Idaho Housing and Finance Association

2023 Combined Annual LIHTC Application Information

Developments must be located in a census tract with a poverty rate that is equal	
to or less than the State of Idaho's overall average to receive points in this	
category	2

FFIEC Orline Census Data System-for poverty rates by census tracts:

https://wwwffiec.gov/census/default.aspx

Year: Select the most current year

State: 16 klaho(ID)

Click 'Retrieve by County'

Select County that the development will be located in

Click "Get Census Demographic"

Under Data Report Links - Click "Income"

Information is listed by census tract number

<u>% Below Poverty Line - must be equal or less than the State of Idaho</u> Average Poverty Rate to quality for points.

The State of Idaho's current Average Poverty Rate per Census.gov is: 11.0%

Cities without an Allocation of Competitive Tax Credits in the Past 5 Years (Section 6.4.13)

For 2023, cities that have received an Allocation of competitive tax credits include:

2018	2019	2020	2021	2022
Boise	Boise	Caldwell	Kura	Boise
Caldwell	Buley	Driggs	MurtinHme	Caldwell
Hayden	Halley	Homedale	Pocatello	Eagle
Nampa	Idaho Falls	Jerone	TwinFalls	klaho Falls
NewMeadows	Mbscow	Ketchum		Meridian
	Rupert	Meridian		TwinFalls
	Sampoint	Moscow		
	TwinFalls			

Cost Containment (Section 6.4.14)

NewConstruction or Adaptive Reuse Developments will receive the following points based on the average per residential square foot costs from applications submitted in the most recent three competitive rounds (Calendar Years 2020 2022) adjusted upward by 7.5% for inflation, with the single highest and single lowest cost developments in each round excluded in the calculations. Points from the three cost categories shall be combined to receive an aggregate score.

%of Adjusted Average	LandCost	Had Construction Costs	All Remaining Development Costs
80%	20Points	20Points	40Points
801% to 900%	1.5 Points	1.5Points	30Points
901% to 1000%	1.0Pcit	1.0Point	20Poirts
1001% to 1250%	05P dit	05Point	10Point
1251%	OOPaint	00P oi t	00P oi t

2020 2022 Round Applications (with highest & dovest cost developments excluded)	LandCost	Hard Construction Costs	All Remaining Development Costs
Average Cost Per Residential SqFt (adjusted upward 7.5% for inflator)S	\$1533	\$20833	\$99. 88

Acquisition/Rehabilitation or Rehabilitation-only developments <u>are not</u> included in the Average Cost Per Residential Square Foot calculations.

Residential Square Footage is the sum of the interior square footage of each individual unit contained in a development (including employee units). Interior square footage of each unit should be of similar size to comparable units in the primary market. Exaggerated sizing of units to lower per costs is discouraged.

Square footage from commercial or common areas, such as hallways, storage, or community rooms is excluded in this calculation. Cost per Residential Square Foot is determined on an individual development basis before results are averaged.

Land and Hard Construction Costs will be scored separately, with <u>all remaining development</u> <u>costs</u> included in a combined category. Scoring of costs will be based on the calculation as included on the application proforma.

In determining land cost, if the land is being purchased from an unrelated third party, the value of the land will be based off the sales price of the purchase and sales agreement. If the land is owned by the developer or sponsor at the time of application, the value will be determined by the following:

- Based off the settlement statement at the time of the closing prepared and provided by the Title Company if it was bought less than one year prior to the date of the application; or
- Fair market value based upon an MAI appraisal no older than 6 months if the land has been held for one year or more.

Hard Construction Costs include site work, new construction or rehabilitation, and construction contingency, and exclude contractor profit, overhead, general requirements and construction management fees.

All Remaining Development Costs equals Total Development Costs (as listed in the development's tax credit application) less Land Costs and Hard Construction Costs as described above, and includes (but is not limited to) development reserves and any professional fees including Developer/Consultant Fees.

Operating Expenses and Replacement Reserves (Section 7.3.12):

Operating Expenses and Replacement reserves should be in line with prudent inclustry standards and, in most instances, should not be less than the combined benchmarks listed in the following metrices. However, the Association in its application review will take into consideration 1) the benchmarks listed below 2) the replacement reserve requirements of the Tax Credit equity provider and/or the permanent lender(s), and/or 3) the replacement reserve requirement of the Physical Needs Assessment (for rehabilitation developments).

Operating Expense Benchmarks

	Family	Senior/Elderly
Operating Expense (including Replacement Reserves)	\$4,700 per unit	\$4,350 per unit

Replacement Reserve Benchmarks

Development Type	Family	Senior/Elderly
NewConstruction	\$350perunit	\$300perurit
Rehabilitation	\$350perunit	\$350perurit

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