Example: Possible ownership structures

- Minneapolis Public Housing (MPHA)
  - Land Owner
  - Land is leased by MPHA to MPHA Apartments, LLC through a ground lease

- MPHA Non-Profit
  - Project Developer
  - Not for profit affiliate of the MPHA

- MPHA Manager, LLC
  - Managing member of MPHA Apartments, LLC
  - 100% owned by Non-Profit

- MPHA Apartments, LLC
  - Owner of MPHA Apartments
  - 99.99% owned by Tax Credit Investor Member
  - 0.01% owned by MPHA Apartments, LLC

- Contract with Minneapolis Public Housing Authority for Property Management and Asset Management Services

Complicated arrangement for the sake of the tax credit, but we can retain public oversight and retain the low-income purpose of the property.

How MPHA controls the tax-credit deal:

- MPHA owns the land
  - Long-term "ground lease" to investor/interim owner.
  - Even buildings can be leased.

- Deal documents
  - LLC Agreement

- Land Use Agreements
  - Restrict use for low-income housing

- Options to purchase
  - ...for MPHA or MPHA nonprofit

- Project-based subsidies by MPHA

Public Housing Resident Protections

- Lease
- Grievance

Property Management

- Mortgages
- Reserves

MPHA manages?