



*Housing Credit Policies in 2014
that Promote Supportive Housing*

December 2014



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Prepared by CSH

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About CSH

CSH transforms how communities use housing solutions to improve the lives of the most vulnerable people. We offer capital, expertise, information and innovation that allow our partners to use supportive housing to achieve stability, strength and success for the people in most need. CSH blends over 20 years of experience and dedication with a practical and entrepreneurial spirit, making us the source for housing solutions. CSH is an industry leader with national influence and deep connections in a growing number of local communities. We are headquartered in New York City with staff stationed in more than 20 locations around the country. Visit csh.org to learn how CSH has and can make a difference where you live.

Inquiries

If interested in learning more about supportive housing, please visit csh.org for additional online resources and materials, including information regarding the communities in which we currently work. For inquiries about this report, please contact CSH at info@csh.org.

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INTRODUCTION

CSH is pleased to present “*Housing Credit Policies in 2014 that Promote Supportive Housing*.” This report builds on our assessment of 2013 Qualified Allocation Plan (QAP) policies and examines the strategies housing credit agencies adopted to foster and encourage supportive housing development within QAPs for the Low Income Housing Tax Credit (Housing Credit), highlighting significant changes made within QAPs this year. CSH examined 56 QAPs for this report.

Housing credit agencies continue to actively promote the vital combination of affordable housing and supportive services tailored to specific resident populations through their administration of the Housing Credit program.

As of this writing, virtually every housing credit agency fosters some form of supportive housing development through its housing credit program. Perhaps most significantly, eleven jurisdictions (Arizona, Delaware, District of Columbia, Iowa, Georgia, Kentucky, Louisiana, Oklahoma, New Hampshire, New York and Texas) implemented notable new policies or substantially revised policies encouraging supportive housing development since the last comprehensive analysis of state policies last year.

For purposes of this report, “supportive housing” refers to permanent housing with attached intensive services targeted to populations with special needs who struggle to retain stable housing without easy access to comprehensive supportive services, including: persons who are currently or formerly homeless; persons with serious, chronic mental health issues; people affected by substance use; people with HIV/AIDS; people with physical or developmental disabilities; ex-offenders; frail elderly; homeless or emancipated youth; victims of domestic violence and other groups that would not be able to live independently and maintain housing without intensive support. Supportive housing residents typically include individuals and families with significant histories of homelessness or other long-term health or social issues. Supportive housing populations typically have incomes below 30% of area median income. Although not always the practice, supportive housing is most effective when it features a close coordination of property management activities with the supportive services, which can be delivered through a combination of on-site services and linkages to available community services.

This report describes housing credit agency initiatives that specifically use the Housing Credit to advance affordable housing development with associated supportive services. The goal is to identify current housing credit agency allocation policies that foster supportive housing development activity. While each housing credit agency may define such housing differently, the policies described in this report are all designed to enhance the connection between affordable housing development and appropriate supportive services, thereby helping low-income residents maintain independent living, achieve greater social and economic self-sufficiency, and improve their quality of life.

Several policies described in this report are prevalent enough to be considered successfully adopted. Others, though less universal, are sound policies readily adaptable across the country to ensure the necessary linkage between affordable housing and associated resident services.

This report identifies a variety of innovative housing credit policy approaches to supportive housing, including examples in each of the following categories:

- **Threshold requirements** under which housing credit agencies obligate all developments to meet minimum standards. Two types of threshold requirements relate to supportive housing projects. First, some housing credit agencies have a threshold requirement that all projects dedicate a specific percentage of units for permanent supportive housing. Second, other housing credit agencies have a general threshold requirement that obligate developers to include features such as units dedicated for households at or below 30% area median income or submission of a service plan. Supportive housing projects usually include these elements.
- **Credit set-asides** under which housing credit agencies allocate a certain portion of available housing credits during the year to supportive housing developments.
- **Scoring incentives** under which housing credit agencies encourage supportive housing development through awarding points in the competitive scoring process.

CSH hopes the report will draw attention to strong housing credit agencies practices in supportive housing and lead to the continued strengthening of housing credit allocation plans to meet local needs.

BACKGROUND ON THE HOUSING CREDIT

The housing credit is one of the most important and successful federal housing programs ever created, responsible for the development of over two million affordable homes for low-income families, seniors, and special needs populations since its enactment in 1986. Among the program's signature strengths is its administration by the housing credit agencies under policies developed in their Qualified Allocation Plan (QAP).

The QAP is a statutorily mandated plan adopted by each housing credit agency that establishes the criteria and preferences for allocating housing credits during the year. Federal regulations require QAPs to give preference to developments serving the lowest income tenants, with the longest periods of affordability, and located in qualified census tracts that contribute to a concerted community revitalization plan.

Agencies have authority to establish other QAP selection criteria including development location, housing needs of a local community, development and sponsor characteristics, tenant populations with special housing needs, tenant populations with children and public housing waiting lists. Housing credit agencies can promote policy objectives in a variety of ways using the QAP. The most common methods are through threshold requirements, set-asides and scoring, as described in the Forward.

METHODOLOGY

In more than 25 years of allocating the housing credit, housing credit agencies designed and implemented an array of innovative QAP policies to advance permanent supportive housing. The primary research for this report involved a comprehensive review of each housing credit agency's 2014 QAP to identify policies specifically encouraging supportive housing.¹ In the course of this review, several relevant policies were identified as universal or nearly universal:

- Statutory requirements to consider special needs populations in allocating Credit
- Statutory priorities for serving the lowest income tenants
- Market study requirements to document need for targeted populations
- Incentives for development proximity to community services
- Incentives for development amenities such as common space

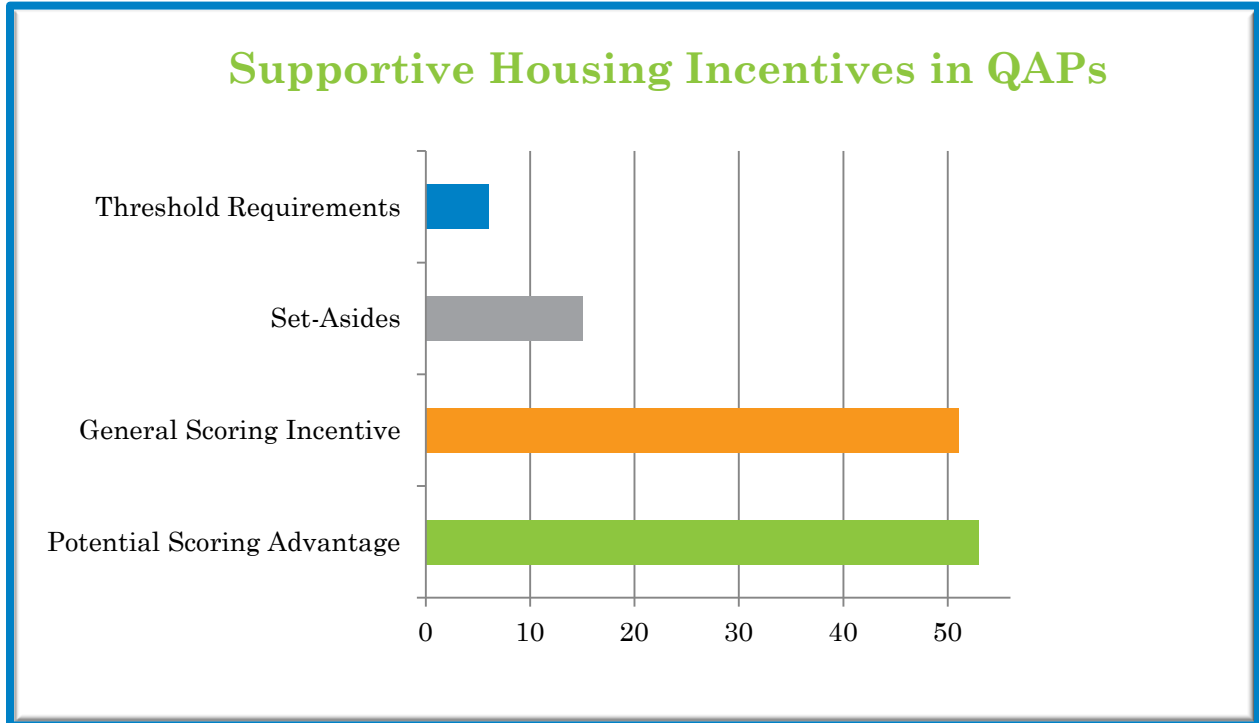
Although there is variation in the degree to which QAPs emphasize such policies, this report focuses on policies that go beyond these criteria and incentives and employ approaches that specifically promote supportive housing. Following an analysis of all available documents, CSH compiled a summary of relevant housing credit agency policies and definitions that begins on page 16. One goal of this research is to identify changes in supportive housing policies among the housing credit agencies. This report is an update to an analysis of 2013 policies encouraging supportive housing, and as such, this report identifies notable new policies or significant revisions to policies wherever possible. Additions or changes to housing credit agency policies are also identified in the summary for ease of reference.

¹ Nearly all QAPs are available on Housing Credit agency websites. See page 14 of this report for links to all housing credit agency websites, and for additional program information see the website of the National Council of State Housing Agencies at www.ncsha.org.

This report does not quantify the relative weight of any particular policy in the scope of overall agency scoring – a substantially similar policy provision in several QAP plans may have significantly different weighting in each plan. The intricacy of QAP scoring criteria and selection procedures and the broad discretion in decision making that the housing credit program provides makes such quantification difficult. In addition, this report does not attempt to measure the extent to which the highlighted policies actually generated supportive housing developments using the Credit; as such an outcome analysis is beyond the scope of this report.

EXECUTIVE SUMMARY

Changes in housing credit policy approaches to supportive housing since the publication of the 2013 assessment are identified in **bold text** within this report. Many of these changes in the 56 reviewed QAPs reflect the growing demand and desire for quality supportive housing. Highlights include:



- Nearly all housing credit agencies (53 out of 56) provide potential scoring advantages for supportive housing.
- Fifty-one allocating agencies provide general scoring incentives encouraging permanent supportive housing, special needs housing, and/or housing for people with disabilities.
- Fifteen housing credit agencies promote supportive housing with set-asides of credit authority; this is a decrease from sixteen in 2013: Delaware eliminated a \$250,000 permanent supportive housing set-aside for the chronically homeless in 2014.
- Six housing credit agencies have a threshold requirement of dedicating 5 to 10% of units for persons with special needs or persons with disabilities which supports permanent supportive housing (Alaska, Delaware, District of Columbia, Indiana, Iowa, and North Carolina). This is an increase from three states in 2013; Delaware, the District of Columbia and Iowa's thresholds are new to 2014. Seven additional housing credit agencies have more general threshold requirements that promote permanent supportive housing.

This Executive Summary is divided into three sections. The first section discusses policy highlights and changes that took place since the last analysis. The second section identifies emerging policy trends in 2014. Finally, the third section offers conclusions regarding the 2014 report.

POLICY HIGHLIGHTS AND CHANGES

QAP policies underwent many changes that will impact the funding and structure of tax credit projects across the country. In states listed below, Housing Credit Agencies elected to implement new or significantly changed their policies in 2014 that will affect supportive housing developments:

Arizona modified its 2014 set-aside to include up to two projects totaling at least 60 units of Permanent Supportive Housing for Chronically Homeless. The Arizona Department of Housing (ADOH) targets projects that either: Have a minimum of 30 units set-aside for chronically homeless individuals with a preference for veterans or one project with 60 units set-aside for chronically homeless people with a preference for veterans. In both projects, rents are designated at 30% of AMI and supported with rental assistance.

Delaware eliminated a \$250,000 set-aside for permanent supportive housing development for chronically homeless in 2014, and included a threshold requirement to dedicate 5% of total units or 3 units, whichever is greater, for special populations in all developments. Further Delaware eliminated the 5 point scoring incentive for PSH that designated 50% of the property for persons with special needs, and added a new scoring incentive for increasing the number of units dedicated for special population-eligible units to 10% or 6 units, whichever is greater, up from the mandatory 5%.

District of Columbia (Washington, D.C.) created a Unified Request for Proposals (RFP) that combines LIHTC, Housing Production Trust Fund, federal and local vouchers, and Department of Behavioral Health and Department of Human Service funding in order to increase the number of quality supportive housing units in the District in 2013. In 2014, the Unified RFP included a 5% supportive housing threshold requirement for any new or vacant development.

Iowa included a new threshold requirement to dedicate 10% of the total project units to target persons with disabilities. The 2014-2015 QAP eliminates the 20 point incentive for Special Needs Housing, including service-enriched and assisted living developments in which 25% or more of the total project units gave preference to residents with special needs.

Kentucky added a new Nonprofit Supportive Housing \$500,000 set-aside for projects providing supportive housing services to at least 50% of units for individuals or families of an eligible population. In addition, Kentucky added a new 25 point scoring incentive for projects in the Nonprofit Supportive Housing set-aside. Applicants for the Nonprofit Supportive Housing set-aside must include a supportive service plan that includes letters of service commitment and a commitment to refer targeted households to the project.

Louisiana eliminated its 5 point scoring incentive for Single Room Occupancy Shelters in 2014 and also eliminated the 11 point scoring incentive for projects that partnered with Veterans Affairs Medical Centers (VAMCs) to provide supportive services. However, Louisiana added a 5-point scoring incentive for mixed income properties that designate 20% or more of the units as non-qualified units (market rate without income restrictions).

New York State did not modify its QAP, but released its Unified Funding for Multifamily Programs Request for Proposals that includes a \$4 million set-aside for supportive housing projects and an additional \$25 million for the new Medicaid Redesign Team Housing Capital Program that provides capital to expand supportive housing for high-cost Medicaid populations.

Oklahoma revised its 2014 9% LIHTC Application Instructions to remove a provision that awarded 10 points to developments 100% dedicated to special needs populations. The Instructions, however, do contain a provision that provides 5 points to projects where developers dedicate 10% of the units to persons who are homeless or have a mental or physical disability.

Texas has been making significant changes to its QAP allocation in part to address the court case, *ICP, Inc. v. TDHCA*², and to help cities carry out their local goals of ending homelessness. The QAP amended the supportive service incentive scoring by providing up to 11 points for a supportive housing development participating in the City of Houston's PSH program. The QAP also added an opportunity index scoring incentive for projects located in High Opportunity Areas.

Washington added a requirement that all projects committed to serving people who are homeless must submit a comprehensive service plan that includes both an assessment and identification of the target population's service needs and a service delivery strategy. Further, the plan must include a funding strategy for the provision of services that will be offered in connection to the project.

POLICY TRENDS

There are a number of industry trends that took place in 2014 that QAP policy changes reflect. Specifically, this report focuses on three pertinent trends:

- QAPs provided additional incentives for development of projects in Areas of Opportunities;
- An increasing number of housing credit agencies provide incentives for developments that are targeting or having a preference for veteran populations;
- Integrated supportive housing and mixed-income developments are being encouraged by allocating agencies.

Veterans Populations

Six allocating agencies added incentives or encouraged developments to target or create preferences for veteran populations. This growing trend can be attributed to the continued investment by the federal government for resources targeting veterans, such as the HUD-VASH (Veteran's Affairs Supportive Housing) program and the SSVF (Supportive Services for Veteran Families) program. Recently, HUD created a set-aside in the HUD-VASH program to provide \$11 million in project-based VASH assistance to qualified projects. States like Illinois and Iowa carried forward scoring incentives for developments with project-based rental assistance, including project-based VASH. Other states, like Alaska, Nevada, and New Mexico encouraged projects that target veterans or create tenant selection preferences for veterans. Louisiana, however, eliminated its 11-point scoring incentive for supportive housing projects that partnered with the Veterans Affairs Medical Center to provide supportive services.

Areas of Opportunity

Areas of Opportunity do not have a specific definition, but generally refers to an area with low-poverty rates, close proximity to employment or employment opportunities, high performing school systems, accessible public transportation and has retail and commercial enterprises and development. Each allocating

² The Supreme Court has granted *certiorari* to hear *ICP, Inc. v. Texas Department of Housing and Community Affairs*. The question presented to the court is if disparate impact claims are recognizable under the Fair Housing Act. Other cases that have presented this question to the Court settled prior to oral arguments.

agency defines Area of Opportunity differently, generally focusing on low-poverty rates in a specific area and higher performing public school systems. CSH has not previously included analysis of Areas of Opportunity policies in its *Housing Credit Policy* report. CSH recognizes that properties in these areas provide an opportunity for the most vulnerable populations to integrate into a community and to help tenants gain improved access to services and amenities.

Currently, 22 agencies have Areas of Opportunity incentives such as basis boost and scoring incentives. Some QAPs, such as Massachusetts, incentivize projects with family units in the qualified areas of opportunity, while other QAPs do not distinguish between family units and other types of units. For states or cities that have a threshold requirement for including supportive housing units, the Areas of Opportunity incentives can help create supportive housing in communities with significant resources.

Integrated Supportive Housing

Integrated Supportive Housing refers to the strategy of blending or integrating supportive housing units within developments that also provide affordable (for households with low to moderate income levels, but not necessarily with special needs) and/or market-rate housing units. While technically any project with less than 100% supportive housing is integrated, Integrated Supportive Housing typically refers to projects developed by mainstream housing developers who partner with a service provider to dedicate a percentage or specific number of units through an extended use agreement for supportive housing.³ Integrated models differ from single-purpose models in several ways, including:

- Greater mixing of tenant populations
- Use of mainstream affordable housing financing
- New project sponsors and partnerships
- Different approaches to service delivery

There has been increasing use of using threshold requirements, set-asides and scoring incentives to promote projects dedicating 5 to 25% of units for supportive housing. For example, Delaware, the District of Columbia and Iowa added a threshold requirement obligating any new projects to include a certain number of units dedicated to permanent supportive housing. Delaware's threshold requirement obligates developers to dedicate 5% of total units or 3 units, whichever is greater, for special populations in all developments. Delaware added this requirement after a few years of including language about Olmstead in the QAP. In the District of Columbia, new construction or vacant property projects must dedicate 5% of the units for supportive housing. Iowa added a requirement that 10% of the total project units will serve persons with a disability.

Thirty-five housing credit agencies have scoring incentives or set-asides awarding points for dedicating 35% or less of units for supportive housing – up from 22 QAPs in 2013. In addition, 25 QAPs promote multiple integrated models, often offering higher points or a set-aside for dedicating more than 50% of units to supportive housing. These numbers indicate that housing credit agencies recognize the benefits of a variety

³ Integrated Supportive Housing has many similarities to scattered-site supportive housing projects, which provides housing opportunities in dispersed settings, including single-family houses, within duplexes or small complexes, or units within larger apartment building. Tenant-based subsidies, master-leasing of units, or negotiation of set-asides within existing developments often secure these units as supportive housing. Integrated projects, however, usually designate units as supportive housing at the time of development, and funders include requirements that the units continue to serve that purpose over the long term.

of development models and are looking to provide tenants, developers and service providers with an array of housing options. Keys to ensuring the success of integrated supportive housing include identifying sufficient operating subsidies and services funding to finance the supportive housing units over the long term, establishing a good tenant referral process to quickly fill units with people with disabilities, and creating reasonable monitoring mechanisms to ensure provision of quality supportive housing for 15 years.

In addition, *Olmstead* settlements and the vision of promoting affordable community based housing seem to be a driving force behind the growth of these numbers as well. Georgia, for example, used a scoring incentive to encourage developers to create an innovative project application that will target at-risk populations and provide services to break down barriers facing this population. Through the *Olmstead* settlement process, some states are creating additional operating subsidy and services funding streams that could make developers, syndicators and investors much more comfortable with the long term financing of quality supportive housing.

CONCLUSION

Housing credit agencies continue to actively encourage supportive housing development using the housing credit program, with growing focus on integrated supportive housing. Jurisdictions have fewer soft financing options than in the past with recent federal and state level cuts to HOME, CDBG and state housing trust dollars and continue to lean heavily on the LIHTC to create housing developments. On one hand, this trend is positive – LIHTCs have a good track record of reliably producing quality housing that remains affordable for at least 15 years. Without an increase in the amount of tax credits available or other resources, however, the overall production of affordable housing will remain stagnant as the need continues to grow.

Two emerging trends that supportive housing developers should consider are how incentives for developments in Areas of Opportunity and integrated housing models work together. QAPs that have incentives for developments in Areas of Opportunity are not necessarily the same that have threshold requirements to incorporate supportive housing into new developments. For example, Massachusetts provides 8 points for developments that dedicate at least 15% of the units for individuals or households with special needs and/or persons with disabilities, but provides up to 14 points to projects located in Areas of Opportunities. In order to receive points within the Area of Opportunity category, at least 75% of the units have to be two or more bedrooms (unless the percentage is demonstrated to be infeasible or unsupported by public demand). The focus on family units could be at the reduction in the number of single, supportive housing units, reducing access to Areas of Opportunities for supportive housing tenants. For example, Virginia provides extra points to an application for an elderly-designated property or family property in census tracts with less than 10% poverty rate. This type of incentive does not necessarily support creating integrated developments.

Further, Areas of Opportunity tend to be higher-cost areas, making development more expensive in those areas. The higher cost can result in fewer units being developed in these areas. In addition, allocating agency per-unit cost limitations challenge developers' ability to create LIHTC units in Areas of Opportunity

In order to promote LIHTC developments in these areas without significantly reducing the number of units, states and cities may have to adjust per-unit cost limitations, find ways to blend other funding sources with the tax-credits, and/or increase operating subsidies for low-income households in these developments,.

Overall, QAPs are increasing incentives for integrated supportive housing and developing properties that incorporate services for residents. As these trends continue, it is important that developers and agencies understand how supportive housing changes a project's underwriting, design and property management. CSH offers a number of on-line materials and training that can help provide this information.

Further, it is critical for developers and allocating agencies to find ways to better incorporate supportive housing into properties being developed in Areas of Opportunity. Understanding the intersection of integrated housing and housing development in high opportunity areas is critical for credit agencies as they work toward complying with the *Olmstead* mandate and affirmatively furthering fair housing goals. Realizing that supportive housing development and locating LIHTC projects in Areas of Opportunities are not separate or competing goals is the first step to creating supportive housing for persons with disabilities or individuals who are homeless in high opportunity areas. Bringing together lead allocating agencies with Department of Human Services or Behavioral Health, Public Housing Authorities, Continuums of Care (CoCs), service providers and housing developers can help address some issues that may arise due to perceived or underlying assumptions.

SUMMARY OF 2014 QAP POLICIES AND FUNDING

Housing Credit Agency	Total allocation	Threshold	Supportive Housing Set-Asides	Supportive Housing Focused Scoring Incentives	PHA Incentives	Areas of Opportunity Incentives	Incentives for more than 1% Supportive Housing/Special Needs Units
Alabama	\$10,500,000				x		
Alaska	\$2,635,000	Projects with 20 or more units must set aside 5% of total units for a special needs population.		3 points for service enriched housing for tenants with physical and/or mental disabilities, or homeless persons.	x	x	x
				8 points to projects that designate at least 50% of units to special needs populations.			
				1 point to projects that give preference to homeless families/individuals.			
				10 points to projects that operate a job-training program for low/moderate-income tenants.			
Arizona	\$15,072,400		Set-aside for up to two Permanent Supportive Housing projects that total at least 60 units. Either two projects with a minimum of 30 units or one project with 60 units set aside for the chronically homeless with preference for veterans at 30% AMI and supported with Rental Assistance. (Approximately \$3,000,000)	HOPE VI scoring incentive.	x	x	x
				QAP awards a total of 10 points for enhanced supportive services.			
Arkansas	\$6,800,000			4 points for projects reserving 10% of tax credit units for special needs tenants.	x		
				8 points for projects reserving 25% of tax credit units for special needs tenants.			
				13 points for projects reserving 100% of tax credit units for special needs tenants.			

Housing Credit Agency	Total allocation	Threshold	Supportive Housing Set-Asides	Supportive Housing Focused Scoring Incentives	PHA Incentives	Areas of Opportunity Incentive	Incentives for more than 1% Supportive Housing/Special Needs Units
California	\$88,000,000		State also offers a 4% set-aside of annual authority for special needs/SRO projects. (\$3,520,000)	First Priority of non-profit set-aside is for projects with federal homeless funding. 10 points for SRO or special needs projects.	x		
Colorado	\$12,000,000			8 points to developments reserving at least 25% of units for homeless households.	x		x
Connecticut	\$8,000,000			6 points to projects that reserve at least 20% of total units for supportive housing	x		x
				5 points to designate 20% or more units for mixed income housing			
Delaware	\$2,635,000	5% of total units or 3 units must be set-aside for special populations.		3 points for the provision of social services	x	x	x
				5 points for setting aside 10% or 6 units for special populations			
District of Columbia	\$2,635,000	5% of total units applying under Unified RFP for PSH.	75% set-aside for special needs projects. (\$1,942,500)	Up to 20 points if development provides services for individuals with special needs for more than 30% of units.			
				20 points to any non-elderly development in which the greater of five units or 10% of units (i) provide federal project-based subsidies, (ii) conform to HUD regulations regarding Section 504, and (iii) are actively marketed to people with special needs.			
Housing Credit Agency	Total allocation	Threshold	Supportive Housing Set-Asides	Supportive Housing Focused Scoring Incentives	PHA Incentives	Areas of Opportunity Incentives	Incentives for more than 1% Supportive Housing/Special Needs Units
Florida	\$4,497,578			5% of credits allocated must serve persons with disabilities.	x		

Georgia	\$29,500,000			DCA will award 3 points to one project that presents an innovative project concept/design that addresses complex problems faced in providing housing opportunities for at-risk populations identified in an Integrated Housing setting.	x	x	
Guam	\$2,635,000			Preference for projects dedicating units to special tenant populations.			
				10 points for projects that set-aside at least 20% of units for tenant populations with special housing needs.			
Hawaii	\$3,229,324			2 points to developments that commit to serve tenant populations with special needs.			
Idaho	\$3,600,000			3 points to developments with 25% or 100% of the rent restricted units designed for disabled families.	x		
Illinois	\$28,500,000			10 points to developments that target more than 20% of units for extremely low-income (30% AMI or below).	x	x	
				7 points to developments that target 15-19.99% of units for extremely low-income (30% AMI or below) supportive housing population.			
				4 points are awarded to project that commit 10-14.99% of units.			
				2 points are awarded to project that commit 5-9.99% of units.			
				1 point is awarded to project that commit 4.99% or less of units.			
City of Chicago				Preference will be given to projects serving tenants at or below 30% AMI.			
Housing Credit Agency	Total allocation	Threshold	Supportive Housing Set-Asides	Supportive Housing Focused Scoring Incentives	PHA Incentives	Areas of Opportunity Incentives	Incentives for more than 1% Supportive Housing/Special Needs Units

Indiana	\$14,650,000	All projects must dedicate 10% of units to special needs populations.	10% set-aside for Housing First Developments that dedicate 10% of units or 10 units (whichever is greater) for persons with special needs. (\$1,465,000)	6 points to developments in which 18-30 % of total units charge rent at or below the 30% AMI rent point.			x	x
				8 points for providing services to PSH.				
Iowa	\$6,800,000	All projects must dedicate 10% of total project units to persons with disability.		35 points if 75% of units use HUD-VASH Vouchers.	x			x
				Up to 24 points for projects advancing the goals of DHS's Olmstead Plan				
Kansas	\$6,460,284	All projects must provide supportive services.		20 points to developments targeting 100% of units to tenants with special needs.	x			x
				45 points to developments that address homeless families and individuals or persons with disabilities.				
Kentucky	\$9,855,934		18.3% set-aside for Community Impact pools. (\$1,800,000)	25 points to Nonprofit Supportive Housing Projects that address how they will provide supportive services.	x			x
			29% set-aside for Nonprofit Supportive Housing projects. (2,875,000)					
Louisiana	\$10,200,000			5 points for developments that dedicate 20% of units for Special Needs Households.	x		x	x
				3 points for developments that have 10% of units for Special Needs Households				
				6 points if between 5% and 10% of units serve PSH households.				
Housing Credit Agency	Total allocation	Threshold	Supportive Housing Set-Asides	Supportive Housing Focused Scoring Incentives	PHA Incentives	Areas of Opportunity Incentives	Incentives for more than 1% Supportive Housing/Special Needs Units	
Maine	\$3,050,000	Resident Services Coordinator available to evaluate service needs and		2 points to developments that give preference to persons who are homeless, have mental/developmental disabilities, or persons with special needs for at least 20% of units.			x	

		provide referrals.					
Maryland	\$13,636,272	One of four allowed categories is Integrated Permanent Supportive Housing Opportunities (projects dedicating 10-25% to supportive housing).		Up to 14 points for projects dedicating units to households at or below 30% AMI.	x	x	x
				Up to 10 points to projects dedicating between 6% and 25% of units to people with disabilities or with special needs.			
				Up to 10 points to projects with additional services or operating fund committed.			
Massachusetts	\$15,286,131	All developments provide a narrative describing supportive services plan for tenants.		8 points to developments dedicating at least 15% of units for individuals or households with special needs and/or persons with disabilities		x	x
Michigan	\$22,000,000		25% of State's total credit ceiling will be set aside for PSH projects (which require 35% PSH tenants). (\$5,500,000)	1 point to projects that that serve the chronically homeless; 1 point to projects that serve homeless special needs populations.		x	
				3 points for supportive service funding commitment.			
				1 point for supportive housing projects that integrate a Housing First approach.			
Housing Credit Agency	Total allocation	Threshold	Supportive Housing Set-Asides	Supportive Housing Focused Scoring Incentives	PHA Incentives	Areas of Opportunity Incentives	Incentives for more than 1% Supportive Housing/Special Needs Units
Minnesota	\$12,000,000	Must meet one of five threshold housing types: 75% of units are		10 points for reserving 50 to 100% of units for households experiencing long-term homelessness. 7 points for dedicating 10 to 49.99% of units for households experiencing long term homelessness.		x	x

		SROs at 30% AMI, urban; percentage of units dedicated to persons with serious mental illness, etc.		3 points if 10% of units are set aside for persons with disabilities.			
				100 points for providing permanent housing units for households experiencing long-term homelessness. (Points will be awarded until \$1,922,000 is allocated, about 25% of total.)			
Mississippi	\$6,716,084	Must provide a minimum of two community services in at least two unrelated areas.	Set-aside of approximately 7% for committing 100% of units for elderly or 10-25% of units to persons with disabilities. (\$500,000)	10 points for developments that set-aside 10-25% to persons with disabilities	x		x
Missouri	\$13,500,000		Special needs housing priority: one project that commits 10% of units to special needs populations. (33% of federal and state credits, or approximately \$4,462,936)		x		
Montana	\$2,635,000			One point for each 5% of units targeting special needs tenants.		x	x
Nebraska	\$4,174,931		33% set aside for quality of life projects and provision or special needs housing. (Approximately \$1,353,000)	6 points for developments that serve Special Needs populations	x		x
				3 points to development with a services plan			
Nevada	\$6,350,000	All projects must compete in one of eight eligible project categories, in which 20% of units are set aside for populations such as persons with disabilities and PSH for persons/families that are		8 points to developments based on the number of supportive services available.			x
				7 points to project that sets aside the highest percentage of units for veterans			

Housing Credit Agency	Total allocation	Threshold	Supportive Housing Set-Asides	Supportive Housing Focused Scoring Incentives	PHA Incentives	Preservation Incentive	Incentives for more than 1% Supportive Housing/Special Needs Units
New Hampshire	\$2,971,615			5 points if Service Coordination is provided to all tenants, including annual assessments.	x		
				15 points if at least one member of each household is homeless or at risk of homelessness prior to tenancy.			
New Jersey	\$19,900,000		12.5% of annual authority for projects with 10 units or 25% of units for special needs housing. (\$2,493,166)	In Supportive Housing cycle: 5 points to developments that require social service plans, 2 points for providing education or job training, and 2 points for evidence of rental assistance funding commitments for all special needs units.	x	x	x
				In Family cycle: 5 points for provision of social services for the compliance period. One point is awarded per service offered.			
				Projects that rent five units or 5% of total project units, whichever is greater, to individuals or families who are disabled as well as leaving institutions under the Olmstead Decision, and meet the criteria of N.J.A.C. 5:80-33.12(c)14 shall receive two points.			
New Mexico	\$4,600,000			20 points to developments with at least 20% of units dedicated to special needs households.	x		x
				5 points to developments with at least 5% of units dedicated to special needs households.			

Housing Credit Agency	Total allocation	Threshold	Supportive Housing Set-Asides	Supportive Housing Focused Scoring Incentives	PHA Incentives	Areas of Opportunity Incentives	Incentives for more than 1% Supportive Housing/Special Needs Units
New York	\$44,033,087			<p>DHCR:</p> <p>5 points for preference in tenant selection to 15% or more of units dedicated to special needs households.</p>	x		x
				<p>Supportive housing shall mean projects that give preference in tenant selection to persons with special needs for at least 30% of the LIHTC-assisted units.</p>			
				<p>HFA:</p> <p>15 points to developments with at significant amount of units serving tenant populations with special housing needs.</p>			
			<p>HPD:</p> <p>30% of annual allocation set aside for PSH projects where 60% of units set-aside for homeless single adults.</p>	<p>HPD:</p> <p>1. Up to 23 points for projects offering PSH for homeless households for 10% or more of units.</p> <p>2. Up to 23 points for dedicating 35% or more of units for special needs populations.</p>	x		x
North Carolina	\$22,000,000	All non-senior must dedicate 10% of units for persons with disabilities or homeless populations.		5 points to developments in which at least 25% of qualified units are affordable to and occupied by households with incomes at or below 30% of county median income.	x	x	
North Dakota	\$2,635,000			5, 8 or 11 points to developments in which 10%, 15% or 15% or more respectively of units are dedicated and rented to persons with special needs.			x
Northern Mariana Islands	\$2,635,000			3 points to projects that dedicate at least 20% of units to tenants with special housing needs.	x		

Housing Credit Agency	Total allocation	Threshold	Supportive Housing Set-Asides	Supportive Housing Focused Scoring Incentives	PHA Incentives	Preservation Incentive	Incentives for more than 1% Supportive Housing/Special Needs Units
Ohio	\$26,551,717		About 15% of annual authority set-aside for projects with at least 50% PSH. (\$4,000,000)	Ranking categories in the PSH set-aside were replaced in 2013 with scoring incentives including having a community outreach strategy, location, and median income of the area.		x	x
Oklahoma	\$8,700,000			5 points to developments dedicating at least 10% of the total residential units with rents set at 50% or less of the allowable Credit for special needs households.			x
Oregon	\$8,899,217			Up to 30 points for project need. Projects receive points for need based on a number of categories, including data showing demand for housing dedicated to special needs populations and services.	x	x	
				Up to 70 points for impact of project. Projects receive points for impact based on a number of categories, including dedicating units to special needs populations, proving permanent supportive housing, including deliberate mechanisms to support resident health and stability, or being part of a 10 year plan.			
Pennsylvania	\$28,671,956	All projects must dedicate 10% of units for Urban Areas and 5% for Suburban Areas to persons at or below 20% AML.	Two projects set aside for supportive housing. At least 25% of units required for 20 units or fewer, or 15-25% of units required for greater than 20 units. (Roughly \$900,000)	10 points for providing service-enriched housing for special needs households.	x	x	
Puerto Rico	\$8,250,939			75 points to Special Housing Needs Projects.	x		
Housing Credit Agency	Total allocation	Threshold	Supportive Housing Set-Asides	Supportive Housing Focused Scoring Incentives	PHA Incentives	Areas of Opportunity Incentives	Incentives for more than 1% Supportive Housing/Special Needs Units

Rhode Island	\$2,635,000			State does not use point system, but under comparative review, state gives priority to projects responsive to housing needs, including special needs.		x	
South Carolina	\$10,682,377			5 points given to developments that dedicate a minimum of 10% of total units for disabled and special needs tenants.	x		
South Dakota	\$2,650,000			25 points to developments providing verifiable services to tenants.	x		
Tennessee	\$14,300,000		Up to 10% of the state tax credit allocations for developments serving at least 35% of units to people with disabilities, or 100% of units to formerly homeless households. (\$1,430,000)		x		x
Texas	\$58,633,207			10 points to developments and 11 points to PSH developments that provide a combination of appropriate supportive services for proposed tenants.		x	x
				Supportive housing developments will start with a base score of 5 points.			
				4 points to developments in which at least 5% of the units are set aside for persons with special needs.			
Utah	\$6,400,000			Up to 10 points for dedicating up to 10 units for homeless households at 25% AMI tenants.	x		
				10 points for serving other special needs individuals.			
Vermont	\$2,650,000			Top tier priorities are developments that provide family housing and incorporate a majority of special needs populations and provide service-enriched housing.	x		
Housing Credit Agency	Total allocation	Threshold	Supportive Housing Set-Asides	Supportive Housing Focused Scoring Incentives	PHA Incentives	Areas of Opportunity Incentives	Incentives for more than 1% Supportive Housing/Special Needs Units

Virgin Islands	\$2,635,000			Among the state's priorities are non-family units, including SRO projects.	x		
Virginia	\$18,418,200			50 points to developments in which the greater of 5 units or 10% of units provide rental subsidies to extremely low-income persons and are actively marketed to people with special needs.	x	x	x
				A separate non-competitive pool is available for projects dedicating 50% (or up to 25% if 811 vouchers are used) to non-elderly disabled people that provide rent subsidies or for extremely low-income persons, and are accessible.			
Washington	\$15,863,127			35 points to developments that reserve a minimum of 75% of units as Supportive Housing for the Homeless.			
				Up to 10 points to developments that dedicate 20% of units for housing persons with disabilities.			
				10 points for developments committing to dedicate a minimum of 20% of total units for permanent supportive housing for homeless.			
West Virginia	\$4,267,449			25 points to developments that commit at least 25% of rental units to tenant populations with special housing needs.	x		
				25 points to developments intending to provide supportive services to at least 50% of units for individuals/families who are homeless.			
Wisconsin	\$12,884,395		10% of state housing per-capita credit reserved for developments that provide at least 50% of units to homeless and provide supportive services.	QAP awards 15 points to application under the supportive housing set-aside who encourage service in delivery in an integrated setting.		x	
Wyoming	\$2,635,000			2 points to developments with a minimum of 4% of units set aside for transitioning homeless households.	x		

Summary of 2014 Low Income Housing Tax Credit Policies Encouraging Permanent Supportive Housing

Note: Criteria that are new or revised in 2014 are marked in **bold**.

Alabama (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria and Set-Asides

None.

Scoring Incentives

QAP awards maximum of 5 points will be given to projects, which have a commitment for additional subsidies from the Federal Home Loan Bank for Affordable Housing Program (AHP) funds (AHP funds must be in the form of a grant from Federal Home Loan Bank), HOPE VI funds, HOME funds (AHFA's HOME funds do not qualify), USDA Rural Development 515 funds, CDBG, CDBG, CDBG Disaster Funds **administered from Alabama Department Economic Development**, Neighborhood Stabilization Program funds, Capital Fund Program Grant, Replacement Housing Factor Fund Grant, CHOICE Neighborhood funds, Promised Neighborhood funds, and HUD's Economic Development Initiative program funds funded through the Community Development funds. **(Note: Weatherization Program funds were removed in 2014)** The commitment must be a fully executed firm commitment from the applicable entity that will be granting the funds to project. To qualify for points for receiving additional subsidies (meeting the above criteria), if the funds are loaned (required repayment) or granted to the project, at least 50% of the total amount of funds committed for points must remain as a permanent source of funds. The points are awarded as follows:

- **5 points - \$10,001 + per unit**
- **4 points - \$8,001 – 10,000 per unit**
- **3 points - \$6,001 – 8,000 per unit**
- **2 points - \$4,000 - \$6,000 per unit**

5 points will be given for the rehabilitation of an existing AHFA HOME funded project. The proposed project must have paid 100% of the HOME loan (principal and interest) by the maturity date or have paid 30% or more of the HOME loan (principal and interest) and have been approved by AHFA for an extension of the outstanding HOME balance. (Note: New to 2014 QAP)

Other Policies

1 point will be given to projects targeting low-income families (individuals with children) with a minimum of 15% of the units having three or more bedrooms.

1 point will be given to projects have committed in writing to target households on the public housing

waiting list.

Extended Low-Income Use: All projects must commit in writing to extend the Housing Credits low-income set-aside an additional five (5) years beyond the fifteen (15) year compliance period to twenty (20) years. Therefore, projects will not be allowed to enter into a Qualified Contract until after the 20th year of the extended low-income use is complete, unless approved in writing by AHFA as part of the Qualified Contract process. (Note: Not new to 2014 QAP, but new to CSH Report).

Project is exempt from a requirement that projects must not be located within a two mile radius of an AHFA project approved in the 2012 or 2013 cycle, if applications contain financing through HUD's HOPE VI, Choice Neighborhood, Replacement Housing Factor funds, Capital Fund Program funds and Promise Neighborhood. (Note: Not new to 2014 QAP, but new to CSH Report).

Developer Experience

A maximum of 10 points will be given to owners who have previous successful experience in the development of multifamily housing or applicants who have sound experience as managing agents of low-income housing. The amount of points will depend on the amount of units or projects:

- **10 points (1000+ units or 10+ projects)**
- **9 points (700 - 999 units or 7 - 9 projects)**
- **6 points (400 - 699 units or 4 - 6 projects)**
- **3 points (100 - 399 units or 1 - 3 projects)**

(Note: Point system changed in 2014)

Alaska (2014 GOAL Program Rating and Award Criteria Plan/QAP)

The Alaska Housing Finance Corporation publishes their Qualified Allocation Plan as part of the Greater Opportunities for Affordable Living (GOAL) Program's Rating and Award Criteria Plan. The GOAL program includes Low-Income Housing Tax Credits, HOME Investment Partnerships Program (HOME), and Senior Citizens Housing Development Fund (SCHDF). Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with threshold requirements and potential competitive scoring advantages.

Threshold Criteria

For all projects with 20 or more units, 5% of total units (fractional units round down) must be set aside for a "special needs" population that is not required to be served as a condition of the funding source requested. Special needs populations for this section are defined as: households with persons with mental or physical disabilities, the homeless and persons earning less than 30% of the median income for their area.

All projects with 5 or more units must provide a minimum of 5% of the total unit count (fractional units rounded up), specifically equipped for persons with physical disabilities. All projects with 5 or more units must provide a minimum of 2% of the total unit count (fractional units rounded up), equipped for persons with sensory impairments. Separate units must satisfy these threshold conditions. Consequently, in a six-unit project at least one unit will need to be equipped for physical disabilities and a separate unit will also need to be equipped for persons with sensory impairments.

Set-Asides

Project Based Rental Assistance Projects: There will be a set-aside of 1/4th of the available low income housing tax credits in the first round of annual funding for these set-aside projects in the GOAL program. Projects qualifying under this set-aside must have at least 50% of the total units in the project assisted by project-based rental assistance through a multi-year Housing Assistance Payment contract (or equivalent) by an independent state or federal program (i.e. USDA Section 515, HUD Section 8, etc.). LIHTC awards under this set-aside will only be offered if the set-aside amount will generate enough LIHTC proceeds to establish feasibility, based on the sources and uses identified in the underwriting analysis. If this set-aside will not generate enough equity to provide feasible development (based on the award review), the set-aside amount will not be offered and will instead be re-allocated. In years where AHFC uses a portion of the state tax credit cap to engage in demonstration projects, this set-aside level will be re-evaluated by staff and may be adjusted downward. (Note: Modified set-aside in 2014 GOAL Plan/QAP; New to 2014 CSH Report)

Scoring Incentives

QAP awards up to 5 points for provision of units equipped for persons with physical disabilities. Points are based on the number of units equipped in excess of the minimum threshold requirement for GOAL program funding and that exceed the minimum number required by federal Fair Housing law, state or local law, or specific program requirements.

QAP awards 3 points for service-enriched housing, which incorporates substantive social services, which are appropriate to the tenant population, on an ongoing basis. Points are only available if households with physical and/or mental disabilities or homeless persons will be served by the proposed project.

QAP awards **up to 12 points (increased from 10 points to 12 points in 2014 GOAL Plan/QAP)** to projects that serve the lowest income tenants. Points will be awarded for targeting up to **60% of the project's households (increased from 50% to 60% in 2014 GOAL Plan/QAP)** at or below 50% of the area median gross income (AMGI) beyond the level required by the most restrictive funding source in the project budget. Points can be gained in this category by either 1) adding additional set-aside units at or below 50% AMGI, and/or 2) converting already required 50% AMGI set-asides into 30% AMGI units.

One point will be awarded to applications that commit the project to an extended low-income use equaling 30 years. An extended use agreement or other similar agreement, as determined to be appropriate by AHFC, is required.

QAP awards **8 points (increased from 5 points to 8 points in 2014 GOAL Plan/QAP)** to projects which serve special needs projects committing additional units (up to 50% of the project) to special needs populations above those commitments already required by their funding sources and the GOAL program.

QAP awards **1 point (reduced from 3 points in 2014 GOAL Plan/QAP)** to projects giving a preference to homeless families or individuals in the tenant selection process.

QAP awards a maximum of 5 points to projects based on the availability of larger units (three or more bedrooms) for households with children. Points are calculated according to the following rating scale: Percentage (%) of total Units with 3 or more bedrooms X 5 points. **Example:** A 10-unit project in which 8 of the project's units contained three, four or five bedroom units and the remaining units were efficiencies

or one- bedroom units would receive 4 points (80% X 5 points).

QAP awards **8 points** for a Project Mix. For projects that are located in a census tract where 51% or more of the households have income greater than the Area Median Gross Income, projects receive the maximum 8 points if they commit **80% (reduced from 100% in 2014 GOAL Plan/QAP)** of their units to low-income tenants. Projects receive 6 points for 75% low-income units (**reduced from 90%**) ; 4 points for 70% low-income units (**reduced from 80%**); and 2 points for **65% low-income units (reduced from 70%)**. **Projects located in a census tract where at least 40% of the households but less than 51% of households have income greater than the Area Median Gross Income. Projects receive 4 points for 80% low-income units; 3 points for 75% low-income units; 2 points for 70% low-income units; and 1 point for 65% of units.**

Projects located in a census tract where at least 20% of the households have income less than 30% the Area Median Gross Income, receive the maximum 8 points if they commit 80% of all units to be above market-rate units. Projects receive 7 points if 60% of units are above market rate; 6 points if 40% of units are above market rate; and 5 points if 20% of units are above market rate. (Note: Project Mix criteria amended in the 2014 GOAL Plan/QAP)

QAP awards 4 additional points as a Project Mix Bonus. Regardless of the census tract income: if at least 20% of the units are unrestricted by income and the remainder are income restricted OR if at least 20% of the units are restricted by income and the remainder are unrestricted by income. (Note: New to 2014 GOAL Plan/QAP)

QAP awards 1 point to applications that contain a written commitment to give priority to households on waiting lists for subsidized housing. (Note: New to 2014 GOAL Plan/QAP)

QAP awards 2 points to projects that contain a written commitment to giving a preference in the tenant selection criteria to households containing a veteran. (Note: New to 2014 GOAL Plan/QAP)

QAP awards up to **6 points (Note: Reduced from 10 points in 2014 GOAL Program/QAP)** to applicants committing to operate a job-training program targeting low- and moderate-income families during project construction. Applicants must provide letters of financial commitment for program operation, and signed memoranda of agreement among the project owner, the contractor, the training organization, and any other parties involved. Trainees must be prepared for meaningful employment opportunities upon program completion. No points will be awarded under this category without firm written commitments, and a detailed summary of the program which specifies the goals and objectives for the program, the number of training positions, the target group of people, how the program will be funded, the skills learned by the trainees, the duration of the training and what future employment opportunities will be available to trainees. **QAP awards 1 point for each individual being provided on-the-job training during the project development. An additional two points will be earned for classroom training that includes at least 20 hours of instruction for at least two individuals. Classroom training must be delivered to the persons who will receive the on-the-job training.**

Other Policies

Projects that have extremely low-income tenant targeting are eligible for a Discretionary

Basis Boost. The projects must not receive project-based operating subsidy, and must meet the following conditions:

- The annually projected per-unit operating expenses of the project equal or exceed 90% of rents allowed for households at or below 30% of the area median income, and
- At least 30% of the residential units in the property will be reserved for households at 30% or below the area median income, and
- The increased equity from the basis boost will be set-aside in a controlled reserve account to be used to cover the gap during the compliance and extended use period between the lesser of (1) the 30% rent limit and the 60% rent limit, or (2) the 30% rent limit and the Fair Market Rent (as determined by HUD), and
- The controlled reserve account will be jointly controlled by the project owner and AHFC.

(Note: New to 2014 GOAL Plan/QAP)

The State of Alaska priorities include projects that target “special needs populations” (i.e. persons who experience mental or physical disabilities, homeless persons, and families whose income does not exceed 30% of the area median income, adjusted for family size).

A “Special Needs” person or family consists of one or more of the following:

- Persons with a mental or physical disability;
- Persons/families whose annual income does not exceed 30% of the area median income, as determined by HUD, adjusted for family size.
- Homeless persons (may include persons “overcrowded” as defined by AHFC)

LIHTC and HOME funded projects may not refuse to lease to a holder of a certificate of family participation under the Section 8 Existing Voucher Program (Housing Choice Voucher) or to a holder of a comparable document evidencing participation in a HOME tenant-based assistance program because of the status of the prospective tenant as a holder of such certificate, voucher, or comparable HOME tenant-based assistance document.

Developer Experience

Developers must have a minimum of three years of successful development experience within the past ten years. Two years of this experience must involve projects using the requested sources.

Arizona (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle, or, if qualified, within the set-aside category described below.

Threshold Criteria

None.

Set-Asides

Note: In 2014 the Arizona Department of Housing (ADOH) changed the language of the permanent supportive housing set aside. The 2013 set-aside required two permanent

supportive housing projects, while the new language provides for one or two projects that total in 60 units. The 2014 set aside eliminated a project with a minimum of 25% of units set aside for Chronically Homeless individuals and/or Chronically Homeless families both with earnings of 30% AMI, adjusted by family size and supported with Rental Assistance.

ADOH sets aside **up to two** projects totaling at least sixty (60) units of Permanent Supportive Housing for Chronically Homeless, either:

Projects that have a minimum of 30 units set aside for chronically homeless individuals with a preference for veterans. Rents shall be designated at thirty percent (30%) AMI and supported with Rental Assistance.

Or

One project with 60 units set -side for Chronically Homeless people with a preference for veterans. Rents shall be designated at 30% AMI and supported with Rental Assistance.

Projects applying for the permanent supportive housing set-aside project are expected to have a Housing First model with supportive services. Permanent supportive housing is defined as housing that centers on providing Chronically Homeless people or families with housing quickly and then providing supportive services and employment that target the specific needs of the individual. Services provided through permanent supportive housing can include, but are not limited to, health care, substance abuse treatment, mental health treatment, employment counseling, supported employment, connections with mainstream benefits like Medicaid and others.

Requirements for Permanent Supportive Housing Project (PSHP):

- A minimum of 30 housing units of the project must be dedicated to chronically homeless individuals at 30% AMGI. Highest priority in this set- aside will be given to PSHP that meet the requirements stated herein and have the most housing units dedicated to **chronically homeless people**.
- Documented support for the Project from the Local Government in which the Project is located.
- Adequate financial support must be in place in order for the Project to be viable. Residents of a Housing First project are charged 30% of their income, if any, for rent. Therefore, adequate financial support must be demonstrated. In most cases, some type of rental assistance would be required. **Adequate rental support must be demonstrated at Application by documentation of privately funded assistance and/or a letter from the Local Government stating 1) availability of vouchers 2) Annual Housing Plan defining process for project-basing vouchers, and 3) targeted population. Rental Assistance must be shown in the Rental Analysis Worksheet in Form 3. A Rental Assistance contract, confirming the commitment to provide Rental Assistance to the PSHP, shall be submitted to the AZ Department of Housing (ADOH) at equity underwriting and approved by ADOH.**
- **Supportive Services provider must provide a Supportive Services plan as outlined in Exhibit N** and demonstrate proven capacity and experience to serve Chronically Homeless people.
- **The PSHP must meet minimum** architectural requirements of the Housing First model such as, a secured single point of entry to the building, community room spaces and offices for supportive

services commensurate to the number of units. **Other requirements include overflow drains and similar features that create a safe living environment.**

- A preference for veterans must include: (1) a commitment to make available case management services to address the bio- psycho- social needs of tenants including connection to veteran specific services and resources as part of its Supportive Services plan and (2) a veteran- specific outreach plan. The service provider listed in the Supportive Services plan must have a minimum of two years' experience providing the required services stated in this paragraph. Developments with project- based HUD VASH vouchers will be considered as having met this standard because HUD VASH includes Veterans Administration provided case management Services. Otherwise, these services must be clearly described in the Supportive Service Plan. Letters of support and collaboration from the nearest Veterans Administration Hospital or community based outreach clinic and the Arizona Department of Veterans Services are required to demonstrate coordination of veteran- specific resources and services.

Scoring Incentives

QAP awards 10 points for HOPE VI or Rental Assistance Demonstration (RAD) transactions, as evidenced by a copy of the approval letter from HUD.

Households with Children: 5 points are available to Projects in which 30% of the total Units are offered on a preferential basis to households with children and of which 30% of the total Units are three or four bedroom units. Applicant must provide a description of the Project's specific design elements and facility programs that serve the needs of individuals with children. Additional points are available to Applicants who offer the following services.

QAP awards the following under the category of Occupancy Preferences:

- Childcare center is located at or within **1 mile** straight line radius of Project: 2 points
- On- site, **or contiguous and accessible to the project**, before/after school program: 1.5 points
- On- site, **or contiguous and accessible to the project**, computer training every two months: 0.5 points
- On- site job training, **or contiguous and accessible to the project**, search assistance and/or placement every two months: 0.5 points
- On- site, **or contiguous and accessible to the project**. quarterly credit and financial counseling/education: 0.5 points
- On-site assistance with case management services: 5 points.

QAP awards 10 points for providing enhanced supportive services. Projects must have a Developer or Non-Profit Organization, who is a Developer, contracts with an Arizona-based Non-Profit Organization, government or tribal entity qualified to provide enhanced supportive services to a Project. Enhanced supportive services are supportive services that are beyond the services provided to residents. Applicant must make a resident services coordinator available a minimum of 40 hours a month on site to evaluate service needs and refer residents to the appropriate services throughout the Compliance Period. Applicants must submit a detailed service plan that describes the services offered, outlines the experience and training of the proposed residence services coordinator, identifies where the services will be provided and includes a

services budget that identifies funding sources. ADOH will determine if the Non-Profit organization is qualified, in its reasonable judgment, to offer the supportive services.

The detailed service plan must include a description of the appropriateness of the services and how services will be administered by Project management. The plans should be structured such that the anticipated outcomes of the plans are:

- (1) To provide residents the opportunity to access appropriate services which promote self-sufficiency, maintain independent living, and support positive life choices; and
- (2) To effectively maintain the fiscal and physical viability of the Project by incorporating the Supportive Services into the ongoing management appropriate services which address resident issues. **(Note: Not new to 2014 QAP, new to CSH Report)**

Acquisition/Rehab Projects can receive an additional 1 point for being a Historic Preservation Project.

Other Policies

QAP establishes occupancy preferences, one of which is veteran's projects. This applies to applicants proposing Projects in which 50% of the Project will serve single adult veterans; with a minimum of 25 units set aside to serve the target population must offer Supportive Services. The QAP awards ten points for these projects. The Supportive Services must include: (1) a commitment to make available case management services to address the bio- psycho- social needs of tenants including connection to veteran-specific services and resources as part of its Supportive Services plan and (2) a veteran- specific outreach plan. The service provider listed in the Supportive Services plan must have a minimum of two years' experience providing the required services stated in this paragraph. Developments with project- based HUD VASH vouchers will be considered as having met this standard because HUD VASH includes Veterans Administration provided case management Services. Otherwise, these services must be clearly described in the Supportive Service Plan. Letters of support and collaboration from the nearest Veterans Administration Hospital or community based outreach clinic and the Arizona Department of Veterans Services are required to demonstrate coordination of veteran- specific resources and services

Specific goals of ADOH in allocation Tax Credits, include making Tax Credit funding available to projects serving low-income populations – including families with children, homeless persons, veterans, and Older Person citizens.

ADOH established general goals for allocation Tax Credits, including to encourage development and preservation of appropriate rental housing for people and families that need governmental assistance to find and maintain suitable, habitable, and affordable rental housing in the private marketplace. **(Note: Not new to 2014 QAP, but new to CSH Report)**

Developer Experience

QAP awards 10 points for developers with experience in at least five tax credit projects. QAP also awards eight, six, four, and two points for developers who have completed four, three, two, and one tax credit project(s) respectively.

Arkansas (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application

cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria and Set-Asides

None.

Scoring Incentives

QAP awards up to 13 points for development of special needs housing, including SRO, transitional housing for the homeless and supportive housing for disabled persons (see requirements below), and supportive housing for disabled persons. Points are also granted for the development of housing for large families (3 bedrooms or larger). Points depend on percentage of units targeted to special needs populations, with 100% tax credit units earning 13 points, 25% earning 8 points, and 10% (minimum 3 units) earning 4 points.

QAP awards up to 5 points to developments if support services are provided by tax-exempt organizations. To receive points, an authorized official of each tax-exempt organization involved must provide a signed acknowledgement of participation describing the supportive services offered. The acknowledgement shall state that the organization's charter or by-laws authorize the service(s) to be provided; describe how the services provided are appropriate for the development's tenants; state that the services will be provided at no cost to tenants; and state that the services will be provided at least quarterly at the development site. Also, the applicant must submit a statement that provides the following: (i) quarterly notice of the proposed services will be provided to the tenants; (ii) a verification of the provision of the services; and (iii) a copy of the Articles of Incorporation/Charter and By-Laws of the service provider.

QAP awards 10 points if a CHDO is part of the ownership structure of Applicant, and the Applicant is requesting HOME CHDO funds. The CHDO must be an existing CHDO certified by ADFA, i.e., application cannot be made for CHDO certification simultaneously with the application for tax credits. The application for CHDO certification must not be pending with ADFA.

QAP awards 3 bonus points to developments serving the lowest income group possible. Special priority is given to developments with units for households with 30% or less of AML. The number of units must be at least 5% of total units.

QAP awards 8 points to applicants with a commitment letter for funding or assistance from USDA Rural Development or HUD (**Note: 2014 QAP removed point structure attached to the length of project-based rental assistance contracts**)

QAP awards 1 point for public housing waiting lists indicating need for additional affordable housing. (**Note: Not new to 2014 QAP, new to CSH Report**)

Other Policies

To earn points for supporting housing for disabled persons, applicant shall submit a statement: (a) describing the design and construction of the development that will meet the needs of the disabled population served; (b) describing the on-site support services that will meet the needs of the disabled population served; (c) indicating the supportive services will be optional to the disabled population served. Also, the proposed service provider will submit a statement describing: (a) the disabled population to be served; (b) the needs of the disabled population to be served; and (c) the service, with the frequency of its provision, to be provided to the disabled population to be served.

Any market study submitted in support of an application for housing intended for the use of person with disabilities must address the housing needs of the targeted disabled population in the primary market area. The applicant must also include a marketing plan specifically designed to reach the proposed targeted disabled population.

“Assisted Living housing” is defined as a combination of housing, supportive services, personalized assistance and health care designed to respond to the individual needs of those who help with activities of daily living in a way that promotes independence for each resident. Supportive services are available 24 hours per day to meet scheduled and unscheduled needs of each resident. The per unit cost for Assisted Living projects (\$164,000) is higher than new multi-family (\$138,000) or acquisition/rehabilitation projects (\$120,000). **(Note: Not new to 2014 QAP, new to CSH Report)**

Rental assistance contract: All applicants proposing a development that has been approved for project-based rental assistance shall submit a copy of the executed rental assistance contract if available and documentation of the most recently approved amount of rent to be charged. For HUD Section 8 supported developments, in the event that HUD or Rural Development anticipates granting a waiver, or other process, whereby HUD or RD has agreed to underwrite an existing HUD or RD-assisted development based upon rents that it has agreed will be charged after rehabilitation and rental assistance amounts that it has agreed to provide after rehabilitation. ADFA may also underwrite such proposed development based upon such rents and rental assistance. It is within ADFA’s sole discretion, on an application by application basis, to determine whether utilization of such future rents and rental assistance in its underwriting is reasonable and appropriate. **(Note: Not new to 2014 QAP, new to CSH Report)**

Developer Experience

Each development team member shall submit a cover letter describing its participation in the development along with a copy of its resume listing qualifications, experience, previous experience with the low-income housing tax credit program, address and telephone number. The General Contractor/Builder, Architect, and Engineer must be licensed to conduct business in Arkansas. If the applicant does not have the minimum required experience, a consultant or developer with the minimum required experience shall be a member of the development team. The consultant or developer’s participation letter, resume and summary page specifically describing its role in the development shall be included.

“Minimum required experience” is met when either the applicant, consultant, or developer held that position on a previous development that received a reservation of Housing Credits from ADFA and whose owner was issued IRS Form 8609(s).

Capacity Standard: It is within ADFA’s sole discretion to evaluate the capacity of any development team member to undertake performance on any development. A determination by ADFA that any development team member does not have the capacity to undertake performance on any development may result in a disqualification of the application.

District of Columbia (2012 QAP, Used in 2014)

Note: In 2014, the District of Columbia Department of Housing and Community Development (DHCD) added a 5% supportive housing threshold to the Consolidated Request for Proposals (RFP). The RFP states: The District of Columbia Housing Authority

funds are available to provide rental subsidies designated preferably to permanent supportive housing units receiving funding from DHCD in this round. The Department of Human Services funds are available to provide supportive services designated to permanent supportive housing units receiving funding from DHCD in this round. New construction projects must allocate at least 5% of the units to provide permanent supportive housing. A Resident Service Plan must be included with applications which will provide permanent supportive housing (except for DBH units). DHCD has a priority to provide supportive housing for special populations for special populations, include low-income disabled and/or elderly households requiring supported living environments and permanent supportive housing opportunities, linked with on- or off-site supportive services, for individuals and families with special needs (for example: households that are experiencing or at risk of homeless and/or living with HIV/AIDS.

2012 Qualified Allocation Plan

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria

None.

Set-Asides

District of Columbia Department of Housing and Community Development (DHCD) has three set-asides: non-profit set aside (10%), special needs (up to 75%), and Director's Special Initiative Programs (up to 25%).

Scoring Incentives

DHCD awards up to 20 points if the development provides services for individuals with special needs. Services may include wrap-around services for activities of daily living, substance abuse counseling, mentoring programs, access to primary healthcare, educational programs, or job training and search service. The service plan must be submitted with the application. Points will be awarded based on how comprehensive, feasible, and appropriate for the population the services are. Two points will be given for each service for a total of 20 points.

Points will be given for the percentage of units dedicated to seniors or special needs consumers:

- More than 30% of the units: 10 points
- 20 to 30% of the units: 8 points
- 10 to 19% of the units: 6 points
- 5 to 9% of the units: 4 Points
- 1 to 4% of the units: 2 Points

DHCD awards 20 points to any non-elderly development in which the greater of five units or 10% of the units (i) provide federal project-based rent subsidies or equivalent assistance in order to ensure occupancy by extremely low-income persons; (ii) conform to HUD regulations interpreting the accessibility requirements of Section 504 of the Rehabilitation Act; and (iii) are actively marketed to people with special needs in accordance with a plan submitted as part of the Application for credits.

Other Policies

DHCD awards up to 10 points for each percentage point of housing units in the proposed development which are restricted to rents at or below 40% of the AMGI.

Developer Experience

DHCD awards 10 points if evidence attached with the PPC and IRS Form 8609 shows that the principal or principals, as a group or individually, for the proposed development have developed at least one tax credit development that contains at least the number of housing units in the proposed development (can include market units).

DHCD awards 20 points if evidence attached with the PPC and IRS Form 8609 shows that the principal or principals, as a group or individually, for the proposed development have developed, as controlling general partner or managing member, (i) at least three tax credit developments that contain at least 3x the number of housing units in the proposed development or (ii) at least six tax credit developments that contain at least the number of housing units in the proposed development.

California (2014 QAP)

Supportive housing developments are an eligible use of the Credit. To qualify for Credits, applicants must select and compete in one of the following categories: Large Family; Single Room Occupancy; At-Risk; Special Needs; or Seniors. If qualified, such projects may compete on a priority basis for available nonprofit set-aside Credits or within a special needs/SRO set-aside. In addition, such projects have potential competitive scoring advantages.

Threshold Criteria

None.

Set-Asides

QAP has a nonprofit set-aside (10% of the Federal Credit Ceiling). Within the non-profit set-aside, first-priority in each funding round is given to projects providing housing to homeless households. First priority under this provision is for projects with committed McKinney Act or Mental Health Services Act (MHSA)

(Note: Changed from State Supportive Housing Program funding in 2014 Regulations).

Second priority is for projects with rental or operating assistance funding commitments from federal, state, or local governmental funding sources. The rental assistance must be sponsor-based or project-based and the remaining term of the project-based assistance contract shall be no less than one year and shall apply to no less than 50% of proposed units. Third priority is for other qualified homeless apportionment projects.

To compete as a homeless assistance project, at least 50% of the units within the project must be designated for homeless households, defined as **individuals/families that lack a fixed, regular, and adequate nighttime residence. Qualifying households include individuals/families who:**

- **Have a primary nighttime resident that is a public/private place not meant for human habitation.**
- **Are living in a publicly/private operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, and local**

government programs); or

- **Are exiting an institution where they have resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering into institution.**

(Note: Modified in 2014 Regulations)

QAP includes a special needs/SRO set-aside in the amount of 4% of the federal Credit ceiling for the calendar year. Any proposed homeless assistance project that applies and is eligible under the nonprofit set-aside but is not funded is eligible for consideration under this special needs/SRO set-aside.

To be eligible for Credits, all applicants must select and compete in one of five categories (large family, seniors, single room occupancy, special needs, and at-risk). The agency will attempt to fund Credit awards in each funding round in the approximate following percentages: 65% Large Family, 15% Single Room Occupancy, 5% “At-Risk”, 15% Special Needs, and 15% Seniors.

Scoring Incentives

QAP awards 10 points to single room occupancy and special needs projects.

QAP awards up to 50 points to developments targeting units at 50% AMI level.

QAP awards an additional two points to developments that agree to have at least 10% of units available for tenants with incomes no greater than 30% of AMI, and to restrict the rents on those units accordingly.

QAP awards 10 points for projects that provide high-quality services designed to improve the quality of life for tenants. Services must be appropriate to meet the needs of the tenant population served and designed to generate positive changes in the lives of tenants, such as by increasing tenant knowledge of and access to available services, helping tenants maintain stability and prevent eviction, building life skills, increasing household income and assets, increasing health and wellbeing, or improving the educational success of children and youth. Physical space for service amenities must be available when the development is placed-in-service, with noted exceptions. Service space must be located inside the project and provide sufficient square footage, accessibility and privacy to accommodate the proposed services. The amenities must be available within six months of the project’s placed-in-service date. Services must be committed for 10 years.

All services must be of a regular and ongoing nature and provided to tenants free of charge (except for day care services or any charges required by law). Services must be provided on-site except that projects may use off-site services within 1/2 mile of the development provided that they have a written agreement with the service provider enabling the development’s tenants to use the services free of charge (except for day care and any charges required by law) and that demonstrate that provision of on-site services would be duplicative. All organizations providing services for which the project is claiming service amenities points must have at least 24 months experience providing services to one of the target populations.

For Special Needs and SRO projects, amenities may include, but are not limited to:

- Service Coordinator or Other Services Specialist: Service coordinator responsibilities shall include, but are not limited to: (a) providing tenants with information about available services in the community, (b) assisting tenants to access services through referral and advocacy, and (c) organizing community-

building and/or other enrichment activities for tenants (such as holiday events, tenant council, etc.). Other services specialist must provide individualized assistance, counseling and/or advocacy to tenants, such as to assist them to access education, secure employment, secure benefits, gain skills or improve health and wellness. Includes, but is not limited to: Vocational/Employment Counselor, ADL or Supported Living Specialist, Substance Abuse or Mental Health Counselor, Peer Counselor, Domestic Violence Counselor.

- Ratio of one FTE service coordinator or specialist to **600 bedrooms (Note: Increased from 360 in 2014 Regulations)**: five points
- Ratio of one FTE service coordinator or specialist to **1,000 bedrooms (Note: Increased from 600 in 2014 Regulations)**: three points
- Case Manager: Responsibilities must include (but are not limited to) working with tenants to develop and implement an individualized service plan, goal plan or independent living plan.
 - Ratio of one FTE case manager to 100 bedrooms: 5 points
 - Ratio of one FTE case manager to 160 bedrooms: 3 points
- Health or behavioral health services provided by appropriately-licensed organization or individual. Includes but it not limited to: health clinic, adult day health center, medication management services, mental health services and treatment, substance abuse services and treatment. (five points)
- Adult educational, health and wellness, or skill building classes: Includes, but is not limited to: Financial literacy, computer training, home-buyer education, GED classes, and resume building classes, ESL, nutrition class, exercise class, health information/awareness, art class, parenting class, on-site food cultivation and preparation classes, and smoking cessation classes.
 - 84 hours of instruction per year (42 for small developments): **7 points (Increased from 5 in 2014 Regulations)**
 - 60 hours of instruction per year (30 for small developments): **5 points (Increased from 3 in 2014 Regulations)**
 - 36 hours of instruction per year (18 for small developments): **3 points (Increased from 2 in 2014 Regulations)**
- Licensed childcare: Shall be available 20 hours or more per week, Monday through Friday, to residents of the development. (Only for large family projects or other projects in which at least 30% of units are three bedrooms or larger). (Five points)
- After school program for school age children: Includes, but is not limited to tutoring, mentoring, homework club, art and recreational activities. (Only for large family projects or other projects in which at least 30% of units are three bedrooms or larger).
 - 10 hours per week, offered weekdays throughout school year: five points
 - 6 hours per week, offered weekdays throughout school year: three points
 - 4 hours per week, offered weekdays throughout school year: two points
- **Health and wellness services and programs. Such services and programs shall provide individualized support to tenants (not group classes) and need not be provided by licensed individuals or organizations. Includes, but is not limited to visiting nurses programs, intergenerational visiting programs, or senior companion programs. The**

application must describe in detail the services to be provided.

- **100 hours of services per year for each 100 bedrooms: 5 points**
- **60 hours of services per year for each 100 bedrooms: 3 points**
- **40 hours of services per year for each 100 bedrooms: 2 points**

QAP awards three points for Special Needs/SRO development if the site is located within half mile of a facility that operates to serve the population living in the development. QAP awards two points if the facility is located within one mile of the special needs or SRO development.

Other Policies

To be considered single room occupancy (SRO) housing, developments must meet additional threshold requirements including average income no more than 40% of AMI, numerous design requirements, and a condition that a public agency provide direct or indirect long-term financial support for at least 15% of total project development costs, or owner's equity (including syndication proceeds) must constitute at least 30% of total project development costs. Such projects must submit a signed contract or memorandum of understanding between the developer and service provider, plus a summary of the experience of the developer and service provider in providing for the targeted population

Special Needs housing are eligible for a 130% basis adjustment.

To be considered special needs housing, at least 50% of the units in a development must serve populations that are developmentally disabled, survivors of physical abuse, homeless, displaced teenage parents (or expectant teenage parents), chronically ill (including HIV and mental illness), or have another special need determined by the Executive Director to meet the intent of this housing type. In the case of a development that is less than 75% special needs, the non-special needs units must meet another housing type (for example, large family), although the project will be considered as a special needs project for purposes of Section 10325.

Such developments must meet additional threshold criteria including design requirements, average income no more than 40% of AMI, and a requirement that a public agency must provide direct or indirect long-term financial support for at least 15% of total project development costs, or owner's equity (including syndication proceeds) must constitute at least 30% of total project development costs. Additional threshold requirements include third party verification from a federal, state or local agency of the availability of services appropriate to the targeted population; and submission of a preliminary service plan that specifically identifies the services to be provided to the special needs population. Such projects must submit a signed contract or memorandum of understanding between the developer and service provider, plus a summary of the experience of the developer and service provider in providing for the targeted population. Where services are required as a condition of occupancy, special attention will be paid to the assessment of service costs as related to maximum allowable rents.

Agency allows operating reserve amounts in excess of industry norms for developments in the nonprofit set-aside homeless assistance apportionment, plus SRO and special needs projects.

The Agency allows an increase in the Threshold basis limits based on criteria, including a 2% increase in the unadjusted eligible basis for developments in which 100% of the units are targeted to special needs populations.

Documentation must be provided for each category of services for which the applicant is claiming service amenities points and must state the name and address of the organization or entity that will provide the services; describe the services to be provided; state the annual dollar value of the services; commit that services will be provided for a period of at least one year; commit that services will be available to tenants of the project free of charge (except for child care services or other charges required by law); name the project to which the services are being committed. Organizations providing in-kind or donated service must estimate the value of those services. Volunteer time may be valued at \$10 per hour.

Documentation shall take the form of a contract for services, Memorandum of Understanding (MOU), or commitment letter on agency letterhead. For projects claiming points for items one, two, seven or eight, a position description must be provided. Services delivered by the on-site Property Manager or other property management staff will not be eligible for points under any category (items one through 12).

Applications must include a services sources and uses budget clearly describing all anticipated income and expenses associated with the services program and that aligns with the services commitments provided (i.e. contracts, MOUs, letters, etc.). If project operating income would fund service amenities, the application's Service Amenities Sources and Uses Budget must be consistent with the application's Annual Residential Operating Expenses chart. Services costs contained in the project operating budget are not to be counted toward meeting CTCAC's minimum operating expenses required by Section 10327(g)(1).

All organizations providing services for which the project is claiming points must document that they have at least 24 months of experience providing services to the project's target population. Experience of individuals may not be substituted for organizational experience. Evidence that adequate physical space for services will be provided must be documented within the application.

If a capitalized rent reserve is proposed to meet the underwriting requirements of Section 10327, it must be included in the cash flow projections. Use of a capitalized rent reserve is limited to Special Needs projects, SRO projects, projects applying under the Non-profit Homeless Assistance set-aside, HOPE VI projects, and Section 8 project based projects.

Developer Experience

General Partner Experience: To receive points under this subsection for projects in existence for over three years, the applicant must submit a certification from a certified public accountant that the projects for which it is requesting points have maintained a positive operating cash flow, from typical residential income alone (e.g. rents, rental subsidies, late fees, forfeited deposits, etc.) for the year in which each development's last financial statement has been prepared (which must be effective no more than one year prior to the application deadline) and have funded reserves in accordance with the partnership agreement and any applicable loan documents. To obtain points for projects previously owned by the proposed general partner, a similar certification must be submitted with respect to the last full year of ownership by the proposed general partner, along with verification of the number of years that the project was owned by that general partner. This certification must list the specific projects for which the points are being requested. The certification of the certified public accountant may be in the form of an agreed upon procedure report that includes funded reserves as of the report date, which shall be dated within 60 days of the application deadline. Where there is more than one general partner, experience points may not be aggregated; rather, points will be awarded based on the highest points for which one general partner is eligible.

3-6 projects in service for more than 3 years: 4 points

4 or more Special Needs project in service more than 3 years: 6 points

(Note: Modified in 2014 Regulations)

Projects applying through the Nonprofit set-aside or Special Needs set-aside only, points are available for special needs housing type projects based on the following requirements for Management Companies:

- **2-3 Special Needs project managed over 3 years: 2 points**
- **4 or more Special Needs projects managed over 3 years: 3 points**

(Note: Points changed in 2014 Regulations)

City of Chicago (2011 QAP, QAP was not updated in 2012, 2013 or 2014)

Supportive housing developments are an eligible use of the Credit.

Threshold Criteria and Set-Asides

None

Scoring Incentives

The City of Chicago's Department of Housing does not use scoring to evaluate projects. Instead, the Department issues tax credit reservations based on a projects ability to meet the mandatory selection criteria and preferences required under Section 42 and its community impact, housing need fulfillment, economic feasibility and developer capacity.

Other Policies

Preferences in the allocation of Tax Credits shall be given to projects that:

- Serve the lowest income tenants (very-low-income households whose incomes are at or below 30% of area median gross income adjusted for family size);
- Are obligated to serve qualified tenants for the longest periods beyond the minimum 30 year requirement; and
- Are located in a qualified census tract the development of which contributes to a concerted community revitalization plan.

Difficult to Develop Area Boost Selection Standards: The Department may award a Credit Ceiling project a 30% basis boost if the Department determines that a project, in order to be financially, feasible needs the increase in Tax Credits based on the following standards. One of four criteria is: Very-Low-Income Populations – Projects that need the boost to be financially feasible in order to target rents to very-low-income populations in order to off-set the cost of developments.

Developer Experience

The development team must show its capacity for undertaking a project and have demonstrated development experience. Property management capacity and experience must also be demonstrated. Owners who are affiliated with previous projects developed with Department assistance that have been or are out of compliance in a material respect, as determined in the sole discretion of the Department, with the City's MBE/WBE and local hiring preference ordinances, Davis-Bacon Act, Section Three of the Housing and Urban Development Act of 1968 or with the Program or with a Department loan agreement, may be deemed ineligible for further consideration.

Colorado (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria

None.

Set-Asides

HOPE VI Set-Aside

Starting in 2011, a five-year set-aside is being provided for South Lincoln Homes (also known as Mariposa), sponsored by the Denver Housing Authority, which is located at the 10th and Osage light rail station in Denver and received an award of HOPE VI funds.

The set-aside is being provided for the project due to the following expected benefits to its community as well as the entire state:

- Bringing in millions of federal dollars that would otherwise not be available to the state;
- Preservation of affordable public housing by transforming aging and obsolete public housing projects into vibrant mixed use developments;
- Increasing the number of affordable housing units in the area;
- Bringing in a significant number of additional housing choice vouchers that the housing authority can assign to other housing projects. South Lincoln Homes received a set-aside amount of \$1,050,000 in annual credits in 2011. Thereafter during the five-year period, the annual credit amount may fluctuate but will not exceed the maximum credit award pursuant to the applicable year's QAP. The aggregate set-aside for this project will not exceed \$5,250,000.

The set-aside will continue to be incorporated into the QAPs for the years of 2011 through 2015. Each QAP for those years will be subject to approval by the Governor.

Each application for credits will be subject to all of the requirements of the corresponding year's QAP, including the requirement that no more credit will be reserved for the project than CHFA determines is necessary for the project's financial feasibility and viability as a low income housing project.

Scoring Incentives

QAP awards up to 15 points for targeting units at 30% of AMI or below. Points are based on the percentage of units targeted at the 30% AMI level, with maximum points awarded if 30% of units are targeted.

QAP awards eight points to developments that set aside at least 25% of units for the homeless or supportive housing for non-elderly special needs tenants. Units must be held available and rented only to these populations, although the minimum set-aside of 25% may be waived if any state regulations restrict the number of special needs units in a development. To receive points, applicant must provide evidence of a client source (e.g. letters from referring agencies, marketing plans, etc.), and documentation must be provided that demonstrates previous experience for the entities that will be providing services and

managing the property. Projects serving homeless clients must provide services, such as job counseling, transportation, education, etc. to the homeless clients in order to receive points under this section.

Two points may be earned by applicants who enter into a written agreement with the local public housing representative to give priority to households on waiting lists for subsidized or public housing.

Preservation projects can earn 15 points. Defined as existing tax credit projects that are eligible for acquisition/rehabilitation credits that are retaining their current income targeting; projects eligible for acquisition/rehabilitation credits that have federally subsidized rental assistance (HUD Section 8, Rural Development Section 515, etc.).

Project that provides housing for mixed income projects (i.e., that have no more than 80 percent tax credit-eligible units), including projects financed with private activity bonds. CHFA requires that subject to the Code's "available unit rule" requirements, low income set-aside units be distributed proportionately throughout the bedroom/bath mix and type. Both market rate and low income units must have the same design regarding unit amenities and square footage. **(Note: Not new to 2014 QAP, New to CSH Report)**

Other Policies

As a guiding principle CHFA determines how and where to allocate the credit based on providing a reasonable and equitable distribution of affordable housing projects throughout the state (both in regard to the number of units and the populations services, including family, elderly, and special needs).

Developers of housing for the homeless must have at least five years experience in the development and management of housing for the homeless. In addition, developments providing housing for the homeless must provide a range of supportive services to the residents, at no cost to the residents, in order to receive additional points for serving the 30% AMI level. Supportive services might include, but are not limited to, case management, job training and/or placement, continuing education, transportation, childcare and health care. These services must be provided by a service provider(s) with a minimum of three years experience in the related field of service provision.

An increase of the percent allowed, up to 5%, may be requested for homeless projects that are serving tenants at or below 30% AMI. The increase in equity provided by the additional annual credit must be committed to provide supportive services or a rental subsidy for such tenants. Evidence of the commitment must be provided with the application and such commitments will be reflected in the LURA. A minimum of 15% of the total units in the project must be at or below 30% AMI. For those projects subject to the HUD subsidy layering review, this change is subject to approval by HUD.

CHFA established housing priorities that include homeless persons and persons with special needs – projects serving these populations should provide supportive services to maintain or increase independence.

CHFA also prioritizes acquisition and rehabilitation of existing affordable properties, including those with subsidized low income rental units facing conversion to market rate units.

Developer Experience

Criteria for Approval: Experience with the development and management team. CHFA will evaluate experience in terms of the quality of the development and management experience. Additional

consideration will be made for applicants that may not meet all of the criteria below who partner with experienced LIHTC developers or consultants. Criteria include: the applicant's financial stability; the development teams experience with projects similar to the proposed project; the applicant's track record of completing affordable housing projects within required timeframes and budgets; the applicant's and management agent's experience marketing and leasing affordable housing units on a timely basis; and The development team's track record regarding compliance with affordable housing programs and other programs administered by CHFA.

Threshold: Project Team Experience - The developer must provide evidence that the developer has multifamily rental housing development experience and that the management company, the consultant (if any), the legal firm, and the accounting firm engaged by the applicant have experience with LIHTC projects. Resumes must be provided. In addition, the management company must have experience related to population specific projects (i.e., independent senior, homeless, etc.). If the developer has no LIHTC experience, using a consultant with LIHTC experience is required. An applicant with no experienced LIHTC practitioner on the development team will not be accepted and the application will be returned.

Connecticut (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria and Set-Asides

None.

Scoring Incentives

QAP awards up to six points based on documentation of supportive services from a qualified service provider, specifically for residents identified as homeless, **chronically homeless, imminently homeless**, or at-risk of homelessness as defined by Supportive Housing Guidelines of the Connecticut Housing Finance Authority (CHFA) and **Department of Housing (DOH)** Consolidated Application. Projects receive 6 points for providing supportive services to **more than 20% of units. QAP awards 2 points for providing services to 10-20% of units.** Documentation must include a services plan and evidence of funding commitments for supportive services. If units have a rental subsidy that becomes unavailable, with the authorization of the Authority the designated supportive housing units may revert to 50% or 60% AMI units as stated in the ELIHC until new rental subsidy funding becomes available. **(Note: Amended in 2014 QAP)**

QAP awards 1 point to developments that give a preference in their Supportive Housing Services plans for veterans (Must receive Supportive Housing points to be eligible). (Note: New to 2014 QAP)

QAP awards up to **7 points (Note: Increased from 5 points in 2014 QAP)** to developments that provide housing for households below 25% of AMI throughout the extended use period. Points are awarded based on the percentage of qualified units that serve such households. Maximum points awarded for projects that set aside at least **25% of units (Note: Increased from 15% of units in 2014 QAP)**. QAP awards 4 points for designating **20-25% of units**, 3 points for designating **15-20% of units**, and 2 points for

designating 10-15% of units. (Note: Scoring incentive per designated percentage of units was modified in 2014).

QAP awards up to 5 points for projects that designate 20% or more of units to projects that promote economic integration by creating mixed income housing. QAP awards 2 points for designating between 10 and 20% of units.

Other Policies

The Plan for allocating Credits in the State supports the needs and priorities as defined in the current State of Connecticut Consolidated Plan for Housing and Community Development (“ConPlan”). ConPlan outlines affordable housing development objectives, including one to prevent and reduce chronic homelessness.

Agency assigns all applications meeting threshold requirements to an Allocation Priority Class. Within each class, each application is evaluated, rated and ranked against other applications in its class. Within the competitive round there are three classifications: Public Housing Classification, General Classification, and Exceptional Priorities Classification. The Public and General Classifications apply to the 9% LIHTC application rounds only. **The Exceptional Priorities Classification is limited to developments already designated as an Exceptional Priority and may be considered for an award at any time.** In 2013, an Exceptional Priorities Classification included projects that provide extraordinary public benefit including but not limited to development or redevelopment initiatives that demonstrate a high priority for special needs populations, meet a particular local housing, development, or redevelopment objective identified and supported by State law and demonstrates significant public benefits and priority due to a substantial specific commitment of federal or State funding or resources. If approved prior to the current year’s nine percent round, Exceptional Priorities may receive an award from the subsequent year’s Credit availability, subject to Credit limitations. If approved after the current year’s nine percent round, Exceptional Priorities may receive an award from a future year’s Credit availability. Awards exceeding Credit limitations may be allocated from multiple years.

Developer Experience

QAP identified the development team’s qualifications and experience as an allocation priority. The QAP promotes an experienced development team’s strong track record in LIHTC and affordable housing development. QAP awards up to 5 points for demonstrated experience with 6 or more projects. QAP awards 2 points for experience with between 4 and 6 projects, or more than 10 years of LIHTC experience. QAP awards 1 point for experience with projects between 2 and 4 projects, or between 5 and 10 years of experience with LIHTC projects.

Delaware (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle or, if qualified, within the permanent supportive housing set-aside. In addition, such projects have potential competitive scoring advantages.

Threshold Criteria

All developments will be required to target 5% of the total units or 3 units, whichever is

greater, to be set-aside for special population –eligible households as defined below and household income at 40% of Area Median Income or below. Applicants shall occupy targets with eligible special populations being: persons with HIV/AIDS related illness, literally or imminently homeless, survivors of domestic violence, persons with disabilities including persons with mental illness, persons with physical disabilities, persons with intellectual or development disabilities, youth exiting foster care or persons exiting state run-institutions, and other special needs populations identified in DHSA’s needs assessments may be considered at DSHA’s sole discretion. (Note: New to 2014 QAP)

Applicants must agree to market their developments to the local public housing waiting lists and/or Section 8 existing waiting lists. The application must contain a letter from the appropriate agency.

Set-Asides

Note: 2014 QAP eliminated a \$250,000 set-aside for a permanent supportive housing development for the chronically homeless.

Preservation/Rehabilitation Pool Approximate Tax Credit Authority \$973,415

This set-aside applies to two types of projects:

- A. Tax Credits: Any tax credit housing development, which has completed its compliance period that is in (1) in need of substantial rehabilitation or (2) at risk of losing its affordability.
- B. Subsidized: Any currently occupied subsidized housing development and/or demolition/new construction of subsidized units (see definition of subsidized housing) (1) in need of substantial rehabilitation or (2) at risk of losing its affordability. **(Note: Not new to 2014 QAP, New to CSH Report)**

Scoring Incentives

Integrated Housing for Special Populations: QAP awards up to 5 points to applicants who shall increase the number of target units set aside for special population-eligible units to 10% or 6 units, whichever is greater from the mandatory 5%. The units from the 5% threshold requirement may be counted toward the total percentage for scoring in this section, as long as the threshold units and the additional units continue to be income and rent restricted at 40% area median income (AMI) or below. Special population eligible households are households with income at 40% of AMI or below and in one or more of the following populations: HIV/AIDS related illness, literally or imminently homeless, survivors of Domestic Violence; persons with disabilities; youth exiting foster care; other special needs populations may be considered at the DSHA’s sole discretion. (Note: New to 2014 QAP)

QAP awards up to 20 points for the percentage of units targeted at different income levels. Weight will be given to units targeted at multiple income levels with emphasis on targeting units at lower income and/or poverty levels. For Non-Subsidized Developments award maximum of 20 points for the following distribution. Documentation of income targeting must be provided as an exhibit to the application.

	Non-Subsidized Developments			
	30% AMI	40% AMI	50% AMI	60% AMI
5 Points	20%	5%	25%	50%
10 Points	25%	5%	30%	40%

15 Points	30%	10%	20%	40%
20 Points	30%	10%	15%	45%

Subsidized Developments				
	30% AMI	40% AMI	50% AMI	60% AMI
5 Points	25%	5%	65%	5%
10 Points	30%	5%	60%	5%
15 Points	35%	5%	55%	5%
20 Points	40%	10%	45%	5%

3 points will be awarded to a development where at least 20% and no more than 50% of the total units in the development are not rent-restricted and not income-restricted. (Note: New to 2014 QAP)

Note: The 2014 QAP eliminated a 3 point scoring incentive for developments that provide an owner-financed rental subsidy for new units (a minimum of five units) that will be rented to extremely low income (ELI) residents (30% of area median income).

Note: The 2014 QAP eliminated a 5 point scoring incentive for permanent housing projects that designed 50% of the property for persons with special needs (HIV/AIDS related illness, homelessness, mental illness, physical disability, mental retardation/ developmental disability, or migrant and seasonal farm worker).

To prioritize preservation developments, points will be awarded for each of the following factors up to a maximum of ten points. Each factor listed below must be supported and documented as an attachment in the application.

- Require hard cost/rehabilitation expenses that exceed \$50,000/unit* - 4 points.
- Have committed federal rental assistance contracts - 3 points.
- Property was placed in service on or before December 31, 1993– 2 points
- Property is a family development – 1 point.

(Note: Not new to 2014 QAP, New to CSH Report)

QAP awards up to three points for the provision of social services, recognizing them as an integral part of any development to improve the quality of life of the residents of the development. Services must be affordable, appropriate, available and accessible to the development’s tenants. In order to receive the maximum number of points, at least three qualifying services must be provided, representing a total of 24 hours of qualified services provided to the development’s residents. Services should be actively linked to the residents and not simply provided to the community at large. **Applicants must submit a narrative describing the services to be provided, a curriculum for any classes, description of why the services are appropriate for the population, how the services will be publicized and marketed, and expected outcomes and benefits. The services must be distinct to qualify for the points – for example a series of financial literacy classes, even on different topics such as budgeting/spending or understanding your credit/credit counseling, would count as one financial literacy class. The cost and source of funds to pay for social services must be included in the application. Services should be actively linked to the residents and not simply provided to the community at large and can be provided on-site or off-site. If**

services are provided off-site, a memorandum of understanding (MOU) with the off-site service provider (i.e., senior center, service center, etc.) must be submitted with the application. The MOU must stipulate a transportation plan for regularly scheduled trips to the facility and classes, a schedule of classes, attendance proof and record keeping, as well as the narrative described above. (Note: Requirements changed slightly in 2014 QAP)

QAP awards 3-5 points for developments that exceed the Fair Housing and ADA minimum requirements of maintaining 5% of the total unit count as fully accessible unit. Maximum points are awarded to properties that provide 20% fully accessible units.

A maximum of 20 points will be awarded for the leveraging of permanent funding sources not controlled by DSHA. Permanent financing from sources other than DSHA include private conventional lenders, USDA Rural Development, local municipality HOME funds, HOPE VI, Section 202, Federal Home Loan Bank funding, and other permanent sources. Maximum points are awarded to projects that secure 91-100% of permanent funding from a non-DSHA source.

5 points will be awarded to developments in Areas of Opportunity. This includes:

- *Severely Impacted* – Homeownership rate less than 50% and subsidized rental housing greater than 25%.
- *Impacted* – Areas that contain concentrations of racially, ethnically, and/or Low/Moderate- Income persons.
- *Areas of Opportunity* – All areas that do not meet the above and are within a State Strategy area of Level 1, 2, or 3.

(Note: Not new to 2014 QAP, New to CSH Report)

Other Policies

For the Special Population Threshold and the Integrated Housing for Special Needs Scoring Incentive: An agreement shall be in place with the referring entity, DSHA, and the owner to assure that sufficient referrals of special population-eligible households for tenancy are received. DSHA is developing a supportive housing referral system for applicants to utilize to provide referrals of special populations-eligible households who are connected to supportive services. The Declaration of Restrictive Covenants (extended use agreement) will require that the targeted units are maintained and that a corresponding number of units are marketed to and set-aside for special needs-eligible households throughout the compliance period. The owner will also agree that targeted units will not be segregated within in the property or in any way be distinguishable from non-targeted units (beyond the presence of accessible features or assistive technology) and targeted unit mix will depend on the needs of the referred households. Applicants shall be willing to allow for physical or safety accommodations necessary for the target populations. When target units are not occupied by special population-eligible households, a lease addendum for the non-special population-eligible household will be required for the non-special population-eligible household to transfer to the next available non-special population unit (of comparable or smaller size) when a special population-eligible household applies and is accepted to the development. Target units must be reserved exclusively for the target population(s). If a project is unable to fill a unit with the targeted population after a sixty (60) calendar day referral period, the unit may be leased to another household with

incomes at 50% AMI or below. The next available 50% AMI unit in the Project shall be marketed to the Project’s original targeted population until the project is in compliance with percentage for which it received points. The sixty (60) calendar day period at lease-up will be measured from the date upon which the project achieves 80% occupancy and at turnover will be measured from the date upon which the unit is determined ready for occupancy following move-out by the prior tenants and completion of any unit turn cleaning, repairs, or maintenance. All applicants will complete a targeting plan, signed certification and memorandum of understanding with DSHA. (Note: New to 2014 CSH Report)

In the “Description of Housing Needs and Priorities”, the QAP states that, the State of Delaware signed a Settlement Agreement in July 2011 with the United States Department of Justice (USDOJ) laying out strategies and benchmarks to ensure Delaware’s compliance with the Americans with Disabilities Act (ADA), specifically the “integration mandate” that services be provided in the least restrictive setting possible as upheld by *Olmstead vs. L.C.* The QAP states that “While the Agreement is specific to the population with serious and persistent mental illness (SPMI), the Department of Health and Social Services (DHSS) is carrying its intent and spirit into systemic reform across the Department. Ensuring affordable housing opportunities and choices are available to support community-based care is a critical piece of these reforms . . . By the terms of the Settlement Agreement, an integrated unit means no more than two persons living together in a unit (with a roommate of their choice) and no more than 20% of the units in an apartment complex leased to persons with a disability. Integrated units and independent settings are preferred as the least restrictive setting whenever appropriate. For the State’s affordable housing industry, this shift to prioritizing community-based care means increased focus on integrating units set-aside for people with disabilities in regular multifamily properties, investing resources to meet affordability needs, and coordinating with service providers.” (p.15)

DSHA reserves the right to award an eligible state boost in eligible basis of up to thirty percent (30%), as determined by DSHA, for the highest ranked property (s) to preservation applicants, applicants that target special needs populations, and/or to make projects financially feasible. This additional boost is not available for properties that are in a Qualified Census Tract (QCT) or Difficult to Develop Area (DDA) since a QCT or DDA already qualifies for the additional 30% boost. No applications will be accepted with an eligible state basis boost included in the tax credit calculation. DSHA will determine during the ranking/underwriting process if an eligible state basis boost is needed for financial feasibility or for assisting extremely low income households. **(Note: Not new to 2014 QAP, New to CSH Report)**

Developer Experience

QAP awards up to six points based on the demonstrated relevant experience and qualifications of the developer and management entity. All team members must be disclosed at time of application. The members of the team, in addition to the developer and management entity, include the applicant/owner, co-developer, consultant, owner, general contractor, architect, surveyor, real estate and tax counsel. Members of the development and management team must demonstrate experience in the satisfactory development of affordable housing, experience in the management of affordable housing and must have the financial capacity to carry the development through to completion. DSHA reserves the right to determine “satisfactory” development experience. The General Partner/Developer gains a maximum of 3 points for having gone to permanent closing with an acceptable cost certification on 5 or more developments. The Management Agent receives a maximum of 3 points for currently managing 15 or more completed and occupied LIHTC and subsidized developments.

Florida (LIHTC Allocation)

Note: There was not a funding cycle in 2013.

Florida Housing Finance Corporation's (FHFC) allocation process now provides for a series of Requests for Applications (RFAs) issued on a timeline publicly announced in August/September each year. In the 2014/20015 RFA process, up to two permanent supportive housing developments targeted to homeless persons are expected to be funded with Credits. The draft approach will offer this funding to developments in an RFA targeted to the seven counties with the largest population centers. All other general occupancy developments (i.e., family and elderly developments) receiving an allocation of Housing Credits will be required to set aside 10% of their units for extremely low income tenants, and half of those ELI units will be required to be set aside as "Link" units, that is, to serve tenants receiving supportive services who are referred by FHFC-approved supportive service referral agencies that have a memorandum of agreement with each development.

In addition, Florida Statutes now require 5% of its Housing Credits for that target persons who have a disabling condition, as defined in s. 420.0004, and their families. These allocations must prioritize projects or initiatives piloting or demonstrating cost-effective best practices that meet the housing needs and preferences of such persons. The 2014 allocation will be targeted to one or more developments serving persons with developmental disabilities, and Housing Credit financing will be further supported with state gap funding targeted to this population.

Threshold Criteria

None.

Set-Asides

In 2014, the Florida Housing Finance Corporation's (FHFC) competitive solicitation process targeting goal includes an allocation of Housing Credits to specific types of projects, including: one affordable housing project in the Florida Keys Area of Critical State Concern and/or the City of Key West Area of Critical State Concern, one Homeless Development, and one Family Preservation Development. The targeting will be achieved in accordance with the procedures outlined in any applicable competitive solicitation process, which is summarized above for permanent supportive housing developments. (Note: New to 2014 QAP)

Scoring Incentives

Note: In 2014 FHFC revised the application system. In previous years, FHFC had a Universal Application Cycle. In 2014, FHFC offers multiple application rounds that have targeted scoring incentives toward different programs.

Other Policies

QAP selection criteria include a priority for developments that are designed to serve the homeless, developments financed with HOPE VI funds, and developments classified as preservation and public housing revitalization. In addition, developments that offer resident services and will be targeted.

FFHFC's goal is to have a diversified rental housing portfolio. Part of the targeting goal is to allocate credits to a minimum of one homeless development, in addition to (but not limited to) one development with units dedicated to people who are elderly, one rural preservation development, and one public housing revitalization development. FHFC will designate developments as in a high-cost area through the authority given to FHFC by the Housing and Economic Recovery Act of 2008, enacted July 30, 2008. The criteria for such designation will be that any **Person with Special Needs Development or Homeless Development** will be eligible for the 30% boost if that Development is not located in a HUD-designated DDA or QCT. **(Note: Special Needs Development new to 2014 QAP)**

FHFC requires homeless developments to provide verification of inclusion in Local Homeless Continuum of Care Plan by lead agency. If no such plan exists, evidence of a local need for homeless housing must be provided. Developments must provide evidence of a local need for housing for Persons with Special Needs behind a tab labeled "Exhibit 35".

Developer Experience

For each experience Developer, provide an executed Developer or Principal of Developer Certification form, behind a tab labeled "Exhibit 10", certifying to the required experience with three completed affordable rental housing developments, as outlined in the Instructions.

For each experience Developer, provide a prior experience chart, behind a tab labeled "Exhibit 10", reflecting the required information for the three completed affordable rental housing developments. For each co-Developer without the required experience provide the requested information behind a tab labeled "Exhibit 10".

Georgia (2014 QAP)

Supportive housing developments are an eligible use of the Credit and, if qualified, are granted a special needs set-aside. Also, they compete in the general application cycle.

Threshold Criteria

The Georgia Department of Community Affairs (DCA) strives to achieve a condition in which individuals of similar income levels in the same housing market area have a like range of housing choices available to them regardless of their race, color, religion, sex, handicap, familial status or national origin. Each Applicant shall pursue affirmative fair housing marketing policies in soliciting tenants and outreaching to underserved populations and those least likely apply to reside in completed tax credit units. Each project selected for an award of credits must prepare and submit an Affirmatively Furthering Fair Housing Marketing Plan outlining how the project will market units to underserved tenants including tenants with special needs. (Note: This new 2014 threshold replaced a similar 2013 threshold that required a willingness to initiate marketing units to populations with disabilities or the homeless.) See Other Policies for details on the Marketing Plan.

Senior and special needs projects must meet the following requirements:

- Elevators must be installed for access to all units above the ground floor;
- Buildings more than two story construction must have interior furnished gathering areas in several locations in the lobbies and/or corridors; and

- 100% of the units must be accessible and adaptable, as defined by the Fair Housing Amendments Act of 1988.

Family Projects have required services. All family projects must include at least one basic ongoing service from the following categories: Social and recreational programs planned and overseen by the project manager; semi-monthly classes conducted on site; other services as approved by DCA. Proposed services must be committed to the Compliance Period or the Period of Affordability; Services may be provided at a charge sufficient to cover the cost of the supportive services only, but must be optional; A full-time activities manager will be allowed in the operating budgets for those properties that are 100 units or more in size; Temporary staffing during lease-up to handle activities set-up and sign-up will be considered on a case-by-case basis; Part-time (on a proportional basis) activity managers will be allowed in the operating budgets for smaller projects; Owners will be required to submit annual certifications and documentation regarding the ongoing provision of the supportive services; For very small rural projects, Applicants may request a waiver of service requirements if there is insufficient participation in a service. **(Note: Not new to 2014 QAP, New to CSH Report)**

Set-Asides

None.

Scoring Incentives

DCA will award **3 points (Note: Decreased from 6 points in 2014)** to one project that presents an innovative project concept/design that addresses complex problems faced in providing housing opportunities for at-risk populations identified in an **Integrated Housing setting**. The innovation should result in innovative and replicable solutions not typically seen in Georgia tax credit projects. Examples of innovation might include collaborative partnerships that provide new funding sources for services and tenant assistance interagency partnerships that combine funding sources to reduce development or operating costs, or strategic solutions that break down barriers for the populations served. See Other Policies for more details. **(Note: The 2014 QAP added “Integrated Housing” in place of specifying a target population of innovative project, including homeless individuals, individuals with special needs, and the elderly.)**

QAP awards 3 points to applications that agree to set gross rents and income limits for at least 15% of the low-income units at or below 30% of 50% AMI shall be awarded three points in this category. In order to qualify for these points, tenants must meet the required income restrictions for the property and the tenant portion of the rent must not exceed the 50% rent restriction.

QAP awards **3 points (Note: Decreased from 4 points in 2014)** to Applications that have an award of new government-awarded project based rental assistance for at least **15% of total resident units (Note: Decreased from 30% in 2014)** for a minimum of ten years. Percentage of deeper targeted units will be calculated based on the total residential units (common space employee units will not be included in the total residential units). Applicants must provide documentation of a Commitment for PBRA executed by an authorized regulatory agency. **(Note: 2013 QAP eliminated the requirement that this project be a new construction)**

QAP awards 3 points to an application that agrees to accept **Section 811 project-based rental** assistance for up to 15% of the units for the purpose of providing integrated housing opportunities to individuals with

mental illness, as defined in the Settlement Agreement between the State of Georgia and the Department of Justice, and to individuals eligible to participate in the Money Follows the Person program. **(Note: 2014 QAP specifies Section 811 project-based rental assistance rather than general “government project-based rental assistance”)** See other policies for more details.

QAP awards 3 points to project teams that include a qualified Nonprofit as the managing general partner. The nonprofit entities are comparatively evaluated and ranked based on criteria, including proposed project targets **at-risk populations in an Integrated Housing setting with focused service commitments and rental assistance.** **(Note: Modified in 2014 QAP, New to CSH Report)**

Preservation Priority Points

QAP awards 4 points for applicants that propose to preserve an affordable housing property receiving project-based rental assistance or subsidies for 100% of the total residential units that is within three years of any permitted prepayment or subsidy contract expiration with a likely conversion to market rate housing or equivalent loss of low income use restrictions. The property must also have been designated by HUD as a High priority project. HUD may designate no more than two projects as High Priority. (HUD may require that applicants seeking this priority designation for a project submit documentation no later than 60 days prior to Application Submission). QAP awards 2 points for applicants that propose to preserve a project with a commitment of government-awarded rental assistance or subsidies for at least 30% of residential units for a minimum of five years. Projects must provide a commitment for PBRA executed by authorized regulatory agency, and a letter from authorized HUD representative designating project as a high priority (if applicable). **(Note: Not new to 2014 QAP, New to CSH Report)**

Other Policies

Each Applicant must prepare and submit a Marketing Plan outlining how the project will market units to tenants with special needs if the project is selected for funding. At a minimum, Marketing Plans must:

- Incorporate outreach efforts to each service provider, homeless shelter or local disability advocacy organization in the county in which the project is located. The Georgia Homeless Assistance Directory should be used as a central resource to identify such providers locally.
- Affirmatively market persons with disabilities and the homeless.
- Establish and maintain relationships between the management agent and community service providers.
- Include a referral and screening process that will be used to refer tenants to the projects, the screening criteria that will be used and the accommodations that will be used to facilitate the admittance of persons with disabilities and the homeless.
- **Marketing of properties to underserved populations 2-4 months prior to occupancy**
- **Applications for affordable units shall be made available to public locations including at least one that has night hours.**

(Note: Bolded text new to 2014 QAP)

DCA, in partnership with the Georgia Department of Behavioral Health and Developmental Disabilities (DBHDD) and the Georgia Department of Community Health, will provide rental assistance, as available through HUD’s Section 811 Project Rental Assistance (PRA) program, to housing tax credit properties claiming these points which are identified as priority locations for the target population. It is the Applicant’s responsibility to understand the requirements of the Section 811 PRA program, including the 30-year use restriction for all PRA units, before claiming these points. In order to be

eligible for these points, at least 15% of the total low-income units must be one bedroom units that are set at 50% AMI rent and income levels. At the time of Application, DCA will require the owner and management company to demonstrate an intentional partnership through a Memorandum of Understanding with a State or Local behavioral health agency responsible for community placements, Continuum of Care, or an appropriate service provider equipped to provide referrals and support services to the target population. The MOU must include: the referral process that will be used to refer individuals in the target population and the willingness of all parties to negotiate reasonable accommodations to facilitate the admittance of persons with disabilities into the development; A description of the experience of the service provider and its capacity to provide appropriate services to the target population for the duration of the Compliance Period; and a commitment to maintain relationships between the parties as well as a communications plan to notify the service provider of available units in order to satisfy the 15% commitment requirement. Applicants are not required to provide project based rental assistance, reduce rents or provide onsite supportive services or a service coordinator. They will also not be required to displace existing residents. No participant will be required to violate the terms of any statute, program requirement, or regulation which is in place at any of their developments. (Note: New to 2014 QAP)

Projects seeking points for the innovation design category will be ranked on the following factors: presentation of the project concept, overall project strength (Project Feasibility analysis, Project Team qualifications, and management team experience, uniqueness of innovation, ability to replicate the innovation, leveraged operating funding, and measureable benefit resulting from the innovation, collaborative solutions proposed. Projects must include a narrative of project concept and innovation, a staffing and organizational plan, and a description of how the measurable benefit for the innovation will be tracked.

When DCA HOME Loans are used, additional over-income restrictions shall apply. Upon re-certification of a previously eligible tenant, if it is determined that the tenant's income exceeds 60% of AMI, then the tenant's rent must be increased to the lesser of: 30% of the tenant's adjusted annual income, HUD's fair market rent limitations, or the maximum amount allowable by the Code, not to exceed limitations set by state or local laws (if any) or to be decreased under the established rent floor. (Note: Not new to 2014 QAP, New to CSH Report)

Scoring tie-breakers include projects that utilize Replacement Factor Funds and reduce public housing waiting lists, and are family projects. . (Note: Not new to 2014 QAP, New to CSH Report)

Developer Experience

Eligibility of Project Team

Projects are deemed eligible if they meet certain requirements, such as being financially solvent with the capacity to successfully complete the project. Significant adverse events, such as financial insolvency, debarment, or foreclosure of a loan that was secured by a tax credit property before or after the credit period ended. Adverse circumstances do not necessarily require a determination of ineligibility, but may be indicative of a Project Team's capacity to own and develop the proposed property. DCA will look back three years in determining whether the Project Team has an adverse circumstance.

Waiver Request

DCA will allow an entity or individual with a Significant Adverse Event to submit a request to waive an eligibility determination for the 2014 competitive round if the requestor has a recent history of strong performance in the Tax Credit Program and can demonstrate that the event is an isolated incident or unavoidable event not related to the actions or negligence of the requestor. This waiver request must be submitted during the Pre-Application Submission and will be considered only if the requestor can demonstrate minimum requirements. In addition to a strong performance history, and has documented its engagement in good faith efforts, the entity or individual must have developed and currently owns and operates a minimum of ten (10) successful Tax Credit properties

The granting of a waiver does not affect the Project Team's compliance score. Minimum documents for waiver request are: Narrative of basis for Request; Documentation of successful Tax Credit development and ownership; Documentation of resources expended, reports if available; All documents related to adverse event; Documentation of previous DCA waiver, if applicable. After analysis of all submitted information, DCA will make a determination that a Project Team falls within one of the following categories: Qualified without Conditions or Qualified with Conditions.

Qualified without Conditions

A Project Team that can conclusively demonstrate that they currently own and operate five (5) or more successful tax credit projects in or outside of Georgia in which they own a minimum 20% interest in the General Partner and Developer entities will be deemed Qualified without Conditions if DCA determines that no adverse conditions affect any of the team members. Only projects which have been completed (including permanent loan conversion) after January 1, 2005 and which are currently at least 90% occupied will be counted towards the requisite 5-project minimum. The Project Team must have been involved in each of the five projects from the initial allocation of credits.

Qualified with Conditions

Project teams that are deemed qualified to participate with conditions will generally fall within one of the following categories:

- The Project Team has successfully developed multiple tax credit projects in the past, but does not currently own or operate the requisite five projects.
- The Project Team successfully developed and owns the requisite five (5) tax credit projects, but does not have the required 20% interest in those projects.
- The Project team has demonstrated successful developer and ownership experience, but has one or more adverse circumstances that might but will not conclusively affect the ability of the Project Team to complete the proposed project.
- The Project Team has demonstrated successful developer and ownership experience, but has a material change in its key personnel or organization.

Entities that are determined to be “qualified with conditions” may have one or more conditions of funding included in the qualification determination. Conditions that may be imposed include a front end analysis of proposed costs, evidence that projects not completed are proceeding as schedule, and reduced owner/developer caps.

(Note: Modified requirements in 2014 QAP)

Guam (2013 QAP): Being used in 2014

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with threshold criteria and potential competitive scoring advantages.

Threshold Criteria

Projects will give preference to special tenant populations. Project will commit to serve the following tenant populations: Tenant populations with special housing needs. Special needs groups are "persons for whom social problems, age or physical or mental disabilities impair their ability to live independently and for whom such ability can be improved by more suitable housing conditions."

Units in the project must be rent-restricted to either 30% of the median income adjusted for family size for the area in which the project is located or rent restricted to 30% of the imputed income limitations based on unit size. This rent restriction must be maintained throughout the Term of the Compliance and Extended-use period. See 'D. Rent Restrictions' in this section for further information.

Set-Asides

None.

Scoring Incentives

QAP awards up to 3 points for projects that receive project-based rental assistance subsidies which would result in eligible tenants paying approximately 30% of their gross monthly income towards rent. Eligible programs shall include, but not be limited to, the Rural Development 515 Loan Program and HUD Section 8 Project-Based Rental Assistance Program. If only a portion of a project has project-based subsidies, then the scoring will be adjusted based upon the percentage of units subsidized. The percentage is derived as "Number of Subsidized Units/Tax credit and non-tax credit subsidized units," provided they are developed simultaneously.

Projects may receive 10 points for this criterion if it commits to the following:

The project will set-aside at least 20% of all units for tenant populations with special housing needs. Persons with special housing needs may include the physically and mentally disabled. To receive consideration for this criterion:

- The project must commit to provide case management or services specific to this population or special facilities to accommodate the physically disabled.
- The Market Study shall specifically address the housing needs for the special needs group.

QAP awards 2 points to projects that demonstrate that all low-income units will be available to people holding Section 8 vouchers.

Other Policies

None.

Developer Experience

QAP awards up to 10 points, or subtracts up to 10 points, based on developer experience. The points awarded will be based on Guam Housing & Urban Renewal Authority's evaluation of the following factors:

- Developer's (or any member/staff of the development team) experience or ability (or inexperience/inability) to successfully complete the project (-2 or 2 Points)
- Developer's success or failure in meeting the objectives of the program on past proposals (-2 or 2 Points)
- Development Team's success or failure in meeting the objectives of the program on past proposals (-2 or 2 Points)
- Development Team's experience or ability to successfully complete the project (4 Points)
- Project's general partner and/or affiliates has a history of chronic and/or substantive noncompliance, has failed to meet the requirements of the Declaration for Low-Income Housing Credits for previous projects, or has any significant tax credit history with other state tax credit allocating agencies. (-4 points)

Hawaii (2013-2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria and Set-Asides

None.

Scoring Incentives

QAP awards up to 2 points to developments that commit to serve tenant populations with special housing needs, defined as persons for whom social problems, age, or physical or mental disabilities impair their ability to live independently and for whom such ability can be improved by more suitable housing conditions. Persons with special housing needs may include the physically and mentally disabled and the homeless. To receive points, the project must provide services that will enhance the livability of the project for designated tenants. The number of points awarded is based on the quantity and quality of services provided and the status of commitment. The maximum 2 points will be awarded only to applicants that have an executed commitment to serve this project by a third party service provider or if applicant or owner is an experienced provider of the proposed services. All services must be optional to the tenant and provided at no additional cost to the tenant.

QAP awards up to 10 points for overall project feasibility, including consideration of (among other factors) provision of tenant services and amenities that will enhance the livability of the project.

Other Policies

The required market study must include an analysis of market demand for tenants with special housing needs when applicable.

Developer Experience

QAP awards up to 6 points for developer experience. The points awarded will be based on the HHFDC's evaluation of factors such as, but not limited to: Developer's (or any party affiliated with the development team) experience or ability (or inexperience/inability) to successfully complete the project; Developer's

success or failure in meeting the objectives of the program on past proposals; Development Team's success or failure in meeting the objectives of the program on past proposals; Development Team's experience or ability to successfully complete the project; Project's general partner and/or affiliates has a history of chronic and/or substantive noncompliance, has failed to meet the requirements of the Declaration for Low-Income Housing Credits for previous projects, or has any significant tax credit history with other state tax credit allocating agencies.

Idaho (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria and Set-Asides

None.

Scoring Incentives

QAP awards **3 points (Note: Decreased from 15 points in 2014 QAP)** to developments designed for special needs populations, which include:

- Developments that commit to lease 25% of the rent restricted units to **disabled families** with mental health, physical, or developmental disabilities, subject to any Fair Housing requirements in effect at the time of the award of points. *Disabled family is a family whose head, spouse, or sole member is a person with disabilities. It may include two or more persons with disabilities living together, or one or more persons with disabilities living with one or more live-in aides. (Note: Requirement changed from persons to families in 2014 QAP)*
- Developments which provide 100% of the total residential units designed and dedicated for elderly persons or families 62 years of age or older.
- Developments in which at least 80% of the units are designed and occupied by at least one person 55 years of age or older.

(Note: The 2014 QAP removed the supportive services requirement from this scoring incentive.)

QAP awards **3 points (Note: Decreased from 5 points to 3 points in 2014 QAP)** to family developments which designate at least 5% of the rent-restricted units to three-bedroom or larger units for households earning no more than 50% of area median income. Such developments must provide all appropriate amenities for children and families (i.e., open space, playground, laundry, etc.).

QAP awards **1 point (Note: Decreased from 5 points in 2014 QAP)** for developments that designate 60% more of total residential units to preference to persons on Public Housing Authority waiting lists. To receive points in this category, attach a copy of the proposed development's Management Plan which includes a Tenant Selection Policy that specifically states that a preference will be given to potential tenants on Public Housing Authority waiting lists. **(Note: 2014 QAP eliminated a scoring category for 30%-60% designation of units)**

Other Policies

Developments must submit a management plan and previous experience summary to demonstrate management capacity. Among the required elements of the management plan is a description of social

service programs.

Developer Experience

Note: 2014 QAP eliminated a 5 point scoring incentive for resident sponsors who have previous housing development experience.

The experience of the development team is a major factor in development selection. The Association may reject applications if the development team does not demonstrate experience in affordable multifamily housing development or require that the sponsor secure assistance from experienced developers. (Note: New to 2014 QAP)

If the developer of a proposed development has not previously completed a Low-Income Housing Tax Credit development, or if the developer's experience is limited to developments which have been completed with assistance from consultants or co-developers, the developer will be required to post a cash deposit, letter of credit or performance bond in a form acceptable to the Association as follows: The greater of 10% of the annual tax credit reserved or \$10,000 posted at the time the tax credit reservation is accepted. If additional credit is subsequently awarded, the amount of the bond will be raised accordingly.

Illinois (2014 QAP)

Supportive housing developments are an eligible use of the Credit. Such projects may compete in the general application cycle. In addition, such projects have potential competitive scoring advantages.

Threshold Criteria

Projects must include the Application Certification that includes:

- Give preferential treatment to persons on Public Housing waiting lists and make and make on-going efforts to request that the PHA make referrals to the Project, or request that the PHA include relevant information about the Project on any listing the PHA makes available to persons on its waiting list(s);
- **Written certification that they will be willing to accept future State-administered operating subsidy or project-based rental assistance, should it be made available, on units that are not already subject to a rental assistance contract. (Note: New to CSH Report, Modified in 2014 QAP from a 1 point scoring incentive for getting units certified to accept state-administered operating subsidy or rental assistance for up to 25% of units)**

Set-Asides

Anticipated approximate 9% Tax Credit Allocation goals for each set-aside include a 17% allocation goal for AHPAA Opportunity Areas in the Chicago Metro Area. **(Note: New to CSH Report, Not new to 2014 QAP)**

Scoring Incentives

QAP awards a maximum of 10 points to developments that target units for 30% AMI or below. **For projects with 41 or more units**, the QAP awards maximum points for designating 20% or more to 30% AMI, 7 points for 15.0-19.99% of units, 4 points for 10.0-14.99% of units, 2 points for 5.0-9.99% of units, and 1 point for 1.00-4.99% of units. **For projects with 40 or less units, the QAP awards 10**

points for designating 25% or more of units to 30% AMI, 7 points for 20.0-24.99% of units, 4 points for 15.0-19.99% of units, 2 points for 10.0-14.99% of units, and 1 point for 4.00-9.99% or less units. QAPs must submit the 30 Percent AMI Housing Certification. **(Note: Unit size regulations are new to 2014 QAP).**

QAP awards up to 3 points for providing enhanced accessibility. To receive maximum points, a project must comply with all of the following: (i) At least 10% of the total units in the Project are designed for persons with mobility impairments, and (ii) At least 2% of the total units in the Project are designed for persons with sensory impairments (not less than one unit), as defined in ICC/ANSI 117.1- 2003, and (iii) The project's universal design score for all units is **at least 50 for 100% of the Project's units.** **(Note: Changed from 75 to 50 in 2014 QAP)**

QAP awards up to **5 points** for projects that provide housing for veterans. **(Note: Scoring incentive increased from 4 to 5 points in 2014; Scoring incentive was previously 5 points in 2012)** Maximum points are awarded to projects with a Veteran's Administration (VA) commitment for the provision of onsite social services, *and* a commitment for Veteran's Administration Supportive Housing (VASH) vouchers of 50% or more of the total units. Projects that have a VA commitment for onsite social services only receive 2 points and projects with a commitment for VASH vouchers receive 3 points. **(Note: These points did not change in 2014).** In order to receive points in this category, sponsors must provide a Veterans Housing Certification, a VA commitment for provision of onsite social services, and a VASH voucher commitment for 50% of total units that includes the maximum percentage of Area Median income, the total number of units assisted by unit type, the length of the rental assistance commitment, and the contract rent by unit type.

QAP awards up to 10 points for projects committing to include State Referral Network Units. The State Referral Network is a system created to link vulnerable populations, to include people with disabilities, already connected to services, with affordable housing. The QAP awards maximum points for designating 20% to 25% of the total units, 7 points for 15.0-19.99% of units, 4 points for 10.0-14.99% of units, 2 points for 5.0-9.99% of units, and 1 point for 4.99% or less of units (including at least one unit).

QAP awards up to **16 points** for projects with unit based (rather than tenant based) rental assistance ensuring tenants pay no more than 30% of their income towards rent and utility expenses combined, evidenced through submission of a rental assistance contract or commitment. Points depend on the whether it is state/federal rental assistance, or other rental assistance, the percentage of units receiving rental assistance, and the length in years of remaining assistance. Maximum points are awarded to projects that are receiving state/federal rental assistance for 11 or more years on 50% or more of units. Rental assistance must be evidenced through a Rental Assistance Certification, and a copy of the fully executive rental assistance contract or commitment letter, which has the maximum percentage AMI, total number of units assisted by unit type, length of the rental assistance contract, and the contract rent by unit type paid for by the rental assistance. State and federal rental assistance includes Section 8/RHI, McKinney-Vento, Section 811 PRAC Contract, Veterans Affairs Supportive Housing (VASH), Veterans Affairs Per-Diem, and SHP/Shelter + Care. Other rental assistance includes employer, developer, and municipal assistance. The rental assistance funds cannot come out of the operating or the development budget. **(Note: New to CSH Report, Not new to 2014 QAP but reduced from 20 to 16 points in 2014)**

Other Policies

Note: 2014 QAP eliminated a provision that in case an equal number of points, the first tiebreaker will be the project with the highest combined score in the 30% AMI Housing and State Referral Network categories. A new tiebreaker in 2014 includes projects that serve populations of individuals with children.

All resident services expenses must be funded from a third-party income such as Medicaid, McKinney Vento, or the Veteran's Administration rather than Project Income.

Developer Experience

Appropriate Development Team:

The following items must be submitted for the Authority to evaluate the experience and capacity of the development team:

- Completed "Identity of Interest Certification" for the Sponsor.
- Completed "Development Experience Certifications" for the Sponsor, general contractor, property manager, architect, and consultant indicating current status of all pending, under construction, or completed projects in any state.
- Completed "Organizational Chart" reflecting all entities within the proposed Owner down to individuals, including percentages of ownership.
- **Certificates, licenses, and/or training completion verifying that the property manager meets that management experience requirements.**

(Note: New to 2014 QAP)

Ownership Experience

A project sponsor must have at least 2 years of experience including the development and operation of a project meeting one of the following:

- A Tax Credit Project that contains at least 75% of the number of housing units in the proposed project;
- A subsidized, low-income multifamily rental development that contains at least 75% of the number of housing units in the proposed project; or
- A comparable housing development as determined by the Authority.

Indiana (2014-2015 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle, or, if qualified, within one of the set-aside categories described below. In addition, such projects have potential competitive scoring advantages.

Threshold Criteria

IHCDA dedicates 10% of available annual RHTCs for units that provide residential housing for "special needs populations", pursuant to Indiana Code ("IC") 5-20-1-4.5. Special needs populations include the following:

- Persons with physical or developmental disabilities.
- Persons with mental impairments.
- Single parent households.
- Victims of domestic violence.

- Abused children.
- Persons with chemical addictions.
- Homeless persons.
- The elderly.

Set-Asides

QAP includes a 10% set aside for Housing First Developments that further the creation of community-based housing that targets the extremely low income (less than 30% AMI) with intensive service programs **that have a direct impact on reducing homelessness and use a Housing First model**. Housing First is an innovative approach to engage and rapidly house homeless individuals into permanent supportive housing and to provide intensive and flexible services to stabilize and support housing tenure. Eligible **Supportive Housing** applicants **must properly demonstrate participation in the Permanent Supportive Housing Institute as described in Part (i) below**. (Note: Bold text is new to 2014-2015 QAP)

See *Other Policies* for key principles of Housing First.

Scoring Incentives

QAP awards 6 points to developments in which 18-30% of total units charge rent at or below the 30% AMI rent point.

QAP awards up to 8 points for providing services to permanent supportive housing developments as part of a Tenant Investment Plan. In order to qualify, applicants must submit a Tenant Investment Plan (TIP) summary that includes a **brief TIP narrative that** identifies the annual budget, the role of the Tenant Investment Coordinator, and a description of how the services will meet the tenants' needs. **Points in this category will be awarded based on the overall Tenant Investment Plan in regards to each level listed. TIP plans must address the needs of the development's tenants to receive highest point consideration. Programs must have a combination of Level 1, 2 and 3 to be eligible to receive the maximum of six (6) points. Outstanding TIP plans that specifically cater to the needs of the tenant population and provide extensive services are eligible for a two (2) point bonus based on the Agency's discretion.**

- Level 1: This level provides goods or services as a tenant incentive and **awareness of programs and assistance offered in the community. Applicants are encouraged to network with local businesses and/or service agencies to offer unique but valuable incentives to current and/or future tenants. Services within this level are 0.25 points each.**
(Note: 2014-2015 QAP changed scoring incentive from 1-3 points to 0.25 points each for services within this level)
- Level 2: **This category may target services for specific tenants such as education classes or services that will help tenants live a more self-sufficient and healthy lifestyle. Services within this level are 0.5 points each.**
(Note: 2014-2015 QAP changed scoring incentive from 1-5 points to 0.5 points each for services within this level)
- Level 3: This category offers extensive services to provide tenants with assistance, **programs and tools to maintain and/or improve their lifestyle within the community. This category requires both extensive tenant participation** as well as management maintenance. **Services**

within this level are 1 point each.

(Note: Categories' language changed in 2014-15 QAP. Level 4 for Permanent Supportive Housing projects was eliminated in 2014-15 QAP)

QAP awards up to 5 points for universal design features from select categories. Universal design features may include wider hallways, grab bars for the bath, raising of electric outlets, etc.

QAP awards a maximum of 5 points for a Federally Assisted Revitalization Award (this includes PHA sponsored HOPE VI or Choice Neighborhoods revitalization initiatives or a phase or component of a New Market Tax Credit Development). In order to receive the points, one requirement is to be part of a mixed income phased community with a significant market component.

Preservation

10% of available annual RHTCs will be set aside for Developments which involve the substantial rehabilitation (as outlined in the property's Capital Needs Assessment—See Schedule F) of an existing structure (affordable or market rate housing, or otherwise) and/or a Development otherwise in danger of being lost as affordable housing, and/or the demolition and decentralization of housing units utilizing the same site (over 50% of the units must be replaced in the Development/Application).

This includes:

- Developments being removed by a federal agency (i.e. HUD, Rural Development (RD));
- Rental Housing RHTC Developments with Compliance Periods that have expired or are expiring in the current year;
- **Federally assisted developments**, which entail demolition and decentralization of units with replacement of units on the same site as described above.

(Note: Reduced from 20% to 10% in 2014-15 QAP. 2014-15 QAP removed eligibility provision that included developments that were re-use of existing structures for conversion into 75% affordable housing units.)

Rehabilitation hard costs must be in excess of \$30,000 per unit to be considered in this category. For Developments competing in all other set-asides, rehabilitation hard costs must be in excess of \$20,000 per unit. The cost of furniture, construction of community buildings and common area amenities are not included in the minimum per unit amount. The applicant must provide a hard cost budget separating out the cost for furniture, construction of community buildings and common area amenities. USDA Rural Development Section 515 properties may include the cost of construction for community buildings and common area amenities in the minimum per unit amount.

Opportunity Index: The proposed Development Site may earn up to 3 points (with 1 point for each feature) for proximity to growth opportunities such as quality education institutions and livable wages. Poverty rates and household income will be based on the most recent data from the US Census. When mapping the locations of community facilities and services for the above location efficiency points all undesirable facilities must be included as well. One point may be deducted if the project is found to be within a ½ mile of facilities that may pose a public or environmental health risk. Development is located within:

- **A county at the top quartile for median household income in the state and not within QCT.**

- **A county at the bottom quartile for poverty rate in the state and not within a QCT.**
- **At least one public K-12 school assigned to that location with a rating of “A” or “exemplary” or equivalent according to the most recent accounting from the Indiana Department of Education**

QAP awards up to **6 points** to the preservation of existing affordable housing including the preservation of a previously HUD funded or USDA funded affordable non-public housing Development (such as project based Section 8 or other forms of HUD funding or RD 515 properties). 6 points are awarded to projects that are high priority.

(Note: Reduced from 8 points in 2014-15 QAP, new to CSH Report)

Other Policies

Developments without hard debt are allowed but will be subject to additional scrutiny from IHCDA.¹ Applicants that are proposing to develop permanent supportive housing or rental housing must participate in the Affordable Housing Database

Among the Authority’s goals are to support and encourage Developments that serve the lowest income tenants, with set-aside units for tenants at or below 30% of the area median income rent levels, and provide documentation of financial and supportive capacity, in the opinion of the Authority, to make the Development financially viable for the compliance period; substantially upgrade and preserve existing low income housing and are a part of a published community revitalization plan; are obligated to serve tenant populations with special housing needs; minimize negative impact on existing affordable housing units in an area; and increase the supply of Permanent Supportive Housing through community-based partnerships for homeless individuals and families.

Key principles on the Housing First model of permanent supportive housing are:

- Changing the system, not the person: The major shift of this model is how services are provided. In many cases, services are offered on-site rather than expecting individuals to show up at an agency for services. Staff are constantly working to engage residents and are trained in evidence based practices, such as assertive community treatment, that have been shown to be effective for hard to serve populations;
- Tenant choice on accepting clinical service: Services need to be readily available with staff continually working to engage and build relationships with the tenants. No participation in clinical services is required in order to remain housed. A harm reduction approach is used in addressing chronic substance addiction.
- Focus is on being a good tenant: The main emphasis is on safety with interventions on behaviors that negatively impact an individual or the community. Skills such as managing finances, handling conflicts with other tenants, and managing the day-to-day responsibilities in apartments are essential for long-term tenancy.
- Eviction is a last resort: **Property management staff work collaboratively with supportive service providers and the tenant to implement eviction prevention practice.** This process should involve service rich interventions to attempt to exhaust all other solutions prior to serving a tenant.
- Strength-based model with emphasis on building community: **A strength based approach emphasizes a person’s strengths and the role of self-determination. This is a tenant led**

process with a focus on future outcomes and the many talents and strengths that a person can employ to achieve the desired outcomes.

Housing First Developments must submit a Supportive Housing Plan that describes or provides the following:

- **Minimum Units** – The Development must set-aside **a minimum of 25% of units. (Note: 2014-2015 QAP increased percentage of units from 10%, or 10 units, to 25%)**
- **Target Population** - How the development will identify and target those at or below 30% AMI who are experiencing homelessness, leaving an institutional setting, or exiting out of foster care and most vulnerable based on the local Continuum of Care Coordinated Assessment/Access System. The focus is on housing those who are identified as most vulnerable, using costly public systems and needing the housing the most. The identification and assessment of the target population must be data driven.
- **Site Suitability** – How the development will meet the needs of the targeted population including accessibility features, access to transportation, and proximity to community amenities.
- **Affordability** – How the development will make their units affordable to the targeted populations.
- **Access to Services** – How an array of services, including those aimed at tenant retention, will be made available both on and off-site for tenants to access according to their needs, including a budget for services and funding sources that have been secured or will be sought.
- **Outreach and engagement** – how the development will partner with organizations providing outreach and engagement to the target population and how individuals will be linked to tenant screening and intake process.

Referral, Screening, and Communication:

- **Tenant referral and screening is developed based on the local Continuum of Care Coordinated Assessment/Access system.**
- Tenant referral and screening process, including steps followed by all parties to negotiate Requests for Reasonable Accommodations and modifications under Fair Housing Laws to facilitate the admittance of persons with disabilities into the development.
- **How the development will adopt a screening in process to ensure supportive housing is accessible to the target population.**
- How the property management and the agency providing the on-site support coordinator will communicate, accommodate staff turnover and assure continuing linkages between the Development and the agency providing the on-site support coordinator for the duration of the compliance period.

Agreement among All Parties:

- **Demonstrate collaboration between property management and supportive service staff to ensure the housing stability of all tenants.**
- Plan to affirmatively market to persons with disabilities and include a section on reasonable accommodations and modifications in applications for tenancy. The Development may advertise as offering services for people with particular types of disabilities, but must admit other persons with disabilities who may benefit from the services.
- Use by the management agent of objective screening and income eligibility criteria to make decisions regarding offering applicants' residency.

Demonstration of Participation: Developments that compete under the Housing First set-aside must demonstrate participation in the 2013-2014 Institute. **The Indiana Supportive Housing Institute provides training and support to organizations applying for RHTC under the Housing First set aside. Tenant outreach, selection, property management, and service plans must be approved as part of the Institute process and prior to submission of a RHTC application under the Supportive Housing- Housing First Set-aside. Participation in the Institute is based on a competitive selection process. Applicants for credits must successfully fulfill all requirements of the 2013-2014 Institute for the specific development for which they are applying.**

Special Needs housing includes:

- Persons with physical or developmental disabilities.
- Persons with mental impairments.
- Single parent households.
- Victims of domestic violence.
- Abused children.
- Persons with chemical addictions.
- Homeless persons.
- The elderly.

The Authority may also increase or "boost" the eligible basis up to 30% of Developments whose buildings are placed in service after July 30, 2008 if the eligible basis otherwise would be a low percentage of the total development costs due to certain conditions, including: Competing under the Housing First set-aside; Competing under the Preservation set-aside; and score 10 or more total points under Section G.1, "Rents Charged" scoring category for 30% and 40% Area Medium Income Rents.

Developer Experience

The Development Applicant/Owner, Developer, Management Agent and other members of the Development team as provided in the Rental Housing Finance Application must demonstrate sufficient financial, development and managerial capabilities to complete the Development and maintain it for the Compliance Period and other applicable period.

Required Documentation: The Applicant must provide documentation to demonstrate sufficient financial, development and managerial capabilities. Documentation must include: 1) Up to date certified Financial statements from the Applicant, Owner (if formed) or its principals (must include all principals of the general partner interest) or from the individual(s)/entity providing guarantees for the Development, AND Developer (under the Applicant's, Owner's, and/or Developer's own affidavit respectively); AND 2) Resumes showing adequate experience of Developer and management company. This documentation must be placed in Tab D. The Authority, in its discretion, may require audited financials and/or copies of tax returns. If needed, the Authority will request this information from the Applicant.

Iowa (2014 QAP)

Supportive housing developments are an eligible use of the Credit. Such projects may compete in the

general application cycle. In addition, such projects have potential competitive scoring advantages.

Threshold Criteria

All approved Projects will be required to target ten percent (10%) of the total Project Units to the Target Population (Persons with a Disability). Projects targeting Units under this subsection are not required to provide on-site supportive services or a service coordinator. Owners shall demonstrate a partnership with a Local Lead Agency and submit a Targeting Plan for review and approval by IFA. See *Other Policies for Targeting Plan* requirements. (Note: New to 2014 QAP)

Commitment to Notify Public Housing Authority (PHA) of Vacancies: The Application will require the Applicant to acknowledge the Commitment to Notify PHA of vacancies.

Set-Asides

None.

Scoring Incentives

Note: 2014-15 QAP eliminates 20 point incentive for Special Needs Housing, including service-enriched and assisted living developments in which 25% or more of total project units gave preference to residents with special needs.

QAP awards 5 points for projects where at least 25% of units serve tenant populations of individuals with children. Units must be 4 or more bedroom LIHTC units.

QAP awards up to **24 points (Note: Reduced from 27 points in 2014-15 QAP)** for projects advancing the goals of DHS's Olmstead Plan for Mental Health and Disability Services to build a consumer- and family-driven system that expands people's choices for the supports and services they need, where they are provided and by whom. In other words, a system that operates the way the U.S. Supreme Court says it should in its landmark Olmstead decision, where people with disabilities, of any age, receive supports in the most integrated setting consistent with their needs. **The number of points depends on the percentage of units that are fully accessible, have accessible communications features, are visitable, or have additional accessible features. For example, 12 points (maximum for this breakdown) are awarded to projects that are 10% fully accessible, 2% units accessible communications features, 58% visitable, and 30% additional accessible features.**

QAP awards 10 points if at least 50% of the fully Handicapped Accessible units designated above will be two-, three-, or four-bedroom units.

QAP awards 2 points if all on-site Property Management staff will complete Mental Health First Aid training approved by the Iowa Department of Human Services and/or an Olmstead Consumer Taskforce approved disability awareness training program, such as may be offered by a Center for Independent Living

QAP awards up to **15 points** for Projects that serve the **lowest tenants with deep rent skew** where **15% or more of units are occupied by individuals whose income is at or below 40% AMI. (Note: Reduced from 20 points, Percentage changed from one point for each full 1% of total units to 15% total in 2014 QAP).**

Mixed Income Incentive: QAP awards up to **20 points (Note: Reduced from 25 points in 2014 QAP)** to projects that provide market rate Units (not eligible for Tax Credits) using the criteria of awarding 1 point for each full 1% of the market rate units (**15 points maximum**). On-site staff units cannot be counted for points. QAP awards an additional 1 point for every 1% of total units that serve 30% AMGI qualified tenants (5 points maximum). In order to obtain points for this award, the Applicant must commit to providing market rate units first and then the Applicant may be elect to provide 30% units.

QAP awards a maximum of 15 points to projects in a location near services. The QAP awards 5 points each if the following services are within one mile of the project: full service grocery store, schools (family projects only), senior center (older persons project only), medical services, **workforce training, and public library**.

Note: 2014 QAP eliminates 5 point incentive for special needs projects that have a Medical Alert System. This scoring incentive is made exclusively for elderly projects in 2014-15 QAP.

HUD-VASH/Rental Assistance Scoring Incentive

QAP awards up to **35 points (Note: Reduced from 40 points in 2014 QAP)** to projects that are Subsidized Project-Based Rental Assistance or HUD-VASH Voucher Projects. **QAP awards the following points:**

Project-Based Rental Assistance (Nonlocal PHA Source)

- At least 50% of units – 30 points
- At least 75% of units – 35 points

Local Project-Based PHA Voucher Assistance:

- At least 5% of units – 10 points
- At least 15% of units – 25 points
- At least 25% of units – 35 points

(Note: 2014-15 QAP added different scoring incentives for nonlocal and local project-based assistance. Eliminated 40 point incentive for 100% of units)

HUD-VASH Voucher assistance.

- At least 5% of units – 10 points (Note: Increased from 8 points)
 - At least 15% of units – 25 points (Note: Increased from 24 points)
 - At least 25% of units – 35 points (Note: Decreased from 40 points)
- (Note: 2014 QAP eliminated a 10% and 20% scoring incentive)

A written binding commitment from a public housing authority to provide the project-based assistance or HUD VASH Vouchers will also be acceptable if a contract is not yet in existence for the Project. An Applicant may elect points under a project-based rental assistance contract, a commitment for HUD VASH Voucher assistance, **or a Local Project-Based PHA voucher assistance. This category is not available to an Applicant that elects points in Resident Profile-Category 1, “Serves Lowest Income Residents” and Resident Profile-Category 5, “Rent Reduction”.**

(Note: 2014 QAP eliminated exclusion of “Mixed Income” scoring incentive from this

category)

Other Policies

At a minimum, the Targeting Plan for 10% threshold shall include:

- A description of how the Project will meet the needs of the targeted tenants including adaptability, Accessibility or assistive technology features, access to supportive services, transportation, rent subsidy and proximity to community amenities.
- A description of the experience of the Local Lead Agency and their capacity to provide access to supportive services and to maintain relationships with the Management Company and community service providers for the duration of the compliance period.
- A Memorandum of Understanding (MOU) between the Ownership Entity or Developer, Management Company and the Lead Local Agency must be submitted with the Carryover Package. At a minimum, the MOU shall include the following:
 - A commitment from the Local Lead Agency to provide, coordinate and/or act as a referral agent to assure that supportive services will be available to the Target Population.
 - The referral and screening process that will be used to refer tenants to the Project, the screening criteria that will be used, and the willingness of all parties to negotiate reasonable accommodations to facilitate the admittance of Target Population tenants into the Project.
 - A communications plan between the Management Company and the Local Lead Agency that will accommodate staff turnover and assure continuing linkages between the Project and the Local Lead Agency for the duration of the compliance period.
 - Certification that participation in supportive services will not be a condition of tenancy.
- Commitment to hold throughout the Compliance Period, pursuant to IFA's Held for Occupancy policy, ten percent (10%) of the total Project Units for occupancy by the Target Population.
- Agreement to affirmatively market to the Target Population.
- Agreement to include a section on reasonable accommodation in the Management Company's application for tenancy.
- Agreement to accept Section 8 vouchers or certificates (or other rental assistance) as allowable income as part of property management income requirement guidelines for eligible tenants and not require total income for persons with rental assistance beyond that which is reasonably available to persons with disabilities currently receiving SSI and SSDI benefits.
- A description of how the Project will make the targeted Units affordable to Extremely Low-Income households.
- The Management Company shall agree to show a preference for Persons with a Disability on the waiting list as part of the Project's Affirmative Fair Housing Marketing Plan. The Management Company must also note if the tenant household has a need for an Accessible unit.
- The Applicant is responsible for ensuring that all Affirmative Fair Housing requirements are met.

(Note: New to 2014 QAP)

Deep Rent Skew means that in addition to the minimum set-aside election, a project will meet the deep rent skewed Project requirements as defined in Section 142(d)(4) of the Code: (1) 15% or more of the Units are occupied by individuals whose income is 40% or less of the AMI; (2) the gross rent, with respect to each low-income Unit in the Project, does not exceed 30% of the applicable income limit which applies to individuals occupying the Unit and; (3) the gross rent with respect to each low-income Unit in the Project, does not exceed ½ of the average gross rent, with respect to Units of comparable size which are not occupied by individuals who meet the applicable income limit (if market rate Units are included). Annual certification is required for any deep rent skewed Project, whether it consists of 100% LIHTC Units or a mix of LIHTC and market rate Units. Mixed income levels are required to be monitored for compliance. The next available Unit rule applies to deep rent skewed properties. The owner shall rent to low-income tenants all the comparable Units that are available or that subsequently become available in the same building. Situations where: (1) an initially qualified household's income rises above 170% of the current income limit, in deep rent skewed Projects; or (2) a household that is not income qualified moves into a Unit of comparable or smaller size in the low-income building evokes the next available Unit rule (see Chapter 11i in the IRS Form 8823 guide). (Note: New to 2014 QAP)

Developer Experience

QAP awards up to **10 points** if a Developer or General Partner contributes cash to the Project. A cash contribution does not include a deferral of a developer fee. **Two points** are awarded for each full 1% of the Total Project Costs, for a maximum of **10 points**. (Note: Points increased from 5 to 10 points in 2014 QAP)

QAP awards up to 10 points based on development team experience. QAP awards 10 points if the Developer, Managing Member, or General Partner has 10 or more years of Section 42 experience and has completed at least one LIHTC Project through 8609 within the last 5 years. (Note: Points decreased from 15 to 10 points in 2014 QAP)

Note: 2014 QAP eliminated 5 point incentive for Developers that successfully closed in 2008 through 2011 a Tax Credit Project with a third party equity investment, and the syndication or third party equity investor closing was completed within 9 months of the tax credit award.

The Application will require the Applicant to identify the Qualified Development Team. The Applicant will be required to provide a narrative describing each member's function and explain how the Development Team possesses the necessary experience to successfully complete the proposed Project and all other projects under construction, and that it has developed projects of comparable size and financing complexity. The qualifications of the Development Team will be evaluated again at Carryover and the reservation of Tax Credits may be revoked, at the sole discretion of IFA, if the Development Team is not qualified to successfully complete the proposed Project. The Management Company/Manager must have at least one year of experience successfully managing a Section 42 property.

Kansas (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria

The Development must provide an appropriate menu of amenities and supportive services. The development provides amenities such as organized recreational activities, green area, and free dial up internet/computers for tenants in office or common area. Development provides or has agreements in place for services such as credit counseling, literacy/language training, food/nutrition classes, day care center, and resident management and initiatives.

Set-Asides

None.

Scoring Incentives

QAP awards 20 points to developments targeting 100% of units to tenants 55 years and older and/or to tenants with special needs.

QAP awards up to 35 points to developments designed to serve lowest income tenants by providing a specified percentage of units serving the 30% AMI level. Points range from 7 (for developments providing 10-12% of units at the 30% AMI level) to 35 (for developments providing 19-20% of units at the 30% AMI level). **(Note: 2014 QAP eliminated scoring incentives for 35% AMI and 45% AMI)**

QAP awards up to 45 points to developments that address any of four priority housing needs identified by the agency, including developments for special need populations including, but not limited to, homeless families and individuals or persons with disabilities; and preservation of housing with a HUD Section 8 or USDA Housing Assistance Payment contract, or any application from a Public Housing Authority (15 points for each priority need).

QAP awards 5 points if applicant enters into an agreement with the P.H.A. or the local governing unit to accept the referral of tenants on the P.H.A. waiting list.

Other Policies

In the general description of statewide housing needs, the QAP identifies development for special need populations including homeless families and individuals or persons with disabilities among its priority housing needs.

Kansas Housing Resources Corporation will consider requests for up to 30% additional credits in property developments if the project addresses a variety of criteria, subject to underwriting analysis, financial need, and development feasibility.

Developer Experience

Applications meeting the preliminary requirements will be further reviewed for non-point criteria. Applications may be accepted or rejected based solely on the non-point criteria, which includes:

- Sufficient development team experience relative to the proposed development.

Kentucky (2014 QAP/2014 Multifamily Scoring Sheet)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle or in any of the state's pools or set-asides. Such developments also have potential competitive scoring advantages.

Threshold Criteria

None.

Set-Asides

KHC has established a Nonprofit Supportive Housing Pool for a total of \$2,875,000. See *Scoring Incentives for Nonprofit Supporting Housing* scoring guidelines. This set-aside includes:

- **\$750,000 Recovery Kentucky Set-Aside**
- **\$700,000 to a competitive Scholar House project in Northern Kentucky**
- **\$500,000 to the Nonprofit Supportive Housing pool: Available on a competitive basis for projects providing supportive housing services to at least 50 percent of units for individuals or families who are:**
 - **Elderly, homeless, at risk of homelessness, victims of domestic violence, and/or have disabilities, acquired traumatic brain injury, aging out of foster care, persons with AIDS, severe mental illness, or chemical/alcohol dependency and who require access to supportive housing services.**

(Note: A Recovery Kentucky set-aside was in 2013 QAP under a State Priority Set-Aside. The Nonprofit Supportive Housing category, as well as the competitive pool for supportive housing is new to 2014 QAP.)

KHC has established a Community Impact Pool that sets aside approximately \$1,800,000, which includes:

- **\$800,000 for Louisville HOPE VI development**
- **\$700,000 for competitive applications in urban areas, \$300,000 for competitive applications in rural areas**

(Note: The Louisville HOPE VI set-aside was in the 2013 QAP under a State Priority Set-Aside. The Community Impact Pool is new to 2014 QAP).

The Community Impact pool will be set-aside for developments with significant community impact through the creation of new housing opportunities, acquisition and rehabilitation of vacant or foreclosed property within a defined footprint, or the conversion of vacant or foreclosed buildings within a blighted neighborhood. Both urban and rural community officials are encouraged to be actively engaged in the development of the scope of a project applying in the Community Impact Pool. Projects applying in the Scholar House set-aside cannot apply in the Community Impact Pool. As a threshold to be eligible to apply in the Community Impact Pool, the mayor or county judge executive (or equivalent) of the jurisdiction where the project is located must provide a letter detailing the need for the

project and address the benefit the project will bring to the community. The letter must address the local jurisdiction's level of participation in developing the scope of the project and specifically identify how the project will meet an identified need in the community as defined in a local revitalization plan, or how the project will address a critical community need through the creation of new housing opportunities.

KHC will only fund one project from the competitive Community Impact Pool in any given county. If more than one application is received for funding from the same local jurisdiction, KHC will contact the local jurisdiction to identify one development as its priority and the other project(s) will not be considered for funding from the Community Impact Pool and the associated application fees will be retained by KHC. Projects must meet a minimum score as outlined in the guidelines in order to be considered for funding.

Recovery Kentucky was launched in 2005 by the governor's office to create statewide recovery centers aimed at providing housing and recovery services for people with problems of substance abuse. The aim is to help people overcome addictions while simultaneously moving them into permanent housing.

Scoring Incentives

QAP awards a maximum of 20 points applicants bring other sources of funds into the project, including HUD HOPE VI funds, HOME, or CDBG funds. Applicants must have submit a commitment letter from the outside funding source(s), and receive 20 points if all funding commitments are firm and documentation has been submitted. Projects receive 15 points if some funding commitments are firm and some are letters of intent.

QAP awards 5 points to applicants that provide a written commitment to notify public housing agencies of project vacancies and to give priority to households on PHA's waiting lists. (Must include in the tenant selection plan, refer to KHC's Multifamily Guidelines) (Note: New to 2014 Multifamily Scoring Sheet)

QAP awards 10 points to projects preserving existing affordable housing. Qualifying projects either propose the preservation of an existing affordable housing development previously assisted with Housing Credit in which the initial 15 year compliance period has expired, or QAP awards 10 points to projects proposing the preservation of an existing affordable housing development that also receives project-based rental assistance (i.e., Rural Development, HUD or KHC) on at least 50% of the units, and has not had substantial rehabilitation since its original placed-in-service date. For both projects, one point will be awarded for each additional year beyond the initial 15-year compliance period, for a maximum of 10 points.

Nonprofit Supportive Housing Scoring Incentives – Maximum 25 points

Applicants proposing permanent supportive housing must provide a supportive service plan. The plan must address the following items, and must include letters of service commitment and a commitment to refer targeted households to the project. The letter of referral must state an estimate of households to be referred on an annual basis. Note: if the project is applying in multiple pools, the points in this category will only be applied if the project is funded in the nonprofit supportive housing pool.

Projects receive 5 points for each of the following provisions, for a maximum of 25 points:

- The population being served and the experience the support provider has serving that population.
- How the supportive service plan will address the needs of the specific population.
- How the success of the supportive services plan will be evaluated; the formal and informal methods that will be used to evaluate success of the development in meeting the individual needs of the residents, as well as addressing overall issues of the population.
- How residents will be linked to services not directly offered by the primary service provider.
- The source of funding for the services and how the project plans to sustain supportive service provisions over the life of the compliance period

Other Policies

KHC has adopted cost containment guidelines to evaluate the total development cost for all projects. The cost containment limits apply to all resources, including Housing Credit only projects. KHC may waive cost containment guidelines for adaptive reuse projects, projects that have federal resources (HOPE VI, HUD 202, or HUD 811) committed, or projects for which such commitments are being processed. All requests for waivers must be made in writing and approved prior to application submission.

Supportive Housing: Supportive housing is decent, safe, and affordable community-based housing that provides tenants with the rights of tenancy under state and local landlord tenant laws and is linked to voluntary and flexible support and services designed to meet tenants' needs and preferences. The core value of supportive housing is that people in the populations identified above have the right to live in the most integrated setting possible with access to individualized supportive services. (Note: New to 2014 QAP)

If services are a requirement to live in the housing units, generally these service fees must be included in gross rent. **(Note: Not new to 2014 QAP, New to CSH Report)**

Year 15

The required DCR in year one must be at least 1.20 and remain at or above 1.0 through year 15. Projects requesting Risk-Sharing funds must have a minimum DCR of 1.25 in year one and remain at or above 1.0 through year 15. Projects that do not have any debt associated with the project will satisfy KHC's debt coverage ratio requirements. Projects requesting Housing Credit only must meet the DCR requirements established by an investor or governmental entity if the investor or governmental entity accepts a lower DCR. All required DCRs, if lower than KHC's limit, must be reflected in either the syndication agreement or from the governmental entity and the investor or governmental entity must provide its 15 year pro forma. All projects must have positive cash flow through year 15. For projects that obtain HOME or AHTF gap financing from KHC, a subsequent CNA will be required in year 15 and may require the project to adjust their capital reserve replacement schedule accordingly. **(Note: Not new to 2014 QAP, New to CSH Report)**

Developer Experience

Kentucky Housing Corporation (KHC) will award a project 10 points if a member of the development team has been part of a development team within the past 7 years that has developed and placed in service a

KHC-financed multifamily project of at least ten units.

KHC will award 5 points if a member of the development team has been a part of a development team within the last three years that has developed and placed in service a multifamily project in another state utilizing **multifamily resources from the state housing finance agency. (Note: Language changed from housing credits and tax-exempt bonds in 2014 QAP)**

KHC will award 10 points if no member of the development team has requested a waiver or modification for pledged amenities or requested a deviation from project design.

KHC will award 20 points if no member of the development has ever had any Compliance and/or monitoring issues (excluding cured issues during the 30-day Correction Period) within the last three years whether it is federal, statutory or KHC policies, or 10 points if one or more members of the development team has noted noncompliance issues (federal, statutory or KHC policies), within the past three years, but all have been corrected within six months after the close of the Correction Period (i.e., Issuance of the IRS Form 8823 and/or Closed Review letter with Open Issues). If a member of the development team has had chronic and repeated compliance issues or findings of noncompliance and they have been notified, the development loses 10 points.

Louisiana (2014 Special Interim QAP)

Supportive housing developments are an eligible use of the Credit. They compete in the general application cycle within a general statewide allocation pool and are subject to potential competitive scoring advantages.

Threshold Criteria and Set-Asides

None.

Scoring Incentives

Note: 2014 QAP eliminated 5 point scoring incentive for Single Room Occupancy Shelters.

QAP awards up to 5 points for Special Needs Households (includes homeless households, disabled households, and tenant populations of individuals with children) that serve 20% of the households. 3 points are awarded if the project serves 10% of such households.

QAP awards up to 3 points for developing Accessible Units in excess of Section 504 (II) (C) of the Accessible Project Rehabilitation Act of 1973. The project receives the maximum points if 15% or more of the total units are accessible units.

QAP awards up to 3 points for leverage consisting of **non-governmental funds (Note: Modified from “federal or other funds” in 2014 QAP)** for persons with disabilities.

QAP awards a maximum of 6 points to projects in which at least 5% and less than 10% of units serve PSH household with incomes at or below 20% AMI. 5 points are awards to projects that designate at least 10% but less than 15% of units to households *other than PSH* with incomes at or below 30% AMI. QAP awards 4 points to projects that serve at least 5% but less than 10% of units to households *other than PSH* with incomes at or below 30% AMI. To qualify for points in this section, units must be reflected on the rental

income page of the application. Project must evidence ability to maintain lower rate units via rental income, grants or subsidies. To qualify for PSH points applicant must submit letter of PSH Support for the PSH Executive Council.

QAP awards **3 points** to a Public Housing Agency Project, a project that includes the signed certification form from Louisiana Housing Counsel dated not earlier than 60 days of the application submission which verifies that a PHA is sponsoring and developing the project referenced in the application. The PHA must have at least 51% controlling interest in the General Partner of a Limited Partnership or Managing Member of a Limited Liability Company and receive at least 51% of the developer fee. The application must contain the current project specific certification. **(Note: Modified in 2014 QAP from 10 points to 3 points. In 2012, the QAP awarded 4 points for this provision.)**

QAP awards up to 5 points for mixed income projects. Projects receive 5 points if the project designates 20% or more of units as non-qualified units (market rate housing without income restrictions). The QAP awards 3 points for designated between 10 and 20% of units. (Note: New to 2014 QAP)

Note: 2014 QAP eliminated an 11 point scoring incentive for projects that partnered with the Veterans Affairs Medical Center (VAMC) to provide supportive services.

Other Policies

The goal of the Corporation and the Board, through the allocation process and provisions of this Special Interim QAP, is to encourage affordable housing development in high opportunity areas by targeting areas of increased economic growth and industrial investments. Integrating housing in high-opportunity areas gives low-income families and children better chances of success. High opportunity areas include areas with sustainable employment, high performing schools, quality health care and childcare, and safe neighborhoods. (Note: New to 2014 QAP)

A special needs household is defined as a household which constitutes a Single Parent Household, Large Family Household, a Foster Parent Household, an Elderly Household, a Disabled Household or a Homeless Household. A special needs project is a Project in which at least twenty-five percent (25%) of the units are set aside for Special Needs Households in accordance with the Tax Credit Regulatory Agreement; provided, however, that a Special Needs Project constituting an Elderly Project must satisfy the requirements of the Fair Housing Act.

In order to receive points for a Special Needs Household, the application must include the following:

- Description of Supportive Services tailored to each Special Needs Household (See Supportive Services Definitions);
- Costs per annum of Supportive Services per Special Needs Household or written commitment from governmental or non-profit agency that Supportive Services will be provided to Project without cost;
- Experience of Taxpayer/Owner in developing Projects servicing Special Needs Households; and

Single Room Occupancy projects are not subject to total development cost per unit limits or square-foot limits if the local governmental unit certifies that the development will provide shelter to homeless persons or receive Stewart-McKinney Act funds.

Eligible Target Population for Permanent Supportive Housing:

1. A member of the household has a substantial, long-term disability including but not limited to serious mental illness, addictive disorder, developmental disability, physical, cognitive, or sensory disability, or disabling chronic health condition that qualified them for Medicaid-funded supports and services operating by the DHH program offices for Behavioral Health, Developmental Disabilities or Aging and Adult Services.
2. A member of the household has a physical, mental or emotional impairment which is expected to be of long-continued or indefinite durations, substantially impeded their ability to live independently without supports; and is of such a nature that such ability could be improved by a more suitable housing conditions.
3. The household's income is 50% of below of Area Median Income.

Eligible Supportive Services for PSH: The range of services tailored to the needs of the category or categories of persons with special needs occupying housing in which such services are provided. The intensity of services delivered may vary based on the target population and individual needs but, for typical individuals would include an intensive service mix covering these types of services:

1. Outreach and engagement
2. Support in accessing housing (including assistance with applications, arranging for utilities and arranging for relocation)
3. Crisis prevention and intervention
4. Support in acquiring skills and knowledge for community living including acquiring benefits and money management
5. Providing opportunities for social support and peer support
6. Advocacy, clinical case management, clinical interventions
7. Facilitating arrangement for child care
8. Service Coordination including services of a tenant services liaison
9. Arranging access for acute and emergency care
10. Mental health and substance abuse treatment
11. Linkage to education and employment
12. Arranging access to transportation

Supportive Services for Special Households Types Other than PSH: The range of services tailored to the needs of the category or categories of persons with special needs occupying housing in which such services are provided. The costs of Supportive Services must be specified in the Application and separately identified as an expense item in the operating pro-forma or must be provided by a governmental or non-profit Corporation which evidences in writing a commitment to provide supportive services to special needs households in the Project without charge. For purposes of this definition, Supportive Services are presumed to be provided if such services qualify under HUD Regulations and if HUD informs the Corporation in writing that services evidenced in the Application qualify under HUD regulations. Supportive Services must be provided for a period commencing at the placed in service date of a project and ending not earlier than the end of the tax credit compliance period for a project. A description of Supportive Services must contain minimum supportive services required under HUD regulations for such special needs group and may include such services as Daycare, After-school programs, and Financial and budgeting seminars

Public Housing projects must provide a summary of (i) the number and quality of units in developments owned by the local public housing authority and a statement concerning vacancy rates and waiting lists and

(ii) the number of vouchers administered by the local public housing authority and the estimate of the households on the waiting list for vouchers.

Development Experience

Project Team/Developer Threshold Requirements:

Developer Experience: Such Managing General Partner or Sponsor must:

- Be identified in the application;
- Become a general partner or managing member of the ownership entity, and
- Remain responsible for overseeing the project and operation of the project for a period of two years after placed in service.

All owners and principles must disclose all previous participation in the low-income housing tax credit program. Additionally, owners and principles that have participated in an out of state tax credit allocation may be required to complete an Authorization for Release of Information form. No developer or taxpayer utilizing a debarred participant in the development or operation of a project may be reserved or allocated tax credits.

Project Team Disqualifications:

The Agency shall disqualify any taxpayer, its representative or agent, managing general partner, sponsor or management company, who is not in good standing with the Agency, as defined herein. One who is “not in good standing” will be considered ineligible to receive a reservation/allocation of credits during this Funding Round. One is considered to be “not in good standing” with the Agency if one has met one or more of certain criteria, including the following:

- Has been debarred or received a limited denial of participation in the past ten years by any federal or state agency from participating in any development program;
- Within the past ten years has been in a bankruptcy, an adverse fair housing settlement, an adverse civil rights settlement, or an adverse federal or state government proceeding and settlement;
- Has been involved within the past ten years in a project which previously received an allocation of tax credits but failed to meet standards or requirements of the tax credit allocation or failed to fulfill one of the representations contained in an application for tax credits without the express approval of the LHFA;
- Has been found to be directly or indirectly responsible for any other project within the past five years in which there is or was uncorrected noncompliance more than three months from the date of notification by the LHC or Corporation or any other state allocating agency unless the LHC or Corporation determines in its discretion that the uncorrected non-compliance was not the fault of the person in question;
- Has an outstanding audit report requirement or unresolved audit deficiencies as of September 14, 2011 will be considered ineligible to receive a reservation/allocation of credits during this Funding Round

A disqualification under this subsection (F)(3) will result in the individual or entity involved not being allowed to receive an award of LIHTC in the 2014 cycle and removing from consideration any application where they are identified.

Maine (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle subject to threshold requirements. In addition, such projects have potential competitive scoring advantages.

Threshold Criteria

QAP includes a threshold criterion for all developments to make a resident service coordinator available to evaluate service needs and refer residents to appropriate services throughout the compliance period. The resident service coordinator must be present on-site and available to the residents a minimum of one day per week, preferably two days per week, and a minimum of four to six hours per week for developments with up to 30 units and a minimum of one hour per week for every five units for developments with more than 30 units. Services must be made available to the residents in a private, confidential setting and must be free of charge to the residents.

If MaineHousing determines the service plan or the capacity of the service provider are inadequate, MaineHousing will identify any deficiencies in the Notice to Proceed and specify the time period in which the Applicant must correct the identified deficiencies. If the Applicant fails to correct the deficiencies within the specified time period in the Notice to Proceed, the Application will be deemed withdrawn.

The Applicant must enter into a service contract with the service provider on terms and conditions acceptable to MaineHousing before the construction loan closing for the Project.

(Note: 2014 QAP revised provision on service plan: removed details about what is included in service plan included the experience of the service coordinator, where the services would be provided, and a service budget).

Set-Asides

None.

Note: 2014 QAP revised the preservation set-aside. The set-aside no longer included projects with project-based rental assistance from RD, or projects with an existing Section 8 project-based rental contract or similar HUD project-based rental assistance contract (excluding assistance provided under the Section 8 Project-Based Voucher Program). The 2014 QAP includes projects that are subject to a restrictive covenant requiring any of the housing units to be affordable to persons with income at or below 80% AMI, and projects that satisfies the minimum rehabilitation requirements set forth in Section 5.D.3

Scoring Incentives

Preference for Population with Special Needs: QAP awards two points to developments that give preference in at least 20% of the units to persons who are homeless or displaced, persons with mental or developmental disabilities, or other persons with special needs. Applicants must maintain a waiting list for the persons for whom the preference is given and provide access to services appropriate to such persons.

(Note: 2014 QAP removed a provision requiring this scoring incentive to submit a

description of the services and a written commitment or letter of support from a qualified service provider)

Family Housing: A project for families in which a minimum of 50% of the total low income units in the Project are two or more bedroom units and a minimum of 20% of the total low income units in the Project are three or more bedroom units will receive 4 points. A project for families will be awarded 2 points if a minimum of 70% of the total low-income units in the project are two-bedroom units.

Other Policies

QAP identifies the increased availability of housing with services for persons with special needs including, without limitation, housing for persons who are homeless, housing for persons with mental and physical disabilities and housing for persons who are elderly as a housing need. It also identifies projects which meet the housing and service needs of distinct populations of a community, including person who are homeless or have other special needs as a housing priority.

Projects that exclusively serve certain population, including persons with disabilities, persons who are homeless and persons who are wards of the State are excluded from the requirements of the State's Growth Management Laws.

(Note: 2014 QAP removed provision that required developments that deliver services to special needs populations to provide documentation from an identified funding source.)

A Project will receive up to 5 points based on the percentage of units in the Project for which new project-based rental assistance has been committed as follows. If up to 25% of project-based rental assistance is committed, QAP awards 1 point, while any commitment between 25 and 50% will be awarded with 2 points. QAP awards 3 points to projects that have commitments between 50 and 75%, 4 points for commitments between 75 and 100%, and 5 points if all units receive this assistance. Assistance provided under the Project-Based Voucher Program pursuant to 24 CFR Part 983 is eligible for points hereunder only if the Project has been awarded assistance pursuant to a competitive process prior to the date of the Application. Project-based rental assistance made available, either directly or indirectly, by MaineHousing is not eligible for points under this subsection. To be eligible, the terms of the project-based rental assistance must be similar to the terms of RD or HUD project-based rental assistance or provide rental assistance in the minimum amount of \$200 per assisted unit per month. **(Note: 2014 QAP removed provision that required applicant to submit the commitment and specific terms of rental assistance.)**

A Project will be awarded up to 10 points based on the percentage by which the Total Development Cost of the Project is less than the lower limit of the range of Total Development Cost set forth in above for that type of project as follows.

Percentage of Total Development
Cost to Lower Limit of Range Points

- >15% less 10 points
- 10% - 15% less 6 points
- less than 10% less 4 points

A Project will lose up to 8 points based on the percentage by which the Total Development Cost of the

Project is higher than the upper limit of the range of Total Development Cost set forth above for that type of project as follows.

Percentage of Total Development

Cost to Upper Limit of Range Points

- less than 10% higher -3 points
- 10% - 13% higher -5 points
- >13% higher -8 points

Developer Experience

Sponsor Characteristics (maximum of 6 points). The requirements include:

- *Developer Experience (2 points):* An Applicant, or any principal thereof, who has prior experience with MaineHousing and has not been declared in default by MaineHousing in the last five years, or who has successfully developed Qualified Low-Income Housing Projects in other states will receive two points.
- *Tax Credit Noncompliance (2 points):* An Applicant will receive two points if the Applicant, any principal thereof or any affiliate of any principal thereof, has prior experience with Qualified Low Income Housing Projects and in the last three years (a) has not been issued an IRS Form 8823 or (b) was issued an IRS Form 8823, but it was subsequently reported as “noncompliance corrected” within the specified time period for correction, and (c) has not had an IRS audit finding resulting in a recapture event.
- *Management Experience (1 point):* Projects that will be managed by a management company with a) low income housing tax credit training and b) a minimum of three years of successfully managing a Qualified Low-Income Housing Project will receive **1 point**. If the MaineHousing-approved management company has at least 3 years of experience successfully managing a Qualified Low-Income Housing Project(s), the Application will be awarded one **(1) additional point**. **(Note: 2014 QAP revised this provision from 2 points, and removed requirement that applicants submit a binding commitment from the management company or other evidence of the management company’s low-income housing tax credit training and experience)**

Maryland (2014 QAP and Program Guide)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria

The new Program Guide limits the award of competitive low-income housing tax credits (LIHTC) and rental housing funds (RHF) to proposals that fit within then following categories. In the future, at each periodic review and update of the QAP and Program Guide, DHCD will set forth Priority Project Categories that reflect then-current concerns.

For this QAP and Program Guide, the Priority Project Categories are:

1. *Family Housing in Communities of Opportunity:*

To meet this priority, the project must be general occupancy housing with reasonable access to jobs, quality schools, and other economic and social benefits, as demonstrated by meeting at least one of the following two criteria:

- Be located in a “Community of Opportunity” due to community health, economic opportunity, and educational opportunity factors (based on a “Composite Opportunity Index”). Communities of

opportunity are determined by community health, economic opportunity, and educational opportunity; or

- Be located in a geographic area defined by applicable law as a community of opportunity for affordable family housing or identified as such by an order or consent decree entered by a federal or State court of competent jurisdiction or by a settlement agreement to which DHCD or a local government in Maryland is a party.

2. *Community Revitalization and Investment Areas:*

To meet this priority, the project must meet at least one of the following criteria:

- Be located in a Qualified Census Tract (QCT) or federally designated Difficult to Develop Area (DDA), both as defined by §42(d)(5)(B) of the Code and contribute to a concerted community revitalization plan;
- Be located in a Transit Oriented Development (TOD);
- The proposed project involves a public housing authority and the production or preservation of public housing; or housing involving the U.S. Department of Housing and Urban Development's (HUD) Choice Neighborhoods/HOPE VI programs, mixed-finance programs, or the Rental Assistance Demonstration (RAD) program; or
- Be located in a Sustainable Community.

3. *Integrated Permanent Supportive Housing (PSH) Opportunities:*

To meet this priority, the project must provide at least 10% and not more than 25% of its total units to households with incomes at or below 30% of area median income and headed by one of the following:

- For general occupancy projects:
 - Non-elderly person with disabilities (PWD), including persons referred by the Maryland Department of Disabilities (MDOD) or Maryland Department of Health and Mental Hygiene (DHMH);
 - Youth aging out of foster care;
 - Persons transitioning from correctional facilities; or
 - Veterans.
- For Elderly Projects:
 - Elderly persons with disabilities (PWD);
 - Elderly persons with special needs;
 - Elderly persons who are homeless;
 - Elderly persons transitioning from correctional facilities or other State facilities or institutions ;
or
 - Elderly veterans.

To meet this priority, units must be reserved exclusively for the targeted population and applications must include a letter from or memorandum of understanding or other agreement with an entity that will assist the applicant in marketing the units to the targeted population. Additionally, projects with non-elderly PWD units must agree to provide notice of unit availability to and accept referrals from MDOD and/or DHMH, in addition to any other marketing and referrals the project chooses to do.

If a project is unable to fill a unit with the targeted population after a 90 calendar day referral period, the unit may be leased to another household with income at 30% AMI or below. The next available 30% AMI unit in the Project shall be marketed to the Project's original targeted population until the

project is in compliance with its targeted percentage (i.e., 10-25%). The 90 calendar day period at lease-up will be measured from the date upon which the project achieves 80% occupancy and at turnover will be measured from the date upon which the unit is determined ready for occupancy following move-out by the prior tenants and completion of any unit turn cleaning, repairs, or maintenance.

4. *Preservation of Existing Affordable Housing*

To meet this priority, the project must involve the acquisition and rehabilitation of an existing multifamily rental housing development, whether or not it has existing rent or income restrictions, provided the project:

- Agrees to affordability restrictions for at least 30 years; and
- Is not financially feasible using tax-exempt bond financing, as determined by DHCD.

Set-Asides

None.

Scoring Incentives

Nonprofits (NPs), Public Housing Authorities (PHAs) and Minority/Disadvantaged Business Enterprises (MBE/DBEs) (14 maximum points): NPs and PHAs exist for charitable and/or mission-driven public purposes, and by their nature bring perspectives on and accountability to the residents they serve. DHCD wants to encourage NP and PHA perspectives in the planning, development, management, ownership, and ongoing oversight of affordable housing. DHCD also wants to encourage MBE/DBE participation and perspectives in the planning, development, management, ownership and ongoing oversight of affordable housing. Therefore, DHCD will award points to project proposals for meaningful participation with a NP, PHA, or MBE/DBE (8 points); controlling ownership interest in the project, is a member of the Primary Development Team as a developer with less than 50% interest (8 points); is involved as a member of the Primary Development Team as a general contractor, architect, or property management company (up to 6 points).

Income Targeting (14 points maximum):

- A project will receive 4 points if at least 10% of the units will be income-restricted at 30% of the area median or below for the LIHTC compliance period (including the extended use period). These points are available (1) if the project rent restricts those units at the 30% area median income level for the compliance period or (2) for units supported by the award of a project based housing choice voucher contract (or a DHCD approved equivalent form of project based assistance) with a term of 15 years or more.
- Up to 10 points will be awarded based on the weighted average of area median income targeting by bedroom in a project. For purposes of this calculation, the lowest income level used will be 30% of area median income. SRO or efficiency units will be counted as 0.67 bedrooms, and all weighted averages will be rounded to the nearest full percentage point.

DHCD will award points based on the weighted average as follows:

Points	Average Median Income
10 points	30 – 32%
9 points	33 – 35%
8 points	36 – 38%

7 points	39 – 41%
6 points	42 – 44%
5 points	45 – 47%
4 points	48 – 50%
3 points	51 – 52%
2 points	53 – 54%
1 points	55%
0 points	Greater than 55%

Targeted Populations: PWD or Special Needs (10 maximum points):

DHCD strongly supports the creation of permanent housing opportunities integrated across the State for targeted populations, particularly those with disabilities who rely primarily on Supplemental Security Income (SSI) or Social Security Disability Income (SSDI). DHCD will award points for projects that set aside units for targeted populations. To qualify as a targeted population set-aside unit, the housing unit must be:

- Permanent housing. Transitional housing or other facilities with limits on the term of occupancy do not qualify as permanent housing; and
- Income and rent restricted at no more than 50% of the area median income.
- Set aside for a household that is headed by one of the following:
 - PWDs,
 - Persons with special needs,
 - Youth aging out of foster care,
 - Elderly homeless persons,
 - Veterans, or
 - Persons transitioning from a correctional facility or other State facility or institution.

To receive points in this category, targeted populations in elderly projects must meet DHCD’s age-restrictions. Additionally, the units from the 5% threshold requirement in Section 4.5 may be counted toward the total percentage for scoring in this section, if the threshold units are income and rent restricted at or below 50% AMI (the threshold, at a minimum, only requires targeted at or below 60% AMI). Points will be awarded as follows:

Points	Set aside for targeted population
6 points	15% - 25%
5 points	13% to less than 15%
4 points	12 % to less than 13%
3 points	10 % to less than 12%
2 points	8% to less than 10%
1 points	6% to less than 8%

Applicants seeking points under this section for PWD must agree to provide notice of unit availability to and accept tenant referrals from DHMH and MDOD. Applicants seeking points under this section for a target population other than PWD must specifically market set-aside units to the targeted population(s) as evidenced by a memorandum of understanding or other formal written agreement between the owner, the property manager, and one or more local public or nonprofit service providers that regularly work with the targeted populations being served by the project.

Units that receive points under this category must be reserved exclusively for the target population. If a project is unable to fill a unit with the targeted population after a 90 calendar day referral period, the unit may be leased to another household with income at 50% AMI or below. The next available 50% AMI unit in the Project shall be marketed to the Project's original targeted population until the project is in compliance with percentage for which it received points. The 90 calendar day period at lease-up will be measured from the date upon which the project achieves 80% occupancy and at turnover will be measured from the date upon which the unit is determined ready for occupancy following move-out by the prior tenants and completion of any unit turn cleaning, repairs, or maintenance.

An additional 4 points shall be awarded to projects with project-based subsidies for all of the identified targeted population units so that the units serve extremely low income households (at or below 30% AMI). Documentation must be provided to show that the project-based subsidy will be in place for a minimum of 5 years.

In February 2013, DHCD was awarded a \$10.97 million grant from HUD under the Section 811 Project Rental Assistance Demonstration Program (PRA Demo). The grant will enable Maryland to provide project-based Section 811 rental assistance for 150 units that will be occupied by extremely low income non-elderly PWD referred by DHMH and MDOD.

To support implementation of the PRA Demo grant, projects with non-elderly PWD units that meet the Section 811 requirements (as explained below) will receive 4 points if they agree to accept, if offered by DHCD, the assignment of Section 811 project-based subsidies on their nonelderly PWDs units and to comply with the requirements of the PRA Demo Program. Applicants should note that HUD's Section 811 program represents a federal funding stream and may trigger various federal regulations, including but not limited to Davis-Bacon.

Family Housing (8 maximum points):

Consistent with the Code, DHCD encourages the development of housing appropriate to the needs of families with children. To qualify for additional points, a project cannot age-restrict its units and will receive points based on the provision of units suitable to larger households.

- 5 points will be awarded to projects where at least 50% of units are 2-bedrooms or larger. Alternatively 4 points will be awarded to projects where at least 40% of the units are 2-bedrooms or larger.
- 3 additional points will be awarded to projects where at least 10% of units are 3-bedrooms or larger.

Tenant Services (8 maximum points):

While all projects seeking LIHTC and RHF awards must, at a minimum, provide tenants with passive links to community services as outlined in the Threshold Criteria, DHCD recognizes the value that more direct service provision brings to tenants lives and will award additional points as follows. Up to 8 points will be awarded to projects that augment passive community links for services by identifying one or more tenant services providers for services on-site or in the community. The provision of such services must be evidenced by a certification from the applicant detailing the services to be provided. A contract, memorandum of understanding, or other formal written agreement between the Developer, the property management company, and the service provider(s) may also be provided to evidence the tenant services. Failure to provide the tenant services as described in the certification will result in negative points on future applications as described in Section 5.1.2. Points will be awarded based on the described services, the

applicability of the services to the tenant population, and the existence of a mechanism for resident feedback about tenant services at the project.

Mixed Income Housing (4 maximum points):

DHCD supports the development of mixed income housing for, families, the elderly, and persons with disabilities. DHCD will award 4 points to projects that include both affordable and Market Rate Units where the market rate units represent at least 10% of the overall project units. The term Market Rate Unit refers to units without income or rent restrictions. To receive the points, the application must demonstrate that the owner and property manager have experience owning and managing mixed income communities. The lender and tax credit letters of intent included with the application must reference the mixed income nature of the project as described in the market study.

Preservation of Existing Affordable Housing (2 maximum points):

2 points will be awarded to a project that involves the acquisition and rehabilitation of an existing multifamily rental housing development, whether or not it has existing rent or income restrictions, provided the project agrees to affordability restrictions for at least 30 years.

Operating Subsidies (10 maximum points):

DHCD recognizes that projects may include other local investments not directly included in a project's sources and uses statement but which, nonetheless, represent significant reductions in the State resources needed to achieve feasibility. In particular, locally controlled project-based rental subsidies allow projects to serve lower income households and protect tenants against being rent burdened while sustaining a project's rental revenues. Additionally, local PILOT arrangements that reduce operating costs and other forms of operating assistance may be available.

To receive points for project-based rental assistance, the assistance must be structured to ensure that tenants in project-based units pay no more than 30% of their income towards rent and utilities. The value of project-based assistance will be calculated per the application based on estimates of the typical monthly tenant subsidy and the duration of the contract.

PILOTs and other local operating subsidies will be evaluated on the basis of the per unit impact of the subsidy and awarded points based on the table below. To receive points for a PILOT, the local taxing jurisdiction must provide a letter outlining the first year savings the PILOT represents compared to the projected standard tax assessment and stating the duration of the PILOT. DHCD will multiply that figure by the number of years the PILOT will remain in effect (PILOTs with a term in excess of 15 years will only be counted for the 15 year LIHTC compliance period) and divide by the number of affordable units in the project.

To receive points for other operating subsidies, the subsidy must directly fund project operations or be specifically designated to fund services for tenants of the project and have a term of no less than 10 years. The application must include documentation of the subsidy, including a written commitment and evidence satisfactory to DHCD that the source of funding is secure. This could include endowments or reserves capitalized from non-project sources, federal obligations subject to appropriations, contracts, or documented awards from other financially secure entities (e.g. a long term commitment from a foundation). Finally, the subsidy cannot be accompanied by repayment terms that diminish its value to the project or result in an effective loan. Agreements with recapture or repayment requirements resulting from noncompliance or nonperformance are acceptable. The provider of the operating subsidy must provide a

letter or other documentation outlining its duration and its value to the project on an annual basis from year-one of operations. DHCD will multiply that figure by the duration of the subsidy (not to exceed 15 years) and divide by the number of affordable units in the project.

The total value, calculated as described herein, of project- based rental assistance, PILOTS or similar tax abatements, and operating subsidies will be totaled by DHCD and divided by 10 to determine the average subsidy per affordable unit per year over a 10 year period.

Points will be awarded points based on the value per affordable unit per year of the subsidy as follows:

LONG-TERM (10 YEAR) ANNUAL OPERATING SUBSIDIES PER UNIT		
Points	Participating Jurisdiction	Non-participating Jurisdiction
10	\$400 subsidy	\$200
9	\$350 - \$399	\$175 - \$199
8	\$300 - \$349	\$150 - \$174
7	\$250 - \$299	\$125 - \$149
5	\$200 - \$249	\$100 - \$124
3	\$150 - \$199	\$75 - \$99
1	\$100 - \$149	\$50 - \$74
0	Less than \$100	Less than \$50

Other Policies

DHCD anticipates that its Multifamily Bond Program and Rental Housing Works (RHW) initiative will augment the DHCD resources awarded competitively and that these non-competitive, first-come, first ready to-proceed financing tools will meet the demand for the development and preservation of quality, affordable housing for Maryland’s seniors.

Relocation and Displacement:

Generally, DHCD will not participate in a project if it results in the permanent displacement of more than 5% of elderly or disabled residents or 10% of general occupancy residents dwelling on the site of the proposed project.

All projects must establish a priority for households on waiting lists for public housing or other federal or State assisted low-income housing. The applicant also must demonstrate that the entity maintaining the waiting list is willing to refer tenants to the project.

All projects funded pursuant to this Program Guide must provide services appropriate to the population served by the project. To be considered for financing, an application must include a certification by the applicant that it will provide appropriate services throughout the compliance period or loan term, as applicable, that address the following based on the population of the property:

- General occupancy projects must deliver or coordinate services that improve building and unit maintenance, stabilize occupancy by improving residents' abilities to uphold their lease obligations, and enhance quality of life and self-sufficiency for residents, including children;
- Elderly occupancy projects should deliver or coordinate services that stabilize occupancy by improving residents' abilities to uphold their lease obligations throughout the aging process and enhance quality of

life through improved access to or information concerning services and benefits, health promotion, community building, and socialization; and

- Projects that include populations with disabilities or special needs should ensure that the targeted population served is able to benefit and access the services provided to the general population at the property.

All developments must ensure that individuals with physical disabilities have priority for occupancy of any units qualified under the Uniform Federal Accessibility Standards (UFAS).

Except for projects that meet the requirements for Integrated Permanent Supportive Housing Opportunities, all non-elderly projects must reserve at least 5% of proposed units for households at or below 60% AMI and headed by a non-elderly PWD. Non-elderly disabled units provided under the Bailey Consent decree in Baltimore City will satisfy this requirement. However, this requirement is also satisfied by serving non-elderly PWD who do not meet the City's non-elderly disabled definition. Projects that exceed the requirements of this section may qualify to receive points under the Competitive Scoring Criteria.

Annual operating expenses, including all real estate taxes but excluding replacement reserve deposits and debt service, should be no less than \$4,000 per unit per year and no more than \$6,500 per unit per year. Waivers may be requested for small projects of up to 40 units and for projects with master-metered (i.e. project paid) utilities. All projects must budget at least \$300 per unit per year in reserves for replacement (RFR) deposits.

As part of the development budget, each project must establish an operating reserve equal to between three and six months of underwritten operating expenses, debt service payments, and required deposits to reserves. At a minimum, capitalized operating reserves must remain in place until the project has achieved a minimum 1.15 debt service coverage ratio, economic break-even operations for one complete fiscal year as confirmed by the project's annual audit, and reached and sustained 90% occupancy for twelve consecutive months.

Developer Experience

Members of the development team may not:

- Have participated as an owner or manager in the development or operation of a project that has defaulted on a Department or other government or private sector loan in the previous five years.
- Have consistently failed to provide documentation required by the Department in connection with other loan applications or the management and operation of other existing developments.
- Have been involuntarily removed within the previous five years as a general partner or managing member from any affordable housing project whether or not financed or subsidized by the programs of this Department;
- Have a current limited denial of participating from the U.S. Department of Housing and Urban Development (HUD);
- Be debarred, suspended or voluntarily excluded from participating in any Federal or State program; or
- Have been directly involved with any project placed on the Department's defaulted loans watch list due to actions, which, in the opinion of the Department, are attributable to the sponsor or the development team.
- Have unpaid fees, loan arrearages, or other obligations due to the Department on other projects.

Development Team Experience: DHCD will award up to 42 points based on an assessment of Development Team capacity as further described below. Capacity will be based on the demonstrated relevant experience and qualifications of the primary members of the Development Team. DHCD will evaluate the primary members of the Development Team (see Section 4.1 for Primary Development Team members) based on their record of accomplishment during the past five years with projects that are similar in size, scope, and complexity to the proposed project. Primary Development Team members without appropriate experience should establish partnerships with experienced entities. In the case of a joint venture, points will be awarded based on the capacity and experience of the controlling member of the joint venture.

Massachusetts (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but subject to favorable thresholds requirements and potential competitive scoring advantages.

Threshold Criteria

QAP includes a threshold requirement for all developments to reserve 10% (or 15% if developments seek an allocation of 4% tax credits for a mixed income project with at least 50% of the units at market rates) of the total number of units for persons or families earning less than 30% of area median income.

QAP includes a threshold requirement for all developments to provide a narrative with the application describing supportive services available in the community to the existing or future tenants of the project. Developers do not necessarily have to pay for the services, but must identify the services and indicate how they will notify tenants on a regular basis of opportunities for education, employment training, and other important services.

Set-Asides

HOPE VI Set-Aside – Up to 20% of the available credit: In prior years, DHCD provided 9% and/or 4% tax credits and subsidy funds to HOPE VI projects located in Boston, Cambridge, and Holyoke. Each of the projects has been highly successful and has created a measurable positive impact on the surrounding neighborhood. Consistent with past practice, DHCD **is established a set-aside** within its 2013 QAP for two newly-funded federal HOPE VI projects – Old Colony Phase 2 in Boston and Fairfax Gardens in Taunton. Both projects received federal HOPE VI awards – approximately \$22 million each – at the conclusion of the U.S. Department of HUD’s HOPE VI competition in May 2011. Massachusetts was the only state to receive two HOPE VI funding awards. Before the HUD competition began, DHCD provided both projects with commitment letters for 9% tax credits, with final credit amounts to be determined over time. At the time, it appeared that the two projects, cumulatively, would need approximately \$7 million in 9% credits in order to proceed to full financial closings and construction starts. **DHCD made the decision to spread the 9% credit awards for these projects over as many calendar years as possible, by allocating** up to 20% of its per capita federal authority to these projects in three consecutive calendar years. DHCD also anticipated **allocating approximately \$7.5 million total in state housing credits to the two projects. Both projects now are well into construction. The final allocations of 9% credit and state credit will be made under this 2014 QAP.**

Preservation Set-Aside - 30% of the available credit

To encourage preservation applications, the Department historically has included a preservation set-aside in its annual Qualified Allocation Plan. Consistent with past practice and with its ongoing commitment to preservation, DHCD is including a preservation set-aside in the 2013 QAP. However, after considerable discussion with the development community and other public or quasi-public lenders, DHCD is strongly urging sponsors of preservation projects to structure their applications as tax-exempt bond transactions using 4% credits. In prior years of economic distress – notably 2008, 2009, and 2010 – many sponsors were unable to secure tax-exempt financing, and few investors were willing to buy the 4% credit. The bond and equity markets are much stronger now, and interest rates currently are very favorable. Working with MassHousing or MassDevelopment, most sponsors of preservation projects should be able to develop a tax-exempt bond/4% application in lieu of a 9% application. In the August 2013 rental competition, any sponsor seeking 9% credit for a preservation application will have to make an extraordinary case to the Department that the project cannot proceed as a 4% credit bond project. In future competitions, all sponsors of preservation projects should anticipate that only the 4% credit will be made available for their applications. The minimum project size will be twelve units,

In any 2014 competition, a preservation project will be considered under this set-aside only if it qualifies under at least one of the following subsections:

- The housing is at risk of loss due to market conversion.
- The housing is at risk of loss due to physical condition or financial distress.
- The application represents a time-limited opportunity to purchase existing affordable housing.

Scoring Incentives

QAP awards 8 points to developments that offer no more than 15% of the units set aside for individuals or households with special needs and/or persons with disabilities. To receive points, the agency must be satisfied that the project design, amenity package, and services package are appropriate for the intended residents.

Projects also may receive up to 8 points in this category for providing at least 20% of units with services that are appropriate for special populations, including but not limited to homeless veterans, other homeless individuals or households with identified special needs, frail elderly to be served in assisted living facilities.

QAP awards 3 points to developments committing to rent at least 15% of the tax credit eligible units to individuals or families with incomes at or below 30% of median income. To receive points, sponsors must include this commitment in the project's regulatory agreement.

QAP awards up to 14 points if the project is located within an Area of Opportunity. The Department defines an area of opportunity in part as a neighborhood or community with a relatively low concentration of poverty, based on U.S. Department of HUD data. In addition, DHCD identified an area of opportunity as a neighborhood or community that offers access to opportunities such as jobs, health care, high-performing school systems, higher education, retail and commercial enterprise, and public amenities. To be eligible to receive points within this category, a family housing project typically must be located in a census tract with a poverty rate below 15%. Projects located in municipalities with overall poverty rates below 15% may also qualify for points within this scoring category. On a case by case basis, at its sole discretion, the Department will permit certain projects to receive points in this category if the poverty rate in the census tract and/or municipality is 15% or higher, as long as the project is located in an area with compelling attributes that make the location desirable to renters. To be eligible to receive points within this

category, a family housing project also must include certain design characteristics: the project must be configured to contain at least 65% two-bedroom or larger units and at least 10% three-bedroom units, unless either percentage is demonstrated to be infeasible or unsupported by public demand. **(Note: New to 2014 CSH Report; Not new to 2014 QAP)**

Other Policies

Sponsors of projects for populations with special needs and/or persons with disabilities (including assisted living facilities) must submit a resident social services plan acceptable to the agency.

Applications to DHCD in **2014** will be required to fit within one or more of certain categories, including

- Housing for extremely low-income (ELI) individuals, families, and seniors earning less than 30 percent of area median income with a particular focus on those who are homeless or at risk of homelessness. Projects in this category must be supported by tenant services and include at least 20 percent ELI units. Projects can serve families or individuals, seniors, persons with disabilities, and persons with special needs.
- Preservation of existing affordable housing that extends affordability in situations that are consistent with QAP policies and the preservation working group policies (matrix). To be eligible to apply for 9% tax credits, a sponsor must demonstrate that the project is infeasible with 4 percent credits and tax-exempt financing. Projects serving families, seniors, persons with disabilities, or populations with special needs are eligible in this category.
- Family housing production in neighborhoods and communities that provide access to opportunities, including, but not limited to, jobs, transportation, education, and public amenities. Access to opportunity locations will be defined by publicly-available data. At least 65 percent of the units in a project must be 2 BR or larger and at least 10 percent must be 3 BR, unless that percentage of 2 BR or 3 BR units is infeasible or unsupported by public demand. Projects serving families, including families with a member with a disabilities or special needs, are eligible in this category. **(Note: Family housing production new to 2014 CSH report, not new to 2014 QAP)**

During 2013, DHCD reserves the right to accept a limited number of applications, representing projects with very specific characteristics, on a rolling basis. These applications will be reviewed competitively according to the same evaluation criteria used for all 9% credit applications and described in detail within this QAP. During 2013, DHCD may elect to accept rolling applications, on an invitation-only basis, for:

- Tax credit projects in an advanced state of readiness whose sponsors have incorporated a high percentage of units restricted for rental to individuals or households earning less than 30% of area median and making the transition from homelessness. The percentage of restricted units must be at least 25%. In addition, the sponsor must provide a long-term service plan, approved by DHCD, for occupants of the restricted units. Sponsors who believe their projects have the characteristics described above -- with special emphasis on the project's readiness to proceed -- must meet with DHCD. The Department then will determine whether to accept an application for the sponsor's project in advance of the next scheduled funding competition.

During 2014, the Department encourages developers to structure projects with the following characteristics, including:

- Projects that are part of comprehensive neighborhood improvement plans or initiatives, including HOPE VI projects with approved federal grants
- Projects that preserve valuable existing affordable units and meet DHCD's preservation priorities

- Projects that include units for individuals or households with incomes below 30% of area median income, including the homeless.
- **Projects that include more units than required for persons with disabilities and place emphasis on visitability.**

(Note: Bold text new to 2014 QAP)

In 2014, the Department wishes to highlight four important initiatives during 2014, including an emphasis on supportive housing, especially as it relates to the need to address homelessness.

Emphasis on Supportive Housing: DHCH continues to support projects that provide additional unit to the homeless – especially when services are included – and projects that provide enhanced visitability and/or additional units for persons with disabilities. As part of the on-going effort to end homelessness in Massachusetts, the Department is strongly encouraging developers of tax credit projects to include units for extremely low-income individuals or households. DHCH is encouraging sponsors to consider exceeding the threshold requirement of 10% of total units for 30% AMI households. The Department will continue its long history of supporting these projects with project-based Section 8 assistance made available through the U.S. Department of HUD budget. In addition, for the first time in over 20 years, the Department is making state-funded project-based rental assistance available to these projects. The Department further encourages developers – when appropriate and feasible – to include supportive services for the future tenants of their projects. Numerous Massachusetts non-profit developers have successfully structured supportive rental housing projects, and some Massachusetts for-profit developers also have done so. The Department is a member agency of the Patrick Administration’s task force on supposed housing and is committed to increasing the supply of supportive rental housing in the Commonwealth. The Administration’s goal is to add 1,000 supportive housing units to the Commonwealth’s affordable housing stock by 2015. As 2014 begins, DHCH and its quasi-public affiliates already have made funding commitments more than 400 new supportive housing units. (Note: New to 2014 QAP)

Developer Experience

QAP awards a maximum 20 points for developer experience, with a 12-point minimum. The key members of the development team are the owner/developer; the consultant; the architect; the contractor; the management agent; and the attorney. DHCD will review the background of the key team members to determine:

- Prior successful experience in developing tax credit projects
- Financial strength
- Physical and financial condition of other properties developed by the sponsor/owner
- Prior experience on other DHCD-assisted projects
- Inclusion of State Office of Minority and Women Business Assistance (SOMWBA)-certified
- Minority/Women's Business Enterprise members on the team as sponsor/owner; management agent; contractor.
- Inclusion of SOMWBA-certified Minority/Women's Business Enterprise members on the team as architect; attorneys; syndicators; accountants; consultants.

Michigan (2013-2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle, and, if qualified, in the permanent supportive housing set-aside. In addition, such projects have potential competitive scoring advantages.

Threshold Criteria

Note: 2013-2014 QAP eliminated a threshold requiring that 10% of total units be designated for Supportive Housing Tenants.

Set-Asides

Permanent Supportive Housing Category (25%): MSHDA will hold two funding rounds for both 2013 and 2014 credit. In each of the funding rounds, allocations will be made to the highest scoring projects in each of the Categories. Any credit that is not used in the first funding round will be moved to the next funding round for each respective year. Funding Round #1 (August 2012 and 2013) allocates \$3,300,000 (approximately 15% of the Annual Credit Ceiling) to the Permanent Supportive Housing Category. Funding Round #2 (February 2013 and 2014), allocates an additional \$2,200,000 to the Permanent Supportive Housing Category (approximately 10% of the total Annual Credit Ceiling).

Projects will be ranked by the eligibility criteria found in Addendum III until said category is fully subscribed or there are no other qualifying projects remaining under this category. Approximately 25% of the state's credit ceiling will be held for Permanent Supportive Housing projects. Applicants submitting a project that has 35% or more of its units designated as PSH units must apply under this category. As a matter of process, projects awarded credit from this category will also count towards the first unsubscribed Statutory Set-Aside in which it qualifies and will also count towards the Target Percentages to the extent applicable.

Statutory Set-Asides: After projects from the PSH Category are awarded credit, MSHDA will ensure that the Statutory Set-Asides are fully subscribed in the amounts listed below by funding the highest scoring projects that qualify first under the Nonprofit Set-Aside and continuing in the order listed below until all the Statutory Set-Asides have been fully subscribed. The funding order and the amounts of the four Statutory Set-Asides are listed below:

- Nonprofits, 10% - Projects involving tax exempt organizations (nonprofits) that meet the requirements of Section VII.A.13;
- Rural Housing, 10% - Proposed or existing housing projects that fall into one or more of the following categories: a) financed by a loan guaranteed by Rural Housing Services or a successor agency; b) funded by a federal program for the development of rural housing; or c) is located in an area other than a metropolitan area;
- Eligible Distressed Areas, 30% - Housing projects in eligible distressed areas, which include proposed or existing housing projects in distressed areas pursuant to MCL 125.1411(u). A list of Eligible Distressed Areas can be found on MSHDA's website at Eligible Distressed Areas List;
- Elderly, 10% - Federally assisted projects in which 100% of the units serve tenants that conform to the federal agency(s) definition of elderly or the MSHDA definition of elderly under the MSHDA Act.

Scoring Incentives

Projects that commit to restricting units to low-income tenants will receive up to 30 points for depth and breadth of targeting. Points deliberately encourage use of Project Based Rental Assistance (PBRA). All rent targeting must be evenly distributed among bedroom types and buildings, except for elderly projects.

Other criteria include:

- **No points will be awarded for Permanent Supportive Housing units in which MSHDA Project Based Vouchers are being requested (Note: Modified in 2013/2014 QAP).**
- No more than 10% of a project's total units may be targets to units that are less than or equal to 30% AMI without PBRA.
- No more than 50% of a project's total units may be targeted and counted toward total points without PBRA.
- PBRA does not include PSH-designated units that are anticipated to receive newly allocated Project Based Vouchers from MSHDA.
- **Projects using an owner established sinking fund for rental assistance (e.g. rental subsidy reserve) will not be eligible to receive points under the project-based rental assistance portion of the scoring. (Note: New to 2013/2014 QAP)**

Number of points received can be calculated using a Low Income Targeting Point Calculation Form. The calculation of points includes factors percentage of units allocated for low income targeting with PBRA and the number of unassisted units allowed for targeted 30% AMI.

Permanent Supportive Housing Projects who meet all the requirements of Addendum III are eligible for additional points when they meet the following criteria:

Note: 2013 QAP eliminated scoring incentive for projects that commit 75% or more of units to Supportive Housing.

- Projects that employ other sources of federal, state and/or private financing. Evidence of the financing (including the amount, term and interest rate) must be submitted with the application).
 - 1 point for HUD Shelter Plus Care Program (S+C)
 - **1 point** for Capital Contribution targeted for supportive services from developer fee (\$100 per supportive housing unit/per year through the 15-year compliance period) **(Note: Reduced from 2 points in 2013/2014 QAP)**
 - 1 point for Private/Foundation – minimum of \$1,000 per supportive housing unit must be committed
 - 1 point for Other State Agencies – minimum of \$1,000 per supportive housing unit must be committed (DOC, DCH, DHS)
 - **1 point for a special service fund account escrowed and funded by equity – minimum of \$1,000 per supportive housing unit/year – must be committed through the 15-year compliance period**
 - **1 point for Federal Funding for supportive housing programs such as the HUD 811 Program or Veteran housing programs targeted for special needs or homeless populations**
- (Note: Bold text new to 2013/2014 QAP)**

- **Community/Supportive Service Space:** Projects are required to provide a community or supportive service space to projects with that provide with 11 or more units. A minimum of 15 square feet per residential unit is required. Projects will be awarded 2 points that provide additional community space to offer additional opportunities for residents such as enrichment classes or employment training on-site. Documentation must be provided demonstrating the partnering agencies providing these opportunities and the funding source of the programs or classes. (Note: Modified in 2013 QAP to have the required space, and increased scoring incentive for additional space).
- Projects that have demonstrated in their Supportive Service Plan receive 3 points for providing on-site service coordination two days a week for projects of 30 units or less, four days a week for projects of 31-60 units, and five days a week for projects of 61 units or more.
- In addition projects that serve the most in need and a set aside a minimum of 30% of units for Supportive Housing can earn the points for targeting the following populations:
 - Chronically Homeless (3 points)
 - Homeless with a Special Need (1 point) (Note: Modified in 2013 QAP from 1 point for Homeless and/or Special Need tenants with incomes at or below 100% of poverty)
- Points will be awarded to supportive housing projects that integrate a Housing First approach that eliminates or minimizes barriers to obtaining housing, for the following deeply targeted populations: Frequent Users and Vulnerable Populations. (3 points)
- Projects that develop in a high need area. (1 point)
- Points will be awarded in the local Housing Assessment and Resource Agency (HARA) has signed a memorandum of understanding with the lead service agency to provide referrals to the lead agency when appropriate (1 point).
- Projects must provide job training opportunities in the building trades, operation, and/or supportive service programs to individuals who meet the supportive housing tenant definition will receive points. (1 point)

Projects receive up to 10 points when for cost efficiency based on their Total Development Cost per square foot using the criteria below. Evaluations will be conducted based on the type of project being proposed and will be compared to average cost data for the previous five years. For calculation purposes, the low income unit square footage may include indoor basis approved space (common areas, etc.).

Other Policies

Additional requirements are listed in Michigan's Low Income Housing Tax Credit Program Supportive Housing Set-aside (Addendum III) and the Permanent Supportive Housing Inclusion Plan Requirements (Addendum VI). These requirements include:

- Tenants incomes must be at or below 30% AMI to be eligible for targeted supportive housing units. (Note: New to 2013/2014 QAP)

- Eligible supportive housing tenants must have a minimum of 25% of the units designated for Supportive Housing. **(Note: Reduced from 35% in 2013/2014)**
- Projects must attach a letter of endorsement from either the Continuum of Care or other Community Collaborative planning group that indicates that the group has reviewed and endorsed your project plan and submission.
- Projects must submit a Memorandum of Understanding between the developer, management company and service provider that includes the supportive services plan agreed to by the parties.
- On-site service coordination must be available to all supportive housing tenants through a partnership with a local service organization. The following schedule is the recommended minimum standard:
 - One day per week – projects of 30 units or less.
 - Two days per week – projects 30-60 units.
 - Three days per week – projects 60-75 units.
- Elderly-only projects are excluded from the Supportive Housing Set-Aside.
- **Projects must provide a description of how the project will make the targeted units affordable to persons whose incomes are extremely low.**
- **Projects must provide a brief description of the experience of the local lead agency and their capacity to provide access to supportive services.**

Supportive housing tenant incomes must be at or below 30% AMI. However, for the purpose of the LIHTC income requirements, if subsidy is anticipated, the applicant may choose up to 50% or 60% rent levels. The management must be in agreement to accept Section 8 vouchers or certificates (or other rental assistance). The income requirements for supportive housing tenants can't exceed that which is reasonably available to persons with very low incomes currently receiving SSI and SSDI benefits. (Note: New to 2013/2014 QAP) Projects must provide a description of how the project will make the targeted units affordable to persons whose incomes are extremely low.

Developer Experience

The development team must demonstrate professional and financial capacity to plan, build, market, and operate the proposed development. The performance record of the Applicant, consultant, architect, management agent and contractor will be measured by the quality and quantity of previous development(s); design, construction and property management efforts; and affirmative action records. Each team member is expected to demonstrate satisfactory prior experience on projects of similar scale and complexity; to have satisfactory professional references; and to devote sufficient staffing and resources, including financial resources, to complete the proposed development.

The Applicant and contractor will be evaluated for creditworthiness and financial capacity. The composition of a non-profit Applicant's Board of Directors and the tenure of its respective members will be given significant consideration.

If a development team member does not have satisfactory prior experience or adequate financial capacity, a written plan must be submitted to outline how these deficiencies in experience and financial capacity will be rectified.

Points will be awarded to a development team that has experience with 50 units of supportive housing as follows: (3 points)

- Developer owns and operates 50 units or more of supportive housing (1 point)
- Management Company has experience managing 50 units of supportive housing (1 point)
- Lead Agency has experience providing services for 50 units of supportive housing (1 point)

(Note: New to 2013/2014 QAP)

Minnesota (2014-2015 QAP/Self-Scoring Sheet)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria

For applications submitted in Round 1, all applicants must meet one of five threshold housing types. Among the threshold types are: 1) metropolitan developments in which at least 75% of the total Housing Credit units are single room occupancy units affordable to households whose income does not exceed 30% of AMI; 2) developments that are not restricted to persons of a particular age group and in which, for the term of the extended use period, a percentage of units are set aside and rented to persons with serious and persistent mental illness, developmental disability, drug dependency, brain injury, or permanent physical disabilities that substantially limit major life activities.

Set-Asides

None.

Scoring Incentives

QAP awards 10 points to developments in which at least 50% of the total Housing Credit units are single room occupancy (one bedroom or less with rents affordable to households whose incomes do not exceed 30% of AMI).

QAP awards 10 points to developments in which at least **25% of total units (Note: Reduced from 50% in 2014-15 Self-Scoring Sheet)** are set aside and rented to special populations, including persons with serious and persistent mental illness, developmental disability, drug dependency, brain injury, or permanent physical disabilities that substantially limit major life activities.

Developments in which at least **10% of the total units (Note: Reduced from 25% in 2014-15 Self-Scoring Sheet)** are set aside and rented to such populations are eligible for 3 points. If a proposal sets aside a percentage of units for persons with disabilities, the applicant must contact the human services department for the county in which the project is located to discuss the proposal. The applicant must obtain a letter from the department indicating that its staff has reviewed the proposed project, and stating whether there is a need for such housing and if the project would be eligible for funds to assist with the service needs of the residents. If the project is delivering supportive services to residents in these units, the proposal must document the scope of services residents will require, specific services the project will offer, whether the applicant will be responsible for delivery or will partner with identified organizations, specific service funding sources and their commitment status, and how residents will be connected to the services.

Permanent Housing for Individuals Experiencing Long-Term Homelessness (5 to 110 points)

QAP awards 10 additional points to developments in which 50 to 100% of total units (but no fewer than 20 units) are set aside and rented to household experiencing long term homelessness. 7 points will be awarded to projects that designate 10-49.99% of total units (but not fewer than 7 units) to long term homelessness. 5 additional points to developments in which 5 to 9.99% of total units (but no fewer than 4 units) are set aside.

In addition, QAP awards 100 bonus points to developments until a total of **\$1,922,000** (estimated 25% of Minnesota Housing's administered credit authority) in tax credits are awarded for providing permanent housing for **households** experiencing long-term homelessness **selected in the 2015 Housing Tax Credit competitions**. Qualifying proposals must submit the Supportive Housing application materials and agree to pursue and continue renewal of rental assistance, operating subsidy, or service funding contracts for as long as the funding is available. **(Note: Monetary limit adjusted for 2014-15 tax credit allocation)**

QAP awards up to 13 points to developments restricting 100% of units to households whose incomes do not exceed 30% of AMI. All 30% rent restricted units must meet the 30% AMI rent for a minimum of five years. After the first five-year period has expired rent may be increased to the 40% rent limit over a three-year period. Projects can receive 8 points for restricting 50% of units to 30% of AMI.

The QAP awards 10 points for projects that provide family housing that is not restricted to persons 55 years old or older. At least 75% of the total tax credit units must contain two or more bedrooms. The tenant selection plan must give preference to families with minor children.

QAP awards up to 40 points for the preservation of federally assisted units, which is any housing receiving project based rental assistance, operating subsidies, or mortgage interest reduction payments under HUD or RD that is not scheduled to sunset or expire. Projects receive 30 points when federal assistance is at risk of loss within 3 years of application date. Projects can receive 10 additional points when the number of federally assisted units proposed for preservation is 101+ units in a Metro or Greater Minnesota MSA, or 41+ units in the Greater Minnesota/Rural areas. (Note: Provision revised in 2014-15 Self-Scoring Sheet, increased from 20 points to 40 possible points)

QAP awards up to 21 points to projects that have project-based rental assistance. Priority is given to an owner that submits with the application a fully executed binding commitment for project based rental assistance awarded in accordance with 24 CFR Ch. IX, Section 983.51 or are effectively project based by written contract (e.g. NAHASDA). The assisted units must be located in buildings on the project site. For the purpose of this section, if a proposal contains existing project based assisted units, these units will be counted towards meeting required Rental Assistance percentages. Projects receive 17 points for setting aside 100% of units for project based rental assistance. **NOTE: If points are claimed/ awarded under any of the above, then no points may be claimed/ awarded from the preference priority categories of Serves Lowest-Income Tenants/Rent Reduction for the same units. NOTE: Points cannot be claimed/ awarded under the Rental Assistance preference priority if points are claimed/ awarded for the same units under the Preservation of Federally Assisted Units selection priority. Projects can receive an additional 4 points if development**

cooperatively develop a housing plan/agreement to provide other Rental Assistance (e.g. Section 8, portable tenant based, formal recommendation for McKinney Vento Shelter Plus Care rent assistance, or other similar programs approved by Minnesota Housing) to meet the existing need as evidenced at application by a letter of intent signed by both the applicant and the local housing authority or other similar entities. (Note: Not new to 2014-15 Self-Scoring Sheet, new to CSH Report)

Other Policies

Households experiencing long-term homelessness is defined as persons, including individuals, unaccompanied youth, and families with children, lacking a permanent place to live continuously for one year or more or at least four times in the past three years. Any period of institutionalization or incarceration shall be excluded when determining the length of time a household has been homeless, as defined in Minnesota Rule Chapter 4900.3705, Subpart 10a.

Development Experience

None.

Mississippi (2013 QAP) – No Funding Cycle in 2014

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria

All developments must commit to provide a minimum of two community services in at least two unrelated areas not otherwise typically present in low-income rental housing. Examples include personal development services (computer classes, GED training, job training); counseling programs (credit counseling, mental health programs); child development (child care services, parenting classes); and community awareness events/activities (drug and alcohol prevention, health/nutrition, health fair).

Developments receiving tax credits must commit to providing housing (i) for persons on public housing waiting lists, or in those jurisdictions where there is no housing authority, (ii) for persons on waiting lists for other affordable housing developments. Evidence of the use of the waiting list must be provided at the final inspection before the issuance of Forms 8609. **(Note: New to CSH Report, Not New to 2013 QAP)**

Set-Asides

The Corporation will set aside \$500,000 dollars of the annual credit authority for developments in the Elderly/Persons with Disabilities Set-Aside. To be eligible, developments must commit (1) 100% of the residential units to house tenants that are at least sixty-two years of age, or (2) a minimum of 10% (10% up to 25%) of units to persons with disabilities in accordance with HUD's definition(s).

Scoring Incentives

QAP awards a maximum of 12 points if developments provide tenants unrelated significant amenities not otherwise required by the entity providing financing or typically present in low-income rental housing. The point scale is the following:

- 5 points for two amenities

- 8 points for four amenities
- Additional points per amenity up to a maximum of twelve points in this category

Amenities include: furnished clubhouse or community building with designated tenant activities and meeting rooms; tenant security; playground area and equipment; fitness center; laundry facilities; on-site business/education center.

The QAP awards 10 points for developments that set aside at least 15% of the units for persons whose income does not exceed 30% of the Area Median Gross Income of the county where the development is located. Additionally, the owner agrees to execute an Extended Land Use Agreement committing to serve tenants at this income level for a period of 40 years or longer. Single family lease purchase developments are not eligible for points under this category. (Note: New to 2013 QAP)

QAP awards 10 points for multifamily developments that set aside a minimum of 10% up to a maximum of 25% of units to persons with disabilities that meet the requirements as defined by Rural Development or the Department of Housing and Urban Development (HUD) for elderly housing and accessibility for handicapped persons. The market study must address housing priority for this specialized need. Applicants must include a specified marketing plan that identifies how they will target qualified residents under this category. Developments receiving points under this category cannot receive points for Elderly. (Note: New to 2013 QAP)

QAP awards 15 points for developments must set aside a minimum of 10% of units for Veterans. The developments must be located within a 10 mile radius of a Veterans' hospital facility. Veteran is a person eligible for Veteran's benefits as documented by the United States Department of Veterans Affairs. Developments receiving points under this category can also receive points for large family, if applicable. The market study must address housing priority for this specialized need. Applicants must include a specified marketing plan that identifies how they will target qualified Veteran residents for the development. Developments receiving points under this category cannot receive points for Elderly. (Note: New to 2013 QAP)

QAP awards 5 points to developments that target large families by providing at least 25% of its units three or more bedrooms. (Note: Reduced from 10 points in 2012)

Note: 2013 QAP eliminated a scoring incentive of 7 points for developments with additional financing from sources including HOPE VI.

Other Policies

Applicants must provide an original copy of the formal contractual agreement between the ownership entity and the service provider and Mississippi Home Corporation's (MHC's) Community Service Certification form for each community service. The tenant community services must be:

- Provided for a minimum of ten years;
- Well designed to adequately address the various needs of the tenant base;
- Be provided each quarter and each service represented must be offered at least once per year at a time

conducive to maximum tenant participation;

- Kept current as to changing tenant needs, economic conditions and social change.

MHC has developed a listing of areas in the state which will be treated as difficult development areas (DDAs). Eligibility will be based on production of housing units that will serve special needs populations (elderly, homeless, physically and mentally disabled, or veterans). Applicants must provide a written certification that they will serve these designations, in addition to representations made in the tax credit application.

MHC will designate a development eligible for a DDA designation to meet special needs populations (elderly, homeless, mentally ill or persons with disabilities) and historic preservation for areas that are not currently a DDA. Developments must set aside a minimum of 5% of its units for special needs. Applicants must request this consideration in writing a minimum of 30 days prior to the start of the application cycle and clearly define the specific need. **(Note: New to CSH Report, Not New to 2013 QAP)**

Certain developments may be allowed higher developer fees as an incentive to produce hard-to-develop or socially desirable developments, such as homeless housing, single room occupancy housing, and scattered site developments. **(Note: New to CSH Report, Not New to 2013 QAP)**

Development Experience

Mississippi Home Corporation awards a maximum of 10 points to the general partner if they have previous experience in the development of the type of housing activity proposed. QAP awards 10 points if the principal member(s) can verify that they had at least one qualifying development in service after **January 1, 2010**. QAP awards five points if the development was in service after **January 1, 2006** for MS housing tax credit developments. Additionally, all members of the general partner must be in good standing with all MHC programs. Development experience points will not be awarded if a principal of the general partner entity has any outstanding major noncompliance issues which occurred prior to **January 1, 2013**. **(Note: Dates amended in 2013 QAP)**

Missouri (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive advantages.

Threshold Criteria and Set-Asides

None.

Scoring Incentives

None.

Other Policies

Special Needs Priority: Developments that provide housing opportunities for persons with special needs are strongly encouraged. Proposals that commit to a special needs set-aside of no less than 10% of total units up to a maximum of 100% of total units will receive priority consideration. MHDC will endeavor to set aside 33% of federal and state 4% and 9% low income housing tax credits for projects containing units qualifying

under the special needs housing priority outside the geographic set-aside, subject to the quality of the special needs proposals received and their ability to meet selection criteria and underwriting requirements described in this QAP. **(Note: 2014 QAP removed the following provision: MHDC may approve 4% and 9% Credits for additional applications from the special needs housing priority within the limits of the geographic set-aside based upon their merits and ability to compete with other proposals.)**

Applications submitted with Special Needs units must include \$1,000 per special needs unit as a payment to the Special Needs Housing Reserve Fund, which has been established by MHDC. This reserve will be funded at construction completion when other reserve funds are normally funded. These funds will be held by MHDC and used as necessary to temporarily assist special needs properties who have experienced unforeseen operational issues, for example, the loss of rental assistance. Deposits to the reserve fund pool are intended for use for all special needs properties, commencing with 2014 approvals, and are intended to replace the need for each property to establish a separate special needs reserve. Guidelines for the application and use of reserve funds are posted on the MHDC website under Rental Production then General Forms and Other Resources. (Note: New to 2014 QAP)

A person with special needs is a person who is physically, emotionally or mentally impaired or suffers from mental illness; developmentally disabled; homeless; or a youth aging out of foster care. A development with a special needs set-aside may not give preference to potential residents based upon having a particular disability or condition to the exclusion of persons with other disabilities or conditions. Applicants must submit documentation that demonstrates they have obtained commitments from a lead referral agency which will refer special needs households qualified to lease targeted units and from local service agencies which will provide a network of services capable of assisting each type of special needs population defined above. Developments must submit the following: a draft referral and support agreement with the lead referral agency; a description of the experience, ability, and capacity of the lead referral agency to provide services; a marketing plan; documentation of supportive services appropriate to each type of special needs population; and an affordability plan addressing the type of rental assistance or rent structure that will make the targeted units affordable to special needs households with extremely low income, and a detailed services budget, displaying how services will be implemented for the Special Needs Population being targeted.

***Service Enriched Housing:* Proposals offering significant services tailored to the tenant population will receive a preference in funding. Service enriched housing helps residents satisfy basic needs, fulfill their responsibilities to the property, and build a sense of community. Proposed services should take into account the unique characteristics of residents and help them to identify, access, and manage available resources. Other benefits of a well-planned and properly funded program may include reduced resident turnover, improved property appearance and greater cooperation between residents and management.**

Applications are evaluated using federal preferences, state priorities, and selection criteria. The state does not employ a point system. One of the priorities is to encourage developments that offer more than housing. Proposals that offer significant services tailored to the tenant population are a priority. To be considered under this priority a development must target a specific population. Examples include but are not limited to: (1) Elderly households (2) Individuals with children (3) Formerly homeless individuals and families (4) Individuals with physical and/or developmental disabilities, and (5) Individuals diagnosed with

mental illness. The applicant should demonstrate they have experience with the population in question. Developments that wish to be considered under this priority must fully complete the applicable sections of the **application (Note: 2014 QAP replaced “FIN-100” with “application”)** and provide the following with their application: (i) A detailed supportive services plan which explains the type of services that will be provided, who will provide them, how they will be provided and how they will be funded; (ii) A services budget which includes a breakdown of both sources and uses; and (iii) Letters of intent from service providers anticipated to participate in the development’s services program.

Preservation. The preservation of existing affordable housing will receive a preference in funding. To qualify for the preservation priority a development must meet at least one of the following and if receiving federal historic credits and/or state historic credits they must waive the right to opt out for an additional fifteen years:

- Have, and continue to use if possible, project-based rental assistance and/or operating subsidy.
- Have a loan made prior to 1985 from any of the following loan programs: HUD 202/811, 221(d) (3) or (d) (4), 236 or USDA RD 515.
- Participate in HUD’s Mark-to-Market restructuring program.
- Have a previous allocation of low-income housing tax credits in which the first year of the credit period was 1998 or earlier and be in or have completed the final year of the initial compliance period for all buildings in the development.

(Note: New to 2014 CSH Report, Not new to 2014 QAP)

If a development includes both tax credit and market rate units the market rate unit rents must be at least 15% higher than tax credit rents. This does not apply to special needs housing properties. **(Note: Not new to 2014 QAP, New to CSH Report)**

Proposals deemed difficult development areas are eligible to increase the qualified basis by an amount up to 30% in order to achieve financial feasibility. Projects that qualify for the special needs priority and the service enriched housing priority are eligible. Another eligibility qualification is for a proposal to be part of a larger mixed-use economic development area that includes different housing types for different household income levels, new retail/office/light industrial space that creates new permanent jobs, and new public space or activity centers designed for users of the area. MHDC will decide, in its sole discretion, what evidence and what types of development will qualify for increase in qualified basis for mixed-use economic development areas.

Development Characteristics: It is important the development’s characteristics are appropriate for the intended tenant population. The tenant population will be reviewed closely. It is important that MHDC fund developments that offer quality affordable housing to the populations that need it in the locations where it is needed. Items that will be given consideration with regard to the intended tenants include: (i) Tenant populations with special housing needs such as persons with physical and/or developmental disabilities, homeless individuals and families, the elderly and other underserved and/or at risk populations; (ii) Individuals with mental illness; (iii) Individuals on public housing waiting lists; (iv) Tenant populations of individuals with children; (v) Youth aging out of foster care, (vi) Developments that serve the lowest income tenants and (vii) The quantity, quality and suitability of services provided or offered to the tenants.

Developer Experience

Developments targeting 100% of the units to special needs households must be designed and constructed in

accordance with universal design principles. Developments with a special needs set-aside less than 100% must increase the number of units accessible to the mobility impaired from the 5% minimum to a **percentage equal to or greater than** the special needs set-aside percentage. **(Note: Modified language in 2014 QAP)**

Development Team Characteristics: The following development team members will be evaluated: Developer, General Partner(s), Management Agent, Syndicator(s)/Investor(s), Contractor, Architect, Consultants, Lead Referral Agency for Special Needs Housing and Service Provider for Service-Enriched Housing. Evaluations will assess the experience, performance, financial strength and capacity to complete the proposed development in a timely and efficient manner. A development team's experience with affordable housing, MHDC and the type of development being proposed is important.

Items considered will include, but are not limited to:

- Number of affordable developments completed
- Occupancy of developments owned and/or managed
- Number of developments in the planning and development stages
- Quality and condition of previously completed developments
- Previous and outstanding compliance issues
- Performance of previously completed developments
- Performance regarding MHDC deadlines for previous funding awards

The general partner, developer, and general contractor that are proposed as the development team for an application shall be assessed for their capacity to successfully manage the predevelopment, closing, construction, and lease-up of the proposed development in addition to previously approved properties that are currently in those stages of development. Development team members that are not in good standing with MHDC or its programs will not be approved for funding.

Montana (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria and Set-Asides

None.

Scoring Incentives

QAP awards one point for each **5%** **(Note: Reduced from 10% to 5% in 2014 QAP)** of units targeting special housing needs including: family units, handicapped units, and units targeting persons of disability.

Note: 2014 QAP added separate rules for elderly projects, including 2 points for elderly projects that set aside 10% of units for tenants with mental illness.

QAP awards 5 points to developments involving "significant participation by a local entity," including, for example, entities providing on-site services.

QAP awards 3 points for the acquisition and/or rehabilitation of buildings with local, state, or federal historic preservation designations, existing affordable housing stock, or projects applying for rehabilitation tax credits that have completed their initial 15-year compliance period (2 points). Project is located in a Qualified Census Tract and/or involves existing housing as part of a community revitalization plan. The application must include any community revitalization plan and identify where in the plan such existing housing may be found (1 point).

QAP awards up to 2 points for projects that propose the preservation of existing federally assisted housing stock or increases the affordable housing stock through the use of funds from other sources to leverage the tax credit dollars.

Other Policies

Agency may permit exceptions to minimum replacement reserve requirements for certain special needs or supportive housing developments. Exceptions are documented and reviewed on a case-by-case basis.

Developer Experience

Sponsor characteristics up to 6 points. Participation by an entity with a demonstrated track record of quality experience in completed development or management of low income housing tax credit projects. The Board will consider all members of the development team and whether housing projects have been developed and operated with the highest quality either in Montana or another state. Special attention will be paid to existing projects, amount of active local community participation used to develop projects, and a management entity with a good compliance track record and specialized training. If an entity has a poor demonstrated track record with respect to developments in Montana or in another state, the Board reserves the right to allocate up to 10 negative points. The Montana Board of Housing (MBOH) reserves the right to contact community officials, developer team references, credit bureaus, other state tax credit administering agencies and all other sources as appropriate (0-6 points or as much as minus (-) 10 points each for (i) poor demonstrated track record with respect to developments in Montana or in another state, or (ii) 10 points for failure to respond within 10 working days of MBOH letter of inquiry).

Note: 2014 QAP removed a 4 point scoring incentive if a member of the development team was Montana based.

Nebraska (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle or, if qualified, within the CRANE set-aside. In addition, such projects have potential competitive scoring advantages.

Threshold Criteria

None.

Set-Asides

QAP will set-aside up to 33% of Nebraska's annual LIHTC authority for the Collaborative Resources Allocation for Nebraska (CRANE) program, which provides targeted resources to eligible applicants (communities, for profits and non-profits which have joined together) who are able to demonstrate that, through a public process, they have assessed the needs of their particular community with respect to

economic development, housing development, community development, special needs populations (i.e., people with mental or physical disabilities) and have identified specific solutions to address those needs.

Eligible projects include housing for individuals with special needs (such as physical or mental disabilities, substance abuse issues, homeless, or those experiencing severe economic distress), including housing for distressed populations with incomes below 30% of the applicable Area Median Income (AMI). Housing for adults with serious mental illness or physical disabilities shall have a priority within each category described below. Senior housing is considered special needs housing ONLY if the development serves households with incomes below 30% of the applicable AMI. At least 25% of the units must serve individuals with special needs.

Note: 2014 QAP eliminated CRANE eligibility of projects that preserve existing affordable housing project that includes an ongoing project-based rental subsidy established under USDA, HUD, or other federal or state program, among other development options. 2014 QAP includes preservation project development meeting the Secretary of the Interior's Standards for Rehabilitation as interpreted by the National Park Service and involves the use of federal historic rehabilitation tax credits.

All CRANE applications will be scored and compete against other CRANE applications, with a maximum of 33% of Nebraska's annual LIHTC allocation for any single development in the CRANE set-aside.

Scoring Incentives

QAP awards 1 point if the developer owner has entered into an agreement with a local supportive service provider and/or a Medicaid-enrolled provider authorized through the Nebraska Health and Human Services as a regional network provider that offers services to persons with physical or mental disabilities.

QAP awards 1 point to developments that enter into an agreement with the local Public Housing Authority (PHA) to consider households from the PHA waiting lists as potential tenants. (Note: New to 2014 Application)

QAP awards 2 points to developments that have a Housing Authority that has committed to providing new project-based rental assistance, including VASH vouchers. In order to receive a point in this category, the project-based rental assistance commitment from the Housing Authority MUST be for at least 25% or more of the total units in the development and the length of the commitment MUST be for a minimum of 15 years. (Note: New to 2014 Application)

QAP awards up to six points to developments who dedicate 75% or more of units to a Special Needs populations. QAP awards 4 points for dedicating 50% to 74% of units, and 20% to 49% of units. The development will provide a specified percentage of units for persons with special needs, such as persons with serious mental illness, physical disabilities, developmental disabilities, substance abuse issues, and/or homelessness. Such developments must have an executed agreement with a local service provider with the demonstrated capacity to provide on-site supportive services for the proposed population.

Supportive services may range across a wide continuum of care (such as meal preparation, assistance with housecleaning, etc.) to a high level (such as substance abuse and mental health supports), and can vary from tenant to tenant depending on their particular physical, psychosocial and/or mental limitations and may

vary for each tenant over time. Each special-needs tenant need not utilize all of the services provided by the development; however, the services must be available to all tenants. If tenants are not utilizing the services that are available, NIFA/NDED may question whether or not the development is serving a special-needs population. Supportive services targeted to adults with a behavioral health disorder need to emphasize beneficial treatment outcomes and recovery, with appropriate individualized treatment planning.

QAP awards three points to developments that provide supportive services. The QAP awards 1 point for each service, one of which must be from each of two categories. The first category includes Onsite Services Coordinator, and monthly onsite medical, dental, or vision testing at no cost to the tenant. The second category includes child care subsidy, onsite rent wise education, and monthly onsite, organized tenant activities offered at no cost to the tenant. Note: 2014 QAP modified this incentive to include specific services, including a documented plan with a qualified supportive services provider to provide services not otherwise available to the tenants.

QAP awards 1 point if the development include units that target low-income families with children, with at least 25% or more of the LIHTC units being three bedroom units or larger. To receive the points in this category, each of the targeted units must have at least a net of 1,000 square feet of living space for three bedroom units or 1,100 for four bedroom units and a minimum of 1 ¾ bathrooms.

QAP awards 3 points if the development is a federally assisted building in danger of having the mortgage assigned to HUD or Rural Development, or in danger of creating a claim on a federal mortgage insurance fund. QAP awards 5 points if the development involves the preservation of existing affordable housing, including funding programs such as USDA-RD, HUD Project-based Section 8, LIHTC, or HOME).

Other Policies

As authorized by the Housing and Economic Recovery Act of 2008 (H.R. 3221), NIFA may increase or “boost” the eligible basis by up to 30% (“Basis Boost”) for designated buildings that are located outside of an established Qualified Census Tract (QCT) or Difficult Development Area (DDA). CRANE applicants may request the Basis Boost for developments with an average combined gross rent amount that would be affordable to households with an income less than 45% of the county’s Area Median Income (AMI).

Developer Experience

QAP awards 1 point based on the number of previous LIHTC developments. (Note: New to 2014 Application)

Nebraska Investment Finance Agency (NIFA) reserves the right not to allocate LIHTC to any development, regardless of ranking/scoring, if NIFA determines in its sole discretion that the development does not further the purpose and goals of the LIHTC Program. For purposes of this determination, the information taken into account may include, but is not limited to, comments from officials of local governmental jurisdictions, the applicant/sponsor’s experience and performance and the applicant/sponsor’s prior dealings with NIFA and other states’ LIHTC programs. The prior performance considered may include, but is not limited to, progress achieved with previous Conditional Reservations, development compliance and payment of monitoring fees.

Nevada (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria and Set-Asides

None.

Scoring Incentives

QAP awards up to 12 points to developments based on overall rent and income targeting. A development's overall rent/ income level is determined by multiplying the percentage of total units within each rent level(s) by the rent/income level in percentages. Maximum points are awarded to developments in which 100% of units are rent and income targeted at the 30% income rent level or below. Project must submit evidence of **project based vouchers** or committed tenant based rental assistance to be eligible for preference points. **(Note: Language changed from "Section 8 vouchers" to "project based vouchers" in 2014 QAP)**

QAP awards up to eight points to developments based on the number of supportive services provided to tenants. The development must document how the service will be provided and paid. There will be no mandatory fees for the basic services. The development must provide the service for the initial IRS 15-year compliance period, and must not allow more than a 30-day gap in service provided. Points are based on the number of eligible services provided. Such services include: providing prepared meal on a daily basis (2 points), transportation services with on-site van service minimum three-day week (2 points), on-site service coordinator with an on-site office for a minimum of 20 hours per week (2 points), and on-site service coordinator for a minimum of 40 hours per week (4 points).

Mixed Income Projects will be ranked based upon the percentage of market-rate units in the project that exceed the minimum requirement of 10%. The square footage and bedroom size of both the market-rate and restricted units must be proportional. The project with the highest percentage of market-rate units will receive 10 points; the project with the second highest percentage will receive five points.

Housing for Veterans:

All project types are eligible for Veteran Housing points. Projects will be ranked based on the percentage of units targeted for households in which at least one household member is a Veteran, with a minimum of 10% of the total number of restricted and unrestricted units so targeted. Other landlord qualifications would not supersede this preference. Projects setting aside the highest percentage of units will be awarded 7 points, the second highest 5 points, and the third highest 3 points. (Note: New to 2014 QAP)

QAP awards 3 points to projects that include the preservation of existing LIHTC units. Must demonstrate that the existing rents are at least 20% under comparable market rents for units within the PSA as defined in the market study. **(Note: New to 2014 CSH Report, Not new to 2014 QAP Report)**

Lowest Developer Fee: A maximum of five special scoring points will be awarded to applications with Developer Fees below 15% of the eligible basis. Points will be awarded on the basis of one point for each 1% reduction in developer fee up to a maximum of five points. The Developer Fee will be calculated based on the figures provided in the budget contained in the main application. The Developer Fee must not exclude 15% of eligible basis of the project excluding the Developer Fee. **(Note: New to 2014 CSH**

Report, Not new to 2014 QAP Report)

QAP awards a maximum of 5 points for combined monetary contributions. Eligible sources include the local PHA, Community Development Block Grant, HUD 202 or 811, and Federal Home Loan Bank Affordable Housing Program (AHP). **(Note: New to 2014 CSH Report, Not new to 2014 QAP Report)**

Project includes a project based rental assistance contract (evidence of the PBRA contract must be submitted with application) for at least 25% of the units. **(Note: New to 2014 CSH Report, Not new to 2014 QAP Report)**

Other Policies

All developments must compete in one of eight eligible project categories. One eligible project category is developments targeting special needs housing. To qualify for this category, at least 20% of the units must serve one or more of the following populations:

- Persons with physical disabilities;
- Persons with developmental disabilities;
- Persons with mental illness as defined by the National Institute of Mental Health;
- Permanent supportive housing for persons and families who are homeless;
- Victims of domestic violence; persons with HIV/AIDS (as diagnosed by a board certified physician in Nevada);
- Transitional housing for persons released from incarceration, including persons paroled or on probation; transitional housing as defined in IRC Section 42 (i)(3)(B)(iii);
- Persons with drug, substance and/or alcohol abuse behavior, where the individual is in a state of recovery or is currently receiving treatment and/or counseling for the abusive behavior; and
- Persons with Alzheimer's/Dementia.

Services and care provided to special needs populations must be provided for the initial 15-year affordability period. Services for special needs populations must be optional to tenants residing in restricted units. Any cost associated with services must be separated from the rent.

Another eligible project category is for individuals and families with children.

The sponsor must provide a description of services provided and/or available to low-income tenants and the estimated costs of these services. The sponsor must provide a list of services provided at the facility, the cost of each service, and a description of how the cost for services will be funded, especially for tenants that may not have the means to pay for the level of care. The subsidization of services to low-income tenants may be accomplished through a mixed-income project in which residual income derived from the market-rate units subsidize the services received by low-income tenants.

Nevada Housing Division allocates credit in order to further certain principles and priorities, including reserving credits to provide a reasonable mix of affordable housing projects, populations served (e.g. elderly, special needs) and type (e.g. mixed use, assisted living).

Staff can authorize up to a 30% boost for projects that:

- Provide deep income targeting defined as projects where at least 50% of the total units will be rent restricted and occupied by households with incomes at or below 50% AMI for the jurisdiction within which the project is located and at least 20% of the total units are rent restricted and occupied by households with incomes at or below 40% AMI for the jurisdiction within which the project is located for the entire extended compliance period. Projects requesting a determination under this option must rent restrict and occupy all units as identified in their QAP pro forma and application and cannot open the units to households above the limits stated in their application, or;
- Projects marketed to homeless populations and/or transitional housing with supportive services.

Projects for Individuals/Families with Children and Incomes at or below 45% AMI.

These projects will be ranked based on the average residential per unit square footage included in the project. In the event that two or more projects within this project type category have the same square footage, the Division will break the tie by determining which proposal leverages the greatest level of non-Tax Credit funding. This will be determined by dividing the total amount of Tax Credits requested by the total project costs. The project with the lowest percentage of Tax Credits to total project cost will be the successful project.

The application with the highest per unit square footage in the project will receive 10 points; the second highest scoring project will receive five points.

Developer Experience

Included in a threshold requirement is Low Income Housing Experience. Applicants/Co-Applicants must demonstrate sufficient prior experience with the development and management of low-income housing projects and that they possess the financial capacity necessary to undertake and complete the proposed project. Applicant/Co-Applicants must also demonstrate to the Division that they have successfully developed projects of comparable size and financial complexity.

- *Low Income Housing Experience:* Applicants/Co-Applicants must submit an addendum to the application providing a description of at least **3 prior low income housing projects (Note: Reduced from 5 to 3 projects in 2014 QAP)**, including the name and location, date construction began, the placed in service date, current occupancy levels, and permanent financing sources.
(Note: 2014 QAP eliminated provision that considered organizations that had experience within 2 and 5 years of experience, and also had received an allocation of Tax Credits within the last three years.)

Special Needs Housing Experience

Project Sponsors of special needs projects must demonstrate a minimum of 3 years of experience providing a service or assistance to persons with special needs. Organizational information included in the application package must demonstrate the minimum of 3 years of experience and provide a summary of the supportive services provided to residents.

- *Compliance History:* The Project Sponsor must demonstrate a satisfactory record of compliance with regulatory and program requirements. Applicants must provide an addendum to the application describing outstanding compliance violations cited during project monitoring reviews by Federal, State, or local funding agencies. The Division may reject applications and/or make reductions to application point totals in cases where Project Sponsors have significant outstanding uncorrected IRS form 882310

or have outstanding compliance violations issued by other federal, state, or local funding agencies. **Alternatively, if the Division determines that the outstanding compliance violations are not significant and if the Applicant/Co-Applicant has cured the violations or proceeds to cure such violations within 10 business days of notice from the Division of the violation, instead of rejecting the application, the Division may make a reduction of five points in the point total for the application, should the application satisfy the remainder of the Threshold Requirements. (Note: New to 2014 CSH Report, Not new to 2014 QAP)**

Management companies must have a minimum 2 years experience managing income restricted properties or receive a waiver from Nevada Housing Department at NHD's sole discretion.

QAP awards up to 10 points to special needs developments based on experience of the sponsor or general partner developing special needs housing and/or delivering services relating to the special need. All special needs projects are ranked based on such experience and the top 2 are awarded points (10 points for the top ranked project and 5 points for the second ranked project). For purposes of this ranking, the number of months of experience is weighted 70% and the number of housing units developed is weighted 30%. The sponsor must have a minimum of 3 years experience verified by a dated document, such as the articles of incorporation, showing the number of years the organization has provided the service.

New Hampshire (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria and Set-Asides

None.

Scoring Incentives

Service Enriched Housing: QAP awards 5 points for Service Coordination and 15 points for Supportive Housing Serving Homeless for **Non-Age Restricted Projects (Note: Modified in 2014 QAP, the points were previously designated for Family Projects)**. (See *Other Policies* for more details).

Note: QAP designated scoring incentives separately for Non-Age Restricted and Age Restricted Projects. Within Age Restricted projects, scoring incentives are given within four categories: Service Coordination; Service Coordination Plus; Congregate Care; and Congregate Care Plus. The Non-Age Restricted category was previously called Senior Projects in 2013 QAP. Age restricted projects must designate all units as restricted to households whose members are all age 62 or over. Age restricted projects shall be scored and ranked separately.

QAP awards 3 points for Public Housing Waiting List Projects where the managing general partner is a Public Housing Authority (or affiliate) that owns and manages public housing or housing with project based Section 8 vouchers.

QAP awards 15 points to projects which have a new rental assistance subsidy for at least 66% of the units for at least five years. Public Housing Authority project-based Section 8 units are not eligible, unless the

rent subsidies are a new allocation to the PHA specifically for the proposed project. This point category is not available to existing projects requiring minimal rehabilitation. **(Note: New to 2014 CSH Report, Not new to 2014 QAP)**

Other Policies

To receive points for Service Coordination under Service Enriched Housing, the following requirements apply: A minimum of one hour/unit/month of service coordination must be provided by a person who does not also collect rent, inspect units, make determinations on reasonable accommodation requests, investigate lease violations, or issue eviction notices. The Service Coordinator shall have a private space for resident assessments and consultations; a place to secure documentation; a telephone with voicemail; and a computer with internet access. The core responsibilities of the Service Coordinator shall be to:

- Complete a service needs assessment for each resident within 60 days of move in and annually thereafter. Provide follow up as needed to address resident's needs as identified in their service plan.
- Maintain secure documentation of resident assessments, service plans and follow-up.
- Provide information about, and assist with enrollment as needed, services and resources available to assist residents to:
 - Meet their lease obligations
 - Maximize their economic self-sufficiency
 - Maintain independent living
- Develop and implement strategies to build community among diverse residents.
- Develop partnerships to bring programs and services onsite to meet the needs of groups of residents.

To receive points in the Supportive Housing Serving Homeless – **Non-age Restricted and/or Veterans**: At least one member of each household must be homeless or at imminent risk of homelessness immediately prior to tenancy and be identified as needing services to maintain housing. Eligible projects may be either transitional or permanent supportive housing and may use the single room occupancy (SRO) model. To score in this category, a substantial level and range of services must be integrated into the housing and be needed to support residents. Services must include, but not be limited to:

- An initial assessment of each resident's needs within one week of move in and a written plan developed to address each need.
- Regular case management, including ongoing assessments of residents' needs and the efficacy of the services being provided in meeting the identified needs.
- Coordination of benefits and services to assist residents in becoming permanently housed.

Projects receiving scores in the Service Enriched Housing section must continue to make the services available to residents for 5 years, which will be enforced by the LURA. Sponsors who fail to complete tenant service enrichment commitments will be penalized 5 points (adjusted proportionally to the total scoring points possible for any particular year) in the "Developer Experience" scoring section for all future project applications for a period of 5 years after the deficiency is cited by the Authority. Projects can receive a score in only one area.

General requirements for Service Enriched Housing categories:

- Complete the Service Enriched Housing Plan and Budget at the end of this appendix for scoring.
- Any service may be provided by a qualified employee of the management company and/or through a contract with a qualified company. Attach a copy of the job description for employees providing any

services. If contracted services will be used, attach a letter of intent to contract to the application containing:

- The type(s) of service and number of hours per week or month each will be provided
- The location(s) where the service(s) will be provided
- The fee for providing the service(s)
- A minimum of 20% of residents selected for occupancy, at rent up and ongoing, must be identified as needing the services being provided. Participation by any tenant is voluntary. Provide the tenant selection strategy for accomplishing this outcome in the Service Enriched Housing Plan.
- Services being scored must be available at the property to residents in a format and/or at a reduced fee because they are residents of the project, not because they meet the financial eligibility requirements for the service. If people can receive the same service or benefit when they live in privately financed housing, then the service is not eligible for scoring in this section.
- Fees may be charged for services, except service coordination, that are provided to residents. Include an explanation of fees in the Service Enriched Housing Plan.
- The amount, source and expected use of funds being committed to provide scored services must be specified for each of the first five years. Funds from sources other than the operating budget may be included with a letter of commitment attached. Funds may be contingent on the selection of the project for tax credit funding. Any expenses to be paid from the project operating budget shall be included on the Resident Services line in the LIHTC Pro Forma as well as in the Service Enriched Housing Plan - Budget below.

Developer Experience

QAP can lose up to 20 points based on Developer Experience with the Authority. The developer or any individual that is part of the development team:

- has any outstanding obligations (including compliance fees) on any Authority financed or tax credit project owed to the Authority of more than 30 days in arrears;
- is involved in or has had other tax credit or Authority financed projects which have non-compliance issues;
- the project's developer, management agent or anyone affiliated with the general partner is or has been non-compliant or otherwise in default with this or any other Authority Program (as determined by the Authority), or with another state housing finance agency;
- has been awarded credits in the past that were subsequently returned or otherwise unused (unless for good cause).

Such determination will be made by the Authority in its sole discretion.

QAP awards up to 10 points for Management Experience. To receive points for this category, the proposed management agent must submit a letter of interest and the Management Questionnaire (Sheet with this title in spreadsheet application – also Appendix L of the QAP). Applications are scored based on specific point scoring shown on the Management Questionnaire. The scoring gives preference to management agents based on experience, performance and satisfaction of LIHTC training requirements.

Projects may be rejected at any time during the allocation process (from application up to completion and issuance of the IRS Form 8609 at the sole discretion of the Authority for failure to meet General Criteria such as: The project's developer or any party affiliated with the development team does not have the

experience ability to successfully complete the project or has failed to meet the objectives of the program on past proposals.

New Jersey (Using 2013 QAP in 2014)

Supportive housing developments are an eligible use of the Credit and, if qualified, may compete in any of the agency's four cycles. In addition, such projects have potential competitive scoring advantages.

Threshold Criteria

None.

Set-Asides

Agency allocates Credit in four cycles—family, senior, supportive housing, and final. A project cannot simultaneously compete in more than one cycle.

Supportive Housing Cycle: The Supportive Housing Cycle receives 12.5% of the available tax credits and the maximum annual allocation of credits to projects competing in this cycle is **\$1,200,000 (Note: Increased from \$1,000,000)**. Supportive housing projects must have a minimum **25% of the total project units (Note: Modified in 2013 QAP eliminated the 10 units or 25% of total units minimum, whichever was greater)**. They also must rent to individuals with special needs (**Note: 2013 QAP eliminated required to provide at least three appropriate services**), and must have at minimum: a social service coordinator a description of the targeted population, a description of proposed services, and a description of tenant/landlord relationships. Total development costs shall not exceed \$250,000 per unit for buildings of one to four residential stories, **\$275,000 per unit for buildings with five or six residential stories, and \$300,000 per unit for buildings with over six residential stress, excluding capitalized permanent reserves, non-basis eligible off-site improvements and required deferred developer fee, if any (Note: New to 2013 QAP)**. There must be an executed agreement between the proposed owner entity and a supportive services provider that will submit a social services plan consistent with requirements outlined below.

40% of the credits in this cycle (inclusive of all set-asides) shall be made available to Targeted Urban Municipalities (although more can be allocated if necessary to fully fund a project) and the remaining credits shall be allocated to the remainder of the State, provided NJHMFA receives a sufficient number of eligible applications from areas outside of Targeted Urban Municipalities to result in these allocation percentages. (Note: New to 2013 QAP)

Family Cycle: 50% of the available tax credit authority for the calendar year will be designated to the Family Cycle, which includes non-age restricted developments. The maximum allocation for any development competing in this cycle is \$1,750,000. Within the Family Cycle there are two set-asides: **HOPE VI/CHOICE Neighborhood set-aside (Note: New to 2013 QAP, formerly the Redevelopment set-aside in 2012)** and the Preservation set-aside. **The highest-ranking eligible HOPE VI/CHOICE Neighborhood project with the majority of its units located within a Qualified Census Tract will receive the first reservation of credits in the Family Cycle. If, because of lack of demand, this set-aside is not utilized, the credits shall be released to the Family Cycle for use by other eligible applications after satisfactions of any other set-aside, as applicable.**

(Note: New to 2013 QAP)

Preservation set-aside: The second reservation of credits from the Family Cycle shall be given to the highest ranking eligible application from a preservation project **that meets all of the following criteria: project-based rental assistance expires/lapses earlier than the mortgage is paid off; project-based rental assistance subsidizes at least 50 percent of the total units; and the project has achieved a Real Estate Assessment Center (REAC) score of 60 or higher (if applicable) for the preceding three years or if the project's REAC score is below 60, the general partner/managing member of the proposed rehabilitation project shall not be a related party to the current ownership entity. Should no such projects apply, then the second reservation of credits from the Family Cycle shall be given to the highest-ranking eligible application from a preservation project.** The maximum annual allocation of credits to developments competing in this set-aside is \$1,250,000. HOPE VI/Replacement Housing/CFRC Choice Neighborhood projects do not qualify for this set-aside. If, because of lack of demand, the preservation set-aside is not utilized, the credits in the preservation set-aside shall be released into the Family Cycle for use by other eligible applications after satisfaction of any other set-aside, as applicable. **(Note: New to CSH Report, Modified in 2013 QAP)**

Scoring Incentives

The Supportive Housing Cycle includes its own point categories:

QAP awards up to five points in supportive housing cycle to developments for which the required social service plan incorporates the following:

A description of the target population's(s') supportive service needs, which may include a range of services across a wide continuum of care and intensity appropriate to the target population(s). The description must acknowledge that special needs tenant does not have to utilize the services appropriate to the target population(s). The social services plan must address the specific appropriate and needed services to assist tenants to maintain their housing and stable community living at no cost to the tenant. Appropriate and needed services must be supported by supportive service agreements and evidence-based practice, research and/or direct practice experience. Supportive housing projects must have, at a minimum, a social service coordinator. The supportive services plan must address the following:

- The social service provider(s) must demonstrate(s) three or more years of experience in providing social services to the target population(s) or to a related special needs population;
- A description of the proposed services that will benefit the targeted population including the location of services (that is, on-site or in the community) and documentation to support how these services will be funded;
- A description of how the service provider will facilitate tenant/landlord relationships, including detailed eligibility and ineligibility criteria for tenant selection and screening, as well as a plan for problem resolution to minimize evictions for supportive housing tenants; and
- Provision for at least one of the following services:
 - 24-hour, seven-day a week on-call crisis response capability
 - Financial management training from a qualified provider and ongoing budgeting support; and
 - Linkage and ongoing follow-up services to health care, including dental care, and physical health care and primary health care prevention services

QAP awards one point in supportive housing cycle to developments that provide on-site or off-site education for tenants; and one point to supportive housing developments that provide job training and job search assistance and support to tenants. Applicants shall provide evidence of funding commitments and signed agreements with qualified service providers specifically identifying a detailed scope of the services to be provided and term for the provision of these services.

Applicants that plan to develop all of the units as lease-based permanent supportive housing (no time limit for tenancy and/or program participation) shall be awarded two points.

Applications that evidence rental assistance funding commitments from the HUD McKinney-Vento Programs or other government source(s) of project-based or sponsor based rental assistance for all the special needs units shall be awarded two points.

Projects that encourage integrated community living opportunities, including mixed-income projects, mixed-special needs projects, and scattered site projects, shall be awarded two points.

QAP awards up to three points in family or senior cycles for provision of social services for the compliance period. One point is awarded per service offered. To receive points, the services must be affordable, appropriate, available and accessible to the project's tenants. Applicants must provide evidence of funding sources or documentation of how the services shall be paid, experience of the service provider for both provision of social service and fulfillment of prior private or governmental contracts, and firm agreements (executed contracts) with service providers for the services.

QAP awards one point for projects in the senior cycle that set-aside 20% of the units for the frail elderly.

QAP awards one point if the project utilizes public housing waiting lists.

The Family Cycle also has its own scoring category:

Under the Family Cycle, projects that elect to restrict 10% of the tax credit units to households earning 30% or less or area median income adjusted for family size shall receive eight points. (Note: Increased from one to eight points in 2013 QAP, New to 2013 CSH Report)

Projects that rent five units or 5% of total project units, whichever is greater, to individuals or families who are disabled as well as leaving institutions under the Olmstead Decision, and meet the criteria of N.J.A.C. 5:80-33.12(c)14 shall receive two points. (Note: New to 2013 QAP)

Other Policies

In general, developments are allowed a developer fee of up to 15% of total development cost. **Supportive Housing Cycle developments (Note: Modified from general supportive housing projects in 2013 QAP)** are one of three project types that are allowed a developer fee of up to 20% of total development cost.

Supportive housing projects applying to any cycle shall submit the following items:

- A supportive housing population needs analysis;

- A supportive housing marketing plan. **The plan must identify the organizations that will be used for referrals and evidence, such as a letter of support, must be provided attesting that such organizations have experience serving the target population and can be a source for referrals. For example, if the target population is homeless individuals or homeless families, a resolution indicating referrals will be provided or a letter of support from the local/county Continuum of Care (CoC) is recommended (Note: New to 2013 QAP);**
- Evidence of the supportive housing development, or management and/or supportive services experience of the owner entity, property management entity and/or social service provider who will be providing the property management and/or supportive services to the residents;

Sources of funding and a social services plan that includes a detailed description of the scope of services to be provided to the individuals with special needs. If the social service provider is partnering with other community services, that relationship must be substantiated with executed letters of agreement detailing services to be provided and term thereof;

An executed supportive services agreement between the supportive services provider and the owner entity; and evidence of receipt of rental assistance or operating subsidy commitment(s) for special needs populations below 30% of area median income and/or evidence that the supportive housing units are affordable to the target population.

Social service plans for supportive housing developments must address the service needs of the target population and may include a range of services across a wide continuum of care and intensity appropriate to the target population(s). Appropriate and needed services must be supported by evidence-based practice, research and/or direct practice experience. Each special needs tenant does not have to utilize all of the services provided by the project; however, the services must be available. The social services plans should address: hiring a social service coordinator, a description of the targeted population, a description of proposed services, a description of how services will be coordinated, and a description of tenant/landlord relationships.

For purposes of the supportive housing cycle, special needs populations include individuals and families who are in need of certain types of homes and/or community-based supportive services, usually on an ongoing basis, in order to remain capable of independent living in communities. Supportive services range across a wide continuum of care (such as meal preparation, assistance with housecleaning, etc.) to high level (such as substance abuse and mental health supports) to medically intense (such as skilled nursing) and will vary from person to person depending on their particular physical, psycho-social, and/or mental limitations, and may vary for one person over time.

Developer Experience

For successful development experience in two tax credit properties will receive **3 points. (Note: Points increased from 2 points, and 2013 QAP eliminated requirement of 93% occupancy and at least a 1.15% debt service coverage ratio for six consecutive months.)**

New Mexico (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application

cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria and Set-Asides

None.

Scoring Incentives

QAP awards up to 20 points to developments in which at least 20% of units are reserved for special needs households (Option A). To be eligible for points under this option, at least 10% of the Total Units in the Project must be rent restricted at 30% of Area Median Income (AMI) or have permanent rental subsidy support with a project-based federal rental assistance contract that ensures residents do not pay rent in excess of 30% of their adjusted income.

QAP awards 5 points if 5% of units are reserved for special needs households (Option B).

To receive points for this criterion, the Initial Application must include a signed Letter of Commitment to Coordinate with the Local Lead Agency for Household with Special Needs. In addition, Applicants seeking points for Option A must indicate on the application form and Schedule B, Unit Type and Rent Summary that 10% of the Total Units will be rent restricted at 30% of AMI, or include a copy of the federal rental assistance contract that covers at least 10 percent of the Total Units. Option B may be combined for a maximum of 20 points with scoring for Projects Reserved for Senior Households or Projects in which 25% of Total Units are Reserved for Household with Children.

QAP awards 2 points to projects that market units to households listed on public or Indian housing agency waiting lists. A letter to the PHA or Tribally Designated Housing Entity which serves the jurisdiction of the proposed site verifying this commitment will be required to obtain points for this criterion. **(Note: New to 2014 CSH Report, Not new to 2014 QAP)**

Special Needs projects must include appropriate space reserved for the delivery of counseling services, such as a private office with secure file storage space (if client files are to be stored on-site), in order to be eligible for points under this criterion. **(Note: New to 2014 CSH Report, Not new to 2014 QAP)**

The 2014 QAP awards 7 points to projects in which 25 percent of all units are reserved for households with children. For new construction Projects, at least 10 percent of the total Units must have 3 or more bedrooms with at least 1.75 bathrooms and a further 20 percent of the total Units must have 2 or more bedrooms with at least 1.75 bathrooms. For rehabilitation Projects, 30 percent of the total Units must have at least 2 bedrooms. For Projects that combine rehabilitation and new construction, all Units added to existing properties must have at least 2 bedrooms with 1.75 bathrooms and/or 3 bedrooms with 1.75 bathrooms until the percentages required for new construction Projects are met for the Project overall. All Projects must include adequate common space for the provision of the proposed enrichment services. The Applicant must provide a description of the Project's specific design elements that serve the needs of Households with Children. Projects can receive additional points for providing services such as daily on-site childcare (2 points), weekly on-site childcare (1 point), bi-monthly health and nutrition education (1 point), and other services up to 15 points. **(Note: New to 2014 CSH Report, Not new to 2014 QAP)**

Other Policies

QAP limits total development cost per unit for new construction projects to 130% of the weighted average total development cost per unit for all new construction projects submitted in the same round.

Acquisition/rehabilitation projects are limited to 100% of the weighted average total development cost per unit for all new construction projects submitted in the same round. For special needs and senior housing developments having at least 10% of their gross square footage devoted to common areas for social and recreational use, limits increase to 150% of the weighted average total development cost per unit for new construction projects or 115% of the limit established for acquisition/rehabilitation projects.

“Special Needs Households”, as defined in the QAP, means households in which an individual or household member is in need of supportive services, tenancy supports, and housing and has a substantial, long-term disability, which includes the following: serious mental illness; addictive disorder; households/individuals who are homeless.

The New Mexico Mortgage Finance Authority sets housing priorities, including projects that service lower income tenants (earning no more than 40 or 30% of median income), projects that serve special needs households and the provision of affordable housing to households on public housing waiting lists.

The Eligible Basis attributable to new construction or rehabilitation costs for a Project that scores at least 5 points under Project Selection Criteria (Projects that Benefit the Environment), that has units set-aside for seniors, households with children, or residents with special needs, and that is not financed with Tax Exempt Bonds may, in MFA’s sole discretion based upon a Project’s financial need, be increased by up to 30 percent for the purpose of calculating Tax Credits.

Tax Exempt Bond Financed Projects will also be scored and must obtain a score of at least 80 points in order to obtain a Letter of Determination that they are consistent with the QAP. Included within those 80 minimum points must be points for serving a targeted population (Households with Special Needs, Senior Households or Households with Children) and points for Projects that Benefit the Environment.

Projects may set aside or otherwise have a preference for military veterans that have served in the armed force of the United States and MFA encourages all projects to develop marketing plans that involve outreach and marketing of units to veterans. (Note: New to 2014 QAP)

Scattered site projects must have a community space adequate for the provision of services and services must be delivered at each site in order for the Project to be eligible for points for Projects in Which Units are Reserved for Households with Special Needs, Projects Reserved for Senior Households, Projects in which 25 Percent of All Units are Reserved for Households with Children, and Resident Financial Literacy Training. However, if one of the Project sites does not have adequate community space for the provision of services, services may be provided for residents at another Project site so long as the following conditions are met: (1) the Project sites are located with ¼ of a mile of each other and connected by an ADA accessible route, (2) the Application demonstrates, to the sole satisfaction of MFA, how the needs of persons with disabilities who do not have access to on-site services will be met, and (3) sufficient community space for the provision of services is available for all residents of the Project. **(Note: New to 2014 CSH Report; Not new to CSH Report)**

Developer Experience

Development Team Review: Staff will review the qualifications of each Development Team member to determine capacity to perform in the role proposed. Considerations may include related experience, financial capacity, performance history, references, management and staff, among others. An Application

may be rejected or substitutions requested if the Development Team or any member thereof is unsuitable as determined by MFA.

New York

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Note: Three agencies allocate Housing Credit in New York using different allocation plans: the New York State Division of Housing and Community Renewal (DHCR), New York State Housing Finance Agency (HFA), and New York City Department of Housing, Preservation and Development (HPD).

DHCR (2013 QAP)

Note: In the HCR's Unified Funding 2014 Multi-Family Programs FRP, HCR states that it expects to set-aside a total of \$7.3 million of the available UF 2014 LIHC for the two following program priorities: Preservation Projects (\$3.3 million) and Supportive Housing Projects (\$4 million). A Preservation Project is one in which residential property is rehabilitated to extend its useful life to serve as affordable housing, and averts the loss of currently government regulated affordable rental housing serving the housing needs of a population whose housing need would justify the replacement of the housing if it ceased to be available to that population. A Supportive Housing Project is a project that gives preference in tenant selection to persons with special needs for at least 25% of the project units. Persons with special needs for the purposes of this set-aside are defined in Section 2040.2(p) of the QAP. See Other Policies below for more information about documentation required of Supporting Housing Projects.

Threshold Criteria and Set Asides

None.

Scoring Incentives

QAP awards 5 points if the project will give preference in tenant selection to persons with special needs (includes persons with HIV/AIDS; persons with alcohol/substance abuse disorders; persons with psychiatric disabilities; homeless persons and families; persons with physical disabilities; persons who have been victims of domestic violence; persons with mental retardation/ developmental disabilities; frail elderly persons; or any other population so designated by the division), with priority being given to such persons who have served in the armed forces of the United States for a period of at least six months (or any shorter period due to injury incurred in such service) and have been thereafter discharged or released therefrom under conditions other than dishonorable, for at least 15% of the LIHTC-assisted units and whether the persons with special needs will be served by supportive services as evidenced by a comprehensive service plan and an agreement or commitment in writing with an experienced service provider.

QAP awards up to 5 points for provision of fully accessible and adapted, move-in ready units.

Developments in which at least 5% (rounded up to the next whole number) of the project units are fully accessible and adapted, move-in ready for person(s) who have a mobility impairment and the unit(s) will be marketed to households with at least one member who has a mobility impairment; and at least 2% (rounded

up to the next whole number) of the project units are fully accessible and adapted, move-in ready for person(s) who have a hearing or vision impairment and the unit(s) will be marketed to households with at least one member who has a hearing or vision impairment are eligible for 2 points. Five points are awarded when developments in which the percentages of units meeting the requirements above are equal to or exceed 10% and 4% (rounded up to the next whole number), respectively.

Affordability (5 points): Projects will be scored on the percentage of LIHTC units in the project, which will be affordable to persons with the lowest incomes (e.g., 30%, 40%, or 50% of area median income).

Individuals with children (5 points): Scored on the ratio of bedrooms to units in a project serving households with children.

QAP awards 5 point to projects scored on the extent preference in selection of tenants will be given to persons from public housing waiting lists or other existing waiting lists for subsidized housing and/or to persons and families whose current housing fails to meet basic standards of health and safety and who have little prospect of improving the condition of their housing except by residing in a project receiving tax credits and the preference is evidenced by an enforceable agreement with the source of referral.

Other Policies

Supportive housing shall mean projects that give preference in tenant selection to persons with special needs for at least 30% of the LIHTC-assisted units. To be considered supportive housing:

- The applicant must document the need for housing for the targeted population within the primary market area;
- The applicant must ensure the delivery of appropriate services, for which a documented need exists, to the targeted population as evidenced in a comprehensive service plan and an agreement in writing with an experienced service provider;
- The applicant must include a transportation plan to ensure access to necessary services;
- The applicant must have funding in place or identify a viable plan for the funding of appropriate services;
- The applicant must include provision for an ongoing rental subsidy or other form of subsidy which will be available to ensure that rents paid by the targeted population remain affordable; and
- The applicant must identify, and have a written agreement with, a public agency or experienced service provider that will refer eligible persons and families for the targeted units.
- **The project must provide an integrated setting that enables individuals with disabilities to live independently and without restrictive rules that limit their activities or impede their ability to interact with individuals without disabilities.**

QAP specifically states that the division reserves the right to set aside credit for the purpose of implementing the State's housing goals, including, but not limited to, preservation projects and supportive housing projects.

If the project includes the rehabilitation of any building(s) the acquisition costs of the building(s) may not exceed 25 percent of the total development costs of the project unless it meets specific conditions, including that it is a preservation project.

Developer Experience

DHCR has three threshold criteria around developer experience:

- The project developer, owner and/or manager have successfully developed and operated projects comparable to the proposed project and have the capacity and experience to undertake, complete and operate the proposed project.
- The project developer, owner and/or manager and their principals do not include anyone who owns or manages an existing project for which an IRS Form 8823 has been issued and has not been corrected or otherwise resolved as determined by the supervising agency.
- The project developer, owner and/or manager and their principals do not include anyone who has participated in a publicly assisted capital project that has been determined to be out of compliance with statutes, rules, regulations, policies or agreements and has not been corrected or otherwise resolved as determined by the public agency responsible for supervising the project.

QAP awards 10 points for applicant's development and management team experience in the timely development and completion of low-income housing within approved development budgets, and the management of such housing within approved operating budgets in a manner consistent with all statutes, regulations and policies.

HFA (2010 QAP) – Used in 2014

Threshold Criteria

None.

Set-Asides

Note: New York HFA has a \$2 million supportive housing set-aside that is allocated administratively.

Scoring Incentives

All projects applying for a State Credit Ceiling LIHTC Allocation shall be evaluated in accordance with the following scoring criteria (maximum of 100 points) [two of twelve categories]

- Project Characteristics (maximum of 15 points): (1) The project promotes the economic integration of tenants, by providing units at a variety of sizes and rents. (2) The project provides social services suitable for the intended tenant population (e.g., employment counseling, subsidized day care, etc.). (3) The project provides appropriate facilities for residents (e.g., community rooms, children's play areas, etc.). (4) The project's design and engineering will minimize maintenance and operating costs over the useful life of the project. (5) The project includes the use of existing housing as part of a community revitalization plan.
- Tenant Populations with Special Housing Needs (maximum of 10 points): (1) To the extent permitted by law, the project provides a significant amount of housing for populations with special housing needs such as the elderly or the homeless. (2) The project provides handicapped adaptable units above the minimum required by the Americans with Disabilities Act and/or any other applicable statute, ordinance or regulation.

Other Policies

QAP includes a general policy statement prioritizing developments that address the shelter, housing, and service needs of the homeless poor and others with special needs, including low- and extremely low-income

elderly rental households.

Developer Experience

Threshold:

The project applicant has successfully developed and operated projects comparable to the proposed project and/or has, or will obtain, the capacity and experience to undertake, complete and operate the proposed project.

The sponsor and development team have a track record in developing housing of the type and scale proposed. (10 points)

HPD (2014 QAP)

Threshold Criteria

None.

Set-Asides

HPD will set aside 30% of its annual allocation authority for new construction or substantial rehabilitation of permanent supportive housing projects with HPD approved on-site services that are developed by not-for-profit sponsors where:

- **applicant agrees to extend affordability restrictions to 60 years AND:**
- 100% of units are affordable to persons with incomes at or below 60% AMI; AND
- 60% of units are set-aside for homeless single adults referred by city agencies.

(Note: Note: Affordability extension was previously a scoring incentive in 2013. Permanent Supportive Housing set-aside is outlined in the 2014 Tax Credit Application, not the Qualified Allocation Plan.)

Scoring Incentives

QAP awards up to 23 points **(increased from 16 points to 23 in 2014 QAP)** to developments for project occupancy. Among the four criteria assessed, two are related to PSH:

- Permanent Housing for the Homeless – For this purpose, “homeless” shall be defined to mean either homeless singles or families referred by HPD, the NYC Department of Human Resources (HRA) or the NYC Department of Homeless Services (DHS). Projects that set aside at least 10% of residential units for homeless.
- Households with Children – Projects where at least 10%, 20% or 30% of the low-income units are two bedrooms or larger. Points are awarded on a sliding scale basis.
- Special Needs Populations – Special needs groups including homeless individuals and families, persons who are mentally ill or disabled, persons with AIDS, substance abusers, and survivors of domestic violence and their families (set aside will be reflected in the Regulatory Agreement)
 - Projects that set aside 35% or more of units for Special Needs groups and provide evidence of adequate provision of support services for the intended population by including a letter of interest from a social service agency [e.g. Office of Alcoholism and Substance Abuse Services (OASAS), Office of Mental Health, Office of Mental Retardation and Developmental Disabilities (OMRDD),

NYC Human Resources Administration (HRA), or Department of Homeless Services (DHS)] stating that the agency has reviewed the project and determined the project will be eligible for operating subsidies and/or supportive housing services through the agency

- Sponsors have previous experience in this type of housing or service delivery.
- Public Housing Waiting Lists – Scored on whether the sponsor has committed in writing to the Agency to designate at least 20% of the low-income units with special priority will be given to households on the waiting list for public housing.

QAP awards up to 18 points (**Decreased from 22 points to 18 in 2014 QAP**) for project characteristics, including preservation projects. Projects that preserve existing affordable housing that either:

- Have, and continue to use if possible, project-based rental assistance and/or operating subsidy;
- Have a loan made prior to 1984 from any of the following loan programs: HUD 202/811, 221(d)3 or (d)4 or 236;
- An HPD LIHTC Preservation Program where HPD has approved a re-syndication plan.

Other Policies

QAP includes a general policy statement prioritizing developments that create permanent housing for special populations (homeless families with children, homeless individuals, homeless mentally ill, other homeless groups, persons with AIDS, and mentally and/or physically disabled), and provide training and/or support services necessary to make the transition to independent living.

Operating reserves for “standalone” projects must equal at least 6 months operating expenses, debt service and replacement reserve payments. Additional amounts necessary to provide operating assistance to support very low income, homeless and special needs populations may be permitted. (**Note: New to CSH Report, Not new to 2013 QAP**)

Tenant-Based Section 8 Vouchers: “Standalone” projects anticipating availability of new tenant-based Section 8 vouchers must be underwritten at rents not greater than the maximum tax credit rents.

Developer Experience

QAP awards a maximum of 7 points for Applicant Experience. Applicant Experience will be evaluated using criteria:

- Experience – Applicants (owner and/or developer) with demonstrated capacity for undertaking development, management, and/or ownership of a Low Income Housing Tax Credit project.
 - Successful experience as developer of a Low Income Housing Tax Credit project.
 - Success in the operation and/or property management of a Low Income Housing Tax Credit project.
- CHDO Organizations – Applicants that are HPD certified Community Housing Development Organizations (CHDO) under the HOME program.
- HPD Development History and Problems – Applicants that have previously received tax credit allocations or other development financing from HPD will be reviewed for outstanding problems on previous projects. Points will be deducted for applicants who are principals in any of the following:
 - Projects with outstanding instances of uncorrected Tax Credit noncompliance. (One point

- deducted for each uncorrected finding, up to a maximum of 15 points)
- Projects with outstanding instances of uncorrected HOME noncompliance. (One point deducted for each uncorrected finding, up to a maximum of 15 points)
- Projects whose credit allocations have been returned or recaptured by HPD. (Five points deducted for any return or recapture of credits)
- Projects that are in default or work out status. (10 points deducted for any such status)

North Carolina (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but subject to favorable threshold requirements and potential competitive scoring advantages.

Threshold Criteria

All developments must target 10% of total units to persons with disabilities or homeless populations. Projects with federal project-based rental assistance must target at least 5 units regardless of size. Projects targeting units under this provision are not required to provide onsite supportive services or a service coordinator. Project owners must demonstrate a partnership with a local lead agency and submit a Targeting Plan for review and certification by the North Carolina Department of Health & Human Services. See minimum Targeting Plan requirements below.

To increase the stock of housing accessible to those with mobility impairments, all new construction developments must insure that 5% of all units in the development are fully accessible according to standards set forth in the North Carolina State Building Code. These units are in addition to mobility-impaired units required by federal and state law (including building codes).

Set-Asides

None.

Scoring Incentives

If the project is in a high-income county, QAP awards 5 points to developments in which at least 25% of qualified units are affordable to and occupied by households with incomes at or below 30% of county median income.

Other Policies

Agency specifies higher per unit development cost limits for certain projects, including developments serving persons with severe mobility impairments.

Homeless Populations: People who are living in places not meant for habitation (such as streets, cars, parks), emergency shelters, or in transitional or temporary housing but originally came from places not meant for habitation or emergency shelters.

At minimum, Targeting Plans for Persons with Disabilities must include:

- A description of how the development will meet needs of the targeted tenants including access to supportive services, transportation, proximity to community amenities, etc.

- A description of lead agency experience and their capacity to provide access to supportive services, and to maintain relationships with the management agent and service providers for the duration of the compliance period.
- A memorandum of understanding (MOU) among the developer(s), management agent and the lead local agency. The MOU will include: (i) a commitment from the local lead agency to provide, coordinate and/or act as a referral agent to assure that supportive services will be available to the targeted tenants; (ii) the referral and screening process that will be used to refer tenants to the development, the screening criteria that will be used, and the willingness of all parties to negotiate reasonable accommodations to facilitate the admittance of persons with disabilities into the development; and (iii) a communications plan between the project management and the local lead agency that will accommodate staff turnover and assure continuing linkages between the development and the lead agency for the duration of the compliance period.
- Certification that participation in supportive services will not be a condition of tenancy (not required for 100% transitional housing for the homeless projects).
- Agreement that for a period of 90 days after certificate of occupancy, the number of units specified in the application for persons with disabilities will be held vacant other than for such population(s).
- Agreement to maintain a separate waiting list for persons with disabilities and prioritize these individuals for units that become vacant after initial rent-up period, based upon the minimum number of units specified in the application.
- Agreement to affirmatively market to persons with disabilities.
- Agreement to include a section on reasonable accommodation in property management's application for tenancy.
- Agreement to accept Section 8 vouchers or certificates (or other rental assistance) as allowable income as part of *property management income* (vs. tenant income in 2008) tenant income requirement guidelines for *eligible tenants* and not require total income beyond that which is reasonably available to persons with disabilities currently receiving SSI and SSD benefits.
- A description of how the project will make units affordable to extremely low-income persons. NOTE: Key Program assistance is only available to persons receiving income based upon a disability. Projects targeting units to non-disabled homeless populations or persons in recovery with only a substance abuse diagnosis must have an alternative mechanism to assure affordability.

One of the criteria used for a tiebreaker is projects that target tenants with children. Projects that can serve tenant populations with children. Projects will qualify for this designation if at least twenty-five (25%) of the units are three or four bedrooms. This tiebreaker will only apply where the market study shows a clear demand for this population (as determined by the Agency). **(Note: New to 2014 CSH Report, Not new to 2014 QAP)**

Developer Experience

At least one Principal must have successfully developed, operated and maintained in compliance **either one 9% Tax Credit project in North Carolina or one tax-exempt bond project**. The project(s) must have been placed in service between **December 1, 2007 and January 1, 2013**.

QAP awards 5 points if the Principal meeting these eligibility requirements also meets the following:

- Was a Principal in ten awards of 9% tax credits in **North Carolina from 2007 through 2013**, or
- Has her/his/its principal office in North Carolina. **(Note: Bolded text is new to 2014 QAP)**

Such Principal must:

- Be identified in the preliminary application;
- Become a general partner or managing member of the ownership entity; and
- Remain responsible for overseeing the project and operation of the project for a period of two years after placed in service. The Agency will determine what qualifies as successful and who can be considered as involved in a particular project.

All owners and Principals must disclose all previous participation in the low-income housing tax credit program. Additionally, owners and Principals that have participated in an out of state tax credit allocation may be required to complete an Authorization for Release of Information form.

The Agency reserves the right to determine that a particular development team does not meet the threshold requirement of subsection (D) (1) (a) due to differences between its prior work and the proposed project. Particularly important in this evaluation is the type of subsidy program used in the previous experience.

North Dakota (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria and Set-Asides

None.

Scoring Incentives

QAP awards 10 to 20 points to developments targeting a minimum percentage of units at 30% AMI or less. Elections in this category are incorporated into the Land Use Restrictive Agreement and are binding for the 15 year compliance period. 20 points are awarded to projects that designate 100% of units to 30% AMI or less. 15 points are awarded to projects that designate over 9% of units, 10 points for projects that designate 5-9% of units for 30% AMI or less.

QAP awards up to **11 points (Note: Increased from 9 to 11 points in 2014 QAP)** to developments in which a minimum percentage of units are set aside and rented to persons with special needs, including mental illness, drug dependency, developmental disabilities, physical disabilities, the homeless, or frail elderly. Points are based on the percentage of units set aside – **5 points** for 10% of units, **8 points** for 15% of units, and **11 points** for more than 15% of units.

To earn points in this category, a development must:

- Demonstrate the need for the special type of housing based on market demand, the applicable Consolidated Plan, and findings of the local social service agency;
- Provide third party verification of the services appropriate to the targeted population; and
- Document a commitment from a service agency to provide ongoing services consistent with the needs of the targeted population.

These requirements do not apply to developments serving residents with physical disabilities. Instead, such

developments must:

- Demonstrate the need for the special type of housing based on market demand, the applicable Consolidated Plan, and findings of the local social service agency;
- Provide evidence that the unit/building configurations meet the specific needs of the targeted population; and
- Submit certification from an architect or applicant that the accessible units and common areas meet or exceed Federal Fair Housing Accessibility Guidelines.

QAP awards 1 additional point (up to 3 points maximum) for each physically accessible unit in special needs projects described above that is a 2-bedroom unit or larger.

QAP awards 10 points to federally assisted properties in danger of prepayment, such as Rural Development 515 financed or those with project-based rental assistance for 50 percent or more of the units, which are "at-risk" of being lost from the state's affordable housing inventory, were not tax credits allocated. **(Note: New to 2014 CSH report, not new to 2014 QAP)**

Other Policies

Public Housing Waiting List: The application package must include a signed written commitment from the Applicant to inform the public housing authority (PHA) of vacancies and to give priority to households on PHA waiting lists who apply for occupancy.

Specified projects are eligible for credits up to 130% of eligible basis, including: projects designed to primarily serve special needs populations (i.e. homeless or those requiring permanent supportive services) and projects that target 20% or more of the units at 30% of area median income or less. Applicants must provide a narrative explanation justifying the need to increase the eligible basis.

Developer Experience

NDHFA must be satisfied that those who will own and operate the property are familiar with, and prepared to comply with, the requirements of the program. This is evaluated in terms of

- Property ownership and development;
- Management experience; and
- Level of knowledge of the program demonstrated through preparation of the tax credit application.

Applicants new to the Low Income Housing Tax Credit program are required to partner with an experienced developer, sponsor or consultant i.e. someone with projects completed and operating successfully. An applicant who has not yet placed a Housing Credit property in service in North Dakota will be ineligible to submit a subsequent application for an additional project until the initial development is, at a minimum, under construction and proceeding on schedule.

Applicants who have been convicted of, enter an agreement for immunity from prosecution for, or plead guilty, including a plea of nolo contendere, to: a crime of dishonesty, moral turpitude, fraud, bribery, payment of illegal gratuities, perjury, false statement, racketeering, blackmail, extortion, falsification or destruction of records are ineligible. Applicants who have been debarred from any North Dakota program, other state program or any federal program are ineligible. Applicants having an Identity of Interest with any debarred entity may not be eligible at the sole discretion of NDHFA.

An applicant that has not received an allocation of LIHTC in North Dakota must provide affirmative reference letters from allocating agencies in states where their existing projects are located. NDHFA may inquire to other state allocating agencies relative to the Applicant's or Developer's performance history. Negative performance may result in the application being deemed ineligible at the sole discretion of NDHFA.

Northern Mariana Islands (2013-2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria and Set-Asides

None.

Scoring Incentives

QAP awards up to 4 points for projects receiving project-based rental assistance subsidies, which would result in eligible tenants paying approximately 30% of their gross monthly income towards rent. Eligible programs shall include, but not be limited to, the Rural Development 515 Loan Program and HUD Section 8 project-based Rental Assistance Program. 4 points is awarded to projects that allocate 100% of units to project-based subsidies.

QAP awards up to 3 points to projects that will commit to serve tenant populations with special housing needs (special needs groups are "persons for whom social problems, age, or physical or mental disabilities impair their ability to live independently and for whom such ability can be improved by more suitable housing conditions."). Projects that set-aside at least 20% of all units for tenant populations with special needs housing receive 3 points. Applicants may receive points for electing to serve one of these tenant populations. To receive consideration for this criterion, a) the project must commit to provide case management or services specific to this population or special facilities to accommodate the physically disabled and b) the Market Study shall specifically address the housing needs for the special needs group.

Other Policies

None.

Developer Experience

QAP awards up to 10 points, and deducts up to 8 points, based on developer experience.

- Development Team has successfully met program objectives on past proposals which include LIHTC developments in other states or jurisdictions (8 Points)
- Development Team has failed to meet program objectives on past proposals or any NMHC programs (-8 Points)
- Development Team has successfully completed similar projects (2 Points)

Ohio (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle or, if qualified, within the permanent supportive housing for the homeless target pool.

Threshold Criteria

Applicants must select 1 of the following elections based on the location of the proposed project:

- A minimum of 60% of the low-income units affordable to households with incomes at or below 50% of AMGI (projects located in urban or suburban pool areas); or
- A minimum of 40% of the low-income units affordable to households with incomes at or below 50% of AMGI (projects located rural pool areas, except for the counties listed in Item c. below); or
- A minimum of 30% of the low-income units affordable to households with incomes at or below 50% of AMGI (projects located Belmont, Lawrence, or Washington Counties).

Note: 2014 QAP does not include provision that required 100% of the low-income units to be affordable to households at or below 60% of AMGI for all applicants requesting 4% Housing Credits for projects financed with tax-exempt bonds.

Set-Asides

The plan provides a \$4,000,000 target pool for permanent supportive housing (PSH). Approximately \$3,250,000 for developments located in the cities of Akron, Cincinnati, Cleveland, Columbus, Dayton and Toledo. Approximately \$750,000 for developments located in all other areas of the state.

Among the requirements for this target pool are that (OFHA values projects that provide a commitment for rental subsidy for at least 50% of the units must have a commitment for rental subsidy that covers the difference between 30% of the resident's income and the established rent for that unit. The majority general partners must be non-profit organizations with experience in developing, owning, or managing supportive housing for the homeless or special needs individuals/families. Projects not serving the homeless or those at-risk of homelessness will be limited to 1 award. **PSH developments must obtain approval from their respective HUD designated Continuum of Care (CoC) or will not be considered for funding. (Note: New to 2014 QAP)**

Developments must also submit a supportive services plan as described below.

Applicants must provide a supportive service plan. A plan submitted to a local Continuum of Care or other entity may be submitted. The plan should address the following items:

- The population being served by the proposal.
- How the supportive service plan address the needs of the specific population.
- How the success of the supportive services plan will be evaluated; the formal and informal methods that will be used to evaluate the success of the development in meeting the individual needs of the residents, as well as addressing overall issues of homelessness; and how this information will be conveyed to OHFA and other organizations.
- How the physical design of the building(s), the project site and location enhance the lives of residents specific to their particular needs.
- How residents will be linked to services not directly offered by the on-site service provider.
- The source of funding for the services and how the project plans to sustain supportive service provisions over the life of the compliance period.

Scoring Incentives

Community Outreach

OHFA will award points at its sole discretion based on the community outreach plan. Community outreach is the applicant's method of notifying the community of an upcoming development before an application is submitted to OHFA. It must address the nature of the development, its location, its design and how the residents and businesses in the area will be notified. It could include involving local elected officials, Community Development Corporations, CHDOs and community groups, or posting notices in libraries or other public places where residents may congregate. Social media, design charettes, or traditional notices in local papers are examples of methods to target your message. The plan will be evaluated on the comprehensiveness of the applicant's approach and whether it is appropriate considering the type of housing and location of your proposal. Submit a narrative with supporting documentation describing the plan.

Developments competing in the existing units pool do not need to initiate the community outreach at proposal. Instead, they must provide documentation and evidence that the outreach plan has been completed at final application. Additionally, the community outreach plan for existing units must be comprehensive and include opportunities for input and collaboration. Developments that competed in the 2013 Housing Tax Credit round and received the full points available may choose to resubmit their community outreach plan and receive the full points for 2014. Developments that choose this option must conduct an additional meeting with the local government and general public between proposal and final application and provide evidence that this meeting has occurred.

(Note: Bolded text is new to 2014 QAP. The point values in the 2014 QAP are for all projects. In 2013 QAP there was a separate point system for a PSH project)

Point values:

- **7 points** will be awarded for a plan that, in the opinion of OHFA, effectively communicates the housing proposal. **(Note: Increased from 5 to 7 points in 2014 QAP)**
- 10 points will be awarded for a plan that, in the opinion of OHFA, comprises a comprehensive community outreach strategy that includes opportunities for input and collaboration.

15 points will be awarded to a PSH proposal that is identified as the highest priority of the applicable COC for the location of the development. The Ohio Balance of State Continuum of Care (BOSCO) is the applicable COC for the 80-county area that it oversees. The local COC is applicable for all other areas.

Note: 2014 QAP eliminated scoring incentives for New Rental Units and PSH Pool in Appalachian County, and High-Income Census Tracts.

Extremely Low-Income Units

Points will **award 5 points** for one of the following:

- A minimum of 10% of the units will be occupied by and affordable to households at or below 30% of the Area Median Income (AMI) for proposals in Participating Jurisdiction (PJ) areas.
- A minimum of 5% of the units will be occupied by and affordable to households at or below 30% of AMI for proposals in non-PJ areas.

QAP awards 10 points will be awarded to developments with Project Based Section 8 for at least 100% of the units or USDA rental subsidy for at least 60% of units. 9 points to developments with Project Based Section 8 for at least 60% of the units or USDA rental subsidy for at least 40% of the units. 8 points are awarded to developments with Project Based Section 8 for at least 30% of the units or USDA rental subsidy for at least 20% of the units. (Note: New to 2014 QAP)

QAP awards 10 points to developments that include significant State or Federal Resources in their permanent financing. A commitment letter for the source must be submitted with the proposal application. Eligible programs are:

- USDA Section 538, State Historic Tax Credits, Ohio Department of Mental Health and Addiction Services (ODMHAS) capital funds (must account for at least 10% of the total development costs)
- HUD Choice Neighborhoods, HUD Rental Assistance Demonstration (RAD) program, or MHA capital funds (must account for at least 15% of the total development costs) (Note: New to 2014 QAP)

QAP awards 5 points for the following:

- A state-certified CHDO has at least 51% general partnership interest in the ownership of the proposed development. The proposed development must be in the CHDO's service area.
- A Metropolitan Housing Authority (MHA) has at least 51% general partnership interest in the ownership of the proposed development.
- A commitment by a local service provider(s) to provide comprehensive services to the residents of the proposed development has been made. All local service providers must have a history of serving the area. The applicant must provide a contractual agreement or Memorandum of Understanding with each local service provider that outlines the specific services, service delivery, and must be in place for at least 15 years. Service coordination does not apply under this competitive selection criterion. Agencies must be direct providers of the services offered.

(Note: New to 2014 QAP)

QAP awards point 10 points for preservation characteristics. OHFA will award funding to one development in each the listed categories. The categories include: Family developments located in non-QCT; Developments that account for at least 30% of the total available affordable housing units in the PMA; Developments that will utilize HUD's Rental Assistance Demonstration program. (Note: New to 2014 QAP)

Other Policies

PSH developments that receive 15 points for Highest Priority of Continuum of Care are eligible for a 130% basis boost. (Note: New to 2014 QAP)

PSH populations are exempt from the requirement to provide a parking lot with concrete curbs and at least one parking space for each unit in the project.

OHFA supports PSH as stand-alone developments or typical multifamily or senior developments that include a percentage of PSH units.

Family Housing: Both multifamily developments (non-senior) and single-family lease purchase proposals must provide the following services: provide referrals to local jobs programs; counsel residents as to available educational and training programs that can secure one's place in the workforce or enhance the likelihood of advancement; credit counseling and consultation; and referrals to day care, after school, and health care/ wellness programs. Applicants will be required to submit a supportive service plan containing specific services and demonstrating linkages with local services agencies.

Note: 2014 QAP eliminated a provision that outlined minimum replacement reserves of \$350 per unit for Family/PSH New Construction and \$400 per unit for Family/PSH Rehabilitation.

Note: 2014 QAP eliminated a scoring incentive for projects in urgent physical need of rehabilitation and preservation.

Developer Experience

OHFA will conduct a review of the experience and capacity of potential general partners and developers prior to submission of Housing Credit applications for individual properties. The result of this review will determine whether an organization may participate in the upcoming program year and the maximum number of applications that may be submitted and maximum credit amount that such organization may be awarded as a general partner and developer. The level of participation may be extended to other roles on the development team at the discretion of OHFA.

The following criteria will be considered when making a determination:

- Past experience developing affordable housing using OHFA programs. Properties presently in service and those under construction will be considered, and the quality and success of previous developments will be taken into account, OHFA will also consider location and experience in the geographic areas to be served, experience with the type of housing product proposed and the past working relationships of the proposed development and ownership partners.
- Other affordable housing development experience using government funded programs, including existing properties and those under construction.
- The development capacity of the organization to complete construction of all current projects on time and within program requirements and application commitments.
- The financial capacity of the organization to ensure that construction will be completed on time and that work will be guaranteed for quality.
- The organization must remain in good standing with all OHFA programs in order to participate in the upcoming program year.

OHFA will use information submitted by the organization and other reasonable sources available to make these determinations, including reports and opinions of other public funding sources. OHFA reserves the right to place additional restrictions on applicants, further limit the number of awards.

Development Team (general partners, developers and property manager): OHFA will use the following criteria to evaluate the team as a whole for the proposed development:

- Development History: OHFA will review the experience of the development team with the housing type, location or type of geographic area, and scope of the project being proposed. Projects financed by OHFA, tax credit projects in other states, and other types of affordable housing in any state will be considered.
- **Sufficient documentation of the specific roles of each member of the team.**
- Present Capacity: OHFA will review all projects that the team members presently have in development and determine whether there is sufficient capacity to successfully complete all projects in development and any 2012 tax credit awards in a timely and efficient manner. The amount of 2012 tax credits awarded to a particular organization may be limited based on OHFA judgment of capacity.
- **Good Partnership: OHFA will evaluate the degree to which the development team members have acted in accordance with the Good Partnership policy in all phases of current and previous development efforts.**
- **Financial strength: The financial capacity of the team as a whole will be reviewed and must be found acceptable.**
- **Outstanding financial obligations: All financial obligations to OHFA must be current. Any delinquent obligations of any team member may disqualify the team from competing for an award. (Note: New to 2014 QAP)**

Oklahoma (2014 QAP: Application Instructions)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria and Set-Asides

None.

Scoring Incentives

Note: 2014 Application Instructions removed provision that awarded 10 points to developments 100% dedicated to special needs populations.

QAP awards 5 points to applicant dedicating at least **10% (Note: Increased from 5%)** of the total residential units per Development with rents set at one-half or less of the allowable Tax Credit rent for **Targeted Populations (Note: Modified in 2014; Previously specified Special Needs populations)**. To calculate one-half or less you should designate the unit at 50% or 60% of AMI, subtract the utility allowance from the maximum rent, divide by 2, this equals the amount of net rent to be charged to a Special Needs tenant. Projects receiving rental assistance must provide a letter from the appropriate agency indicating the amount of proposed discounted rents and bedroom sizes. **Targeted Populations (Note: Modified in 2014; previously specified Special Needs populations)** for this particular point criterion may include, but are not limited to Homeless, persons with mental or physical disabilities, or individuals that are handicapped. This designation must not violate any Fair Housing regulations.

Preservation of 15 Year Old Affordable Housing: 5 points will be awarded to those Applications proposing

the acquisition and substantial rehabilitation of affordable housing originally constructed more than 15 years prior to the current calendar year (example; for 2010 Applications the Development(s) must have been constructed prior to 1995). Affordable does not mean tenants receiving Section 8 assistance or units rented at a discount rate to market. Traditionally, one of the type of programs listed below is involved or a similar type program. Proof of the prior affordable status of the housing the Applicant is proposing to acquire and substantially rehabilitate and the year the property was originally constructed.

- Properties with project-based Section 8 contracts
- Properties with USDA Section 515 loans
- Properties financed with Low Income Housing Tax Credits
- Properties financed with Section 202/811 loans
- Properties financed with 1937 Housing Act funds

Other Policies

None.

Developer Experience

Applicants must demonstrate and document the extent of the capacity of their development team in developing, managing and operating the type of housing development being proposed. Applicants, General Partners, Developers or principles of, who are new to Oklahoma's AHTC Program are limited to an award of tax credits for only one development until the 8609(s) have been issued and compliance staff has conducted their first visit.

For Applicants/Owners, points will be based on the total number of successful developments that are operating in compliance with the Code.

- 4 or more developments 5 points
- 2 to 3 developments 3 points
- 1 development 1 point

Applications will be evaluated on the experience of Applicant and/or the Development Team in owning and successfully operating developments in the LIHTC Program. To meet the condition "Owning and successfully operating", 8609s must have been issued for the development and OHFA Compliance Staff must have completed the first compliance monitoring.

If applicant/owner experience is inadequate to score the full 5 points, the experience of certain Development Team members may be substituted or used in addition. However, no more than 5 total points will be awarded for this criterion, regardless of the additional experience of the Development Team members. Points may be awarded for the following Development Team members with experience in 5 or more LIHTC Developments:

- Attorney 1 point
- Consultant 1 point
- Developer 1 point
- General Contractor 1 point
- Tax Professional 1 point
- Project Architect 1 point

Oregon (2014 QAP and 9% LIHTC Program Manual)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but subject to favorable threshold requirements and potential competitive scoring advantages.

Threshold Criteria

None.

Set-Asides

Preservation: A thirty-five percent (35%) soft set aside has been established for Preservation projects, where at least twenty-five percent (25%) of the units have federal Project-based rent subsidies. This thirty-five percent (35%) set aside will be calculated out of each regions LIHTC allocation; if no Preservation Projects score high enough in competitive scoring to be funded, the credits will be returned to the regional pool.

Applications are first ranked by Geographic Region. The preservation Applications with the highest in overall scoring within each Geographic Region will be funded as allocated resources allow; if no preservation Applications score adequately to be funded in the region the funds will be put back into the regional pool. Once preservation Projects are funded, the Applications with the highest overall score within each Geographic Region will be allocated LIHTCs until the balance of available LIHTCs or other Department funding sources are not adequate to support any other Applications within the Geographic Region.

(Note: New to 2014 9% Program Manual)

Scoring Incentives

QAP awards up to **15 points (Note: Reduced from 30 to 15 points in 2014 9% Program Manual)** for project need. Projects receive points for need based on a number of categories, including **the percentage of unit to serve households with children and special needs populations, severity of need (if preservation, this means a Community Affordable Housing Percent), and underserved geography (need distribution of affordable housing units vs. actual distribution of affordable housing units).**

QAP awards up to **40 points (Note: Reduced from 70 to 40 points in 2014 9% Program Manual)** for impact of project. Projects receive points for impact based on a number of categories, including **appropriate services (project applicants are asked to identify service delivery information. If the project is advancing human service policy priorities, they should provide more detailed information about the way in which services will be provided and why those services are expected to lead to improved outcomes.); and collaboration and innovation in service provision (collaboration of multiple partners to deliver services; planning in funding for services, innovation in service delivery design) . (Note: Modified in 2014 9% Program Manual. In 2013, categories included dedicating units to special needs populations, proving permanent supportive housing, and being part of a 10 year plan.)**

Projects receiving Project Impact points under the preservation category must meet separate requirements, including Tenant Impact. Tenant impact includes: Vulnerable Tenant Displacement; Extremely Low Income; Rental Assistance; Tenant Protections; Voucher utilization; Available and affordable rental housing in the community) and appropriate services. (Note: New to 2014 9% Program Manual).

Other Policies

QAP gives preference to select project type and population served, including:

- Serves tenants with the lowest income
- Creates affordable housing opportunities in areas identified with significant population or housing condition needs, including public housing waiting lists
- Creates housing for families with children and special needs populations
- Involved the acquisition or rehabilitation of preservation projects with at least 25% of the units having federal project-based rent subsidies
- Integrates with other community needs through mixed-income or mixed-use projects.
- Is located in proximity to services, employment opportunities, and/or transportation
- Is responsive to neighborhood character and population needs
- Involves collaboration between multiple entities from the public, private and/or nonprofit sector
- Projects that result in the de-concentration of poverty by locating low-income housing in low poverty areas, which are Census Tracts where less than 10 percent of the population lives below the poverty level.

Projects with the following characteristics are eligible for a state designated eligible basis boost of 130%:

- Involves the acquisition or rehabilitation of Preservation projects with at least 25% of units having federal project-based rent subsidies.
- Projects serving permanent supportive housing goals.
- Projects that result in the de-concentration of poverty by locating low-income housing in low poverty areas, which are Census Tracts where less than 10 percent of the population lives below the poverty level.

The Applicant is required to provide a Resident Services Description at the time of Application, in accordance with the goals and guidelines below.

1. Resident Services Description Goals: The anticipated outcomes and overall goals of the Resident Services Description and subsequent plan are as follows:

- Through coordination, collaboration, and community linkages, residents will be provided the opportunity to access appropriate services which promote self-sufficiency, maintain independent living, and support them in making positive life choices; and
- To maintain the fiscal and physical viability of the development by incorporating into the ongoing management the appropriate services to address resident issues as they arise.

2. Resident Services Description Guidelines: A Resident Services Plan must include these general guidelines:

- General low-income population support and services may include improving residents' ability to maintain their lease obligations, enhance quality of life through programs for employment, education, income/asset building, child and youth development, community building and improving access to services.

- Elderly support and services should include improving residents' ability to uphold their lease throughout the aging process through better access to health and other services, enhanced quality of life through community building, socialization, and other programs.
 - Support and services for special needs population should focus on the strengths and needs of the target population to provide for not only the daily support but to be part of the larger community.
- (Note: Not new to 2014 9% Program Manual; New to 2014 CSH Report)**

Each such low-income housing unit must be rent-restricted, with the maximum gross rent of each housing unit not to exceed thirty percent (30%) of the applicable area median income (AMI). Gross rents for LIHTC housing units for which Section 8 vouchers are utilized may exceed thirty percent (30%) of the applicable AMI allowed by the public housing authority providing the Section 8 voucher and applicable law, but the tenant portion of such rent cannot exceed the lesser of thirty percent (30%) of the applicable AMI or the tenant's calculated rent based on the tenant's income as established by the public housing authority. In addition, the Applicant may commit to serve tenants at a lower percentage of AMI for all or a selected portion of the total low-income housing units in the Project.

Developer Experience

None

Pennsylvania (2014 QAP)

Supportive housing developments are an eligible use of the Credit. Such projects may compete in the general application cycle or, if qualified, within a supportive housing set-aside. In addition, such projects have potential competitive scoring advantages.

Threshold Criteria

Developments must provide a financing plan which evidences that at least 10% of the units in Urban Areas and 5% of units in Suburban/Rural Areas are affordable to persons at or below 20% of the area median income, adjusted for family size. **For developments consisting of all low-income units, at least half of these units must be accessible. For mixed income developments containing market rate units, 5% of the units must be accessible. (Note: 2014 QAP amended this provision, which previously stated that at least half of these units must be accessible.)** (Existing affordable developments with a demonstrated average occupancy rate of 90% or above over last 5 years may be exempt from having to meet the 20% area median income requirement for these units.) The development must evidence a viable plan to charge rents at levels affordable to persons at or below 20% of area median income throughout the compliance period. In the event the plan includes utilization of Project Based Section 8 and appropriation for such assistance is not renewed (provided that non-renewal is not due to the development's default on program obligations), the 20% area median income requirement may be waived with the consent of the Agency. An agreement shall be in place with appropriate referring entities (including those supported through programs of the Commonwealth's Department of Public Welfare) to assure that sufficient referrals for tenancy are received from households who are income-eligible and/or in need of the accessibility features. Additionally, in the event the Agency is the recipient of an award of project-based subsidy from HUD of Section 811 Demonstration Program funds, the development may be required to comply with certain applicable program restrictions. The Restrictive Covenant Agreement will

require that the extremely low rents are maintained and that a corresponding number of units are marketed to and set aside for such extremely low income households throughout the compliance period.

Applications must demonstrate that the housing needs of local public housing waiting lists have been met. Applicants may meet this requirement by providing either: (1) a current letter from the local public housing authority stating how the development is specifically meeting the housing needs of residents on the public housing waiting list; (2) a copy of the comprehensive plan outlining the current local public housing authority waiting list and evidence that the development will meet such resident needs; or (3) evidence of receipt of mailing to the local public housing authority prior to the date of the Tax Credit application a letter which evidences the commitment of the developer to work cooperatively to meet the needs of persons on the local public housing waiting list.

Set-Asides

In 2014, the Agency will accept Applications for Tax Credits in two cycles. Developments located in Urban Areas (the “Urban Cycle”) will be accepted in Cycle 1. See “Exhibit Urban Areas” for complete list of the applicable municipalities. All other Applications will be considered in Cycle 2 (“Suburban/Rural Cycle”).

Preservation Developments (Cycles 1 & 2) –The Agency will reserve Tax Credits to, at a minimum, 3 preservation properties in each cycle. **To be considered eligible for this preference, existing affordable properties should demonstrate that Tax Credits are necessary to extend the long term affordability and habitability of the development or that there is a likelihood of conversion to market rate housing (which must be supported by a current market study in a form and substance acceptable to the Agency). In order to qualify for consideration in this category, an Agency Pre-Application Site Assessment must have been completed on or before October 18, 2013 for Cycle 1 developments and January 17, 2014 for Cycle 2 developments. (Note: 2014 QAP changed preservation eligibility requirements, which previously outlined existing low income units receiving project-based subsidies; rehabilitation of existing low income units; and developments whose construction cost per unit did not exceed \$75,000)**

Supportive Housing (Cycles 1 & 2) – The Agency will reserve Tax Credits to, at a minimum, two developments in each cycle which promote supportive housing opportunities to targeted populations including persons who are homeless; non-homeless households that require supportive services including those with mental, physical, sensory, or developmental disabilities; persons with substance abuse disorders; persons diagnosed with HIV/AIDs and related diseases; and other special populations approved by the Agency on a case-by-case basis **(which may include consideration for the specialized needs associated with affordable housing for veterans)**. Designated units must be rented only to the target population (subject to fair housing laws). The Agency reserves the right to fund only one Supportive Housing development from this preference each cycle if the application has a very high score and the amount of tax credits requested exceeds \$1,200,000. Eligible developments may include those which would be eligible to participate in the HUD Section 811 Demonstration Program. **(Note: The provision on veterans is new to 2014 QAP)**

Community Revitalization/Mixed Income (Cycle 1 only) –The Agency will reserve Tax Credits to, at a minimum, three developments in Cycle 1 which support a broader community revitalization program which has the capability of changing fundamentally the character of a neighborhood, enhancing the lives and

amenities available to residents of the community, are focused on implementing a "mixed income" strategy, and/or which seeks to counteract the pattern through which some metropolitan areas are being segregated by income or race. **One of the aspects of the revitalization program that the QAP will examine is if the development proposes to offer rents at or close to the Tax Credit program maximum (i) the availability of housing choice vouchers to make some of its units affordable to the area's lowest income households and/or (ii) the projected existence elsewhere in the neighborhood of development(s) that can be expected to provide such affordability. (Note: New to 2014 CSH Report; Not new to 2014 QAP)**

Areas of Opportunity (Cycle 2 only) - The Agency will reserve Tax Credits to, at a minimum, three (3) developments in Cycle 2 which expand housing opportunities and design choices in areas suitable for long-term economic growth and have an existing or planned infrastructure to support future growth in the area, in order to promote mixed-use and/or mixed-income development within a community setting. These developments will be located in areas of strong schools and employment opportunities and in communities which may have not received representative resources in the past. (Note: New to 2014 CSH Report; Not new to 2014 QAP)

Scoring Incentives

Designated Populations & Supportive Services

QAP awards up to 10 points to developments providing service-enriched general occupancy housing. Such developments must provide a level and scope of services consistent with the anticipated needs of the designated resident population. QAP awards 5 points for meeting the minimum three requirements (see Other Policies). Developments receive an additional 5 points for demonstrating sufficient funding for 15 years of service and meeting or exceeding the recommended minimum on-site staffing requirement. To receive points, developments must submit a supportive services plan as outlined below.

QAP awards up to 10 points to developments providing twice as many fully accessible units as otherwise required under local, state, or federal mandate, whichever is greater. The developer must certify that these units are accessible and, that during initial lease up, the developer will exclusively reserve the units for occupancy by persons needing the accessible units for the first 30 days. Thereafter, the developer must include certain provisions in the lease to allow the units to be occupied by persons who need the accessible features of the units, to the greatest extent feasible. Terms addressing the accessible units and the subsequent rental of these units must be incorporated in the Restrictive Covenant Agreement.

Up to 10 points may be awarded for those developments providing units with three or more bedrooms for large families. High rise developments and senior housing cannot qualify for this category. Points will be considered for developments that include the following percentages of units with three or more bedrooms:

Urban and Suburban/Rural

- >15-20%: 6 points
- >20-25%: 8 points
- >25%: 10 points

Community and Economic Impact

QAP will award up to 20 points will be awarded to developments located in areas with job opportunities, areas near strong and stable communities and areas which demonstrate the capacity for community revitalization opportunities. Eligible areas include Areas of Opportunity, which have:

- Low poverty rates
- Limited affordable housing options, both subsidized and non-subsidized
- Limited affordable housing production in past 20 years
- Close proximity to employment
- Strong housing markets
- High owner-occupied markets

(Note: New to 2014 CSH Report; Not new to 2014 QAP)

Other Policies

Applicants may request a developer's fee in excess of the maximum allowable amount up to but not exceeding an additional 5% (exclusive of developer's fee based on acquisition costs) if the applicant commits to provide to the development an amount equal to the equity raised from the additional development fee of 5% for the provision of an internal rent subsidy for **all threshold required units set aside for persons at or below 20% of AMI for the initial 15 year compliance period and/or to subsidize rents to persons with income at or below 40% of AMI for the initial 15 year compliance period; or to fund a supportive services escrow for the provision of social supportive services for the benefit of the residents (provided the plan for services is satisfactory to the Agency).** (Note: 2014 QAP amended language around the increased Developer's Fee. The 2013 QAP specified that this increase applied to residents with disabilities, and required the 40% AMI requirement to apply to 5% of units. The 2014 QAP added the provision around an escrow for the provision of social services.)

Tax Credits in an amount up to 130% of the eligible rehabilitation/new construction basis may also be considered where appropriate by the Agency for developments, which demonstrate that they have excess development expenses and costs related to certain factors, including:

- **Their provision of general occupancy units in “areas of opportunity” as defined by the Agency or are sited in order to affirmatively further fair housing or in areas that have not received representative resources in the past; (Note: New to 2014 CSH Report, Not new to 2014 QAP)**
- Their provision of supportive housing opportunities;
- Community impact developments with mixed income (of at least 15% market rate units) or mixed use components (commercial space of at least 15 percent of the square footage of the development).

A development with multiple buildings that is proposing a mixed income structure must have low-income units in each building of the development.

Applications must demonstrate that the housing needs of local public housing waiting lists have been met. Applicants may meet this requirement by providing either: (1) a current letter from the local public housing authority stating how the development is specifically meeting the housing needs of residents on the public housing waiting list; (2) a copy of the comprehensive plan outlining the current local public housing

authority waiting list and evidence that the development will meet such resident needs; or (3) evidence of receipt of mailing to the local public housing authority prior to the date of the Tax Credit Application a letter which evidences the commitment of the developer to work cooperatively to meet the needs of persons on the local public housing waiting list.

Designated Populations & Supportive Services

To receive points for serving any of the three designated populations described above, applicants must submit evidence that the development will provide appropriate services for the entire resident population for the duration of the compliance period. Evidence consists of a Supportive Services Plan specific to the development that:

- Is specific to the development and effectively addresses the anticipated service needs of the target resident population. Developments for populations with special needs should deliver or coordinate services that stabilize occupancy by improving residents' ability to uphold their lease obligations and enhance quality of life through improved access to services that support the needs of the targeted population.
- The plan must also include sufficient funds to implement the described plan of services.
- The plan must also specify a service provider with the capacity to implement described plan of services. The recommended minimum is one hour of on-site dedicated staffing per week for every five units. Services staff should have access to a computer with Internet and email capabilities. There should be sufficient space to carry out the described services, including adequate office and community space.

To receive points in the Designated Populations & Supportive Services category, the development will provide evidence that appropriate services will be provided for the entire resident population for the duration of the compliance period.

Developer Experience

The development team must have sufficient experience, as determined in the sole discretion of the Agency, to effectively own, design, construct, manage and operate a Tax Credit development. The development team members include the applicants, architects, general contractor, attorney, and the management agent. As appropriate, the experience of a housing consultant (including their ability to secure equity investment) or a housing management consultant may be considered in lieu of the applicant or management agent, respectively.

Puerto Rico (2013 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria and Set-Asides

None.

Scoring Incentives

PRHFA will award **25 points (Note: Reduced from 75 points)** to Tenant Population with Special Housing Needs Projects developed to **provide supportive services to families with children, elderly, homeless or disabled tenants** through a written plan included in the application (an endorsement letter from the authority that provides supportive services to the targeted special population

must be included). **(Note: Bold language new to 2013)**

QAP awards 5 points if development has a written agreement with a PHA that the PHA will include the project in any listing of housing opportunities where households with tenant-based subsidies or in a public housing project's waiting lists are welcomed and where the project's owner or management agent agrees to actively seek referrals from the PHA to apply for units at the project.

PRHFA will award **10 points (Note: Reduced from 35 points)** for an executed rental subsidy agreement, such as: (a) Agreement to enter into a Housing Assistance Payments Contract, between PHA and Owner, (b) Housing Assistance Payment Contract under Act Number 173 of August 31, 1996; or c) other similar long term public or private rental subsidy assistance.

QAP awards 15 points to projects that acquire, rehabilitate, and preserve low-income rental housing which might otherwise be converted from low-income tenancy, including Section 8 projects with expiring contracts. (Note: New to 2013 QAP)

Other policies

One of the preferred project characteristics is that the owner of the development and a PHA agree to include the development in listings of housing opportunities where households with tenant-based subsidies or from a public housing project's waiting list are welcome.

Housing units, especially those dedicated to special needs population, must be located near transportation hubs, commercial zones, pharmacies and medical facilities. Population of 65 years or more is expected to grow at a rate of 16,572 persons per year. It will be an increasing problem during the next 10 years.

Preference will be given to projects that provide supportive services to families where members are victims of domestic violence, HIV patients, elderly, homeless or disabled.

PRHFA's housing priorities include:

- **Projects that retain and expand the inventory of rental housing for low income households, in particular the beneficiaries of Section 8 programs, single mothers, and elderly persons by developing tax incentives programs and increases in funds for assisted housing.**
- **Projects urge the adoption of social rehabilitation and enhance the quality of life in public housing projects with a multi-strategy approach through "quality of life community councils", community-driven development programs, security and anti-crime measures, renovating programs associated to education, prevention, and eradication of social problems, including consumption and sales of illegal drugs, unemployment, school drop-outs, domestic violence, mental health and early pregnancy, and promoting community participation, among other initiatives. Modernization of public housing will be a priority.**

(Note: New to 2013 QAP)

Developer Experience

PRHFA will award 20 points if the Sponsor/Project owner can demonstrate successful past experience in the development of low income housing Tax Credit projects in Puerto Rico.

Rhode Island (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria

To meet the state's goal of at least 10% affordable housing in each community, the state must substantially increase its production. A conservative estimate of needs assumes that there is a deficit of 13,249 affordable homes needed in the State. An additional 412 new apartments are needed to provide permanent housing for homeless families and persons with disabilities. In total, 5,000 new affordable homes need to be produced in the next five years in Rhode Island.

Set-Asides

None.

Scoring Incentives

The state does not employ a point system, but instead uses a comparative review process whereby each proposal is evaluated against other proposals in the competitive funding round for each review criteria category. Among its review criteria, the QAP gives priority to projects responsive to housing needs in a particular community including tenant populations with special needs, individuals on public housing waiting lists, and families. Proposals that provide appropriate and needed supportive services for residents in conjunction with a housing component are given strong consideration.

Other Policies

Permanent supportive housing for the homeless must contain sleeping accommodations and kitchen and bathroom facilities and be located in a building providing services to the homeless. The portion of a building used to provide supportive services may be included in the qualified basis.

Pursuant to HR 3221 Title I – Housing Tax Incentives, Rhode Island will prioritize projects that provide housing for special needs populations, for very low income persons and families, and those projects which are consistent with the Rhode Island Housing Keepspace Communities principles for eligibility under the basis boost which is applicable to Difficult to Develop Areas (DDAs).

In general, proposed operating budgets are reviewed to determine adequacy and reasonableness of each expense line item, including but not limited to management fees, maintenance and administrative costs, replacement reserves, taxes, insurance, and costs of any planned tenant services. For service-enriched housing proposals, management plans will also be reviewed for demonstrated appropriateness and sufficiency of planned services for the target population, the inclusion of a cohesive, well-conceived and financially feasible service program, and the organizational capacity of the service provider(s) to deliver the proposed services.

Rhode Island Housing encourages the development of mixed income properties where feasible. Proposals for mixed income developments should in general limit the number of affordable units to no more than 40% of the total number of units in the development.

Priority for tax exempt financing and 4% credits will be given to projects that ensure the preservation of existing affordable housing developments.

Priority will be given to those developments, which provide housing for populations with incomes below 40% of Area Median Gross Income (AMGI), adjusted for family size. Priority will also be given to developments that provide housing for special needs groups and those individuals on public housing waiting lists.

Priority will also be given to developments that will provide housing to help the state meet its housing goals as outlined in Open Doors Rhode Island. Open Doors is the state's strategic plan to prevent and end homelessness. The goals of the plan are to end chronic homelessness in 5 years, end veteran's homelessness in 5 years and to end homelessness for families and youth in 10 years.

Housing tax credits from the state per capita allocation and those provided through tax-exempt bond financing are also available to applicants proposing permanent housing developments with supportive service options for residents. Critical to the evaluation of these proposals will be the availability and commitment of sustainable funding for the proposed services and operating or rental assistance to assure long-term feasibility.

Developer Experience

The development team will be evaluated for professional capacity to plan, build, market, and operate the proposed development. The performance record of the sponsor, consultant, architect, management agent and contractor will be measured by the quality and quantity of previous development, design, construction and property management efforts, as well as affirmative action records. Each team member is expected to demonstrate satisfactory prior experience on projects of similar scale and complexity; to have satisfactory professional references; and to devote sufficient staffing and resources to complete the proposed development. If a development team member does not have satisfactory prior experience, a written plan must be submitted to outline how this technical capacity will be achieved. The mortgagor and contractor will also be evaluated for creditworthiness and financial capacity. The composition of a non-profit sponsor's Board of Directors and the tenure of its respective members will be given significant consideration.

For service-enriched housing proposals, development team members will also be evaluated on the basis of demonstrated success in (i) the development, design and construction of housing with supportive services; and (ii) the planning and delivery of services including adequacy of staffing and/or oversight of third party contracts for services.

South Carolina (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria and Set-Asides

None.

Scoring Incentives

Projects are awarded 5 points for one of the following:

- 100% of the development is designed for individuals or families with children. To receive these points at least 25% of the low-income units must contain three or more bedrooms.
- At least 80% of the units are designed, equipped and occupied by older person(s) fifty-five years of age or older. The remaining 20% of units must be designed, equipped, and occupied by special needs populations. All new construction developments are limited to one- or two- bedroom units. All new construction developments, greater than a one- story structure must be accessible to all additional stories by elevators. Acquisition with rehabilitation developments more than one-story must provide evidence that existing elevators have received regular maintenance and are in good working condition as of the Tier Two application submittal date to service all upper level rental units. Those developments without existing elevators will be required to install elevators. Developments designating 100% of the units for persons 55 or older are eligible for these points.
- At a minimum, 10% of the total units are set-aside for disabled and special needs tenants. Developments seeking points under this criterion should include a letter from the appropriate disability agency regarding the need for these units.

QAP awards 2 points to developments that elect to serve individuals on waiting lists for public housing. To receive points, the Applicant must include in their marketing plan a description of outreach, marketing and advertising methods used to attract individuals on public housing waiting lists as well as evidence that the public housing agencies have been contacted (i.e. copy of the letter sent to the PHA along with a signed return receipt). Applicants must not use minimum income criteria to reject Section 8 Housing Choice Voucher Participants when their income reflects that they can pay their portion of the rent. The site's minimum income needed for a household to pay the rent on the unit will be based on the actual amount that the Section 8 Housing Choice Voucher Participants would have to pay after the subsidy rather than the entire rent on the unit.

QAP awards 1 point to the preservation of an existing development previously assisted with tax credits in which the initial 15 year compliance period has expired. The existing development must have been continuously operated throughout the initial 15 year compliance period without further financial assistance following the issuance of 8609s from the Authority to include additional tax credits, HOME or HTF funds or any debt restructuring. The development can have no outstanding compliance monitoring issues at the time of the application submission. (Note: New to 2014 QAP)

Other Policies

None.

Developer Experience

Developer Threshold

In order to participate in the LIHTC program either the developer(s), general partner(s) in a limited partnership or the managing member(s) of a limited liability company must have experience **between January 1, 2007 and February 1, 2014** in one LIHTC development or other successful multifamily rental development of at least 72 units or two developments of at least thirty-six units each. Experience in one LIHTC development or other successful multifamily rental development of at least seventy-two (72) units means coordinating the development team in planning, financing and constructing a development through the receipt of Certificates of Occupancy and reaching stabilized occupancy.

Previous Participation Certificate (see Exhibit K). For developments awarded LIHTCs in which the developer(s), general partner(s) in a limited partnership or the managing member(s) of a limited liability company do not have previous LIHTC experience, the Authority will require that a management company with previous successful LIHTC management experience be hired for a minimum of two years.

Developer Scoring Incentives (Tier 1)

Owners (which include individual(s), corporation(s), or in the case of a limited partnership, the general partners(s)) will receive points for previous development of successful LIHTC properties. The owner may include experience gained as an owner in another firm, but not as an employee of another firm. Experience in LIHTC development means coordinating the development team from the planning, financing and construction of a development through the receipt of Certificates of Occupancy and issuance of 8609s. Applicants must have a current ownership interest in the development(s) listed for points on Exhibit K. Experience will be awarded as follows:

- LIHTC project or 72-199 units 1 point
- LIHTC projects or 200-299 units 2 points
- LIHTC projects or 300-399 units 3 points
- LIHTC projects or 400-499 units 4 points
- LIHTC projects or 500-599 units 5 points
- LIHTC projects or 600-699 units 6 points
- 7 or more LIHTC projects or 700 plus units 7 points

South Dakota (2013-2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria and Set-Asides

None.

Scoring Incentives

QAP awards 25 points to developments providing verifiable on-site services to the tenants depending upon the extent of the services. The services must be provided long-term. The services may be provided by the owner, the management company, or a third-party entity. The application must include a letter of intent from the service provider detailing the services, the tenants who will receive the services, the method of delivering the services, and the staffing for the service. A letter of need for housing is not adequate to obtain points in this section for the following:

- Homeless
- Persons with physical disabilities
- Persons with mental disabilities
- Persons with developmental disabilities
- Housing for Older Persons 62 or older (Assisted Living or Congregate Care Facilities as defined under Definitions)
- Families with children.

SDHDA has entered into an agreement with the Department of Human Services (DHS) promoting the full integration of citizens with disabilities into individualized housing settings rather than group homes. All housing designed specifically for people with disabilities must receive prior approval from DHS. Applicants who agree to offer services to these individuals in an integrated housing setting will receive points under this section. Applicants serving the homeless are required to participate in the Homeless Management Information System (HMIS) through SDHDA.

QAP awards 10 points for projects that serve individuals with children. Projects that will be serving tenant populations of individuals with children and provide written documentation at time of application will receive 10 points.

QAP awards 10 points to proposals which provide a written commitment to notify local public housing agencies of vacancies and give priority to households on waiting lists of those agencies will receive 10 points.

As part of a Deep Income Targeting Incentive, the QAP awards 30 points to proposals which elect to set aside an additional of three percent of the total units for households not exceeding 30 percent of the area median income will receive 30 points. To receive points for deep income targeting, a project must set the following rent limits for each target AMI in addition to the 20 percent Fair Market Rent requirement (50% AMI). (Note: New to 2013-2014 QAP)

HUD Section 811 - Units for Persons with Disabilities

QAP awards a maximum of 40 points to developments that provide support services and rental financing through the Section 811 program. The Section 811 program allows up to a maximum of 25% of the units within a development to be set aside for persons with disabilities. There is no requirement for additional accessible units over the amount required by 24 CFR Part A. SDHDA will award up to 40 points for projects that provide Section 811 rental housing units. If SDHDA is not successful in receiving funding for the 811 program, points will not be eligible for this category. To receive maximum points, 20.01% to 25% must be Section 811 units. (Note: New to 2013-2014 QAP)

QAP awards a maximum of 40 points for Mixed Income Developments which will consist of low income and market-rate units. Points awarded will be based on the ratio of market-rate units to total project units. A maximum of 40 points is awarded to projects with 40.01%-50% market rate units. (Note: New to 2014 CSH Report; Not new to 2013-2014 QAP)

Other Policies

QAP allows for potential credit increase up to 130% for projects that provide the services described above.

As a purpose and goal of the QAP, the QAP gives preference to those projects which provide the highest quality affordable units compared to the lowest amount of credit allocation while giving consideration to serving the lowest income tenants, and where appropriate, providing mixed income housing in those areas where greatest need is identified.

Developer Experience

Projects will be awarded 10 points for each of the provable characteristics related to development experience, which includes the participation by an entity with a demonstrated track record of quality experience in development or management of subsidized housing.

Tennessee (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with a special set-aside of Credit and potential competitive scoring advantages.

Threshold Criteria

None.

Set-Asides

Special Housing Needs Set-Aside

QAP awards up to 10% of the state tax credit allocations for developments serving households with special needs. After the Special Housing Needs Set-Aside is completely reserved, other qualified applications for developments qualified for the Special Housing Needs Set-Aside that have not received a reservation will be included and considered, along with other applications, in the general pool.

Public Housing Authority Set-Aside

QAP awards up to 10% of the sum of Part III-A-1, -2, and -3 will be set aside for developments involving a public housing authority (as specified in Part VII-A-2-b).

Preservation Set-Aside

QAP will set aside up to 25% of the sum of Part III-A-1, -2, and -3 for developments involving preservation (as specified in Part VII-A-2-c). The Initial Application must propose a development that involves preservation of a development with existing income and rent restrictions through programs such as the Low-Income Housing Tax Credit, Multifamily, Tax-Exempt Bonds, or programs administered by USDA or HUD. The Initial Application must include documentation, acceptable to THDA, in its sole discretion, verifying the existing income and rent restrictions. **A minimum of 90% of the units in the development must be subject to the existing income and rent restrictions. Following rehabilitation, 100% of the units subject to the existing income and rent restrictions must continue to be income and rent restricted. (Note: New to 2014 QAP)**

Scoring Incentives

HUD Programs: Maximum 2 Points

- **Developments eligible for the Public Housing Authority Set-Aside that have received a HUD Choice Neighborhoods Initiative Implementation Grant (a HUD Choice Neighborhoods Initiative Planning Grant does not qualify for these points): 2 points**
- **Developments eligible for the Public Housing Authority Set-Aside that have received a HUD Rental Assistance Demonstration (RAD) Commitment to enter into a Housing Assistance Payments Contract (CHAP): 1 point**

(Note: New to 2014 QAP)

Public Housing Priority: 15 Points

Marketing plans, lease-up plans, and operating policies and procedures which will give a priority to persons on current Public Housing waiting lists. (Note: New to 2014 CSH Report; Not new to 2014 QAP)

Note: 2014 QAP removed a scoring incentive for developments using HOPE VI funding.

Other Policies

Special Housing Needs Set-Aside

In order to qualify for the Special Housing Needs Set-Aside, applicants must propose a development that serves households with special needs in their initial application. Special needs housing is housing that has been constructed or rehabilitated with special features (e.g. location, design, layout, on-site services) to help people live at the highest level of independence in the community. For example, the unit may be adapted to accommodate special physical or medical needs; or provide on-site services such as staff support for the elderly, individuals with mental health issues, developmental, or other social needs.

The proposed development must satisfy at least one of the following:

- *Disabled:* The development must be designed and built so that at least 35% of the total number of units in the development (which number shall be rounded up to the next whole unit) are fully equipped for the persons with disabilities in accordance with the Americans with Disabilities Act, as applicable, and the Fair Housing Act (including one of the eight safe harbors recognized by HUD as shown in Exhibit 7).
- *Elderly:* The development must be designed and built to be 100% occupied by the elderly. For the purposes of Tennessee's QAP the definition of elderly is as follows:
 - For developments utilizing other state or federal financing (e.g. HUD, USDA), the definition of elderly shall be consistent with the requirements of the other state or federal financing; or
 - For all other proposed developments, the definition of elderly shall be a household whose head or head's spouse or sole member is a person who is at least 62 years of age.
- *Homeless:* The proposed development must have 100% of the low-income units designed as permanent, non-transient housing for households whose primary residence is a privately or publicly operated shelter designed to provide temporary living accommodations, or a private or public place not designed for or ordinarily used as a regular sleeping accommodation for human beings.

In order to qualify for the Special Housing Needs Set-Aside, the proposed development must include on-site services for the targeted tenant population. The Initial Application must include a comprehensive service plan that identifies:

- Each service to be provided
- The anticipated source of funding for each service
- The physical space that will be used to provide each service
- The anticipated supportive service provider for each service and their experience in providing service to the targeted population.

Verification of tentative agreements with providers of on-site services throughout the first two (2) years following the required placed in service date must be included with the Initial Application. **Final agreements with providers of on-site services throughout the first two (2) years following**

the required placed in service date must be included with the Final Application. (Note: Bolded text is new to 2014 QAP).

Public Housing Authority Set-Aside

To qualify for the Public Housing Authority Set-Aside, an Initial Application must contain information satisfactory to THDA demonstrating that the development proposed in the Initial Application involves a qualified PHA. **Notwithstanding any other provisions of this QAP, initial applications that qualify for the public housing authority set-aside through a PHA that has received a HUD CHOICE Neighborhoods initiative implementation grant or HUD Rental Assistance demonstration commitment to enter into a housing assistance payments contract for the development proposed in the initial application will be given priority within the Public Housing Authority set-aside. (Note: 2014 QAP removed a qualification for PHA's using a HOPE VI Program)**

To be qualified, a PHA must meet ALL of the following:

- The PHA must, prior to the reservation of Tax Credits: (1) be the sole general partner or the sole managing member of the ownership entity of the development; or (2) own, alone or with qualified non-profits (as described in Part VII-A-2-a) or other qualified PHAs who meet all the requirements of this QAP, one hundred percent (100%) of the stock of a corporate ownership entity of the development; or
- Own, alone or with qualified non-profits (as described in Part VII-A-2-a) or other qualified PHAs who meet all the requirements of this QAP, one hundred percent (100%) of the stock, 100% of the partnership interests, or 100% of the membership interests of an entity that is the sole general partner or sole managing member of the ownership entity of the development proposed in the Initial Application;
- The PHA must materially participate (regular, continuous and substantial on-site involvement) in the development and operation of the development throughout the “compliance period” (as defined in Section 42(i)(1));
- The PHA must be acting solely within the geographic area of its jurisdiction.
- To demonstrate eligibility under this Part VII-A-2-b, a certification, in the form of Attachment 26, must be submitted as part of the Initial Application.

Among the goals and objectives of the QAP is to encourage development of appropriate housing units for persons with special needs, including the elderly and persons who are homeless or have disabilities.

As a part of the site inspection, a review will be conducted of the owner's marketing efforts to attract special needs populations and Section 8 applicants as outlined in the extended low-income housing commitment.

Note: 2014 QAP eliminated incentives around providing essential services for developments serving elderly, disabled, or homeless populations

Developer Experience

None.

Texas (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria and Set-Asides

None.

Scoring Incentives

Note: The 2012-2013 QAP had scoring incentives based on location and income restrictions, however they were reorganized and amended in the 2014 QAP.

A Development participating in the PSH program and electing points under the *Rent Restricting Incentive* and the *Tenant Services Incentive* must:

- **Have applied for PSH funds by the Full Application Delivery Date**
- **Have a commitment of PSH funds by Commitment**
- **Qualify for five (5) or seven (7) points under the QAP's *Opportunity Index Scoring Incentive***
- **Not have more than 18 percent of the total Units restricted for Persons with Special Needs, as defined in the *Tenant Populations with Special Housing Needs Scoring Incentive*.**

Rent Restricting: QAP awards up to 13 points for rent and income restricting at 30% AMI a Development for the entire Affordability Period. At least 20 percent of all low-income units at 30 percent or less of AMGI for Supportive Housing Developments qualifying under the Nonprofit Set-Aside or for Developments participating in the City of Houston's Permanent Supportive Housing ("PSH") program. QAP awards 11 points if at least 10 percent of all low-income Units at 30 percent or less of AMGI or, for a Development located in a Rural Area, 7.5 percent of all low-income Units at 30 percent or less of AMGI. QAP awards 7 points if at least 5 percent of all low-income units are 30 percent or less of AMGI.

Tenant Services: A Supportive Housing Development qualifying under the Nonprofit Set-Aside or Developments participating in the City of Houston's Permanent Supportive Housing ("PSH") program may qualify to receive up to eleven (11) points and all other Developments may receive up to ten (10) points. By electing points, the Applicant certifies that the Development will provide a combination of supportive service appropriate for the proposed tenants and that there is adequate space for the intended services. The provision and complete list of supportive services will be included in the LURA. The Owner may change, from time to time, the services offered; however, the overall points as selected at Application will remain the minimum. No fees may be charged to the tenants for any of the services. Services must be provided on-site or transportation to those off-site services identified on the list must be provided. The same service may not be used for more than one scoring item. (Note: Services scoring incentive amended in 2014 QAP)

Opportunity Index Scoring Incentive: QAP awards points based on the location of the project and High Opportunity Areas. *Urban Areas* For Developments located in an Urban Area, if the proposed Development Site is located within a census tract that has a poverty rate

below 15 percent for Individuals (or 35 percent for Developments in Regions 11 and 13), an Application may qualify to receive up to seven (7) points upon meeting the additional requirements in clauses (i) - (iv) of this subparagraph. The Department will base poverty rate on data from the five (5) year American Community Survey.

- The Development targets the general population or Supportive Housing, the Development Site is located in a census tract with income in the top quartile of median household income for the county or MSA as applicable, and the Development Site is in the attendance zone of an elementary school that has a Met Standard rating and has achieved a 77 or greater on index 1 of the performance index, related to student achievement (7 points);
- The Development targets the general population or Supportive Housing, the Development Site is located in a census tract with income in the second quartile of median household income for the county or MSA as applicable, and the Development Site is in the attendance zone of an elementary school that has a Met Standard rating and has achieved a 77 or greater on index 1 of the performance index, related to student achievement (5 points);
- Any Development, regardless of population served, if the Development Site is located in a census tract with income in the top quartile of median household income for the county or MSA as applicable (3 points); or
- Any Development, regardless of population served, if the Development Site is located in a census tract with income in the top two quartiles of median household income for the county or MSA as applicable (1 point).

Rural Areas: For Developments located in a Rural Area, an Application may qualify to receive up to seven (7) cumulative points based on median income of the area and/or proximity to the essential community assets as reflected in clauses (i) -(v) of this subparagraph if the Development Site is located within a census tract that has a poverty rate below 15 percent for Individuals (35 percent for regions 11 and 13) or within a census tract with income in the top or second quartile of median household income for the county or MSA as applicable or within the attendance zone of an elementary school that has a Met Standard rating and has achieved a 77 or greater on index 1 of the performance index, related to student achievement.

- The Development Site is located within the attendance zone and within one linear mile of an elementary, middle, or high school with a Met Standard rating (For purposes of this clause only, any school, regardless of the number of grades served, can count towards points. However, schools without ratings, unless paired with another appropriately rated school, or schools with a Met Alternative Standard rating, will not be considered.) (3 points);
- The Development Site is within one linear mile of a center that is licensed by the Department of Family and Protective Services specifically to provide a school-age program (2 points);
- The Development Site is located within one linear mile of a full service grocery store (2 points);
- The Development Site is located within one linear mile of a center that is licensed by the Department of Family and Protective Services to provide a child care program

- for infants, toddlers, and pre-kindergarten, at a minimum (2 points);
- The Development is a Qualified Elderly Development and the Development Site is located within one linear mile of a senior center (2 points); and/or
- The Development Site is located within one linear mile of a health related facility (1 point).

Tenant Populations with Special Housing Needs

Applications may qualify to receive 4 points for this item. The purpose of this scoring item is to integrate special housing needs populations into traditional housing tax credit Developments. The Department will award these points to Applications in which at least 5% of the Units are set aside for Persons with Special Needs. For purposes of this section, Persons with Special Needs is defined as persons with alcohol and/or drug addictions, Colonia residents, Persons with Disabilities, **Violence Against Women Act Protections (domestic violence, dating violence, sexual assault, and stalking)**, persons with HIV/AIDS, homeless populations, **veterans, wounded warriors (as defined by the Caring for Wounded Warriors Act of 2008)**, and migrant farm workers. (Note: Bold text new to 2014 QAP)

Underserved Area: QAP awards 2 points for general population or Supportive Housing Developments if the Development Site is located in one of the following areas:

- A Colonia;
- An Economically Distressed Area;
- A Place, or if outside of the boundaries of any Place, a county that has never received a competitive tax credit allocation or a 4 percent non-competitive tax credit allocation for a Development that remains an active tax credit development; or
- For Rural Areas only, a census tract that has never received a competitive tax credit allocation or a 4 percent non-competitive tax credit allocation for a Development that remains an active tax credit development serving the same Target Population. (Note: New to 2014 QAP)

QAP awards a maximum of 7 points (Note: Decreased from 14 points to 7 points in 2014 QAP) to developments that provide specific amenity and quality features in every unit at no extra charge to the tenant. QAP will award Supportive Housing Developments with a base score of 5 points.

Supportive Housing Developments and Developments in Urban Areas that qualify under the Opportunity Index, are eligible for 12 points if their costs do not exceed \$100 per square foot Hard Cost. QAP awards 11 points if high cost developments' cost does not exceed \$105 per square foot. (Note: 2014 QAP amended this scoring incentive; raised maximum cost from \$95 to \$100 per square foot only for defined high cost developments.)

QAP awards up to 3 points to developments that if at least five (5) percent of the total units are restricted to serve households at or below 30 percent of AMGI (restrictions elected under other point items may count). In order to be eligible for points, no more than 50 percent of the developer fee can be deferred. The Housing Tax Credit funding request for the proposed Development must meet one of the following:

- The Development leverages CDBG Disaster Recovery, HOPE VI, RAD, or Choice Neighborhoods funding and the Housing Tax Credit Funding Request is less than 9

percent of the Total Housing Development Cost (3 points). The Application must include a commitment of such funding; or

- If the Housing Tax Credit funding request is less than 8 percent of the Total Housing Development Cost (3 points); or
- If the Housing Tax Credit funding request is less than 9 percent of the Total Housing Development Cost (2 points); or
- If the Housing Tax Credit funding request is less than 10 percent of the Total Housing Development Cost (1 point).

(Note: New to 2014 QAP)

Other Policies

Note: 2014 QAP removed mandatory development amenities (which Supportive Housing Developments were previously exempt from)

Developments composed of entirely Supportive Housing are expected to be debt free or have no foreclosable or non-cash flow debt.

Developments with 100% Supportive Housing are eligible for a 30% increase in Eligible Basis.

Tenant Populations with Special Housing Needs Scoring Incentive Requirement

Throughout the Compliance Period, unless otherwise permitted by the Department, the Development Owner agrees to affirmatively market Units to Persons with Special Needs. In addition, the Department will require an initial minimum twelve-month period during which Units must either be occupied by Persons with Special Needs or held vacant. After the initial twelve-month period, the Development Owner will no longer be required to hold units vacant for Persons with Special Needs, but will be required to continue to affirmatively market units to Persons with Special Needs. **(Note: New to 2014 CSH Report; Not new to 2014 QAP)**

Developer Experience

Note: 2014 QAP removed threshold requirement that a Principal of the Developer, Development Owner, General Partner or General Contractor must establish that they have experience in the development of 150 units or more. CSH found no other requirement or incentive based on Developer Experience.

Utah (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria

Mixed-Income Threshold: For projects fewer than 20 units, no mixed-income requirement; Projects of 20 – 49 units, 5% of the units must be market rate; projects 50 units or over, 10% of the units must be market rate. Market rate units are targeted to households whose income is greater than 60% of the Area Median Gross Income (AMGI). (Note: New to 2014 QAP)

Set-Asides

None.

Scoring Incentives

Tenant Populations with Special Housing Needs (Scoring is weighted; this category has a weight of 20):

Maximum weighted score for this criterion is 700

Purpose: To recognize efforts to develop projects providing specialized units or assistance for households with special needs.

Applicant agrees to set aside, continually rent and equip unit(s) to the tenant population as represented in the application. The required Market Study must address the feasibility of targeting the special needs populations noted in the Application. Supportive services required for special needs population must be evidenced by a third-party Service Provider Letter of Intent with a Nonprofit or government provider or sponsor having experience and capacity to provide the services described. Applicant must attach a completed Service Provider Letter to be eligible for points in targeted categories.

Points in this category include:

- QAP awards up to 10 points to developments serving persons that are long-term mobility impaired. Points are only awarded for the number of units over and above the number of units required by the ADA. For instance, if a project is required by the ADA to have 4 ADA units, and the Applicant provides 5 units, points will be awarded for the 1 excess unit. These units must include accessible food preparation areas, bathrooms, bedrooms and living areas. To receive points, developments must submit a service provider questionnaire as described below, and must evidence social service provision with a letter of intent from a nonprofit or government provider or sponsor having experience and capacity.
- QAP awards up to 10 points to developments providing homeless or chronically homeless units at 25% or less of AMI. Evidence of contractual participation by a Nonprofit or government social service provider for referral of clients is required.
- QAP awards up to 10 points to developments for other special needs individuals, which includes Domestic Violence, HIV/AIDS, Developmentally Disabled, Mentally Ill, Maturing Foster Children, Veterans, and Refugees. The QAP awards up to 1 point per percent of the low-income units up to a maximum of 10.

QAP awards up to nine points for providing above average non-fee amenities. One point is awarded to such amenities as a dedicated wellness room for visiting health care providers and a computer room. QAP awards two points for a day care facility (available for tenant use at no fee, fully staffed, licensed as required) and the provision of "life skills classes" that meet UHC criteria. Life skills and other classes should be made available to all tenants on an ongoing basis with scheduled classes, experts invited in as well as agencies and Nonprofits that provide trainings on topics such as finance, employment, medical, insurance, apartment living, health and education.

QAP awards a maximum of 10 points to applicants that provide a Memorandum of Understanding (MOU) between the Applicant and the local PHA (see Scoring Exhibit U), indicating willingness to accept tenant applications under the applicable program and restrictions. The maximum weighted score for this category is 200.

Mixed Income projects receive up to 15 points of the project combines Housing Credit units with market

rate units that are not rent restricted and/or retail/commercial units. 0.5 points per \$1 of the project total units that are not income/rent restricted up to 30% of the project.

Other Policies

Among the objectives of the QAP is to promote projects that provide housing to special need populations including: larger households, elderly, physically disabled, and mentally disabled.

To receive points for any of the special needs housing categories noted above, developments submit a Service Provider Letter of Understanding with the application for each type of Special Needs unit. The letter of understanding from each service provider must provide the following:

- An explanation of the service provider's experience with providing services to the specific targeted population;
- A statement indicating the provider's understanding of the number of units being set aside for the specific targeted population;
- A statement indicating that the provider has enough clients to fulfill the needs of the set aside units and has capacity to provide services for the duration of a referral's tenancy;
- A full description of services that the provider will make available to the tenant post move-in.

A separate Service Provider Letter of Understanding must be submitted for each special needs population for which points are being claimed in the Application. All owners and managers must utilize the UHC Set-Aside Tracker website found at www.utahhousingcorp.org, to assure that set-aside units will be made available to and filled with qualified tenants in a timely fashion. Owners and managers may also utilize other service providers.

Projects serving the Chronically Homeless must participate in the State of Utah Ten-Year Homeless Plan, and to serve chronically homeless people as defined by the Ten-Year Homeless Plan or UHC. A Supportive Services Plan Outline, a letter of endorsement from the region Continuum of Care Coordinating Council and proposed service providers will be required at the time of Application. A proposed Supportive Services Plan and Memorandum of Understanding (MOU) are required at the time of Application.

For purposes of this QAP the following HUD definition of "homelessness" shall apply:

Homeless: (1) an individual who lacks a fixed, regular, and adequate night-time residence; (2) and an individual who has a primary night-time residence that is (A) a supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill); (B) an institution that provides a temporary residence for individuals intended to be institutionalized; or (C) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

For purpose of this QAP the following HUD definition of "chronic homelessness" shall apply: Chronically homeless families and individuals are those who: (1) reside in a place not meant for human habitation (e.g. living on the streets), an emergency shelter, or a safe haven; (2) either have been homeless in one of those places for the past year or four times in the past three years; (3) have a disabling condition (for families, head of household has a disabling condition), including a substance use disorder serious mental illness, developmental disability, post-traumatic stress disorder, brain injury, or chronic physical illness or disability.

UHC gives preference in allocating the housing credit dollar amount to certain projects including projects servicing special needs tenants.

Projects that dedicate units to chronically homeless housing will receive an exemption from the above AMI targeting matrix for the purposes of scoring, but only for the chronically homeless units. As an example, if a project is 100% chronically homeless, all of the units will be exempt from the AMI tiering structure and the Application will receive the maximum points (5,000) for this category regardless of the specified AMI/rent targeting. However if a project is only 40% chronically homeless, the chronically homeless units will be exempt from the tiering structure but the remaining 60% of the units must employ the AMI tiering structure and will be scored accordingly.

Developer Experience

QAP awards up to 20 weighted points (maximum weighted score is 260) that recognizes previous development experience of private sector developers, non-profits, and quasi-government organizations applying for housing credits. Points in this category will be awarded as follows:

- *Development Experience:* Application contains evidence confirming quality, experience and capacity of Applicant to create and develop Housing Credit units. Joint ventures are acceptable for obtaining points in this category, but operating and other agreements must show that the Utah based Applicant has controlling interest and receives over 50% of the developer fee. Applicant will receive points in only one of the following categories.
 - Applicant has developed and has ownership interest in multifamily Housing Credit projects in other states. (5 points)
 - Applicant is a Utah-based multifamily housing developer with Housing Credit experience and a minimum of three years of Utah local business licenses. (5 points)
 - Applicant has developed and has ownership interest in Housing Credit or Tax-Exempt Bond projects in Utah. (10 points)
- *Sponsor Tax Status:* Applicant is either a qualified nonprofit, Community Housing Development Organization (CHDO) or Public Housing Authority, as defined by HUD, and materially participates in the development, ownership and management of the project. Applicant will receive points in only one of the following categories.
 - Qualified 501(c)(3) organization (2 points)
 - Community Housing Development Organization (CHDO) (3 points)
 - Public Housing Authority or 501(c)(3) established by Public Housing Authority (3 points)

Vermont (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria and Set-Asides

None.

Scoring Incentives

The plan outlines development evaluation criteria, with top tier priorities having twice the weight of lower

tier priorities. Individual priorities are not allocated points. One of the top tier priorities is any project that provides Special Needs Housing as defined. **Another top tier priority is for projects that provide family housing, unless local or regional need for another type of housing is demonstrated in the market study to be greater. (Note: New to 2014 QAP)**

Among the second tier priorities are developments affordable to households earning less than or equal to 30% of the area median gross income (AMGI), developments that target clients of agencies that serve the homeless, mixed income housing developments, and **projects that serve households currently on Public Housing waiting lists. Any program administered by a public housing authority (local or statewide) will be treated as equivalent to Public Housing for purposes of this section if it: 1) targets approximately the same income group as Public Housing; 2) is project-based rental assistance in the Housing Credit development; 3) is approximately as affordable to the household living in it as Public Housing would be. The local public housing authority will need to provide their written feedback, for developers seeking to meet this priority, as to whether the proposed project will serve the relevant households on their waiting lists. (Note: New to 2014 QAP)**

Other Policies

A basis boost is available for projects in one or more buildings of 49 units or less only. Any project which dedicates at least 10% of its units for clients of a Human Service Agency as evidenced through a memorandum of understanding or master lease to provide **Special Needs or** supportive housing as defined herein will qualify for a 130% basis boost. Boost is up to 130% based on staff determination of credit amount needed for financial feasibility. **A Sponsor can satisfy this requirement by entering into a new memorandum of understanding or master lease with respect to other units already in its portfolio that are not already dedicated to Special Needs or Supportive Housing equal to 10% of the total units in the proposed project. (Note: New to 2014 QAP)**

Sponsors of developments offering optional services must describe services to be offered and the cost(s). Optional services must be competitively priced, reasonable, and affordable. Assumptions regarding income from optional services shall be reasonable and result in a financially feasible project. The agency may reject applications based on services being offered if those services are not reasonable and/or competitively priced.

Among the benchmarks required to receive a reservation certificate or a binding rate agreement is evidence that the developer has met with the local provider of services to homeless persons (assuming the development serves such populations).

For purposes of the plan, special needs housing is defined as any project that incorporates a majority of special needs populations and provides service-enriched housing. Special needs populations include households or individuals who cannot live independently without supportive services. Such populations include, but are not limited to: persons in need of transitional housing to avoid or alleviate homelessness; youth at-risk; frail elders or persons with physical and/or mental disabilities; or other populations where a combination of housing and supportive services will enhance the quality of life for both residents and the community at large.

The criteria for defining special needs housing for seniors and/or adults with disabilities are: Projects that

serve persons who are: low-income or at risk of Medicaid dependency and frail or disabled will be considered special needs housing only if the project meets one or more of the following criteria:

- Licensed Residential Care Homes, Assisted Living Residences, Therapeutic Community Residences, Homes for the Terminally Ill, Continuing Care Retirement Communities or other licensed combination of housing and care or services; or,
- Unlicensed combinations of affordable housing and affordable services that the Vermont Department of Aging and Disabilities finds will help residents to accomplish independent living and/or aging in place and where services and housing are affordable and/or coordinated with eligibility for publicly subsidized services. Projects will have a plan to utilize applicable Medicaid State Plan services, Medicaid Waiver Programs, federal or state funded services or programs, and local nonprofit services to the extent possible and in a manner such that independent living and/or aging in place is promoted to the extent possible and to a greater extent than in so-called “independent” housing; or,
- Projects that are deemed by the Department of Aging & Independent Living to provide a critical option for seniors in regions or market areas that have not met the state goal for community-based long-term care service utilization relative to nursing home utilization; or,
- Give a preference or otherwise target units to renters participating in a 1915 c Medicaid Waiver or 1115 Medicaid Research and Demonstration program designed to provide alternatives to nursing home or other institutional placements.

For purposes of the plan Supportive Housing is permanent housing with supportive services for persons who are homeless or at risk of homelessness. It plays an important role in the continuum of care and provides housing with services to help individuals or families become successful in independent permanent housing which may not include services. Candidates are often referred by, but not limited to, the following: homeless shelters, corrections departments, mental health agencies, community action agencies and other social service providers. Residency is not time limited.

Supportive Services include, but are not limited to, life skills, budgeting, credit counseling, housekeeping and parenting. The purpose of the services is to stabilize situations and allow the individual or family to develop the resources or skills needed to access independent permanent housing. Services may be provided by the organization managing the housing or coordinated by them with other public or private agencies that are local partners. Supportive housing can be provided in one structure or several structures, at one site or in multiple structures at scattered sites.

Preference will be given to projects that meet certain criteria, including projects that use Section 8 Homeownership Vouchers in combination with Homeownership Tax Credit for deeper subsidy to very low-income households. (Note: New to 2014 QAP)

Developer Experience

Housing Credit Awards will be based upon the experience and capacity of the project team. The developer must demonstrate the capacity to undertake the development as proposed, either through its own experience and capacity or through the use of experienced consultants. In the event the developer is proposing multiple projects in any given year, the organization must have the capacity to oversee all of the developments proposed.

Virgin Islands (2011 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit or scoring incentives.

Threshold Criteria and Set-Asides

None.

Scoring Incentives

None.

Other Policies

VIHFA lists seven prioritized selection criteria, including projects serving the lowest income tenants, projects with the highest percentage of low-income units, projects which demonstrate the accommodation of persons already on existing public housing lists or Section 8 waiting lists and those which offer the most tenant services, and projects offering the following type of units: three or more bedroom units, non-family units (SRO and transitional housing), or elderly units.

Developer Experience

None.

Virginia (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete within geographically based set-asides or within the “At-Large Pool”, but with potential competitive scoring advantages.

Threshold Criteria

None.

Set-Asides

Local Housing Authority (“LHA”) Pool: 15.00%

Each development sponsored by local housing authorities or industrial development authorities (from localities that do not have a local housing authority), as sole general partner or managing member (either directly or through a wholly-owned subsidiary) or as landlord or seller of the land to the tax credit applicant, in the jurisdiction of the local housing authority or industrial development authority and/or receiving HOPE VI funds will compete in this pool only. Each development competing in this pool will be scored according to the rent burdened population characteristics of the geographic pool to which such development would be assigned if it did not compete in this pool. Developments not funded in this pool do not move to any other pool.

(Note: New to CSH Report; Not new to 2014 QAP)

Scoring Incentives

QAP awards 50 points to **any developments (Note: Changed from non-elderly developments in 2014 QAP)** in which the greater of five units or 10% of the units **(i) will be assisted by HUD project-based vouchers (as evidenced by the submission of a letter satisfactory to the Authority from an authorized public housing authority (PHA) (Note: Provision amended to specify project-based vouchers and PHAs in 2014 QAP);** (ii) conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act; and be actively marketed to people to

persons with disabilities as defined in the Fair Housing Act in accordance with a plan submitted as part of the application for credits (all common space must also conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act, and all the units described in (ii) above must include roll-in showers and roll under sinks and front control ranges, unless agreed to by the Authority prior to the applicant's submission of its application.

QAP awards 30 points to developments in which the greater of five units or 10% of the units (i) conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act; and (ii) are actively marketed to people with **persons with disabilities as defined in the Fair Housing Act in accordance with a plan submitted as part of the application for credits (all common space must also conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act.)** (Note: 2014 QAP amended the requirement to service persons with disabilities, which was previously “persons with mobility impairments”. The 2014 QAP also removed requirement that projects have rents within HUD’s Housing Choice Voucher (“HCV”) payment standard.)

QAP awards 15 points to non-elderly developments in which **5% of the units (Note: Increase from 4% to 5% in 2014 QAP)** (i) conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act and (ii) are actively marketed to people with **disabilities as defined in the Fair Housing Act in accordance with a plan submitted as part of the application for credit.** (Note: 2014 QAP amended the requirement to service persons with disabilities, which was previously “persons with mobility impairments”.)

QAP awards up to 50 points for a commitment by the applicant to impose rent limits on the low-income housing units throughout the extended use period (as defined in the IRC) below those required by the IRC in order for the development to be a qualified low-income development. Applicants receiving points under this subdivision (b) may not receive points under subdivision (a) above. (Up to 25 points, The product of 31.25 multiplied by the percentage of housing units in the proposed development rent-restricted to households at or below 50% of the area median gross income; plus one point for each percentage point of such housing units in the proposed development which are further restricted to rents at or below 30% of 40% of the area median gross income, up to an additional 10 points.)

QAP awards 10 points if the applicant for any development without Section 8 project-based assistance to give leasing preference to individuals and families (i) on public housing waiting lists maintained by the local housing authority operating in the locality in which the proposed development is to be located and notification of the availability of such units to the local housing authority by the applicant, or (ii) on section 8 waiting lists maintained by the local or nearest section 8 administrator for the locality in which the proposed development is to be located and notification of the availability of such units to the local section 8 administrator by the applicant. (Applicants receiving points under this subdivision may not require an annual minimum income requirement for prospective tenants that exceeds the greater of \$3,600 or 2.5 times the portion of rent to be paid by such tenants.)

QAP awards up 30 points to an applicant to give a leasing preference to individuals and families with children in developments that will have no more than 20% of its units with one bedroom or less. (15 points; plus 0.75 points for each per cent of the low-income units in the development with three or more bedrooms up to an additional 15 points for a total of no more than 30 points).

QAP awards 25 points to any proposed family development located in a census tract that has less than a 10% poverty rate (based upon Census Bureau data) with no other family tax credit units in such census tract. (Note: 2013 QAP awarded 10 points for any development that met this requirement. New to 2014 CSH Report)

Other Policies

A separate non-competitive pool of Credit is available for non-elderly developments intended to serve people with disabilities that (i) provide rent subsidies or equivalent assistance in order to ensure occupancy by extremely low-income persons; (ii) conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act; and (iii) are actively marketed to people with disabilities in accordance with a plan submitted as part of the application for credits and approved by the executive director for at least 50% of the units in the development, or if HUD Section 811 funds are providing the rent subsidies, as close to but not more than 25% of the units in the development. Any such reservations may be up to 6% of the annual Credit ceiling for the applicable year; however, such reservation will be for Credits from the annual ceiling from the following calendar year.

QAP can subtract up to 20 points to any proposed new construction development (including adaptive re-use and rehabilitation that creates additional rental space) located in a pool identified by the Authority as a pool with little or no increase in rent burdened population. (up to minus 20 points, depending upon the portion of the development that is additional rental space, in all pools except the at-large pool, 0 points in the at-large pool; the executive director may make exceptions in the following circumstances: (1) specialized types of housing designed to meet special needs that cannot readily be addressed utilizing existing residential structures; (2) housing designed to serve as a replacement for housing being demolished through redevelopment; or (3) housing that is an integral part of a neighborhood revitalization project sponsored by a local housing authority.)

Developer Experience

Sponsor characteristics:

- Evidence that the principal or principals, as a group or individually, for the proposed development have developed, as controlling general partner or managing member, (i) at least three tax credit developments that contain at least three times the number of housing units in the proposed development or (ii) at least six tax credit developments (50 points) or,
- **At least three deals as a principal and have at least \$500,000 in liquid assets. “Liquid assets” means cash, cash equivalents, and investments held in the name of the entity(s) and or person(s) including cash in bank accounts, money market funds, U.S. Treasury bills, and equities traded on the New York Stock Exchange or NASDAQ. Certain cash and investments will not be considered liquid assets, including but not limited to: 1) stock held in the applicant’s own company or any closely held entity, 2) investments in retirement accounts, 3) cash or investments pledged as collateral for any liability, and 4) cash in property accounts, including reserves. The Authority will assess the financial capacity of the applicant based on their financial statements. The Authority will accept financial statements audited, reviewed, or compiled by an independent certified public accountant. Only a balance sheet dated on or after December 31 of the year prior to the application deadline is required. The Authority will accept a compilation report with or without full note disclosures. Supplementary schedules for all significant assets and**

liabilities may be required. Financial statements prepared in accordance with accounting principles generally accepted in the United States (U.S. GAAP) are preferred. Statements prepared in the income tax basis or cash basis must disclose that basis in the report. The Authority reserves the right to verify information in the financial statements. (50 points); (Note: New to 2014 QAP) or

- Evidence that the principal or principals, as a group or individually, for the proposed development have developed at least one tax credit development that contains at least the number of housing units in the proposed development. (10 points)

Washington (2014 9% Competitive Housing Tax Credit Policies)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with a temporary set aside for HOPE VI projects and potential competitive scoring advantages.

Threshold Criteria

Projects committing at least 75% of their units as Supportive Housing for the Homeless will use the King-Pierce-Snohomish County limits regardless of location. (Note: New to 2014 Policies)

Set-Asides

None.

Scoring Incentives

QAP awards 10-35 points for Supportive Housing for the Homeless. Points will be awarded based upon the Applicant's Commitment in the Application to provide housing units for the populations listed below in the following manner:

- QAP awards 35 points for providing a minimum of 75% of the total housing units as Supportive Housing for the Homeless.
- OR
 - The following Special Needs Housing Commitments are worth 10 allocation points each. A maximum of two options may be selected for a total of 20 points.
 - Provide a minimum of 20% of the total housing units as Housing for Farmworkers
 - Provide a minimum of 20% of the total housing units as Housing for Large Households
 - Provide a minimum of 20% of the total housing units as Housing for Persons with Disabilities
 - Provide a minimum of 20% of the total housing units as Housing for the Homeless
 - Provide an Elderly Housing Project

Applicants may not combine the 75% Supportive Housing for the Homeless Commitment with any of the other options. Under #2 above, Applicants may select no more than two special needs populations for a maximum score of 20 points. The selection under #2 cannot be for the same special needs category; for example, an Applicant may not select 20% Large Household twice to achieve 20 points for a 40% Large Household set-aside. In order to receive points for Special Needs Housing Commitments, the Applicant must agree to comply with all the requirements and conditions described in this section, as applicable.

Housing for the Homeless

Points will be awarded based on the Applicant's Commitment to provide low-income housing units for Homeless households (the "Housing for the Homeless Commitment"). In providing Housing for the Homeless, the Applicant may select only one of these options:

- 35 points for Permanent Supportive Housing for the Homeless
- 10 points for 20% Permanent Housing for the Homeless
- 10 points for 20% Transitional Housing for the Homeless

Each unit must be set-aside to serve Homeless households as defined under the Stewart B. McKinney Homeless Assistance Act or under RCW 43.185c010 (3) and must provide supportive services designed to promote self-sufficiency, meeting the needs of the target population. Any Household initially qualifying as Homeless counts toward the Homeless Set-Aside Commitment for as long as the household remains in the project.

Permanent Supportive Housing for the Homeless

Projects providing a minimum of 75% of the total housing units in the project as Supportive Housing for the Homeless will be awarded 35 points. Supportive Housing for the Homeless projects located outside of King County require preapproval in order to be eligible for these points. A request for preapproval should be submitted no less than 60 days before the application deadline. Applicants failing to obtain preapproval from the Commission as described above will not be eligible for the 35 allocation points.

Additional Low Income Housing Commitment: QAP awards up to 60 points to developments committing to provide low-income units for occupancy by households at or below 30% of AMI. Points will be awarded to projects based on the Applicant's Commitment to provide selected percentages of the total low-income units for occupancy by households at or below selected area median income levels (the "Additional Low-Income Housing Commitment"). An Applicant may choose only one option. Units subject to the Additional Low-Income Housing Commitment are both rent and income restricted at the selected income levels. Recognizing that the area median income (AMI) across the state varies greatly, counties are divided into Lower Income and Higher Income Counties, and the Additional Low-Income set-aside combinations have been specifically configured to take into consideration the differing levels of rents in the two groupings. The Lower Income Counties are those counties whose 50% AMI income for a four person household is \$32,000 or less as documented on the Commission's Rent and Income Limits webpage. Higher Income Counties are those whose 50% AMI income for a four person household is greater than \$32,000 per year.

Projects may select one of 20 different set-aside combinations valued between 50 and 60 points. The project's location in a Lower or Higher Income County determines the point value of a specific set-aside combination. Projects in Lower Income Counties receive a two point advantage over the Higher Income Counties when the same set-aside combination is chosen in recognition that the same income targets are more difficult to serve in Lower Income Counties where the allowable rents do not generate as much operating income.

Maximum points are awarded to High Income Counties that set-aside 50% of units at 30% AMI, or Lower Income Counties that set aside 40% of units at 30% AMI.

QAP awards 2 points for every year of additional low-income housing use period selection by the Application, up to a maximum of 22 years (44 points maximum). The Additional

Low-Income Housing Use Period commences upon the close of the compliance period. If the Applicant makes this Commitment, the Applicant agrees to maintain the low-income housing units and all applicable Commitments made by the Applicant in the Application to receive Allocation Criteria points for the duration of the Project Compliance Period. (Note: New to 2014 Policies)

QAP awards 2-4 points if a project provides federal project-based rental assistance to a designated amount of units. Projects receive 4 points for designating 80 or more units, 3 points for 50-79 units, and 2 points for 30-49 units. (Note: New to 2014 Policies)

QAP awards 1 point for projects located in a census tract that is rated High or Very High on the Comprehensive Opportunity Index as defined by the Puget Sound Regional Council. (Note: New to 2014 Policies)

Other Policies

Among the housing priorities, the Agency will give weight to those projects which set aside units for special needs populations such as large households, the elderly, the homeless and/or the disabled

The Applicant must submit a copy of a written letter committing to notify the public housing authority of the availability of low-income units.

Requirements of All Housing for the Homeless Commitments

Requirements of All Housing Commitments for Priority Populations:

All Applicants who select one or more Special Needs **Housing Commitments must comply with all the following requirements:**

- The Applicant must address the special needs population in the Affirmative Marketing Plan.
- The Applicant must address the need for housing for the special needs population in the Market Study.
- The Applicant agrees that any Special Needs Housing Commitment will be established, implemented, and kept in compliance with the Fair Housing Act, as amended; the Architectural Barriers Act of 1968; the Americans with Disabilities Act; and any other local, state, and Federal nondiscrimination or accessibility laws, regulations, or requirements.
- All housing units subject to the Housing for Large Households Commitment, the Housing for the Homeless Commitment, or the Farmworker Housing Commitment must be rent-restricted low-income housing units.
- With respect to the Housing for Persons with Disabilities Commitment and the Elderly Housing Commitment, the Applicant may reserve a combination of the low-income housing units and the market-rate housing units for the given Commitment if a project includes both low-income housing units and market-rate housing units. The Applicant agrees that the gross rent for the low income housing units must be rent restricted.
- With the exception of the 100% Elderly Housing Commitment, the same housing unit cannot be used for more than one Special Needs Housing Commitment, regardless of whether a resident is eligible for more than one. Further, the Applicant must provide a minimum of 20% of the total housing units in the project for each Special Needs Housing Commitments selected. For example, if the Applicant selects the 20% Housing for Large Households Commitment and the 20% Housing for Persons with Disabilities Commitment, the Applicant must provide a minimum of 40% of the total housing units in the project, including specifically a minimum of 20% of the total housing units for Large Households

and a minimum of 20% of the total housing units for Persons with Disabilities.

- When a project with any Special Needs Housing Commitment is placed-in-service and ready for initial occupancy, each housing unit subject to such a Commitment must first be rented to and occupied by a resident who qualifies for the commitment (e.g., in the case of the Farmworker Housing Commitment, by a Farmworker household), or else the unit must be held unoccupied. Upon taking possession of an acquisition/rehabilitation project, the project owner may satisfy all Commitments, beyond any Federal minimums, through attrition.
- If, after initial occupancy by a qualified resident, a housing unit subject to a Special Needs Housing Commitment (other than Elderly Housing Commitment and the Housing for the Homeless Commitment) is subsequently vacated, the project owner shall actively market any vacant housing units that are necessary to comply with the applicable Commitment(s) for a minimum of 30 days. The owner shall not rent such units to anyone who is not eligible for the selected Commitment(s) during this 30-day period. More specifically, a housing unit in this Special Needs Housing Commitment must remain vacant during this 30-day recruitment period until the Applicant can rent it to a person or household who meets the eligibility criteria for the Special Needs Housing Commitment.

The minimum 30-day recruitment period begins when the housing unit becomes vacant and ready for occupancy and the Applicant begins to actively market the housing unit. The Applicant must document recruitment efforts (e.g., the active use of the project's referral and marketing agreements).

The Applicant cannot rent the housing units to a person or household who does not meet the eligibility criteria for the specific Commitment(s) during the minimum 30-day recruitment period. If the Applicant is unable to secure an individual or household who meets the eligibility criteria after 30 days of active marketing, the Applicant may rent the housing unit to another resident as applicable.

If the Applicant rents a housing unit to an individual or household who does not meet the eligibility criteria after completing the minimum 30 day recruitment period, the Applicant must actively market the next available housing units of comparable size and type, following the same recruitment procedures, until all the Commitment(s) are achieved and maintained.

The recruitment requirements described in this subsection apply to all housing units in the Farmworker Housing Commitment, the Housing for Large Households Commitment, and the Housing for Persons with Disabilities Commitment, including both low-income housing units and market rate housing units. For the Elderly Housing Commitment or the Housing for the Homeless Commitment, the Applicant must actively market and exclusively rent all the housing units for the duration of the Project Compliance Period to persons who meet the eligibility criteria of the applicable Special Needs Housing Commitment. In the event of reasonably unforeseen circumstances that prevent a project from fully meeting its Commitments, the project owner may seek a waiver or modification to any such Commitments. This request must be made in writing and approval is at the sole discretion of the Commission.

Requirements for all Projects electing the Housing for the Homeless Commitment

Applicants must complete Section 10 of the Combined Funders Application which includes:

- **A comprehensive service plan including both an assessment and identification of the service needs of the targeted population and a specific strategy for service delivery (i.e., what services, who will provide them, how and where they will be provided).**

- **A detailed funding strategy for the provision of services, including annual budget, proposed funding sources, and respective funding cycles with letters of interest from each service provider and funder.**

(Note: New to 2014 Policies)

All Homeless projects must be consistent with the Ten-Year Plan to End Homelessness at the time the Application is submitted, and must submit a certification that is dated no more than 6 months prior to the Application date.

- A copy of the Certification of Consistency with the Ten Year Plan to End Homelessness is located in Exhibit H. If a project is located in the City of Seattle or King County, the applicant must use the jurisdiction's Certification of Consistency with the Ten-Year Plan to End Homelessness.
- If a project is located in a community covered by a Ten-Year Plan to End Homelessness, the Certification of Consistency with the Ten-Year Plan to End Homelessness must be signed by the contact person for the Plan at the local jurisdiction
- If a project is located in a community that has opted out of the Ten-Year Plan to End Homelessness, the Certification of Consistency with the Ten-Year Plan to End Homelessness must be signed by the Washington State Department of Commerce
- The State contact and a list of county contacts are provided on the Department of Commerce's Homelessness Housing and Assistance Act website.

If primary support services for special needs populations are provided by an agency or organization that is different from the Project Sponsor, then a Memorandum of Understanding (MOU) must be submitted that defines the roles and responsibilities including the nature and scope of duties of each entity. The MOU must also include how costs will be covered.

Development Experience

Permanent Supportive Housing for the Homeless

The preapproval process is intended to provide an opportunity for sponsors to demonstrate to the satisfaction of the Commission that they have a financially feasible project and a successful track record for serving this population and operating this type of housing. Preapproval will be based upon demonstration of each of the following:

- Development and operational capacity and experience with this type of service intensive supportive housing;
- A comprehensive service plan
- A comprehensive funding strategy;
- A comprehensive operating subsidy strategy; and
- A description of the target population, including a marketing plan and screening criteria.

West Virginia (2013-2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria

None.

Set-Asides

HUD Preservation or New Construction (Includes HOPE VI): QAP designates 25% for a category for the exclusive use for either new construction or preservation of existing HUD low-income residential rental units financed, guaranteed, or subsidized (property-based) through any HUD finance, guarantee, or subsidy (property based) program. **(Note: New to CSH Report, Not to 2013-14 QAP)**

Scoring Incentives

The 2013-2014 QAP awards the following points for a Property located in a county where that County's **2013 Low-Income Housing Tax Credit Program** IRS Rent Restriction for a two-bedroom unit as a percentage of the 2010 Average Monthly Wage is included in or falls between the following:

- **13.51% and 17.16%: 5 points**
 - **17.17% and 20.81%: 10 points**
 - **20.82% and 24.46%: 15 points**
 - **24.47% and 28.11%: 20 points**
 - **28.12% and 31.76%: 25 points**
 - **31.77% and 35.41%: 30 points**
 - **35.42% and 39.06%: 35 points**
 - **39.07% and 42.71%: 40 points**
- (Note: Modified in 2013-2014 QAP)**

QAP awards 25 points to developments that commit to target for occupancy one or a combination of the tenant populations listed below for at least 25% of the residential rental units in the property. For purposes of this scoring category, tenant populations with special housing needs include homeless, displaced, elderly, handicapped or disabled. The units in the property should be designed and suitable for the targeted occupancy population(s). In electing to serve tenant populations with special housing needs, the applicant is responsible for ensuring that the chosen populations are not incompatible with each other, specifically including but not limited to ensuring that Fair Housing requirements are not violated.

QAP awards 25 points to a property that has entered into a written commitment with a public housing authority to utilize the authority's waiting list and to target the persons appearing on that waiting list to occupy all vacant low-income units in the property, on an on-going basis. In order to be awarded the 25 points available, the applicant must provide a copy of a fully executed and witnessed agreement with the property's Reservation Request.

The QAP awards 25 points to properties that commit at least 25% of units to Large Families (three or more dependent children) and Single Parent Families. **(Note: New to CSH Report, Not to 2013-14 QAP)**

Other Policies

In order to qualify for the nonprofit set-aside category, the nonprofit entity must, among other things, provide support services that are appropriate for the residents of the proposed property.

A Private Non-Profit or by a Public Housing Authority can qualify for three points available to Non-Profit

Sponsorship (Ownership) only if such entity provides appropriate support services for the residents of the property.

The QAP defines homeless as a person, family, or household who lacks a fixed, regular and adequate night time residence and has a primary night time residence which is (i) a supervised shelter, designed to provide temporary living accommodations; or (ii) an institution that provides a temporary residence for persons intended to be institutionalized; or (iii) a place not designed for or ordinarily used as a regular sleeping accommodation for human beings. **(Note: New to CSH Report, Not to 2013-14 QAP)**

Developer Experience

In order to qualify for the nonprofit set-aside category, the nonprofit entity must have been in existence for at least five years and have at least three years of housing experience (as a developer of residential housing, or as an owner of residential rental housing, or any combination of both encompassing a 36- month period in the aggregate) – evidenced by a resume of such experience, including beginning and ending dates.

Fifteen points will be awarded to a property where the developer or any co-developer (not on a combined basis) has participated in six or more Low-Income Housing Tax Credit Program properties, regardless of the state in which such properties are located, that have been placed in service and received the final Allocation Certification(s) (IRS Form 8609) for the building(s) in the property from the applicable housing credit agency.

Wisconsin (2013-2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle or, if qualified, within the supportive housing set-aside. In addition, such projects have potential competitive scoring advantages.

Threshold Criteria

None.

Set-Asides

10% of the state housing per-capita credit will be reserved for developments intending to provide supportive services in at least 50% of the units for individuals and families who are homeless, at risk of homelessness, and/or have disabilities and who require access to supportive services to maintain housing.

25% set-aside for the preservation of qualifying federally assisted housing units. Applications must propose a minimum of 20% of eligible basis or \$15,000/unit in hard cost rehabilitation, whichever is greater, to qualify for this set aside. Unused Credit remaining in the Preservation Set-Aside will be returned to the General Set-Aside. Federally Assisted Housing Preservation includes low-income housing developments subsidized under the following or similar programs: Section 236, Section 221(d)(3) Below Market Rate (BMIR), Section 221(d)(3) Market Rate with Section 8 rental assistance, Section 8 project-based new construction, Section 202, Section 811, Section 221(d)(4), public housing, Section 515- Rural Rental Housing Program, Rural Development, USDA and NAHASDA or other tribal subsidies. Applications which contemplate the construction of any new units not to be supported by the existing subsidies are ineligible for the Preservation Set-Aside unless a) the Primary Applicant/Developer is a local public housing authority, and b) at least 50% of the proposed development's units remain public housing.

(Note: New to CSH Report, Reduced from 30% in 2013 QAP)

Scoring Incentives

Points will be awarded to developments intending to provide support services to veterans, individuals and families who are homeless, at risk of homelessness and/or have disabilities and who require access to supportive services to maintain housing. WHEDA hopes to be selected in a HUD Section 811 Demonstration Program in which state housing finance agencies can allocate Project Rental Assistance Contracts (PRAC) to help provide rental assistance to qualifying LIHTC projects. No more than 25% of the units in these qualifying projects may be targeted to people with disabilities (this is Option A described below). If selected by HUD, WHEDA may offer 811 PRAC to projects applying under Option A. Applicants should be aware that tenants eligible for Section 811 units are anticipated to be those with a disability and 1) Those eligible persons currently residing in institutions or nursing homes, who may also qualify for the “Money Follows the Person” program. Or 2) Those eligible persons who may be at risk of institutionalization, who currently live in substandard housing or who are not living where or with whom they choose. Applicants applying under the Supportive Housing Set Aside (Option B) will not be eligible for Section 811 PRAC. WHEDA will provide additional guidance should Section 811/PRAC assistance become available.

- QAP awards 15 points for developments that encourage service delivery in an integrated setting (25% or less of residents are expected to require services). To secure points in this category the applicant may not apply in the Supportive Housing Set Aside. The development must encourage service delivery in an integrated environment. The development scores 0.60 points for every percentage of supportive housing in the development as a whole.
- QAP awards 25 points for developments intending to provide supportive services to at least 50% of the units for individuals and families who are homeless, at risk of homelessness and/or have disabilities. These developments must apply in the Supportive Housing Set-Aside.

Percentage of market-rate units in development. Score 1 point for every percentage point of market-rate units in the development as a whole, up to 15 points. (Note: New to CSH Report, Not New to 2013 QAP)

Other Policies

Among the objectives of the QAP is to increase the availability of housing with supportive services (including veterans) and support the housing goals and objectives stated in the Plan to End Homelessness in Wisconsin, July 2007. (Note: Specification of veterans new to 2013 QAP)

The following are requirements for supportive housing:

- Provide documentation that the applicant has a firm commitment of rental subsidy assistance for the targeted number of units.
- Provide documentation indicating experience, mission and capacity of service provider(s) for the target population (including a Relevant Experience and Certification Service Provider Sheet). Note: All service providers described must be a 501C(3) non-profit or tax exempt organization with a minimum of five years' experience in the field.

- Provide a MOU executed by both the applicant and anticipated service provider detailing: (i) how the services will enhance independent living success and promote the dignity of residents, (ii) the services that will be offered, (iii) how the services will be funded, (iv) a marketing plan to ensure the target population can be attracted to the development and (v) how residents will be connected with a service provider if services are not provided by the owner.
- Submit a market study indicating a sufficient market and demand.
- Provide a letter of support from the appropriate county agency or Care Management Organization (in Family counties) where the development will be located indicating that:
 - The proposed development and the Service Plan has been reviewed;
 - The agency or organization feels there is a need for supportive housing;
 - The housing service plan is consistent with State or local plans and policies;
 - The agency or organization currently provides or will provide funding for services to residents that meets its eligibility criteria; and
 - The agency or organization does (or does not) have experience with the proposed service provider and, if it does have experience with the service provider, a description of that experience.

QAP awards 10 bonus points if the application includes 6 or more units of 30% County Median Income (CMI) Units. (Note: New to 2013 QAP)

If two or more applicants receive the same score, the application with the highest percentage of units set aside at 30% and 40% of county median income will be ranked the highest. (Note: New to 2013 QAP)

QAP awards up to 18 points for projects that serve large families. Maximum points are awarded to projects that designate 26-100% of units. **(Note: New to CSH Report, Not New to 2013 QAP)**

Developer Experience

Project Team 50 points: Development team (Developer, Management Agent, and Consultant) will be evaluated based on past performance and previous Credit program participation.

Wyoming (2014 QAP)

Supportive housing developments are an eligible use of the Credit and compete in the general application cycle with no special set-aside of Credit, but with potential competitive scoring advantages.

Threshold Criteria and Set-Asides

None.

Scoring Incentives

QAP awards up to 36 points to developments targeting 30% AMI or below. Points are based on the ratio of 30% targeted units to total low-income units.

QAP awards 2 points to developments with a minimum of 4% of units set aside for transitioning homeless households.

A proposal will receive up to 4 points for targeting unit occupancy to Families or Individuals with Children.

QAP awards 2 points in proposal that commit to giving preference to individuals and families on the public housing waiting lists, and commit to limit the gross rent accepted from all sources to not exceed the maximum percentage as presented in the application.

Other Policies

Application requires submission of project narrative, which, among other things, includes a description of proposed program activities. As part of this narrative, special needs housing projects must describe services that will be provided or coordinated for the property's residents, how client outreach will occur, how the housing units and/or proposed services will be marketed to eligible participants, and any screening procedures.

Note: 2014 QAP removed a provision stating that for public facilities, the affordable rent is determined to be at or below Low HOME Rent based on the number of bedrooms or up to 30% of the gross income of each tenant, whichever is less.

Note: 2014 QAP removed provision that a Project may exceed a 1.50 Debt-Service Coverage Ratio (DSCR) if the majority of the units of the Project will provide rents targeting extremely low income tenants that meet the Federal definition of Homeless.

Developer Experience

None.

HOUSING CREDIT AGENCY WEBSITES

Nearly all qualified allocation plans are available on the website for the housing credit allocating agency. For additional housing credit program information, see the National Council of State Housing Agencies website at <http://www.ncsha.org/>.

Alabama:	http://www.ahfa.com/
Alaska:	http://www.ahfc.state.ak.us/
Arizona:	http://www.azhousing.gov
Arkansas:	http://www.state.ar.us/adfa/
California:	http://www.treasurer.ca.gov/CTCAC
Colorado:	http://www.chfainfo.com/
Connecticut:	http://www.chfa.org/
Delaware:	http://www.destatehousing.com/
District of Columbia:	http://www.dhcd.dc.gov/
Florida:	http://www.floridahousing.org/
Georgia:	http://www.dca.state.ga.us/
Hawaii:	http://www.hcdch.hawaii.gov/
Idaho:	http://www.idahohousing.com/
Illinois:	http://www.idha.org
City of Chicago:	http://egov.cityofchicago.org
Indiana:	http://www.in.gov/ihcda/
Iowa:	http://www.iowafinanceauthority.gov
Kansas:	http://www.kshousingcorp.org/
Kentucky:	http://www.kyhousing.org/
Louisiana:	http://www.lhfa.state.la.us/
Maine:	http://www.mainehousing.org/
Maryland:	http://www.dhcd.state.md.us/
Massachusetts:	http://www.mass.gov/dhcd/
Michigan:	http://www.michigan.gov/mshda
Minnesota:	http://www.mnhousing.gov
Mississippi:	http://www.mshomecorp.com/
Missouri:	http://www.mhdc.com/
Montana:	http://housing.mt.gov/
Nebraska:	http://www.nifa.org/
Nevada:	http://www.housing.nv.gov
New Hampshire:	http://www.nhhfa.org/
New Jersey:	http://www.state.nj.us/dca/hmfa/
New Mexico:	http://www.housingnm.org/
New York:	http://www.cityofchicago.org/dpd
North Carolina:	http://www.nchfa.com/
North Dakota:	http://www.ndhfa.org/
Northern Mariana Islands	http://nmhc.gov.mp/
Ohio:	http://www.ohiohome.org/
Oklahoma:	http://www.ohfa.org/

Oregon:	http://www.ohcs.oregon.gov/
Pennsylvania:	http://www.phfa.org/
Puerto Rico:	http://www.gdb-pur.com/
Rhode Island:	http://www.rihousing.com/
South Carolina:	http://www.sha.state.sc.us/
South Dakota:	http://www.sdhda.org/
Tennessee:	http://www.state.tn.us/thda/
Texas:	http://www.tdhca.state.tx.us/
Utah:	http://www.utahhousingcorp.org/
Vermont:	http://www.vhfa.org/
Virgin Islands:	http://www.vihfa.gov/
Virginia:	http://www.vhda.com/
Washington:	http://www.wshfc.org/
West Virginia:	http://www.wvhdf.com/
Wisconsin:	http://www.wheda.com/
Wyoming:	http://www.wyomingcda.com/

Appendix

OLMSTEAD

In 1999, the United States Supreme Court *Olmstead v L.C.* decision upheld Title II of the Americans with Disabilities Act (ADA) and affirmed that "states are required to place persons with mental disabilities in community settings rather than in institutions when the states' treatment professionals have determined that community placement is appropriate, the transfer from institutional care to a less restrictive setting is not opposed by the affected individual, and the placement can be reasonably accommodated, taking into account the resources available to the state and the needs of others with mental disabilities. ". For many years, some states made efforts to comply with *Olmstead*, but much more often than not, these efforts were inadequate to meet the mandate. More recently, the U.S. Department of Justice (USDOJ) has dramatically increased its focus and emphasis on enforcing the law, and a number of states including Georgia, Delaware, Illinois, North Carolina and others now have statewide settlement agreements in place to take the necessary action to comply with *Olmstead*. For these states, and for the many more that are seeking to avoid legal action, creating supportive housing opportunities in communities across their state is part of the solution.

Many states are struggling with how to create sufficient, community-based, affordable units for people with disabilities. Since LIHTC projects are good at producing these sorts of units, many states and housing credit agencies are turning to QAPs to provide incentives for developers. The Executive Summary and QAP Summary describe these incentives. The following paragraphs provide additional information on what *Olmstead* is and what *Olmstead* decisions states have reached.

Here at CSH, we are poised and increasingly focused on supporting states, advocates, and stakeholders in designing and implementing plans to create supportive housing opportunities in their communities to meet the needs of people inappropriately institutionalized. As we have engaged with partners, it is clear that more direction and more ideas are needed to think about just what that path forward looks like, and how we can approach this pressing problem. To that end, CSH has released a [discussion paper](#) on *Olmstead* that aims to provide some thoughts for moving the conversation forward.

While the approaches states and communities take to address *Olmstead* will vary, CSH believes that real consumer/tenant choice should be paramount, and that these three guiding principles can help lead the conversation.

1. Providing people the opportunity to live independently in the most integrated setting.
2. Expanding access and the range of housing options.
3. Ensuring and promoting tenant choice.

In addition, the paper makes several other important points, including drawing clear distinction between what supportive housing is (and what it is not) and how it differs from board and care facilities or group homes that have come to replace larger, hospital style institutions, but are still not satisfactory to meet the *Olmstead* mandate. Additionally, it articulates a strong case for including a wide range of approaches to creating supportive housing opportunities – from scattered site to mixed tenancy to single site - to provide tenants with an array of choices and opportunities to live in the community.

As we move ahead, CSH looks forward to working with states, advocates, and community partners – as well as our partners at federal agencies to assist thousands of people making their way back into our communities. We hope you will join the conversation - and the effort.

[Learn more.](#)