

Red Font denotes new changes

**Table of Contents is required with application

Total Possible -100 pts.

Minimum Threshold - 60 pts.

MINIMUM THRESHOLD REQUIREMENTS

NOTE: Applications for funding will not be considered for scoring unless all of the following numbered items are included in the application:

1. _____ Most recent CPA 3rd party certified financial statement from Sponsor, Developer, and Project Owner (General Partner). Project Owner statement not required if entity is newly formed organization
2. _____ For all projects: Current Capital Needs Assessment (aka PNA) and/or Capital Improvement Plan (See Administrative Plan, Chapter 2, pg. 21)
3. _____ Market Study (see HOME & HTF Administrative Plan, Exhibit M)
4. _____ Affirmatively Furthering Fair Housing (AFFH) Resolution adopted by the proposed project's unit of local government (city or county, depending upon the location of the project). If the local government has not adopted an AFFH resolution, the application does not meet minimum threshold requirements
5. _____ Current Fair Housing Plan adopted by the proposed project's local unit of government –See Chapter 8 for details
6. _____ Construction Timeline (demonstrates developer/sponsor ability to begin construction within 12 months and complete the project within a reasonable time frame)
7. _____ Evidence of site control that complies with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (See HOME & HTF Administrative Plan, Chapter 9 and Exhibit O)
8. Owner/Developer/Applicant/Management Co. must be in Good Standing with no repetitive unresolved significant issues or unresolved significant material findings with IHFA and any organization or public jurisdiction whose compliance monitoring oversight includes a Federal affordable housing program. Provide both
 - _____ Owner/Developer/Management Capacity Certification Form (see HOME & HTF Administrative Plan, Exhibit W); **and**
 - _____ IHFA Request for Release of Information (see HOME & HTF Administrative Plan, Exhibit X)
9. _____ A proforma that incorporates the following three assumptions
 - 7% vacancy
 - 2% annual increase in income
 - 3% annual increase in expenses

PROJECT VIABILITY (64 Possible Points)			
SCORING CRITERIA	Possible Points	Points Earned	Identify the location of evidence/documentation in the application by page and/or exhibit**
Investment per total number of units ≤ \$15,000 Total Possible Points	<u>5</u>		
Project Reserves <ul style="list-style-type: none"> • \$500 or more per unit/year • Long Term Capital Improvement Plan (CIP) or Physical Needs Assessment (PNA) with associated costs tied to Replacement Reserve Deposit Total Possible Points	3 3 <u>6</u>		
Deferred Developer Fee Minimal deferred developer fee (< 25% of the total developer fee); Total Possible Points	<u>4</u>		
Project Viability Project demonstrates positive net cash flow after all financial obligations are met, based on most restrictive rents Total Possible Points	<u>6</u>		
Funding Commitments Commitments included for all proposed funding sources Total Possible Points	<u>4</u>		
Combined Debt Service Coverage Ratio (including HOME or HTF payment) ≥1.10 Total Possible Points	<u>10</u>		
LIHTC Project Fees <ul style="list-style-type: none"> • < \$3,000 annual Limited Partnership • Taken after HOME/HTF debt service payment Total Possible Points	2 5 <u>7</u>		
Loan Repayment <ul style="list-style-type: none"> • <i>Structured Repayment</i>: Project Owner commits to repaying entire HOME/HTF loan using regular scheduled payments (i.e. annual amortized payments, which are included in the primary lender's debt service coverage requirements) 	10		

<ul style="list-style-type: none"> • <u>30-year Repayment</u>: Pro forma demonstrates repayment of HOME/HTF loan in annual payments within 30 years. <p style="text-align: right;">Total Possible Points</p>	<p>5</p> <p><u>15</u></p>		
<p>(new as of 2017) HTF Funding Priorities Because HTF funds will be awarded most often as a grant or a 0%, due-on-sale loan, an HTF-funded project would normally not receive the Pts. available under Loan Repayment scoring category. Therefore, when the application includes HTF funding, the application could receive the following points if the project meets the following HTF-Specific criteria:</p> <p>I. <u>Geographic Diversity</u> Must meet A-C to receive Pts.</p> <ul style="list-style-type: none"> A. Project meets Minimum Threshold Criteria as defined in the annual Administrative Plan; B. Project site complies with HUD's <i>Site and Neighborhood Standards</i> [24 CFR Part 92.202 and §983.57(e)(2) & (3)] as determined by IHFA; C. The project site is located in an <i>Opportunity Incentive Area</i> (Located in a census tract with a poverty rate that is less than or equal to the corresponding city's Persons in Poverty Rate. If the city's population is less than 5,000, or if the development is located in a census tract located outside of the corresponding city limits, then the site's census tract poverty rate will be compared against the corresponding county's Persons in Poverty Rate.) <p>II. <u>Applicant Capacity</u> Must meet A-C to receive pts.</p> <ul style="list-style-type: none"> A. Owner/developer has experienced development staff or are partnering B. with an experienced development entity; C. Developer has experience developing 	<p>3</p>		

<p>other federal affordable housing programs;</p> <p>Developer has proven track record developing projects within a reasonable timeframe- Funds were committed within 6 months of award, construction began within 12 months of award, and project completed in IDIS within 2 years.</p>	2		
<p>III. <u>Project-based Rental Assistance</u></p> <p>The extent to which the project has project-based rental assistance. Other mechanisms that ensure affordability for extremely low-income households, such as operating assistance reserves, may also be considered.</p>			
<p>IV. <u>Affordability Period Duration</u></p> <p>Must meet A-B to receive pts.</p> <p>In addition to the 30-year HTF Period of Affordability, the owner commits to A & B (the pro forma must support the period of affordability and any extended use period):</p> <ul style="list-style-type: none"> A. An HTF-Extended Use Period that mirrors the LIHTC extended use period regarding household income and rent levels; B. During the HTF-Extended Use Period, owner must commit to the non-displacement of all HTF tenants housed under the original HTF rent and income restrictions. 	2		
<p>V. <u>Leverage from Non-Federal Sources</u></p> <p>To be considered, the application must document all sources the funding are committed at application. For scoring purposes, "commitment" is defined as a letter (on letterhead) from the issuing entity that outlines the source of funding, the purpose of the funding (i.e. construction, interim, permanent), and the financing terms.</p>	2		

<p>Affirmatively Furthering Fair Housing Local unit of government demonstrates commitment to affirmatively furthering fair and affordable housing through various measures</p> <p style="text-align: right;">Total Possible Points</p>	<u>4</u>		
<p>Letters of Support</p> <ul style="list-style-type: none"> • Local government support for proposed housing • Community-based support <p style="text-align: right;">Total Possible Points</p>	1 1 <u>2</u>		
<p>Special Needs Population*</p> <ul style="list-style-type: none"> • Elderly – 62 years of age and older, all household members must be age-eligible; and/or • Disabled; and/or • ≤30 AMI <p><i>*minimum one rental unit designated to the Special Needs population during the Period of Affordability to receive the points</i></p> <p style="text-align: right;">Total Possible Points</p>	<u>3</u>		
<p>Match exceeds minimum requirement</p> <ul style="list-style-type: none"> • >25% • >35% (in addition to 5 pts for min. match) <p style="text-align: right;">Total Possible Points</p>	5 3 <u>8</u>		
<p>Site Suitability / Zoning</p> <ul style="list-style-type: none"> • Currently meets local zoning requirements • Proximity of services to project’s target population, i.e. transportation; health care; schools, retail; cultural resources; social support services <p style="text-align: right;">Total Possible Points</p>	2 4 <u>6</u>		
<p>Green Building Design</p> <ul style="list-style-type: none"> • Energy Star – Version 2.0: 2006 Guidelines through 07/01/2011 and Version 3.0: Version 3.0 ENERGY STAR Reference Design with All Checklists (HUD has a new report for Energy Star activities); • LEED Certification • Enterprise Green Communities Certification • IHFA Green Building Standards(Project must have a minimum of 10 items to receive points) <p style="text-align: right;">Total Possible Points</p>	6 6 6 5 <u>6</u>		
<p>Design / Amenities</p> <ul style="list-style-type: none"> • Site and unit designs are beneficial to proposed tenant population (e.g. family vs. elderly) • Amenities are consistent with affected market area and substantially similar developments. <p style="text-align: right;">Total Possible Points</p>	2 2 <u>4</u>		