



# Missouri LIHTC Update: MHDC Weighs Domestic Violence and LIHTC Concentration Proposals

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Recently, Missouri Treasurer Clint Zweifel urged the MHDC to use its LIHTC allocation to help combat affordable housing issues that are exacerbated among victims of domestic violence.<sup>[1]</sup> In his letter, Zweifel cites a study stating that survivors of domestic violence were the third largest subpopulation of homeless individuals in Missouri.<sup>[2]</sup>

From 2007 to 2012, this number has increased 37% statewide—St. Louis City alone saw a 236% rise in this period.<sup>[3]</sup> Zweifel notes that even these numbers may be underrepresented and do not take into account victims who are forced to stay with their abusers because they have nowhere else to go because of a lack of affordable housing options.<sup>[4]</sup> Even once they find housing, victims of domestic violence often face difficulty finding safety and receiving the services they need to overcome abuse.<sup>[5]</sup>

Missouri's LIHTC allocations can help alleviate the shortage of affordable housing options for victims of domestic violence. In 2011 the MHDC set aside a third of Missouri's LIHTC allocations for developments that serve populations with special needs.<sup>[6]</sup> So, Zweifel proposes that the MHDC could "expand the definition of special needs to include survivors of domestic violence."<sup>[7]</sup> If approved, this proposal could increase the number of LIHTC allocations to projects aimed at serving victims of domestic violence.

As noted in our April 3 posting,<sup>[8]</sup> Zweifel had previously asked the MHDC to review its policies—specifically relating to the high concentration of LIHTC projects in certain areas, such as the North St. Louis County city of Ferguson. On Friday, April 17, the MHDC proposed changes that help expand low-income housing projects from areas with high concentrations of low income housing to more affluent areas.<sup>[9]</sup> The changes would:

- prohibit new construction in census tracts where more than 20% of the housing is subsidized;
- require new projects be smaller than 50 units;
- encourage placement in more affluent areas; and
- give priority to projects providing community services (day care, tutoring, transportation, youth centers, etc.).<sup>[10]</sup>

The proposed changes would still have to go through a series of public hearings and a final approval process before they could impact MHDC's future LIHTC allocations.

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<sup>[1]</sup> Letter to Kip Stetzler, Executive Director, Missouri Housing Development Commission from Clint Zweifel, Missouri State Treasurer (April 22, 2015), available at <http://treasurer.mo.gov/pdf/04.22.15%20MHDC%20Letter.pdf>.

<sup>[2]</sup> *Id.*

<sup>[3]</sup> *Id.*

<sup>[4]</sup> *Id.*

<sup>[5]</sup> *Id.*

<sup>[6]</sup> *Id.*

## AUTHORS

- Kevin M. Hoffmeyer

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[7] *Id.*

[8] <http://www.spencerfane.com/affordablehousingandtaxcreditfinance/blog.aspx?entry=701>.

[9] See Jesse Bogan, *Housing authority wants smaller low-income complexes in more affluent areas*, STL Post Dispt. Online (April 18, 2015, 12:00 am), [http://www.stltoday.com/news/local/metro/housing-authority-wants-smaller-low-income-complexes-in-more-affluent/article\\_51d5ab2b-cd42-5aca-b7f4-be5455f9a7b3.html](http://www.stltoday.com/news/local/metro/housing-authority-wants-smaller-low-income-complexes-in-more-affluent/article_51d5ab2b-cd42-5aca-b7f4-be5455f9a7b3.html).

[10] *Id.*