ihcda

Indiana Housing & Community Development Authority

MINUTES AND MEMORANDA OF A MEETING
OF
THE BOARD OF DIRECTORS OF
INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY

Held: July 23, 2015

A regular meeting of the Board of Directors of the Indiana Housing and Community Development Authority ("IHCDA" or "Authority") was held July 23, 2015 at 10:00 a.m. at 30 South Meridian Street, Suite 1000, Indianapolis, Indiana 46204.

The following individuals were present at the meeting: Tonya Brothers-Bridge (Lieutenant Governor delegate), Mark Pascarella (Public Finance Director of the State of Indiana delegate), Jillean Battle (Treasurer of the State of Indiana delegate), David Miller, Lu Porter, Jacob Sipe (Executive Director for IHCDA), members of the staff of the Authority, and the general public. Tom McGowan was not present.

Tonya Brothers-Bridge served as Chair of the meeting, and upon noting the presence of a quorum, called the meeting to order. Sondra Craig served as Secretary.

I. Approval of Minutes

A. Meeting Minutes

A motion was made by Lu Porter to approve the June 25, 2015 Meeting Minutes, which was seconded by Jillean Battle; the following Resolution was unanimously approved:

> **RESOLVED**, the Minutes of the Board meeting held June 25, 2015 are hereby approved to be placed in the Minute Book of the Authority.

II. Real Estate

Chairman Brothers-Bridge recognized Katie Bannon who presented information regarding City of Wabash Owner Occupied Rehabilitation Phase I.

A. City of Wabash Owner Occupied Rehabilitation Phase I

Project Summary
The City of Wabash, a 2014 Stellar Community, is requesting $250,000.00 to assist ten homeowners with the first phase of an owner occupied rehabilitation project in the City of Wabash. The program will focus on the neighborhoods northeast of downtown; however, it will be open to residents throughout the City of Wabash. All beneficiaries will be at or below 50% area median income.

Project Name:	City of Wabash Owner Occupied Rehabilitation Phase I
IHCDA Per Unit Subsidy (Rehabilitation, Relocation, Program Delivery):	$25,000.00
CDBG-D Amount Recommended:	$250,000.00
Per Unit Subsidy:	$27,650.00

Total Project Costs:	$276,500.00
Other Funding:	$25,000.00 from City of Wabash $1,500.00 from 4-D Lead Services
Location:	City of Wabash, Wabash County
Administrator:	Northeast Indiana Housing Partnership, Inc. LLC (NIHPI)
Activity:	Owner-Occupied Rehabilitation
Award Type:	CDBG-D Grant

Following discussion, a motion was made by David Miller to approve the allocation of CDBG-D funding, in an amount not to exceed $250,000.00, for the above-referenced request received during the current review period of the 2015-2016 funding year, as recommended by staff, which was seconded by Mark Pascarella; the motion passed unanimously:

> **RESOLVED**, that the Board approve the allocation of CDBG-D funding, in an amount not to exceed $250,000.00, for the above-referenced request received during the current review period of the 2015-2016 funding year, as recommended by staff.

B. DBG Properties – Bond Volume/4% Credits

Chairman Brothers-Bridge recognized Alan Rakowski who presented information regarding DBG Properties – Bond Volume/4% Credits.

Background
IHCDA is empowered to act as the housing credit agency for the State to administer, operate, and manage the allocation of the Internal Revenue Service Section 42 rental housing tax credit (RHTC) program. The purpose of RHTC is to provide an incentive for private developers and investors to provide more affordable rental housing. This is done by both new construction and rehabilitation of existing structures.

Process
On January 1, 2015 IHCDA began the 2015A-B bond round for multi-family bond volume. The eighth application received and reviewed represented a total development cost of $7,508,234 with $4,380,000 in bond volume and $215,585 in annual RHTCs. The initial application also included a request for a $450,000 loan from the Affordable Housing and Community Development Fund.

With West York, LLC as the developer, DBG Properties proposes the rehabilitation of three Rural Development complexes that were built in the late 1970's to early 1980's. The development consists of six project sites:

- 76 North Apartments & 23 South Apartments, both located in Walkerton with a total of 14 units;
- 100 North Apartments, located in North Liberty with 8 units;
- Panoramic I Apartments, located in Liberty with 32 units; and
- Panoramic III & IV Apartments, located in Centerville with a total of 64 units.

The acquisition and rehabilitation of these properties will allow necessary upgrades and improvements, while bringing in a new ownership structure to ensure long term affordability and quality. The current owners are in the process of retiring, and the developer has been working with Rural Development to approve the transaction. By using 4% credits and tax exempt bonds to rehabilitate this aging portfolio scattered across the northern half of the State, an effective partnership is beginning to emerge between the development community, the United States Department of Agriculture Rural Development department, and IHCDA. The experience with this project may serve as an effective financing model in addressing an aging Rural Development inventory in Indiana.

The scope of rehabilitation will significantly improve the quality of long term affordable rental housing in these small, rural communities. Rehabilitation work will include roofs, windows, energy efficiency improvements, replacement of original gutters and siding, and new heating systems. An award of bond volume and RHTCs will allow these properties to undergo the first significant rehabilitation since being constructed.

During the round the Real Estate Department staff reviewed the application to ensure it met the criteria set forth in the 2014-2015 Qualified Allocation Plan. Additionally, on July 10, 2015 the applicant was given an opportunity to present the development to members of the Executive Committee and the Real Estate Department.

Following discussion, a motion was made by Jillean Battle to approve awarding $4,380,000 in bond volume, $215,585 in RHTC, a loan in the amount of $450,000 with a 3% interest rate and a 30 year term from the Development Fund according to the terms of the 2015A-B Application Round to DBG Properties, L.P., as recommended by staff, which was seconded by Mark Pascarella; the motion passed unanimously:

> **RESOLVED**, that the Board approve awarding $4,380,000 in bond volume, $215,585 in RHTC, a loan in the amount of $450,000 with a 3% interest rate and a 30 year term from the Development Fund according to the terms of the 2015A-B Application Round to DBG Properties, L.P., as recommended by staff.

Chairman Brothers-Bridge recognized Blake Blanch who presented information regarding DBG Properties Multi-Family Bond Resolution.

Background
This memo and the attached resolution respectfully requests approval for the issuance of the Series 2015 Housing Revenue Bonds (DBG Apartment Projects) (the "Bonds").

Process
The Bonds will be issued on behalf of DBG Properies L.P. (the "Borrower"). Indiana Housing and Community Development Authority (the "Authority") will serve as a conduit issuer for the Bonds; thereby, loaning the proceeds to the Borrower to finance the acquisition, rehabilitation, and equipping of a residential rental development. **The Bonds are backed solely by the revenues derived from the development and will not constitute a debt, liability, or obligation of the Authority or the State of Indiana.**

The DBG Properties L.P development will entail the acquisition, construction, rehabilitation, and equipping of a total of 118 units of residential rental development across five (5) separate properties, together with functionally related and subordinate facilities all located within the jurisdiction of the Authority within the State. The properties include the facilities known as "23 South," located at 700 Indiana Street and "76 Apartments" located at 506 Illinois Street, both in the City of Walkerton, Indiana; "100 North" located at 204-206 E. Harrison and "Panoramic I," located at 300 Meadow Lane, both properties within the Town of Liberty, Indiana; and "Panoramic III-IV" located at 600 N. Morton Street in the Town of Centerville, Indiana. The initial allocation of the 4% tax credits and bond volume is scheduled to be approved by the Board at the July 2015 meeting. With the Authority serving as the issuer of the bonds, an additional approval by the Board, in addition to the approval of the allocation of tax credits and bond volume is necessary.

Recommendation
In conclusion, staff is requesting Board approval for the Series 2015 Housing Revenue Bonds (DBG Apartment Projects) pursuant to the Resolution attached hereto as **Exhibit A**.

Following discussion, a motion was made by Mark Pascarella to approve the Series 2015 Multifamily Housing Revenue Bonds (DBG Apartment Projects) pursuant to the attached Resolution, as recommended by staff, which was seconded by David Miller; the motion passed unanimously:

> **RESOLVED**, that the Board approve the Series 2015 Multifamily Housing Revenue Bonds (DBG Apartment Projects) pursuant to the attached Resolution, as recommended by staff.

C. Recommendations for 2015 Annual Housing First Rental Housing Tax Credit Program

Chairman Brothers-Bridge recognized Alan Rakowski who presented information regarding Recommendations for 2015 Annual Housing First Rental Housing Tax Credit Program.

Background
IHCDA is empowered to act as the housing credit agency for the State to administer, operate, and manage the allocation of the Internal Revenue Service Section 42 rental housing tax credit (RHTC) program. The purpose of the RHTC is to provide an incentive for private developers and investors to provide more affordable rental housing. This is done by both new construction and rehabilitation of existing structures.

RHTC applications for Permanent Supportive Housing developments competing under the Housing First set-aside were accepted between March 11, 2015 and June 10, 2015. To be eligible, the development team must have completed the 2015 Permanent Supportive Housing Institute courses.

Housing First developments further the creation of community-based housing that targets the extremely low-income with intensive service programs. 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.

Below is a summary of credits requested for the 2015 Housing First Round:

IHCDA Financing Type	Total Requested Amount	# of Applicants
RHTC	$1,584,986	2
HOME	$1,900,000	2

Process
The Real Estate Department utilized the 2014-2015 Qualified Allocation Plan (QAP) criteria to review applications as set forth below. The following also describes the procedures followed for the selection of the recommendations to IHCDA's Board of Directors.

1. On or about June 10, 2015, IHCDA received two RHTC Housing First applications requesting 2015 credits under the 2014-2015 QAP.
2. The two self-scoring applications underwent the due diligence process, which included financial analysis, technical review, market study review, and determination of final score.
3. If during the due diligence process a concern or technical deficiency was discovered, a letter was sent to each applicant requesting clarification or technical correction. Each applicant was given an opportunity to comment on any scoring discrepancy.
4. Upon completion of the due diligence process it was determined that two applicants met the 2014-2015 QAP criteria.
5. The applicants both met the minimum score requirement, and IHCDA is recommending credits to both applications, as 10% of the 2015 credit allocation was reserved for the Housing First Set-Aside under the QAP.

A Project Funding Summary Sheet and Development Summary Sheet are attached hereto as **Exhibit B** for each applicant providing detailed information about the development.

Recommendation
Staff recommends the approval of the following developments for RHTC and HOME:

BIN #	Development Name	RHTC Recommendation	HOME Recommendation
IN-15-02500	Chambers Park	$664,532	$900,000
IN-15-02600	Village of Hope	$920,454	$1,000,000
	TOTAL:	**$1,584,986**	**$1,900,000**

Both HOME awards will be structured as loans at 0% interest, with up to two years as a construction loan, and 15 years as permanent financing.

Following discussion, a motion was made by Jillean Battle to approve an aggregate award of RHTC in an amount not to exceed $1,584,986 and an aggregate amount of HOME funds as loans at 0% interest, with up to two years as a construction loan, and 15 years as permanent financing in an amount not to exceed $1,900,000 to the above listed developments, as more particularly identified in the Development Summary Sheets, as recommended by staff, which was seconded by Lu Porter; the motion passed unanimously:

> **RESOLVED**, that the Board approve an aggregate award of RHTC in an amount not to exceed $1,584,986 and an aggregate amount of HOME funds as loans at 0% interest, with up to two years as a construction loan, and 15 years as permanent financing in an amount not to exceed $1,900,000 to the above listed developments, as more particularly identified in the Development Summary Sheets, as recommended by staff.

D. 2016-2017 Qualified Allocation Plan

Chairman Brothers-Bridge again recognized Alan Rakowski who presented information regarding 2016-2017 Qualified Allocation Plan.

Background
The Qualified Allocation Plan (QAP) is a federally mandated planning requirement under the Internal Revenue Code, Section 42 that explains how the State of Indiana will allocate its Rental Housing Tax Credits (RHTC) to produce new or rehabilitate existing affordable rental housing units. The QAP establishes thresholds, set-asides, evaluation factors, and compliance requirements to target credits in a manner that maximizes IHCDA's strategic plan.

Process
At the Housing & Community Economic Development 2014 Statewide Conference last October, IHCDA invited its RHTC partners to schedule one-on-one meetings with IHCDA to discuss the QAP. In preparation for the 2016-2017 QAP, the goal of these discussions was to learn first-hand what the development community liked and disliked about IHCDA's QAP. Time was reserved at the end of each meeting for an exercise which asked the following three questions:

1. What three things in the QAP should remain?
2. What three things in the QAP should remain, but should be modified in some way?
3. What three things in the QAP should be removed?

Each partner was given a copy of the QAP and asked to indicate their answers by putting green dots next to the items identified for Q1, yellow dots next to the items identified for Q2, and red dots next to the items identified for Q3. After meeting with approximately 25 partners between November 2014 and March 2015, the Real Estate Department had a valuable collection of partner feedback that would help to drive the revision process.

Following the conclusion of these one-on-one meetings, the Real Estate Department released two drafts of the QAP and held two public meetings. On May 15, 2015, the Real Estate Department released the first draft of the 2016-2017 QAP. A public hearing was held on May 21, 2015. On June 17, 2015, the Real Estate Department released the 2nd draft of the 2016-2017 QAP and held a public hearing on June 25, 2015.

Based on written comments, public comments, and continued internal policy discussions, modifications were made to the final draft. A list of the most significant changes is attached in **Exhibit C** with the entire QAP attached thereto as **Exhibit D**.

Following discussion, a motion was made by Jillean Battle to approve the 2016-2017 Qualified Allocation Plan and its submission to Governor Michael R. Pence, as recommended by staff, which was seconded by David Miller; the motion passed unanimously:

RESOLVED, that the Board approve the 2016-2017 Qualified Allocation Plan and its submission to Governor Michael R. Pence, as recommended by staff.

III. Research and Innovation

A. VISTA Update

Chairman Brothers-Bridge recognized Joe Palus who introduced three of the VISTAs who presented information regarding their corresponding projects.

No action was required, as this was an update to the Board.

IV. Community Programs

A. Individual Development Account Tax Credit Program Approval

Chairman Brothers-Bridge recognized Brian Carman who presented information regarding Individual Development Account Tax Credit Program Approval.

Background
Under I.C. 6-3.1-18, IHCDA is authorized to allocate no more than $200,000 in tax credits during any state fiscal year to support an Individual Development Account (IDA) program. These credits may be allocated to any community development corporation (CDC) as defined by the IDA Program in I.C. 4-4-28-2. Similar to other tax credit programs at IHCDA, the tax credits may be sold by the CDC and used to offset the buyer's tax liability. Revenue generated from the sale of tax credits is then used to assist IDA participants with setting up a new savings account or financially supporting a pre-existing IDA program. Participating CDCs may use no more than 20% of the first $100,000 raised to the cover the administrative costs of the program. Indiana has been running an IDA Tax Credit program since the State Code was written in 1997.

Process
In April 2015, the Community Programs Department released the application to the network of current program administrators and to IHCDA's website, with a due date of May 1, 2015. Eligible CDCs were required to submit a program proposal to demonstrate the use of the tax credits and to estimate the cost of administering the program.

Applications were scored based on their capacity to support program administrative duties, facilitate participant recruitment, history of maintaining similar programs, determination of need, budget, and evaluation. IHCDA received two applications requesting a total amount of $70,000 in tax credits as follows:

Applicant	Amount Requested	Recommendation
LaCasa, Inc.	$50,000	$50,000
Pathfinder Services, Inc.	$20,000	$20,000
Totals:	**$70,000**	**$70,000**

Following discussion, a motion was made by Lu Porter to approve the allocation of IDA Tax Credits to the applicants and in the amounts listed in the above table, in an amount not to exceed $70,000, as recommended by staff, which was seconded by Mark Pascarella; the motion passed unanimously:

RESOLVED, that the Board approve the allocation of IDA Tax Credits to the applicants and in the amounts listed in the above table, in an amount not to exceed $70,000, as recommended by staff.

B. Ex-Offender Re-Entry Program – HOME Tenant Based Rental Assistance Award Recommendation

Chairman Brothers-Bridge recognized Lynn Morrow who presented information regarding Ex-Offender Re-Entry Program – HOME Tenant Based Rental Assistance Award Recommendation.

Background
The Home Investment Partnerships Program (HOME) funds can be used to provide direct rental assistance to low-income households. HOME funded Tenant Based Rental Assistance (TBRA) is a rental subsidy that helps make up the difference between what a renter can afford to pay and the actual rent. HOME TBRA can also assist with utility costs, security deposits, and utility deposits. To be eligible for this program, the household's income must be at or below 50% of area median income. The Indiana State Consolidated Plan language allows for IHCDA to seek programs that assist with special populations that are at risk of being homeless or currently homeless. One of these programs is the re-entry program for persons who are ex-offenders and who have barriers that put them at risk of becoming homeless.

Research has indicated that more prisoners are returning home, having spent longer terms in correctional facilities, less prepared for life on the outside, with less assistance in their reintegration. These results are given meaning by the high recidivism rate of Indiana's ex-offenders: two of every five offenders will be back in a correctional facility within three years of their release. The costs of this cycle of re-incarceration include the monetary (the high costs of incarceration and the criminal justice system) and human (translate into thousands of criminal victimizations each year).

However, studies have shown that structured re-entry programs can decrease recidivism when they are coupled with a good partnership between courts, supportive services, and housing. IHCDA's experience funding re-entry programs supports these studies. For example:

- In Tippecanoe County, the Lafayette Re-entry Problem Solving Court saw results between 2007 and 2010 including:
    - Since the TBRA program, only 3.5% have been expelled and returned to prison.
    - Fourteen percent who graduated from re-entry had the benefits of TBRA and moved onto independent housing. Others are in good standing, and as of April 2010 no participant had been arrested for a criminal offense.
    - One graduate began saving for a home through IHCDA's Individual Development Account program (matches every dollar saved with three dollars).
- In Vanderburgh County, a partnership among Aurora, Inc., Vanderburgh County Discharge Planning Commission, Corporation for Supportive Housing, and the Indiana Department of Corrections had 20 discharges over between 2012 and 2014, with a 15% recidivism rate (return to prison or jail within three years of release). Statewide, the average recidivism rate is 38%, and nationally 68%.

Process
IHCDA sent out a Request for Proposal (RFP) to solicit non-profit agencies. One of the requirements was the agency had to currently have a re-entry program that assists persons who are ex-offenders and have severe housing barriers that put them at risk of being homeless or are currently homeless. This program would provide individuals with a successful transition to their community after they are released.
IHCDA received six responses to the RFP, which were scored utilizing a scoring tool that assigns points based upon the following program design components: organizational capacity, service partnerships, history of administering their current re-entry program, and program performance. Applications were checked for completeness and compliance with the following threshold requirements:

1. A private nonprofit organization (defined as tax-exempt secular or religious organizations described in section 501(c) 3 of the Internal Revenue Code), or a unit of general purpose local government in the State of Indiana.
2. No unresolved findings from IHCDA or HUD.
3. Active participant in regional homeless planning council on the homeless. This is defined as attendance to at least 75% of all meetings in the 2014 calendar year.

4. Experience administering a rental assistance program of similar scope (such as Shelter + Care/Permanent Supportive Housing).
5. Current administrator of a re-entry program for previous offenders with severe housing barriers who do not have current permanent housing placement.
6. Partnership with IDOC, local jail, re-entry court, mental health agencies, or community services agencies.

Applicants were also required to meet the following:

1. Ability to track the amount of supportive services provided to participants receiving TBRA. (Supportive services may include but are not limited to case management, mental health treatment, substance abuse treatment, counseling, etc.)
2. Demonstrate the organizational capacity to assess eligibility, develop and monitor housing permanency plans, identify and contract with eligible landlords and utilities, and manage the distribution and accounting of checks associated with eligible activities.
3. Include a defined plan to coordinate with IDOC, local jail, or re-entry/drug court in the proposed service area that includes an executed agreement between the applicant and the correctional facility detailing the proposed referral process.

Staff is recommending one applicant for funding: Aurora, Inc. in Evansville.

There were five RFP's that did not meet one or more of the thresholds requirements: CoC NWI (Gary), Kingdom Christian Center (Hammond), Center for Community Justice (Elkhart), Heart House (Dearborn County), and Housing Opportunities (Valparaiso). None of these programs currently administer a re-entry program and some had no previous rental assistance experience.

Following discussion, a motion was made by Jillean Battle to approve awarding HOME TBRA funds to Aurora, Inc. in an amount not to exceed $300,000, as recommended by staff, which was seconded by David Miller; the motion passed unanimously:

> **RESOLVED**, that the Board approve awarding HOME TBRA funds to Aurora, Inc. in an amount not to exceed $300,000, as recommended by staff.

V. Executive

A. Ethics Update

Chairman Brothers-Bridge recognized Mark Wuellner who presented an Ethics Update.

Mark offered an update on his May 28th presentation regarding the new ethics laws that went into effect July 1, 2015. Mark instructed the Board how to access and complete the Individual Disclosure Statement, as resolved by the Board, created by IHCDA team members. In addition, Mark informed the Board regarding the process should a conflict of interest arise including the Conflict of Interest Decisions and Voting form that will notify Jake as IHCDA's Executive Director, Mark as the Board's counsel and Ethics Officer, and Tonya as Chairman of the Board of the possible conflict.

In addition to the initial notification, Mark informed the Board of the process with regard to completing and filing State Form 55860 (6-15): Conflicts of Interest - Decisions and Voting with the Inspector General's Office.

Finally, the Board requested that a back-up ethics officer be selected. David Stewart, IHCDA's Compliance Attorney, was tapped to fulfill that request. David has experience in other State agencies as General Counsel and Ethics Officer.

B. Executive Update

Chairman Brothers-Bridge recognized Jake Sipe who presented an Executive Update.

Continuous Improvement
One year after our initial training, Kaufman Global has returned to provide a Continuous Improvement (CI) "tune up" to broaden and deepen the implementation roles and expectations; specific areas include: continued development of Blake Blanch, Vinya Dunbar, and Samantha Higdon as CI leaders, working with LDMS teams on measurements and methods and conduct two Rapid Improvement Events (RIE). The two RIE are:

1. The Energy Assistance Program from July 20th – 24th to look at the entire process with both internal and external stakeholders and
2. The Consolidated Planning Process from August 17th – 21st which will include IHCDA in conjunction with members of the Office of Community and Rural Affairs.

At the end of the training, we will get a report out depicting progress and results which Jake will share with the Board.

Innovative Round Site Visits
An advisory committee is conducting CSBG Innovative Round site visits in Brookville, Alexandria, Indianapolis, and Fort Wayne. Two of the four visits will be in August.

Stellar Round Update
Stellar site visits have been scheduled as follows:

- July 24th North Liberty
- July 28th Crawfordsville
- July 29th Marion
- July 30th Decatur, Dunkirk

The Lieutenant Governor will announce the two Stellar Communities at the State Fair on August 17th.

No action was required as this was an update to the Board.

VI. Other Business

There being no further business a motion was made by Mark Pascarella to adjourn the meeting, and the meeting was adjourned at 11:45 a.m.

Respectfully submitted,

Tonya Brothers-Bridge

Tonya Brothers-Bridge as designee of
Lieutenant Governor, Sue Ellspermann

ATTEST:

J. Jacob Sipe
Executive Director for IHCDA

RESOLUTION OF THE INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY CONCERNING THE ISSUANCE OF INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY HOUSING REVENUE BONDS, SERIES 2015 (DBG APARTMENT PROJECTS)

WHEREAS, the Indiana Housing and Community Development Authority (the "Authority") is a public body corporate and politic of the State of Indiana (the "State"), created and existing under the authority of Title 5, Article 20, Chapter 1, of the Indiana Code, as amended (the "Act"). The Indiana General Assembly in 1978 found and declared to be a matter of legislative determination and made further findings that (i) there has existed in the State a need for safe and sanitary residential housing within the financial means of low and moderate income persons and families, a need which if unmet, is a threat to the health, safety, morals, and welfare of State residents and which will require an excessive expenditure of public funds for the social problems thus created; (ii) private enterprise and investment is more adequately able to produce the needed construction of decent, safe, and sanitary residential housing at prices or rentals which persons and families of low and moderate income can afford, or to achieve the urgently needed rehabilitation of much of the present low and moderate income housing; (iii) the provision of decent, safe, and sanitary housing for persons and families of low and moderate income who would otherwise be unable to obtain adequate housing at costs they could afford is a valid public purpose for which public moneys may be spent; and (iv) the provision of money for mortgage loans through the issuance of mortgage-backed bonds, notes, or other securities will assist in meeting the needs identified in the Act; and

WHEREAS, in a case challenging the constitutionality of the Act, the State Supreme Court has determined that the Act comports with the constitution of both the State and the United States of America and that the financing of housing for persons and families of low and moderate income pursuant to the Act is a valid and constitutional public purpose; and

WHEREAS, pursuant to the Act, the Authority has all the powers necessary or convenient to make or participate in the making of construction loans to sponsors of multiple family residential housing; and

WHEREAS, DBG Properties, L.P., an Indiana limited partnership (the "Borrower") submitted application materials and other information to the Authority and has requested that the Authority make a loan to the Borrower (the "Loan") through the issuance of revenue bonds to assist in the financing of the acquisition, construction, rehabilitation and equipping of a total of 118 units of residential rental property located on five (5) separate properties located within the jurisdiction of the Authority, together with functionally related and subordinate facilities, including the properties known as (i) "23 South" located at 700 Indiana Street (6 units), and "76 Apartments" located at 506 Illinois Street (8 units), both in the City of Walkerton, St. Joseph County, Indiana; (ii) "100 North" located at 204-206 E. Harrison (8 units), located in North Liberty, St. Joseph County, Indiana; (iii) "Panoramic I" located at 300 Meadow Lane (32 units), located within the Town of Liberty, Union County, Indiana; and (iv) "Panoramic III-IV" located at 600 N. Morton Street (64 units), within the Town of Centerville, Wayne County, Indiana (the aforementioned properties collectively referred to herein as the "Projects"); and

WHEREAS, the Act specifically empowers the Authority to issue revenue bonds and make loans of the proceeds thereof in order to carry out and effectuate its purposes, the payment of principal of and interest on such revenue bonds to be paid solely from the revenues derived from operations and loan repayments of a development and in no manner from the general funds of the Authority; and

Exhibit A

WHEREAS, the Authority staff has completed its review of the Projects and the Executive Director, based upon the Authority staff analysis, has recommended that the Authority make a Loan to the Borrower with respect to the Projects; and

WHEREAS, the Authority has reviewed the Authority staff analysis and recommendation of the Executive Director and has determined that the Projects meet the requirements of the Act and the rules and regulations of the Authority; and

WHEREAS, the Authority has determined to issue its revenue bonds to assist in financing the Projects, which revenue bonds will not constitute a debt, liability or obligation of the State or the Authority or a pledge of the faith and credit of the State or the Authority, but shall be payable solely from the revenues of the Projects and loan repayments made to the Authority by the Borrower;

NOW, THEREFORE, BE IT RESOLVED BY THE INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY THAT:

1. The legislative findings of the Indiana General Assembly itemized in IC 5-20-1-1, Section 1 of the Act hereby are ratified and confirmed and it is specifically found that:

(a) there continues to exist in the State a need for safe and sanitary residential housing within the financial means of low and moderate income persons and families, a need which if unmet is a threat to the health, safety, morals and welfare of Indiana residents and which will require an excessive expenditure of public funds for social programs thus created;

(b) private enterprise and investment continue to be able to more adequately produce the needed construction of adequate safe and sanitary residential housing at prices which persons and families of low and moderate income can afford or to achieve the urgently needed rehabilitation of the present low and moderate income housing, and that private enterprise and investment be encouraged to sponsor, build and rehabilitate residential housing for such persons and families;

(c) the provision of decent, safe and sanitary housing for persons and families of low and moderate income who would otherwise be unable to obtain adequate housing at a cost they could afford continues to be a valid purpose for which public moneys may be spent; and

(d) there exists a need in the State to stimulate the residential housing industry.

2. The Authority hereby makes the following additional findings and determinations in connection with the Loan to be made by the Authority with proceeds of the Bonds to assist in the financing of the Projects:

(a) The Loan to the Borrower pursuant to the Loan Agreement (as defined herein) accomplishes the purposes of the Authority by permitting the Borrower to provide decent, safe and sanitary housing for persons and families of low and moderate income who would otherwise be unable to obtain adequate housing at a cost they could afford;

(b) Based upon representations made and information presented by the Borrower:

(i) There exists a need for continued safe and sanitary housing within the financial means of persons and families of low and moderate income and within the general housing market area to be served by the proposed Projects;

(ii) The financing of the Project will assist private enterprise and investment in providing decent, safe, and sanitary residential housing at rentals which persons of low and moderate income can afford;

(iii) The Borrower will supply well-planned, well-designed residential housing for persons of low and moderate income;

(iv) The Borrower is financially responsible; and

(v) The proposed Projects will be of public use and will provide a public benefit.

3. The issuance and sale by the Authority of its Housing Revenue Bonds in one or more series and the use of the funds therefrom to make a Loan to the Borrower to finance a portion of the costs of the Projects in accordance with the Act are hereby determined to be consistent in all respects with the purposes for which the Authority was created and exists.

4. The Authority hereby authorizes the making of a Loan to the Borrower with proceeds of the Bonds (as defined herein) with respect to the Projects. The Loan Agreement shall include conditions requiring the Borrower to comply with all provisions of the Act and the rules and regulations of the Authority and any other requirements deemed necessary or appropriate by the Executive Director and the Authority staff. The interest rate with respect to the Loan, the estimated total development cost of the Projects and the initial principal amount of the Loan, together with terms and conditions applicable to any equity contribution by the Borrower, assurances of successful completion and operational stability of the Projects, procedures for the determination of the total development costs and the final principal amount of the Loan, the term and amortization requirements of the Loan, related matters and terms and conditions shall be as set forth in the Loan Agreement (as hereinafter defined).

5. To further the purposes of the Authority under the Act, the Authority hereby authorizes and ratifies: (i) the issuance of its Housing Revenue Bonds, Series 2015 (DBG Apartment Projects), in one or more series in an aggregate principal amount not to exceed Four Million Eight Hundred Thousand Dollars ($4,800,000) (the "Bonds"); (ii) the loan of the Bond proceeds by the Authority to the Borrower pursuant to a Loan Agreement, to be dated the date thereof (the "Loan Agreement"), by and between the Authority and the Borrower; (iii) the issuance of the Bonds pursuant to the terms of a Trust Indenture, to be dated the date thereof (the "Indenture"), by and between the Authority and The Huntington National Bank, as trustee (the "Trustee"), and such Bonds being issued as fixed rate bonds or as variable rate bonds as ultimately determined in the Indenture in either case, bearing interest at a rate not to exceed 5.00% and maturing no later than ten (10) years from the date of issue; (iv) the sale and delivery of the Bonds to The Sturges Company (the "Underwriter") pursuant to the terms of a Bond Purchase Agreement, dated the date of sale of the Bonds (the "Bond Purchase Agreement"); (v) the regulation of the Projects pursuant to separate but substantially identical Land Use Restriction Agreements, each dated the date thereof, and each among the Authority, the Trustee and the Borrower (collectively, the "Regulatory Agreements"); (vi) a tax agreement and no-arbitrage certifications by the Authority, the Trustee and the Borrower (the "Tax Agreement") to assure the use of the proceeds received from the sale of the Bonds in accordance with the terms of the Indenture and in accordance with the Act and the applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"); and (vii) the distribution and use of a Preliminary Official Statement relating to the Bonds (the "Preliminary Official Statement") and a final Official Statement relating to the Bonds (the "Final Official Statement" and, together with the Preliminary Official

Statement, the "Official Statement"), for use in connection with the marketing of the Bonds to the ultimate investors thereof.

6. The Authority hereby approves the substantially final forms of the Indenture, the Loan Agreement, the Regulatory Agreements, the Bond Purchase Agreement and the Tax Agreement (all such foregoing documents referred to collectively as the "Bond Documents"). The forms of the Bond Documents presented hereby are substantially final forms and the Authority hereby authorizes the Chairman, the Executive Director and the Chief Financial Officer (the "Authorized Officers"), or any one of them individually, with the advice of counsel to the Authority, to execute and deliver the Bond Documents to which they are a party (such Bond Documents to which the Authority is a party are referred to as the "Issuer Documents") with such changes in form or substance as may be necessary or appropriate to accomplish the purposes of this Resolution as shall be approved by the Authorized Officers, such approvals to be conclusively evidenced by the execution thereof or certification as applicable, and to take such further actions necessary or appropriate to approve the sale and issuance of the Bonds, such approvals to be conclusively evidenced by their execution of the Bonds.

7. The Authority hereby delegates to the Authorized Officers the authority to execute and deliver the Issuer Documents provided that any of the Authorized Officers acting alone is authorized and has full power to execute and deliver the Issuer Documents, as appropriate, and hereby authorizes the Authorized Officers to take such further actions necessary and appropriate to approve the sale and issuance of the Bonds.

8. The Authorized Officers are each authorized to execute such other documents and to take any and all other actions on behalf of the Authority as may be necessary or appropriate to carry out and implement the purposes of this Resolution, including the execution and delivery of any certificates or other agreements in connection therewith. The Chairman and the Executive Director are hereby authorized to execute and deliver the Bonds by manual or facsimile signature pursuant to the Indenture and to authenticate the Bonds.

9. The Authority hereby agrees to cooperate with the Borrower in establishing documentation sufficient to provide for post-issuance compliance with respect to the Bonds under the Code and the regulations promulgated thereunder. Any one of the Authorized Officers is hereby specifically authorized and empowered to execute and deliver such certificates and enter into such agreements concerning such post-issuance compliance.

APPROVED AND ADOPTED this 23rd day of July, 2015, in Indianapolis, Indiana.

INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY

By: _____
Sue Ellspermann, Lieutenant Governor, Chair, or designee thereof

By: _____
Kelly Mitchell, Treasurer of the State, Vice Chair, or designee thereof

By: _____
Dennis Bassett, Public Finance Director, or designee thereof

By: _____
Thomas K. McGowan

By: _____
David Miller

By: _____
Lula Porter

ATTEST:

By: _____
J. Jacob Sipe
Executive Director

ihcda

Indiana Housing & Community Development Authority

PROJECT FUNDING SUMMARY SHEET

Chambers Park Apartments
Marion
Grant County

PROJECT SUMMARY: New construction of 50 units of affordable rental housing for veterans, adjacent to the Veterans Administration Northern Indiana Health System Campus, and developed by Building Blocks Non-Profit Housing Corporation. The project will serve very low-income veterans experiencing homelessness and/or disabilities. All units will be fully furnished, and tenants will receive "start-up" supplies at initial occupancy. Common area amenities will include a kitchen, computer room, exercise room, food pantry, bike storage, an outdoor patio eating area with a grill, and a gardening and recreational activity area. The property will also have a property manager living on site. There will be three office spaces for supportive service delivery, including one staffed by Volunteers of America of Indiana and two for the VA or other community partners.			
PRESENTER: Alan Rakowski, Rental Housing Tax Credit Manager			
AMOUNT OF FUNDING REQUESTED:	$664,532 RHTCs, $400,000 HOME, $500,000 Development Fund	**AMOUNT & SOURCE OF FUNDING RECOMMENDED:**	$664,532 RHTCs, $900,000 HOME

Exhibit B

RENTAL HOUSING TAX CREDIT PROGRAM
DEVELOPMENT SUMMARY
2015HF-C ROUND

PROJECT NAME:	Chambers Park Apartments
SITE LOCATION:	4343 South Lincoln Boulevard Marion, IN 46953 Grant County
PROJECT TYPE:	New Construction
PROJECT DESIGNATION:	Permanent Supportive Housing
APPLICANT:	Building Blocks Non-Profit Housing Corporation
PRINCIPALS:	Building Blocks Non-Profit Housing Corporation Mr. Dennis Quinn

# OF UNITS AT EACH SET ASIDE	
60% of AMI:	13
50% of AMI:	12
40% of AMI:	12
30% of AMI:	13
Market Rate:	0

UNIT MIX	
Efficiency:	0
One bedroom:	50
Two bedroom	0
Three bedroom:	0
Four bedroom:	0
Total units:	50

TOTAL PROJECTED COSTS:	$7,963,473.00
COST PER SQUARE FOOT:	$155.68
CREDIT REQUESTED:	$664,532.00
CREDIT RECOMMENDED:	$664,532.00
HOME FUNDS REQUESTED:	$400,000.00
DEVELOPMENT FUND REQUESTED:	$500,000.00
HOME FUNDS RECOMMENDED:	$900,000.00
APPLICANT NUMBER:	2015HF-C-001
BIN NUMBER:	IN-15-02500
HOME LOAN NUMBER:	HML-014-004
FINAL SCORE:	114

PROJECT FUNDING SUMMARY SHEET

Village of Hope
Gary
Lake County

PROJECT SUMMARY: New construction by TWG Development located on the northeast corner of 12th and Monroe Street in Gary, Indiana. Village of Hope will be located one block north of the Sojourner Truth House, a community resource and day center for homeless and at-risk women and children. Village of Hope will consist of 40 units in one building, 100% of which will be set-aside for homeless men, women, and children. Amenities include wide hallways, spacious rooms with internet access, secure entrance points, a playground, a large community room, a fitness room, and a library.			
PRESENTER: Alan Rakowski, Rental Housing Tax Credit Manager			
AMOUNT OF FUNDING REQUESTED:	$920,454 RHTC; $1,000,000 HOME	**AMOUNT & SOURCE OF FUNDING RECOMMENDED:**	$920,454 RHTC; $1,000,000 HOME

RENTAL HOUSING TAX CREDIT PROGRAM
DEVELOPMENT SUMMARY
2015HF-C ROUND

PROJECT NAME:	Village of Hope
SITE LOCATION:	12th & Monroe Street Gary, IN 46407 Lake County
PROJECT TYPE:	New Construction
PROJECT DESIGNATION:	Permanent Supportive Housing
APPLICANT:	TWG Development, LLC
PRINCIPALS:	TWG Development, LLC Sojourner Truth House, Inc.

# OF UNITS AT EACH SET ASIDE	
60% of AMI:	11
50% of AMI:	11
40% of AMI:	10
30% of AMI:	8
Market Rate:	0

UNIT MIX	
Efficiency:	0
One bedroom:	21
Two bedroom	17
Three bedroom:	2
Four bedroom:	0
Total units:	40

TOTAL PROJECTED COSTS:	$9,316,561.00
COST PER SQUARE FOOT:	$159.00
CREDIT REQUESTED:	$920,454.00
CREDIT RECOMMENDED:	$920,454.00
HOME FUNDS REQUESTED:	$1,000,000.00
HOME FUNDS RECOMMENDED:	$1,000,000.00
APPLICANT NUMBER:	2015HF-C-002
BIN NUMBER:	IN-15-02600
HOME LOAN NUMBER:	HML-014-005
FINAL SCORE:	124.50

2016-2017 PROPOSED QUALIFIED ALLOCATION PLAN CHANGES

Housing Priorities

- Updated the Authority's Housing Priorities in accordance with the agency mission.

Set-Asides

- Decreased the Elderly Set-Aside from 15% to 10%; increased the Preservation Set-Aside from 10% to 15%.
- For the Stellar Community Set-Aside, added that the proposed development must be specifically identified as part of their three-year Stellar Community Strategic Investment.
- In order to apply under the Housing First Set-Aside, 100% of the units must be committed as permanent supportive housing. The Indiana Supportive Housing Institute RFP each year will define the target populations.

Threshold Requirements

- A full Phase I Environmental Assessment must be submitted with the Initial Application.
- Developments located in 100 year flood plain may apply for Development Fund funding, as long as it completes the FEMA reclassification process and all other listed requirements.
- The Capital Needs Assessment or Structural Conditions Report must be submitted at least 30 days prior to the application submission.
- For Underwriting Guidelines, the minimum operating expenses in which a development must be able to underwrite increased from $2,500 to $3,500 per unit per year.
- For Underwriting Guidelines, a project that depends on commercial income to meet the minimum underwriting guidelines will not be considered financially feasible.
- Added Threshold Requirements for projects competing in the Housing First Set-Aside.
- Increased the developer fee limitations on a per unit basis, while keeping the maximum fee at $1,200,000.
- Increased the maximum developer fee from $2,000,000 to $2,500,000 for developments using tax exempt bonds. However, any amount over $2,000,000 must be deferred and paid out of available cash flow.
- Increased the Architect Fee Limitation from 3% to 4%.
- Updated the Universal Design Features and added a minimum of four Universal Design selections in each column as a threshold requirement (previously this was an evaluation factor only, not a threshold item).
- Added a Visitability Mandate for single family homes, duplexes, and triplexes.
- For Minimum Development Standards, reduced the minimum vinyl siding thickness from .046" to .044".
- Removed a deduction of points for the return of Rental Housing Financing by Applicant.

Evaluation Factors

- Total number of points decreased from 200 to 195. The minimum score to pass threshold was increased from 110 to 120. For projects using tax exempt bonds, the minimum score will be determined on a case-by-case basis.

EXHIBIT C

- Retained a scoring category for Universal Design Features, when the number of selections exceeds the minimum threshold requirements.
- Decreased the minimum net square footage requirement from 550 to 500 for one bedroom units within a rehabilitation of existing housing development.
- For Vacant Structures, added a two point bonus for developments affected by a disaster.
- Redefined Infill Housing to include only new construction activities, with a two point bonus for developments affected by a disaster.
- Under Federally Assisted Revitalization Award, added consideration for a HUD designated Promise Zone and developments utilizing sites from the Blight Elimination Program.
- Removed the Cost per Square Foot category and added a Credit per Unit category and Credit per Bedroom category, in which all developments will compete based on construction type.
- For Sustainable Development Characteristics, added scoring categories for 1) Energy Efficiency – Air Sealing, 2) Energy Efficiency – High Insulation, and 3) Water Conservation.
- For Desirable Sites, added a minimum Walkscore requirement under Transit Oriented Development.
- For Desirable Sites, added consideration for counties with low unemployment rates and high healthy outcomes rankings under the Opportunity Index.
- Removed the Credit Reduction, Difficult to Develop Area, Local Housing Needs, and Community Revitalization Preservation categories.
- Increased the point value for Lease Purchase from 1 to 2, with up to two bonus points for the incorporation of 3 and 4 bedroom units.
- Added the Integrated Supportive Housing category for developments proposing Integrated Supportive Housing and completing the 2015 or 2016 Indiana Supportive Housing Institute.
- Added the Community Participation category for applicants, owners, or developers participating on Indiana-based nonprofit boards with affordable housing, community development, or economic development as one of its primary purposes.
- Created a sliding scale for technical correction bonus points.

HOME Policy

- The applicant may propose a loan term up to two years for construction and up to 30 years for permanent financing.
- If the applicant or affiliated entity of the applicant currently has an open IHCDA HOME award, the applicant must show progress before commencing closing on the IHCDA HOME loan.

Development Fund Policy

- Developments located in 100 year flood plain may apply for Development Fund funding, as long as it completes the FEMA reclassification process and all other listed requirements.
- The final interest rate will not be less than 3%, in accordance with the Development Fund program policy as updated and approved by the Board in 2014.

EXHIBIT C

- For projects over 50 units, 10 units or 50% of the assisted units, whichever is greater, must be designated at or below 50% of the area median income for both income and rent limits.

Miscellaneous

- Updated Application Deadline Dates as follows:

2016 and 2017 Annual Rental Housing Tax Credit Round	
Application Deadline	Anticipated Reservation Date
November 2, 2015	February 25, 2016
November 7, 2016	February 23, 2017

2016 and 2017 Annual Private Activity Bond Round	
Application Deadline	Anticipated Reservation Date
Open Application Round	60-90 days from the Application submission

- The Housing First Set-Aside will now compete as part of the November round.
- Implemented a flat $2,000 RHTC application fee, rather than a fee based on the number of units.

EXHIBIT C

A. Role of Authority

The Authority is empowered to act as the housing credit agency for the State of Indiana to administer, operate and manage the allocation of RHTCs, also known as the Low-Income Housing Tax Credit program, pursuant to Section 42 of the Code and this Allocation Plan.

The actions, determinations, decisions or other rulings made by the Authority pursuant to this Allocation Plan shall not be construed to be a representation or warranty by the Authority as to a Development's compliance with applicable legal requirements, the feasibility or viability of any Development or of any other matter whatsoever, and no action of the Authority shall be relied upon by any person as a representation or warranty by the Authority in connection therewith.

The Authority reserves the right to resolve all conflicts, inconsistencies or ambiguities, if any, in this Allocation Plan or which may arise in administering, operating or managing the allocation of Rental Housing Financing Programs. The Authority in its sole discretion reserves the right to, and may from time to time, amend this Allocation Plan, pursuant to the Code, for any reason, including to assure compliance with applicable federal, State or local law and regulations there under which may be amended and/or enacted and promulgated, from time to time and/or to terminate the Program.

The Authority reserves the right to allocate resources to lower ranked proposals to achieve a better mix of resource usage or better geographical distribution of resources as described above, or for any other reason judged by the Authority to be meritorious. Such actions will be made at the Authority's sole and absolute discretion. Any decision the Authority makes, and any action or inaction by the Authority in administering, managing, and operating the system, shall be final and conclusive and shall not be subject to any review, whether judicial, administrative or otherwise.

B. Authority's Housing Goals

The selection criteria set forth in this Allocation Plan include, in part, consideration of: (1) Development location; (2) housing needs characteristics; (3) Development characteristics, including whether the Development uses existing housing as part of a community revitalization plan; (4) sponsor characteristics; (5) tenant population with special housing needs; (6) the existence of a public housing waiting list; (7) tenant populations of individuals with children; (8) Developments intended for eventual tenant ownership; and (9) Permanent Supportive Housing.

This Allocation Plan:

1. Has been established by the Authority utilizing the selection criteria required by the Code in determining housing priorities of the Authority, which are appropriate to local conditions;

2. Gives preference in allocating Rental Housing Financing among selected Developments that meet the Authority's Housing Goals.

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;
- Minimize displacement of existing tenants;
- Are an important part of a broader or comprehensive neighborhood improvement, and which have the capability of fundamentally changing the character of a neighborhood through measurable community impact;
- 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 possible negative impact on existing affordable housing units in an area;
- Increase the supply of Permanent Supportive Housing through community-based partnerships for homeless individuals and families;
- Provides procedures that the Authority (or an agent or other private contractor of the Authority) will follow in monitoring for compliance with the provisions of the Code notifying the Internal Revenue Service of any noncompliance of which the Authority becomes aware, and in monitoring for compliance with habitability standards through regular site visits.

C. Housing Priorities

After considering the housing needs identified, the Authority has established certain housing priorities for the allocation of RHTCs to better enable the Authority to achieve its housing goals. In connection therewith, and in accordance with the agency mission, the Authority seeks to encourage and promote:

Housing for Vulnerable Populations

IHCDA strives to create housing opportunities for vulnerable populations, including those individuals considered as a "special needs population" under Indiana Code as well as households with extremely low-incomes. Categories of special needs populations are discussed in the threshold section.

Part of this effort is to support activities that promote "aging in place." Aging in place refers to creating a living environment that it is safe, adaptable and comfortable for persons of all ages and abilities. While the primary target populations for aging in place strategies are seniors and persons with disabilities, everyone benefits from buildings and communities that are accessible, visitable, and livable.

Another important aspect of IHCDA's work to provide housing opportunities for vulnerable populations is our commitment to permanent supportive housing. Merely managing homelessness is not a long

term solution. IHCDA and its partners are focused on systematically preventing and ending homelessness for those most vulnerable in our communities. By identifying barriers to self-sufficiency and targeting the most appropriate housing solution, we can help to minimize the number of people that enter the homelessness delivery system and the duration of time they spend in it. For the chronically homeless--those who cycle through health care institutions and correctional facilities seeking services and shelter--we can link services with housing to provide stability for them and reduce the burden on other community systems. Ultimately, our collective goal is to ensure that everyone has a place to call home.

Enhance Self-Sufficiency in Existing Programs

Good affordable housing development focuses not only on the physical building, but also on enriching the lives of the future residents. IHCDA believes that the RHTC program can be a catalyst to enhance the self-sufficiency of individuals and families with low incomes. To that end, the QAP promotes developments that focus on tenant investment and enrichment through services, unique development features, access to neighborhood amenities and opportunities, etc.

Promote Place-Based Initiatives

IHCDA seeks to promote developments that build upon a community's existing assets, take advantage of its available resources, promote quality of life, and fit into the community's overall plan.

While the opportunities and challenges may vary, every community should strive to be a place where people choose to live, work, and play. A thriving community is a community with job opportunities, strong schools, safe neighborhoods, a full range of housing choices, and a vibrant culture. A community's potential lies in the identification and creation of a shared vision, planned by local leadership, and carried out by an array of partners. The demolition of blighted structures, the rehabilitation of long-vacant housing and the creation of new community amenities and retail opportunities serve as a tipping point for future development through market forces.

D. Private Activity Tax-Exempt Bond Financing

Pursuant to the Code, Developments that do not receive a direct allocation from the Authority because such Developments qualify for the four (4%) percent RHTCs under the Code, must nevertheless satisfy and comply with all requirements for an allocation under this Allocation Plan and the Code. See Schedule D - Private Activity Tax-Exempt Bond Requirements.

Applicants requesting to have the Authority act as the Issuer for the Tax-Exempt Bond Financing must meet all requirements under the Allocation Plan, Code and Schedule D.

[Note: A Development that has applied for and/or received an allocation of tax-exempt bond will not be eligible for an allocation of nine (9%) percent RHTCs for said Development.]

E. Set Aside Categories

The Authority believes it can best achieve its housing goals by establishing set aside categories based on: (i) development by qualified not-for-profit organizations; (ii) Stellar Community Designation; (iii) Elderly; (iv) Development location; (v) Preservation; (vi) Developments which serve the lowest income. More than one (1) set aside category may be addressed by a Development, depending upon the location, characteristics and whether the owner is a qualified not-for-profit organization. However, a Development may only compete in one (1) Development Location set aside.

Note: There are no set aside categories for Bond financed Developments.

The Authority's "housing tax credit ceiling" for allocation in any one year is determined by the sum of the following components:

1. Per Capita Credits – determined by the State's population.
2. Carry Forward Credits – unused credits in any one year will be carried forward for allocation in the succeeding year.
3. Returned Credits – credits that are returned from developments that received an allocation in previous years will be re-allocated.
4. National Pool - if the Authority is able to allocate the tax credits to a de minimis amount in any one year, the State is then eligible to receive additional credits from a pool of credits returned unused by other states.

The set aside categories, their respective requirements and amount of the annual RHTCs allocated are described below. The Authority may exceed the award limitations identified in order to completely fund a development request.

% of Available RHTCs	Set Aside Category
15%	Qualified Not-for-profit
10%	Stellar Community Designation
10%	Elderly
10%	Large City
10%	Small City
10%	Rural
15%	Preservation
10%	Housing First
10%	General

1. **Qualified Not-for-profit**

15% of available annual RHTCs will be set aside for Developments in which the "qualified not-for-profit organization" owns 100% of the general partner interest, receives at least 25% of the developer fee (if any developer fee is deferred, the for-profit's and not-for-profit's deferral must be proportionate to the amount of developer fee they are to receive), and materially participates in its operations, as such terms are defined in and pursuant to Section 42 of the Code and this Allocation Plan. [Note: 100% general partner ownership interest is only required by a qualified not-for profit for consideration in this set-aside and does not preclude joint ventures in any other set-aside].

Qualified Not-for-profit Organization Requirements:

A not-for-profit organization shall not constitute a "qualified not-for-profit organization" if the not-for-profit organization is affiliated with or is controlled by a for profit organization. To constitute a qualified not-for-profit organization throughout the compliance period: (i) one of the not-for-profit organization's exempt purposes must include the fostering of low-income housing, (ii) the not-for-profit organization must own 100% of the general partner interest in the Development, (iii) the not-for-profit organization must materially participate* in the development and operation of the Development, (iv) the not-for-profit organization must comply with all other Sections of the Code applicable to not-for-profit organizations, and (v) has no part of its net earnings to the benefit of any member, founder, contributor, or individual. The not-for-profit must have been in existence at least one year prior to the date of application, with affordable housing as one of its primary goals.

*A nonprofit entity is considered to be materially participating "where it is regularly, continuously, and substantially involved in providing services integral to the development and operation of a project." For more information, see Internal Revenue Code Section 469(h), Chapter 6 of the IRS *Low-Income Housing Credit Audit Technique Guide*, and Part 2.3B of the Compliance Manual.

Projects competing in this set-aside but funded under a different set-aside will still be subject to the set-aside requirements.

Required Documentation: At the time of application, Articles of Incorporation or its formation documents for the not-for-profit, IRS documentation of tax-exempt status (e.g. §501(c)(3)), and a complete signed original Not-for-Profit Questionnaire (Form B) with required attachments must be submitted by the Applicant and placed in Tab C.

2. **Stellar Community Designation**

10% of available annual RHTCs will be set aside for Developments that, through their formation, are part of a designated Indiana Stellar Community. Indiana's Stellar Communities Program is a collaborative effort of multiple State partners seeking to engage two communities to achieve a three-year revitalization strategy. In the revitalization strategy communities identify areas of interest and types of projects, produce a schedule to complete projects, produce cost estimates, identify local match amounts, sources, and additional funding resources, indicate the level of

community impact, and describe the significance each project will have on the overall comprehensive revitalization of the community.

In order to compete under this set-aside, the following conditions must be met:

- The community must have a Stellar Community Designation. Communities that were named finalists but not chosen are not eligible under this set aside.
- The proposed Development must be specifically identified as part of their three-year Stellar Community Strategic Investment Plan, which will identify capital and quality of life projects to be completed during that period.

3. Elderly

10% of available annual RHTCs will be set aside for Developments specifically designed for use by elderly tenants. Elderly is defined, for the purpose of this Allocation Plan, as one of the following options as outlined in the Housing for Older Persons Act of 1995.

- 100% of the units are restricted for households in which all members are age 62 or older; or
- At least eighty percent (80%) of the units in the entire development are restricted for and solely occupied by households in which at least one member is age 55 or older.

Owners considering and/or receiving an allocation under this set aside should be familiar with the Housing For Older Persons Act (an amendment to the Fair Housing Act) and the "Implementation of the Housing For Older Persons Act of 1995; Final Rule" guidance as provided in the Federal Register, Vol. 64 No. 63 from April 2, 1999. This document is located in Appendix K of the IHCDA Rental Housing Tax Credit Compliance Manual.) Additional clarifications on the Housing for Older Persons Act definitions are available in Section 5 of the Compliance Manual.

USDA Rural Development Properties and HUD Elderly Programs: Properties assisted by USDA Rural Development or HUD elderly housing programs must follow the definitions of elderly as defined by those programs.

4. Development Location

All Applications for RHTCs will compete in only one Development Location set aside defined below:

a. 10% of available annual RHTCs will be set aside for Developments located within a Large City. For purposes of this set aside Large City is defined as a city with a population of 75,000 or more (See Appendix C). The Development must be located within one mile of the zoning jurisdiction and/or use city utility services (water and sewer).

b. 10% of available annual RHTCs will be set aside for Developments located within a Small City. For purposes of this set aside Small City is defined as a city with a population of

15,000 – 74,999 (See Appendix D). The Development must be located within one mile of the zoning jurisdiction and/or use city utility services (water and sewer).

c. 10% of available annual RHTCs will be set aside for Developments located in areas designated as "Rural," where the Development's location meets one of the following:

1. The Development is located within the corporate limits of a City or Town with a population of 14,999 or less; or

2. The Development is located in an unincorporated area of a county that does not contain a City or Town that meets the definition of Large City or Small City as set forth in the QAP; or

3. The Development is located in an unincorporated area of a county whereas;

i. The Development is outside the 2-mile jurisdiction of either a Large City or Small City as defined in the QAP; and

ii. The Development does not have access to public water or public sewer from either the Large City or Small City as defined in the QAP.

If any part of the State of Indiana is officially declared a disaster area by the Governor, the Authority may give preference to Developments in this area which will assist in providing affordable housing to people affected by the disaster. In order to be considered for this priority the Development must provide the following information in Tab A:

1) Documentation that the Development has been officially declared a disaster area by the Governor.
2) A narrative description of how the proposed Development will help the area and the individuals affected by the disaster.

5. Preservation of Existing Federally Assisted Affordable Housing

15% of available annual RHTCs will be set aside for Developments which involve the substantial rehabilitation (as outlined in the property's Capital Needs Assessment – See Schedule F) of existing federally assisted affordable housing, and/or the demolition and decentralization of federally assisted affordable housing units utilizing the same site (over 50% of the units must be replaced in the Development/Application).

This includes:

a. Developments that propose the preservation HUD or USDA affordable housing; Rental Housing RHTC Developments with Compliance Periods that have expired or are expiring in the current year and the extended use agreement is still in place;

b. Federally assisted developments which entail demolition and decentralization of units with replacement of units on the same site as described above.
c. Rehabilitation hard costs must be in excess of $30,000 per unit to be considered in this category.
d. For Developments competing in all other set-asides, rehabilitation hard costs must be in excess of $20,000 per unit.

The cost of furniture, construction of community buildings and common area amenities are not included in the minimum per unit amount. The applicant must provide a hard cost budget separating out the cost for furniture, construction of community buildings and common area amenities. USDA Rural Development Section 515 properties may include the cost of construction for community buildings and common area amenities in the minimum per unit amount. Place in Tab L.

6. Housing First – Supportive Housing

10% of available annual RHTCs will be set aside for Supportive Housing Developments that further the creation of community-based housing that targets the extremely low income (less than 30% AMI) with intensive service programs that have a direct impact on reducing homelessness through the Housing First model. Housing First is an innovative approach to engage and rapidly house individuals who are homeless into supportive housing and to provide intensive and flexible services to stabilize and support housing tenure. Eligible Supportive Housing applicants must properly demonstrate participation in the Indiana Supportive Housing Institute as described in Part (i) below.

Key principles of the Housing First model of supportive housing which must be addressed in the Development include:

- 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 services: Services need to be readily available with staff continually working to engage and build relationships with the tenants. Participation in services is not required in order to remain housed. A harm reduction approach is used in addressing chronic substance addiction and motivational interviewing techniques are used to engage tenants.

- 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: Property management staff work collaboratively with supportive service providers and the tenant to implement eviction prevention practices. This process should involve service rich interventions to attempt to exhaust all other solutions prior to serving a tenant an eviction notice.

- Strength-based model with emphasis on building community: A strength based approach emphasizes a person's strengths and the role of self-determination. This is a tenant led process with a focus on future outcomes and the many talents and strengths that a person can employ to achieve desired outcomes.

Developments using a Housing First model of Supportive Housing must submit plans which describe or provide the following:

a. Minimum Units – To compete in the Housing First set-aside, 100% of the units in the development must be committed as permanent supportive housing. Developments proposing to have only a portion of the units as supportive housing (i.e. "integrated supportive housing") are not eligible in the set-aside but are given special consideration during scoring evaluation. See Evaluation Factors Part

b. Target Population –The focus is on housing those who are identified as most vulnerable, using costly public systems and needing the housing the most. The identification and assessment of the target population must be data driven. The Supportive Housing Institute RFP each year will define the target populations that the teams may choose to target. Each team participating in the Institute must develop a concept that serves one of the allowable target populations.

c. Site Suitability – How the development will meet the needs of the targeted population including accessibility features, access to transportation, and proximity to community amenities.

d. Affordability – How the development will make their units affordable to the targeted populations.

e. 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.

f. Outreach and engagement – how the development will partner with organizations providing outreach and engagement to the target population and how individuals will be linked to tenant screening and intake process.

g. Referral, Screening, and Communication –

    1) Tenant referral and screening is developed based on the local Continuum of Care Coordinated Assessment/Access system.

2) 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.

3) How the development will adopt a screening in process to ensure supportive housing is accessible to the target population.

4) How the property management and the agency providing the on-site or 24/7 accessible support coordination will communicate, accommodate staff turnover and assure continuing linkages between the Development and the agency providing the on-site support coordination for the duration of the compliance period.

h. Agreement Among All Parties –

1) Demonstrate collaboration between property management and supportive service staff to ensure the housing stability of all tenants.

2) 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.

3) Use by the management agent of objective screening and income eligibility criteria to make decisions regarding offering applicant's residency.

i. Demonstration of Participation –

Developments that compete under the Housing First set-aside must demonstrate meaningful and successful participation in the 2015 or 2016 Indiana Supportive Housing Institute. The Indiana Supportive Housing Institute provides training and support to organizations applying for RHTC under this set-aside. Tenant outreach, selection, property management and service plans must be approved as part of the Institute process and prior to submission of a RHTC application under the Supportive Housing-Housing First Set-aside. Participation in the Institute is based on a competitive RFP selection process.

Applicants for credits must successfully fulfill all requirements of the 2015 or 2016 Institute for the specific development for which they are applying.

j. Special Threshold Considerations –

Developments that compete under the Housing First set-aside are subject to additional threshold requirements. See Section F.4(2)(q)(12) of the QAP.

7. IHCDA General

a. 10% of available annual RHTCs will be set aside for Developments that further the Authority's mission, goals, initiatives, and priorities irrespective of the ranking by the evaluation factors. The Authority will exercise its sole discretion in the allocation of the IHCDA General set-aside. A notice will be released each year with the timeline and requirements for competing in the set aside.

The Authority intends to make every effort to satisfy the requirements of such set-aside categories in one (1) application and reservation cycle. If such set-aside categories are not completed through one (1) application and reservation cycle for the applicable year, the Authority may allocate any RHTCs remaining available for allocation without regard to these set aside categories, so long as such allocation is made in accordance with the Code and the applicable requirements of the law of the State and the goals of this Allocation Plan; notwithstanding the foregoing to the contrary, upon completion of the scheduled reservation cycle (i.e., at such time as all or substantially all RHTCs available for allocation in a calendar year have been allocated, other than de minimums amounts of RHTCs not reasonably susceptible to allocation to a Development) the Authority, in its discretion, may hold another application and reservation cycle. If another application and reservation cycle will be held, the Authority will provide an announcement thereof. Provided, that: (i) the Authority may, in its sole discretion, elect in any reservation cycle not to allocate RHTCs to a Development that might otherwise qualify for an allocation.

Notwithstanding the point ranking system set forth in this Plan, the Authority reserves the right and shall have the power to allocate Rental Housing Financing to a Development irrespective of its point ranking, if such intended allocation is: (1) in compliance with Section 42 of the Code; (2) in furtherance of the Housing Goals stated herein; and (3) determined to be in the interests of the citizens of the State of Indiana. Additionally, the Authority will provide a written explanation to the general public for any allocation of RHTCs, which is not made in accordance with the established goals, priorities, and selection criteria in this Allocation Plan.

F. Threshold Requirements

Each Development applying for an allocation of Rental Housing Financing must satisfy the requirements of the Code, such additional requirements established by the Authority, the Program and those set forth in this Allocation Plan, and any additional requirements relating to the continued compliance of the Development after an allocation of Rental Housing Financing by the Authority. All material used in the Development must be new and of high quality, and all work must be performed in a good and workmanlike manner.

1. Federal Threshold Requirements

Each Development shall satisfy all requirements of Section 42 of the Code and such additional provisions of the Code and other federal laws applicable to each Development throughout the required compliance period and/or other applicable period. These requirements include, without limitation:

a. Development Feasibility

Amounts allocated pursuant to this Allocation Plan may not exceed an amount, which the Authority, in its sole discretion, determines is necessary for the financial feasibility of a Development and its viability as a qualified low-income housing Development throughout the Compliance Period. In making this determination, the Authority shall consider: (i) the sources and uses of funds and the total financing planned for the Development; (ii) any proceeds or receipts expected to be generated by reason of tax benefits; (iii) the percentage of the RHTCs used or to be used for Development costs other than the cost of intermediaries, unless such consideration would impede the process of developing in hard-to-develop areas; (iv) the reasonableness of the developmental and operational costs of the Development; (v) the developmental and/or operational costs of the Development as compared to similar costs of other Applicants; and (vi) such other factors it may consider applicable.

The Authority may establish such criteria and assumptions it deems reasonable for the purposes of its determination, including, without limitation, criteria as to the reasonableness of fees, profits, and assumptions as to projected occupancy, the amount of net syndication proceeds to be received, and increases in operating expenses and rental income. Any determination and/or allocation of Rental Housing Financing by the Authority shall not be construed to be a representation or warranty by the Authority as to the feasibility or viability of any Development.

Pursuant to the Code, the foregoing determination shall be made at: (a) the time of application for the Rental Housing Financing; (b) the time of allocation of the RHTC equity amount; (c) anytime there is a material change to the application and/or Development; and (d) the date the building is placed in service or at time of final application (but prior to the issuance of IRS Form 8609).

Required Documentation: The Application (Form A) and any additional documentation regarding the financial feasibility of the Development. Additional documentation may include third party documentation of sources, costs, and uses of funds that the Applicant may find necessary to include with the Application will be considered along with other such documentation the Authority may consider applicable. Additionally, if the Development is proposing commercial space the following proformas must be submitted: (i) a 15-year proforma showing only the commercial portion of the Development; (ii) a 15-year proforma showing only the housing portion of the Development; and (iii) a 15-year proforma showing the housing portion and the commercial portion of the Development combined. Place in Tab A.

b. Local Jurisdiction and IHCDA Notification

No Development shall be entitled to apply for any Rental Housing Financing reservation or allocation until the highest elected official of the local jurisdiction and IHCDA is notified and provided with a reasonable opportunity to comment on the Development. The Authority will consider the response of such official in determining any RHTC allocation for the Development.

Required Documentation: At least 30 days, but no more than 60 days, prior to application submittal, the Applicant must submit Form C (with the Applicant's portion completed) and any additional documentation they wish to provide by certified mail or hand delivery together with appropriate evidence of receipt, of its intent to develop affordable housing to the highest local elected official in the community where the proposed Development will be located. Copies of such information, the returned receipt from the certified mail or documentation of hand delivery using the IHCDA receipt form (Form I) by the highest local elected official (or authorized designee), and any written response(s) from the local officials are a required part of the Rental Housing Finance Application and must be placed in Tab B. **The evidence of receipt must have a date demonstrating that Form C was in the possession of the highest local elected official at least 30 days prior to application submittal.** Additionally, at least 30 days prior to the application submittal, the Applicant must electronically submit Form C to IHCDA via: RHTC@ihcda.in.gov.

c. Not-For-Profit Participation

A not-for-profit competing for Rental Housing Finance Program funding that has an ownership interest in the proposed Development (even if not competing in the Not-for-profit set-aside) must submit to IHCDA at the time of application a resolution from its Board of Directors that includes language that approves: 1) the application being made for specific Rental Housing Funding (i.e. private activity tax-exempt bonds, RHTC, HOME, Development Fund, CEED, etc.); 2) the amount of ownership interest the not-for-profit has in the venture; 3) the anticipated amount of Developer Fee the not-for-profit will receive; and 4) if applicable, acknowledgment of a deferred developer fee.

Required Documentation:

1. Resolution signed by the not-for-profit's Board of Directors must be placed in Tab C. If the document is approved during a Board of Directors meeting, a quorum should pass and sign the resolution and such resolution shall be incorporated into the Minutes of the meeting.

2. All not-for-profits with 100% ownership of the General Partner that wish to compete in the Not-for-profit set-aside must submit a signed Not-for-profit Questionnaire with required attachments (Form B) and be placed in Tab C.

d. Market Study

See Schedule C - Market Study Requirements. A Comprehensive market study must be prepared at the developer's expense by a disinterested third party from the approved Indiana Market Study Analyst list (The approved list of market study analysts can be found under "Schedules" on IHCDA's website). Sufficient demand in the market area of the Development must exist and, based on reasonable predictions, will continue to exist during the term of the Compliance Period or other applicable period, for the number of units to be developed.

IHCDA reserves the right to accept or decline the corresponding tax credit application from further review based on the market analysis.

Required Documentation: A comprehensive market study of the housing needs of low-income individuals in the area to be served by the Development, satisfactory to the Authority, must be performed and submitted to IHCDA with the application submittal. One PDF copy on a CD-ROM of the study must be submitted and must state the name of the Development, the Owner, Development City, and Development County on the front cover. The market study must be no more than six (6) months old at the time of submission to IHCDA. Place in Tab N.

2. Additional Threshold Requirements of the Authority

All information submitted to the Authority pursuant to this Allocation Plan must be satisfactory to the Authority in its sole and absolute discretion. If the Authority requests additional information from an Applicant, such information must promptly be submitted within timeline(s) determined by the Authority. **Additionally, all documentation (e.g. certifications, letters, etc.) must be issued/dated within six (6) months prior to the Application deadline date.**

IHCDA, in its sole discretion, will consider a waiver request from any Applicant, Owner and/or Developer in regards to any of the Additional Threshold Requirements, User Eligibility and Limitations, and Minimum Development Standards of the Authority (IHCDA does not accept waiver requests for scoring items). The Authority must receive the waiver request no later than 30 days prior to the application deadline. The waiver request must include 1) the details of the specific Threshold requirement for which to Development is requesting a waiver, 2) a detailed description as to why the Development cannot meet the Threshold requirement, 3) any additional information the Applicant would like IHCDA to consider with the request, and 4) payment of the $500 waiver request fee for each Threshold item requested to be waived. IHCDA will provide a written response to the request within 20 days of receiving the waiver request.

For a Development to be evaluated for an allocation of RHTCs, each of the following requirements must also be satisfied:

a. The Authority will not consider or review more than one Application for the same Development or for substantially the same or similar costs submitted by a related Applicant with respect to a particular reservation and application cycle. Submission of more than one Application shall

cause the cancellation of any pending Application earlier awarded. Request for supplemental RHTCs will only be permitted after all qualified Developments have been funded. The Authority will notify the public if RHTCs are available for supplemental funding. However, supplemental RHTCs will only be considered for allocations made in the same year.

b. An Applicant, Owner and/or Developer must be issued IRS Form 8609 for a Development within the State of Indiana prior to submitting a second application request for RHTCs.

   IHCDA, in its sole discretion, will consider a waiver for an Applicant, Owner and/or Developer that has materially participated in a successfully completed (i.e. has been issued IRS Form 8609) Development in Indiana while associated/working for a different organization/company. The Authority must receive the waiver request no later than 30 days prior to the application deadline. The waiver request must include 1) the Name and BIN of the Development(s) in which the Applicant materially participated, 2) the role the Applicant played in each Development, and 3) any additional information the Applicant would like IHCDA to consider with the request. IHCDA will provide a written response to the request within 20 days of receiving the waiver request.

   Required Documentation: The Applicant, Owner, and Developer must submit the name and BIN Number of the most recent RHTC Development where they have participated with an ownership interest or been part of the Development team (including on a consulting basis). Completed Form A (Application).

c. At the time an Applicant files an Application with the Authority, eligible development costs expended or incurred towards the Development and/or acquisition shall not exceed fifty percent (50%) of the total estimated eligible development costs, unless the Authority determines that:

   1) Rental Housing Financing is necessary for the Development to be completed; and
   2) The Development is located in either (a) a "qualified census tract" or (b) "difficult Development area", as designated by the U.S. Secretary of Housing and Urban Development (“HUD”); and
   3) The Development will contribute to the accomplishment of the Authority's housing goals and priorities.

   Required Documentation: Completed Application. See Form A. Place in Tab A.

d. 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 up to date certified financial statements from:

1) The Applicant;

2) The 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;

3) The Developer (under the Applicant's, Owner's, and/or Developer's own affidavit respectively).

Resumes showing adequate experience of the developer and the management company 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.

The applicant, owner, developer, management company, or any other member of the development team must be in good standing with IHCDA. If the application includes an entity currently on IHCDA's suspension or debarment list, the application will not pass threshold.

e. The Development team must show their readiness to proceed as demonstrated by:

1) The Authority's receipt of a completed "Application" in the form required by the Authority and within the time period established and set forth in this Allocation Plan. Each Application must be type written and accompanied by the appropriate application fee and all exhibits. Additionally, the Applicant must provide a Narrative Summary of the Development. See Schedule G for Application Package Submission Guidelines.

Required Documentation: The most current Application (See Form A) completed, Narrative Summary of the Development, and a check made payable to IHCDA for the appropriate Application Fee. The check should be attached to the application and placed in Tab A with the Narrative Summary.

2) Submitting satisfactory evidence of site control.

Required Documentation: The Applicant must submit documentation evidencing site control including verification of current ownership, by submitting one of the following:

a) Purchase Agreement or Option that does not expire until after the reservation date for RHTCs, and evidence of title either with title insurance commitment, title search documentation, or attorney's opinion; OR

b) Executed and Recorded Deed; OR

c) Long-term lease option (term of lease must be for a minimum term specified in the Lien and Restrictive Covenant Agreement) and evidence of title either with title insurance commitment, title search documentation, or attorney's opinion; OR

d) When an Applicant intends to acquire a site and/or building through a government body, in the Authority's sole discretion exercised on a case-by-case basis, the Authority may accept the following documentation as sufficient evidence of site control:

i. duly adopted resolutions of the applicable governmental agency or commission designating the subject area;
ii. duly adopted resolutions of the applicable governmental agency or commission authorizing the acquisition of the land to comprise the Development; and
iii. a letter from the applicable governmental agency or development commission setting forth the acquisition schedule for such land on a time table consistent with the Applicant's readiness to proceed without undue risk of Rental Housing Financing being returned to or rescinded by the Authority; and
iv. evidence of title either with title insurance commitment, title search documentation, or attorney opinion

The site control documentation submitted must be in the name of the development ownership or the applicant. Site control documentation submitted in the name of the General Partner of the ownership, or in the name of the Limited Partner of the General Partnership will not be accepted as evidence of proper site control. However, the General Partner of the ownership, or the Limited Partner of the General Partnership may be listed as the "seller" on site control documentation. This documentation must be placed in Tab E.

3) Development Site Information

Required Documentation: The applicant must submit preliminary architectural plans electronically and must include:

a) Unit plan(s) that include the square footage for each type of unit using a minimum scale of 1/4" per 1 ft.

b) Dimensioned floor plans for all unit types showing the location of units, including exact placement of all accessible units, and common areas using a minimum scale of 1/32" per 1 ft.

c) Elevations for all building types (these must be scaled drawings; rehabilitation projects may submit renderings and photographs only if they are accompanied by a certification from an architect that elevations will not change).

d) Provide basic site plan for any existing buildings, while also denoting any significant demolition (i.e. demolition of a wing, major interior spaces). The site plan must show how the development is to be built, including rehabilitation projects.

   i. This plan must indicate the placement and orientation of buildings, parking areas, planned and existing public sidewalks, landscaping, easements, trash dumpsters, buffers, etc. The plan must indicate the number of parking spaces.
   ii. If not listed on the floor plans, the site plan must indicate the exact placement and number of accessible units.
   iii. The site plan must indicate if any portion of the site is located in a flood plain or contains wetlands. If a flood plain or wetlands exist on the site, the site plan must indicate the buildings, common areas, and any land improvements located in relation to the flood plain/wetlands – see Section F.2(g)(1-2) of the QAP.
   iv. The plan must also indicate the location of planned site amenities including playground(s), gazebo(s), walking trails, etc.
   v. The site plan must show the site boundaries and include the location of any streams, ravines, gullies, drainage problems, or other construction deterrents.

e) Photos of the site and a current aerial photograph with the location of the site clearly marked and the surrounding uses and access points to the site clearly visible. Scattered site projects must submit a map indicating the location of each site with either the parcel number or address labeled for each property.

f) Current photographs of the project site (images obtained from a website are not acceptable); include images looking out toward each of the cardinal directions. If this is a rehabilitation project include images of each façade of the existing structure(s) as well.

All development site documentation submitted should be dated no more than 12 months prior to the application date. Rehabilitation projects, where there are no structural changes to the development, will be allowed to submit the "most current" architectural plans (which may be dated more than 12 months prior to the application date); along with an affidavit from the architect certifying that there will be no structural changes to the development floor plans. The Authority reserves the right to perform (through its own representatives or its agents) site visits and evaluations of the Development to determine the satisfaction of these requirements. Place this documentation in Tab F.

4) The Applicant must demonstrate an ability to obtain financing (i.e. syndication proceeds, grants, other funds available for the Development).

Required Documentation: All sources of financing must be supported with appropriate documentation satisfactory to the Authority including the following documentation which must be submitted:

a) Lender letter of interest submitted to the Applicant in support of the Applicant's application must contain a representation and acknowledgment from the lender that: (i) such lender has reviewed the same application submitted or to be submitted by the Applicant to the Authority in support of the Rental Housing Financing for the Development to which such letter of interest relates; (ii) lender expressly acknowledges that the Development will be subject specifically to the "40-60" or "20-50" set-aside, and extended use restriction elections made by the Applicant; (iii) the lender has reviewed the Minimum Underwriting Criteria set forth in this Allocation Plan; (iv) any other special use restriction elections made by the Applicant, which give rise to additional points in this Allocation Plan; and (v) the anticipated terms of the loan including loan amount and interest rate . Place in Tab G;

b) For financing not yet applied for, the Applicant must submit evidence of eligibility for the source of funding (e.g. a certification from the Applicant stating how the Development is eligible for the funding source). Developments applying for the Federal Home Loan Bank's (FHLB) Affordable Housing Program must identify their Member Bank and their regional FHLB. For this financing, the Applicant must provide a narrative identifying their plan to fill the gap if this funding is not awarded. Place this documentation in Tab G;

c) If any additional funding/financing of any kind has already been awarded for the Development, a copy of the award letter that includes the expiration date for the award must be submitted and placed in Tab G.

d) The Development team must provide documentation to the sole satisfaction of the Authority that shows the real estate upon which the Development will be located is currently properly zoned to allow for the proposed Development.

   Required Documentation: The Applicant must provide: 1) a letter from the appropriate authorized government official (e.g. zoning commission) that describes the Development location and certifies that the current zoning allows for construction and operation of the proposed Development without the need for additional variance; AND 2) a copy of all approved variances on the property, if any; AND 3) If a Planned Unit Development (PUD) a copy of the appropriate documentation (i.e. organization & requirements). This documentation must be placed in Tab H.

IHCDA in its sole discretion may accept an attorney's opinion with appropriate supporting documentation documenting that the proposed site's current zoning allows for the construction and operation of the proposed Development without the need for additional variance. This will only be accepted with documentation of failed attempts to obtain the information from the appropriate authorized government official.

e) At the time of application, there will be access to water, sewer, electric and/or gas to the site with sufficient capacity to satisfy the requirements of the Development.

Required Documentation: Completed Form A (Application).

f) Evidence of Compliance

Every Applicant, Principal, Affiliate(s) and/or Development Team member (collectively, "Development Team") with any ownership interest in a rental housing Development which has received an allocation of RHTCs by the Authority since the inception of the RHTC program (January 1, 1987), must cooperate and comply with the Authority's compliance monitoring procedures. The Authority's monitoring procedures and requirements are set forth in the RHTC Compliance Manual, a copy of which is attached as Schedule A to this Allocation Plan and made a part hereof. If, in the sole discretion of the Authority, any Development Team member has materially failed to comply with the procedures and requirements of the Authority or any of its programs, the Code or any other governmental program, including, but not limited to, HUD and/or HUD funded programs: (i) the Authority may withhold or reduce, in whole or in part, Rental Housing Financing for which application is made, irrespective of whether the withheld or reduced funding relates to the Development to which the noncompliance relates as determined by the Authority in its sole discretion; and (ii) if the Applicant's noncompliance is chronic and/or egregious in nature, the Authority may refuse to accept for filing and/or otherwise refuse to consider all or any part of the Applicant's pending or future applications for funding until such time as the Authority decides otherwise.

All Development team members with an ownership interest in any RHTC Development must satisfactorily demonstrate that all prior findings and assessments against all Applicants and its principals, participants and affiliates have been satisfied.

Any Development found to be in violation of this Allocation Plan will be subject to a reduction or rescission in Rental Housing Financing, and all Development Team members may be subject to debarment from participating in all Authority programs for up to five (5) years.

Required Documentation: The following documentation must be submitted and placed in Tab J:

1) All of the Development Team members with an ownership interest or material participation in any affordable housing Development must disclose any outstanding non-compliance issue(s) and/or loan defaults with any state or federal affordable housing program (including private activity tax-exempt bonds) in which it has participated in or received from including those issues that have been corrected since RHTC program inception. Failure to disclose may result in the loss of funding.

2) All principals or material participants of the General Partner interest or managing member (if an LLC) and each member of the Development Team (as identified in Form A) must submit a written affidavit accurately disclosing his/her complete interest in and affiliations with the proposed Development and any outstanding noncompliance issues on any affordable housing program. Additionally, the Development Team must include in the affidavit all other RHTC funded Developments located in Indiana where they own(ed) an interest. A management company is required to be identified in the application and the management company named in the initial application must add language to its affidavit certifying that: a) they have reviewed the application for Rental Housing Financing; and b) they can effectively manage the property according to the requirements of Section 42, the Qualified Allocation Plan, and the elections made by the owner/applicant in the application for Rental Housing Financing. If at any time during the Compliance Period the management company changes, the new management company must also sign a similar certification.

g) Phase I Environmental Site Assessment

A full Phase I Environmental Assessment must be completed prior to Application submission for 9% or 4% funding from the Authority.

Required Documentation:

1. Environmental Phase I completed by an experienced and credible disinterested third party hired by the Applicant. The Environmental Phase I must address wetlands and flood plains. Wetland Delineation and USGS maps are required to document the existence of wetlands areas on the site, and must be included in the Environmental Phase I. If there are no wetlands areas on the site, a wetlands delineation is not required but in all cases USGS maps must be included in the Environmental Phase I AND

2. A FEMA flood plain map with the proposed Development site identified must be submitted and placed in Tab K. If a flood plain and/or wetlands are located anywhere on the site, the site plan must show where the buildings, commons areas, and any land improvements will be located in relation to the flood plain and/or wetlands.

100-year Flood Plains: Applications that propose the placement of buildings in a 100-year flood plain must submit the following documentation:

a) All areas of the 100-year flood plain must be documented by the FEMA map for the areas in which the site is located. The proposed site for development must be located on that map.

b) A qualified Civil Engineer must document mitigation for impacts to existing floodplains planned for the Development. A resume for the Civil Engineer must be submitted with this documentation.

c) A FEMA Conditional Letter of reclassification must be obtained for the property that shows that the property is eligible for reclassification out of the flood plain area.

d) A financing plan and costs for the site work involved in the reclassification.

For all properties that receive an award of RHTCs and are located in a 100-year flood plain at the time of initial application, a final letter of reclassification from FEMA along with an elevation certification must be provided to IHCDA at the completion of the Development. If wetlands or hazardous substances exist on the site, the Applicant must submit: 1) evidence that the wetlands or hazardous substances can be mitigated; and 2) a plan, that includes financing, of how the Applicant anticipates mitigating the wetlands or hazardous substances.

Developments in a 100 year flood plain (Zone A) are not eligible for HOME funding.

h) All applicable conditions and requirements of State and local laws, statutes, regulations, ordinances and other proper authorities in the State, including, without limitation, the requirements specified in the Application, the Indiana Handicapped Accessibility Code as amended, and such additional items which may be required by the Authority (collectively, "State Laws"), shall be satisfied.

Additionally, the Development has been designed to comply with the requirements of all applicable local, state and federal fair housing and disability-related laws. The Development design should consider at a minimum, the applicability of the local

building codes, Federal Fair Housing Act, as amended, the Americans with Disabilities Act, and the Rehabilitation Act of 1973, as amended. The Applicant will be required to submit an affidavit that certifies the Development complies with all applicable requirements.

Required Documentation: Completed Form A (Application).

i) Applicants who perform rehabilitation work on pre-1978 Developments (i.e. buildings) are required to comply with the Lead Based Paint Pre-Renovation Rule ("Lead PRE") and the State of Indiana's Lead Based Paint Rules where applicable. (For more information visit www.epa.gov/lead or contact your local Environmental Protection Agency (EPA) Regional Office and www.ikecoalition.org for Indiana's rules.)

Required Documentation: The Applicant must certify that the Development will comply with these laws and rules. Completed Form A (Application).

j) Developments proposing commercial areas within the building or on the property utilizing Rental Housing Financing will be given consideration. Construction must be in compliance with plans and specifications that have been previously submitted and approved by the Authority. Finally, all commercial restrictions approved by the Authority must be included in the Lien and Restrictive Covenant Agreement.

Required Documentation: The Application must include the following additional information and documentation: (i) a detailed, square footage layout of the building and/or property identifying all residential and commercial areas; and (ii) a time-line for complete construction showing that all commercial areas will be complete prior to the residential areas being occupied. Place this documentation in Tab F.

k) If any portion of the RHTCs or any other IHCDA resources are being used to acquire the Development, RHTCs and/or acquisition eligible basis will be calculated based on the lesser of the actual amount paid for the building or the appraised fair market value.

Required Documentation: The Applicant must submit the Development's fair market appraisal (completed by a qualified appraiser), which must be completed no earlier than six (6) months from the Application deadline. The fair market appraisal must be at a minimum an "As Is" appraisal and must adhere to the Uniform Standards of Professional Appraisal Practice ("USPAP"). A statement to this effect must be included in the report. USPAP standards can be found at www.appraisalfoundation.org. Place in Tab L.

l) If any portion of the RHTCs are used to acquire the Development, it must be either exempt from or meet the requirements of IRC Section 42(d)(2)(B)(ii) as to the 10-year placed-in-service rule.

Required Documentation: The Applicant must submit at a least one (1) of the following items:(A) a chain of title report from a title company; or(B) a tax professional's opinion from an unrelated party stating that the acquisition is either exempt from or meets the requirements of IRC Section 42(d)(2)(B)(ii) as to the 10-year placed-in-service rule; or, (C) if a waiver of the 10-year ownership rule is necessary, a letter from the appropriate Federal official that states that the proposed project qualifies for a waiver under IRC Section 42(d)(6). Place in Tab L.

m) If any portion of the RHTCs is used to acquire the Development, the Applicant must disclose all Related Parties and the proceeds from the sale to each Related Party. See Schedule H, "Glossary" for the definition of Related Parties. Place in Tab L.

n) For Developments proposing rehabilitation, the rehabilitation hard costs must be in excess of $20,000 per unit. However, if the Development is competing in the Preservation set aside the rehabilitation hard costs must be in excess of $30,000 per unit. The cost of furniture, construction of community buildings and common area amenities are not included in the minimum per unit amount. USDA Rural Development Section 515 properties may include the cost of construction for community buildings and common area amenities in the minimum per unit amount. Place in Tab L.

Required Documentation: All Applicants applying for rehabilitation Developments requesting Rental Housing Financing must submit a capital needs assessment performed by a licensed qualified professional (engineer/architect) in the format required by the Authority at least 30 days prior to the application submission. The complete Capital Needs Assessment Report must be submitted in an electronic PDF version on a CD-ROM. See Schedule F - Capital Needs Assessment. Applicants applying for adaptive reuse Developments are not required to complete the Capital Needs Assessment, but are required to submit a structural conditions report by a licensed architect or engineer to the Authority at least 30 days prior to the application submission. The structural conditions report must contain an assessment for any physical aspects that will be retained to verify their current condition and any repairs that will be necessary for use in the development.

o) For all Developments that will impact existing tenants, provide a displacement/relocation plan.

Required Documentation: A detailed displacement/relocation plan must be submitted detailing 1) any potential permanent, temporary or economic displacement/relocation issues, 2) the number of current tenants to be relocated, 3) where the tenants will be relocated during the rehabilitation and for the length of time, 4) how displacement/relocation will be minimized and how relocation expenses will be paid for if they are incurred and 5) displacement/relocation assistance plan (e.g. Who will get assistance? How much assistance will they receive? When and how will they receive their assistance? Who will provide advisory services to those displaced?) Place in Tab L.

p) Upon request, the Applicant shall provide a completed IRS Form 8821, Tax Information Authorization, for each owner/general partner. The form must be signed by an individual authorized to sign on behalf of the Owner.

q) Underwriting Guidelines

The following are underwriting guidelines for all Developments. However, all applicants should be aware that these are averages and the numbers submitted should reflect the nature and true cost of the Development proposed. IHCDA will consider any underwriting outside of these guidelines if supporting documentation is provided. If an explanation and supporting documentation is not provided for being outside of the guidelines, a technical correction will be issued.

1) Total Operating Expenses - IHCDA will consider the reasonableness of operating expenses for each Development based on information submitted by the Applicant. All Developments must be able to underwrite with a minimum operating expense of $3,500 per unit per year.

2) Management Fee– 5-7% of "effective gross income" (gross income for all units less Vacancy Rate).

# of Units	Maximum Management Fee Percentage
1 to 50 units	7%
51 to 100 units	6%
101 or more units	5%

3) Vacancy Rate – 6% - 8%

4) Rental Income Growth – 0-2%/year

5) Operating Reserves – four (4) to six (6) months (Operating Expenses, excluding replacement reserves, plus debt service) or $1,500 per unit (whichever is greater)

6) Replacement Reserve is required for all developments and must be included in the operating budget. Contributions must be made to the reserve account, starting at or before the conversion date of the construction loan to permanent loan and must be funded for the term of the loan. The following minimum contributions must be used:

   a) Rehabilitation: $350 per unit per year
   b) New Construction: $250 per unit per year
   c) Single Family Units: $420 per unit per year
   d) Historic Rehabilitation: $420 per unit per year

   Replacement Reserve funds must only be used for Capital Improvements (substantial improvements to the real estate such as re-roofing, structural repairs, or major projects to replace or upgrade existing furnishings, but not including replacement of individual appliances or minor repairs) and must **not** be used for general maintenance expenses. Less restrictive provisions required by Lenders must be approved by IHCDA.

   Replacement Reserves must escalate at a rate of 3% per year. IHCDA will at its discretion, adjust the Replacement Reserve to reflect reasonable and customary capital and replacement expenditures.

For Rehabilitation developments, the capital needs assessment will also be reviewed in determining whether sufficient reserves have been established.

7) Operating Expense Growth – 1-3%/year
   IHCDA requires operating expense growth to be at least 1% higher than rental income growth.

8) Stabilized debt coverage ratio (stabilization usually occurs in year 2)

   a. Large and Small City Developments: 1.15 – 1.40

   b. Rural Developments: 1.15 – 1.50

   (Although stabilization occurs usually in year two, the debt coverage ratio projection for a Development should not go below 1.1 during the complete 15 year Compliance Period to be considered financially feasible.)

   IHCDA does recognize that rural deals will typically have higher debt coverage at the beginning of the compliance period in order to remain feasible over the

fifteen years. Documentation to support these higher debt coverage ratios must be provided.

Developments without hard debt are allowed but will be subject to additional scrutiny from IHCDA. Developments submitted with no debt will not have a debt coverage ratio but will be required to have a cash flow without having an undue profit. This will be determined by a ratio of Effective Gross Income to Total Annual Expenses (including reserve for replacement). A ratio of 1.15 shall be the minimum required to be considered feasible by IHCDA in Years 1-15.

NOTE: Tax abatement may cause the debt coverage ratio to be higher than these guidelines.

9) A project that depends on commercial income to meet the minimum underwriting guidelines will not be considered financially feasible.

Required Documentation: 1) Documentation of estimated property taxes and insurance for the proposed Development (i.e. a statement of how the Applicant determined the estimated taxes and insurance for the Development); AND 2) If the underwriting is outside these guidelines, the Applicant must provide a written detailed explanation with documentation (if applicable) supporting the explanation (approval of underwriting from other financing institutions/funding sources will not constitute acceptable supporting documentation). This documentation must be placed in Tab M.

10) Grants/Federal Subsidies

Those RHTC Developments that include "soft" loans (i.e. HOME or HOPE VI loaned to the Development with payments through available cash flow) must demonstrate a reasonable expectation (as determined by the Authority in its sole and absolute discretion) that the loan will be repaid at a date certain (usually eight (8) to fifteen (15) years). If the loan and any outstanding interest is not expected to be paid until the end of the Initial Compliance Period, there must be reasonable expectation that the fair market value of the Development will be sufficient at that time to pay the accrued interest and debt and that the net income of the Development will be sufficient to sustain debt service.

Required Documentation: Completed Form A (Application). Place additional information documentation in Tab G.

11) Developments located in a Qualified Census Tract (QCT) or Difficult to Develop Area (DDA) are eligible to increase or "boost" the eligible basis of their Development by up to 20% to determine the maximum credit amount. See Appendix E for a

complete listing of QCTs and DDAs. Developments applying for tax exempt bonds may boost their eligible basis up to 30% to determine the maximum credit amount. The Authority may also increase or "boost" the eligible basis up to 20% for 9% projects to determine the maximum credit amount for Developments whose buildings are placed in service after July 30, 2008 if the eligible basis otherwise would be a low percentage of the total development costs due to any of the following:

1) Officially declared disaster area by the State of Indiana after January 1, 2008 which will assist in providing affordable housing to people affected by the disaster.
2) Competing under the Housing First set-aside or eligible for the Integrated Supportive Housing points under evaluation factors.
3) Competing under the Preservation set-aside.
4) Located in a high cost area that contains high land costs because of being in a desirable or commercially valuable location. The seller may not be a related party or a local unit of government.
5) Necessity of extensive site preparation and/or off-site costs. All such work must be reasonable based on the circumstances.
6) Demolition and new construction, rehabilitation of historic structures, and/or conversion of existing structures.
7) Located in an Area of Chronic Economic Distress (See Appendix E)
8) Score 10 or more total points under Section G.1, “Rents Charged” scoring category for 30% and 40% Area Medium Income Rents.

Buildings located in areas already qualifying for additional credits, will not qualify for an additional increase if they have already received the eligible basis boost.

At the time of final application, 9% developments will be eligible for a 30% basis boost to determine to maximum adjusted eligible basis, but the credit amount is still capped at the 20% boost.

Required Documentation: Developments located in a declared disaster area must include: (i) Documentation that the Development has been officially declared a disaster area by the Governor, and (ii) A narrative description of how the proposed Development will help the area and the individuals affected by the disaster. All other Developments must provide a narrative explanation justifying the need to increase the eligible basis. Place documentation in Tab A.

12) Threshold Requirements for Supportive Housing

Developments competing in the Housing First set-aside must meet the following criteria:

a) Applicant must successfully fulfill all requirements of the 2015 or 2016 Indiana Supportive Housing Institute for the specific development for which they are applying. In order to demonstrate that all Institute requirements have been met, the applicant must obtain a letter from CSH certifying that:

    i. The team attended all Institute sessions; and

    ii. CSH has reviewed and approved the proposed budget, tenant selection plan, operation plan, and supportive service plan; and

    iii. Project concept is aligned with Institute goals and team is ready to proceed.

b) Applicant must enter into an MOU with CSH for ongoing technical assistance (to be provided from completion of Institute until at least the end of the first year of occupancy). A copy of the MOU must be provided with the RHTC application.

c) Applicant must enter into an MOU with each applicable supportive service provider. A copy of the MOU(s) must be provided with the RHTC application.

d) Applicant must identify all subsidy sources. Funding commitments must be provided with the RHTC application. If the funding has not yet been committed, applicant must provide proof of application, a narrative describing the selection process, and a narrative plan on how the development will move forward if the application is denied. If applicant is applying for Project Based Section 8 through IHCDA, Form O must be submitted.

Required Documentation: Application must include the following items placed in Tab O:

i. CSH letter certifying completion of the Institute, review of applicable plans, conformance with Institute goals, and readiness to proceed.

ii. Copy of executed CSH MOU

iii. Copies of all applicable service provider MOUs

iv. Documentation of subsidy sources commitments or narratives as described in item #4 above; and

v. If applicable, Form O to apply for IHCDA Project Based Section 8.

3. User Eligibility and Limitations

a. Development Limitations

The amount of RHTCs which may be reserved for allocation to any project may not exceed $1,200,000. Such limitation, however, shall be subject to review and modification by the Authority.

b. Developer Fee Limitations

i. New Construction: Developer fees for new construction developments must be the lesser of total per unit amount listed below or $1,200,000 (the maximum for developments with tax-exempt bonds is $2,500,000, but any amount over $2,000,000 must be deferred and paid out of cash flow.).

1. $18,000 per unit for the first 20 units;

2. $13,500 per unit for the next 35 units;

3. $10,000 per unit for the next 35 units;

4. $6,000 per unit for any unit above 90.

ii. Rehabilitation or Adaptive Reuse: Developer fees for rehabilitation and adaptive reuse must be the lesser of total per unit amount listed below or $1,200,000 (the maximum for developments with tax-exempt bonds is $2,500,000, but any amount over $2,000,000 must be deferred and paid out of cash flow.).

1. $20,000 per unit for the first 20 units;

2. $15,000 per unit for the next 35 units;

3. $12,500 per unit for the for the next 35 units;

4. $6,000 per unit for any unit above 90.

The Authority will monitor both hard and soft costs of the Development compared to Developments of similar size and location and in its sole discretion reduce the total Developer Fee, which may reduce the amount of any RHTC allocation.

NOTE: Consultant Fees, Guaranty Fees (between related parties), or any similar fees, charges or reimbursement for services customarily performed or provided by an affordable housing developer will be considered part of the Developer Fee.

When determining the amount of Credit necessary to make a Development financially feasible, the Authority will include the deferred Developer Fee as a source of funding.

To be included in RHTC basis, deferred Developer Fee must be due and payable at a date certain. Fees may be paid as a cash flow loan if it can be demonstrated that the fee can and will be paid in a reasonable amount of time (generally considered to be eight (8) to fifteen (15) years). If fees are permanently contributed to the Development, they must be paid to the developer and then contributed to the Development if the fees are to be included in RHTC basis.

Additionally, at the time of initial Application, no more than 60% of the developer fee may be deferred for 9% RHTC Developments and no more than 80% of the developer fee may be deferred for bond volume 4% RHTC Developments. However, the Authority may, on a case by case basis with convincing documentation acceptable to the Authority and for the financial feasibility of the Development allow a larger percentage of the developer fee to be deferred.

Required Documentation: Applicant must include a statement 1) disclosing each entity/individual receiving a portion of the Development Fee along with the percentage of the fee the entity/individual will receive and 2) describing the terms of the deferred repayment obligation to the Development including any interest rate charged and the source of repayment with the application. Non-profit organizations shall include a resolution from the Board of Directors allowing such a deferred payment and interest obligation to the Development. The Authority will require a Deferred Development Fee Agreement, satisfactory to the Authority in its sole discretion evidencing the principal amount and terms of interest and repayment of any deferred repayment obligation be submitted at the time of final cost certification. Place this documentation in Tab M.

c. Contractor Fee Limitations

Contractor fees ("Contractor Fees") shall also be limited, for purposes of determining the RHTC amount to be allocated, based on the amount of total costs incurred toward the construction or rehabilitation of the Development (including site work not included in the construction contract), excluding Developer and Contractor Fees. The Contractor Fee limitations are as follows:

Contractor Fees	Contractor Fee % Limitations
General Requirements	6% of Total Construction/Rehabilitation Cost

General Overhead	2% of Total Construction/Rehabilitation Cost
Builders Profit	6% of Total Construction/Rehabilitation Cost
Total	**14% of Total Construction/Rehabilitation Cost**

The Authority will permit saving in a particular Contractor Fee line item to offset overruns in other Contractor Fee line items; provided, however, that in any event the total Contractor Fees shall not exceed 14%.

No increase will be permitted higher than the above stated limitations.

d. Architect Fee Limitations
The architects' fees, including design and supervision fees must be limited to four percent (4%) of the total hard costs plus site work, general requirements, overhead, profit and construction contingency.

Applicants that propose an architect fee exceeding four percent (4%) must follow a Competitive Negotiation Procedure. The guidelines for a Competitive Negotiation Procedure are located in the Glossary, Schedule H.

Architect design fees may be reduced further when the same design has been used in previous developments.

Required Documentation: If following a Competitive Negotiation Procedure, place a description in Tab M.

e. Consultant Fee Limitations
The total amount of all consulting and developer fees must be no more than the maximum developer fee allowed to the Development.

f. Reasonableness of Project Costs
Any line item costs, square footage costs or total unit costs exceeding a range of reasonableness may be disallowed solely at the discretion of IHCDA. Additional information and documentation (verified by IHCDA and/or IHCDA's designee) may be required to substantiate the reasonableness of the cost. Any allocation made will be determined using IHCDA's assessment of cost.

g. Related Party Fees
The Applicant, Owner, Developer, and Consultant must disclose all Related Party fees submitted within the initial application budget. Fees may include, but not limited to developer fee, consultant fee, architect fee, guaranty fee, owner's representative fee, broker fee, document review fee, supervision fee, syndicator fee, engineer fee, attorney

fee, accountant fee, management fee, contractor fee, etc. "Related Parties" is defined in the Glossary, Schedule H.

Projects without related parties must still sign and submit Form N.

Required Documentation: Complete Form N and place in Tab J.

4. Minimum Development Standards

a. In addition to meeting all new construction and rehabilitation standards required by IRC Section 42 and local and State building codes, each unit must provide in good working order:

1) Stove or in the case of SRO's access to a communal stove.
2) All developments are required to install either both or combination smoke and CO detectors in accordance with Indiana Building Codes and NFPA 72. Smoke detectors, in all existing buildings and rehabilitations, shall be installed in all locations per current Indiana Code requirements that are applicable for new construction. The smoke detectors shall be hard wired with the primary power source, have battery back-up, and be interconnected as required by Indiana Building Codes and NFPA 72 for new construction. Where the rehabilitation does not include removal of existing wall or ceiling finishes exposing the structure, and the wall, ceiling, and/or floor structures are not exposed, battery operated smoke detectors shall be installed in all locations required by Indiana Codes for new construction **unless** there is access to ceiling areas through attics, and access to walls from crawl spaces or basements. Ceilings with attic areas, and floors with crawl space/basement areas shall have smoke detectors installed in all locations, be hard wired, have battery back-up, and interconnected per current Indiana Code requirements for new construction.
3) All developments must replace all smoke detectors after they have been in service for 10-years, as per the requirements in NFPA 72.
4) Fire Suppressors above stoves/ranges.

b. Minimum design requirements for all new construction and rehabilitation (where the following items are proposed as part of the rehabilitation): NOTE: For rehabilitation, new components, systems, appliances, etc. that will be utilized in one or more units will be required to be utilized in every unit of the site

1) The use of low maintenance exterior building finishes including brick, stone, hardy board, fiber cement siding or vinyl siding. If vinyl siding is used it must be at least Residential Grade (**.044"**) in thickness and carry a lifetime warranty.
2) Minimum HVAC standards: gas heating system with a minimum 90% AFUE rating; air conditioning system with a minimum 14 SEER rating; and a minimum

8.0 HSPF electric heat pump system that is properly sized for the unit. Electric furnaces must have a primary heating system that includes a heat pump. All space heating/cooling systems must be sized using ACCA Manual J, GAMA H-22, equivalent, or an accredited design professional's and Manufacturer's recommendations.

3) Thermal insulated windows and entry doors with a minimum U value of 0.35 or below.

4) All buildings to have attic insulation of R-38 or better – New Constructions and Rehabilitation.

5) All new construction building(s), energy efficiency must be demonstrated by meeting the minimum standards established by:

    i. LEED rating system;

    ii. Bronze rating under the National Green Building Standards;

    iii. Enterprise Green Communities;

    iv. Equivalent under a system rating that is accredited by the American National Standards Institute. Any development wishing to use an alternative rating system to those listed is advised to consult with IHCDA prior to application to determine if that rating system will be considered acceptable.

6) Roofing products with anti-fungal shingles and a minimum 30 year warranty.
7) Buildings and units must be identified using clearly visible signage and/or numbers, where unit and building identification signage must be well lit from dusk until dawn.
8) Exterior railings shall be of heavy duty steel, aluminum, composite, or wood, materials capable of supporting all vertical and horizontal loads per Indiana Code.
9) Where trees and large bushes/shrubs are closer than 40-feet to foundation walls, quality gutter guards must be installed on all storm drainage gutters for the affected buildings.
10) Exterior stairways must be completely under roof cover including required landings.
11) All primary unit entry doors must have roof covering a minimum of 3-feet deep by 5 feet wide and contain a landing of the same minimum dimensions.
12) Fire places are prohibited in residential units.
13) Residential demising floors and walls separating units must be framed and insulated to prevent sound transmission of STC 50.

14) New cabinets must include dual slide tracks on drawers. Door fronts, styles, and drawer fronts must be made with quality materials other than particle board.
15) Clothes dryer vent transition duct from flex to hard duct shall be made through recessed clothes dryer boxes.
16) If a Development is going to utilize or store flammables, gasoline, and/or gasoline powered equipment, the gasoline, flammables, and/or gasoline powered equipment must not be stored in the same structure housing residential units unless separated by a 4- hour fire wall and the storage space is not accessible from inside the residential structure. Exception: may be a 2 hour wall if the storage facility is equipped with fire sprinkler system compliant with NFPA13R.
17) Water heater installations must have heat traps in the piping connection design.
18) All new construction developments must be built in accordance with the accessibility requirements of the Fair Housing Amendments Act of 1988. In addition, rehabilitation developments must also meet the design and construction standards of the Fair Housing Amendments Act of 1988 if the first use of the building was after March 13, 1991. Section 100.205 of the United States Department of Housing and Urban Development (HUD) regulation at 24 CFR part 100 implements the Fair Housing Act's design and construction requirements. These specific design and construction standards can also be found in the appropriate requirements of the American National Standards Institute (ANSI), Fair Housing Accessibility Guidelines (FHAG), and in HUD's Fair Housing Act Design Manual. If a Development will receive federal funds or HUD Program funding, the Development must be designed and built in accordance with appropriate accessibility requirements of Section 504. These specific design and construction standards can be found in the Uniform Federal Accessibility Standards (UFAS).
19) For rehabilitation of buildings constructed of a masonry shell, all exterior walls must contain an air barrier between the masonry and partition walls with properly aligned thermal and pressure boundaries , or be coated with materials that prevent air movement while allowing vapor transmission to escape the interior of the buildings shells. Additionally, there must be a 1" air space between the masonry and air barrier on the partition walls that are within the building shell.
20) For developments using fluorescent, high pressure sodium, mercury vapor, and/or metal halide lamps/lighting, a proper collection and recycling program must be in place and the EPAs' Resource Conservation & Recovery Act must be followed for the proper disposal of the luminaries.

c. Minimum amenities for Elderly developments:

i) For New Construction:

- All common areas must be visitable and 100% of the units must be accessible or adaptable, as defined by the ADA and the Indiana Accessibility Code, and elevators or lifts must be installed for access to all units above the ground floor.

ii) For Rehabilitations & Adaptive Reuse:

- All common areas on the main floor must be visitable and 100% of the ground floor units must be accessible or adaptable, as defined by the ADA and the Indiana Accessibility Code, and all units above the ground floor must be adaptable as defined by the ADA and the Indiana Accessibility Code. If the building(s) contain elevator(s)/Lift(s) prior to rehabilitation, the elevators/lifts will need to be maintained and all common areas must be visitable and 100% of the units above the ground floor will need to be accessible or adaptable.

Required Documentation: The Applicant must certify that the Development will comply with these requirements. Completed Form A (Application).

d. Universal Design Features

1) Applicants must adopt a minimum of four (4) universal design features from ***each*** Universal Design Column.

2) IHCDA encourages the adoption of universal design features best suited to the applicant's proposed development. To that end, IHCDA will accept proposed universal design features beyond the provided list relevant and necessary to the applicant's development. In submitting universal design proposals, the applicant must clearly describe the additional feature, provide justification for the necessity of its inclusion, and provide justification for the desired column classification. The evaluation, acceptance, and classification of universal design proposals is the sole discrestion of IHCDA.

3) Column Classification of Universal Design Features:

- Features found in Column A are regarded as being of high cost and/or high burden of inclusion to the development. Features found in Column B are regarded as being of moderate cost and/or moderate burden of inclusion to the development. Features found in Column C are regarded as being of low cost and/or low burden of inclusion to the development. By columnizing such features, IHCDA encourages applicants to diversify their universal design portfolio to the greatest extent possible.

Column A	Column B	Column C
Front loading washer and dryer with front controls, raised on platforms or drawers in each unit or all laundry facilities	At least one entrance to the ground floor of a unit shall be on a circulation path from a public street or sidewalk, a dwelling unit driveway, or a garage. That circulation path shall be a ramp or sloped walking surface. Changes in elevation shall not exceed ½" (All one & two family dwellings only)	Audible and visible smoke detectors in each unit
Walk-in Bathtub or shower with a folding or permanent seat (Senior Living Facilities 10% of the units, and 5% of the units for non-senior)	In kitchens, provide pull out shelves or Lazy Susan storage systems in base corners cabinets	Light switches located 48" maximum above the finished floor in each unit
Range/oven with controls located to not require reaching over burners in 10% of the units	All interior doors shall have a minimum clear width opening of 31-3/4"	Lighting controls are rocker, or touch sensitive control
Wall oven with 27" minimum knee clearance under the door in the open position and controls 48" maximum above the floor in 10% of the units	Adjustable height shelves in kitchen wall cabinets in each unit	Over bathroom lavatories, mirrors with the bottom edge of the reflecting surface 40 inches maximum above the floor or a tilt mirror that provides a similar view in each unit
Toilets that meet the provisions for location, clearance, height and grab bars in 2009 ICC A117.1 Section 604.5 in one bathroom in each unit	Where provided, telephone entry systems shall comply with ANSI.SASMA 303.-2006, Performance Criteria for Accessible Communication Entry Systems	Lever handle faucets on lavatories and sinks in each unit
Provide an accessible route from the garage into the dwelling in 10% of the units	Provide one of the following in one bathroom within each unit:	Full length mirrors with the bottom of the reflecting surface lower than 36" and top

with attached private garages	1. Adjustable height shower head that allows for a shower head to be located below 48” above the tub or shower floor; or 2. Hand-held showerhead with a flexible hose 59” minimum in length	to be at least 72” above the floor in each unit
Detectable Warnings at curb cuts throughout the development in accordance with 2009 ICC A117.1 Sections 406.13 and 705	Remote control heating and cooling in each unit	Where provided, signage identifying unit numbers shall be visual characters, raised characters and braille
Side by side refrigerators in each unit	In the kitchen, provide a 30” x 48” clear floor space adjacent to the sink, dishwasher, cooktop, oven, refrigerator/freezer and trash compactor	Where room lighting is provided, provide remote controls or motion sensor controls
Where private garages are provided, automatic garage door openers on the garage doors	At least one section of the counter or a pull out surface shall provide a work surface with knee and toe clearances in accordance with ICC A117.1 Section 1003.12.3	Bathtub/shower controls located 48” maximum above the tub floor in each unit
Provide in the kitchen a sink and a work surface in accordance with ICC A117.1 Sections 1003.12.3.2 and 1003.12.4.2 in 10% of the units	Built in microwave with an adjacent clear floor space and controls located 48” maximum above the floor in each of the units	Pulls on drawers & cabinets in each unit
Provide Motion detector controls for the outside lights at least on entrance in each unit	For kitchen and bathroom countertops, provide a visual contrast at the front edge of the counter or between the counter and the cabinet in all units	At least one garden area raised to a minimum of 15” above the adjacent grade
A removable base cabinet in kitchens at the sink and one	Provide a 30” x 48” clear floor space in each bathroom. Where	Provide 10 fc lighting for at least one work surface in each

work surface and at the lavatory in at least one bathroom in accordance with ICC A117.1 Sections 1003.12.3.1, 1003.12.4.1 and 1003.11.2 in all bottom level units	bathroom doors swing in, the clear floor space must be beyond the swing of the door	unit
In kitchens, provide pull out shelving for all standard base cabinets in each unit	All hallways 42" or wider in each unit	Controls for bathtubs or showers located between the centerline of the bathtub or shower stall and the front edge of the opening in at least one bathroom in each unit
Provide a roll-in shower in at least one bathroom in accordance with ICC A117.1 Section 608.2.2 or 608.2.3 in each unit	All wall reinforcements for a second handrail at stairways in each unit	All closet rods adjustable or provide a portion of each closet with two clothes rods at different heights in each unit
In 10% of the units, provide cook top with toe & knee clearance underneath in accordance with ICC A117.1 Section 1003.12.5.4.2. The underside of the cook top shall be insulated or otherwise configured to protect from burns, abrasions or electric shock	Where walls are provided adjacent to toilets, bathtubs or showers, provide blocking for a future installation of grab bars in accordance with ICC A117.1 Section 1004.11.1	Slide or bi-folding closet doors for reach-in closets in all units
Dishwasher unit with all operable parts and shelving between 15" and 48" above the flooring 10% of the units	All doors intended for user passage shall have a minimum clear width opening of 31-3/4"	Levers hardware doors intended for user passage in each unit
A fixed or fold down seat in the shower or a bathtub with a seat in at least one bathroom of 10%	Kitchen Faucet with pull out spout in lieu of side mount sprayer in each unit	Electric outlets raised 15" minimum above the finished floor in each unit. Dedicated

of the units		outlets and floor outlets are not required to comply with this section
Grab bars in bathroom and shower in 10% of the units (1st bathroom only for two bathroom units)	Provide a means of identifying visitors without opening the door in accordance with ICC A117.1 Section 1006.5.2	Provide a lighted doorbell at the outside of the primary entrance door to each unit in accordance with ICC A117.1 Section 1006.5.1
Remote controlled drape, blinds and/or curtains in 5% of the units	Significant color contrast between floor surfaces and trim in each unit	Countertop lavatories with lavatories located as close to the front edge as possible in 10% of the units
Carpet complying with ICC A117.1 Section 302.2 or slip resistant flooring	Visual contrast between stair risers and stair treads in each unit that contains stairways	Self-closing drawers on kitchen cabinets
		Mailboxes located between 24”-48” above the ground

Required Documentation: Completed Form A (Application)

e. Visitability Mandate

Any development involving the construction or rehabilitation of single family homes, duplexes, triplexes, or townhomes must meet the following visitability mandate.

Visitability is defined as design concepts that allow persons with mobility impairments to enter and stay, but not necessarily live, in a residence. There are three (3) specific design elements that must be incorporated to satisfy the visitability mandate:

- Each unit must contain at least one (1) zero-step entrance on an accessible route. This can be any entrance to the unit;
- All main floor interior doors (including bathroom doors and walk-in closets) in each unit must provide at least at least 31 ¾ inches of clear opening width; and
- Each unit must contain at least one (1) half or full bathroom on the main level that is accessible per ICC A117.1.Section 1004.11.

5. Special Housing Needs

All developments must commit to setting aside 10% of the total units to qualified tenants who meet the State's definition of "special needs populations", pursuant to Indiana Code ("IC") 5-20-1-4.5. Special needs populations include the following:

1) Persons with physical or developmental disabilities
2) Persons with mental impairments
3) Single parent households
4) Victims of domestic violence
5) Abused children
6) Persons with chemical addictions
7) Homeless persons
8) The elderly

Additional information on this requirement can be found in Section 5 of the Rental Housing Tax Credit Compliance Manual.

Required Documentation: Completed and executed Form K. Place Form K in Tab O.

6. Affordable Housing Database

Applicants that are proposing to develop permanent supportive or rental housing must participate in the Affordable Housing Database. www.indianahousingnow.org

7. Indiana Housing Online Management System - https://ihcdaonline.com/

All IHCDA assisted multi-family developments are required to enter tenant events using IHCDA's Indiana Housing Online Management rental reporting system within thirty (30) days of the tenant's event date. Tenant events include move-ins, move-outs, annual recertifications, unit transfers, rent and utility allowance changes, and student status updates. Annual Owner Certification Rental Reports will be required to be submitted electronically using the Indiana Housing Online Management System.

8. Receipt of Rental Housing Financing

Applicant(s) receiving Rental Housing Financing must satisfy at time of Final Application all scoring criteria they received points for unless otherwise approved by the Authority in writing.

9. Application Disqualification

Applications reviewed during the Threshold period and found to have five (5) or more Technical Corrections will fail threshold and will not be eligible for credits.

10. Performance Violation

The Authority in its sole and absolute discretion shall have the right to impose the following sanctions upon applicants, developers, owners, consultants, management agents, contractors, and any other applicable development team member and/or entity for failure to perform or comply in accordance with the certified initial or final application or the policies and procedures of the Qualified Allocation Plan.

- **Fines:** Failure to comply or perform in accordance with the certified initial or final application or the policies and procedures of the Qualified Allocation Plan may result in a monetary fine.

- **Negative Points:** Negative points may be assessed on subsequent applications for up two competitive rounds for failure to perform or comply in accordance with the application or the Qualified Allocation Plan. Negative points will be calculated based on the number of points awarded in a scoring category where minimum requirements were not met. The number of points awarded will be multiplied by a number not to exceed ten (10). This process will be repeated for each instance of scoring category non-compliance.

- **Reduction of Credits:** Failure to comply or perform in accordance with the certified initial or final application or policies and procedures of the Qualified Allocation Plan may result in the reduction of credits.

- **Suspension and/or Debarment:** The Authority may suspend a development team member who is suspected of misusing, abusing, or otherwise failing to use IHCDA resources properly, pending completion of an investigation or legal proceeding. The Authority may debar a development team member on reasonable evidence that the development team member has behaved or is behaving improperly with regard to IHCDA resources, whether intentionally or unintentionally. The difference between suspension and debarment is that a suspension is used to allow the Authority to determine whether a debarment or other action is warranted pending completion of an investigation. Therefore, a suspension is intended to be an indefinite and temporary measure until the Authority determines whether debarment is appropriate. Upon determination that a development team member will be suspended, IHCDA will issue a written notice of the suspension. Following completion of the investigation, the Authority will send the development team member a written notice of its final decision.

G. Evaluation Factors

The Authority has developed five (5) categories of criteria, based on the needs assessment conducted and the housing goals established by the Authority. If an Application satisfies all applicable requirements, then it will be evaluated and scored based on:

Scoring Section	Total Number of Eligible Points
1. Rents Charged	28 Points
2. Development Characteristics	87 Points
3. Sustainable Development Characteristics	25 Points
4. Financing & Market	13 Points
5. Other	42 Points
Total Number of Points Possible	195 Points

Applicants seeking an RHTC allocation under Indiana's RHTC cap must score a total of one hundred and twenty (120) or more points under this Allocation Plan. Additionally, Applicants seeking Private Activity Tax Exempt Bonds, either in conjunction with 4% RHTCs or alone, will be subject to a minimum score established by the Authority on a case-by-case basis. **To qualify for points, all required documentation (e.g. certifications, letters, etc.) must be issued/dated within six (6) months prior to the Application deadline date.**

The Authority reserves the right not to allocate funding to a Development that scores ten (10) or more points less than the nearest Development receiving Rental Housing Financing. A written explanation will be made available to the general public for any funding of a housing credit dollar amount, which is not made in accordance with established priorities and selection criteria in this Allocation Plan.

If two or more developments receive an equal total score, the following tie breakers will be used to determine the reservation:

a. First Tie Breaker: priority will be given to the development that competes under the highest number of set-asides; if a tie still remains;
b. Second Tie Breaker: priority will be given to the development located in a community that has not received tax credits within the past three years; if a tie still remains;
c. Third Tie Breaker: priority will be given to the development that request the lowest number of tax credits per unit.

1. Rents Charged

All Developments must meet the minimum set-aside requirement for Section 42 with election of the "40-60" or the "20-50" set-aside.

If the Development intends to charge rents lower than the maximum allowable for the area median income (AMI) required by Section 42 of the Code and maintain rents for units at a level not to exceed the maximums as published in Appendix A and B, points will be awarded as follows:

% of Total Units	Area Median Income Rents			
	30%	40%	50%	60% + Market Rate
55% or more	1 pt	2 pts	3 pts	0 pts
50.0 to 54.99%	2 pts	2 pts	5 pts	3 pts
45.0 to 49.99%	3 pts	3 pts	6 pts	4 pts
40.0 to 44.99%	4 pts	4 pts	7 pts	5 pts
35.0 to 39.99%	5 pts	5 pts	7 pts	6 pts
30.0 to 34.99%	5 pts	5 pts	7 pts	6 pts
25.0 to 29.99%	6 pts	6 pts	8 pts	8 pts
22.0 to 24.99%	6 pts	6 pts	8 pts	7 pts
18.0 to 21.99%	6 pts	5 pts	7 pts	6 pts
15.0 to 17.99%	5 pts	4 pts	6 pts	5 pts
12.0 to 14.99%	4 pts	3 pts	4 pts	4 pts
9.0 to 11.99%	3 pts	3 pts	4 pts	4 pts
7.0 to 8.99%	2 pts	2 pts	3 pts	3 pts
5.0 to 6.99%	1 pt	2 pts	2 pts	3 pts
3.0 to 4.99%	1 pt	2 pts	1 pt	2 pts

When determining the number of units using a percentage, the development must round up if at or above .50% and may elect to round down or up if at or below .49%. 1st Example: 30% of the units in a 25 unit development will be at 40% AMI Rents; 25 units x 30% is 7.5 = 8 units at 40% AMI Rents. 2nd Example 17% of the units in a 25 unit development will be at 30% AMI Rents; 25 units x 17% is 4.25% = 4 or 5 units at 30% AMI Rents. In the 2nd example, the

Development must elect either 4 or 5 units that will be at 30% AMI Rents. The Development will not be allowed to switch between 4 or 5 units once the election is made within the Application.

The Authority encourages owners to disperse all low-income units evenly among buildings and units in a mixed income, multi-building Development.

Per Section 42(g)(7), scattered site Developments that contain market rate units will not qualify to receive points for their market rate units.

Maximum Number of Points	**28**

2. Development Characteristics

a. Development Amenities

Based on the Development schematics, as set forth in the site plan, the Authority will award two (2) points for ten or more (10) amenities in the first column with a minimum of two (2) amenities required in each of the three (3) sub-categories A,B, & C in the first column, two (2) points for five or more (5) amenities in the second column with a minimum of two (2) amenities required in each of the two (2) sub-categories A & B in the second column, and two (2) points for three or more (3) amenities in the third column with a minimum of one (1) amenity required in each of the two (2)sub-categories A & B in the third column. Up to a total of six (6) points can be awarded in this category. All amenities chosen by the Applicant should conform to the needs of the Development and its residents. Design Amenities will be viewed as interchangeable within a column, provided the total number of design amenities selected in each column remains the same and the minimum number of amenities required for each subcategory in each column is met.

NOTE: Specific requirements may apply for each amenity (See definitions in Appendix G).

Total of 10 Amenities	**Column 1 Common Area**	**Total of 5 Amenities**	**Column 2 Apartment Unit**	**Total of 3 Amenities**	**Column 3 Safety & Security**
A	**Tenant Entertainment: Minimum of 2 Amenities**	**A**	**Unit Interior Architectural: Minimum of 2 Amenities**	**A**	**Security: Minimum of 1 Amenity**
	Playground		Window Blinds or Curtains		Restricted Access to Property/Gated Community

	Bike Racks		Hardwood or Tile Floors		Security Camera at all Entrances
	Designated Garden Area		Individual Porch/Patio/Balcony		Site/Parking Area Lighting
	Fenced dog walking area		Walk-In Closets		Security Cameras at On-Site Bus Stops
	Community Room		External Individual Attached Storage		Intercom System/Installed Call System
	Community TV		Pressure relief vents for all bedrooms, unless all bedrooms contain return air vents		Peep Hole on Exterior Doors
					Keyless door locks (ex: proximity sensor or fingerprint scanner)
	Designated Walking/Jogging Path		Kitchen Pantry		Bump-Proof Entry Door Locks
			At least 5% of the units are 3 bedrooms		
			At least 5% of the units are 4 bedrooms or larger		
	Billiards Table		Attached garage		Steel Entry Doors & Frames
	Basketball Court				Security Alarm (Doors)
	Swimming Pool	**B**	**Unit Convenience: Minimum of 2 Amenities**		Security Alarm (Windows)

	Fenced in Tennis Court		Garbage Disposal		**Life Safety Minimum of 1 Amenity**
	Gazebo		Door Bells		Emergency Pull Cord/Call Button
	Picnic Area with Permanent Grill		Cable Hook-Ups		Fire Extinguishers
	Sand Volley Ball Court		Motion Detector Lights for Each Unit _____ LED lighting		Fire Sprinkler System (only if not required by code; see definition in Appendix G)
	Hot Tub/Jacuzzi		Clothes Washer/Dryer	**B**	Documented Fire Extinguisher Training for Tenants conducted by a Professional in Fire Fighting
	Computer Center		Built-In Dishwasher		Kitchen Fire Blanket
	Exercise Room		Whirlpool Tub		Emergency Escape Ladders
B	**Common Area Convenience Features Minimum of 2 Amenities**		Ceiling Fan		Tenant Fire Safety Education/Training
	One Parking Spot Per Unit		Access to High Speed Internet		Posted Speed Limit & "Caution Children Playing" Signs
	Designated Car Wash Facility				Fenced-In Retaining Ponds
	Garage				Emergency Lighting
	Carport				
	Enclosed Bus Stop Shelter				

	Comfort Conditioned Common Areas			
	Daycare Center			
	Beauty Salon/Barber Shop			
	Laundry Facilities			
	Manager On-Site			
	On-Site Recycling Service			
C	**Common Area Architectural Minimum of 2 Amenities**			
	Multiple Building Designs			
	Multiple Floor Plans			
	Steel Frame			
	Architectural Roofing Shingles			
	100% Brick, stone or cement board exterior			
	Metal Roof Covering			
	Slate Roof Covering			
	Sound-Proof Unit Separation Assemblies			

Required Documentation: Completed Form A (Application)

Maximum Number of Points	**6**

b. Accessible Units

IHCDA encourages the adoption of additional accessible or adaptable units. Applicants achieving greater than minimum threshold requirements in 5% of total units in rehabilitation/adaptive reuse projects and 6% of total units in new construction projects shall be eligible for additional application points.

The allocation of such application points will be designated as follows:

Accessible/Adaptable Unit Point Designation	1 Point	2 Points	3 Points	5 Points
Family Developments				
Rehabilitation/Adaptive Reuse	6.0 % - 6.9%	7.0 % - 7.9%	8.0 % - 8.9%	9.0 % or greater
New Construction	7.0 % - 7.9%	8.0 % - 8.9%	9.0 % - 9.9%	10.0 % or greater
Elderly Developments				
Rehabilitation/Adaptive Reuse (without existing elevator)	7.0 % - 7.9%	8.0 % - 8.9%	9.0% - 9.9%	10.0 % or greater
New Construction or Rehabilitation/Adaptive Reuse (with existing elevator)				100%

(Percentages are represented as the percentage of total proposed units classified as "accessible.")

In formulating Accessible Unit percentages applied to the "Accessible Unit Point Designation" table, applicants must calculate accessible unit percentages as follows:

$$\frac{\textit{Total Accessible Units in Proposed Development (In Whole Number Form)}}{\textit{Total Units in Proposed Development (In Whole Number Form)}} = \%$$

Example: Rehabilitation, Elderly Development: $\frac{\textit{17 Accessible Units}}{\textit{212 Total Units}} = 8.019\% \Rightarrow$ 2 points

Applicants are not permitted to add decimal points or apply a partial or non-whole unit metric when formulating total "accessible units" in the fraction's numerator nor in formulating "total

units" in the fraction's denominator. Applicants not using whole unit numbers are ineligible to receive ADA Type A Accessible Unit Expansion application points.

Limitations for Developments of 16 Units or Less: Applicants proposing developments of 16 units or less must implement at least 2 accessible units to be eligible for points. For proposed developments of 16 units or less, 4 application points will be awarded only if total accessible units meet or exceed 2.

Maximum Number of Points 5

c. Universal Design Features

Applicants are encouraged to adopt universal design features to the greatest extent possible beyond the minimum threshold requirement Based on the Development schematics, as set forth in the site plan of such amenities, the applicant will be awarded points as follows:

Three (3) points will be awarded to applicants proposing to adopt a minimum of six (6) universal design features from ***each*** Universal Design Column.

Four (4) points will be awarded to applicants proposing to adopt a minimum of seven (7) universal design features from ***each*** Universal Design Column.

Five (5) points will be awarded to applicants proposing to adopt a minimum of eight (8) universal design features from ***each*** Universal Design Column.

Please refer to the Threshold Section for a listing of univerals design features.

Required Documentation: Completed Form A (Application)

Maximum Number of Points 5

d. Unit Size

As provided in the Rental Housing Finance Application the net square footage is defined for the purpose of this scoring criteria to be the total livable space within the interior walls of the unit (this excludes garages, balconies, exterior storage and Development common areas). Points will be awarded based on the percentage of the proposed units that meet or exceed the minimum net square footage within a specific unit and development type.

% of Total Units	New Construction	Adaptive Reuse	Rehab/Existing Housing
100%	5 points	5 points	5 points
99.99 – 95.0%	3 points	4 points	4 points
94.99 – 90.00%	2 points	4 points	4 points
89.99 - 85.00%	1 point	3 points	3 points
84.99 - 80.00%	1 point	3 points	3 points
79.99 - 75.00%	0 point	2 points	2 points
74.99 – 70.00%	0 point	2 points	2 points
69.99 – 65.00%	0 point	1 point	1 point
64.99 – 60.00%	0 point	1 point	1 point
59.99% or less	0 point	0 point	0 point

Development Type	Eff./0 BR Units minimum net sq. ft.	One BR units minimum net sq. ft. (minimum 1 bath required)	Two BR units minimum net sq. ft. (minimum 1 bath required)	Three BR units minimum net sq. ft. (minimum 1 ½ baths required for all new construction)	Four + BR units minimum net sq. ft. (minimum 2 baths required for all new construction)
*New Construction	375 sq. ft.	675 sq. ft.	875 sq. ft.	1075 sq. ft.	1275 sq. ft.
**Adaptive Reuse	350 sq. ft.	550sq. ft.	680 sq. ft.	900 sq. ft.	1075 sq. ft.
Rehab/existing housing	350 sq. ft.	500 sq. ft.	680 sq. ft.	900 sq. ft.	1075 sq. ft.

*New construction of permanent supportive housing or assisted living units will be subject to the minimum square footage for rehabilitation.

**Adaptive Reuse is defined as a Development with building(s) that previously served a purpose other than housing.

Required Documentation: Complete Form A (Application). Floor plans with exact total net square footages printed clearly are required to receive these points. Place in Tab F.

Maximum Number of Points	**5**

e. Vacant Structure

Development converts a percentage of total square footage in a 100% vacant structure (s) into rental housing or a portion for commercial use. Up to 5 points will be awarded based on the percentage of the structure that is converted to affordable housing, commercial, and/or common areas as follows:

50% of the vacant structure square footage	1 point
75% of the vacant structure square footage	2 points
100% of the vacant structure square footage	3 points

If any space in the existing structure will be used for a purpose other than housing, the applicant must state what the intended use of the remainder of the vacant structure will be. Eligible structures must contain a rental housing tax credit unit in a qualified rental housing tax credit building.

For projects located in multi-story buildings, all of the floors under the ownership of the tax credit development will constitute the development total.

An additional 2 points will be awarded if the development qualifies for at least 1 point above, and proposes to rehabilitate a vacant structure that was affected by a disaster, such as a fire or severe storm, within the last 5 years from the time of application submission.

*NOTE: Developments eligible for points in this category are NOT also eligible for points under category h. Infill New Construction.

i. **Required Documentation:** If affected by a disaster, appropriate documentation from a third party confirming the event and impact on the site. The site must have been condemned or deemed unsafe for occupancy by the appropriate authority. Place in Tab P.
Completed Form A (Application).

Maximum Number of Points	**5**

f. Development is Historic in Nature

At least 50% of the total units must be located in eligible historic buildings in order for a Development to receive points in this category.

1) Developments that are listed on the National Register of Historic Places, the Indiana Register of Historic Sites and Structures, or have received local landmark designation through a local historic preservation commission through an ordinance will receive one (1) point (must provide evidence building is individually listed or contributing to a district listed on the National Register of Historic Places, Indiana Register of Historic Sites and Structures, or has received local landmark designation through a local historic preservation commission through an ordinance).

Required Documentation: 1) A letter from the National Park Service verifying the building(s) are listed on the Register or verification of the listing through the National Park Service website at www.cr.nps.gov/nr/; or 2) A letter from the Indiana Division of Historic Preservation and Archaeology or verification of the listing through the Indiana Department of Natural Resources website at www.in.gov/dnr/historic; or 3) A copy of a local designation ordinance passed by the local historic preservation commission /board of a Certified Local Government (as designated by the Indiana Division of Historic Preservation and Archaeology) and 4) if the property is contributing to a listed district, a copy of the district map from the nomination clearly identifying the property as a contributing structure, or a letter from the Indiana Division of Historic Preservation and Archaeology or local historic preservation commission, stating that the property is contributing to the district must be provided as well. Place in Tab P.

A notation of a property within a county interim report/sites and structures survey is not sufficient documentation of historic designation status and will not be accepted.

OR

2) Developments that will utilize Historic Tax Credits (Federal or State) on the residential portion of the building(s) will receive up to three (3) points.

Required Documentation: Properties that are already listed on the National Register of Historic Places must provide verification of the listed status (see above required documentation). Properties that are not already listed must have submitted a Part 1 application and received a recommendation for approval by the Indiana Department of Natural Resources Division of Historic Preservation and Archaeology, include a copy of the historic application and “approved” Part I to receive two (2) points. Properties that have received a preliminary acceptance of a Part II will receive three (3) points. A copy of this documentation from DNR or NPS must be submitted. Place in Tab P.

Maximum Number of Points	3

g. Preservation of Existing Affordable Housing
Points will be awarded for up to the maximum of six (6) points in this category as follows:

1) Six (6) points will be awarded for an Application that proposes the preservation of an existing affordable housing Development assisted with Rental Housing Tax Credits where the compliance period will/have expire(d) in the current year or earlier. IHCDA will review the owner's past noncompliance, if any.

Required Documentation: A statement from the Applicant that provides the following information: a) All current Building Identification Numbers (BIN) for the Development; b) The name of the Development during the time it was a RHTC Development; and c) The address of all buildings in the Development. Place in Tab P.

OR

2) Up to Six (6) points will be awarded for an Application that proposes the preservation of HUD or USDA affordable housing (such as project based Section 8 or other forms of HUD funding or RD 515 properties). Developments receiving a preservation priority designation from HUD or USDA will be awarded points as follows:

Developments receiving a designation of high priority	6 points
Developments receiving a designation of medium priority	5 points
Developments receiving a designation of low priority	4 points

Required Documentation: A letter from HUD or USDA that states the priority designations (high, medium, or low priority) for projects that are the subject of an Application pursuant to this Plan.

The following information must be sent to the Indianapolis HUD Field Office 60 days prior to the application due date before a priority designation can be made.

a) Source of Funds from Form A
b) Cost/Basis/Maximum Allowable Credit from Form A

c) Copy of the Capital Needs Assessment

The documentation from HUD or USDA of the Development's preservation priority designation must be placed in Tab P.

OR

3) Four (4) points will be awarded for an Application that proposes the preservation of any other affordable housing Development.

*NOTE: Developments eligible for points in this category are NOT also eligible for points under category e. vacant structure, h. infill/new construction, and category i. adaptive reuse

Required Documentation: Third party documentation from the entity enforcing affordable housing requirements evidencing the rent and income restrictions applicable to such property including the term of such restrictions must be submitted and placed in Tab P.

Maximum Number of Points	**6**

h. Infill New Construction

Up to 8 points will be awarded to applications that meet IHCDA's criteria for Infill. IHCDA defines infill housing as the process of developing on vacant or underused parcels of land within existing urban areas that are already largely developed or previously developed. This category includes demolition and new construction projects that meet the attributes below. For purposes of this category, the following will not qualify as infill housing:

- Existing agricultural land; or
- Land where agriculture was the last use and it was within the last 10 years; or
- Undeveloped Master Planned Communities; or
- Existing structures that will be rehabilitated.

To receive 6 points, the development must meet the following infill attributes:

Infill Attributes
The site must be surrounded on at least two sides with adjacent established development. Parks and green space area may qualify as established development, provided that they are part of a master plan or recorded instrument. IHCDA will look at the entire development site for phased developments.

The site must maximize the use of existing utilities and infrastructure.
At least one side of the development must be adjacent to occupied residential development, operating commercial development, active public space, or another active community activity.

An additional 2 points will be awarded if the development meets the infill criteria above, and proposes to build on an infill site that was affected by a disaster, such as a fire or severe storm, within the last 5 years from the time of application submission.

*NOTE: Developments eligible for points in this category are NOT also eligible for points under category e. vacant structure, g. preservation of existing affordable housing, and category i. adaptive reuse.

Required Documentation: Place all documentation in Tab P.

ii. Aerial photos of the proposed site.
iii. If an established park or green space area, documentation of such must be submitted in the application.
iv. Documentation of zoning classification and any special uses granted/restricted over the past 5 years or tax records for the last 5 years.
v. If affected by a disaster, appropriate documentation from a third party confirming the event and impact on the site. The site must have been condemned or deemed unsafe for occupancy by the appropriate authority.

Maximum Number of Points 8

i. Adaptive Reuse

4 points will be awarded if the proposed development is an adaptive reuse of an entire existing building and constitutes a significant part of the development as a whole. To meet the definition of significant, the building must house at least 50% of the program units or at least 50% of the total development square footage.

2 points will be awarded for adaptive reuse of part of a building. Adaptive reuse is defined as the change in use of a major building for residential use or as a community building. Buildings that are already part of an existing multifamily development are not eligible for these points.

*NOTE: Developments eligible for points in this category are NOT also eligible for points under category h: Infill New Construction.

Required Documentation: Place all documentation in Tab P.

i. Description of the previous use of the building, whether or not the building is occupied, and how the building will be reused.

ii. Photographs of the building to be reused

Maximum Number of Points 4

j. Brownfield

4 points will be awarded if the proposed development is the redevelopment of a Brownfield site. The definition of a Brownfield site is one where the EPA, IDEM, or other environmental regulatory agency has defined the site as a Brownfield site and has determined the applicable guidelines for the cleanup required for residential uses.

Required Documentation: Place all documentation in Tab P.

i. A letter of designation as a Brownfield site from a regulatory agency.
ii. Proposed scope of work to allow for residential reuse of site, or an IDEM issued Comfort Letter, Site Status Letter or No Further Action letter that does not prohibit residential use on the site.
iii. Proposed scope of work for cleanup of site, timeline, and detailed budget for cleanup.

Maximum Number of Points 4

k. Promotes Neighborhood Stabilization

8 points will be awarded to a proposed development that is recognized by the local government as assisting in the stabilization of a neighborhood by demolishing or redeveloping property that has been foreclosed, abandoned, or constitutes blight, or greyfield redevelopment.

A property will be considered "foreclosed upon" at the point that the mortgage or tax foreclosure is complete. The title for the property must be transferred from the former homeowner under some type of foreclosure proceeding or transfer in lieu of foreclosure in accordance to state or local law.

A property will be considered "abandoned" when mortgage or tax foreclosure proceedings have been initiated for the property, no mortgage or tax payments have been made by the property owner for at least 90 days and the property has been vacant for at least 90 days.

A property will be considered "blighted" if the site is conducive to ill health, transmission of disease, infant mortality, or crime in the immediate proximity of the property and presents at least two (2) or more of the following conditions:

i. Uninhabitable, unsafe, or abandoned structures;

ii. Inadequate provisions for ventilation, light, air, or sanitation;
iii. An imminent harm to life or other property caused by fire, flood, tornado, storm, or other natural catastrophe respecting which the Governor has declared a state of emergency under state law or has certified the need for disaster assistance under federal law; provided, that the owner failed to take reasonable measures to remedy the harm;
iv. A site identified by the federal Environmental Protection Agency as a Superfund site pursuant to 42 U.S. C Section 9601, et seq., or environmental contamination to an extent that requires remedial investigation or a feasibility study;
v. Repeated illegal activity on the individual property of which the property owner knew or should have known;
vi. The maintenance of the property is below state, county, or municipal codes for at least one year after notice of the code violation;
vii. The site is partially built with no work on the property for a period in excess of six months; and/or full debt service payments have not been made on the property for a period of at least 90 days, and the lender and/or local government provides a letter outlining the effect the property has on the surrounding community.

Properties that were acquired for redevelopment purposes by a government entity or community organization that were foreclosed, abandoned or blighted when acquired will be considered eligible properties.

A property will be considered "greyfield redevelopment" if it was a previously developed retail or other commercial (where the primary use was non-residential) center that suffers from a lack of reinvestment due to abandonment of tenants but that has underlying utilities and paved infrastructure that allow a developer to more efficiently improve the site. The site must be vacant, abandoned or 90% of the square footage is unused, and at least 25% of the site must be compromised of associated parking areas.

Roads, driveways, entry access, and public right of ways do not qualify as greyfield.

Required Documentation: Place all documentation in Tab P.

i. Pictures of the proposed site and the surrounding area
ii. Copy of applicable foreclosure documents
iii. If "abandoned," evidence from the mortgage lender and/or tax authority that payments have been delinquent for at least 90 days and that foreclosure proceedings have been initiated.
iv. A letter from the highest elected local official certifying that the redevelopment of the property will assist in stabilizing the neighborhood
v. Narrative of how the project promotes the purposes of the neighborhood stabilization.

vi. Engineer or architect's assessment of site including measure of paved areas.
vii. Documentation of paved areas being converted to non-paved area use.

Maximum Number of Points 8

l. Local Redevelopment Plan

6-9 points will be awarded if there is an adopted redevelopment or community revitalization plan that clearly targets the specific neighborhood in which the project is located. A redevelopment or community revitalization plan may include, but is not limited to, a comprehensive plan, downtown master plan, neighborhood plan, economic development plan, etc.

The Community Redevelopment/Revitalization Plan must include:

i. A clearly delineated target area that includes the proposed project site;
ii. Detailed policy goals, which must include the rehabilitation or production of affordable rental housing;
iii. Implementation measures along with specific, current, and ongoing time frames for the achievement of such policies and housing activities;
iv. The proposed development project must support at least one of the goals of the redevelopment or revitalization plan; and
v. An assessment of the existing conditions of the community.

The following are not eligible:

i. Short-term work plans, including Stellar Strategic Investment Plans
ii. Consolidated plans, municipal zoning plans, or land use plans; or
iii. Plans that do not reflect the current neighborhood conditions.
iv. PUDs

Required Documentation: Place all documentation in Tab P.

i. Documentation of the process used to develop and adopt the plan;
ii. Details regarding community input and public meetings held during the creation of the plan must be included in the application;
iii. A copy of the entire plan must be submitted;
iv. A map of area targeted by plan identifying location of project.
v. A narrative listing the location and page number of all required items within the plan.

Maximum Number of Points 6

If the plan has been adopted by a local unit of government and meets above items i. through v., an additional 3 points will be awarded.

Required Documentation: Place all documentation in Tab P.

vi. Documentation of the process the local unit of government used to develop and adopt the plan; and

vii. Written approval from the local unit of government verifying the adoption of the plan.

Maximum Number of Points 3

m. Federally Assisted Revitalization Award

Up to 5 points will be awarded if the proposed project is a phase or component of a:

1. PHA sponsored HOPE VI or Choice Neighborhoods revitalization initiative; OR

2. HUD designated Promise Zone, a Department of Education designated Promise Neighborhood, or a HUD Sustainable Communities Regional Planning (SCRP) Program; OR

3. New Market Tax Credit Development.; OR

4. Blight Elimination Program, where at least 50% of the development units or square footage is located on a site(s) that was assisted through the program; OR 3 points if at least 25% of the development units or square footage is located on a site(s) that was assisted through the program.

5. Similar Federal Program that has the following components (Rental Assistance Demonstration (RAD) does not qualify):

   i. Be part of a mixed income or mixed use phased community with a significant market component;

   ii. Facilitate the de-concentration of poverty; and

   iii. 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.

Required Documentation: Place all documentation in Tab P.

i. A copy of the Grant/Award Agreement, which identifies the entity receiving the grant and the amount of the grant, and additional documentation reflecting the time limits for use of the grant;

ii. A letter from the Executive Director of the identified entity certifying that:
   a) The housing units are an essential element of that Plan; and
   b) The Tax Credits for the development proposed in the application are an essential component of the financing plan for the grant.

iii. A copy of the HUD approved Revitalization Plan (if applicable).

Maximum Number of Points 5

n. Off Site Improvement, Amenity and Facility Investment

6 points will be awarded if an investment of resources is provided that will result in off-site infrastructure improvements within a ¼ mile of the project site(s), and/or the development of parks, green space and shared amenities, recreational facilities and improvements within a ¼ mile of the proposed project site(s) that will serve the tenant base for the subject project. The proposed improvements, amenities, and/or facilities must be completed prior to the proposed placed in service date for the project. The development cost and source of funding associated with the development of the improvements, amenities and/or facilities must be mutually exclusive of the development cost and sources of funding for the subject property. If the development cannot move forward without the improvement, the improvement will not qualify.

For the purposes of this scoring category, improvements must be outside the footprint of the building and outside the boundary of the development parcel to qualify.

For scattered site projects, each site must have improvements within a ¼ mile to qualify.

i. Examples of improvements, amenities, and facility investment of resources include, but are not limited to, the following: Reconstruction of existing roads and streetscapes,
ii. Reconstruction of vacant or blighted land with new infrastructure that promotes comprehensive revitalization such as new residential blocks and streets,
iii. Development of parks, green space or walking trails on a master plan development site,
iv. Development of community centers or similar facilities that promote cultural, educational, recreational, or supportive services for a community,
v. Construction of sidewalks or streetscape adjacent to the property,
vi. Construction of shopping or retail center adjacent to the property.

To qualify for points, the minimum cost for the improvement must meet or exceed the amount listed below based on the "Development Location" set-aside requirements defined in Section E.4 of the QAP:

Development Location Set-aside	Minimum Cost for the Improvement
Large City	$100,000
Small City	$50,000
Rural	$25,000

Required Documentation: Place all documentation in Tab P.

i. Conditional commitment of funds, including sources and uses and estimated timeline for completion.
ii. Map showing a ¼ mile radius and the location and description of improvements to the site.
iii. A narrative, which includes how the investment will benefit the tenants.
iv. Any improvements within a public right of way must demonstrate approval from local jurisdiction.

Maximum Number of Points 6

o. Tax Credit Per Unit

Up to 4 points will be awarded for developments that implement cost containment measures. Developments will be divided into three categories and compete against each other based on tax credit per program assisted unit.

i. New construction

ii. Rehabilitation

iii. Adaptive reuse

Points will be awarded based on the following distribution. Projects with more than one construction type will compete in the category that represents the majority of the units.

Lowest Tax Credit Per Unit	80th Percentile	60th Percentile	40th Percentile	20th Percentile
Points	4	3	2	1

Maximum Number of Points 4

p. Tax Credit Per Bedroom

Up to 4 points will be awarded for developments that implement cost containment measures. Developments will be divided into three categories and compete against each other based on tax credit per bedroom (only counting bedrooms in program assisted units).

iv. New construction

v. Rehabilitation

vi. Adaptive reuse

Points will be awarded based on the following distribution. Projects with more than one construction type will compete in the category that represents the majority of the units.

Lowest Tax Credit Per Bedroom	80th Percentile	60th Percentile	40th Percentile	20th Percentile
Points	4	3	2	1

For the purposes of this calculation, an efficiency unit will count as a one bedroom unit.

Maximum Number of Points 4

3. Sustainable Development Characteristics

a. Smart Use Training

Three (3) points will be awarded for Smart Use Training to be provided to onsite property staff (management and maintenance) and tenants during the compliance period. Training and manuals should be separate (i.e. one manual for staff and one for tenants) and oriented toward the end user

Required Documentation: Completed Form A (Application). The Smart Use Training curriculum for both onsite staff and tenants must be available for review at all times after the placed in service date and supporting documentation demonstrating participation by all tenants and onsite staff.

Maximum Number of Points 3

b. Building Certification

Up to 3 Points will be awarded if the Development commits to going beyond the minimum green standards and all buildings register and receive one of the following certification(s).

Certification	Points
LEED Silver Rating	1 Point
LEED Gold Rating	2 Points
LEED Platinum Rating	3 Points
Silver Rating National Green Building Standard	1 Point
Gold Rating National Green Building Standard ™	2 Points
Emerald Rating National Green Building Standard ™	3 Points
Enterprise Green Communities	2 Points
Enterprise Green Communities (+10over minimum*)	3 Points
Equivalent under a rating for systems that are accredited by the American National Standards institute may earn equivalent points for equivalent end results of the above listed items.**	Up to 3 Points

***Enterprise Communities requires a minimum of optional points (new construction=35, rehabilitation = 30) beyond the mandatory categories be met to certify a development, in order to receive points for the application developments must go beyond those 30/35 point minimums**

****applicants wishing to use an alternative to those listed should consult with IHCDA prior to application to verify if that system will be accepted**

Required Documentation: Completed Form A (Application). The Green Professional chosen for the project must be part of the design team (but a separate person from the project architect or engineer) and that person must sign off on all building certifications that are committed to in the application. Place in Tab J.

Maximum Number of Points 3

c. Energy Efficiency – Air Sealing

2 points will be awarded for increased air sealing on structures to minimize loss of conditioned air and reducing demand on heating and cooling. Final outcome must be tested using blow door test, done by RESNET approved rater

Construction type	Maximum air changes per hour
Rehabilitation	8 points
New Construction (including adaptive reuse))	6 Points

Required Documentation: Completed Form A (Application). The Green Professional chosen for the project must be part of the design team (but a separate person from the project architect or engineer) and that person must sign off on all energy efficiency/water conservation items that are committed to in the application. Place in Tab J.

Maximum Number of Points 2

d. Energy Efficiency - High Insulation

Up to 3 points will be awarded for increasing insulation value of the structure based upon total percentage above current IECC requirements.

Insulation improvement %	Point value
>5%	1 Point
>10%	2 Points
>15%	3 Points

Required Documentation: Completed Form A (Application). The Green Professional chosen for the project must be part of the design team (but a separate person from the project architect or engineer) and that person must sign off on all energy efficiency/water conservation items that are committed to in the application. Place in Tab J.

Maximum Number of Points 3

e. Water Conservation

To promote sustainable water use practices, up to 4 points may be earned for the integration of the following water conservation methods.

1 point will be awarded for installing one of the following types of high efficiency toilets:

Ultra low flush (</=1 gal per flush)	1 Point
Dual Flush toilets	1 Point

In order to reduce storm water runoff, the installation of rainwater catchment systems (based upon .62gal per square foot of roof area) may earn up 2 points with an additional point available for use of captured rainwater on site for a total of 3 points.

>25% capture of rainwater	1 Point
>50% capture of rainwater	2 Points
Integration of captured rainwater into irrigation or on site exterior use	1 Points

Required Documentation: Completed Form A (Application). The Green Professional chosen for the project must be part of the design team (but a separate person from the project architect or engineer) and that person must sign off on all energy efficiency/water conservation items that are committed to in the application. Place in Tab J.

Maximum Number of Points 4

f. Desirable Sites

Desirable sites, which are or will be, located in close proximity and are accessible to desirable facilities tailored to the needs of the development's tenants, such as Private Service, Public Service, and/or Health Related Entities will be awarded points.

Targeted area points	**Urban area**	**Rural Area**
Location efficient projects	3 Points	3 Points
Transit oriented development	2 Points	2 Points
Opportunity index	5 Points	5 Points
Undesirable Sites	-1 Point	-1 Point
Total Points Possible	10 Points	10 Points

Location Efficient Projects

Promote projects that provide nearby access to healthy food options, community facilities, services, healthcare and retail centers. Award up to 3 points to projects that:

Urban (large and small cities set-asides): Located within ½ mile walking distance of at least 3 facilities from the list below (from a minimum of 2 categories) or within 1 mile walking distance of 5 facilities from the list below (from a minimum of 2 categories). One of the facilities must be a store with fresh produce, such as a supermarket, grocery store or a farmers' market, within ½ mile walking distance from the project to qualify for the maximum points in this category. Developments without access to fresh produce may receive partial points.

Rural: Located within ½ mile walking distance of 3 facilities from the list below (from a minimum of 2 categories), one of which must be store with fresh produce, such as a supermarket, grocery store, or farmers' market to qualify for the maximum points in this category. Developments without access to fresh produce may receive partial points.

Stores with fresh produce must be:

- **Currently established**
- **Have a physical location**
- **Must have regular business hours (farmers market must be open at least 5 months of the year)**

For the purposes of this scoring category, gas stations, convenience stores, and drug stores do not qualify.

Civic or Community Facilities	Services	Retail	Healthcare
Licensed childcare Community or recreation center Entertainment venue Education facility (including K-12, university, adult education, vocational school or community college)	Bank Restaurant, café, diner Laundry or dry cleaner Gym, health club, exercise studio Licensed adult or senior care	Supermarket Other food stores with fresh produce (as defined above) Farmers market Clothing retail	Pharmacy Doctor's or nurse practitioner's office Optometrist Dentist Physical therapy

Cultural arts facility (museum, performing arts theater, etc.) Police or Fire Station Public library Public park Post office Government office that serves public onsite Social services center		Other retail	office Clinic Hospital

Transit Oriented Development

Award 2 points if a project is located within a 10 minute walk-shed of fixed transit infrastructure.

- "Fixed transit infrastructure" is defined as light rail station, commuter rail stations, ferry terminals, bus rapid transit stations, streetcar stops, bus stops or major bus transit centers.
- If the fixed transit infrastructure does not yet exist, the transit investment must be planned, approved and funded at the time of application. Transit investments that have been funded but not completed will be considered. Verification must be provided.
- 10 minute walk-shed is defined as the area surrounding the fixed transit infrastructure that is comfortably walk-able within 10 minutes, typically an area that is within a ½ mile of the transit. The size and shape of a walk-shed takes into account the existence of freeways, street grid, topography and other obstacles that might impede the access to the transit site. In order to demonstrate that the walk-shed is a viable option, the Walk Score for the area must be above 50 to meet this definition (walkscore.com). Infrastructure planned but not yet completed, as described above, will not be required to meet the minimum Walk Score.
- Rural and small city sites may qualify for this category if applicants can show documentation of an established public rural or point to point transit service that provides pick up service to within a ¼ mile of the site.

Opportunity Index:

The proposed Development Site may earn up to 5 points (with 1 point for each feature) for proximity to growth opportunities such as quality education institutions and livable wages. Poverty rates and household income will be based on the most recent data from the US Census (http://www.census.gov/did/www/saipe/index.html).

As of the application due date, the Development is located within:

- A county at the top quartile for median household income in the state and not within a QCT.
- A county at the bottom quartile for poverty rate in the state and not within a QCT.
- At least one public K-12 school (including charter schools) assigned to that location with a rating of "A" or "exemplary" or equivalent according to the most recent accounting from the Indiana Department of Education (http://www.doe.in.gov/accountability/pl-221).
- A county that has an unemployment rate below the State average (http://www.stats.indiana.edu/maptools/laus.asp).
- A county ranked from 1-23 on the Overall Rankings of Healthy Outcomes (http://www.countyhealthrankings.org/app/indiana/2014/overview).

Undesirable Locations:

When mapping the locations of community facilities and services for the above location efficiency points all undesirable facilities must be included as well. One point may be deducted if the project is found to be within a ½ mile of facilities that may pose a public or environmental health risk. The following is a non-exhaustive list of facilities for which 1 point may be deducted if in close proximity.

*If the development includes the remediation of these issues (including brownfield or greyfield redevelopment) points will not be deducted.

Undesirable Locations/Facilities are defined as any location that produces objectionable noise, smells, excessive traffic, hazardous activity, etc. Including but not limited to: junkyards, hazardous chemical factories, hazardous heavy manufacturing factories, power plants or station, water/sewage treatment facilities, and other undesirable conditions as noted in the market study.

Required Documentation: Completed Form A (Application). A site map indicating the specific locations of each desirable facility/activity, as well as, all undesirable

facilities/activities (i.e. junkyards, hazardous, chemical or heavy manufactures, etc.) must also be submitted. The map must contain a key stating the type of facility/activity identified, and must include the following:

i. location of site including an indication of major access roads;
ii. indication of distances with a ¼ mile and ½ mile radius indicated on the map;
iii. areas of residential development adjacent to or near the site;
iv. indication of any significant industrial or commercial development; and
v. all desirable facilities or activities.

Please provide photographs of the site and the surrounding neighborhood. All photographs are to be either color originals or color copies. Place in Tab Q.

Scattered site developments must submit the required information for each location. Points will be awarded based on the average for each location.

NOTE: If map, key and photos containing the above requirements are located within the market study, no additional map is required. Please indicate the page number(s) the information can be found within the market study on the Application's self-score sheet Notes section (Form A – Application).

At IHCDA's sole discretion, undesirable facilities and/or activities located within a mile distance of the proposed site may disqualify a Development from receiving this point.

Maximum Number of Points	**10**

4. Financing & Market

a. The Development has received a firm commitment that does not require any further approvals for public or private funds that specifically enhance and/or create significant cost savings for the Development. "Public funds" include federal, state, or local government funds, including the outstanding principal balances of prior direct federal debt or subsidized debt that has been or will be assumed in the course of an acquisition/rehabilitation transaction, funds from a local community foundation, funds already awarded under the Affordable Housing Program of the Federal Home Loan Bank (AHP)**,** or waivers resulting in quantifiable cost savings that are not required by federal or state law.

Public funds structured as soft loans must have terms + of at least 15 years, and below market interest rates, interest accruals, residual receipts payments or other preferred terms for at least the first fifteen years of their terms. Points will be awarded based on amount of funding/total development cost:

% of Total Development Cost	Point(s)
.50% to .99%	1 point
1.00% to 1.99%	2 points
2.00% to 2.99%	2.25 points
3.00% to 3.99%	2.5 points
4.00% to 4.99%	2.75 points
Greater than 5.00%	3 points

For purposes of this category, local government funding (i.e. HOME, etc.) that is loaned to a Development at the applicable federal interest rate will NOT be considered as enhancing or creating a significant cost savings for a Development and will not be considered when determining the amount of local government funding to receive points.

Required Documentation: A letter from the appropriate authorized official approving the funds. The letter must include: 1) the approved funding specifically for the proposed Development; and 2) the amount of funding (if tax abatement, the local unit of government must estimate the monetary amount).

If the principal balances of any prior publicly funded or subsidized loans are to be assumed in the course of a proposed acquisition, verification of approval of the loan assumption or other required procedure by the agency initially approving the subsidy will be required.

Land and building values must be supported by an independent, third party appraisal.

NOTE: An inducement resolution for bond volume will NOT be sufficient documentation to receive points. Place in Tab B.

Maximum Number of Points	**3**

b. Previous funding within a Local Government

If a Development's proposed site does not fall within the boundaries of a Local Government in which there has been an RHTC, and/or Tax Exempt Bond allocation within the last three calendar years as of the application due date, the proposed Development will receive three (3) points. If a Development's proposed site falls within the boundaries of a Local Government in which there has been an RHTC, and/or Tax Exempt Bond allocation within the last three calendar years, the proposed development will receive points corresponding

to the total number of RHTCs, , and/or a Tax Exempt Bond units financed within the boundaries of that city/town. Developments that have rehabilitated existing RHTC and/or Tax Exempt Bond units will be excluded from the calculation.

Total Number of RHTC//Bond Units	Points	Total Number of RHTC//Bond Units	Points
0 units	3.0 pts	151 – 200 units	1.0 pt
1 – 50 units	2.5 pts	201 – 250 units	.5 pts
51 – 100 units	2.0 pts	251 or more units	0 pts
101 – 150 units	1.5 pts		

Maximum Number of Points	**3**

c. Census Tract without Active Tax Credit Developments

If the proposed project is in a Census Tract without any active RHTC developments of the same occupancy type (elderly or family), the project will receive three (3) points. An active tax credit development includes a development that is post year 15 but still operating under its extended use agreement.

Required Documentation: Completed Form A (application).

Maximum Number of Points	**3**

d. Lease Purchase

Development that will offer homeownership opportunities to qualified tenants after the initial 15 year compliance period (Please see IRS Rev. Ruling 95-49) will be eligible for two points. This option is not available for elderly Developments. These points will be available only for single family, townhouse or duplex units.

An additional one point will be awarded to developments in which at least 50% of the units are three bedroom units or larger. Alternatively, an additional two points will be awarded to developments in which at least 75% of the units are three bedroom units or larger.

Applicants must have a viable homeownership strategy for residents who inhabit the units during the compliance period. Appropriate supportive services must also be provided for

the residents. Please refer to the Compliance Manual Part 6.8.D (Schedule A) for additional Lease Purchase Program requirements.

Required Documentation: The following must all be placed in Tab R: 1) A detailed outline of the lease-purchase program. The plan must include a limited partnership ownership exit strategy. The strategy must incorporate an exit strategy, homeownership counseling and a minimum amount of funds set-aside by the owner to assist the resident in the purchase; and 2) the lease-purchase agreement, signed and agreed to by all parties, with the non-profit organization that will implement the lease-purchase program.

Maximum Number of Points	**4**

5. Other

a. Certified Tax Credit Compliance Specialist

1) Management: Points will be awarded if the Management Entity contact identified in Form A has been certified as a tax credit compliance specialist under the following certified trainings. Property management consultants or subcontractors do not qualify as an eligible Management Entity. The Management Entity contact identified in Form A must serve in a supervisory capacity and must be a different person than the designated Owner or Developer contact.

   1 point will be awarded for the first certification and 2 points will be awarded for a second certification with a maximum of 3 points. To obtain 3 points, the certifications must be held by the same person who is the designated contact per Form A.

2) Owner: 1 point will be awarded if the owner(s) has been certified as a tax credit compliance specialist under the following certified trainings. An owner is defined as a principal of each general partner identified in the owner information chart within Form A.

Certification	Sponsoring Organization	Website
Certified Credit Compliance Specialist (C3P)	Spectrum	www.spectrumseminars.com
Tax Credit Compliance Specialist (TaCCs)	Quadel	www.quadel.com
Site Compliance Specialist (SCS), National Compliance Professional	Housing Credit College	www.housingcreditcollege.com

(NCP), or National Compliance Professional- Executive (NCP-E)		
Housing Credit Certified Professional (HCCP)	National Association of Home Builders	www.nahb.org
Specialist in Housing Credit Management® (SHCM®)	National Affordable Housing Management Association (NAHMA)	www.nahma.org
Tax Credit Specialist (TCS) and (eTCS)	National Center For Housing Management (NCHM)	www.nchm.org

Required Documentation: Provide copies of the certification(s) in Tab S.

Maximum Number of Points	**4**

b. Local Unit of Government Notification

Points will be awarded to Developments that contribute to the housing and revitalization needs of a community and/or further the community's housing goals. Up to 5 points will be awarded by the local unit of government by completing Form C which must be signed by the highest elected official (or authorized designee).

Local Units of Government that receive multiple requests are encouraged to use the 0 to 5 point scoring system to rank each of their developments and avoid awarding the same number of points to more than one development.

Required Documentation: Form C fully completed and signed by the highest local elected official (or authorized designee). Tab B.

Maximum Number of Points	**5**

c. Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Federal Disadvantaged Business Enterprise (DBE) Participation, Veteran-Owned Small Business (VOSB), and Service Disabled Veteran Owned Small Business (SDVOSB)

Minority Business Enterprise and Women Business Enterprise, including DMBE (Disadvantaged Minority Business Enterprise), and (Disadvantaged Woman Business Enterprise) and DMWBE (Disadvantaged Minority Woman Business Enterprise), means as an individual, partnership, corporation, or joint venture of any kind that is owned and controlled by one or more persons who are: (a) United States Citizens and (b) Members of a

racial minority group or female in gender as evidenced by certification from the Indiana Department of Administration Minority & Women's Business Enterprise Division or the Indiana Minority Supplier Development Council.

DBEs are for-profit small business owned or controlled by socially and economically disadvantaged individuals own at least a 51% interest and also control management and daily business operations. The Indiana Department of Transportation (INDOT) is the sole certifying agency for the Indiana DBE Program.

The Center for Veteran Enterprise maintains the Department of Veterans Affairs (VA) database of service-disabled Veteran owned small businesses (SDVOSB) and Veteran-owned small businesses (VOSB) called the Vendor Information Pages (VIP). The VIP database is accessed via www.VetBiz.gov. CVE performs the verification process for small businesses that self-represent themselves as Veteran owned and controlled called the VA VOSB Verification Program.

"Owned and controlled" means having for: (i) owners and developers: (a) ownership of at least 51% of the enterprise (stock of a corporation; interest in a limited liability company; or general partner of a limited partnership); (b) control over the management and active in the day to day operation of the business; (c) an interest in the capital, assets and profits and losses of the business proportional to the percentage of ownership; and (d) materially participates in the Development or management of the Development; or (ii) contractors and management entities: (a) ownership of at least 51% of the enterprise (stock of a corporation; interest in a limited liability company; or general partner of a limited partnership); (b) control over the management and active in the day to day operation of the business; and (c) an interest in the capital, assets and profits and losses of the business proportional to the percentage of ownership. Points will be awarded with one (1) point per certification submitted. Points will be awarded as follows:

*Management Entity must have control over all management activities for the Development. The management agent listed on the application must be used by the owner of the Development for at least two years after Development's completion unless the agent is guilty of material non-performance of duties. Upon notification to the Authority, a substitution of management agent prior to the 2 year period may be permitted in the sole discretion of the Authority.

A non-profit entity is eligible to receive points as an Owner/Developer or Management Entity if a minimum of fifty-one percent (51%) of the members of the Board of the Directors are minorities, females, or persons with disabilities as evidence by the organizations By-Laws, Charter, or Articles of Incorporation. Place supporting documentation in Tab B.

Firm/Entity	1% - 4.99% % of Total Development	5% of Total

	Cost	Development Cost
Professional Services	.5 point	1 point
General Contractor	.5 point	1 point

Firm/Entity	4% - 7.99% of Total Development Cost	>8% of Total Development Cost
Sub-contractors	.5 point	1 point

Firm/Entity	
Owner/Developer	1 point
Management Entity (Minimum 2 year contract)	1 point

Eligible Certification Summary Table		
Certification	Certifying Agency	Website
MBE	Indiana Department of Administration	http://www.in.gov/idoa/2352.htm
	Indiana Minority Supplier Development Council	http://imsdc.org
WBE	Indiana Department of Administration	http://www.in.gov/idoa/2352.htm
DBE	Indiana Department of Transportation	http://www.in.gov/indot/2748.htm
VOSB	U.S. Department of Veterans Affairs	http://www.va.gov/osdbu/
SDVOSB	U.S. Department of Veterans Affairs	http://www.va.gov/osdbu/

Required Documentation: Completed Form A.

The owner will be required to provide all applicable contracts and certifications at the time of final application which demonstrate the commitment of percentages has been met.

Maximum Number of Points	5

d. Unique Features

The Development has unique features that contribute to the Development of affordable housing in the community where the Development is located. This may include the unit and common area amenities, financial structure, community support, location, and/or services offered to all residents. Points are awarded relative to other Developments being scored during each Application cycle and are awarded in IHCDA's sole and absolute discretion. The following chart sets forth the anticipated percentage of applications that will receive points using a maximum of 7 points.

% of Apps.	3%	5%	8%	10%	12%	16%	18%	16%	12%	10%	8%	5%	3%
Points	7	6.5	6	5.5	5	4.5	4	3.5	3	2.5	2	1.5	1

Required Documentation: IHCDA will use the Narrative Summary (which should include a unique features section) submitted for the proposed Development and other information submitted within the application to determine points awarded. Place in Tab A.

Maximum Number of Points	7

e. Tenant Investment Plan

Points in this category will be awarded based on the overall Tenant Investment Plan in regards to each level listed. TIP plans must address the needs of the development's tenants to receive highest point consideration. Programs must have a combination of Level 1, 2 ***and*** 3 to be eligible to receive the maximum of six (6) points. Outstanding TIP plans that specifically cater to the needs of the tenant population and provide extensive services are eligible for a two (2) point bonus based on the Agency's discretion.

Level 1 – This level provides goods or services as a tenant incentive and awareness of programs and assistance offered in the community. Applicants are encouraged to network with local businesses and/or service agencies to offer unique but valuable incentives to current and/or future tenants.

Services within this level are 0.25 points each.

Level 2 – This category may target services for more specific tenant needs such as education, classes or services that will help tenants live a more self-sufficient and healthy lifestyle. This level requires ongoing tenant participation and/or program management.

Services within this level are 0.5 points each.

Level 3 – This category offers extensive services to provide tenants with assistance, programs and tools to maintain and/or improve their lifestyle within the community. This category requires both extensive tenant participation as well as management maintenance.

Services within this level are 1 point each.

REQUIRED DOCUMENTATION: FOR LEVELS 1, 2, & 3: *Applicants must submit a Tenant Investment Summary and provide services from all Levels to qualify for competitive points.* As part of receiving points in this category, the owner will provide evidence that the appropriate tenant opportunities will be offered for the entire resident population for the duration of the compliance period. The TIP Summary must include the following elements: 1) A brief TIP narrative identifying an annual budget, the role of the Tenant Investment Coordinator, and how these services will meet the needs of the tenants; 2) Form L must be filled out for ***each*** Service Provider/Agent/Organization and signed by all parties in agreement; 3) a Tenant Investment Plan Exhibit A that identifies which services will be provided to the development by corresponding Levels, a brief description of the service, if the service with be provided on-site or off-site, the distance the service will be provided from the development, and the service provider.

Place all documentation in Tab T.

Maximum Number of Points	**8**

f. Integrated Supportive Housing

Developments proposing to create Integrated Supportive Housing, defined as housing in which **no more than 25%** of the units, but no less than 7 units, are designated as permanent supportive housing, will receive 5 points. Developments proposing 100% supportive housing units are eligible to compete in the Housing First Set-aside but are **not** eligible for points in this evaluation category.

To be eligible for these points, applicants must successfully fulfill all requirements of the 2015 or 2016 Supportive Housing Institute for the specific development for which they are applying. The Indiana Supportive Housing Institute provides training and support to organizations applying for RHTC. Tenant outreach, selection, property management and service plans must be approved

as part of the Institute process and prior to submission of a RHTC application. Participation in the Institute is based on a competitive RFP selection process.

Developments must meet the following criteria to be eligible for points:

1. Applicant must successfully fulfill all requirements of the 2015 or 2016 Indiana Supportive Housing Institute for the specific development for which they are applying. In order to demonstrate that all Institute requirements have been met, the applicant must obtain a letter from CSH certifying that:

    i. The team attended all Institute sessions; and

    ii. CSH has reviewed and approved the proposed budget, tenant selection plan, operation plan, and supportive service plan; and

    iii. Project concept is aligned with Institute goals and team is ready to proceed.

2. Applicant must enter into an MOU with CSH for ongoing technical assistance (to be provided from completion of Institute until at least the end of the first year of occupancy). A copy of the MOU must be provided with the RHTC application.

3. Applicant must enter into an MOU with each applicable supportive service provider. A copy of the MOU(s) must be provided with the RHTC application.

4. Applicant must identify all subsidy sources. Funding commitments must be provided with the RHTC application. If the funding has not yet been committed, applicant must provide proof of application, a narrative describing the selection process, and a narrative plan on how the development will move forward if the application is denied. If applicant is applying for Project Based Section 8 through IHCDA, Form O must be submitted.

Required Documentation: Application must include the following items placed in Tab O:

i. CSH letter certifying completion of the Institute, review of applicable plans, conformance with Institute goals, and readiness to proceed.
ii. Copy of executed CSH MOU
iii. Copies of all applicable service provider MOUs
iv. Documentation of subsidy sources commitments or narratives as described in item #4 above; and
v. If applicable, Form O to apply for IHCDA Project Based Section 8.

Maximum Number of Points	**5**

g. Community Participation

Four points (4) will be awarded if the applicant, owner, or developer contact identified on Form A is a member of the Board of Directors of a 501(c)(3) nonprofit organization within the State of Indiana that has been in existence for at least one year from the time of application submission The nonprofit must have affordable housing, community development, or economic development as one of its primary purposes. To qualify, the nonprofit organization cannot be part of the development team for the proposed project.

Required Documentation: Completed Form A, a current list of board members, and a copy of the organization's by-laws. Place in Tab C.

Maximum Number of Points	**4**

h. Technical Correction Period

During the funding round and after IHCDA's review of Threshold for each Application, IHCDA will award four (4) points to those Developments that pass Threshold without any technical errors or incomplete information, two (2) points to those Developments with only one technical error or incomplete information, and one (1) point to those Development with only two technical errors or incomplete information Applications that contain a technical correction will be charged a $150 resubmission fee for each technical correction. Applications reviewed during the Threshold period and found to have five (5) or more Technical Corrections will be returned and withdrawn from the funding round.

Applications that do not pass Threshold because of four (4) or less technical errors or incomplete information will be provided an opportunity to submit additional information through the following process, although those Applicants will not receive points in this category:

1) IHCDA will contact the Applicant and specify the items where the Application failed Threshold review;

2) The Applicant will be allowed no more than fourteen (14) calendar days to provide additional information to IHCDA for the Application to pass Threshold;

3) Information may be emailed or uploaded to the FTP site, unless IHCDA requests original documents;

4) Once information has been received, IHCDA will NOT respond with the status of the application or the additional information other than to verify its receipt;

5) Clarification of documentation that has already been provided in the Application will still be eligible for points in this category as long as no additional documentation is required for the Application to pass Threshold, in the Authority's sole discretion;

6) Applications that do not pass Threshold because of Market Study issues or point scoring will not be eligible to utilize the Technical Correction Period. Any documentation that is provided during the technical correction period that is also applicable to a related scoring item will be reviewed only for Threshold correction and will not be utilized during the scoring review process for the Application;

7) No Applicant will be allowed to submit additional documentation during the Technical Correction Period to score points in any point scoring category;

8) IHCDA, in its sole discretion, will determine if the additional documentation submitted during the Technical Correction Period is adequate for the Application to pass Threshold. After the 14 calendar day correction period, no additional documentation will be requested or accepted from the Applicant.

9) The Correction Period will apply to those Applications applying for HOME and Development Fund. However, they will not be subject to a four (4) point reduction if the technical correction is associated with a requirement identified in Schedule E or Schedule J.

Maximum Number of Points	**4**

i. Lack of Progress on Issuance of Form 8609

If any Applicant, Owner, and/or Developer has received an RHTC award for a different Development(s) in a previous round and this Development ("Delayed Development") was not issued IRS Form 8609 within 36 months of the date of the RHTC Carryover, any application(s) submitted during the round will be assessed a five (5) point penalty (to be deducted from the total score), UNLESS the Applicant, Owner, and/or Developer has since received Form 8609 for the Delayed Development AND received Form 8609 on at least one (1) OTHER Development within 36 months of its date of Carryover subsequent to the Application Date of the Delayed Development.

Any Applicant, Owner, and/or Developer representing a Delayed Development will continue to receive the penalty on each subsequent round in which they have an application(s) submitted until they have fulfilled the requirements above.

H. Miscellaneous

The Authority will make all reasonable attempts to reserve all of its Rental Housing Tax Credits in one (1) scheduled Application and Reservation cycle. However, a wait list may be formed from those applications that did not receive a preliminary reservation of credits in the main round. If RHTCs become available the Authority, in its sole and absolute discretion, may make a reservation announcement for applications on the wait list being awarded a preliminary reservation of Rental Housing Tax Credits according to ranking of the wait list and funds available.

The Authority in its sole discretion may use a portion of the 10% IHCDA Set-Aside to hold an independent reservation round outside of the annual round. A "Request for Proposal" (RFP) will be released notifying the public, if the Authority decides to exercise its discretion to hold a reservation round outside of the annual rounds identified within the Qualified Allocation Plan.

1. Application Dates

   Dates for the rounds are as follows:

2016 and 2017 Annual Rental Housing Tax Credit Round	
Application Deadline	Anticipated Reservation Date
November 2, 2015, 5:00 PM ET	February 25, 2016
November 7, 2016, 5:00 PM ET	February 23, 2017

2016 and 2017 Annual Private Activity Bond Round	
Application Deadline	Anticipated Reservation Date
N.A. – Open Application Round	60 days from the Application submission

2. Fees

   All fees should be made payable to IHCDA. If a check is returned for insufficient funds, the application will be immediately denied.

   a. All Applicants must submit a non-refundable Application fee with each Application as a condition of having the Development considered. Application fees for 2016 and 2017 are as follows:

RHTC Application Fee	IHCDA Supplemental Application Fee (HOME or Development Fund)
$2,000	$500 each

b. Conditional Commitment Reservation Fee

Applicants receiving a reservation of RHTCs for a proposed Development from the Authority must pay a non-refundable reservation fee to the Authority within thirty (30) days after the date of a Conditional Commitment. This fee is payable in addition to the Application fee and equals six and half percent (6.5%) of the annual amount of RHTCs for the Development. For example, if a Development is to receive $10,000 of RHTCs annually, then the Applicant must pay a reservation fee of $650.

c. Additional Fee(s)

The Authority will assess the Development and/or Applicant the reasonable costs (including any costs and fees it may incur) for additional or extraordinary services requested by or required of any Applicant, Owner or Development. All such assessments must be paid prior to any final allocation of RHTCs (i.e. the issuance of IRS Form 8609) or before any subsequent Application will be considered, whichever should first occur.

The following is a fee schedule for typical services; however, this schedule is not all inclusive:

Fee Amount	Description of Service
$150	Resubmission fee for each technical correction identified in the initial application.
$500	Request for changes in the characteristics of the Development, such as unit type, distribution, or targeting, or for changes to scoring criteria.
$500	Request a waiver for each Additional Threshold Requirement of the Authority. This fee must be paid at the time of request.
$500	Request an extension to any deadline.
$1,000	Request for issuance of amended IRS Form(s) 8609 due to an error in the submission of final Allocation documentation

	Request for an amended Carryover Allocation resulting from a change in the building identification numbers or other modification (i.e. legal description errors, etc.).
$1,500	Request for changes in the ownership structure; or for request for extensions for meeting special conditions set forth in the Reservation/Conditional Commitment Letter.
	Request to modify any IHCDA legal documents located in the QAP that require involvement of IHCDA counsel.

From time to time IHCDA may set deadlines for particular Developments to submit additional documentation during the IRS Form 8609 review process. A written warning will be given to the Applicant, Owner, and/or Developer once a deadline is missed with no response. However, a $10 per day fee will be assessed to the Applicant, Owner, and/or Developer for any additional deadlines missed during the IRS Form 8609 review process for that Development.

The fee for these services should be included with the request and must be received before IHCDA will proceed with its review/process.

3. Use of forms

The Authority requires the use of the forms included in the Forms section of this QAP. Any deviations from or changes to the language will revoke the Rental Housing Finance application and/or award. Owners who have received an allocation in prior years must use the Final Application Form.

4. Conditional Commitments

If an Applicant receives a reservation of Rental Housing Financing, the reservation is subject to the following conditions, which must be timely completed and satisfied:

a. Payment to the Authority, in good funds, of the required nonrefundable reservation fee of 6.5% of the annual Credit amount reserved for the Development within 30 business days from the date of the Conditional Commitment.

b. Pursuant to the Application, the items listed below must be timely submitted to and approved by the Authority within one hundred fifty (150) days after the letter notifying the Owner of conditional reservation:

1) An ALTA (or ILTA) survey;

2) Building Permit or Documentation of Status Approval;

3) Site Plan Approval by Locality;

4) Construction Contract;

5) Documentation as to the Percent Completion of Plans and Specifications;

6) State Approval of Plans & Specifications;

7) Federal I.D. Number of Ownership Entity;

8) Development Agreement with Fee Structure;

9) IHCDA name and logo prominently displayed on signage located on the development site during construction;

10) Certification the Owner has obtained a username and password at www.ihcdaonline.com

11) Monthly Development updates will be required as a condition of the Conditional Commitment;

12) The Owner must demonstrate that an adequate amount of funds which, together with its financing, will be sufficient to complete the construction and/or rehabilitation of the Development.

    a. Equity letter of interest submitted by an Applicant in support of the Applicant's application must contain a representation and acknowledgment from the equity investor that: (i) such investor has reviewed the same application and market study submitted or to be submitted by the Applicant to the Authority in support of the Rental Housing Financing for the Development to which such letter of interest relates; (ii) such investor expressly acknowledges that the Development will be subject specifically to the “40-60” or “20-50” set-aside, and extended use restriction elections made by the Applicant; (iii) the investor has reviewed the Minimum Underwriting Criteria set forth in this Allocation Plan; (iv) any other special use restriction elections made by the Applicant, which give rise to additional points in this Allocation Plan; and (v) the estimated dollar amount of equity to be provided to the Development.

13) The Owner must demonstrate that the Development, Development Owner and all other members of the Development Team (including, without limitation, the construction contractor and management agent) are and shall continue to be in compliance with all federal, state and local laws, regulations, rules and other

requirements applicable to the Development, Development Owner and the respective parties comprising the Development Team.

5. Semi-Annual Progress Reports

   All Developments must submit a Semi-Annual Progress Report to IHCDA on or before June 30th and December 31st each year until the final application has been submitted for the Development. The Semi-Annual Progress Reports are filed online at: https://ihcdaonline.com/

6. Changes in Ownership

   If a change of ownership occurs, a detailed description of the change must be provided in writing to IHCDA. Changes in ownership must be reported via IHCDA's "Property Ownership Change Form."

   IHCDA must approve any change in ownership or transfer request if made prior to the issuance of IRS Form 8609 for any Development that has received an allocation of Rental Housing Financing and/or Bonds.

   IHCDA must be notified of any change in ownership or transfer if made after the issuance of IRS Form 8609. IHCDA must approve the change of ownership if the development has other IHCDA financing. Failure to notify the Authority of changes in ownership for RHTCs and/or Bonds after the issuance of IRS Form 8609 could result in the allocation being rescinded and/or possible non-compliance issues.

   See Schedule B for IHCDA's Ownership Change procedures.

7. Development, Financing, and/or Applicant/Owner Modifications

   Modifications to the Development that affect Threshold Requirements, scoring items, and/or IHCDA financing terms in any way without prior written approval from the Authority may result in a reduction and/or rescission of the Authority funding (including private activity tax-exempt bonds). Modification requests are subject to a $500 modification fee.

   To request a modification, the following documentation must be submitted to IHCDA for consideration:

   a. Formal written request from the Owner/Developer detailing the specific request and the reason the request is needed.
   b. The impact to the project in the event the modification request is not approved.
   c. Modification fee of $500.00
   d. Updated pages from Form A (Initial application) that reflect changes to the original application based on the current closing projections and/or proposed modification
   e. At its discretion, IHCDA may request additional supporting documentation.

8. Applying for RHTCs with other Rental Housing Financing

   In the event that an Application is competitive for RHTCs but either (1) the Application fails the HOME threshold review; or (2) HOME funds are not available, IHCDA will allow the Applicant to identify other means of filling the Development's financing gap.

9. Carryover Allocations

   If the Owner intends to request a Carryover allocation of its 2016 or 2017 RHTCs, all necessary requirements for the Carryover election must be met and all required documentation must be submitted to the Authority no later than the first Monday in July; provided that if the Owner receives a reservation of RHTCs after June 1st, the Carryover election must be met and all required documentation must be submitted to the Authority no later than 60 days after the date of the reservation (but in no event later than the first Monday in November). No later than the first Monday in June following the year of the executed Carryover, the Owner must certify to the Authority that at least 10% of the Owner's reasonably expected basis in the project has been incurred on or before such date. See Carryover Agreement, Form D and Ten Percent (10%) Letter, Form M.

   The Owner may irrevocably elect to enter into a lock-in agreement, pursuant to Section 42(b)(2)(A)(ii) of the Code, to fix the applicable credit percentage for the Development as the percentage is prescribed by the Secretary of the Treasury for a month prior to the month the Development is placed-in-service. A lock-in Agreement (Form F) must be submitted to the Authority on or before the 25th day of the month in which it is desired to lock in the rate for that month. The Authority will execute complete, accurate and correct Lock-in Agreements no later than the 5th day of the following month. In the event that the Owner submits a Lock-In Agreement on or before 25th day of the month which is incorrect, incomplete or inaccurate and which requires a modification, supplementation or resubmission of the Lock-In Agreement, the Authority may, in its sole and absolute discretion, elect to not enter into such Lock-In Agreement prior to the 5th day of the following month. In such case, however, the Authority will notify the Owner of such decision and the Owner will be permitted to withdraw such Lock-In Agreement.

   The Authority requires the use of the Carryover and 10% Cost Certification forms provided with this QAP. Any deviations from or changes to the language must have prior approval from the Authority.

10. Issuance of IRS Form 8609 ("8609")

    IRS Form 8609(s) will only be issued once. However, in exceptional circumstances the Authority may, in its sole discretion and upon receipt of additional fees (as determined by the Authority) elect to review additional circumstances that may allow for the issuance of amended

IRS Form 8609(s). All documents requested shall be submitted to the Authority in a timely manner as defined by the Authority.

The entire Final Application and Final Cost Certification package to request IRS Form 8609 in a form acceptable to the Authority must be submitted as soon as possible after the Development has been placed in service but no later than six months following the issuance of the Certificate of Occupancy/Substantial Completion for the Development and/or the placed in service date of the last building in the Development. The Applicant may request an extension of this deadline, which will be reviewed by IHCDA on a case-by-case basis. If this deadline is missed, one warning will be given for the Development. After the first warning, a fee of $10 per day will be assessed for any additional missed deadlines associated with the Development during the IRS Form 8609 process.

Within one year prior to a request for and issuance of IRS Form 8609 the property management staff assigned to the Development and the owner of the Development must receive an IHCDA Rental Housing Tax Credit Compliance Seminar completion certificate (see item h below for more information). The Management Agreement between the owner and the management company must be for a minimum of two (2) years effective at the "placed in service date", as evidenced in the management agreement. Upon notification to the Authority, a substitution of management agent prior to the expiration of the two (2) year period is permitted if the management agent is guilty of material nonperformance of its duties. However, if replacement of the management agent is warranted and the Development received points for Minority Owner Business Enterprise (MBE) or Woman Owned Business Enterprise (WBE), the new management must also satisfy these criteria.

The owner must submit at a minimum the following documentation to the Authority within six (6) months from the time the Development is placed in service:

a. Pre-8609 Physical Inspection Request Form – this form should be submitted as soon as possible after the entire Development is placed in service, even if the other documents for the 8609 package are not available. IHCDA will then conduct a physical inspection of the property. All items from the physical inspection must be addressed before IHCDA will issue IRS Form 8609; See Form H.

b. Completed Final Rental Housing Finance Application and Cost Certification(Original and Electronic PDF Format);

c. Certificate(s) of Occupancy for each building in the Development, or Certificate(s) of Substantial Completion for all rehabilitation Developments (Electronic PDF Format);

d. All permanent (closing) financing documents (Electronic PDF Format of the recorded copy

e. All construction financing documents (Electronic PDF Format);

f. Current partnership agreement or limited liability company operating agreement, including all exhibits and schedules executed by the limited and general partners or managing member (Electronic PDF Format);

g. Original executed recorded Declaration of Extended Low Income Housing Commitment, executed by owner, lender and the Authority. Before this document is recorded, IHCDA must review and execute it. This process may be done before the Final Application is submitted and the IRS Form 8609 review process has begun;

h. IHCDA Rental Housing Tax Credit Compliance Seminar Certificate. Prior to request for and issuance of IRS Form 8609, an agent of the property management staff must have attended an IHCDA sponsored tax credit compliance workshop or completed the online Housing Credit College course entitled "Housing Credit 300: Compliance Basics for Indiana Properties" within the last year. Additionally, an Owner who has not been issued an 8609 from IHCDA within the past three (3) years must have attended an IHCDA sponsored tax credit compliance workshop or completed the online Housing Credit College course entitled "Housing Credit 300: Compliance Basics for Indiana Properties" within the last year. Executed Development Agreement (Electronic PDF Format);

i. Copy of deed showing partnership as owner (Electronic PDF Format);

j. Executed Management Agreement (Electronic PDF Format);

k. Photographs of the completed Development (exterior and interior);

l. Documentation of MBE/WBE participants. If participants have changed since initial application, copy of the signed contract/agreement and a copy of the entity's certification from the Indiana Department of Administration must be submitted (Electronic PDF Format);

m. Owner affidavit of services being provided to the Development along with the term for services provided and cost to the tenants; and

n. Any other documents that the Authority may require in determining the final amount of RHTCs to be allocated to the Development and the Development's conformance with the requirements of Section 42 (Electronic PDF Format).

o. All documents submitted in an electronic PDF format must be on a CD-ROM.

The Authority anticipates mailing out IRS Form 8609(s) up to ninety (90) working days after the requested materials have been submitted to the Authority. Incomplete or insufficient documentation will result in a delay of the 8609 issuance.

11. Dissemination of Information

Any Applications of Developments which received an allocation of Rental Housing Tax Credits or Private Activity Tax Exempt Bonds are available for dissemination and publication to the general public.

To request a copy of a funded application for Rental Housing Tax Credits or Private Activity Tax Exempt Bonds, you must:

a. Submit your request in writing to IHCDA's Legal Department.

b. The name(s) and location(s) (City) of each Development and the year the Development was funded.

No request will be processed without the above information. IHCDA will provide weekly updates on the status of your request and any associated costs.

12. If the potential Development has an open HOME, CDBG, or Development Fund award, the Applicant may request funding through the QAP; however, IHCDA must approve this action prior to the Application deadline. Requests will be reviewed and underwritten on a case-by-case basis. If the Application is re-underwritten, the Applicant will be subject to an underwriting fee. Applicants may be required to de-obligate, repay, or reduce the amount of their current award prior to the Application deadline. Applicants must request approval at least thirty (30) days prior to the application deadline.

13. Exchange of Credits

An Applicant may return previously allocated credits to the Authority in exchange for an allocation of current year credits, in an amount not to exceed the amount of the returned credits. The Applicant must establish that despite its timely and diligent efforts, it is in jeopardy of failing to meet the placed-in-service deadline for the building with respect to which the prior credits were allocated as a result of either:

a. Litigation brought by parties other than the Applicant and that the Applicant could not have anticipated;

b. Catastrophic events that the Applicant could not reasonably have anticipated or controlled.

To qualify for the exchange of credits, the Applicant must provide supporting documentation with evidence of:

1) Due diligence performed by the Applicant in attempting to meet the placed-in-service deadline;

2) The specific circumstances causing the delay that jeopardizes the Applicant's compliance with the placed-in-service deadline;

3) The attempted remedial measures taken by the Applicant in order to mitigate the delay;

4) Any other information that may be requested by the Authority.

No more than one (1) exchange of credits may be approved with respect to a given Development. To request an exchange of credits an Applicant must submit to the Authority, no later than November 1st of the year in which the Development is required to be placed in service (based on the original allocation), a letter setting forth the reason justifying the exchange and including the following:

a) An Applicant Certification for Re-application;

b) The application fee set forth in Section H.2(a);

c) Payment of a nonrefundable reservation fee of 4.0% of the annual amount of Rental Housing Tax Credits for the Development.

d) Supporting documentation of the Development's continued eligibility under the requirements of the QAP as in effect at the time of the original allocation; and

e) Supporting documentation of the development's continued financial feasibility.

Developments may apply for additional credits if necessary for the financial feasibility of the Development. Additional credits will be allocated based on the availability of credits after October 1st. Developments requesting additional credits must submit their exchange of credits application prior to September 1st. The availability of credits will be determined after all tax credit applications on the IHCDA waiting list have either been reserved or denied credits.

In order to complete the exchange, the allocation must be returned under Section 42 Treasury Regulation 1.42-14 and a new carryover allocation must be completed for the allocation.

14. Additional IHCDA Resources after a Credit Allocation

Developments that request additional IHCDA resources due to cost overruns after a tax credit allocation is made will be subject to sanctions if the funding request is approved. Possible sanctions include, but are not limited to:

- Up to two (2) year suspension of the applicant, owner, developer, or other applicable development team members at the discretion of IHCDA.
- A fine to the applicant, owner, developer, or other applicable development team members at the discretion of IHCDA.

This does not apply to developments applying for short term construction or equity bridge loans through the Tax Credit Assistance Program (TCAP) and/or the Community Enhancement and Economic Development loan program (CEED), or permanent financing through IHCDA's Permanent Loan Product for 9% tax credit developments.