

**Table of Contents**

<b>Application Scoring Criteria and Minimum Threshold Requirements .....</b>	<b>3</b>
Applicability .....	3
Introduction .....	3
Notice of Funding Availability (NOFA) and the Application Process.....	3
Applicant .....	4
Public Records Requests-Disclosure of Application Information.....	4
Alternative Site and Project Modification Analysis (24 CFR §58.5).....	4
Market Study Requirements .....	5
Consistency with Current Consolidated Plan .....	5
Letters of Community Support.....	5
Conditional Reservation .....	5
Environmental Review .....	5
Commitment of Funds.....	5
Eligible Recipients.....	6
Maximum Number of Assisted Projects and Maximum Funding .....	6
Developer Fee Calculation .....	6
Contractor Fees.....	7
Architect and Engineering Fees.....	8
Construction Contingency .....	8
Request for Additional Funds.....	8
Property Management Capacity .....	8
<b>MINIMUM APPLICATION THRESHOLD CRITERIA.....</b>	<b>9</b>
<b>Scoring Categories &amp; Criteria.....</b>	<b>11</b>
TieBreaker .....	Error! Bookmark not defined.
PROJECT VIABILITY .....	11
Total Investment per Total Number of Units .....	11
Project Reserves .....	11
Deferred Developer Fee .....	11
Project Viability/Combined Debt Service Coverage Ratio .....	12
LIHTC Project Fees.....	12
Loan Repayment.....	12
Additional HTF Units.....	12
Geographic Diversity.....	12
Project Based Rental Assistance.....	13

Nonprofit Ownership Structure .....	13
PROJECT IMPACT:.....	13
Supportive Services Plan.....	13
Affirmatively Furthering Fair Housing Choice .....	13
Local Financial Support .....	13
A maximum of 5 points in each category are eligible, 1 point will be given for every \$10,000.00 pledged..	13
Letters of Support.....	14
Special Needs Housing Populations .....	14
Match (HOME ONLY) .....	14
Site Suitability / Zoning.....	14
Negative Points.....	15
Cancelled/Failed/Terminated Projects.....	15
Missing or Incomplete Documentation .....	15

## Application Scoring Criteria and Minimum Threshold Requirements

### **Applicability**

Multifamily Rental Activity Applications

- **IHFA-HOME will accept applications on a rolling basis, as program income becomes available.**
- **IHFA-HOME will NOT accept applications for new construction during the plan year of 2026. Unless a Notice of Funding Availability (NOFA) is released.**
- **IHFA-HOME will consider applications for Permanent Financing of Affordable Housing. (Suspended)**

### **Introduction**

This chapter outlines the requirements for a HOME and HTF Multifamily rental application. The Multifamily Rental Application is available at LIHTC [Multifamily Rental Housing application](#) and at [HOME Program - Idaho Housing and Finance Association](#). Applicant should follow the guidance provided in most current Annual Administrative Plan available on the IHFA website at <https://www.idahohousing.com/federal-programs/home-program>

An incomplete application may not meet minimum threshold. Questions regarding the HOME and HTF requirements should be directed to:

[HOME MF@IHFA.ORG](mailto:HOME MF@IHFA.ORG) or

[HOME Programs@IHFA.ORG](mailto:HOME Programs@IHFA.ORG)

### **Notice of Funding Availability (NOFA) and the Application Process**

The timing of the Multifamily rental application round coincides with the LIHTC Application Period. The funding round is normally in late August or early September.

Each funding round follows a published NOFA, application review and scoring process. The scoring for HOME and HTF is laid out within the respective scoring sheets that are located on the IHFA website at <https://www.idahohousing.com/federal-programs/home-program/>

The HOME Department may act outside the normal framework of the competitive application process to fund a project(s) that demonstrates exceptional community value. If this need arises, The HOME Department will publish a NOFA that identifies the area, activity requirements, and proposed funding. IHFA may act as a project sponsor and negotiating with a qualified entity to act as the project owner or developer. Such action would require approval by the IHFA Project Finance Committee.

Additional/bonus scoring criteria may be included in a specific application funding round to address current affordable housing needs for a particular area in Idaho. The NOFA will include the criteria and possible points.

If a disproportionate investment of HOME/HTF funds exists in an Idaho county or region, IHFA and/or the HOME Department, at its discretion, may restrict funding to the specific county or region during a specific funding round. Any restrictions or limitation will be identified at the time the NOFA is published.

### **Application Submission Requirements**

1. A Table of Contents that correspond to individual scoring categories and specific IHFA and/or the HOME Department requirements
2. A joint HOME and LIHTC project requires the submission of two complete applications

3. Application must be received by deadline, to the place specified in the published NOFA
4. A non-refundable Reservation Fee of ~~\$51,000.00~~ per developer per project for Multifamily projects will be due to Idaho Housing and Finance Association HOME Department at the time of application.

The recipient may request an increase to the amount of federal funds in a project due to a hardship encountered by the approved development. IHFA and/or the HOME Department, may at its sole discretion increase the amount of the funds allocated to the development.

### **Applicant**

The HOME Department will determine the current standing of the proposed recipient and its agents during the application review process. The recipient's review may include, but is not limited to the developer, owner, property management company, current member, partner, and/or shareholder who own a majority percentage. The recipient of a proposed project may be determined to be Not in Good Standing if the HOME Department determines there are serious, ongoing, or pervasive non-compliance issues in other projects within the recipient's portfolio. A recipient may be determined to be Not in Good Standing if current project(s) are in arrears or default on any publicly subsidized or assisted projects with IHFA or any other allocating agency. This includes projects not being "closed out" within six (6) months of final Certificate of Occupancy being issued.

The HOME Department may choose not to review an application if the recipient is determined Not in Good Standing. Actions to resolve this determination may include, but not limited to, a change in property management, and/or potential disqualification of certain entities or individuals with an interest in the project, legal or otherwise.

A Not in Good Standing determination is any repetitive, or unresolved material or significant finding, or negative response(s) from another organization or jurisdiction may prevent an award of funds. If funds have already been awarded, the HOME Department may rescind the award. These actions do not apply if funds have been committed. *See Chapter 7 for additional information regarding Good Standing determination*

Potential recipients are required to submit additional information and finalize all financing within a specified timeframe identified in the Conditional Reservation Letter. If these conditions are not satisfied within the specified timeframe, a conditional reservation or funds may be withdrawn.

### **Public Records Requests-Disclosure of Application Information**

The potential recipient understands information contained in and submitted with the application may be disclosed to the public by the Idaho Housing and Finance Association. Appraisals, if provided by a third party *may* be exempt from disclosure under the Idaho Public Records Act. However, in all events, the applicant agrees any market feasibility study submitted to the HOME Department shall be open to disclosure. Necessary arrangements with the preparer of the market study should be advised of the required disclosure.

### **Alternative Site and Project Modification Analysis ([24 CFR §58.5](#))**

Analysis must include other reasonable courses of action that were considered; this may include factors such as other sites, design modification, or uses of the proposed site. Analysis must describe the benefits and adverse impacts to the human environment of each alternative site(s) and the reason(s) for rejecting it. Requirements are found in Exhibit H of the online HOME and LIHTC application.

See Exhibit R of this Plan for a sample analysis that must be submitted as part of the HOME/HTF application for funding (rental housing projects).

## **Market Study Requirements**

A separate study is required to assist the potential recipient, HOME Department, and/or IHFA to determine a need for, and marketability of, the affordable units in the area where the project is proposed.

The *market value appraisal* determines the market value of the project for lending purposes.

Refer to Exhibit M of this plan for the most current Market Study requirements.

A list of approved Market Study providers is available on the IHFA website at  
<https://www.idahohousing.com/documents/approved-market-study-provider-list.pdf>

## **Consistency with Current Consolidated Plan**

Scoring criteria is consistent with the goals and strategies identified in the State of Idaho's Five-Year Consolidated Plan for Affordable Housing and Community Development. It creates a comparative analysis of each application, including amount of funds requested, long-term viability of the proposed project, experience and capacity of the development team, community support, energy conservation and green building, access to broadband, and non-federal leverage.

## **Letters of Community Support**

The HOME Department intends to notify local public officials, and/or public housing agencies of proposed rental housing developments submitted by housing sponsors that are within their market area. The notification will include all input, support, and/or comments as it pertains to the housing development.

The potential recipient may submit a letter of community support with the HOME application and are encouraged to do so in accordance with the plan. The public official and/or public housing director submitting the letter of community support for the housing development should address in their letter the following issues in the letter:

- Support for affordable housing
- Support for the development of additional housing units at the rent levels proposed
- Acknowledging the need for additional rental housing in the community

## **Conditional Reservation**

The HOME Department will announce a conditional, non-binding reservation of funds within 90 days of the published due date for awards. The HOME Department will then conduct a complete review and assessment of the proposed project prior to issuing an award agreement of funds. A conditional reservation is defined as a way to earmark the funds.

## **Environmental Review**

Chapter 10 provides information on requirements to conform with Environmental Reviews.

## **Commitment of Funds**

The Loan and Regulatory Agreement or written agreement is the commitment of funding for the project. It will not be executed until the project, at a minimum, is expected to be under construction within 12 months **and** all requirements of [24 CFR §§92.2, 92.504, 93.2, and 93.404](#). Prior to the execution of the Loan and Regulatory Agreement, the HOME Department may execute an *Award Agreement* after the completion of the Environmental Review. This award agreement is for the purposes of the recipient securing all sources of funding and conveys

requirements for the long-term compliance. The *Award Agreement* does not constitute a commitment of funds but is transparent to convey federal requirements of funding.

### **Eligible Recipients**

- Qualified Units of Local Government
- Qualified Non-Profit Housing Development Organizations
- Qualified Local Public or Indian Housing Authorities
- Qualified Private Housing Developers

Applications from Native American Tribes for the development of affordable housing for Tribal members must include a copy of the HUD-approved Housing Plan. This must demonstrate how HUD funding granted to the Tribe through the Native American Housing Assistance and Self-Determination Act (NAHASDA), is used to meet the housing needs of low-income households, and how additional funding would help meet this goal.

### **Maximum Number of Assisted Projects and Maximum Funding**

#### **HOME Program**

To provide the most equitable access to funds, certain limitations may apply. An applicant cannot have more than ~~two three~~ (2, 3) assisted projects under development at any one time, or a combined award of funds at any one time exceeding ~~\$4,000,000 3,000,000~~, in aggregate<sup>1</sup>. In order for an assisted project (in development) not to be counted in either of these totals, the project must be completed within 60 days after the due date for the HOME application for the additional project or projects.

#### **HTF Program**

Applicants cannot have more than ~~two three~~ (2, 3) HTF-assisted projects under development at any one time or a combined total of HTF funds at any one time of \$2,000,000.<sup>1</sup>

**Total IHFA projects: Applicant cannot have more than three (3) open/awarded projects with IHFA; to include LIHTC, Workforce Housing, HOME, HTF, or NSP. Open/Awarded projects are defined as the applicant having any percentage of ownership.**

#### **Developer Fee Calculation**

In the event of an increase in development costs, the developer fee is limited to the original approved amount. Total Development Cost does not include Developer Fee or Development Reserves. Developer fee for new construction rental housing projects may not exceed the percentages as identified in the table below. Developer fee includes overhead, profit, and consultant fees for services normally performed by the Developer.

#### **HOME and/or HTF and Low-Income Housing Tax Credit**

Defer to the LIHTC calculation of the Developer Fee for joint projects

#### **HOME or HTF (no LIHTC)-**

- Maximum - 15%- Based on
  - Characteristics of the development, i.e. special needs, elderly;

---

<sup>1</sup> Combined total of Multi Family and Single Family Awards.

- Total development costs (includes both eligible and non-eligible costs)
- Size of the project;
- Type of development i.e. acquisition, acquisition and rehabilitation, new construction;

<b>New Construction</b>	
Total Development Cost*	Maximum Developer Fee
Less than 6 Million	15%
6-8 Million	12%
More than 8 Million	10%

<b>Acquisition</b>	
The acquisition cost will be limited to the lesser of the sale price or the appraised value of the property as determined by a third-party MAI appraiser. Such appraisal must include both an “as is” restricted rent value and an “as is” market rent value (net of appraiser recommended repairs/rehab and dollar balance of replacement reserves) of the existing development with land value broken out separately.	Maximum Developer Fee
As determined by MAI Appraisal	5%

Acquisition and Rehabilitation- Total rehabilitation cost is defined as hard & soft development costs, excluding developer fee.

<b>Acquisition and Rehabilitation</b>	
*Total Acquisition and Rehabilitation Costs	Maximum Developer Fee
Less than 6 Million	15%
6-8 Million	12%
More than 8 Million	10%

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

### **Contractor Fees**

Contractor fees (or profit) will be limited to a maximum of 14% of construction costs. The recipient must negotiate as a separate element of the price for each contract in which there is no price competition and, in all cases, where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

An Identity/Conflict of Interest exists whenever the development team includes entities whose individual principals are also the principals in other entities of the development team. Principals: Individual owners, shareholders, directors, officers, employees, authorized representative of said entity

The Contractor Fee is limited to the following percentage when the HOME Department determines an Identity of Interest exists.

Total Units (includes manager/ employee unit(s))	Allowable Contractor Fee as a percentage of construction/ rehabilitation costs
New Construction: 1 - 50 units	10%
New Construction: 51+ units	8%
Acquisition and/or Rehabilitation-All developments	10%

### **Architect and Engineering Fees**

Limited to 8% of construction costs.\*

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

### **Construction Contingency**

New Construction not to exceed 10% of Construction Costs.

Rehabilitation contingency costs not to exceed 20% of total Construction Costs.\* If the contingency is over 20% then the HOME Department will request a detailed analysis of this exception.

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

### **Request for Additional Funds**

A maximum 25% or \$50,000.00 of original award in additional funds can be requested after submission of the initial application through project closeout, whichever is less. The request will be considered when there is a change in the scope of work, inflationary increase, etc. If the additional federal funds request is above the maximum stated above, a new application must be submitted during specified competitive rounds. The HOME Department also reserves the right to require recipients to submit a new application if there are changes to the original submission.

### **Property Management Capacity**

A determination of property management capacity will be made at the sole discretion of the HOME Department, as determined by IHFA Compliance and the HOME Department. Internal information and resources, as well as information received from outside agencies will be used in their determination of capacity. If there are substantial and significant unresolved noncompliance issues, as evidenced by provisions in the Loan and Regulatory Agreement; this may result in a failure of the proposed project for a minimum threshold. When making a determination, the HOME Department will consider any circumstances beyond the potential recipient's control, i.e. accidents or acts of nature.

**MINIMUM APPLICATION THRESHOLD CRITERIA**

**All Minimum Threshold items listed below must be complete and received with application to be reviewed by IHFA**

- 1) CPA audited financial statements for prior year-end is not required if the entity is newly formed. The HOME Department will use the financial statement to help determine if the recipient has adequate financial management systems and practices in place, and sufficient financial resources to carry out the project to completion, including positive net income for the most recent year end. If the sponsor or borrowing entity is a newly formed entity; financial will be required from Guarantor and/or Key Principals.
- 2) **INDEPENDENT 3<sup>rd</sup> Party** Capital Needs Assessment for all acquisition and/or rehabilitation activities (See Chapter 2 for details)
- 3) Exhibit S – Site Selection and Environmental Checklist. Previously, submission of this form was recommended, but is now required as part of the application. See Exhibit S of this Administrative Plan.
  - o Phase 1 Environmental Site Assessment- Assisted properties shall be free of hazardous materials, contamination, toxic chemicals and gases, and radioactive substances where a hazard could affect the health and safety of occupants or conflict with the intended utilization of the property. A Phase 1 ESA report is valid for 180 days and may require an update based on the timing of the environmental review process<sup>2</sup>. See Chapter 6 for Phase 1 ESA requirements
- 4) **Sample Property Management Documents; to include: Management Agreement, Sample Lease, Eviction Plan, Wait list, Permanent Supportive Housing (if Applicable )** Language Access Plan for Limited English Proficient (LEP) Persons. See chapter 6 for LEP requirements.
- 5) Section 3 and MBE/WBE Developer Plan (see Chapter 11)
- 6) Independent 3rd Party Capital Needs Assessment- required for all projects- must be in sufficient detail to determine amount of funds needed for intermediate and long-term needs and costs as represented in the proposed replacement reserve account. At minimum must match the term of HOME/HTF Loan. For Rehab projects a remaining useful life of current items typically included in a CNA should be determined. See chapter 2 for CNA requirements.
- 7) Operating Costs – Minimum operating costs per unit per year benchmarks are as follows; these numbers will be published annually. During underwriting, analyst will use the dollar amounts below or dollar amounts listed under 7.3.12 of the QAP, whichever is greater.

	<b>Family</b>	<b>Senior/Elderly</b>
Operating Expense	\$5,000.00 per unit	\$4,650.00 per unit

- 8) Market Study (see Exhibit M for requirements)
- 9) Affirmatively Furthering Fair Housing (AFFH) Resolution adopted by the proposed project's unit of local government (City or County) depending on the location of the project) Resolution should be no more than 5 years old. Refer to Chapter 6 and Exhibit F for requirements that should be included in resolution. If the unit of local government has not adopted an AFFH Resolution, the application does not meet minimum threshold and will not be scored.
- 10) Fair Housing Requirements – See Chapter 6 for documentation.

<sup>2</sup> Phase 1 is not needed at time of application, but must be completed if the project is selected.

**Applicant must also submit one of the following items:**

- a) If the proposed activity will be located in a CDBG Non-Entitlement area, then submit the local jurisdiction's most recent Fair Housing Assessment Plan reviewed by the State of Idaho's CDBG Program (Idaho Department of Commerce); or
  - b) If the proposed activity will be located in a CDBG Entitlement Area (Boise, Nampa, Meridian, Lewiston, Coeur d'Alene, Idaho Falls, Caldwell, and Pocatello, and Twin Falls), submit that city's most recent Analysis of Impediments To Affirmatively Further Fair Housing. If the city's Analysis of Impediments or Affirmative Housing Assessment document is available online, then applicant need only provide IHFA with the link to the online document (hard copy would not be required to submit).
- 11) Evidence the recipient has the experience and capacity to begin construction within 12 months and complete the project within a reasonable time period. A narrative should be included in the application detailing the experience and not just a list of past projects and resumé. (see Exhibit W).
  - 12) Evidence of site control that complies with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and Environmental Review Procedure [24 CFR §58.22](#) (See Chapters 6 and 10, and Exhibit O of this Plan)
  - 13) Must meet one of four Green Building Design Standards or certifications: Energy Star, LEED, Enterprise Green Communities, and/or IHFA Green Building Standards. Once the standard is selected the proposed project may not change the standard.  
For Energy Star design requirements, applicant must document Energy Star Reference Design in all Checklists. IHFA Green Building Standards, the application must contain evidence the project will meet a minimum of 10 IHFA Green Building Standard items (see Exhibit V).
  - 14) Request for Release of Information. To all/any outside agencies the recipient has an active project(s) (See Exhibit X)
  - 15) Pro forma- All operating costs and revenues must be in sufficient detail to compare line items against properties that are similar in physical type and size, so that the HOME Department may determine whether the planned expenditures are sufficient and reasonable. The operating budget should include general management expenses, maintenance and operating costs, any project paid utilities, taxes, insurance premiums, and adequate deposits to replacement reserves. In most cases, evaluation of total operating costs should be summarized in "per unit per year" amounts along with the operating expense ratio. A narrative shall be provided as to why the project will be able to sustain the projected operating costs and revenues if the operating expense ratio is <50%. If the proposed project includes leased land and there is an in-kind portion of the lease, then an estimated value of a market rate lease should be included in the Pro Forma. Applicant should also provide a debt service schedule with details of proposed loan. (i.e., interest rate, term, payment schedule)  
Pro forma that incorporates the following assumptions:
    - o 7% vacancy factor (~~5% allowable with prior approval, and if documented in Market Study~~),
    - o 2% annual increase in income
    - o 3% annual increase in expenses including replacement reserves
  - 16) Minimum Match Requirement of 10% requested loan amount-HOME Only (see chapter 4)
  - 17) Subsidy Layering sheet (See Exhibit P)
  - 18) Funding Commitments:
    - a) To receive the points, the application must include a written commitment from **all** proposed funding sources (excluding HOME, HTF, and LIHTC). An application that does not include evidence of commitments will not be underwritten and be deemed incomplete.

- b) A funding commitment must be on letter head from the issuing entity, which includes the financing and commitment terms, including the minimum debt service for primary and subordinate debts, the type of funding (construction/interim/permanent), the amount, and source of funding (HUD 202/811, USDA, etc.)

19) Project Narrative Description

### **Scoring Categories & Criteria**

The applicable HOME/HTF regulatory requirements, IHFA, and/or HOME Department requirements must be addressed in the application to be considered for funding. Each application is scored based on the latest and most complete information included in the application. Any application considered incomplete and/or does not meet minimum threshold requirements will not be scored.

In cases where assertions are made in the application, but the HOME Department deems further clarification is needed; the HOME Department may, at its sole discretion, request additional information related to the assertion(s).

The following categories will be evaluated and scored for HOME funding applications:

- **HOME Possible points are 100**
- **HTF possible points are 100**
- **Applications receiving 60+ points in HOME and 50+ points in HTF will be ranked.**

#### **Tiebreaker**

If two or more applications receive an identical score, then the HOME Department will award the following bonus points:

- 1st. 1 Point- Proposed project located in a county that hasn't received a HOME and/or HTF funding in the previous two Multifamily rental funding rounds.
- 2nd. 1 Point- Proposed project with the lowest per-rent restricted unit subsidy- (Calculation: Aggregate HOME and/or HTF funds requested divided by ten (to mirror how LIHTCs are allocated), add to LIHTC allocation request ÷ by total number of rent restricted units.

#### **PROJECT VIABILITY**

##### **Reserved Parking Space Per HOME Unit At No Cost To Tenant**

An application will receive points in this category **if Owner/Developer Reserves one (1) parking space per unit for each HOME unit and the tenant is not charged for the space.**

##### **Project Reserves**

Applications demonstrating project reserves at \$350 for family and \$300 for senior per-unit per-year for the duration of the loan, will receive 3 points.

Applications including a detailed Capital Needs Assessment with a timeline and associated costs increasing by 3% each year for the life of the loan, supporting the proposed level of project reserves.

##### **Deferred Developer Fee**

Points awarded in this category are for minimal deferred developer fees, defined as less than 25% of the total developer fee.

### Project Viability/Combined Debt Service Coverage Ratio

In order to receive points for this category, a pro forma will demonstrate positive net cash flow; after all financial obligations are met based on the required rent levels.

Projects which target lower income households to achieve increased scoring may sacrifice the project's financial feasibility as a result. This category encourages consideration for the implications of targeting lower income households.

The project pro forma demonstrates financial feasibility while satisfying HOME/HTF program requirements at a Combined Debt Service Coverage Ratio of 1.10 or greater for the term of the loan.

### LIHTC Project Fees

The application can also receive points if the Limited Partnership entity agrees to limit combined annual investor and partnership fees to less than or equal to the table below, using an inflation factor of three percent (3%).

Less than 50 units	\$3,500.00
50-99 units	\$5,000.00
100 or more units	\$7,500.00

Projects utilizing LIHTC with a Limited Partnership ownership structure, can receive points if the limited partnership fees are taken after the HOME debt service.<sup>3</sup>

### Loan Repayment

- ~~Regular Scheduled Payment When feasible, as determined by the HOME Department, the payment would be hard, fixed amortized. The amount of payment will be determined by the HOME Department. Payments using Surplus Cash / Cash Flow will not receive points.<sup>4</sup> (HOME ONLY)~~
- 30-Year maturity of HOME- Recipient commits to a repayment of the entire HOME loan in regularly scheduled payments within 30 years or less, as demonstrated in the pro forma, will be awarded points. **(HOME ONLY)**

### Additional HTF Units

- Applications will receive 5 points per unit and a maximum of 15 points per HTF unit in application above the required minimum specified in the Subsidy Layering Sheet. (Exhibit P) **(HTF ONLY)**

### Geographic Diversity

The project site is located in an Opportunity Incentive Area. *(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.)*

<sup>3</sup> Documentation must include this language to receive points.

<sup>4</sup> ~~Must receive prior approval from IHFA HOME department.~~<sup>5</sup> Age 55+ is defined by HUD as "senior" housing, not elderly.

**Project Based Rental Assistance**

The extent to which the project has project-based rental assistance. Other mechanisms ensuring affordability for extremely low-income households, such as operating assistance reserves, may also be considered.

**Nonprofit Ownership Structure**

To receive points, the applicant must be an IHFA HOME Department-certified CHDO.

**PROJECT IMPACT:****Supportive Services Plan**

To receive points, the application must include a written satisfactorily detailed, Voluntary Supportive Services Plan. This plan will include:

- A history of providing supportive services,
- A description of a contractor's qualifications in the event a 3<sup>rd</sup> party is used,
- A Voluntary Supportive Services implementation plan including:
  - Implementation process,
  - Length of service implementation,
  - Program goals,
  - Participation incentives, if applicable,
  - Methods of communicating the program,
  - Process of coordinating with community providers,
  - Services provided by 3<sup>rd</sup> parties,
  - Plan for conducting a needs assessment, and
  - Identifying opportunities for enhancing the program's success.
- As accurately as possible:
  - Estimates of budgetary need for costs incurred,
  - Job title(s), duties expectations and compensatory packages, and
  - Anticipated donations or contributions.

See Exhibit L for the detailed minimum requirements.

**Affirmatively Furthering Fair Housing Choice**

See Chapter 6 for documentation

**Local Financial Support**

A maximum of **10** points in each category are eligible, 1 point will be given for every \$10,000.00 pledged.

- Local Government Support- Must be on letterhead from local unit of government pledging financial assistance/support. Letter(s) should reference the proposed project and provide details and reason(s) for the support. **Any donated/grant funds that are converted into a loan to the project for LIHTC purposes cannot have an interest rate above 0.00%.**
- Community-based (non-related)- Must be on letterhead from local, non-related, entity pledging financial assistance/support. Letter should reference the proposed project and provide details and reason(s) for the support. **Any donated/grant funds that are converted into a loan to the project for LIHTC purposes cannot have an interest rate above 0.00%.**

### Letters of Support

Applications may earn points in this category if it includes letters of support, dated and signed within 30 days of the application submission date, by a local government official(s) and/or from local service agency(s). Letter should reference the proposed project and provide details and reason(s) for the support. While there is no minimum number of support letters required, a community's size will be taken into consideration along with the support offered and evaluated accordingly.

### Special Needs Housing Populations

Projects that propose at least one unit for special needs housing as defined below, will maximum points.

- Elderly<sup>5</sup> – At least one household member **must be age 62 or older.**
- Disabled- As defined by Federal law, Executive Order, or HUD regulation
- Household annual income at  $\leq 30\%$  AMI

If an application receives points for a Special Needs Housing population, the unit(s) must remain designated as Special Needs Housing throughout the period of affordability.

### Match (HOME ONLY)

HOME funding applicants are expected to provide a minimum of 10% proposed eligible match at submission. The HOME Department may approve a lower match percentage, but no points would be awarded in this section. To receive the points, proposed match must meet the minimum 25%. Applicant may receive additional points if the proposed eligible match exceeds 35% of the HOME funding. Match documentation must be eligible and clearly identified to receive points. The HOME Department will determine match eligibility. Non-eligible match is deducted from the total match amount to determine the final match calculation and match ratio for the project. The HOME Department may not recommend approval if the application does not identify and clearly document eligible match sources.

Per [24 CFR §92.220](#), the value of donated professional services shall be determined by the rate that the individual or entity performing the service normally charges.

“(8) The value of donated or voluntary labor or professional services (see [24 CFR §92.354\(b\)](#)) in connection with the provision of affordable housing. A single rate established by HUD shall be applicable for determining the value of unskilled labor. The value of skilled labor or professional services shall be determined by the rate that the individual or entity performing the labor or service normally charges.”

IHFA will require documentation of what an individual or an entity performing the labor or service normally charges. The submitted letter must include an hourly charge and average number of hours charged per project. Letters without the additional documentation will not be eligible for Match.

Match not required for HTF-only projects.

### Site Suitability / Zoning

The zoning designation must be in place at or before the time of the application for HOME funds. Points under this category are awarded if the application provides evidence of the appropriate public documents and objective data.

---

<sup>5</sup> Age 55+ is defined by HUD as “senior” housing, not elderly.

- The project as proposed meets the current zoning; conditional permits will not receive points.
- Proximity of the site to services for the target-population e.g., transportation, health care facilities, schools, retail, cultural resources, social supportive services

Points are not awarded to a project that is eligible under a Special Use Permit.

### **Negative Points**

Negative three (**5 3**) points, per occurrence, will be given for the following:

- Sponsor/Developer Projects that do not comply with committing to items with past projects where points were received within 24 months of application,
- Sponsor/Developer has past projects that have not started construction within 12 months of conditional reservation,
- Sponsor/Developer has past projects that have not been closed out within IHFA guidelines as outlined in the Loan and Regulatory Agreement,
- Sponsor/Developer has had a project cancelled or terminated within 36 months of new application. Sponsor/Developer's application will be denied.
  - If Sponsor/Developer has had two projects cancelled or terminated within 60 months of new application.
- Sponsor/Developer has not complied with cross-cutting regulation including, but not limited to, Section 3 hours and documentation.
- Beginning in 2027; Sponsor/Developer has Projects that have not finalized *Project Completion*<sup>6</sup> within 6 months of final certificate of occupancy. IHFA-HOME will evaluate Projects that have had Financial Closing in the previous 36 months from Application deadline.

### **Cancelled/Terminated Projects**

If a Sponsor or Developer has had a project cancelled or terminated (See definitions in Chapter 2A) Sponsor and Developer will be barred from applying for three (3) years from most IDIS close-out date. If Sponsor or Developer has multiple projects cancelled within a three (3) year timeframe, Sponsor and Developer will be barred from applying for five (5) years from most recent IDIS close-out date.

### **Missing or Incomplete Documentation**

When applying for federal funding, each document submitted with the application which has missing or ambiguous information shall be reduced by one (1) point per occurrence:

*This reduction in points is at the sole discretion of the HOME department. If a submitted document has a substantial or substantive amount of information missing, the HOME department is not required to request clarification and, at its sole discretion, retains the right to deem the entire application incomplete.*

*In cases where negative points drop the project scoring below the minimum threshold the application will be denied.*

---

<sup>6</sup> Project Completion: Fully drawn down with all documentation submitted and approved, resulting in closeout in IDIS