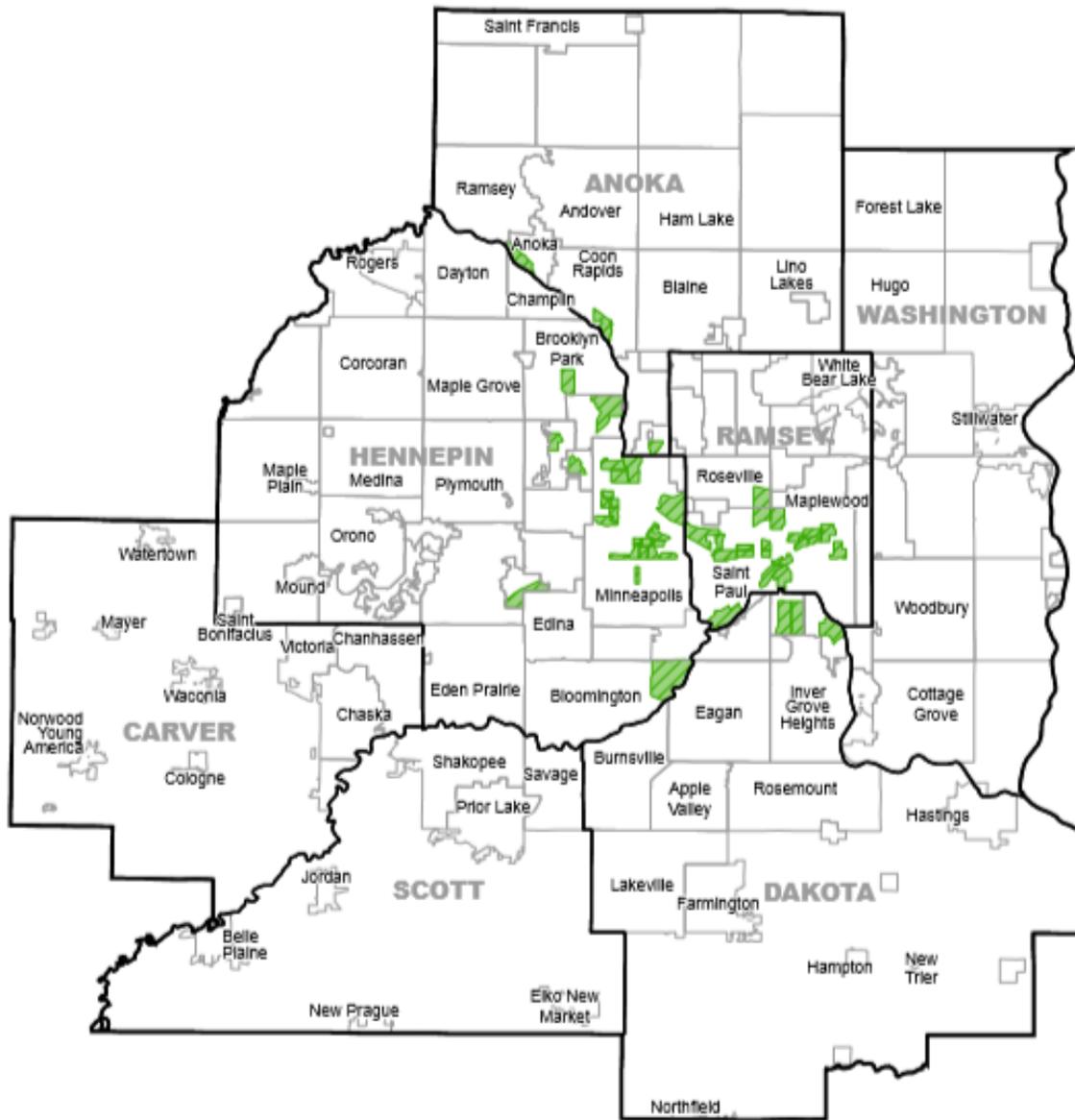
Opportunity Zone Designations



 Final Opportunity Zone Tract

Twin Cities 7-County Metro: Opportunity Zones Designations

Twin Cities 7 -County Metro: Opportunity Zone Designations



 Final Opportunity Zone Tract



2024-2025 QAP Multifamily Award History Methodology

2024 Consolidated RFP/2025 HTC

Four points will be awarded for communities that have not received an award or allocation of funding in the last five years.* Programs included to determine whether a community has not received an award are provided in the table below.

Communities under this criterion are defined as a city or township.

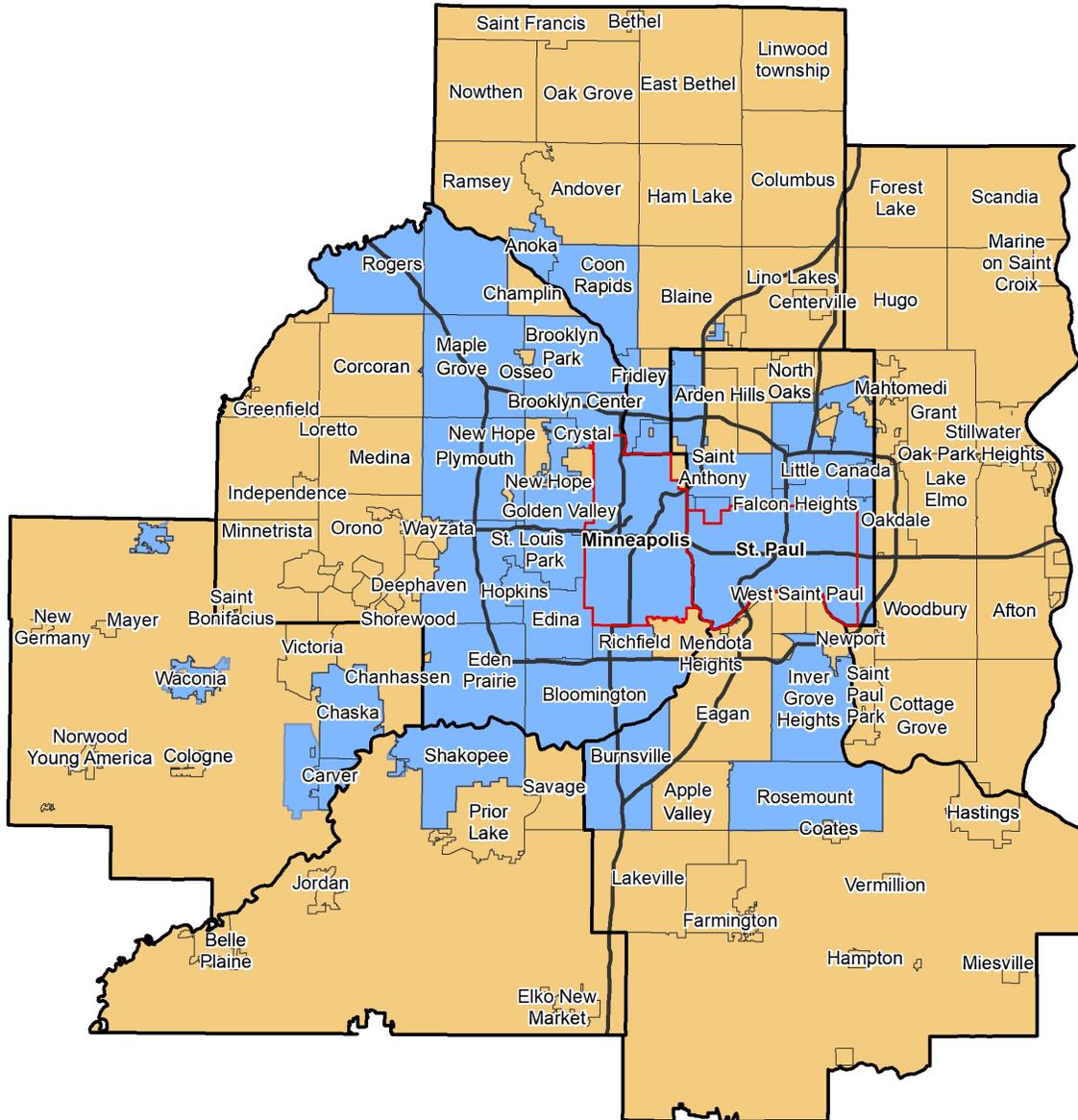
The maps on the following pages highlight the communities eligible for points under this criterion that have not received a Multifamily Award in the last five years.

Programs Included	Year	Publication Dates	Other Data Notes
Consolidated RFP <ul style="list-style-type: none"> HTC Round 1 HTC Round 2 Any Minnesota Housing deferred funding source Excludes: Projects solely funded by a funding partner 	Project selections or commitments from January 1, 2018, through January 31, 2022	NOTE: Minnesota Housing will not use the most recently awarded or allocated Multifamily Consolidated RFP funding, but rather will set the cut off one complete year prior. This allows communities advance notice to determine what communities are/are not included in this scoring criterion.	Rescinded awards are subtracted out. Minnesota Housing apportioned HTC allocations are included.
Pipeline projects with any eligible multifamily deferred funding source	Project selections or commitments from January 1, 2018, through January 31, 2022		Rescinded awards are subtracted out.
4% HTC only projects	Project selections or commitments from January 1, 2018, through January 31, 2022		Project must have been issued a preliminary determination (42M) letter.
Other Notes Excludes: Communities where projects were funded or financed in the past five years with Low and Moderate Income Rental (LMIR) first mortgage-only funding, a Rental Rehabilitation Deferred Loan (RRDL), Workforce Housing Development Program funds, a Publicly Owned Housing Program (POHP) loan, or an asset management loan. HTC Data: <ul style="list-style-type: none"> In cases where Minnesota Housing apportions its tax credits to another suballocator, that project and location will be included as a Minnesota Housing award for purposes of this methodology. Investments by a suballocator will otherwise be excluded from this methodology. 			

*For scattered site projects, the location of each building will be incorporated into this methodology.

No Multifamily Award in the Last Five Years – Metropolitan Area

No Multifamily Award in the Last Five Years - Metropolitan Area



- City/Township Received Multifamily Award in the Last Five Years
- No Multifamily Award in the Last Five Years

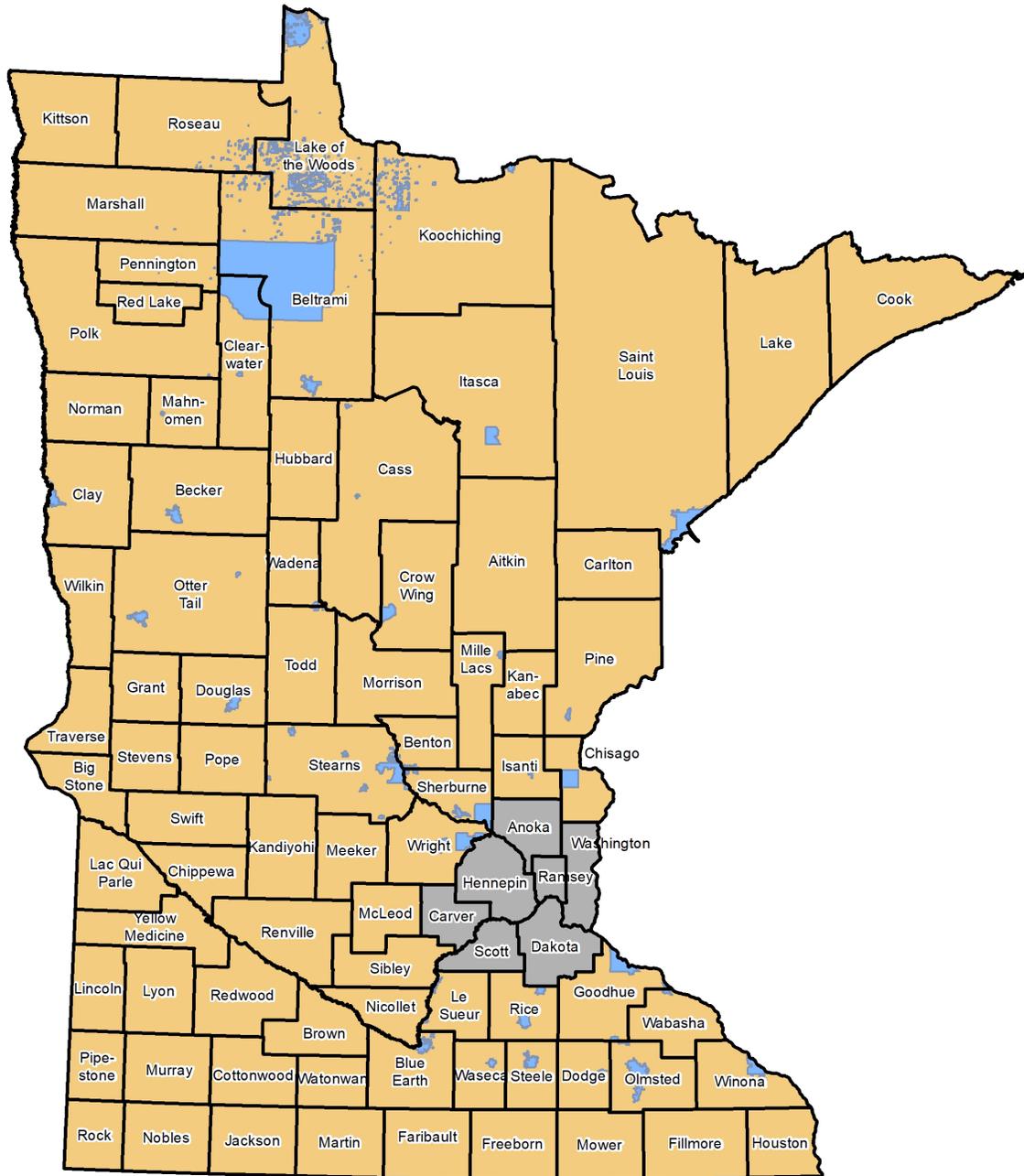


Source: Minnesota Housing analysis; Date: 1/12/2024



No Multifamily Award in the Last Five Years – Greater Minnesota

No Multifamily Award in the Last Five Years - Greater Minnesota



- City/Township Received Multifamily Award in the Last Five Years
- No Multifamily Award in the Last Five Years



Source: Minnesota Housing; Date: 1/12/2024

