



Proposed Amendments to the 2024-2025 Housing Tax Credit Qualified Allocation Plan and the 2026-2027 Qualified Allocation Plan

Background

The Federal Tax Reform Act of 1986 established the Low Income Housing Tax Credit (HTC) Program for qualified residential rental properties. The HTC Program is the principal federal funding source contained within tax law for the acquisition/substantial rehabilitation and new construction of affordable rental housing.

Section 42 of the Internal Revenue Code (IRC) requires that state allocating agencies develop a Qualified Allocation Plan (QAP) to distribute HTCs within their jurisdiction. The QAP sets forth the requirements to allocate HTCs from the state's HTC annual credit ceiling and award HTCs in connection with tax-exempt volume limited bonds—commonly referred to as 9% HTCs and 4% HTCs, respectively. The QAP is subject to modifications to help ensure the provisions conform to the changing requirements of the IRC and Treasury regulations, applicable state statute and the changing environment and market conditions, and to best promote Minnesota Housing's Strategic Plan. The 2026-2027 QAP also sets the overall selection priorities for the competitive 2025 and 2026 Multifamily Consolidated Requests for Proposals (RFPs), which include deferred loans funded from state and federal funding resources.

Minnesota Housing's QAP includes two primary documents:

- Qualified Allocation Plan document – includes detailed definitions and procedures for implementing the HTC Program; and
- Self-Scoring Worksheet – assigns preferences and points for developments that meet Minnesota Housing's HTC Program and deferred loan funding priorities. The Self-Scoring Worksheet is comprised of six selection categories that establish the scoring framework. Each selection category is broken down into selection criteria. The selection categories are: Greatest Need Tenant Targeting, Serves Lowest Income for Long Durations, Increasing Housing Choice, Supporting Community and Economic Development, Efficient Use of Scarce Resources, and Building Characteristics.

Copies of the 2024-2025 and 2026-2027 QAPs and Self-Scoring Worksheet are available on Minnesota Housing's website at [www.mnhousing.gov \(Home/Rental Housing/Housing Development and Capital Programs/Housing Tax Credits\)](http://www.mnhousing.gov/Home/RentalHousing/HousingDevelopmentandCapitalPrograms/HousingTaxCredits).

Proposed Changes

State and Federal Law

Since the approval of the QAPs, there have been changes to Minnesota state and federal law that make it necessary for the QAPs to be amended. In the 2025 Minnesota Legislative session, the “Local Actions to Support Housing” was added to session law ([Minnesota Laws 2025, chapter 32, article 3, section 13](#) and in the attachment for reference).

The 2025 session law requires Minnesota Housing, where practicable, to award additional point(s) in competitive capital development programs to proposed projects located in jurisdictions that provide certain land use and zoning flexibilities identified in the law, which cannot exceed five percent of the total available points. This new statutory section applies to selection criteria and scoring systems developed on or after May 23, 2025, and the section will remain effective through December 31, 2029. The local jurisdiction does not need to provide the flexibilities to the project, but one or more of the provisions in the law must be available in the local jurisdiction for the project to claim points.

In July 2025, Congress passed, and the President signed H.R. 1 into law. [Section 70422 of H.R. 1](#) which reduced the volume capped tax-exempt bond threshold test from 50% to 25% to qualify for 4% HTC. The QAPs currently state:

The project must comply with the QAP that is in effect for the calendar year in which tax-exempt volume limited bonds are issued sufficient, together with any tax-exempt volume limited bonds issued in a prior calendar year, to finance at least 50% of the aggregate basis of the building and the land it is located on.

To implement these changes in federal and state law, Minnesota Housing must amend the applicable QAPs and Self-Scoring Worksheet. It is necessary to amend two QAPs because there are projects selected under the prior QAP that have not yet closed.

QAP Extension

Minnesota Housing is also proposing an amendment to the 2026-2027 QAP to extend it by one year, as the 2026-2028 QAP. This will make the QAP applicable to the 2027 Multifamily Consolidated RFP/2028 HTC funding rounds.

We incorporated significant policy changes in the 2026-2027 QAP and made substantive changes to many of the selection criteria as a result of community engagement work. We are currently reviewing applications for the first funding round using these policies. We are just beginning to see the impacts of those changes on applications, scoring and selection. Extending the QAP will allow the Agency to move through a full year funding cycle before starting development of the 2029-2030 QAP in June 2026. This will allow Minnesota Housing time to analyze the outcomes, identify issues, and seek feedback to better understand the effectiveness of the policies and procedures before proposing additional modifications in a new QAP. For example, the Innovation Construction Techniques preference was converted to a new pointing selection criterion. Having another year of data would help inform our decisions and potential modifications for the next QAP.

A 2026-2028 QAP would extend existing policies and scoring to allow applicants more time to plan for their projects. The extension provides more predictability and consistency for applicants since the selection criteria would remain the same for one more funding round.

QAP Development Plan

Due to the nature of the federal and state law changes and the tight turnaround time, the proposed changes are limited to aligning with the new laws and a proposed extension of the QAP. Minnesota Housing will hold a public comment period, which will include soliciting written comments and offering a virtual public hearing.

Public Hearing and Public Comments

The IRS requires that allocating agencies hold a public hearing where interested individuals have an opportunity to share ideas, ask questions and express their views on the proposed changes to the QAP. Public hearings are advertised on the Minnesota Housing website and via Agency eNews, the State Register and the Star Tribune at least 10 days before the events. Individuals and organizations have the opportunity to provide verbal or written comments on issues related to the QAP.

Minnesota Housing will hold one public comment period and public hearing for the amendments of the 2024-2025 and 2026-2027 QAPs. At the public hearing, staff will provide an overview of the proposed changes and extension. Staff evaluate and research all comments to the proposed changes. After the public comment period, staff will revise the QAPs and Self-Scoring Worksheet and present the amendments to the board in December.

Proposed Timeline for the QAP Amendments

Here are the dates and activities for the QAP Amendments:

Date	Activity
Thursday, October 23, 2025	QAP Amendments and Summary of Proposed Changes presented to Minnesota Housing board
Thursday, October 23, 2025	Summary of proposed changes to the QAP and Self-Scoring Worksheet released for public comment
October 23, 2025 – November 14, 2025	Public comment period
Wednesday, November 12, 2025	Public hearing, via Go to Webinar
Friday, November 14, 2025	Public comment period closes
November 17, 2025 – December 9, 2025	QAP Amendments and Self-Scoring Worksheet are drafted and reviewed
Thursday, December 18, 2025	Minnesota Housing board meeting: final action
December 2025	Submit QAP to the Governor's Office for approval
Summer 2026	2029-2030 QAP development begins

Summary of Proposed Changes

The following information is a summary of the proposed changes to the 2024-2025 QAP and the 2026-2027 QAP, including the 2026-2027 Self-Scoring Worksheet.

2024-2025 QAP

- Update the language in Chapter 7.A to allow for the shift from the 50% test to the 25% test on 4% HTC projects to align with the federal tax law changes.
- No changes to the 2024-2025 Self-Scoring Worksheet are necessary.

2026-2027 QAP

- Extend the 2026-2027 QAP by one year to be the 2026-2028 QAP so that it is applicable to the 2027 Multifamily Consolidated RFP/2028 HTC funding rounds. Extending the QAP would not include any other notable updates outside of changing the 25% test language and the “Local Actions to Support Housing” scoring. Modifications would include the following updates:
 - Modify all applicable dates throughout the document; and
 - Incorporate the Development Limit in Chapter 2.H for 2028 HTCs, which will remain the same as the 2027 HTC funding rounds; and
 - Incorporate the Rural Development/Small Project Set-Aside limit in Chapter 2.D for 2028 HTCs, which will remain the same as the 2027 HTC funding rounds.
- Update the language in Chapter 5.C to add “Local Actions to Support Housing” to the list of Selection Criteria.
- Update the language in Chapter 7.A, Chapter 7.B and Appendix A to allow for the shift from the 50% test to the 25% test on 4% HTC projects to align with the federal tax law changes.

Redlined Language

The following information is the proposed redline language to the 2024-2025 QAP and the 2026-2027 QAP, including the 2026-2027 Self-Scoring Worksheet.

2024-2025 QAP

Chapter 7 - Projects Financed by Tax-Exempt Volume Limited Bonds Seeking HTC's

A. General

Section 42 of the IRC establishes a separate set of procedures to obtain 4% HTC's through the issuance of tax-exempt volume limited bonds.¹

Section 42 (m)(1)(D) provides that in order for a project to receive an award of HTC's through the issuance of tax-exempt volume limited bonds, the project must satisfy the requirements for allocation contained in the QAP applicable to the area in which the project is located. The Minnesota Housing QAP applies to all projects for which Minnesota Housing is the issuer of the bonds and all other projects for which the issuer is not located within the area covered by a suballocator QAP.

The project must comply with the QAP that is in effect for the calendar year in which tax-exempt volume limited bonds are issued sufficient, together with any tax-exempt volume limited bonds issued in a prior calendar year, to finance at least the required minimum percentage50% of the aggregate basis of the building and the land it is located on. The "required minimum percentage" is established by federal law and is subject to changes in federal law. For each project, Minnesota Housing will determine and apply the minimum percentage required by federal law in accordance with federal effective dates.

Subject to future changes in federal law, the following minimum percentages apply:

1. The required minimum percentage is 25%, if
 - a. a project is placed in service after December 31, 2025, and
 - b. at least 5% of the aggregate basis of the building and land is financed with bonds issued after December 31, 2025.

If a development was selected or selected for further processing for tax-exempt bonds with a 4% financial structure through a previous Minnesota Housing Consolidated RFP, and satisfied pointing and related requirements applicable to that Consolidated RFP, the development may be deemed to meet

¹ Tax-exempt volume limited bonds are "residential rental bonds" that are taken into account under the state ceiling on the aggregate face amount of tax-exempt private activity bonds pursuant to Section 146 of the IRC. Residential rental bonds are exempt facility bonds issued pursuant to Section 142(d) of the IRC to finance a qualified residential rental project.

the scoring and related requirements of the QAP in effect during the year in which the tax-exempt volume limited bonds are issued sufficient to finance at least the required minimum percentage 50% of the aggregate basis of the building and the land that it is located on.

Developers must also be aware of the requirements of Minn. Stat. § 474A.047, including Subdivision 1, which require the extension of existing HUD Housing Assistance Payment (HAP) contracts to the full extent available.

For projects to which the Minnesota Housing QAP applies, Minnesota Housing must make a determination that all requirements are satisfied. After this determination, Minnesota Housing will issue a preliminary determination letter. Except as determined by Minnesota Housing, **applications for this determination must be submitted to Minnesota Housing at least 60 days prior to the issuance of the tax-exempt volume limited bonds sufficient, together with any tax-exempt volume limited bonds issued previously for the same project, to finance at least the required minimum percentage 50% of the aggregate basis of the building(s) and land it is located on.**

The threshold requirements in Chapter 5 do not apply to projects not receiving HTC counts in the HTC volume cap for the state.

In order to receive the preliminary determination described above, the applicant must submit to Minnesota Housing all documents required for an application for HTCs as established by the Minnesota Housing QAP and any additional information requested. These documents are those required for an application for HTCs under Chapter 6.A. incorporated into the Application Checklist in the Multifamily Customer Portal and any additional information required by Minnesota Housing. The developer must also submit to Minnesota Housing the required application fees identified.

2026-2027 QAP

Chapter 2 – Policies and Procedures

D. Rural Development/Small Project Set-Aside

Minnesota Housing designates a portion of the state's HTC volume cap to Rural Development (RD) - financed or other small projects. The amount of HTCs reserved to the RD/Small Project set-aside will be:

- \$500,000 in 2026
- \$525,000 in 2027
- \$525,000 in 2028

Eligible projects must either:

1. Have an RD financing commitment or application for RD financing; or
2. Be a small project located in a Rural/Tribal Designated Area, as defined in the Rural/Tribal Methodology in the Methodology Guide, and consist of 24 or fewer units.

First priority will go to projects with applications for financing or a commitment from RD. Applicants to the set-aside first compete in the general pool and if not competitive then move to the RD/Small Project set-aside for consideration. Applicants to the set-aside can also compete in Round 2 if there are RD/Small Project set-aside HTC still available. IRS Form 8609 may not be issued to a new RD project until after financing commitment has been executed.

H. Developer and Development Limits

For applicants applying for a portion of the state's HTC credit ceiling, the per-developer or general partner/managing member HTC limit is the greater of 1) the amount representing 10% of the population component of the state's annual credit ceiling or 2) the amount needed to support two developments in the case that two developments selected are being developed by the same developer or general partner/managing member. Such projects are subject to a development limit of no more than \$1,850,000 in 2026 and \$1,950,000 in 2027 and 2028 in cumulative HTCs allocated to any one development.

At the sole discretion of Minnesota Housing, these limits may be waived. Applicants should not assume that this waiver will be automatically provided or rely on this statement when determining the scope of the proposed project. Minnesota Housing's goal is to optimize the use of all available sources of funding for multifamily developments, including private investor equity, amortizing loans and deferred loans, to produce the maximum number of affordable rental units that meet the priorities adopted by Minnesota Housing and represent developments that are sustainable, cost effective and geographically diverse. Consistent with this goal, the following criteria will be used to determine if and when Minnesota Housing may provide a waiver to the developer or development limit.

Developer Limit

1. Developer/Sponsor capacity – The ability and capacity of the development team to proceed expeditiously to complete multiple developments, including other projects selected by Minnesota Housing for funding that have not yet been completed.
2. Financial Feasibility – The applicant must demonstrate that the HTCs are necessary for the financial feasibility of the proposed project and that a significant funding gap will remain if the waiver is not granted.

Development Limit

1. Feasibility – The applicant must demonstrate that the HTCs are necessary for the financial feasibility of the proposed development and that a significant funding gap will remain if the waiver is not granted.

Chapter 5 – Project Selection

C. Selection and Preference Criteria

All HTC applications are scored and/or reviewed in accordance with the Selection Criteria and Preference Criteria required by Section 42 and Minnesota Housing.

To be eligible for HTCs from the state's credit ceiling under Minnesota Housing's QAP, a developer must demonstrate that the project is eligible for no less than **80 points** in the Self-Scoring Worksheet. This excludes projects funded through the RD/Small Projects set-aside, which must be eligible for no less than **30 points**.

To be eligible for HTCs in association with tax-exempt volume limited bonds under Minnesota Housing's QAP, a developer must demonstrate that the project is eligible for no less than **40 points** in the Self-Scoring Worksheet.

For applicants requesting HTCs from the state's credit ceiling, Minnesota Housing will first rank proposals. The highest-ranking proposals will then be reviewed in accordance with the project selection requirements described in sections E through K of this chapter. Minnesota Housing reserves the right to reject applications not meeting these project selection requirements or to revise proposal features and decrease associated scoring, to help ensure the project meets the requirements. Lower ranking proposals will only be processed further if HTC remain available after the higher-ranking proposals are processed. Minnesota Housing may elect, at its sole discretion, not to give partial HTCs to a higher-ranking application but to give the HTCs to the next ranking application that can use the balance of the HTCs.

Selection Criteria consist of the following:

1. Large Family Housing;
2. Senior Housing;
3. Permanent Supportive Housing for Households Experiencing Homelessness: High Priority Homeless and Other Homeless;
4. People with Disabilities;
5. Preservation;
6. Rental Assistance: Project-Based Rental Assistance and Further Restricting Rental Assistance;
7. Serves Lowest Income Tenants/Rent Reduction;
8. Long-Term Affordability;
9. Access to More Affordable Housing;
10. Workforce Housing Communities;
11. Transit and Walkability;
12. Community Development Initiative;
13. Equitable Development;
14. Rural/Tribal;
15. Qualified Census Tracts/Community Revitalization or Tribal Equivalent Area;
16. Multifamily Award History;
17. Black-, Indigenous-, People of Color-owned Business Enterprises- or Women-owned Business Enterprises (BPOCBE/WBE);

18. Financial Readiness to Proceed/Leveraged Funds;
19. Other Contributions;
20. Intermediary Costs;
21. Innovative Construction Techniques;
22. Universal Design;
23. Enhanced Sustainability;
24. Sponsor Characteristics – Non-scoring selection criteria; ~~and~~
25. Public Housing waiting lists – Non-scoring selection criteria; ~~and~~
26. Local Actions to Support Housing.

Preference Criteria consist of the following:

1. Serves Lowest Income Tenants/Rent Reduction;
2. Rental Assistance: Project-Based Rental Assistance and Further Restricting Rental Assistance;
3. Long-Term Affordability;
4. QCT/Community Revitalization or Tribal Equivalent Areas; and
5. Eventual Tenant Ownership – Non-scoring selection criteria.

Chapter 7 - Projects Financed by Tax-Exempt Volume Limited Bonds Seeking HTC

A. General

Section 42 of the IRC establishes a separate set of procedures to obtain 4% HTCs through the issuance of tax-exempt volume limited bonds.²

Section 42 (m)(1)(D) provides that in order for a project to receive an Award of HTCs through the issuance of tax-exempt volume limited bonds, the project must satisfy the requirements for allocation contained in the QAP applicable to the area in which the project is located. The Minnesota Housing QAP applies to all projects for which Minnesota Housing is the issuer of the bonds and all other projects for which the issuer is not located within the area covered by a Suballocator QAP.

The project must comply with the QAP that is in effect for the calendar year in which tax-exempt volume limited bonds are issued sufficient, together with any tax-exempt volume limited bonds issued in a prior calendar year, to finance at least the required minimum percentage~~50%~~ of the aggregate

² Tax-exempt volume limited bonds are “residential rental bonds” that are taken into account under the state ceiling on the aggregate face amount of tax-exempt private activity bonds pursuant to Section 146 of the IRC. Residential rental bonds are exempt facility bonds issued pursuant to Section 142(d) of the IRC to finance a qualified residential rental project.

basis of the building and the land it is located on. The “required minimum percentage” is established by federal law and is subject to changes in federal law. For each project, Minnesota Housing will determine and apply the minimum percentage required by federal law in accordance with federal effective dates.

Subject to future changes in federal law, the following minimum percentages apply:

1. The required minimum percentage is 25%, if
 - a. a project is placed in service after December 31, 2025, and
 - b. at least 5% of the aggregate basis of the building and land is financed with bonds issued after December 31, 2025.
 - c. For all other projects, the required minimum percentage is 50%.

If a development was selected or selected for further processing for tax-exempt bonds with a 4% HTC financial structure through a previous Minnesota Housing Consolidated RFP, and satisfied pointing and related requirements applicable to that Multifamily Consolidated RFP, the development may be deemed to meet the scoring and related requirements of the QAP in effect during the year in which the tax-exempt volume limited bonds are issued sufficient to finance at least the required minimum percentage 50% of the aggregate basis of the building and the land that it is located on.

Developers must also be aware of the requirements of Minnesota Statutes, section 474A.047, including subdivision 1, which require the extension of existing HUD Housing Assistance Payment (HAP) contracts to the full extent available.

For projects to which the Minnesota Housing QAP applies, Minnesota Housing must make a determination that all requirements are satisfied. After this determination, Minnesota Housing will issue a preliminary determination letter. **Except as determined by Minnesota Housing, applications for this determination (42(m) application) must be submitted to Minnesota Housing at least 60 days prior to the issuance of the tax-exempt volume limited bonds sufficient, together with any tax-exempt volume limited bonds issued previously for the same project, to finance at least the required minimum percentage 50% of the aggregate basis of the building(s) and land it is located on.**

Applications that are not submitted within this timeframe may be considered late and subject to a fee (refer to Chapter 8).

The threshold type requirements in Chapter 5.A. do not apply to projects not receiving HTCs counted in the HTC credit ceiling for the state.

To receive the preliminary determination described above, the applicant must submit to Minnesota Housing all documents required for an application for HTCs as established by the Minnesota Housing QAP and any additional information requested. These documents are those required for an application for HTCs under Chapter 6.A. incorporated into the Application Checklist in the Multifamily Customer Portal and any additional information required by Minnesota Housing. The developer must also submit to Minnesota Housing the required application fees identified. See Appendix A for additional guidance.

B. Pre-Application for Projects Seeking an Allocation of Tax-Exempt Volume Limited Bonds from Minnesota Management and Budget (MMB)

Applicants may receive a Predictive Cost Model and scoring determination prior to requesting preliminary determination via the pre-application process. Pre-application is strongly encouraged in order to receive a determination prior to seeking an allocation of a portion of the state ceiling for tax exempt volume limited bonds.

Preliminary Predictive Cost Model Determination

A Predictive Cost Model analysis can be pursued earlier than the submission of the 42(m) application. Applicants must submit the Predictive Cost Model determination document and will receive a determination letter upon review. The letter will consist of Minnesota Housing's determination, the expiration date of the determination, the project's current percentage of the Predictive Cost Model and the project cap, beyond which a board action may be required, for per-unit costs. Developments with costs above the Predictive Cost Model will be notified and, if requested by the developer, will follow Minnesota Housing's process to determine if approval will be granted.

Preliminary Scoring Determination

Applicants must submit all required pre-application documentation a minimum of 30 days prior to the 42(m) application submittal in order for staff to make a preliminary determination of eligibility. Failure to submit all required pre-application materials may result in rejection of the pre-application.

Pre-application Documents:

1. Multifamily Workbook;
2. Self-Scoring Worksheet – Corresponding with the year in which bond issuance sufficient to meet the required minimum percentage 50% test is anticipated; and
3. Scoring Documentation.

If the project is determined to be eligible for the required minimum points, the applicant will receive a Preliminary Scoring Determination letter from Minnesota Housing that details the points awarded. This letter is to be submitted with the complete 42(m) application. The 42(m) application may only be submitted following an allocation of a portion of the state ceiling for tax-exempt volume limited bonds.

Appendix A: Carryover Allocations, 42M and Placed in Service/Issuance of IRS Form 8609 Application Requirements

Table 1: Application Requirements for Housing Tax Credits

Application Requirements	Chapter 6B Carryover Application	Chapter 7C 42M Application	Chapter 6C Placed in Service 8609 9% HTC	Chapter 7H Placed in Service 8609 4% HTC
Certified Public Accountant Certification	Yes	Yes (<u>Minimum</u> <u>Percent50%</u> Test Verification Letter)	Yes	Yes

2026-2027 Self-Scoring Worksheet

Incorporate the “Local Actions to Support Housing” from the 2025 legislative session into the selection criteria and add a two point selection criterion under the Selection Category Building Characteristics.

6. Building Characteristics

D. Local Actions to Support Housing (2 Points)

NEW SELECTION CRITERION FOR 2027-2028 HTC ROUNDS

1. Projects located in a jurisdiction that meets one or more of the following Local Actions to Support Housing.

Select one:

- a. The jurisdiction allows for the development of multifamily housing in at least 50% of the area within the jurisdiction zoned as a commercial district, excluding areas covered by state or local shoreland regulations;
- b. The jurisdiction allows for duplexes, accessory dwelling units, or townhomes within 50% of the area within the jurisdiction zoned for single-family housing, excluding areas covered by state or local shoreland regulations;
- c. The jurisdiction does not have parking mandates greater than one stall per unit of housing for single-family housing;
- d. The jurisdiction does not have parking mandates greater than one stall per unit of housing for multifamily developments;
- e. The jurisdiction does not mandate lot sizes larger than one-eighth of an acre for new single-family home construction, excluding areas covered by state or local shoreland regulations;

- f. The jurisdiction does not place aesthetic mandates on new single-family construction, including type of exterior finish materials, including siding; the presence of shutters, columns, gables, decks, balconies, or porches; or minimum garage square footage, size, width, or depth;
- g. The jurisdiction has a density bonus for affordable housing that provides for an increase in floor area and lot coverage if the housing is affordable housing; or
- h. The jurisdiction has adopted an inclusionary zoning policy for the purpose of increasing the supply of affordable housing.

Local Actions to Support Housing

The language below is in Minnesota Laws 2025, chapter 32, article 3, section 13:

Sec. 13. LOCAL ACTIONS TO SUPPORT HOUSING.

Where practicable, the commissioner of the Housing Finance Agency shall award an additional point or points, not to exceed five percent of the total available points in a given competitive development program, to proposals in competitive capital development programs if the proposed project is located in a jurisdiction that meets any of the following criteria to reduce barriers to affordable housing development:

- (1) the jurisdiction allows for the development of multifamily housing in at least 50 percent of the area within the jurisdiction zoned as a commercial district, excluding areas covered by state or local shoreland regulations;
- (2) the jurisdiction allows for duplexes, accessory dwelling units, or townhomes within 50 percent of the area within the jurisdiction zoned for single-family housing, excluding areas covered by state or local shoreland regulations;
- (3) the jurisdiction does not have parking mandates greater than one stall per unit of housing for single-family housing;
- (4) the jurisdiction does not have parking mandates greater than one stall per unit of housing for multifamily developments;
- (5) the jurisdiction does not mandate lot sizes larger than one-eighth of an acre for new single-family home construction, excluding areas covered by state or local shoreland regulations;
- (6) the jurisdiction does not place aesthetic mandates on new single-family construction, including type of exterior finish materials, including siding; the presence of shutters, columns, gables, decks, balconies, or porches; or minimum garage square footage, size, width, or depth;
- (7) the jurisdiction has a density bonus for affordable housing that provides for an increase in floor area and lot coverage if the housing is affordable housing; or
- (8) the jurisdiction has adopted an inclusionary zoning policy for the purpose of increasing the supply of affordable housing.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to selection criteria and scoring systems developed on or after that day. This section expires December 31, 2029.