



## **Housing Credit Policies in 2012 that Promote Supportive Housing**

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2012

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Prepared by Corporation for Supportive Housing

2012

## **Acknowledgements**

For this publication, CSH built upon “*Housing [Credit Policies in 2011 that Promote Supportive Housing](#)*”. This year Holly Denniston, Bradley Goran and Leigh Wilson updated the data and analysis contained herein.

## **About the Corporation for Supportive Housing**

For over 20 years, CSH has led the national supportive housing movement. We help communities throughout the country transform how they address homelessness and improve people’s lives. CSH develops innovative program models, provides research-backed tools and training, offers development expertise, and collaborates on public policy and systems reform. And, CSH is a certified community development financial institution (CDFI). We make it easier to create and operate high-quality affordable housing linked to services. To date, CSH has made over \$330 million in loans and grants, and has been a catalyst for over 150,000 units of supportive housing. For more information, visit [csh.org](http://csh.org).

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CSH’s tools, case studies, reports and templates make it easier to develop, operate and run quality supportive housing. Visit [csh.org](http://csh.org) to find materials fueled by the latest research and supportive housing best practices to help prevent and end homelessness in your community. For inquiries about this report, please contact CSH at [info@csh.org](mailto:info@csh.org).

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# **Housing Credit Policies in 2012 that Promote Supportive Housing**

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## FOREWORD

CSH is pleased to present “*Housing Credit Policies in 2012 that Promote Supportive Housing*,” available for download at [csh.org](http://csh.org). This new report builds on our assessment of 2010 and 2011 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 54 QAPs for this report.

Supportive housing is an innovative and proven solution to some of communities' toughest problems. It combines affordable housing with services that help people who face the most complex challenges to live with stability, autonomy and dignity. Supportive housing is a cost-effective way to end homelessness by providing people who are chronically homeless or have other special needs with a way out of expensive emergency public services and back into their own homes and communities. Supportive housing not only improves the lives of its residents but also generates significant public savings. Communities across the country have identified expanded supplies of supportive housing as critical to their efforts to end homelessness. “*Housing Credit Policies in 2012 that Promote Supportive Housing*” represents one element of our ongoing collaborative efforts to analyze and share information regarding the role of the federal Housing Credit in financing supportive housing development.

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. Supportive housing projects usually include two types of threshold requirements. First, some housing credit agencies have a threshold requirement that all projects dedicate a specific percentage of units for 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.
- **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 the award of points in the competitive scoring process.

Changes in these approaches since the publication of the 2011 assessment are identified in **bold text** within this report. Many of these changes reflect the growing demand and desire for quality supportive housing. Highlights include:

- Nearly all housing credit agencies (50 out of 54) provide potential scoring advantages for supportive housing.

- 44 housing credit agencies provide general scoring incentives encouraging supportive housing, special needs housing and/or housing for people with disabilities. This number increased from 2011; Arizona and Connecticut added scoring incentives for supportive service provision.
- 19 housing credit agencies promote supportive housing with set-asides of credit authority; many of these set-asides have been created or increased in recent years.
- Two housing credit agencies have a threshold requirement of dedicating 5 - 10% of units for supportive housing (Alaska and North Carolina). Six additional housing credit agencies have more general threshold requirements that promote supportive housing. No new threshold requirements were added in 2012.

CSH urges readers to use this report to promote policies that dedicate financial resources to the development of supportive housing. We trust the report will serve as a useful reference and resource for those seeking to ensure that the housing credit program is effectively addressing the needs of the communities they serve.

We also welcome the opportunity to work with you and your community to consider and adopt housing credit policies that will promote the creation of additional quality supportive housing.

Deborah De Santis  
President and CEO

## INTRODUCTION

Housing credit agencies continue to actively promote supportive housing, the vital combination of affordable housing and supportive services tailored to specific resident populations through their administration of the federal Low Income Housing Tax Credit (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, nine jurisdictions (Alaska, Arizona, Delaware, Illinois, Kentucky, Missouri, Ohio, Texas and Utah) 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 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 best practices. Others, though less universal, are sound policies readily adaptable across the country to ensure the necessary linkage between affordable housing and associated resident services.

CSH hopes the report will draw attention to strong housing credit agencies practices in supportive housing and lead to continued strengthening of the 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 the Housing Credit 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 and 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 Foreword.





## METHODOLOGY

In more than 20 years of allocating the Housing Credit, housing credit agencies designed and implemented an array of innovative QAP policies to advance supportive housing. The primary research for this report involved a comprehensive review of each housing credit agency's 2012 QAP to identify policies specifically encouraging supportive housing.<sup>1</sup> 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 the Housing 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. CSH compiled a summary of relevant housing credit agency policies and definitions that begins on page 15. A 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 2011 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 Executive Summary for ease of reference.

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 Housing Credit, as such an outcome analysis is beyond the scope of this report.

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<sup>1</sup> Nearly all QAPs are available on Housing Credit agency websites. See page 12 of this report for links to all housing credit agency websites. For additional program information see the website of the National Council of State Housing Agencies at [www.ncsha.org](http://www.ncsha.org).

## EXECUTIVE SUMMARY

This Executive Summary is divided into three sections:

1. Discusses policy highlights and changes that took place since the last analysis.
2. Identifies emerging policy trends in 2012.
3. Offers conclusions regarding the 2012 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 2012 that will effect supportive housing developments:

**Alaska** added a priority for projects serving “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).

**Arizona** added a requirement to its supportive housing set-aside stipulating that a supportive housing project funded by the set-aside must have a minimum of 30 units dedicated to individuals who are chronically homeless with a preference for veterans earning 30% area median income or less. Arizona’s 2012 QAP also added a scoring incentive that awards 10 points to projects that include HOPE VI funding as evidenced by an approval letter from the United States Department of Housing and Urban Development.

**Delaware** added a scoring incentive that awards a maximum of 20 points based on the percentage of units dedicated at different income levels. Weight will be given to units targeted at multiple income levels with emphasis on dedicating units at lower income levels. Maximum points are awarded when projects dedicate 50% of units to households earning 30% area median income or less. Delaware added another incentive that awards three points to developments providing an owner-financed rental subsidy for new units (a minimum of five units) rented to extremely low income tenants (those earning 30% area median income) or less.

**Illinois** added a mixed-income incentive that awards 15 points to projects dedicating 50% or less of total units as *Targeted Units*, which are supportive housing units set-aside for households earning 30% of area median income or less, headed by persons with disabilities, and referred through a state referral network, with the remainder of units being general affordable housing or mixed-income units. Illinois also added a clause stating that projects meeting all requirements in the QAP of Permanent Supportive Housing project, as defined under Housing Policy Goals and Objectives and Permanent Supportive Housing scoring section, will be used as a second tiebreaker in the event that two scores are the same.

**Kentucky’s** 2011-2012 QAP allocated an additional \$300,000 (about 3.2% of the total allocation) on top of the \$1 million non-profit set-aside for special needs housing. To be considered special needs, at least 25% of the units must be set-aside for special needs. The special needs set-aside is not restricted to a cap of funds, meaning Kentucky Housing Corporation can chose to use additional credits to augment financing to this set-aside. Kentucky also created three State Priority Set-Aside programs to address specific housing needs:

1. Scholar House Projects: (\$965,000 in 2011; \$1,400,000 in 2012 for Scholar House and Recovery Kentucky) To fund a single-parent housing and education initiative designed to help unemployed or underemployed single-parents pursue an education to become self-sufficient.
2. Covington HOPE VI: (\$600,000 in 2011 and 2012) To fund City of Covington's HOPE VI project which will include funds for a community and supportive services program to help residents transition into self-sufficiency.
3. Recovery Kentucky: (\$1.4 million in 2012 for Scholar House and Recovery Kentucky) To create statewide recovery centers aimed at providing permanent housing.

**Missouri** amended its Special Needs Priority (new in 2011) to set aside 33% of federal and state 4% and 9% low income housing tax credits. This allocation replaced the set-aside condition to award two projects in 2011.

**Ohio** added ranking and scoring categories for its Permanent Supportive Housing Set-Aside, which includes: local collaboration, economic characteristics, market criteria and very low-income or rental subsidies.

**Texas** added a scoring incentive that awards supportive housing developments with a base score of 5 points. The state also added scoring incentives based on geographic location, and percentage of units dedicated to households earning 30% area median gross income or less. Finally, Texas rewards supportive housing developments that limit development costs (12 points) and exempts supportive housing projects from other requirements (minimum feet requirements and standards of amenities).

**Utah** amended its scoring requirements to include 10 points for developments dedicating units for households that are homeless or chronically homeless earning 25% or less of area median income (in 2011, this requirement applied to "near-homeless" transitional units instead of chronically homeless units). The state also added a definition of chronic homelessness to the QAP.

## **QAP POLICY TRENDS**

There are a number of industry trends that took place in 2012 that are reflected in QAP policy changes. Specifically, this report focuses on three pertinent trends:

1. An increasing number of housing finance agencies use set-asides to promote the development of supportive housing;
2. QAPs provide projects additional incentives if they secured Public Housing Authority resources; and
3. More housing credit agencies promote projects with a mix of supportive housing and affordable housing units.

### **Increased Set-Asides**

Two housing credit agencies created new supportive housing set-asides in 2012, and seven amended or expand existing supportive housing set-asides. These changes mean 19 QAPs include supportive housing set-asides creating almost a \$53 million pool for supportive housing projects. This growth in supportive housing set-asides shows the strength the supportive housing development industry, the success of past tax-credit funded supportive housing projects and the realization of the value communities' gain from supportive housing projects.

## **Public Housing Authority**

Five housing credit agencies created new incentives or set-asides for projects that have commitments of project based vouchers, HOPE VI or Choice Communities funding, or other Public Housing Authority (PHA) resources. This change means 22 QAPs include incentives or set-asides for projects that have committed PHA funding. This promotion of projects with committed PHA resources reflects two industry interests. First, with reduced availability of federal and state financing, bringing another funding source to a project reduces funding gaps without straining existing resources. Second, PHAs are facing their own budget tightening. Over the past 10 to 15 years, more and more PHAs have turned to tax credits to finance renovation or redevelopment of their housing stock and developers have turned to PHAs for additional funding. Despite the sometimes difficult regulations that come with PHA funding, such as subsidy layering reviews, developers and PHAs have had success combining funding sources. Going forward, tax credits will probably continue being an important financing source for projects with PHA commitments and PHA resources will continue to be important financing for developers. This mutual reliance provides opportunities for housing credit agencies to influence the types of projects PHAs develop and to ensure longer term stability of projects through assured project based voucher operating subsidies.

## **Integrated Housing**

“Integrated 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 housing” typically refers to projects developed by mainstream housing developers who partner with a service provider to dedicate 10-25% of units through an extended use agreement for supportive housing.<sup>2</sup> 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 growing discussion around using threshold requirements, set-asides, and scoring incentives to promote projects dedicating 5-25% of units for supportive housing. Three housing credit agencies (Alaska, Michigan and North Carolina) have threshold requirements obligating projects to dedicate 5-10% of units to supportive housing or housing for people with disabilities.

21 housing credit agencies have scoring incentives or set-asides awarding points for dedicating 24% or less of units for supportive housing. All but four of these agencies (Arizona, Missouri, South Carolina, and Texas) also have scoring incentives or set-asides that promote projects at other mix levels. These

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<sup>2</sup> 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.

numbers indicate that housing credit agencies recognize the benefits of a variety of development models and are looking to provide tenants, developers and service providers with an array of housing options.

An increasing number of states are entering into Olmstead consent decrees or settlement agreements with the United States Justice Department to resolve disputes over providing sufficient housing and services for people with disabilities. Many of these decrees or agreements call for providing housing in projects with no more than 20% of units for people with disabilities. Promoting the integrated housing model is one proven way to develop quality housing at this mix level and have those units dedicated to housing for people with disabilities over the long run. As states fund the additional services required under these decrees or agreements, developers will find service providers have additional capacity to offer supportive services. Developers can use this capacity to create more integrated housing developments. Finally, in order to figure out how to meet the Olmstead decree or agreement goals and requirements, states often bring together agencies that fund housing development and service provision including housing credit and human services agencies. This coalition can be an excellent opportunity for agencies to further break down barriers, to establish joint funding or initiatives to efficiently and effectively provide supportive housing, and to address any redundancies or holes in the housing finance and service funding systems.

## **CONCLUSION**

This report documents that housing credit agencies continue to actively encourage supportive housing development using the housing credit program. QAPs with supportive housing set-asides, points for projects with PHA funding and incentives for integrated supportive housing, ensure quality developments offering supportive services tailored to specific resident populations, thus helping low-income residents achieve greater social and economic self-sufficiency and an enhanced quality of life.

The next few years do not hold promise for significant funding increases for affordable or supportive housing. Learning how to finance developments with more limited resources will continue to be critical. Improving coordination with existing funding streams and programs (such as PHAs or state and local service funding agencies) is one way to more efficiently and effectively channel resources. Integrated housing and leveraging the experience and funding of affordable housing developers, is another manner to sustain production of supportive housing.

One additional opportunity is health care reform. Re-tooling Medicaid programs to improve health system efficiency and reduce state and federal costs, is a great opportunity to qualify more low income people with disabilities for Medicaid, and to explore expanding Medicaid benefits to reimburse more of the services typically utilized in supportive housing. Service provider organizations and human services agencies, with the backing of affordable housing developers and housing credit agencies, can analyze their current Medicaid programs to determine what revisions to Medicaid Plans will optimize the number of people to be covered and the level of services funded. With expanded Medicaid coverage, integrated and supportive housing developments can have a greater and more reliable source of service funding. This additional resource will improve the comfort syndicators that investors have with supportive housing and improve the long term stability of projects.

## 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:	<a href="http://www.ahfa.com/">http://www.ahfa.com/</a>
Alaska:	<a href="http://www.ahfc.state.ak.us/">http://www.ahfc.state.ak.us/</a>
Arizona:	<a href="http://www.housingaz.com/">http://www.housingaz.com/</a>
Arkansas:	<a href="http://www.state.ar.us/adfa/">http://www.state.ar.us/adfa/</a>
California:	<a href="http://www.treasurer.ca.gov/CTCAC">http://www.treasurer.ca.gov/CTCAC h</a>
Colorado:	<a href="http://www.colohfa.org/">http://www.colohfa.org/</a>
Connecticut:	<a href="http://www.chfa.org/">http://www.chfa.org/</a>
Delaware:	<a href="http://www.destatehousing.com/">http://www.destatehousing.com/</a>
District of Columbia:	<a href="http://www.dhcd.dc.gov/">http://www.dhcd.dc.gov/</a>
Florida:	<a href="http://www.floridahousing.org/">http://www.floridahousing.org/</a>
Georgia:	<a href="http://www.dca.state.ga.us/">http://www.dca.state.ga.us/</a>
Hawaii:	<a href="http://www.hcdch.hawaii.gov/">http://www.hcdch.hawaii.gov/</a>
Idaho:	<a href="http://www.ihfa.org/">http://www.ihfa.org/</a>
Illinois:	<a href="http://www.in.gov/ihcda/">http://www.in.gov/ihcda/</a>
City of Chicago:	<a href="http://egov.cityofchicago.org">http://egov.cityofchicago.org</a>
Indiana:	<a href="http://www.in.gov/ihfa/">http://www.in.gov/ihfa/</a>
Iowa:	<a href="http://www.ifahome.com/">http://www.ifahome.com/</a>
Kansas:	<a href="http://www.kshousingcorp.org/">http://www.kshousingcorp.org/</a>
Kentucky:	<a href="http://www.kyhousing.org/">http://www.kyhousing.org/</a>
Louisiana:	<a href="http://www.lhfa.state.la.us/">http://www.lhfa.state.la.us/</a>
Maine:	<a href="http://www.mainehousing.org/">http://www.mainehousing.org/</a>

Maryland:	<a href="http://www.dhcd.state.md.us/">http://www.dhcd.state.md.us/</a>
Massachusetts:	<a href="http://www.mass.gov/dhcd/">http://www.mass.gov/dhcd/</a>
Michigan:	<a href="http://www.michigan.gov/mshda">http://www.michigan.gov/mshda</a>
Minnesota:	<a href="http://www.mhfa.state.mn.us/">http://www.mhfa.state.mn.us/</a>
Mississippi:	<a href="http://www.mshomecorp.com/">http://www.mshomecorp.com/</a>
Missouri:	<a href="http://www.mhdc.com/">http://www.mhdc.com/</a>
Montana:	<a href="http://housing.mt.gov/">http://housing.mt.gov/</a>
Nebraska:	<a href="http://www.nifa.org/">http://www.nifa.org/</a>
Nevada:	<a href="http://www.nvhousing.state.nv.us/">http://www.nvhousing.state.nv.us/</a>
New Hampshire:	<a href="http://www.nhhfa.org/">http://www.nhhfa.org/</a>
New Jersey:	<a href="http://www.nj-hmfa.com/">http://www.nj-hmfa.com/</a>
New Mexico:	<a href="http://www.housingnm.org/">http://www.housingnm.org/</a>
New York:	<a href="http://www.nyshcr.org/">http://www.nyshcr.org/</a>
North Carolina:	<a href="http://www.nchfa.com/">http://www.nchfa.com/</a>
North Dakota:	<a href="http://www.ndhfa.org/">http://www.ndhfa.org/</a>
Ohio:	<a href="http://www.ohiohome.org/">http://www.ohiohome.org/</a>
Oklahoma:	<a href="http://www.ohfa.org/">http://www.ohfa.org/</a>
Oregon:	<a href="http://www.ohcs.oregon.gov/">http://www.ohcs.oregon.gov/</a>
Pennsylvania:	<a href="http://www.phfa.org/">http://www.phfa.org/</a>
Puerto Rico:	<a href="http://www.gdb-pur.com/">http://www.gdb-pur.com/</a>
Rhode Island:	<a href="http://www.rihousing.com/">http://www.rihousing.com/</a>
South Carolina:	<a href="http://www.sha.state.sc.us/">http://www.sha.state.sc.us/</a>
South Dakota:	<a href="http://www.sdhda.org/">http://www.sdhda.org/</a>
Tennessee:	<a href="http://www.state.tn.us/thda/">http://www.state.tn.us/thda/</a>
Texas:	<a href="http://www.tdhca.state.tx.us/">http://www.tdhca.state.tx.us/</a>

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/>



# Summary of 2012 Low Income Housing Tax Credit Policies Encouraging Permanent Supportive Housing

Note: Criteria that are new or revised since 2011 are marked in **bold**.

## Alabama (2012 QAP)

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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 five points (one point each) to applicants that provide services and/or activities for the tenants free of charge. Eligible services include computer training, tutoring assistance, after-school programs, financial services, fire safety, arts and crafts, CPR classes, and others. To qualify for points, the project owner must pay for the service, provide a place for the service, or provide transportation to the service, and must submit Tenant Service forms signed by service providers.

QAP awards maximum of 4 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, Neighborhood Stabilization Program funds, Capital Fund Program Grant, Replacement Housing Factor Fund Grant, Weatherization Program funds, CHOICE Neighborhood funds, Promised Neighborhood funds, and HUD's Economic Development Initiative program funds funded through the Community Development funds. The commitment must be a fully executed firm commitment from the applicable entity that will be granting the funds to project. The points are awarded as follows:

- 4 points - \$15,000 per unit
- 3 points - \$10,000 per unit
- 2 points - \$4,000 per unit (Note: New to CSH report, not new to 2012 QAP)

### Other Policies

None

### 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 (e.g., 1000+ units or 10+ projects receives all 10 points or 100-199 units or one project receives one point).

## **Alaska (2012 GOAL Program Rating and Award Criteria Plan/QAP)**

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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

None.

### 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 10 points to projects that serve the lowest income tenants. Points will be awarded for targeting up to 50% of the project's households 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 5 points 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 3 points 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 100% of their units to low-income tenants. Projects receive 6 points for 90% low-income units; 4 points for 80% low-income units; and 2 points for 70% low-income units. Projects located in a census tract where at least 20% of the households have income less than 30% of 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 added in 2010 GOAL Plan; Maximum points were increased from 5 to 8 in 2011 GOAL Plan)

QAP awards up to 10 points 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.

#### Other Policies

**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). (Note: New to 2012 GOAL Plan)**

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)

#### 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 (2012 QAP)

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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

The Arizona Department of Housing (ADOH) has a supportive housing set-aside for one permanent supportive with a **minimum of thirty units set aside for chronically homeless individuals with a preference for veterans at 30% AMI. (Note: New to 2012 QAP)**

Projects applying for the permanent supportive housing set-aside project are expected to have a Housing First model which centers on providing chronically homeless people with housing quickly and then providing supportive services 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. Projects applying for this set-aside must have the following requirements:

- **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 Projects that meet the requirements stated herein and have the most housing Units dedicated to chronically homeless individuals. (Note: New to 2012 Plan)**
- 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.
- Supportive Services Provider must demonstrate proven capacity and experience to serve the chronically homeless.
- Project must meet 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, etc.
- 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. **(Note: New to 2012 Plan)**

### Scoring Incentives

**QAP awards 10 points to Projects that include a HOPE VI transaction as evidenced by a copy of the approval letter from HUD. For the purposes of this scoring category, Permanent Financing does not include the Deferred Developer Fee and must have a term of no less than ten years. (Note: New to 2012 QAP)**

**QAP awards the following under the category of Occupancy Preferences:**

- **Childcare center is located at or within a 1/2 mile straight line radius of Project: 2 points**
- **On-site before/after school program: 1.5 points**
- **On-site computer training every two months: 0.5 points**
- **On-site job training, search assistance and/or placement every two months: 0.5 points**
- **On-site quarterly credit and financial counseling/education: 0.5 points**

**(Note: Requirements and points reduced in 2012 QAP)**

**Households with Children: Five 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. Additional points are available to Applicants who offer the following services. (Note: 2012 QAP changed the percentages from 40% and 20% respectively)**

### Other Policies

Permanent Supportive Housing means affordable permanent independent rental housing for persons who are homeless or have disabilities. These populations are limited, however, to the following groups: homeless individuals; seriously mentally ill; seriously emotionally disturbed; physically disabled; developmental disabled persons; victims of AIDS/HIV; victims of domestic violence; and individuals suffering from chronic substance abuse. Supportive services are provided to residents of supportive housing on an as-needed basis for as long as they are needed, with the purpose of helping residents achieve maximum possible self-sufficiency and maintain their permanent housing. Supportive services may be provided directly by the owner or through coordination with existing service agencies and may be delivered through a combination of both on- and off-site service delivery mechanism, with the provision that an on-site service coordination capacity must be maintained.

**QAP establishes occupancy preferences, one of which is Veterans 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 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. (Note: New to 2012 QAP)**

### 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 (2012 QAP)**

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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). Points depend on percentage of units targeted to special needs populations.

QAP awards up to five 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 five 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. (Note: New for 2012 QAP)**

QAP awards three 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 AMI. The number of units must be at least 5% of total units.

### 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.

#### 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.

## **California (2012 QAP)**

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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 State Supportive Housing Program funding. 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 house households moving from an emergency shelter, moving from transitional housing, or currently homeless.

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 30% AMI level. Points are based on the percentage of income targeted units to total Housing Credit units, ranging from 15 points (for 10% targeted units) to 50 points (for 80% targeted units).

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 well being, 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 360 bedrooms: five points
- Ratio of one FTE service coordinator or specialist to 600 bedrooms: 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): five points
- 60 hours of instruction per year (30 for small developments): three points
- 36 hours of instruction per year (18 for small developments): two points
  
- 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

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.

Historic Preservation: QAP awards 1 point to projects that propose to use Historic Tax Credits.

#### Other Policies

Upon construction completion, applicants must submit a detailed description of services currently provided to tenants including copies of contracts for such services, or if services are not available at the time of submission, a description of the proposed services and timetable for provision. 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

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. Agency allows a two% 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 or three, 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.

#### 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.

One to two projects in service under three years, one point/over three years, two points

Three to six projects in service under three years, three points/over three years, four points

Seven or more projects in service under three years, five points/over three years, six points

Projects applying through the Nonprofit set-aside or Special Needs set-aside only, points are available for special needs housing type projects only as follows:

- **One project in service under three years, 0.5 point/over three years, one point**
- **Two-three projects in service under three years, 1.5 points/over three years, two points**
- **Four or more projects in service under three years, 2.5 points/over three years, three points**

**(Note: Points changed in 2012 QAP)**

## **Chicago (2011 QAP, QAP was not updated in 2012)**

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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.

**[Note removal of preference for projects pre-identified through the Department’s competitive supportive housing initiative application.]**

#### 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 (2012 QAP)**

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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.

**(Note: Set-Aside amended in 2012 QAP)**

#### 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.

QAP awards eight points to developments that set aside at least 33% 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 33% 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.).

#### 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.

Homeless developments serving tenants at or below 30% of AMI are eligible for a 5% increase in developer fee. 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 Land Use Restriction Agreement. A minimum of 15% of total units in the development must be at or below the 30% AMI level.

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.

#### Developer Experience

Criteria for Approval: Experience with the development and management of multifamily rental properties. CHFA will evaluate experience in terms of the quality of the development and management experience, including the overall financial strength of the developer's current portfolio, the number of successful projects, compliance with any applicable regulatory requirements, and property management track record.

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.** (Note: Changed from a recommendation to a requirement in 2012 QAP)

## **Connecticut (2012 QAP)**

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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, affordability and tenants services defined by Supportive Housing Guidelines of the Connecticut Housing Finance Authority (CHFA) and the Department of Economic and Community Development (DECD) Consolidated Application. Projects receive 6 points for providing supportive services to more than 20% of units. Projects receive two points for targeting between 10% and 20% of units. Documentation evidencing funding commitment for supportive services must be submitted. If rental subsidy funding becomes unavailable, with the authorization of CHFA 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: Modified from 2011 QAP which awarded additional points for targeting at-risk or chronically homeless tenants)**

QAP awards up to five points 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).

QAP awards between one and four points for projects serving low-income households using project-based rental assistance (PBRA). The project must commit in the Extended Low Income Housing Commitment (ELIHC) to accept and renew PBRA as available throughout the term of the extended use period. If PBRA is no longer available, with the authorization of CHFA, units may revert to the 60% or 50% AMI restriction as stated in the ELIHC by the sponsor. Projects will receive points based on the percent of qualified units supported by PBRA.

QAP awards one point for an on-site resident services coordinator who works a minimum of 20 hours per week. **(Note: 2012 QAP eliminated two additional scoring incentives for on-site services)**

Other Policies

**Note: 2012 QAP eliminated the allocation priority committed to permanent supportive housing.**

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 two classifications: Public Housing Classification and General Classification. The nine percent round is for Public and General Classifications only, consideration for a third classification, an Exception Priority Classification, will be given at times other than during a round. An Exceptional Priorities Classification includes 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. (Note: New to 2012 QAP)**

## Delaware (2012 QAP)

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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

None.

### Set-Asides

QAP includes a \$250,000 set-aside to encourage development of permanent supportive housing units for the chronically homeless. Such an individual is defined as an unaccompanied adult with income less than 30% of AMI who suffers from one or more disabling conditions (diagnosable substance abuse disorder, serious mental illness, developmental disability, or chronic physical illness or disability) which limit his/her ability to perform activities of daily living. Funding priority is for individuals currently homeless, residing in an institution, or living in substandard or overcrowded conditions. Developments must include contracts and/or commitment letters for project based housing assistance payments and/or rental assistance (either from federal, state, or sponsor-funded resources) for the duration of the affordability period. In addition, on-site services must be documented through contracts and/or commitment letters for the affordability period. See additional requirements under Other Policies below.

### Scoring Incentives

**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. Maximum points are awarded when 50% of units are targeted for 30% AMI. Documentation of income targeting must be provided as an exhibit to the application (Note: New to 2012 QAP).**

**QAP awards three points to 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). DSHA will allow a higher developer fee if the amount of equity funds generated by the increased developer fee calculation that is in excess of DSHA's maximum developer fee limit is committed by the applicant/sponsor for setting up a DSHA held subsidy reserve. Applicants may request a developer fee not to exceed 5% above the maximum allowable developer amount only if the applicant commits the entire additional basis/equity generated by the additional developer fee for the rent subsidy escrow for ELI residents for the initial compliance period (New to 2012 QAP).**

QAP awards five points to developments that provide permanent housing 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 qualify for points in this category, **50%** of the property must be made available for the special needs population. Additionally, a minimum of three services specifically addressing the needs of the identified group must be provided free of charge to the residents. Documentation of services and service funding must be provided. **(Changed from 100% in 2011)**



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. Services must be provided on site and should be actively linked to the residents and not simply provided to the community at large. To qualify for points, sponsors must submit a Support Services Plan that includes the following: qualifications of the social service organizations that will be utilized at the property, including their history, capacity and experience; a program description including the details and goals of the programs for the residents; and contracts or commitment letters from each social service provider. Examples of services include parenting programs, literacy programs, day care, job training, nutritional services, transportation, financial literacy and counseling.

One point will be awarded for developments that are utilizing local public housing waiting lists and/or Section 8 existing waiting lists. The application must contain a letter from the appropriate agency in order to receive this point.

#### Other Policies

Housing developed under the permanent supportive housing set-aside must have staffing 24 hours a day, 365 days a year. In addition, the application must demonstrate that on-site services will be provided to residents and should address, at minimum:

- The type of services to be provided and strength of commitment to provide services for the duration of the affordability period;
- The anticipated sources of funding for such services and clear identification of how services will be funded and maintained during the affordability period;
- The physical space that will be used to provide such services; and
- How the sponsor or supportive services provider meets the needs of the intended population and their experience in providing services to the targeted population.

#### 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.

## **District of Columbia (2012 QAP)**

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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.

## Florida (2012 QAP)

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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 eight points to developments for provision of resident programs. Qualified programs include health care, resident activities, health and nutrition, financial counseling, English as a second language, resident assistance referral, swimming lessons, life safety training, and mentoring.

QAP awards up to six points to homeless developments for provision of additional resident programs. Qualified programs include literacy training, and employment assistance programs. SRO developments may also receive points for staffed kitchen or cafeteria, and daily activities. Non-SRO developments may also receive points for homeownership opportunities, first-time homebuyer seminars, and after-school programs for children. (Note: Welfare-to-work and self-sufficiency programs eliminated from eligible resident programs in 2011)

### 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.

Florida Housing Finance Corporation's (FHFC) 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 elderly development, one RD preservation development, and one public housing revitalization development.

FHFC will designate Developments as 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 includes any Homeless Development awarded in the 2011 Universal Application Cycle, which will be eligible for the 30% boost if that Development is not located in a HUD-designated DDA or QCT.

Agency 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.

### 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 (2012 QAP)

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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

All projects selected for funding (regardless of their tenancy) must demonstrate a willingness to initiate marketing of units to populations with disabilities or the homeless. Each project selected for an award of credits must prepare and submit a Marketing Plan outlining how the project will market units to tenants with special needs. 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.

### Set-Asides

*Special Needs Set-Aside:* Up to **\$1,000,000** will be set-aside for Department of Community Affairs (DCA) Office of Special Housing Initiatives projects. In order to be considered for this set-aside, the applicant will need to provide a commitment from the Permanent Supportive Housing Program, which includes a determination that the project meets the QAP threshold requirements. **(Note: Allocation increased from \$950,000 to \$1,000,000 in 2012 QAP)**

**(Note: HOPE IV set-aside removed from 2012 QAP)**

### Scoring Incentives

QAP awards three 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 **(Note: 2011 QAP allowed for incentives at 5 and 10% of low-income units as well).**

**QAP awards four points to Applications for new construction that have an award of government-awarded project based rental assistance for a specified number of low-income units for a minimum of ten years. In order to qualify for these points, equal to or greater than 30% must meet the stated requirement. 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) (Note: New to 2012 QAP).**

QAP awards three points to an application that agrees to accept rental assistance from a state (e.g. Georgia Rental Assistance Program), federal (e.g. HUD Section 811 project-based rental assistance) or other approved entity for up to 5% 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 (#1:10-CV-249-CAP).

QAP awards 6 points to HOPE VI or Choice Neighborhoods Initiatives. A project will receive the points if it is a phase or component of a PHA-sponsored Community Building Initiative or part of a PHA-sponsored HOPE VI/Choice Neighborhoods revitalization initiative. The Initiative must:

- Provide affordable units for an extended period of 30 years or more;
- Be part of a mixed income phased community with a significant market component;
- Facilitate the de-concentration of poverty; and
- Provide for community improvements or amenities, which may include but are not limited to new or improved public infrastructure, green-space, improved transportation, quality of life enhancements, or other improvements benefiting the community.

*Documentation:*

- a) A copy of the HOPE VI or Choice Neighborhoods Revitalization Grant Assistance Award (form HUD-1044) which identifies the PHA receiving the HOPE VI or Choice Neighborhood grant and the amount of the grant, and additional documentation reflecting the time limits for use of the HOPE VI or Choice Neighborhoods funds;
- b) A letter from the Executive Director of the identified PHA certifying that:
  - the development proposed in the Initial Application is identified in the PHA's HUD approved HOPE VI or Choice Neighborhoods application or Revitalization Plan;
  - the housing units are an essential element of that Plan; and
  - the Tax Credits for the development proposed in the Initial Application are an essential component of the financing plan for the PHA's HOPE VI or Choice Neighborhoods Program.
- c) A copy of the HUD approved Revitalization Plan.

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.

In the event one or more projects have the same score, but DCA has insufficient resources to fund all of the projects having that score, certain priorities will be utilized to evaluate projects, including projects that commit the majority of units to special needs populations.

### Developer Experience

As an alternative, the QAP awards one point if the General Partner and Developer of the proposed project has been a project participant in one low income housing tax credit project which received an allocation in 2008 or 2009 or 2010, prior to Application Submission. The closing must have included a federal syndicator of credits and not been a 100% Exchange project.

DCA requires prior successful project experience for the Owner, Developer and Manager of a proposed project. The principal and entities of each General Partner, Developer, Management Company and Project consultant (used to meet DCA experience requirements) must submit a complete and correct DCA Performance Workbook. Each Compliance History Summary (CHS) form must list all projects in which an entity or principal has participated in the ownership, development or management in the State of Georgia and in any other state. Compliance audit detail should be completed for only the last three years. In addition, the following documentation must be included in the application as detailed in the Performance Workbook:

- Completed Compliance Questionnaire for each General Partner, Developer, Management Company and Project Consultant.
- Organizational Chart
- DCA Compliance history form executed by other State Housing Agencies pursuant to DCA instructions. In the event an Owner is unable to obtain documentation from another State Housing Agency, written documentation of the attempts should be submitted to DCA. DCA will contact the Agency directly to obtain the required information.

### **Non-qualified entities have the following options:**

- **Partnering with a Qualified Without Conditions entity:** DCA generally encourages entities that have insufficient technical expertise and/or experience to partner with qualified entities to gain experience and capacity in the tax credit program.
- **Capacity Building for industry professionals:** A Project Participant that has extensive experience in the tax credit industry but who does not have the requisite successful tax credit ownership and/or development experience may also be deemed qualified under a probationary designation with conditions. An Applicant seeking a probationary designation must show evidence of full time employment in the tax credit industry for a minimum period of five years, evidence of material participation on the successful development of at least two Tax Credit projects during that period, a complete resume, etc (Note: New to 2012 QAP).

**(Note: Tax Credit Experience scoring incentive for developers removed from 2012 QAP)**

## **Hawaii (2011-2012 QAP)**

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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 (2012 QAP)**

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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 15 points to developments designed for special needs populations (elderly, handicapped, developmentally disabled, or mentally ill) and/or which provide continuing supportive services to assist families in becoming more self-sufficient or which address identified tenant needs as follows:

- Developments with 25% of the rent restricted units designed solely to provide independent living opportunities for persons with mental, physical, or developmental disabilities; or
- Developments which provide 100% of the housing units designed and dedicated for elderly

- persons 62 years of age or older. Persons with disabilities may also be eligible occupants; or
- Developments in which at least 80% of the units are designed and occupied by at least one person 55 years of age or older.

To qualify for points, developments must submit a supportive services plan that describes the history and capacity of the service provider, a detailed program description, and an estimated program budget. In addition to the plan, developments must provide an executed commitment letter or memorandum of understanding from a supportive services provider that: 1) outlines the services provided, 2) documents the background and experience of the provider in providing the proposed services, and 3) specifies how often and where services will be provided. Supportive services must be offered on an ongoing and regular basis (i.e., monthly or weekly) at the development site to be considered for points. The costs of services provided must be funded outside the operations of the property.

QAP awards 5 points 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.).

#### 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

Resident sponsors who have previous housing development experience (at least a 24-unit multifamily complex) in the State of Idaho (five points).

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 (2012 QAP)**

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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 and Set-Asides

None.

#### Scoring Incentives

QAP awards a maximum of 25 points to developments that target more than **25% (up from 20% in 2011)**



of units for Extremely Low Income (30% AMI or below) Supportive Housing Populations. To qualify for points, applicants must demonstrate a partnership with a lead referral agency and submit a referral and support plan as described below. Maximum points are allocated to projects that commit **25%** of units or more 30% AMI for Supportive Housing Populations. QAP awards 15 points to projects that commit **20 to 25% (Note: Up from 10 to 20% in 2011)** of units to this population, and **10 points (Note: Reduced from 15 in 2011)** to projects that commit 10 to 20% of units to this population.

**QAP awards up to 15 points to projects that include 50% or less of total units as Targeted Units, with the remainder of units being general affordable housing or mixed-income units. Projects receiving points under this section are not eligible for the 30% Boost as discussed in the Tax Credit Information section of the QAP. QAP awards 15 points to projects that commit 25% or more targeted units within this respective category. QAP awards 10 points to projects that commit between 20 and 25% to targeted units, and 5 points to projects that commit between 10 and 20% to targeted units within this respective category (Note: New to 2012 QAP).**

QAP awards **up to 25 points** to developments that target 50% or more of units for Supportive Housing Projects including dedicating 10% of total units or greater as Targeted Units. **Projects that include additional non Targeted Permanent Supportive Housing Units, beyond the Targeted Units (see Other Policies), must also provide an on-site support coordinator to assist residents in (i) the application process; (ii) in implementing the tenants' plan for success in permanent housing; (iii) and in continuing linkage to community-based supportive services as needed. The amount of on-site service coordination must be appropriate for the number of supportive housing units. The Application must include a supportive housing plan as described below. QAP awards 25 points to projects that commit 25% or more targeted units within this respective category. QAP awards 15 points to projects that commit between 20 and 25% to targeted units, and 10 points to projects that commit between 10 and 20% to targeted units within this respective category. Points are not cumulative with the previous section. (Note: Modified in 2012 QAP).**

QAP awards eight points for complying with both of the following requirements: (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. The units designed for persons with sensory impairments must be exclusive of the units designed for persons with mobility impairments. Owners seeking points in this category must submit a certification signed by a licensed architect that the project will comply with the requirements listed above. Please see the "Scoring – Enhanced Accessibility Certification" on the Authority's website.

QAP awards 5 points for projects that will be marketed to veterans. In order to receive points in this category, sponsors must:

- **Provide in the Application a signed letter of support for the Project from a local veterans' services agency; and**
- **Provide in the Application a written narrative describing on-going efforts to market the Project to veteran**

A Project that receives points in this category and is awarded Tax Credits may be required to provide additional documentation regarding marketing to veterans. The Sponsor's commitment to these scoring criteria shall be binding for the duration of the Extended Use Period and shall be incorporated into the Extended Use Agreement of an approved Project. **(Note: Requirements added in 2012 QAP)**

### Other Policies

**The aforementioned Targeted Units are defined herein as Permanent Supportive Housing units set aside for households earning at or below 30% of Area Median Income (AMI), which are headed by persons with disabilities and referred through a State referral network. Targeted Units will assist the State in its efforts to transition persons with disabilities from long-term care to community-based housing. In addition these targeted units must be open to persons with any type of disability, must be filled by households referred through a State referral network, represented by an assigned Lead Referral Agency, must be available at the time of Application and must remain available throughout the construction process. Currently occupied Projects must include evidence that all Targeted Units are vacant at the time of Application and are not subject to an existing waiting list. (Note: New to 2012 QAP)**

To qualify for the supportive housing scoring incentives described above, developments must submit a supportive housing plan that addresses, among other things: 1. Site suitability, including accessibility features, access to transportation, and proximity to community amenities; 2. Affordability to targeted populations; 3. Access to services; 4. Support coordination, including qualifications of the agency providing the on-site support coordinator; and 5. Tenant referral and screening process.

To qualify for points for provision of supportive housing described above, developments must submit a referral and support plan that looks into three categories: (1) Residential rent schedule by unit size and status; (2) How targeted units will be made affordable to households earning at or below 30% AMI; and (3) Agreement details among all partners.

The Authority's priorities are derived from Executive Order 2003-18, which include these underserved populations: (1) Low-income households (with particular emphasis on households earning below 30% of area median income); (2) Low-income seniors; (3) Low-income persons with disabilities; (4) Homeless persons and persons at-risk of homelessness; (5) Low- and moderate- income persons unable to afford housing near work or transportation; and (6) Low-income persons residing in existing affordable housing that is in danger of being lost or becoming unaffordable.

Projects that meet the requirements that target 50% or more of units for Supportive Housing Projects under the Supportive Housing Projects category may apply for a Boost of up to 30% of their eligible basis.

**Projects that demonstrate all requirements of Permanent Supportive Housing, as defined under Housing Policy Goals and Objectives / Permanent Supportive Housing scoring section will be used as a second tiebreaker in the event that two scores are the same (Note: New to 2012 QAP).**

### 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. (Note: New to 2012 QAP)**
- 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.

#### *Ownership Experience*

In order to meet the Authority’s mandatory development team standard for ownership experience, the following minimum requirement must be met:

The Sponsor must demonstrate prior successful experience as follows: In at least one Authority Tax Credit Project, at least one other subsidized, low-income multifamily rental development that contains at least the number of housing units in the proposed Project, or at least one comparable housing development as determined by the Authority. To be considered, the experience must extend for at least two years and must include both the development as well as the operating of the project(s).

In addition, the experienced team member described above must:

- Be identified in the Application, and
- Remain responsible for overseeing the operation of the Project for the entire Compliance Period.

Partnerships between inexperienced Sponsors and those with the experience necessary to fulfill this requirement are encouraged.

#### *Management Experience*

In order to meet the Authority’s mandatory development team standard for management experience, the following minimum requirement must be fulfilled:

- The proposed management agent must demonstrate prior experience in the management of at least one Authority Tax Credit Project or one other subsidized, low-income multifamily rental development with tenant income certifications and ongoing reporting requirements that contains at least the number of housing units in the proposed Project. If the management agent has no experience in the management of Tax Credit Projects, it must demonstrate that at least one staff member assigned to the proposed Project has demonstrated prior experience meeting these requirements.
- To be considered, the management agent’s experience with a Project must extend for at least two years and include Project lease up experience and stabilization (90% occupancy within one year of placed in service date).

#### *Development Team Capacity:*

The Authority will evaluate the proposed Participants’ capacity to successfully complete the Project based upon the following criteria:

- Past experience developing affordable housing using income and rent-restricted 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. The Authority 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 Project and ownership partners.
- Past experience operating affordable housing using income and rent-restricted programs and maintaining these developments in compliance with all program restrictions and standards. The

Authority will consider location and experience in the geographic areas to be served, experience with the type of housing product proposed, and the past working relationships with ownership entities and compliance staff.

- Development capacity to complete construction of all current developments on time and within program requirements and application commitments, as well as the number of outstanding incomplete developments when determining capacity.
- Financial capacity to ensure that construction will be completed on time and that work will be guaranteed for completion.

## Indiana (2012-2013 QAP)

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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

None.

### 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. 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 Housing First applicants who complete the Indiana Supportive Housing Institute may apply and receive a reservation of tax credits outside the published rounds identified in Section H.1: Miscellaneous – Application Dates.

QAP includes a 10% set aside of annual rental housing tax credits for housing persons with special needs (includes homeless persons, persons with physical or developmental disabilities, persons with mental impairments, single parent households, victims of domestic violence, abused children).

### 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 summary that includes a checklist, identifies the annual budget, identified the role of the Tenant Investment Coordinator, and a description of how the services will meet the tenants' needs. The Tenant Investment Plan is evaluated on four levels:

- Level 1: Programs/Classes (worth 1-3 points) require that a project provides a good or service as a tenant incentive and require ongoing tenant participation and/or program management. Incentives could include discounts, referrals and exceptional educational resources.
- Level 2: Behavioral/Health Services (worth 1-4 points) applies to projects that target services for

specific tenants to offer treatment, prevention, or assistance depending on the classification of special needs.

- **Level 3:** Community Enhancement to encourage Aging in Place (worth 1-6 points) requires both extensive tenant participation as well as management maintenance. Programs should be designed to create positive outcomes in such areas as (but not limited to) tenant relationships, community, social or environmental awareness.
- **Level 4:** Permanent Supportive Housing (worth 1-8 points) is reserved for supportive services offered by applicants building Permanent Supportive Housing developments. These types of services must be in line with or match the philosophy of the Housing First description.

QAP awards up to 4 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 up to 25 points as a Mixed Income Incentive. The applicant can earn 1 point (up to 20 points) for each full one percent of the units provided at market rates. The applicant can earn 1 point (up to 5 points) for each full one percent of units that serve 30% AMGI qualified tenants. (Note: Points were increased from 20 to 25 points in 2012 QAP by adding the 30% AMGI standard.)**

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.

#### Other Policies

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.

To receive points for special needs housing, developments must submit a resume of the organization providing supportive services (demonstrating an ability to provide services to the target population); and 2) the applicant and a qualified organization that provides and has the capacity to carry out services for the target population must enter into an agreement whereby the owner agrees to: a) set aside a number of units for the target population; and b) notify the qualified organization when vacancies of the set-aside units occur at the development. The qualified organization must agree to: a) refer qualified households to the development; and b) notify households of the vacancies of the set-aside units at the development.

Housing First is an innovative approach to engage and rapidly house individuals who are homeless into permanent supportive housing and to provide intensive and flexible services to stabilize and support housing tenure. Eligible Housing First applicants who complete the Indiana Supportive Housing Institute

may apply during the open round as defined in Section H.1: Miscellaneous – Application Dates.

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: Service rich interventions are attempted to try to exhaust all other solutions prior to serving a tenant an eviction notice.
- Strength-based model with emphasis on building community: Peer support and community meetings are used to help individuals feel connected to their community.

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

- Minimum Units – The Development must set-aside 10% of the units or 10 units (whichever is greater).
- 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.

Referral, Screening, and Communication:

- 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 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 a clear separation of property management and supportive service provision functions within or among partner organizations to assure confidentiality of tenant information.
- 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 Indiana Supportive Housing Institute. Housing First applicants are also encouraged to participate or be involved with the Continuum of Care process, Work One, Department of Mental Health and Addiction, Family Social Services Agencies, Veterans Affairs, and/or Supportive Housing Leadership Forum.

Among the Agency's goals is to increase the supply of permanent supportive housing through community-based partnerships for homeless individuals and families and provide housing for special needs persons.

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.

#### 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 (2012 QAP)**

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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

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

QAP awards up to 30 points for projects providing service-enriched housing or assisted living in which 25% or more of the total project units give preference in tenant selection to any of the following special needs populations: (1) Homeless persons, including homeless individuals, families, youth, and/or veterans, (2) Persons with a physical or mental, and/or developmental Disability, (3) Persons with mental illness, (4) Victims of domestic violence, (5) Frail Older Persons, (6) Persons living with HIV/AIDS and (7) Persons in recovery from chemical dependency. See other requirements below.

QAP awards **15** points for having at least **75% (reduced from a maximum of 20 points for 100% accessibility)** of the Low-Income Units fully Handicapped Accessible (not adaptable). **In addition, 10 points will be awarded for between 50 and 75% of LIHTC units being handicap accessible, and 5 points will be awarded for between 25 and 50% of LIHTC units being handicap accessible (Note: New to 2012 QAP).**

QAP awards up to 20 points for Projects that provide Units that are set aside and occupied by tenants with incomes at or below 40% AMGI and are rent restricted. One point is awarded for each full 1% of the total Project Units.

Mixed Income Incentive: QAP awards up to 25 points 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 (**20 points maximum**). On-site staff units cannot be counted for points. **QAP awards an additional 5 points for 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. **(Note: Scoring incentive was amended in 2012 QAP)**

**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), and medical services. (Note: Scoring incentive amended in 2012 QAP)**

**QAP awards 5 points out of 25 available under the category Market Appeal. 5 points are awarded for projects with a Medical Alert System made available to all tenants of an elderly project or all tenants who have special needs. Installation and/or set-up of the system as well as monthly operating costs must be at the expense of the Project ownership. (Note: New to 2012 QAP)**

### Other Policies

To receive points under special needs, services must be actively linked to the Project, not simply provided to the community at-large, and the applicant must submit all requested documentation at application including, but not necessarily limited to, the following:



- Commitment to hold, pursuant to IFA's held for occupancy policy, 25% or more of the total project units for occupancy by the selected special needs population(s);
- Comprehensive Supportive Services Plan;
- Service budget that supports the proposed services plan;
- Marketing plan describing outreach to potential tenants to whom services are targeted;
- Executed MOU between the ownership entity or developer, the lead service provider, and the management company outlining the duties and responsibilities of each party in relation to service delivery to the tenants; and
- Letters of intent, agreements, and/or contracts with one or more local service providers, if services will be delivered by outside organizations. (Note: Revised requirements for special needs populations.)

Resident Population with Special Needs means one of the following:

- Homeless Persons, including homeless individuals, families, youth, and/or veterans
- Persons with a physical or mental, and/or developmental disability
- Persons with mental illness
- Victims of domestic violence
- Frail Older Persons
- Persons living with HIV/AIDS
- Persons in recovery from chemical dependency

#### Developer Experience

QAP awards up to 5 points if a Developer or General Partner contributes cash to the Project. A cash contribution does not include a deferral of a developer fee. One point is awarded for each full 1% of the Total Project Costs, for a maximum of 5 points.

QAP awards up to 15 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.

5 points if Developer 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 (2012 QAP)**

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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 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).

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 (15 points for each priority need).

QAP awards 5 points for a variety of services, which the Development provides or has agreements in place for, including medical counseling/consultation, resident management and initiatives, and others.

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 (2011-2012 QAP)

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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

Kentucky Housing Corporation (KHC) allocates \$1,000,000 to qualified nonprofits, \$300,000 of which will be set-aside to projects with special needs. To be considered special needs, at least 25% of the units must be set-aside for special needs. (Note: New to 2011-2012 QAP) The special needs set-aside is not restricted to a cap of funds.

KHC has established a State Priority Set-Aside to address specific housing needs in Kentucky. The State Priority Set-Aside totals \$1,565,000 for 2011 and \$2,000,000 for 2012. The State Priority Set-Asides are not restricted to a cap of funds. The projects eligible to apply in the State Priority Set-Aside are the following:

1. **Scholar House Projects:** (\$965,000 in 2011; \$1,400,000 in 2012 for Scholar House and Recovery Kentucky) Scholar House is a single-parent housing and education initiative administered by Kentucky Housing Corporation. The program is designed to help unemployed or underemployed single-parents pursue an education to become self-sufficient.
2. **Covington HOPE VI:** (\$600,000 in 2011 and 2012) The City of Covington received a \$17,000,000 HOPE VI grant from HUD in 2010. Out of a total of 169 units of house, 38 will be renovated using LIHTCs and the Neighborhood Stabilization program. As part of the program, funds will be used for a Community and Supportive Services (CSS) Program that will help residents transition into self-sufficiency. The Covington Housing Authority will partner with local organizations to from case management, workforce development, and education services.
3. **Recovery Kentucky:** (\$1,400,000 in 2012 for Scholar House and Recovery Kentucky) 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 additions while simultaneously moving them into permanent housing.

(Note: New to 2011-2012 QAP)

### Scoring Incentives

QAP awards 25 points if Section 8 or Rural Housing rental assistance is secured for 100% of its units. If rental assistance is secured for less than 100% of the units, the project receives 15 points. (Note: New to 2011-2012 QAP)

**Note:** Eliminated scoring incentives awarding 30 points for setting aside 15% of units for persons with an impairment or disability. Scoring incentives were replaced with new set-aside for special needs populations. (2011 QAP)

**Note: Eliminated scoring incentives for rent restrictions (including restrictions of 30% of AMI). These restrictions were replaced with scoring preferences for projects which have a rent subsidy and a scoring category for projects converting existing affordable market rate housing to affordable units. (2011 QAP)**

Other Policies

None.

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 three 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 housing credits or tax exempt bonds.**

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 within the past three years.

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) 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. **(Note: Two scoring guidelines present in the 2009 QAP that deducted 5 points each for noncompliance issues were eliminated.)**

## **Louisiana (2011 & 2012 QAP)**

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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

None.

Set-Asides

**Public Housing Agency (PHA) Pool: 8.99% of the State's 2011 and 2012 Per Capita component will be allocated to qualifying applications from Public Housing Authorities. To qualify for this PHA pool, applicants must have the signed Certification Form from Louisiana Housing Council included in the application package and have at least 51% ownership in the project. (Note: New to 2011-2012 QAP)**

### Scoring Incentives

QAP awards **5 points** for Single Room Occupancy Shelter. Applicant must submit evidence from local government unit or appropriate continuum of care district that project satisfies need for homeless shelter.

**(Note: Points decreased from 10 points in 2010 QAP)**

QAP awards 10 points for Accessible Project. An Accessible Project is one in which at least 25% of the units are Disability Equipped Units and set aside for Disabled Households and evidencing appropriate Project Based Subsidy to support Disabled Households. Projects must show evidence of appropriate Project Based Subsidy to support Disabled Households occupying the Disability Equipped Units whose incomes are at or below 30% of the area median income (AMI). Accessible Projects must provide 5% of units accessible for people with mobility impairment and 2% for people with hearing or vision impairments.

QAP awards up to 10 points for Special Needs Households **(includes homeless households, disabled households, and tenant populations of individuals with children) that serve 20% of the households. Six 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 federal or other funds for persons with disabilities.

QAP awards 5 points if at least 10% but less than 15% of the project units serve PSH households. QAP awards 4 points if the project sets aside between 5% and 10% of units for PSH households.

### Other Policies

In order to receive points for being an Accessible Project 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

In addition Accessible Projects must include:

- Evidence of Project Based Subsidy for Handicapped Households.

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.

Special needs projects are one of four types of projects allowed a special \$175 maximum average dollar per square-foot limit (compared to \$150 per square-foot limit for typical projects).

Permanent Supportive Housing Project: A Project in which between 25% and 50% of the Low Income Units are designated to be occupied by a member of an Eligible Target Population for Permanent Supportive

Housing and for which a Taxpayer/Owner submits with the Tax Credit Application either (i) an irrevocable binding commitment for Project Based Subsidy for units constituting Permanent Supportive Housing or (ii) demonstrates in the project's operating pro forma that units which are not Permanent Supportive Housing adequately subsidize the units occupied by the Eligible Target Population For Permanent Supportive Housing in a manner consistent with the minimum coverage ratios required by this QAP. A minimum of the units designated as permanent supportive housing units will be either efficiencies or one-bedroom units.

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 and
13. Services tailored to the frail elderly including securing access to meal services adequate to meet nutritional needs, housekeeping aid, personal assistance, and other services essential to a frail elder maintaining independent living.

#### 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 Agency or any other state allocating agency unless the LHFA 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 2011/2012 cycle and removing from consideration any application where they are identified.

(Note: Project Team/Developer Threshold Requirements were modified in 2011/2012 QAP)

## Maine (2012 QAP)

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Supportive housing developments are an eligible use of the Credit and compete in the general application cycle subject to threshold requirements, or, if qualified, within the housing for persons who are homeless set-aside. 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.

All developments must submit a detailed service plan that describes services offered to the residents of the project, identifies and describes the experience and training of the proposed resident service coordinator(s)

that will provide the services, identifies where services will be provided to the residents of the project (e.g. on-site office), includes a services budget of all costs associated with offering the services in the service plan (including without limitation the salary, benefits, travel, orientation and ongoing training or education of the resident service coordinator(s), the operation of the office or other space used to provide the services and office equipment and supplies), and describes the funding source(s) for the services budget.

### Set-Asides

QAP includes a \$400,000 set-aside for housing for persons who are homeless. To qualify, developments must:

- Contain separate living units which include both cooking and bathroom facilities;
- Set aside a minimum of 75% of the units for persons who are homeless;
- The Project may be situated on scattered sites;
- The Applicant must submit a detailed service plan specific to the needs of persons who are homeless, acceptable to Maine Housing, a commitment by one or more qualified service providers to provide the services described in the plan and information about funding for the services with its Application; and
- An Applicant must indicate its desire to compete in this set-aside in its Application.
- **In the event the amount of Credit under this set-aside is not sufficient to complete the Project proposed by the highest-scoring eligible Applicant, additional Credit will be allocated to the Applicant up to the maximum credit amount set forth in Section 4.E. of this Rule regardless of the Applicant's score in relation to the scores of other applicants. The maximum amount of Credits that an Applicant may receive is the lesser of (i) \$20,000 per Credit-eligible unit for a Project and (ii) 30% of the State Ceiling for the year in which the Applicant applied for Credit. (Note: New to 2012 QAP)**
- Successful applicants under this set-aside are eligible to receive, if agency makes the resource available, project-based Section 8 rental subsidy for at least 25% of the total units in the project.

Projects under the Housing for Persons who are Homeless Set-Aside that are located in the following Service Center Communities will receive five points: Portland, Bangor, Lewiston, Biddeford, Saco, or Sanford.

### Scoring Incentives

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. The Applicant must submit a description of the services and a written commitment or letter of support from a qualified service provider to provide the services with the Application.

A Project for families in which a minimum of **50% (up from 20%)** of the total low income units in the Project are two or more bedroom units and a minimum of **20% (down from 30%)** of the total low income units in the Project are three or more bedroom units will receive 6 points. **(Note: Percentages changed in 2012 QAP)**

### Other Policies

QAP requires developments that deliver services to special needs populations to provide documentation



from an identified funding source.

Agency's annual statewide needs assessment identified a need for housing with services for persons with special needs including, without limitation, the homeless, persons with mental and physical disabilities and the elderly.

A Project will receive **up to 7 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 **4** points to projects which have commitments between 50 and 75%, and **6** points to project based rental-commitments totaling between 75 and 100% of the units. If all units receive this assistance, QAP awards **7** points. 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. The Applicant must submit the commitment of project-based rental assistance, including the specific terms of the rental assistance, with the Application. **(Note: Modified from 2011 QAP, where projects could earn either 5 points for a 75% or greater commitment, or 3 points for commitment of project-based rental assistance for between 25 and 75% of units)**

#### Developer Experience

Sponsor Characteristics (maximum of **6** points) (down from 11 points in 2011). The requirements include:

- 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.
- 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. Applicants must complete the self-certification section of the Application to receive these points.
- 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 two points. Applicants must submit a binding commitment from the management company to manage the Project and a certificate(s) or other evidence satisfactory to Maine Housing of the management company's low-income housing tax credit training and experience with its Application.

## **Maryland (2012 QAP)**

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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 15 points to developments targeting units to the 30% AMI level. Maximum points are awarded for projects in which all low-income units are targeted to 30% AMI or less, and points for projects with other income mixes are determined based on the weighted average percent of median income per bedroom.

QAP awards 5 additional points for projects committing to rent at least 10% of units to households with incomes of 30% or less of the area median income for the compliance period. These points may also be awarded for non-project based Section 8 projects that obtain project-based vouchers for at least 10% of the units for a minimum of 10 years.

QAP awards up to 5 points to developments that provide integrated independent housing opportunities for individuals with disabilities, particularly those living on Supplemental Security Income (SSI) or Supplemental Security Disability Income (SSDI). Transitional housing or other facilities with limits on the term of occupancy or leases by tenants are not eligible to receive points under this category. To receive points, the units must be made available only to individuals with disabilities at or below 50% AMI and held for individuals with disabilities at or below 50% AMI, including SSI/SSDI recipients, until the prescribed percentage of income-qualified resident individuals with disabilities is achieved but not longer than 60 days beyond 80% of initial occupancy for new construction projects. Points are awarded to occupied rehabilitation projects that will market and hold units for individuals with disabilities at or below 50% AMI, including SSI/SSDI recipients upon turnover for at least 60 days after vacancy. Points are awarded based on the percentage of total units within the project whether or not rent- or income-restricted targeted to individuals with disabilities, including those at SSI/SSDI income levels – ranging from one point for one to three percent of proposed units up to five points for 10% or more of proposed units. To receive points, an application must include a letter, a memorandum of understanding or other agreement with an entity that will assist the applicant in marketing the units to individuals with disabilities. The sponsor also must include with the application a marketing plan for meeting its targeting commitments.

QAP awards up to 15 points to developments linking service programs to the project. To receive points, sponsors must submit a tenant service plan. The points are broken down as follows:

- Up to three points may be awarded to projects that rely on passive community links for services rather than active service provision on-site or with community service providers. To receive these points, the application must include a narrative describing the services available in the community that will address the threshold service requirements for the property and how they will notify residents on a regular basis of the availability of these services. Project owners do not need to pay for the services to receive these three points.
- Up to 10 additional points may be awarded to projects that augment passive community links for services by identifying a tenant services provider for services on-site or in the community. To receive these additional points, the application must include a narrative describing the services to be provided, how they will solicit and utilize resident input concerning the type and range of services provided, and how they will fund the services over the life of the project. Projects that include on-site services must be designed to include the necessary physical off-site through a Memorandum of Understanding or other executed agreement with the community service provider. To earn maximum points, the project must be able to demonstrate sustainable funding for tenant

services through funded service escrows, grants or other non-project sources.

- QAP awards two points to developments that provide subsidized high-speed Internet services with training and support to each dwelling unit in the project.

### Other Policies

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

### 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 (50 maximum points):* Points will be awarded based on the demonstrated relevant experience and qualifications of the members of the development team. Crucial for determining the capacity of the development team are the members of the developer entity including the applicant, developer, co-developer, guarantors, consultant, and general partner or managing member (the entity with a controlling interest). The other lead members of the team are the general contractor, architect and management agent. Staff will evaluate the development team members based on their record of accomplishment during the past five years with projects that are similar to the proposed project. Team members without appropriate experience should establish partnerships with experienced entities.

A scattered site project requires all members of the development team to have prior experience with similar sized scattered site rental properties and the ability to provide evidence of this experience. Projects may lose points if a scattered site development is submitted without documentation of previous performance with similar scattered site properties. For maximum points, all team members including those with controlling interests in the developer and the project owner should have previous experience with scattered site developments and operations.

To avoid a deduction of up to 30 points against the Development Team score, sponsors must submit a request for a waiver in accordance with Section 5.0 of this Guide that includes a detailed explanation of the reasons for failing to meet these standards.

## Massachusetts (2012 QAP)

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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.

***Higher Thresholds for Round 2:*** At present, Department of Housing and Community Development (DHCD) anticipates holding a second 2012 funding competition in September or October and anticipates accepting new applications during that round. However, as the year progresses, DHCD will work with the development community and, if necessary, amend the QAP to incorporate higher threshold standards - related to readiness and Department priorities – for new applications. Sponsors intending to seek state low-income tax credits during the second round should anticipate being limited to one application for the state credit. (Note: New to 2012 QAP)

### 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 establishing a set-aside within this 2012 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. It appears that the two projects, cumulatively, will need approximately \$7 million in 9% credit in order to proceed to full financial closings and construction starts. At this time, DHCD anticipates accepting the HOPE VI credit applications on a rolling basis and anticipates spreading the 9% credit awards over as many calendar years as possible. At present, the Department expects to allocate up to 20% of its per capita federal authority to these projects in three consecutive calendar years. DHCD also anticipates allocating up to \$9 million total in state housing credits to the two projects. Given the impact on the total rental resources available in Massachusetts over the next few years, DHCD is prepared to report regularly to the development community on the funding committed to the HOPE VI projects and on their remaining needs. (Note: New to 2012 QAP)

### Scoring Incentives

QAP awards eight points to developments with at least 15% of the units set aside for individuals or households with special needs and/or persons with disabilities. This category includes, but is not limited to tenants with developmental disabilities, formerly homeless households making the transition to permanent housing, individuals with children, and frail elderly to be served in assisted living projects. To receive points, the agency must be satisfied that the project design, amenity package, and services package are appropriate for the intended residents.

QAP awards six 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.

### 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.

QAP affirms its commitment to tax projects that include characteristics of critical importance to the state agency and its mission, including (1) a set percentage of units within each project must be dedicated to extremely low income households, including individuals and families making the transition from homelessness, and (2) some units within each project will be set aside for persons with disabilities, and appropriate service plans will be developed for these individuals or households.

### 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 (2012 QAP)**

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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

All projects with allocated tax credits (excluding elderly projects and projects using tax-exempt bond financing) will be required to target 10% of the total units to Supportive Housing Tenants. Projects are not required to provide onsite supportive services or a service coordinator. Owners must demonstrate a partnership with a local lead agency and complete the Permanent Supportive Housing Inclusion Plan requirements (See Other Policies); both the agency and Plan must be approved by MSHDA.

The following provisions also apply to this threshold:

- **"Safety Valve" to Allow for Project Viability** - The PSH threshold requirement is predicated on the service provider and referring agency providing qualified rental applicants. To protect operational viability, a "safety valve" is available for supportive housing units. This safety valve combines the interests of delivering available PSH units where needed while also ensuring that projects will remain financially viable. Financial viability will not be impeded if a sufficient PSH tenant-base for these units cannot be identified or if adequate service funding is not available.
  - Properties must make PSH units available to PSH tenants referred by the service providers.
  - If a lease-qualified PSH tenant is not referred within 60 days at initial lease-up (or 30 days as units turnover), the property may rent the unit to a non-PSH tenant under the property's other applicable use restrictions.
  - If at any time the property has fewer PSH tenants than its threshold, the next-available-vacancy must be made available to a PSH tenant.
  - If a unit receives rental assistance through a project based voucher, the unit must be rented to a PSH tenant to secure the rental assistance.
- **Unavailability of Service Provider** – In some instances a local lead agency may not be available to service the project due to the location of the project, funding availability, etc. If the owner needs assistance with identifying a lead agency to complete this requirement, the owner must contact MSHDA within 14 days after the award of LIHTC. Supportive Housing staff will provide contact information for the local Continuum of Care Chairperson and technical assistance. MSHDA has the authority to extend the deadline for the Inclusion Plan, or waive this requirement altogether, if the owner has made contact with MSHDA as indicated above and has made a good faith effort to meet this requirement.
- **Availability of Project-Based Vouchers** - Deep income targeting is not a basic function of the LIHTC award for PSH units, but can be achieved through additional subsidy such as income supplement (e.g. Section 8 or Housing Choice Vouchers), or sinking funds established by additional local sources. MSHDA encourages applicants to seek awards of project-based vouchers to support any units designated as PSH units, whether from MSHDA or elsewhere. The use of project based vouchers with the PSH units provides the ability to deep income target these units without sacrificing rental income to the development or applying further income targeting regulatory restrictions.
- **Deadline for Meeting Requirements** - Owners will agree to complete the requirements of this subsection within 60 days after the award of LIHTC. Additional requirements are listed in the Addendum VI for projects required to meet the 10% supportive housing targeting. MSHDA has the authority to extend the deadlines for an MOU between service providers and property owners, if extensions are needed to make the process work.

- **Preservation Projects** - Notwithstanding this requirement, for preservation projects, the Applicant will not be required to displace any current tenants, but shall be required to comply with this requirement as units turn over and become available for occupancy so long as compliance with this requirement does not occasion an event of noncompliance under other applicable federal law or regulations under which a project is operated or is receiving federal subsidy.

(Note: New to 2012 QAP)

### Set-Asides

**Permanent Supportive Housing Category (25%):** After projects from the Open Category are awarded credit, MSHDA will award credit to the highest scoring projects that qualify under the Permanent Supportive Housing Category which meet 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.

(Note: Set-Aside requirements expanded in 2012 QAP)

### 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 the 10% required Permanent Supportive Housing units.

- No more than 10% of a project's total units may be targeted 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.

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. **(Note: Points reduced from 50 to 30 in 2012 QAP).**

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

- Projects that commit 75% or more of units to Supportive Housing. (8 points)
- 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).
  - HUD Shelter Plus Care Program (S+C) (1 point)
  - Capital Contribution targeted for supportive services from developer fee (\$100 per supportive housing unit/per year through the 15-year compliance period) (2 points)
  - Private/Foundation – minimum of \$1,000 per supportive housing unit must be committed. (1 point)
  - Other State Agencies – minimum of \$1,000 per supportive housing unit must be committed (DOC, DCH, DHS) (1 point)
- Projects that provide a community or supportive service space to projects with 11 or more units. A minimum of 15 square feet per residential unit is required. (1 point)
- Projects that have demonstrated in their Supportive Service Plan to serve the most in need.
  - Chronically Homeless (1 point)
  - Homeless and/or Special Need tenants with incomes at or below 100% of poverty (1 point)
- Projects that develop in a high need area. (1 point)
- Projects that include a supportive service funding commitment to all tenants. Services must be voluntary (3 points)
- Projects that provide supportive employment services (job-training opportunities in the building trades, operation, and/or supportive service programs to individuals who meet the supportive housing tenant definition). (2 points)
- Projects that promote Tenant Lead Advisory Councils. (1 point)
- Projects that increase the number of accessible and/or barrier free units beyond the MSHDA requirements. (1 point)

#### Other Policies

At a minimum, Inclusion Plans must include:

1. A description of how the project will meet the needs of the targeted tenants including access to supportive services, transportation, proximity to community amenities, etc.
2. 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 agent and community service providers for the duration of the compliance period.



3. 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.
4. 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 persons with disabilities into the project.
5. A communications plan between the project management 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.
6. Acknowledgment of the property's rent structure and a description of how Supportive Housing tenants may access rental assistance, should they require it, to afford the apartment rents.
7. A certification that participation in supportive services will not be a condition of tenancy.
8. An agreement that for a period of sixty days after certificate of occupancy, the required number of units for persons with disabilities will be held vacant other than for such population(s).
9. Agreement to maintain a separate waiting list for persons with disabilities and prioritizing these individuals for any units that may become vacant after the initial rent-up period, up to the required number of units.
10. Agreement to affirmatively market to persons with disabilities.
11. Agreement to include a section on reasonable accommodation in property management's application for tenancy.
12. 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.
13. A description of how the project will make the targeted units affordable to persons whose incomes are limited to those from a disability-based source.

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:

- Projects are required to set aside 10% of the family units in the project for Permanent Supportive Housing units (Targeted Units). Potential residents must be referred by a local human service agency.
- Eligible supportive housing tenants must have a minimum of 35% of the units targeted to people who meet one of the following definitions: special needs, homeless, domestic violence survivor, chronically homeless or homeless youth or youth aging out of foster care).
- 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.
  - 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.
- 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.
- Service coordination must be available to all supportive housing tenants through a partnership with a local service organization.
- A single project cannot receive an allocation of more than 30% of the total set-aside.

- Elderly-only projects are excluded from the Supportive Housing Set-Aside.

#### 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.

## **Minnesota (2012 QAP)**

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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 50% of total units 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 25% of the total units 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.

QAP awards 5 additional points to developments in which 5 to 49.99% of total units (but no fewer than 4 units) are set aside and rented to households experiencing long term homelessness, and 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.

In addition, QAP awards 100 bonus points to developments providing permanent housing for individuals experiencing long-term homelessness **based on the 2011 Housing Tax Credit competitions. Points will be awarded until a total of \$1,755,000 in tax credits as been awarded (estimated to be 25% of Minnesota Housing's credit authority).** 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 2012 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.

#### Other Policies

Developments providing permanent housing for individuals experiencing long-term homelessness must submit a supportive housing narrative that provides information such as characteristics of the targeted population, experience serving this population, anticipated outreach and referral sources, collaborating partnerships, tenant selection and occupancy requirements, service plan implementation, and service funding.

#### Development Experience

None.

## **Mississippi (2012 QAP)**

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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).

### 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).** (Note: **Set-Aside provision for persons with disabilities new to 2012 QAP**).

### 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.

QAP awards 10 points to developments that target large families by providing at least 25% of its units three or more bedrooms.

**QAP awards a maximum of 7 points if development has additional financing from one of the following sources: FHLB, HOME, HOPE VI, State/municipal funding, Mental health/Medicare/Medicaid Grant, or others that receive prior approval from MHC. Maximum points are awarded to projects that receive \$100,001 or more in financing. (Note: New to 2012 QAP)**

### 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.

### 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, 2009. QAP awards five points if the development was in service after January 1, 2005 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 any time prior to 120 days before the close of the application cycle.

## **Missouri (2012 QAP)**

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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. 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. (Note: In the 2012 QAP the 33% set-aside replaced MHDC's commitment to approve two applications under this priority)**

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 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.

*Service Enriched Housing:* 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. Developments that wish to be considered under this priority must fully complete the applicable sections of the FIN-100 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.

Proposals deemed difficult development areas are eligible to increase the qualified basis by an amount up to 30% in order to achieve financial feasibility. One 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.

#### 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 55% minimum to a percentage that matches the special needs set-aside.

*Development Team Characteristics:* The following development team members will be evaluated: Developer, General Partner(s), Management Agent, Syndicator(s)/Investor(s), Contractor, Architect, and Consultants. 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 (2012 QAP)

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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 10% of units targeting special housing needs including: family units, handicapped units, and units targeting the elderly and persons of disability. In the case of the elderly and persons of disability, the project must include a written agreement with a service provider or advocate for the target group.

QAP awards 5 points to developments involving “significant participation by a local **entity**,” including, for example, nonprofit provision of on-site services (**Note: 2011 QAP required ‘entity’ be a tax-exempt organization to earn 5 points**).

### 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 for failure to respond within 10 working days of MBOH letter of inquiry).

Demonstration of a Montana presence. In order to assist in providing a better quality product consistent with the purposes of the MBOH and federal law, a development will qualify for points if a member of its development team is Montana based. One point will be awarded for each of the following (0-4 points maximum):

- Developer or Project Manager
- Contractor or Construction Manager

- Either the Consultant, Syndicator, Attorney, Accountant, Architect or Engineers

If a developer has existing project(s) in Montana with a demonstrated quality product. A developer must demonstrate active local community participation used to develop projects.

## Nebraska (2012 QAP)

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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, among other goals, seeks to encourage developments that 1) provide quality of life improvements such as community facilities, needed social services or public infrastructure; or 2) provide special needs housing, including housing for distressed populations with incomes below 30% AMI. 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 (**Note: Maximum allocation changed from \$1,000,000 to 33% of Nebraska's LIHTC allocation in 2012 QAP**). The CRANE program provides targeted resources to communities, for-profits and nonprofits that demonstrate 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.

### Scoring Incentives

QAP awards one 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 up to six points to developments documenting a specified percentage of units are specifically equipped for persons with physical and/or mental disabilities. Such developments must have certification from development architect stating the number of units that will be designed to meet the American National Standards for buildings and facilities providing accessibility and usability for persons with disabilities and an executed agreement with a local service provider with the demonstrated capacity to provide on-site supportive services in one or more of the following population groups:

- Homeless or displaced individuals or families who lack a fixed, regular, and adequate nighttime residence;
- Persons with physical disabilities (including vision impairment, hearing impairment, etc.), manual disabilities or speaking disabilities, in each case which result in a functional limitation in access to and use of a building or facility;



- Adults with developmental disabilities;
- Adults who (1) have been committed to the state for mental health services, (2) have a serious mental illness, or (3) have a substance abuse problem, have received primary treatment for such problem and who are in recovery; or
- Other special needs populations. See description of eligible services below.

QAP awards three points to developments documenting a plan with a qualified supportive services provider to provide services not otherwise available to the tenants. The identified services must be tailored to the needs of the development's target population. If services are not provided on site, a plan detailing the transportation of tenants to and from the service provider must be included in order for points to be awarded in this category. A supportive services plan must be submitted. The services will be evaluated based upon the terms of the supportive service agreement, independent financing of fees to pay for the services, the experience of the service provider, and the importance of the service in enhancing a tenant's standard of living. The supportive services agreement will be incorporated into the Land Use Restriction Agreement.

For applicable scoring categories described above, eligible services may include, but are not limited to:

- Hiring a full-time social service coordinator, or, if a social service coordinator is provided through a third party, an executed agreement between the two parties must be submitted, and the coordinator must be dedicated to the development for at least 20 hours a week;
- Providing child care services either on site or linked to outside childcare centers;
- Providing health care services either on site or linked with a local health care provider;
- Providing job training programs on site or linked with a local training center;
- Providing personal care and/or housekeeping services on site;
- Providing at least one congregate meal on site;
- Providing adult day-care services;
- Providing transportation for the residents; and/or
- Providing services targeted toward adults with a behavioral health disorder such as mental illness, alcoholism, drug abuse, gambling or other addictive disorder.

Supportive services may range across a wide continuum of care (such as meal preparation, housecleaning assistance, etc.) to high level (such as substance abuse and mental health supports) to medically intense (such as skilled nursing) and will vary from tenant to tenant depending on their particular physical, psychosocial and/or mental limitations and may vary for each tenant over time.

#### 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) (Note: New to 2012 QAP).

#### Developer Experience

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 (2012 QAP)**

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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% level or below.

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, including copies of agreements with community-based organizations for providing the service. 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 (daily), transportation services with on-site van service (minimum three-day week), on-site service coordinator with an on-site office (minimum 20 hours per week), and on-site service coordinator (minimum 40 hours per week).

### Other Policies

All developments must compete in one of eight eligible project categories. One eligible project category is new construction 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.

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.

#### Developer Experience

Project Sponsors must demonstrate sufficient organizational capacity to develop and manage low-income housing projects. To make this demonstration, the Division requires applicants to provide the following additional information with the Tax Credit application:

- *Housing Experience*: The Project Sponsor must submit an addendum to the application providing a description of at least 5 projects developed/managed, including the name and location, date construction began, the date lease-up began, current occupancy levels, and permanent financing sources. Organizations with less than five projects will be considered if they have received an allocation of Tax Credits within the last three years and if the project(s) is in good standing. A copy of the recorded Declaration of Restricted Covenants must be provided for these projects. If the Project Sponsor is a Nevada based developer and the declaration of restrictive covenants are filed and on record with the Division, simply state the name of the completed project. In addition the sponsor must list the project team (Sponsor/Applicant, General Partners, Managing Partner(s) Attorney, Accountant, Property Manager, General Contractor, Architect, Seller of Land (Building), Syndicator, Investors) and state if there is an affiliation and or interest with any other members the "team".
- *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. If there are no outstanding compliance violations, the applicant may simply indicate that there are no outstanding negative compliance findings. 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.

**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 (Bolded portion new to 2012 QAP).**

#### *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.

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.

#### ***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 (Note: New to 2012 QAP).**

## **New Hampshire (2012 QAP)**

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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 between 2 and 20 points to *family developments* offering service-enriched housing. **To**

**receive points, services must be provided onsite.** Services available to the community at-large eligible to receive points. The applicant must submit a written description of the services to be provided, including: where and when the services will be provided; who will provide the service; who is responsible for overseeing the service; and a budget showing the sources of funds and cost for each -year period. **(Note: Requirement of on-site services to receive scoring incentive new to 2012 QAP)**

- *Service Coordination:* Service Coordination that must include on-site services to tenants on a regular basis with toll-free telephone availability between on-site visits. Service Coordination must also have at a minimum: service needs assessments of all tenants on move-in and annually thereafter, linking tenants to the services/resources they need to remain in independent housing and community building to assist the residents in meeting their social and emotional needs. A commitment of financial support for at least three years is required. (2 points)
- *Supportive Housing Serving Homeless:* At least 1 member of each household must be homeless or at imminent risk of homelessness immediately prior to tenancy and be identified as meeting services to maintain housing. Types of projects eligible for points in this category include, but are not limited to transitional housing and permanent supportive housing and can include single room occupancy (SRO) model. Any project scoring in this section must have a design and service package that comprehensively addresses the needs of homeless or at risk clientele. (20 points)
- *Service Coordination:* Service coordination provided on site to tenants on a regular basis with toll-free telephone availability between on-site visits and a commitment of financial support for at least 3 years. Service coordination must include, at minimum: service needs assessments of all tenants on move-in and annually thereafter; linking tenants to the services/resources they need to remain in independent housing; and community building to assist the residents in meeting social and emotional needs. A commitment of financial support is required for 3 years. (5 points)
- *Service Coordination Plus:* Service coordination and at least 1 additional service (ex: meals, transportation) regularly provided on site and a commitment of financial support for at least 3 years. A minimum of 20% of tenants selected for occupancy must be elderly who are identified as needing the services being provided. (10 points)
- *Congregate Care:* Substantial level and range of services are integrated into the housing to support tenant needs. Services must include, at a minimum, service coordination (see above), 1 congregated meal a day, and weekly homemaking. A minimum of 20% of the tenants selected for occupancy must be elderly who are identified as needing the services being provided. Owner must provide operational and financial support. (15 points)
- *Congregate Care Plus:* Congregate care and a personal care service package that provides for tenants' intermittent care needs 24-hours a day. The bundled personal care services are encouraged to increase affordability. A minimum of 20% of the tenants selected for occupancy must be elderly who are identified as needing the services being provided. Owner must provide operational and financial support. (20 points)

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.

#### Other Policies

To receive points for any of the nine service-enriched housing levels described above, developments must provide the following additional information:

- The number of units.

- The number of hours per week the program will operate.
- How residents will be informed that Resident Coordination is available.
- Whether there is community or meeting space for program staff and activities on site and office space available for the service coordinator on sit.
- The eligibility criterion for services.
- The role and relationship between property manager and service provider in implementing the program.
- The scope of services to be delivered including the plan for offering community-based programs at the property and issues the proposed resident service coordinator would address with the residents. If contracting with a provider for service coordination, a letter of agreement signed by both parties must be submitted with the proposal.
- The three year program budget information, including personnel costs, program expenses, administrative and overhead costs, and sources of funding.

#### Developer Experience

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 (2012 QAP)**

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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.

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 \$1,000,000. Supportive housing projects much have a minimum of 10 units or 25% of the total project units, whichever is greater. They also must rent to individuals with special needs and provide at least three appropriate services. 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.

#### 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.

### Other Policies

All developments must describe in narrative format the proposed development, including all amenities and services and an explanation of how the services shall be funded.

In general, developments are allowed a developer fee of up to 15% of total development cost.

Supportive housing developments 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;
- 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 at no cost to the tenant.

Supportive housing project means a project, which shall rent a minimum of 10 units or 25% of the total project units, whichever is greater, to individuals with special needs. The projects 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.

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 with 93% occupancy and at least a 1.15% debt service coverage ratio for six consecutive months. (Two points)

## **New Mexico (2012 QAP)**

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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 either 20 points to developments in which at least 25% of units are reserved for special needs households or 5 points if 5% of units are reserved for special needs households. Such households include homeless people and/or people with physical or developmental disabilities or chronic illness. "Reserved" for Special Needs Households will mean that the units may not be rented to other households unless the unit has been marketed for 30 days and no qualified households have been referred by the Local Lead Agency (LLA). To receive these points, the Applicant will need to provide a copy of the signed MFA-approved agreement (form provided with Application) with the LLA for the geographic area where the Project is to be located at Application. The Applicant will provide notice of available units to the LLA. The LLA will be responsible for providing services for the duration of the Project and for referring qualified tenants as soon as set aside units become available. Projects in areas without a LLA will commit to signing an agreement with the LLA as soon as one is identified.

#### 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. (Note: The 2011 QAP eliminated the need for Special Needs Housing to submit a "Social services Plan". It is now only required for Households with Children or Senior Housing Tenants)

"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) and projects that serve special needs households.

Special Needs and Senior Housing Projects having at least 10% of their gross square footage devoted to common areas for social and recreational use may not exceed 150% of the weighted average Total Development Cost per Unit for New Construction and Adaptive Reuse Projects, or 115% of the limit established for Acquisition/Rehabilitation Projects.

#### 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**

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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 (2011 QAP)**

##### Threshold Criteria and Set Asides

None.

##### Scoring Incentives

QAP awards five 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 LIHC-assisted units and whether the persons with special needs will be served by supportive services as evidenced by a 17 comprehensive service plan and an agreement or commitment in writing with an experienced service provider.

QAP awards up to five 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 two points. 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, are eligible for five points. Affordability (five 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). Supportive housing shall mean projects that give preference in tenant selection to persons with special needs for at least 30% of the LIHC-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.

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, supportive housing projects.

### 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 (2011 QAP)

### Threshold Criteria and Set-Asides

None.

### 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. (**Note: Points were increased from 10 points to 15 points in 2011 QAP**)
- 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 (2012 QAP DRAFT)**

### Threshold Criteria

None.

### Set-Asides

HPD will set aside 25% 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:

- 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.

### Scoring Incentives

QAP awards up to **22 points (increased from 21 points in 2011 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.

### 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.

### Developer 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 (2012 QAP)

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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).

Applicants must include a written agreement between the owner and all PHAs and Section 8 providers with jurisdiction inside the project's primary market area. The agreement must commit the PHAs to include the project in any listing of housing opportunities where households with tenant-based subsidies are welcome, and the project's management agent to actively seek referrals from the PHAs to apply for units at the proposed project. If one or more of the PHAs refuses to cooperate for any reason, an explanation must be submitted as well as a statement of commitment by the applicant to seek referrals from the PHA(s). This requirement does not apply to projects with rental assistance provided through RD or if 100% of the units have project-based subsidy.

### Set-Asides

None.

### Scoring Incentives

If the project is in a high-income county, QAP awards **5 points (decreased from 15 points in 2011 QAP)** 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.

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.

#### Developer Experience

At least one Principal must have successfully developed, operated and maintained in compliance either one North Carolina low-income housing tax credit project. The project(s) must have been placed in service between December 1, 2003 and January 1, 2008. (The Agency may waive this requirement for applicants with adequate experience in the North Carolina tax credit program.)

**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 2005 through 2011, or**
- **Has her/his/its principal office in North Carolina.**
- **(Note: Scoring incentive new to 2012 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 (2012 QAP)

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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 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 compliance period.

QAP awards up to 9 points to developments in which a minimum percentage of units are set aside and rented to persons with special needs, including chronic or persistent mental illness, drug dependency, developmental disabilities, physical disabilities, the homeless, or frail elderly. Points are based on the percentage of units set aside – 3 points for 10% of units, 6 points for 15% of units, and 9 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 5 points to properties that are designed for and marketed to households consisting of individuals 55 years of age and over that include a community room with kitchen facilities for the use of the tenants of the property at no charge. The marketing plan must be consistent with Fair Housing requirements for 55 and over housing. QAP will award 10 points if the applicant can demonstrate that long-term supportive services will be provided to the residents.

#### Other Policies

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. The developer, general partner and owner will be required to complete IRS Form 8821, Tax Information Authorization as a condition of application for an allocation of credits. Other members of the development team may also be required to complete Form 8821. Information obtained from the IRS will be used solely for the purpose of tax credit awards and the information will be safeguarded by the Agency to prevent improper disclosure. 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.

## Ohio (2012 QAP)

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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).

100% of the low-income units must 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). Permanent supportive housing projects must serve a population that meets the definition established in the Permanent Supportive Housing Policy Framework as adopted by the Ohio Interagency Council on Homelessness and Affordable Housing (ICHAH) on January 28, 2010. The guidelines for PSH tenants must include: tenants must be extremely low-income households (30% AMI or below) and a sole individual or an adult household member has a serious and long-term disability (which can be mental, emotional, physical, or caused by substance abuse). In addition, tenants must meet be homeless or at-risk of homelessness or institutionalization. All proposals meeting the above definitions must compete in the PSH pool.

The State of Ohio supports a range of PSH approaches including: project-based rental assistance, sponsor-based rental assistance, and tenant-based assistance. These rental approaches can be paired with services by way of either single-site housing or scattered-site housing.

Among the requirements for this target pool are that (a) OFHA values projects that provide a commitment for rental subsidy for at least 50% of the units that is specifically committed to the project (c) 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 (d) projects not serving the homeless or those at-risk of homelessness will be limited to 1 award. (f) 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.

**Proposals applying for the Permanent Supportive Housing Set-Aside will be ranked and a scored in each of the following categories according to the percentage values indicated.**

### ***Local Collaboration***

**This category is worth 40% in the Permanent Supportive Housing (PSH) Pool. Applicants that demonstrate collaboration with local units of government will receive preference. This may be demonstrated by development of proposals that contribute to a community revitalization plan or other local development plan (not including a Consolidated Plan or Comprehensive Housing Improvement Strategy (CHIS)). Applications will be ranked and scored in each Allocation Pool based on how well the proposal contributes to the plan. The location of the proposed project, population to be served, type of construction, age of the plan, and OHFA revitalization plan evaluation criteria will be considered. Applicants may also evidence that final approval of the local planning and zoning authorities has been obtained at the time of application.**

**Proposals in the PSH Pool will be judged based on the ranking and support of the local continuum of care. The highest ranked project of each continuum will receive an equal score in this category.**

### ***Economic Characteristics***

**This category is worth 20% in the Permanent Supportive Housing Pool. Applicants that demonstrate economic characteristics that provide tangible benefits to the project or the residents will receive preference. This may be demonstrated by one or more of the following criteria (listed in order of priority):**

- Use of development subsidy from local, state or federal government sources as permanent financing.
- Development of single-family lease-purchase homes with a viable homeownership strategy for the residents.
- Use of substantial operating subsidy in the project budget.
- Securing tax abatement for the project.
- Use of historic tax credits as permanent financing.
- Re-development of vacant properties in areas impacted by foreclosure.

### ***Market Criteria***

**This category is worth 30% in the PSH Pool. Applicants that demonstrate a strong market for their development will receive preference. Applications will be ranked and scored in each Allocation Pool by evaluating the following criteria for the Primary Market Area (PMA) of the proposal:**

- Depth of Market (lower percentage is desirable)
- Rent Evaluation (higher percentage is desirable)
- Occupancy Rates (higher rate is desirable)

Proposals in the PSH Pool will be ranked and scored by comparing the number of units available to the need for additional units in the jurisdiction of the local continuum of care, and by the timing of previous awards of OHFA resources to develop permanent supportive housing in the area.

#### ***Very Low-Income/Rental Subsidy***

This category is worth 10% in the PSH Pool. Preference will be given for 1 of the following: (i) in Participating Jurisdiction (PJ) areas, a minimum of 20% of the units occupied by and affordable to households at or below 35% of AMI; (ii) in non-PJ areas, a minimum of 10% of the units occupied by and affordable to households at or below 35% of AMI; or (iii) rental subsidy dedicated to at least 20% of the units, with a firm commitment from the subsidy provider.

Any commitments made in this category that are not completed will be considered when evaluating the general partners and developers on future applications under the Good Partnership policy (Note: New to 2012 QAP).

#### Scoring Incentives

None.

#### Other Policies

If a project will be serving a special needs population, it must identify the number of special needs households residing in the PMA. Indicate the percentage of these households that are required to meet the project's special needs set-aside. Special needs populations are permanent supportive housing for the homeless, senior housing, housing for persons with developmental disability, and housing for persons with severe and persistent mental illness. (check in market study)

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.

***Tenant –Based Rental Assistance:*** The Ohio Department of Job and Family Services (ODJFS) has developed partnerships with Public Housing Authorities in Ohio to set aside approximately 60 vouchers for people with disabilities who are approved for the HOME Choice program (federally known as Money Follows the Person Demonstration Program). The program assists people with disabilities who currently reside in a nursing home who wish to return to the community. ODJFS has designated Transition Coordinators to assist the consumer and work directly with the PHA in obtaining the Housing Choice voucher. Each consumer is supported by Medicaid waiver services (if necessary) to help support them in the community. ODJFS is currently partnering with Cuyahoga Metropolitan Housing Authority, Lucas Metropolitan Housing Authority, and Akron Metropolitan Housing Authority. (Note: New to 2012 QAP)

#### 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 determine the appropriate rating for each development team based on the following criteria.**

- **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.
- **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. (New to 2012 QAP).

## Oklahoma (2012 QAP)

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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 5 points to developments dedicating at least 5% of the total residential units with rents set at 50% or less of the allowable Housing Credit rent for special needs populations. Special needs for this criterion may include, but are not limited to, homeless, persons with mental or physical disabilities, or individuals that are handicapped.

QAP awards 10 points to developments 100% dedicated to special needs populations. Special needs for this criterion may include, but are not limited to, homeless, persons with mental or physical disabilities, elderly, or individuals that are handicapped.

#### 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.

Applicant/Owner Experience: QAP awards up to 5 points for applicants that have created 4 or more LIHTC developments.

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. 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

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 (2012 QAP)**

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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

QAP includes a threshold requirement for applicants to submit a resident services plan for residents in the proposed project, including a description of how and why those services are appropriate and how those services will be integrated and administered by management. The anticipated outcomes of such plans are: 1) through coordination, collaboration, and community linkages, to provide residents the opportunity to access appropriate services which promote self-sufficiency, maintain independent living, and support residents in making positive life choices; and 2) to effectively maintain the fiscal and physical viability of the development by incorporating into the ongoing management appropriate services that address resident issues as they may arise. See specific resident services plan requirements below.

#### Set-Asides

None.

#### Scoring Incentives

None.

#### Other Policies

Projects serving permanent supportive housing goals shall be designated a difficult to develop area and allocated additional credits in the form of a basis boost to be financially feasible. These designations are applicable to competitive nine percent credit projects only.

Projects requesting a boost of their eligible basis that are not located in a HUD designated Difficult to Develop Area (DDA) or Qualified Census Tract (QCT) will need to submit to OHCS the following, but prior to Carryover:

- An explanation of how and why the use of the boost is needed for the specific project
- The most recent proforma, including sources, uses, income and expenses and explanations of proforma assumptions that identify the need for the additional basis boost to support the narrative
  - Substantial changes to the proforma from the original application, or from the latest available to OHCS, will not be accepted without valid explanations of the reasons that have led to the substantial changes
  - Changes in the project income and project expenses will not be accepted
  - The Department will not consider a request for the use of the OHCS basis boost to fill gaps resulting from increased costs in the uses of funding.

Resident services are not intended to be limited to services provided on site, to residents at risk or with special needs, nor does it make participation in services mandatory for residents. It is intended to be a support system integrated into the housing and available to all residents. Resident services can be incorporated into the operation and management in a variety of ways. Common to many models, however, are the goals of helping residents achieve greater social and economic self-sufficiency and an enhanced quality of life. While supportive resident services offer assistance to residents facing a crisis, they should also focus on addressing problems and linking residents to community resources. The most effective resident service program encourages and supports resident participation in the decision making process. Resident services will be evaluated based on: 1) description of target population and their needs; 2) services appropriate to meet the needs of the target population; 3) description of proposed services

including projected results in measurable terms; and 4) extent of collaboration and coordination of ongoing services after project completion.

The required resident services plan can be found at <http://www.ohcs.oregon.gov/OHCS/APMD/docs/ManagementAgentPacket.doc>.

Resident services plans must address the following:

- Description of service needs of the target population, including identification of the methods used and sources consulted in determining such service needs
- Description of methods used to identify the available services in the community, including efforts to coordinate and collaborate on the design of the resident service plan
- Identification of all proposed services, anticipated results, and service providers
- Description of resident service delivery, including responsibilities for service plan implementation and whether services are offered on site or referred to other providers
- Description of how the physical amenities of the project will be utilized in implementing the provision of services
- Identification of sources and amounts of additional resources used to implement the plan and a description of how services will be funded on an ongoing basis
- Identification of any collaborative agreement, memorandum of understanding, or contract negotiated in order to provide appropriate services to the target population
- Description of the methods used to evaluate the specific services offered, including how and when the anticipated results will be measured and if results are not as anticipated, what corrective action will be taken
- Description of criteria used for selecting a management agent committed to coordination of resident services and the hiring and training of a service sensitive staff
- Description of the process for ensuring ongoing coordination of the plan with the proposed management agent

QAP program goals include encouraging resident services and community involvement.

#### Developer Experience

Sponsor Capacity (Included in evaluation process of QAP)

- Sponsor's experience developing and owning housing.
- Prior project compliance with program regulations
- Readiness of sponsor's entity to develop and maintain the project
- Development team's experience developing housing

## **Pennsylvania (2012 QAP)**

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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 are affordable to persons at or below 20% of the area median income, adjusted for family size. 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. 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 the sufficient referrals for tenancy are received who are income-eligible and/or in need of the accessibility features. 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. **(Note: Added exemption for existing affordable housing developments in 2012 QAP)**

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

QAP includes a supportive housing set-aside in the amount of 5% of the state per capita allocation. Applications for this set-aside may be either for general occupancy or for senior developments. To qualify, developments must:

- Provide at least 25% of the total units for developments of 20 or fewer units and at least 15% and no more than 25% of the total units for development with more than 20 units to eligible populations including persons that are homeless; or to non-homeless households that require supportive services including those with mental, physical, sensory, or developmental disabilities; persons with substance abuse disorders; persons diagnosed with AIDS and related diseases, and other special populations approved by the Agency on a case-by-case basis. Designated units must be rented only to the target population (subject to fair housing laws);
- Document the need for housing for the target population;
- Be located within two blocks of a public transit stop or include transportation in the site plan of services;
- Have funding in place or identify a viable plan for the funding of appropriate services for the duration of the compliance period;
- Provide a rental subsidy so that rents in Supportive Housing Units do not exceed 30% of household income; and
- Identify a lead agency that will act as a referral agent for the targeted units and have an agreement in place for that referral process. Services for the target populations cannot be a condition of residency for these or other units.

### Scoring Incentives

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 five points for meeting the minimum three requirements (see Other Policies). Developments receive an additional five points for establishing a services escrow account with 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.

### Other Policies

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. Specifically, 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 agency recommends funding be set aside in a supportive services escrow account, but the development's annual operating budget, collaboration with a community-based service provider, or funds from other identified sources may be used.
- The plan must also specify a service provider with the capacity to deliver described services with sufficiently equipped staff. The recommended minimum is one hour on-site per week for every five units. Prior to issuing IRS Form 8609, agency requires confirmation from the service provider regarding availability of applicable services at initial occupancy.

Applicants requesting consideration for points for service-enriched housing as defined in the Selection Criteria must complete and submit a completed Services Provider Questionnaire. The questionnaire should be completed by the organization that will be the primary service/coordinator.

Supportive services plans must address the following:

- Anticipated resident needs and program goals, including identification of the target population and goals of the supportive services program, measurable target outcomes related to each goal, and a description of how the program will identify resident needs at start-up and respond to the changing needs of residents over time;

- Implementation of services, programs, and activities, including identification of who is responsible for providing each service, where the services will be provided, frequency of program or activity, eligibility requirements or fees for resident participation, and methods to market the service program and encourage resident participation;
- Staffing, including staff positions involved, their location and number of hours per week dedicated to services at the development, and supervision;
- Budget and source of funds, identifying annual cost and the source of funds to pay for services; and
- Coordination with and commitment of community resources, including a letter of intent from any service providers integral to the service plan describing their involvement.

In addition to the supportive services plan, applicants must complete a Service Provider Questionnaire demonstrating the capacity of the applicant to meet the needs of residents as described in the supportive services plan. This questionnaire collects information on the service provider's mission, goals, experience, and personnel.

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 units set aside to provide affordable accessible housing to persons with disabilities.

#### 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 (2012 QAP)**

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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 75 points to Tenant Population with Special Housing Needs Projects developed to give priority and to assist special needs families through a written plan included in the application to provide supportive services to heads of family victims of domestic violence, elderly, disabled or HIV patients (an endorsement letter from the authority that provides supportive services to the targeted special population must be included).

QAP awards 2 points to developments that elect to serve individuals on waiting lists for public housing.

QAP awards 35 points if development enters into a Housing Assistance Payments Contract agreement with a PHA.

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.

#### 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 will award 35 point 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, 1973; or (c) HUD annual contribution contract for public housing operations subsidy or d) other similar long term public or private rental subsidy assistance.

#### 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 (2012 QAP)**

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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 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 and families. Proposals that provide

appropriate and needed supportive services for residents in conjunction with a housing component are given strong consideration.

#### Other Policies

QAP references the state's Five Year Strategic Housing Plan, which identifies a need for permanent housing for those currently homeless, caused by among other reasons, housing affordability. Specifically, the Plan calls for Adequate and appropriate housing with supportive services for the very low-income, primarily single-parent households and for members of special needs populations, including the physically disabled, persons with mental illness, victims of domestic violence, veterans, persons with chemical dependencies, and the frail elderly.

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).

Proposals for service enriched housing, including single room occupancy, must submit a social services plan. This plan must describe the services to be provided, including the type of service, the appropriateness and sufficiency of services for the target population, the estimated cost of the services, the source(s) used to cover this cost, and a narrative description and resume for all service providers, demonstrating their organizational capacity to provide the appropriate services.

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.

#### 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 (2012 QAP)

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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.

**Note: South Carolina State Finance and Development Authority eliminated the two-tier application process in the 2012 QAP. All applications are now scored in one stage.**

### 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 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. All developers, general partners or managing members must complete a

*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

**(Note: Unit criteria was added in 2012 QAP)**

## **South Dakota (2011-2012 QAP)**

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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, frail elderly (Assisted Living or Congregate Care Facilities as defined under Definitions), or 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.

### Other Policies

QAP allows for potential credit increase up to 130% for projects that provide the services described above.

### Developer Experience

Projects will be awarded 10 points for each of the provable characteristics related to development experience:

- Participation by an entity with a demonstrated track record of quality experience in development or management of subsidized housing;
- Participation by an entity that does not have prior experience but can certify its attendance at housing tax credit development/compliance training and successful completion thereof, if applicable;
- Other creative financial partnerships aimed at achieving greater affordability.

## **Tennessee (2012 QAP)**

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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

QAP award 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.

**Note: No new projects will receive tax credits in 2012 under the Special Housing Needs Set-Aside due to forward commitments made in 2011. Projects will be eligible to apply under this set-aside again in 2013.**

**2012 QAP established a Public Housing Authority Set-Aside under Special Set-Asides. Projects can qualify through a PHA alone, or with a PHA using the HOPE VI program. Projects using the HOPE VI program will be given priority. (Note: New to 2012 QAP)**

### Scoring Incentives

Developments using HOPE VI funding can receive up to 3 points depending on the percentage of HOPE VI funds in relation to total financing. Projects that use HOPE VI funds for 20% of total financing receive maximum points.

### Other Policies

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. In order to qualify for the Special Housing Needs Set-Aside, 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). Applicants must fill out Attachment 30, following the issuance of the Reservation Notice and prior to issuing the IRS Form 8609.
- *Elderly*: The development must be designed and built to be 100% occupied by the elderly.
- Applicants must fill out Attachment 30, following the issuance of the Reservation Notice and prior to issuing the IRS Form 8609. 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. Applicants must fill out Attachment 30, following the issuance of the Reservation Notice and prior to issuing the IRS Form 8609. 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.
- *Families with Children*: The development must be designed and built so that at least 35% of the units (which number shall be rounded up to the next whole unit) are for large families, (i.e., three or more bedrooms). Applicants must fill out Attachment 30, following the issuance of the Reservation Notice and prior to issuing the IRS Form 8609.

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.

Developer Experience

None.

## Texas (2012 - 2013 QAP)

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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

**Supportive Housing Developments will start with a base score of 5 points. (Note: New to 2012-13 QAP)**

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, victims of domestic violence, persons with HIV/AIDS, homeless populations and migrant farm workers.

**For Developments proposed to be located in an area of the MSA of Houston, Dallas, Fort Worth, San Antonio or Austin that is not a Rural Area, an Application may qualify to receive:**

- **22 points if at least 40% of the Low-Income Units in the Development are set-aside with incomes at or below a combination of 50% and 30% of AMGI in which at least 5% of the Low-Income Units are at or below 30% of AMGI;**
- **20 points if at least 60% of the Low-Income Units in the Development are set-aside with incomes at or below 50% of AMGI; or**
- **18 points if at least 10% of the Low-Income Units in the Development are set-aside with incomes at or below 30% of AMGI.**

**(Note: Modified in 2012-13 QAP)**

**For Developments proposed to be located in areas other than those listed above, an Application may qualify to receive:**

- **22 points if at least 20% of the Low-Income Units in the Development are set-aside with incomes at or below a combination of 50% and 30% of AMGI in which at least 5% of the Low-Income Units are at or below 30% of AMGI;**
- **20 points if at least 30% of the Low-Income Units in the Development are set-aside with incomes at or below 50% of AMGI; or**
- **18 points if at least 5% of the Low-Income Units in the Development are set-aside with incomes at or below 30% of AMGI**

**(Note: New to 2012-13 QAP)**

**For Developments proposed to be located in an area of the MSA of Houston, Dallas, Fort Worth, San Antonio or Austin that is not a Rural Area, an Application may qualify to receive:**

- **2 points for every 5% of Low-Income Units at rents and incomes at 50% of AMGI; or**
- **6 points for every 2.5% of Low-Income Units at rents and incomes at 30% of AMGI.**

**(Note: Modified in 2012-13 QAP)**

**For Developments proposed to be located in areas other than those listed above, an Application may qualify to receive:**

- **2 points for every 2.5% of Low-Income Units at rents and incomes at 50% of AMGI; or**
- **6 points for every 1% of Low-Income Units at rents and incomes at 30% of AMGI.**

**(Note: New to 2012-13 QAP)**

**QAP awards a maximum of 14 points 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. (Note: New to 2012-13 QAP)**

QAP awards up to **ten points (an increase from 8 in 2011 QAP)** to developments providing a combination of special supportive services appropriate for the proposed tenants. Services must be provided on-site or transportation to off-site services must be provided, and no fees may be charged to the tenants for any of the services. Service options include: weekly afterschool program; daily transportation; counseling services; GED preparation; English as a second language classes; financial planning assistance or courses; annual health fair; quarterly health and nutritional courses; organized team sports programs or youth programs; scholastic tutoring; annual tax preparation services; monthly on-site social events; specific and pre-approved caseworker services for seniors and person with disabilities; any other programs described under Title IV-A of the Social Security Act which enables children to be cared for in their homes or the homes of relatives; ends the dependence of needy families on government benefits by promoting job preparation, work and marriage; prevents and reduces the incidence of out-of wedlock pregnancies; and encourages the formation and maintenance of two-parent families; any services addressed by Texas Government Code; or any other services approved in writing by the Department.

**Supportive Housing Developments qualify for 12 points (an increase from 10 in 2011 QAP) if their costs do not exceed \$95 per square foot Hard Cost plus contractor profit, overhead and general requirements, as represented in the Development Cost Schedule (and direct construction cost, also referred to as building costs in §1.32(e)(4) of this title do not exceed \$80 per square foot). This calculation does not include indirect construction costs. Supportive Housing developments located in a "First Tier County" can qualify for these points if their costs do not exceed \$97 per square foot (and direct construction cost, also referred to as building costs in §1.32(e)(4) of this title (relating to Underwriting Rules and Guidelines) do not exceed \$82 per square foot). (Note: New Supportive Housing call out in 2012-13 QAP).**

#### Other Policies

**Only Supportive Housing Developments may propose a development in a Central Business District with more than 70% one bedrooms and/or Efficiency Units or 70% two bedrooms or 20%three bedrooms. (Note: New to 2012 QAP).**

**Supportive Housing Developments are not required to provide laundry connections, disposable and Energy-Star rated dishwashers, Energy-Star rated refrigerator, or oven/range; however, access must be provided to a comparable amenity in a common area. (Note: New to 2012-13 QAP)**

**Supportive Housing Developments will not be subject to the same minimum unit square feet requirements as other developments. If the proposed Development is a Supportive Housing Development, the net rentable area may include elevator served interior corridors and may include up to 50 square feet of common area per Unit. (Note: New Supportive Housing call out in 2012-13 QAP)**

Tax-exempt bond financed developments must provide an executed agreement with a qualified service provider for the provision of special supportive services that would otherwise not be available for the tenants. The provision of services must be included in the LURA. Acceptable services are as described above. The plan must address coordination of services with state workforce development and welfare programs.

**Developments composed of entirely Supportive Housing are expected to be debt free or have no foreclosable or non-cash flow debt. (Note: New to 2012-13 QAP)**

**Developments with 100% supportive Housing are eligible for a 30% increase in Eligible Basis. (Note: Only half of units needed to be supportive housing to receive basis boost in 2011 QAP).**

**(Note: Texas 2012-13 QAP eliminated a condition that allowed developments proposing to dedicate 10% of units to individuals and families at or below 30% of AMGI to receive a 30% basis boost.)**

#### Developer Experience

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. (Unit specificity new to 2012-13 QAP)**

## **Utah (2012 QAP)**

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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

*Tenant Populations with Special Housing Needs (Scoring is weighted, this category has a weight of 20):*

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 (Exhibit P) 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. (Note: New to 2012 QAP)** 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 for other special needs individuals, which includes Domestic Violence, HIV/AIDS, Developmentally Disabled, Mentally Ill, Maturing Foster Children, and Farm Labor.
- QAP awards up to 10 points to developments providing homeless or **chronically homeless units** at 25% or less of AMI. **(Note: The 2012 QAP changed “near-homeless transitional units” to “chronically homeless units”)**
- QAP awards one point to developments for each above-average non-fee amenity provided. The list of eligible amenities includes day care facilities and education centers.
- QAP awards two points for provision of “life skills classes,” covering issues such as personal finance, consumer credit, education, employment, insurance, computer literacy, health, child care, transportation, etc.

QAP awards a weighted score of 20 for service to Tenants with Public Housing Assistance. Applicant must provide a Memorandum of Understanding (MOU) between the Applicant and the local PHA.

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.

#### Other Policies

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 include details of what the service provider will do.

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.

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.

#### ***Homeless Housing Units***

**The Housing Credit Program requires units for the homeless to be at 25% or less AMI and be**

supported with a permanent operating subsidy, whether through rental assistance from the RD 515 program, a Section 8 tenant or project based voucher, a Shelter Plus Care voucher, or a Veterans Affairs Supportive Housing voucher. Other permanent rent subsidies and/or vouchers will be considered by UHC. Applicants must check with UHC prior to submission of the application for approval. (Note: The 2011 QAP states that housing for the *transitional homeless* must be at 25% or less AMI. The 2012 QAP removed the term “transitional” and added an emphasis on permanent rent subsidies.)

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. (Note: A definition of homelessness is included in the 2011 QAP, the 2012 QAP places an emphasis on the use of HUD’s definition by placing in centrally in the document.)

#### ***Chronically Homeless Housing Units***

Projects that have dedicated units to chronically homeless must provide evidence of permanent rent subsidy for each unit.

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. (Note: New to 2012 QAP)

QAP addresses need for housing accessible to persons with physical disabilities and affordable housing for low-income households with members who have mental disabilities.

#### **Developer Experience**

QAP 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 (if applicable, complete the Nonprofit certification Exhibit D. 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 (2012 QAP)

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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. (Note: More specifically defined populations in 2012 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, and mixed income housing developments.

### 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 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.

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: (1) 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.

(Note: 2011 QAP eliminated an option for the Vermont Real Choices Integrating Long Term Supports with Affordable and Accessible Housing Grant Advisory Group to name an access project)

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.



### 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)**

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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 of more bedroom units, non-family units (SRO and transitional housing), or elderly units.

### Developer Experience

None.

## **Virginia (2012 QAP)**

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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 and Set-Asides

None.

### Scoring Incentives

QAP awards 50 points to non-elderly developments 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 (if special needs includes mobility impairments the units described above must include roll-in showers and roll under sinks and ranges).

QAP awards 30 points to developments in which the greater of five units or 10% of the units (i) have rents within HUD's Housing Choice Voucher ("HCV") payment standard; (ii) conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act; and (iii) are actively marketed to people with mobility impairments including HCV holders in accordance with a plan submitted as part of the application for credits.

QAP awards 15 points to non-elderly developments in which 4% 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 mobility impairments in accordance with a plan submitted as part of the application.

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. (The product of (i) 25 points (50 points for proposed developments in low-income jurisdictions) multiplied by (ii) 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.)

#### 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. 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.

#### 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 that contain at least the number of housing units in the proposed development. (50 points, applicants receiving points under this subdivision 5(a) are not eligible for points under subdivision 1(a) above)
- 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 (2012 Tax Credit Application: Exhibit D, Policies)

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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

None.

### Set-Asides

Washington State Housing Finance Commission created a temporary set aside for 2010-**2012** for HOPE VI projects. Up to 20% of per capita Annual Authority, less the prior year's Forward Credit Commitment will be set-aside for HOPE VI Projects each year.

With respect to the 2010-**2012** Applications for Credit under this Set-Aside, an Applicant must select the maximum points in each of the following:

- At least 50% of the units developed using HOPE VI Set-Aside Credit shall be committed for households at or below 30% of AMGI and either an additional 10% at 40% AMI or an additional 25% at 50% AMI,
- The "Additional Low-Income Use Period" Allocation Criteria (i.e., commit to an additional period of 22 years),
- The "Developer Fee" Allocation Criteria (i.e., commit to limit developer fees to 10%),
- Select the "Donation in Support of Local Housing Needs" Allocation Criteria, and
- Special Needs Housing Commitment totaling at least 20 allocation points (i.e., commit to at least two 20% Special Needs Housing Commitments.)
- The applicant may elect to meet the Special Needs Housing Commitment of 20% of the Total Housing Units for Persons with Disabilities, or the Homeless or Large Households in either the proposed project or in the overall HOPE VI development if that will enhance the overall project's housing mix and goals; provided that if the latter option is chosen the 20% requirement shall then be in place for the overall development (i.e. assume the project is 100 units and the development upon completion will contain 200 units, 20% will then be 40 units rather than 20 units).

### Scoring Incentives

QAP includes a Special Needs Housing Commitment, which includes Housing for the Homeless, and Housing for Persons with Disabilities.

Applications may not score points under #2 or #3 (below) if making a Commitment under #1. For the purposes of scoring allocation points under #2 and #3 below, Applicants may select no more than two special-needs categories for a maximum point score of 20 points. The selection cannot be for the same special-needs category (e.g., cannot select both 20% Large Household and 10% Large Household).

The following Special-Needs Housing Commitments are worth 35 allocation points total:

- Provide a minimum of 75% of the total housing units as Housing for the Homeless
- Provide a minimum of 75% of the total housing units as Farmworker Housing

OR

The following Special-Needs Housing Commitments are worth 10 allocation points each:

- Provide a minimum 20% of the total housing units as Housing for Large Households

- Provide a minimum 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

OR

Bond/TC Deals Only: The following Special-Needs Housing Commitments are worth five allocation points each:

- Provide a minimum 10% of the total housing units as Housing for Large Households
- Provide a minimum 10% of the total housing units as Housing for Persons with Disabilities
- Provide a minimum of 10% of the total housing units as Housing for the Homeless

A 10% Special-Needs Housing Commitment alone does not deem a project eligible for the allowable increase in maximum development costs from 110% to 150% (as outlined below). However, a combined Special-Needs Housing Commitment of at least 20% will qualify (e.g., 10% large household and 10% disabled). A commitment to serve any special needs population requires that the Applicant provide an Affirmative Marketing Plan.

Each unit must be set-aside to serve homeless households as defined under the Stewart B. McKinney Homeless Assistance Act and must provide supportive services designed to promote self-sufficiency, meeting the needs of the target population.

Points will be awarded based on the Applicant's Commitment to provide a minimum of 10% (five points), 20% (10 points) or 75% (35 points) of the total housing units in the project as low-income housing units for Homeless households (the "Housing for the Homeless Commitment"). The Applicant may only select one of the following options (A, B, or C):

- *Homeless Option A:* Provide a minimum of 10-20% of the total housing units in the project for transitional housing for the homeless as prescribed under the Code. Each housing unit in a building used for transitional Housing for the Homeless must contain sleeping accommodations as well as kitchen and bathroom facilities. The building must be used exclusively to ease the transition of homeless persons to independent living within 24 months. The Applicant must provide with the Application evidence that a governmental body or Qualified Nonprofit Organization (QNP) will provide Homeless individuals with temporary housing and supportive services designed to assist them in locating and retaining permanent housing. For a governmental body, the Applicant must submit a resolution authorizing the governmental body to provide temporary housing and supportive services for the project. For a Qualified Nonprofit Organization, the Applicant must submit all documentation required of a QNP outlined in Chapter 5.
- *Homeless Option B:* Provide a minimum of 10 – 20% of the total housing units in the project as housing to the homeless. This election imposes the requirement of Section 42 of the Code that tax credit units cannot be used on a transient basis.
- *Homeless Option C:* Provide a minimum of 75% of the total housing units in the project as *Supportive Housing for the Homeless*. This election imposes the requirement of Section 42 of the Code that tax credit units cannot be used on a transient basis.

*For Homeless Options B and C:*

- 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. Note: Implementation of this “once qualified, always qualified” policy is retroactive to all tax credit projects serving the homeless.

- Applicants electing to make this Commitment must complete Section 10 of the Combined Funders Application which includes:
  - A comprehensive service plan that includes 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 and how, as well as where will they 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.

QAP awards up to 44 points to developments committing to provide low-income units for occupancy by households at or below 30% of AMI. The following points awarded for setting aside the designated percentage of low-income units for 30% AMGI:

- 8 points: Less than or equal to 10%
- 15 points: Less than or equal to 25%
- 25 points: Less than or equal to 30%
- 36 points: Less than or equal to 40%
- 44 points: Less than or equal to 50%

#### 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. Certain developments serving housing for persons with disabilities and housing for the homeless may request to exceed the Commission’s maximum development cost per unit standard up to 150% of the HUD mortgage limit schedules.

All Homeless projects (Option A, B and C) must be consistent with the Ten-Year Plan to End Homelessness at the time the Application is submitted, and the Applicant must submit adequate evidence consistent with the plan. Specifically,

- For projects located in communities covered by a Ten-Year Plan to End Homelessness, the Applicant must submit a Certification of Consistency with the Ten-Year Plan to End Homelessness dated no more than 60 days prior to the Application date.
- A Consistency letter must be signed by the local Jurisdiction Contact Person and/or Plan Contact Person. For a list of county contacts, please visit the Department of Commerce’s Homelessness Housing and Assistance Act website at <http://www.cted.wa.gov/site/823/default.aspx>. A link to the contacts for each county can be found under “Contact Information” the bottom of the page. A copy of the Certification of Consistency with the Ten-Year Plan to End Homelessness is located in Exhibit H.
- If a project located in the City of Seattle or King County, the applicant must use their Certification of Consistency with the Ten-Year Plan to End Homelessness.
- For projects located in communities that opted-out of the Ten-Year Plan to End Homelessness, the Applicant must submit a Certification of Consistency with the Ten-Year Plan to End Homelessness dated no more than 60 days prior to the Application date:
- A Certification of Consistency with the Ten-Year Plan to End Homelessness must be signed by the Washington Department of Commerce. A copy of the Certification of Consistency with the Ten-

Year Plan to End Homelessness is located in Exhibit H.

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.

At any time if a special-needs set-aside unit in the project became vacant, that reasonable attempts were made to rent that unit or the next available unit to applicants who qualify for the special-needs unit set-aside.

### Development Experience

The Applicant must submit a statement of experience with the Application for the Applicant, the developer, and, if applicable, a project management consultant. The Applicant must demonstrate to the satisfaction of the Tax Credit Program Director, that the Applicant, the developer, and/or the project management consultant under contract with the Applicant:

- has successfully completed a multifamily housing project of a comparable number of housing units and of a similar complexity as the proposed project;
- has the necessary level of staffing and financial capacity to successfully manage development and operations of the current project portfolio, including but not limited to, all current and pending tax credit projects and applications; and if applicable
- has successfully completed previous Credit projects for which a Credit allocation was received in Washington or other states.

If the Applicant is using a project management consultant to show this capacity, the Applicant must also submit a copy of the executed contract detailing terms, conditions, and responsibilities between the Applicant and the project management consultant.

## **West Virginia (2011-2012 QAP)**

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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 2011-2012 QAP awards the following points for a Property located in a county where that County's 2011 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:**

- **15.02% and 18.66%: 5 points**
- **18.67% and 22.37%: 10 points**
- **22.38% and 26.08%: 15 points**

- **26.09% and 29.79%: 20 points**
- **29.80% and 33.50%: 25 points**

**(Note: New to 2011-2012 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.

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.

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.

Five 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, or

**25 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 located in West Virginia 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 WVHDF.

## Wisconsin (2011-2012 QAP)

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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% or approximately **\$1,187,502** 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. (**Note: Monetary amount adjusted for 2011-2012 QAP**)

### Scoring Incentives

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. QAP awards 5 points to developments that provide supportive services to a minimum of 5% of the units.

### Other Policies

Among the objectives of the QAP is to increase the availability of housing with supportive services and support the housing goals and objectives stated in the Plan to End Homelessness in Wisconsin, July 2007.

The following are requirements for supportive housing:

- 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.

### 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 (2011-2012 QAP)

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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.

QAP awards up to 4 points for restricting occupancy of all units to a special needs population, including but not limited to any one of the following populations: homeless; chronically mentally ill; physically disabled; frail elderly; developmentally disabled; long-term transitional housing; or preservation of project based rental assistance.

### 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.

### Developer Experience

None.