EXHIBIT A – Low-Income Housing Tax Credit Selection Criteria

(Applicants must achieve at least 60 points in order for the application to be considered)

In calculation percentages: “total residential units” includes all rent-restricted and market units (and excludes manager or employee units). “Rent restricted” units include both Tax Credit and HOME units.

If you do not receive a Tax Credit Reservation, do you wish to place your application on the Waiting List for consideration during the next application period? This option is only applicable to applications received in the same year.

Yes ______

No ______

Please indicate whether your development or sponsorship meets the following criteria: Enter appropriate points in space provided.

Maximum Points Possible Points Earned

Selection Criteria:

1. Developments located within the stated distances from goods, services, or major employer:

   One point per category for a maximum of 10 points ..........................

   Max. 10 ______

   Good and Services – located within 1.5 mile driving distance in urban communities or 3.0 mile driving distance in rural communities.

   Major Employer – located within 5.0 mile driving distance in urban communities or 10.0 mile driving distance in rural communities.

   Urban Communities – communities that do not qualify as eligible communities for USDA RD programs

   Rural Communities – communities that qualify as eligible communities for USDA RD programs

   □ Full service Grocery Store (does not include convenience stores)

   □ Retail Shopping (i.e., hardware, clothing store, etc.)

   □ Police or Fire Station

   □ Pharmacy

   □ Post Office

   □ Bank/Credit Union

   □ Public Park

   □ Education Facility (includes K-12 schools, university, adult education, vocational school, community college)

   □ Public Library

   □ Health Club or Recreational Center (i.e. YMCA, etc.)

   □ Hospital or Medical Clinic, Medical or Dental Office
Selection Criteria (Continued):

- Social Services Center (i.e., Senior Citizen Center or Community Center) or Licensed Childcare Facility
- Bus stop, transit stop (i.e., Park & Ride, etc.)
- Public greenbelt bike/walking path access (does not include city sidewalks or street bike lanes)
- Major Employer (as documented in the Market Study or Appraisal)

Third party mileage documentation must accompany the application (i.e., Mapquest, Google Maps, etc.) or distance measured by street/road access must be documented in the market study or appraisal that is submitted with the application.

2. Developments which give preference to persons on Public Housing Authority waiting lists.

To receive points in this category, attach a copy of the proposed Management Plan which includes a Tenant Selection Policy which specifically states that a preference will be given to potential tenants on Public Housing Authority waiting lists, to the extent permitted by law. The percentage of total residential units that will give this preference must be listed in the Tenant Selection Policy.

Preference given for 60% or greater of total residential units............ 1

3. Developments with mix of rent-restricted and market units.

10% or greater of total residential units are market units............ 2

4. Sponsor is a resident of Idaho.................. 5

Sponsor in this category is defined as the owner of the development, and includes any individual or entity of the owner with at least 50% control.

If ownership is vested without at least 50% control, then all individuals or entities must meet the requirement. In any event, determinations under this category are subject to the review and approval of the allocating agency in its sole discretion.

Resident means an individual person maintaining his or her principal residence in Idaho or an entity which is organized under the laws of Idaho and which also maintains its principal office in Idaho at the time of application.

Principal office is defined as a staffed office physically situated in Idaho in which one or more principals maintains a regular, daily office from which they conduct their business.
### Selection Criteria (Continued):

<table>
<thead>
<tr>
<th></th>
<th>Maximum Points Possible</th>
<th>Points Earned</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.</td>
<td>Developments leasing rent restricted units who commit to giving a waitlist preference to households that contain one or more members with a handicap as defined in the Fair Housing Act</td>
<td>1</td>
</tr>
</tbody>
</table>

To receive points in this category, attach a copy of the proposed Management Plan which includes a Tenant Selection Policy that specifically states that a waitlist preference will be given to potential rent-restricted tenants whose households contain one or more members with a handicap as defined in the Fair Housing Act, to the extent permitted by law.

**Fair Housing Act:**

Sec. 802 [42 U.S.C. 3602] Definitions:

Handicap means, with respect to a person:

1. a physical or mental impairment which substantially limits one or more of such person’s major life activities,
2. a record of such an impairment, or
3. being regarded as having such an impairment, but such term does not include current, illegal use of or addiction to a controlled substance [as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)]

6. Developments that provide housing for older persons as defined in the Fair Housing Act

**Fair Housing Act:**

Sec. 807 [42 U.S.C. 3607](b)

(2) As used in this section “housing for older persons” means housing –

(A) provided under any Federal or State program that the Secretary determines is specifically designed and operated to assist elderly persons (as defined in the State or Federal program); or

(B) intended for, and solely occupied, by persons 62 years of age or older, or

(C) intended and operated for occupancy by persons 55 years of age or older, and

(i) at least 80 percent of the occupied units are occupied by at least one person who is 55 years of age or older;

(ii) the housing facility or community publishes and adheres to policies and procedures that demonstrate the intent required under this subparagraph; and
Selection Criteria (Continued):

(iii) the housing facility or community complies with rules issued by the Secretary for verification of occupancy, which shall-

(I) provide for verification by reliable surveys and affidavits; and

(II) include examples of the types of policies and procedures relevant to a determination of compliance with the requirement of clause (ii). Such surveys and affidavits shall be admissible in administrative and judicial proceedings for the purposes of such verification.

NOTE: The Regulatory Agreement will restrict use of the development in accordance with this section. Duplication of points may not be received for #5 and #6. Proposed developments may receive points for units for handicapped households or older persons households, but not for both.

7. Family developments which designate the following percentages of the rent-restricted units to three-bedroom or larger units for households. Such developments must provide appropriate amenities for children and families (i.e., open space, playground, laundry, etc.) .................................................................

<table>
<thead>
<tr>
<th>Percentage of Rent Restricted Units</th>
<th>Points Earned</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.00% to 9.99%</td>
<td>1</td>
</tr>
<tr>
<td>10.00% or greater</td>
<td>2</td>
</tr>
</tbody>
</table>

NOTE: Developments that provide housing for older persons as defined in the Fair Housing Act do not qualify for Selection Criteria Points under #7.

8. Developments which receive non-related private party contributions, charitable organization donations, local government assistance in the form of tax increment financing, in-kind contributions, land donations, or permit or impact fee reductions or offsets, in a cumulative amount equal to or greater than 2.5% of the Total Development Cost.

NOTE: Non-monetary contributions must be supported by a third-party independent appraisal at the time of application. Percentage calculation will be based on cumulative sources that are eligible in the category.

Documentation regarding proposed conditions and terms of the assistance must also accompany the tax credit application.

Land donations will only be considered in this category if the donor (vested owner) of the land is an unrelated party to the Developer and Sponsor. Documentation (real estate purchase and sale agreement, etc.) must make reference to the said donation in the established purchase price.

An eligible “unrelated party” is any vested owner of the land who does NOT meet the following:
Selection Criteria (Continued):

“Related persons” means ownership by 50% or more by the Developer or Sponsor, along or in a group of other persons or entities, in the other entity, or, 50% or more ownership by the other entity (or person), alone or in a group of other persons or entities, in the Developer or Sponsor. In this definition, an identity of interest is present even if the person has no voting rights in a corporate or legal entity structure. Registered agents, executive directors, officers, employees, or family members of such persons may be considered as “related persons.”

9. Program sponsors who have a history of satisfactory LIHTC Allocating Agency compliance ratings of their §42 portfolio. .........

To be considered in this category, development(s) must have placed in service, received Form 8609(s), and had completed no less than three (3) years of compliance reviews. Development(s) will be deemed in compliance unless a review has evidenced a history of substantial noncompliance in which case the points will not be awarded.

NOTE: Substantial Noncompliance is defined as any property reviews currently at a below average or unsatisfactory rating. This rating is based on general physical condition and appearance; leasing and occupancy; and general management operations. In addition, the owner must not have open 8823’s filed with the IRS or late submission of required monitoring fees and annual reports, subject to the determination by IHFA’s Compliance Department in its sole discretion.

The sponsor will provide IHFA with the authorization to contact said LIHTC Allocating Agencies by signing the Sponsor’s Previous Participation Certification (Exhibit B) of the tax credit application.

Sponsor in this category is defined as the owner of the development, and includes any individual or entity of the owner with at least 50% control.

If ownership is vested without at least 50% control, then all individuals or entities must meet the requirement. In any event, determinations under this category are subject to the review and approval of the allocating agency in its sole discretion.
### Selection Criteria (Continued):

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Maximum Points Possible</th>
<th>Points Earned</th>
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<tbody>
<tr>
<td>10.</td>
<td>The Association strives to achieve equal distribution of tax credits across the state where the need exists. Based on data analysis using the percentage of poverty as a benchmark, the following counties have been determined to have an under allocation of resources compared to other counties in the state. Therefore, developments located in the following counties are incented under these point criteria. Developments located in Ada, Bannock, Bonneville, Canyon, Nez Perce, and Twin Falls counties</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>Rehabilitation Developments that include the use of existing housing as part of a community revitalization plan. To receive points in this category, the proposed development must be located within a certified urban renewal district or other city-designated geographic area that specifically addresses affordable housing as a goal. Documentation from the urban renewal district or the city must confirm to the Association’s satisfaction that the proposed development lies within certified boundaries and meets the urban renewal district’s or city’s goal of providing affordable housing.</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>Developments intended for eventual tenant ownership after the 15-year compliance period has ended. Developments wishing to convert to home ownership at the end of the 15-year compliance period will be required to meet the following conditions: a) Conversion to tenant ownership is legally permissible taking into consideration other restrictions that may be attached to the property (i.e., lender or other subsidy restrictions, etc); b) The units must be single-family detached units, condominiums, or townhouses, which can be lawfully conveyed as separate pieces of property; c) Each unit must have access to all necessary utilities, common areas, rights-of-way, easements, and such access will not be dependent on any exercise or non-exercise of any right or consent by the owner of any other property; d) Purchasers must occupy units as primary residences;</td>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>
Selection Criteria (Continued):

<table>
<thead>
<tr>
<th>Maximum Points Possible</th>
<th>Points Earned</th>
</tr>
</thead>
</table>

e) A comprehensive plan must be submitted at the time of application that demonstrates the feasibility of physical conversion to home ownership and includes, but is not limited to:

- Provisions for repair or replacement of heating systems, water heaters, and roof repair or replacement prior to sale;
- Requirements for extent of stay in rental unit to be eligible for purchase; and
- Financial counseling plan for potential home buyers.

f) It is understood that after the initial 15-year compliance period referenced in Section 42(i) of the Code, the Housing Sponsor may transfer individual units (homes) in the Development under a low income homeowners program to Qualifying Tenants holding a right of first refusal provided the following conditions are met:

- All requirements of Sections 42(i)(7) of the Code and Revenue Ruling 95-49 are complied with;
- The buyers/occupants of the units meet the requirements for a Qualifying Tenant hereunder and hold a right of first refusal for the unit exercisable at the end of the 15-year compliance period;
- The buyers/occupants execute and record on the property an extended use agreement that restricts the transferred property to low income occupancy to the earlier date of: (i) the resale of the unit to any person other than to individuals whose income at the time of acquisition is 60 percent or less of area median gross income and who will occupy the unit as a principal residence; or (ii) termination of the extended use period commitment as mentioned in the existing LIHTC Regulatory Agreement;
- Prior to such conveyance, the Housing Sponsor shall furnish the Allocating Agency an opinion of counsel acceptable to such agency that the requirements of this section hereof, Revenue Ruling 95-49 and Section 42(i)(7) of the Code have been met; and
- The Allocating Agency approves such transfer(s), which approval shall not be unreasonably withheld.
### Selection Criteria:

13. Developments which incorporate the following optional “green building” certifiable program standards or items into their design.

To receive points in this category, a licensed architect's “preliminary” certification that lists the standards or items to be incorporated must accompany the application (See Exhibit C-2 for required format). At placed in service, an “as built” certification by a licensed architect that lists the incorporated standards or items will be required along with official program certification, if applicable. (See Exhibit D-2 for required format.)

*NOTE: The intent is that all code and standards cited are the most current versions.*

<table>
<thead>
<tr>
<th>Program/Material</th>
<th>Max. Points Earned</th>
</tr>
</thead>
<tbody>
<tr>
<td>LEED for Homes</td>
<td>8</td>
</tr>
<tr>
<td>NW Energy Star</td>
<td>8</td>
</tr>
<tr>
<td>ICC 700 National Green Building Standard</td>
<td>8</td>
</tr>
<tr>
<td>Enterprise Green Communities</td>
<td>8</td>
</tr>
<tr>
<td>Indoor Air Plus</td>
<td>8</td>
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<tr>
<td>Passive House Institute US (PHIUS) or Passive House Institute (PHI)</td>
<td>8</td>
</tr>
</tbody>
</table>

OR...

Individual Green Building Components

*Up to a maximum of 8 points.*

(Select any combination of the following items)

- Ceiling fans in living room and bedrooms in all residential units ........................................................................................................... 1
- "No added urea-formaldehyde" cabinets ............................................ 1
- Occupancy sensor lighting in interior community areas ............. 1
- 100% of the total lighting to be high efficiency bulbs/lamps (CFL, LED) .......................................................... 1
- Continuous Ventilation (high efficiency bathroom fans with timer or humidistat, or an energy recovery ventilator “ERV”) .. 1
- Green label certified low-emission carpet/pad/adhesive ........ 1
- Energy Star certified water heaters ................................................. 1
- SCS FloorScore certified hard surface flooring ......................... 1
- Xeriscape landscaping and high efficiency irrigation ............. 1
- Metal or long lasting roofing (30 year warranty – minimum).... 1
- High Efficiency HVAC equipment (must exceed minimum building code requirements) .............................. 2
Selection Criteria (Continued):

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Maximum Points Possible</th>
<th>Points Earned</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water saving shower heads, toilets, faucets</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Water saving shower heads, toilets, faucets</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Bathroom faucets: ≤ 1.0 gpm</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kitchen faucets: ≤ 1.5 gpm</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Toilets: ≤ 1.3 gpf or dual-flush toilets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shower heads: ≤ 1.75 gpm</td>
<td></td>
<td></td>
</tr>
<tr>
<td>U-0.30 or lower rated windows (total assembly)</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Rigid foam insulation under exterior siding which provides a 20% increase over minimum building code requirements</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>R-49 Value Insulation or insulation that is 5% above minimum building code requirements in attic</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Structural Insulated Panel (“SIP”) roof construction with 50 R-Value</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Structural Insulated Panel (“SIP”) wall construction with minimum 25 R-Value</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>HOME Energy Rating System (“HERS”) Score which is 100 or less for rehabilitation developments, or 70 or less for new construction developments</td>
<td>5</td>
<td></td>
</tr>
</tbody>
</table>

*HERS Score to be determined by qualified provider once the development is placed in service.*

14. Developments which utilize Historic Rehabilitation Tax Credit as a funding source. To receive points in this category, certification from the National Park Service must accompany the application which: 1) states that the proposed building is a certified historic structure (one listed on the National Register of Historic Places or located in a Registered Historic District and determined to be of significance to the Historic District) as defined by IRC Section 47(c)(3)(A); and 2) states that the proposed rehabilitation meets the Department of Interior's standards for rehabilitation. .......................... 1

15. Developments located in a Primary Market Area (“PMA”) with a Low-Income Housing Tax Credit (“LIHTC”) rental vacancy of 3.00% or less, as documented in the market study or appraisal that is submitted with the tax credit application. .......................... 8
Selection Criteria:

16. Permanent Supportive Housing Units

Permanent Supportive Housing (PSH) is a proven and effective housing intervention that reintegrates Special Housing Need (SHN) populations, particularly the chronically homeless, persons with psychiatric disabilities, chronic health challenges, or other barriers to accessing or retaining stable housing into the community by meeting their basic housing need and providing ongoing support systems. Housing is provided to the most vulnerable households in need of housing first, and does so rapidly without preconditions.

At a minimum, PSH developments must:

a) Target the SHN population.

Designate at least one unit, or the number of units equivalent to 5% of the total number of residential units in the development (round to the nearest whole number), whichever is greater, as PSH for SHN tenants.

b) Demonstrate an appropriate and reputable referral source capable of identifying eligible SHN tenants through acceptable documentation at time of application.

c) Enact selection criteria that target the highest need and most vulnerable households first, as determined by an appropriate assessment tool.

d) Present a written plan that demonstrates collaboration with local agencies to make appropriate supportive service available to SHN tenants.

The Association understands and expects that developments will need to partner with local agencies and service providers to meet the expectations of this section. Partnerships for service delivery, operating subsidy, and referrals must be demonstrated at the time of application through a letter of intent, MOU, or similar agreement/acknowledgment. A complete description of the criteria and expected PSH activities required of developments by the Association to receive full points for this section are listed in Exhibit I of the QAP.
Selection Criteria (Continued):

17. Developments which give a waitlist preference to person with HUD-Veterans Affairs Supportive Housing ("VASH") vouchers.....

To receive points in this category, attach a copy of the proposed Management Plan which includes a Tenant Selection Policy that specifically states that a waitlist preference will be given to potential rent-restricted tenants with VASH vouchers, to the extent permitted by law.

Preference Points:

The Code also requires that, during the selection process, preference is granted to developments which serve the lowest income tenants and/or which are obligated to serve low-income tenants for the longest periods and/or located in a qualified census tract in which the development contributes to a concerted community revitalization plan. Accordingly, the Association will grant preference points to eligible developments as follows:

1. Developments which are obligated to provide low-income use 25 years beyond the initial 15-year compliance period. This 40-year obligation requires the waiver of the Qualified Contract provision for the purpose of converting to market-rate use until one (1) year before the final year of the 40-year obligation and thereafter shall be subject to the three (3) year provisions regarding eviction and rent increase. ...........................................................

   This obligation will be set forth in the Regulatory Agreement.

2. Developments with 40% area median income (AMI) units. Manager's unit not included in calculation.

   Developments with 1-50 total residential units where at least 2.5% of the rent-restricted units are at 30%, 35%, or 40% AMI.

   Developments with 51 or more total residential units where at least 5% of the rent-restricted units are at 30%, 35% or 40% AMI.
### Preference Points (Continued):

<table>
<thead>
<tr>
<th>Preference</th>
<th>Maximum Points Possible</th>
<th>Points Earned</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. Developments with 45% area median income (AMI) units. Manager's unit not included in calculation.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Developments with 1-50 total residential units where at least 5% of the rent-restricted units are at 45% AMI</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Developments with 51 or more total residential units where at least 10% of the rent-restricted units are at 45% AMI</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>4. Developments with 50% area median income (AMI) units. Manager's unit not included in calculation.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Developments with 1-50 total residential units where at least 10% of the rent-restricted units are at 50% AMI</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Developments with 51 or more total residential units where at least 20% of the rent-restricted units are at 50% AMI</td>
<td>2</td>
<td></td>
</tr>
</tbody>
</table>

**NOTE:** The Regulatory Agreements for developments designating units under preference items 2, 3 and 4 above will state the number of units restricted to lower rent levels: 55%, and 60% area median income (AMI) units will also be mentioned in the Regulatory Agreement even though preference points are not awarded for these units. Rent restrictions will be effective for such units during the initial compliance period and the extended use period.

Sponsors are expected to disperse units targeted for 30%, 35%, 40% and 45% area median income households throughout the development to the extent possible taking into consideration other programmatic requirements. Allocating such units so that one building(s) is/are 100% occupied by households at 30%, 35%, 40%, and 45% of area median income is not recommended.

5. Developments located within a qualified census tract in which the development contributes to a concerted community revitalization plan. | 1 | |

A concerted community revitalization plan is defined as a certified urban renewal district or other city-designated geographic area located within a qualified census tract that specifically addresses affordable housing as a goal. To receive points for this category, documentation from the urban renewal district or the city must confirm to the Association’s satisfaction that the proposed development lies within certified boundaries and meets the urban renewal district’s or city’s goal of providing affordable housing. City-wide revitalization designations will not be considered in this point category.

**TOTAL POINTS EARNED**