

## 2015-2016 LIHTC SCORING CRITERIA

Completion and Submission of this Scoring Criteria is **Mandatory**.

Applications that contain material errors in documentation, incomplete information, or inconsistencies may be rejected.

Funding Round:

Project Name:

City/Township:

County:


Self-Identification (check all that apply):

1. Preservation Category
2. Open Category
3. Permanent Supportive Housing (PSH) Category
4. Strategic Investment Category
5. Nonprofit - Statutory Set-Aside
6. Rural Housing - Statutory Set-Aside
7. Eligible Distressed Areas - Statutory Set-Aside
8. Elderly - Statutory Set-Aside
9. Tax Exempt Bond Financing (with 4% LIHTC)

<input type="checkbox"/>



**SCORING CRITERIA**

<b>A. Place-Based Criteria</b>	<b>Possible Points</b>	<b>Self Score</b>
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**1. Proximity to Transportation**

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Applicants that can *demonstrate* that the project is located within 1/10 of a mile from a public transportation stop (i.e. bus stop), or are creating a public transportation stop within 1/10 of a mile, will be eligible to receive 5 points. Alternatively, a project will be considered for 5 points if the applicant can *demonstrate* that it will provide a form of transportation to the project that is comparable to or exceeding the service levels (e.g. accessibility, capacity, reliability, practicality, etc...) and scope of a typical fixed route public transportation system.

Applicants choosing to provide another form of transportation to the project will only receive 3 points if it is determined that the transportation provided is not comparable to the service levels and scope of a typical fixed route public transportation system as noted above. No points will be awarded if MSHDA determines that the form of transportation is very minimal/limited in nature.

**2. Site Amenities**

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Projects will be awarded points for being located in areas containing amenities that are in close proximity to the project site. A maximum of 20 points will be awarded based on the ranges below using a project's Walk Score, which can be determined by going to:

[www.walkscore.com](http://www.walkscore.com)

A project's eligible points will be determined using the following table:

Walk Score	Points
100 - 90	20
89 - 80	18
79 - 70	14
69-55	10
54-40	6
39-20	2
19-0	0

No partial points will be awarded. The Walk Score for projects with multiple scattered sites will be determined by the weighted average of the individual Walk Scores based on the percentage of the total number of units at each individual site compared to the total units in If an applicant believes that the Walkscore shown on the website does not accurately reflect the development's actual walkability (e.g. certain amenities were excluded), the applicant will have the opportunity to contact Walkscore in order to receive an updated score report. In order to receive an update from Walkscore, an applicant must submit an official request to Walkscore by contacting: [mshda-request@walkscore.com](mailto:mshda-request@walkscore.com). Walkscore will then work with the applicant to determine whether an updated score is merited. If an updated score is merited, Walkscore will provide an official score report no later than 45 days from the request date, though actual processing time is expected to be quicker than this.

**SCORING CRITERIA**

A. Place-Based Criteria	Possible Points	Self Score
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**3. Central Cities Developments**

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A project qualifies as a central cities development by:

- (1) being located in a traditional downtown or commercial center where 20 or more contiguous buildings have been planned, zoned, or used for commercial purposes for 50 or more years, where a majority of the buildings are built zero feet back from the public right of way and are adjacent to one another, and where the area contains a significant number of multi-level, mixed-use buildings; and
- (2) being located in an area with an employee to resident ratio of 1.0 or greater. Central cities developments can receive up to 10 points in addition to the site amenities points available in Section A.2. Points will be calculated using a project’s Walk Score, which can be determined by going to:

[www.walkscore.com](http://www.walkscore.com)

A project's Walk Score will be converted to a percentage to determine the number of points out of the maximum available a project is eligible to receive, which can be calculated using the chart below:

**Steps:**

1. Determine if the proposed project is located in a traditional downtown or commercial center as defined above. If no, the project is not a central cities development.
2. If yes, go to: [LIHTC Points Scores](#) and enter the project address or plot the project location.
3. Determine if the proposed project meets or exceeds the 1.0 employee to resident ratio (the LIHTC points score database will notify applicants if this has been met when the project address or location is entered correctly). If the employee to resident ratio threshold is not met, the project is not a central cities development.
4. If the employee to resident ratio threshold is met, determine the project Walk Score and complete the table below to determine the total points under this section:

Walk Score:	
Divided by 10: (Rounded Up if applicable)	0
<b>Equals Central Cities Points:</b>	0

No partial points will be awarded. Any point calculation that results in a fraction of a point will be rounded upward to the nearest whole number for purposes of determining the points a project is eligible to receive. The Walk Score for projects with multiple scattered sites will be determined by the weighted average of the individual Walk Scores based on the percentage of the total number of units at each individual site compared to the total units in the project.

*NOTE: Applicants may contact MSHDA's marketing staff in advance of submitting an application if they are unsure about whether or not their project meets the eligibility criteria for the central cities points.*

**SCORING CRITERIA**

A. Place-Based Criteria	Possible Points	Self Score
<p><b>4. Neighborhood Revitalization Plan/Investment Activity Areas</b></p> <p>Points will be awarded for projects that are either located in an area where a neighborhood revitalization plan is in place or in an area that has had recent and/or ongoing significant investments. Additionally, a letter of support must be submitted from the local municipality referencing their awareness and support of the project as it contributes to the betterment of the neighborhood in which it is or will</p> <p>For this purpose, a neighborhood revitalization plan is defined as follows:</p> <p><i>A published document (approved and adopted by the local governing body by ordinance or resolution) that assesses the existing physical structures and infrastructure of the community and that targets specific geographic areas for residential developments. The plan should also contain detailed policy goals that include the redevelopment and production of affordable housing as well as the proposed timeline for achieving these goals. Additionally, the plan should explain municipal support to the particular area.</i></p> <p>To qualify for points, the following must be submitted:</p> <ol style="list-style-type: none"> <li>1. A signed letter or resolution from the local government that supports and outlines the significance of the proposed project, and satisfies either (a) OR (b):             <ol style="list-style-type: none"> <li>(a) Identification of the neighborhood revitalization plan for the area.                 <ol style="list-style-type: none"> <li>i. Includes a link to the plan if not included in the application.</li> <li>ii. Outlines the goals of the plan.</li> <li>iii. Defines the specific boundaries of the targeted area.</li> <li>iv. Describes how the proposed project complements the plan goals.</li> <li>v. Describes the significant investment that is occurring or that is anticipated for the targeted area.</li> </ol> </li> <li>(b) Description of recent significant investment in the area that has or is occurring proximate to the proposed project.</li> </ol> </li> <li>2. A detailed map outlining the target area (if applicable) which also identifies the proposed project and clearly indicates the investments (via a legend) that have recently occurred, are occurring, or are expected to occur in the area.</li> <li>3. Documentation to evidence the major investment in the area of the project.</li> <li>4. A narrative description that demonstrates how the project qualifies for neighborhood revitalization plan or investment activity area points.</li> </ol>	10	

**SCORING CRITERIA**

A. Place-Based Criteria	Possible Points	Self Score
<p><b>5. Economic Integration</b></p> <p>Projects that promote economic integration by serving market rate tenants in at least 20% of residential units (exclusive of management units) will receive 5 points. Market rate units must be evenly distributed among bedroom types and buildings, except in elderly projects. The Internal Revenue Code states that scattered site projects cannot include market rate units.</p> <p>Number of market rate units: <input type="text"/></p> <p>Total residential units*: <input type="text"/></p> <p>Percentage of market rate units: <input style="border: 1px solid black;" type="text" value="#DIV/o!"/></p> <p><small>*Including market-rate units, but excluding management units</small></p>	5	#DIV/o!
<p><b>6. Historic Rehabilitation Projects</b></p> <p>Projects that are completing a rehabilitation of an existing certified historic property listed, either individually or as part of a district, on the National or State Historic Register; or that the State Historic Preservation Office expects to be listed on the National or State Historic Register.</p>	5	0
<p><b>7. QAP Green Policy Points</b></p> <p>Transfer score from Green Policy certification</p> <p>Link to Cert: <a href="#">Green Policy Certification</a></p>	10	0

**SCORING CRITERIA**

<b>B. Municipal Support</b>		Possible Points	Self Score
<b>1. Tax Abatement</b>		5	
<p>A project application that submits evidence of local support in the form of tax abatement may receive 5 points. These points will also be available to existing projects for which tax abatement has previously been in place and the municipality has extended.</p> <p>To receive points, the tax abatement must be in place and effective for longer than the 15-year compliance period and one of the following (depending on project location) must be submitted in accordance with MSHDA’s requirements:</p> <ul style="list-style-type: none"> <li>• For projects located in a municipality with an area-wide ordinance – Submission of either 1) a copy of the area-wide tax abatement ordinance along with a qualifying project-specific resolution; or 2) a copy of the area-wide tax abatement ordinance accompanied by a letter from the municipality stating that the project is eligible for tax abatement and the terms under which the tax abatement will be granted.</li> <li>• For projects located in a municipality where no area-wide ordinance exists – Submission of the appropriate project-specific tax abatement ordinance(s).</li> </ul>			
<b>2. Evidence of Proper Zoning</b>		5	
<p>Evidence from the municipality that the proposed site is already properly zoned for the intended use.</p>			
<b>3. Evidence of Site Plan Approval</b>		5	
<p>Evidence from the municipality that the proposed site has received site plan approval. Please note that these points will be available for projects only upon submission of a letter from the municipality indicating that the relevant board or commission of the municipality has reviewed the proposal, including the level of rehabilitation work to be completed, the site, and that no further plan approvals or reviews are necessary, other than on the staff level.</p>			

**SCORING CRITERIA**

C. Development Characteristics	Possible Points	Self Score
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**1. Community Space**

5	0
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All projects will receive 5 points for providing community space for use by tenants. The community space is envisioned as one room or contiguous space that may be used for activities such as dining, crafts, exercise, medical clinic, socializing, or any other activity or use that may benefit tenants; and does not include common space such as hallways, offices, or lobbies. To receive points, the community room must, at a minimum, be sized at 15 square feet (net usable floor space) per residential unit and must be located within a reasonable proximity to the proposed project, if the space is provided in a separate building. If a community space being shared by multiple phases of the same project is proposed, it must meet the minimum square footage requirement for all of the units in all of the phases of the project that will share the community space. A drawing identifying square footage must be submitted for all community space.

Total residential units\*:

Minimum square footage (Units x 15):

Community space provided:

0

Square Feet

\*Including market-rate units, but excluding management units

**2. Native American Housing**

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A project that contains all of the following characteristics and meeting the following characteristics will be awarded 5 points.

- a. The proposed project is sponsored by a federally recognized tribe and within the jurisdiction and/or service area of that tribe or its Tribally Designated Housing Entity (TDHE).
- b. NAHASDA or other tribal funding is being leveraged within the proposed project to help finance the development costs and/or provide an ongoing operating subsidy.
- c. The project can show that it has high need in the area in which it is being proposed by providing a demonstrated waiting list for prospective tenants that is equal to at least 12 months long.

**SCORING CRITERIA**

C. Development Characteristics	Possible Points	Self Score
<p><b>3. Low Income Targeting</b></p> <p>Projects that commit to restricting units to low-income tenants will receive points for depth and breadth of targeting. The lower rent targeting must be evenly distributed among bedroom types. Also, the market rate units must be evenly distributed among bedroom types and buildings, except for elderly projects.</p> <p>When assembling the low income targeting portion of the application, applicants should be aware of the following:</p> <ol style="list-style-type: none"> <li>a. No points will be awarded for the use of MSHDA Project-Based Vouchers</li> <li>b. No more than 10% of a project’s total units may be targeted to units that are less than or equal to 30% AMI without PBRA</li> <li>c. No more than 50% of a project’s total units may be targeted and counted toward total points without PBRA</li> <li>d. PBRA does not include PSH-designated units that are anticipated to receive newly allocated Project Based Vouchers from MSHDA</li> <li>e. Projects using an owner established sinking fund for rental assistance (e.g. rental subsidy reserve) will not be eligible to receive points under the project-based rental assistance portion of the scoring</li> </ol> <p>Points will be awarded using the Low Income Targeting Point Calculation Form (“Targeting Form”) attached as Exhibit 1 and 2 to this Scoring Criteria. <b>PLEASE NOTE: in the event that the 9% credit rate is fixed (not floating) through future legislative measures, the points and weighting factors in Exhibit 1 of this Scoring Criteria will be doubled (resulting in a maximum point total of 20 points under this section). In that event, MSHDA will release a revised Scoring Criteria to reflect that calculation and scoring change.</b></p> <p><i>Note: To receive points for units with project-based subsidy, applicants must submit evidence of project-based rent subsidy and commit to renewing the subsidy through the end of the extended use period. Due to federal regulatory restrictions, project-based vouchers allocated by MSHDA do not qualify for points under this section.</i></p>	20	#DIV/o!

**SCORING CRITERIA**

<b>C. Development Characteristics</b>		<b>Possible Points</b>	<b>Self Score</b>								
<b>4. Affordability Commitment</b>		5	0								
<p>Projects that agree to commit to an extended use period longer than 15 years (i.e., beyond the minimum total commitment of 15 years compliance plus 15 years extended use = 30 years) will receive 0.34 points for each additional year, up to a maximum of 5 points. Fractional points will be rounded down. Thus, a project committing to a total affordability period of 45 years would earn the maximum 5 points.</p> <table border="1"> <tr> <td>Compliance Period</td> <td align="center">15 Years</td> </tr> <tr> <td>plus: IRS Required "Extended Use Period"</td> <td align="center">15 Years</td> </tr> <tr> <td>plus: Additionally Committed Years</td> <td align="center">0 Years</td> </tr> <tr> <td><b>equals: Total Affordability Commitment</b></td> <td align="center"><b>30 Years</b></td> </tr> </table> <p>Projects are only eligible for these points if a MSHDA-approved and legally binding deed, land trust or regulatory agreement containing and evidencing appropriate restrictions will be recorded in the county land records upon execution.</p>				Compliance Period	15 Years	plus: IRS Required "Extended Use Period"	15 Years	plus: Additionally Committed Years	0 Years	<b>equals: Total Affordability Commitment</b>	<b>30 Years</b>
Compliance Period	15 Years										
plus: IRS Required "Extended Use Period"	15 Years										
plus: Additionally Committed Years	0 Years										
<b>equals: Total Affordability Commitment</b>	<b>30 Years</b>										
<b>5. Tenant Ownership</b>		1	0								
<p>Projects that agree to offer 100% of the housing tax credit units for sale to tenants in such units at the end of the initial 15-year compliance period will receive 1 point. To qualify for the points, the owner must provide a detailed tenant ownership plan that complies with the Internal Revenue Code and is acceptable to the Authority. The plan must describe the terms of the right of first refusal given to the tenants, including the means of exercising the right of first refusal, the determination of the sale price for each unit, and any continuing use or deed restrictions that will be imposed on the units by the seller following any such transfer. NOTE: Elderly projects and/or projects that are utilizing project-based rental assistance are not eligible for these points.</p>											
<b>6. Visitable Units</b>		3	0								
<p>Projects that incorporate "visitability" design features into all units with first floor living space or access to units by elevator will receive points. The following design items are required:</p> <ul style="list-style-type: none"> <li>a. No step entry</li> <li>b. Barrier free parking - with ramps as needed</li> <li>c. Barrier free entry door</li> <li>d. Barrier free 1/2 bath on first floor</li> <li>e. Electrical switches at reachable heights</li> <li>f. Accessible route through the first floor living space</li> </ul>											
<b>7. Barrier Free Units</b>		3	0								
<p>Projects that commit to building 10% of the units within the development according to barrier free or fully adaptable to barrier free standards will receive points.</p>											

**SCORING CRITERIA**

<b>D. Development Team Characteristics</b>	<b>Possible Points</b>	<b>Self Score</b>
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**1. Previous Experience of GP/Member**

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Previous **successful** participation by a general partner or member of a limited liability company in the proposed development utilizing the LIHTC will receive the following points. Points will be awarded based on the number of positively performing LIHTC projects that a GP/Member has completed within the last **15 years**. Additionally, applicants should note the following:

- a) Only **LIHTC** projects that have been owned and operated and that have been placed in service for a minimum of three years will counted for points. For purposes of this scoring criterion, this three-year time frame starts from the placed-in-service date or date of ownership, whichever is later, until present or until ownership ceased, whichever is shorter.
- b) All projects must have a minimum of six units to be considered, and an Authorization for Release of Information (found in the Addendum I) must be completed for all out-of-state projects listed.
- c) Any projects where the owner has materially defaulted on any obligation (including but not limited to project foreclosure, filing a bankruptcy petition, or providing a deed in lieu of foreclosure) or has any uncorrected 8823s that have been outstanding for longer than six months cannot be counted towards these points.
- d) To receive consideration for previous participation, the applicant must fully complete the GP/Member Experience Form **and certify** that the projects for which it is requesting points have maintained a positive operating cash flow from typical residential income alone and have funded reserves in accordance with the partnership or operating agreement and any applicable loan documents for the year in which each development's last financial statement has been prepared ("successful properties"). If a particular project has not maintained positive operating cash flow as outlined above, but the GP/Member has been advancing funds to keep the project operating financially and physically maintained, additional documentation to evidence this may be submitted for consideration in awarding points for that property. In addition, for projects that were originally structured to operate with negative operating cash flow from typical residential income but were structured with sufficient capitalized reserves to mitigate the negative operations, additional documentation may be submitted to evidence this for consideration in awarding points. To receive consideration for projects previously owned by the proposed general partner or member which it no longer owns, a similar certification may be submitted with respect to the last full year of ownership by the proposed general partner along with verification of the number of years that the project was owned by that general partner.

In the case of projects where there will be multiple general partners or members as part of the ownership structure, applicants should note the following requirements (in addition to the above criteria):

- a) In order for a partner/member's previous experience to be considered for points, the partner/member must be a guarantor for the LIHTC equity investment **and** construction financing that is needed to complete the proposed project. To demonstrate who will be providing the guarantees, the documentation provided from the proposed equity investor as part of the application submission must clearly identify the proposed guarantor(s).
- b) Any GP/Member receiving points must remain a part of the ownership entity for the 15-year Compliance Period, at a minimum.
- c) Points will be awarded based on the GP/Member with the greatest amount of experience (provided the entity is also a guarantor as described above) as determined below (the individual experience of two or more co-GP/Managing Members will not be added together to get the total points).
- d) An agreement between each of the entities must be provided, specifically calling out, at a minimum, the roles and responsibilities of each partner or entity, the length of time each partner/member will remain a part of the ownership entity, as well as the amount of developer fee each will receive.

Successful Projects	Points
1-4 projects	2
5-6 projects	5
7-8 projects	8
9 or more projects	10

**SCORING CRITERIA**

<b>D. Development Team Characteristics</b>	<b>Possible Points</b>	<b>Self Score</b>
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**2. Previous Experience of Management Agent**

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Previous **successful** participation by a management agent in managing low-income housing tax credit projects, with at least three years of experience. Points will be awarded only if the date in which management began such project(s) is included in the application, and will be based on years managed. Applicants should note that any projects that have uncorrected 8823s that have been outstanding for longer than 6 months cannot be counted towards these points.

(Applicants must complete the Management Experience form outlining previous experience in order to receive points under this section. Failure to accurately complete this form will result in the loss of these points.)

Number of Projects	Project Size, Years Managed	Total Properties
1-4 Projects	≥ 6 units, ≥ 3 years	2 Points
5-8 Projects	≥ 6 units, ≥ 3 years	5 Points
9-11 Projects	≥ 6 units, ≥ 3 years	8 Points
12+ Projects	≥ 6 units, ≥ 3 years	10 Points

**3. Nonprofit Ownership Participation**

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Projects seeking Nonprofit Ownership Participation points must have an ownership structure where a qualified nonprofit entity 1) has a greater than 50% general partner/managing member interest in the proposed project; 2) has a concomitant interest in the developer fee (both the cash paid and deferred portions); and 3) is the managing general partner/managing member of the project. Additionally, applicants must submit a narrative that demonstrates the nonprofit's significant involvement (e.g. housing and/or other activities) in the community in which the proposed project will be located. Further, the applicant must also demonstrate the specific areas in which the nonprofit's proposed participation will contribute to the development, ongoing operations, or service aspects of the project. In addition to the above, all of the criteria required in the nonprofit participation tab of the exhibit checklist must be submitted to receive points.

The nonprofit must not be affiliated with or controlled by any for-profit organization. (See IRC Section 42(h)(5)).

No individuals or entities involved with or related to any potential for-profit participant in the development may be involved with or related to the creation or management of the nonprofit.

Nonprofit Name

Ownership Percentage

**4. Temporary Point Reduction**

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**SCORING CRITERIA**

<b>D. Development Team Characteristics</b>	<b>Possible Points</b>	<b>Self Score</b>
<p>At its discretion, MSHDA will reduce a project's score if the applicant, or any related party failed to meet program or MSHDA requirements on a prior project. These points will be assessed and evaluated on a round-by-round basis, and applicants will be notified when a situation necessitating the assessment of these points occurs.</p> <p>Some examples that could result in this reduction of points include, but are not limited to the following:</p> <ul style="list-style-type: none"><li>a. Failure to follow through with representations made at the time of application on previous projects where points were awarded that resulted in the project being funded.</li><li>b. Poor response or slow response in providing follow-up documentation or clarification requests made by MSHDA staff.</li><li>c. Failure to meet one or multiple deadlines on previous developments.</li><li>d. Failure to submit progress reports by the required deadline.</li></ul>		

**SCORING CRITERIA**

D. Development Team Characteristics	Possible Points	Self Score
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**5. Poor Previous Participation of Applicant**

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Poor previous participation on the part of the applicant, or any related party will be penalized in the form of negative points. This includes, but is not limited to, failure to utilize a commitment or allocation of credit, failure to meet requirements necessary to obtain a carryover allocation after notification has been provided to the authority that the requirements would be met, inability to complete a previous project within three years of first submission, regulatory or mortgage defaults, foreclosure or granting of a deed in lieu of foreclosure, failure to submit annual LIHTC owner's certifications or any other compliance monitoring documentation in a timely manner (including but not limited to owner responses to file audits and/or physical inspections), removal under the limited partnership agreement or operating agreement for a housing development, current outstanding HUD 2530 violations, current outstanding program compliance violations for LIHTC (Uncorrected 8823), RHS, HOME, or other federally funded rental properties or serious and repeated violation of program requirements as determined by the authority.

**Applicants are strongly encouraged to check with MSHDA's asset management and LIHTC compliance unit well in advance of the funding round deadline if they (or other members of the development team) would like to know if they have any outstanding issues (as listed above) which could lead to a potential negative point assessment in a LIHTC funding round. If choosing to utilize this option, development team members should contact MSHDA to confirm whether they have any outstanding issues at least 1 month prior to the funding round deadline to ensure that (1) MSHDA has sufficient time to review past records and (2) so development team members have time to correct outstanding issues prior to the submittal of a LIHTC application.**

*If these points are assessed, points for successful previous experience in Section D.1. will not be given. Negative points will be imposed on **applicants** for **three** years following the instance of poor participation. Entities voluntarily returning an allocation of LIHTC will not be subject to the receipt of these points.*

**6. Poor Previous Participation of Management Agent**

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Poor previous participation on the part of the management agent will be penalized in the form of negative points. This may include, but is not limited to, failure to submit correct information in a timely manner on monitoring reports (annual LIHTC owner's certifications, responses to file audits and/or physical inspections, etc.), failure to verify and/or calculate tenant income and rents in accordance with federal regulations, current outstanding HUD 2530 violations, current outstanding program compliance violations for LIHTC (Uncorrected 8823), RHS, HOME, or other federally funded rental properties, or serious and repeated violation of program requirements as determined by the authority.

**Applicants are strongly encouraged to check with MSHDA's asset management and LIHTC compliance unit well in advance of the funding round deadline if they (or other members of the development team) would like to know if they have any outstanding issues (as listed above) which could lead to a potential negative point assessment in a LIHTC funding round. If choosing to utilize this option, development team members should contact MSHDA to confirm whether they have any outstanding issues at least 1 month prior to the funding round deadline to ensure that (1) MSHDA has sufficient time to review past records and (2) so development team members have time to correct outstanding issues prior to the submittal of a LIHTC application.**

*If these points are assessed, points for successful previous experience in Section D.2. will not be given. Negative points will be imposed on the **management agent** for **three** years following the instance of poor participation.*

**SCORING CRITERIA**

<b>E. Development Financing</b>	<b>Possible Points</b>	<b>Self Score</b>
<p><b>1. Existing HUD Section 236 Property</b></p> <p>Project involves the rehabilitation of an existing HUD 236 property.</p>	5	
<p><b>2. Rehab-Only Preservation</b></p> <p>Preservation developments that are able to be completed without the use of acquisition credit or without acquisition costs impacting the amount of credit allocated to the project.</p>	5	
<p><b>3. Replacement/Redevelopment of Public Housing</b></p> <p>Project involves the replacement or redevelopment of public housing units.</p>	5	
<p><b>4. RHS Section 515 Developments</b></p> <p>Projects that involve the rehabilitation of an existing RHS 515 property will receive points</p>	5	
<p><b>5. Project-Based Tenant Subsidies</b></p> <p>Projects will be awarded 5 points for either 1) obtaining a new project-based tenant subsidy contract (other than MSHDA PBV), or 2) preserving existing project-based tenant subsidies for the length of the existing rental subsidy compliance period and committing to renew the contract to the extent available.</p>	5	

**SCORING CRITERIA**

<b>F. Permanent Supportive Housing Developments</b>	<b>Possible Points</b>	<b>Self Score</b>
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Permanent supportive housing projects which meet all of the requirements of addendum III, including all threshold criteria, are eligible for the points listed below. Applicants should note that MSHDA will not take into consideration any points for permanent supportive housing awarded in this Section F. of the LIHTC scoring criteria when awarding credit from the undesignated category.

**1. Supportive Service Coordination**

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On-site service coordination must be available to all supportive housing tenants. This may be provided through a partnership with the local service organizations. The following schedule serves as a minimum standard. Additional on-site services may be needed depending on the population served by the supportive housing project.

- a. 8 hours per week – projects of 30 units or less
- b. 16 hours per week – projects 31-60 units
- c. 24 hours per week – projects 61-90 units
- d. 32 hours per week – Projects exceeding 90 units must have case management 32 hours of full time staffing plus 8 hours for every 30 units. Example: 150 units / 30 = 5 x 8 hrs = 40 hours of staffing per week.

To receive additional points, projects must provide additional on-site services as follows:

- 16 hours per week – projects of 30 units or less = **6 Points**
- 32 hours per week – projects of 31 - 60 units = **6 Points**
- 48 hours per week – projects of 61 - 90 units = **6 Points**
- Projects exceeding 90 units must have 48 hours of case management with 16 hours of staffing for every 30 additional units. Example:  
150 units / 30 = 5 x 16 hrs = 80 hours of staffing per week. **6 Points**

In Addendum III, Applicants must describe how the project will meet the supportive service needs of the targeted tenants. Include how many hours of on-site services will be provided and include documentation in the Addendum III submission of a funding commitment from the agency(s) that will provide staff for these services. The funding commitment must be detailed in a letter signed by the executive director of the agency providing the services. The services cannot be funded through the operations of the development.

**SCORING CRITERIA**

F. Permanent Supportive Housing Developments	Possible Points	Self Score
<p><b>2. Continuum of Care Support and Engagement</b></p> <p>The minimum PSH threshold requirements include submission of a letter of support from the local Continuum of Care (CoC). In addition to the support letter, points may be awarded if there is documentation demonstrating that the development team has attended a meeting with the CoC housing planning body during the planning phase to ensure that the stability of tenants and the project are integrated in the community and that there are strong social support networks available to meets the needs of the PSH tenants. A standard form will be provided in the attachments of Addendum III that must be included with the application submission for points to be evaluated.</p>	4	
<p><b>3. Service Funding Commitments</b></p> <p>Projects employing other sources of federal, state and/or private financing</p> <p>a. Permanent Supportive Housing programs funded through the Continuum of Care. <b>1 Point</b> <input type="checkbox"/></p> <p>b. Capital Contribution targeted for supportive services from developer fee (\$1,000 per supportive housing unit). <b>1 Point</b> <input type="checkbox"/> Example: 40 PSH units; 40x1,000 = 40,000.</p> <p>c. Private/Foundation - minimum of \$1,000 per supportive housing unit must be committed. <b>1 Point</b> <input type="checkbox"/> Example: 10 PSH units; (10x1,000) = 10,000</p> <p>d. Other State Agencies - minimum of \$1,000 per supportive housing unit must be committed. <b>1 Point</b> <input type="checkbox"/> Example: 10 PSH units; (10x1,000) = 10,000</p> <p>e. Federal Funding for supportive housing programs such the HUD 811 Program, Veteran Housing programs or other Special HUD funded program targeted for special needs or homeless populations. <b>1 Point</b> <input type="checkbox"/></p>	5	

**SCORING CRITERIA**

<b>F. Permanent Supportive Housing Developments</b>	<b>Possible Points</b>	<b>Self Score</b>
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<b>4. Community/Supportive Service Room</b>	2	
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To meet minimum PSH threshold requirements, projects are required to provide community or supportive service space to projects with 11 or more PSH units. A minimum of 15 square feet per residential unit is required.

Projects that provide additional community space to offer additional opportunities for residents such as enrichment classes or employment training on-site, will be awarded 2 points. Documentation must be provided demonstrating that the additional space is significant in size to allow a private area for partnering agencies providing these opportunities and the funding source of the program or classes. If additional community space will be included, please describe this further in Addendum III as directed.

<b>5. Targeted Supportive Housing Populations</b>	5	
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Projects that have demonstrated in their Supportive Service Plan to serve the supportive housing populations most in need as outlined below will receive additional points:

- a. Chronically Homeless per HUD's definition **5 Points**

A minimum of 30% of the supportive housing units must be set aside to receive points.

**Tenant Selection Criteria**

The minimum PSH Threshold criteria require the inclusion of tenant selection criteria for the PSH units. If units will be targeted toward chronically homeless populations and receive points, there must be a preferenced waiting list established and these units must be occupied by tenants that meet the Chronically Homeless definition as defined by HUD. In addition, the screening tools and prioritization for the referrals must be clearly outlined.

<b>6. Developing in a High Need Area</b>	2	
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Points will be awarded to those projects that can document a high need area where the homeless count is greater than 500 persons within the City or County that the development is located: Attach a copy of the most recent homeless count from HMIS.

**SCORING CRITERIA**

<b>F. Permanent Supportive Housing Developments</b>	<b>Possible Points</b>	<b>Self Score</b>
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**7. Experienced Supportive Housing Development Team**

9	
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Points will be awarded to a development team that has experience with 50 or more units of supportive housing. Experience can be included for LIHTC PSH units or HUD funded PSH units through programs such as HUD 811 or HUD PSH programs through the Continuum of Care.

- a. Developer owns and operates 50 or more units of supportive housing. **3 Points**
- b. Management Company has experience managing 50 or more units of supportive housing. **3 Points**
- c. Lead Agency has experience providing services for 50 or units of permanent supportive housing. **3 Points**

In Addendum III, please list the name of the development(s) and the total number of supportive housing units or attach a separate sheet with this information.

**8. Successful PSH Outcomes**

2	
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If the Developer has 50 or more units of PSH, 2 additional points will be awarded if documentation is submitted with this application that clearly demonstrates that the annual average economic vacancy within the PSH units is at or below 5%. If the development has both PSH units and non-PSH units data should be provided for the entire development. However, to receive points, the PSH units must meet the 5% average economic vacancy target.

**9. Housing First Model**

4	
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Points will be awarded to supportive housing models that are collaboratively meeting the needs of the community to reduce the high costs of current system usage such as emergency rooms, police and emergency response systems and other community funded services. To receive points there must be a demonstrated use of assessment tools that identify and prioritize the referrals to serve the most vulnerable. Include a description of the referral process and centralized intake assessment that prioritizes the referrals for the waiting list that will be utilized at this development. The model must support moving persons quickly into housing from settings such as streets or shelters without preconditions of treatment acceptance or compliance. Sobriety, and medication compliance cannot be an entrance requirement.

**SCORING CRITERIA**

**G. Cost Containment & Credit Efficiency - (Mandatory for All Projects)**

Possible Points

Self Score

**1. Cost Containment**

5

0

Projects will be assessed points for cost efficiency based on their total development cost per-square-foot using the criteria below. Evaluations will be conducted based on the type of project being proposed and will be compared to average cost data for the previous five years. Commercial space that is not part of the housing project or is to be owned under a separate legal entity and whose costs are not included in the project total development costs is not allowed to be included in the total project square footage. Within each building-type, projects will be scored as follows:

- Projects whose total development cost per-square-foot is within the “safe harbor” identified will receive 0 points. The "safe harbor" is calculated using an amount that is 2.5% above and 2.5% below the 5-year cost average for each building-type.
- Projects whose total development cost per-square-foot is below the “safe harbor” will receive up to 5 points.
- Projects having costs above the “safe harbor” will receive negative points.
- The data used to determine the safe harbors and point factors for projects in this point section will be a rolling total of the previous five years and will be subject to updates as new project data becomes available.
- If a project is made up of a combination of building types, the applicable square footage and total development costs for each building type should be entered separately below. Each building type within the project will receive its own applicable points. The weighted average of those points will be used for the project's score, with a maximum score of 5 points.

To determine the number of points a project qualifies for, applicants can use the information below. Please fill in the yellow boxes.

**Total Square Footage:**

Total New Construction Square Footage:

Total Preservation/Existing Development Square Footage:

Total Historic Rehab or Adaptive/Reuse Square Footage:

Total Square Footage:

**Total Development Costs (TDC):**

New Construction TDC:

Preservation/Existing Development TDC:

Historic Rehab or Adaptive/Reuse TDC:

Total Development Costs:

**TDC Per Square Foot:**

New Construction:

Preservation/Existing Development:

Historic Rehab or Adaptive/Reuse:

	Safe Harbor Min	Safe Harbor Max	Positive Point Factor per \$\$ below safe harbor:	Negative Point Factor per \$\$ above safe harbor:	Possible Points for project type	Weighted Average points (if multiple project types)
New Construction	\$155.08	\$163.03	0.10	-0.20		
Preservation/Existing Development	\$105.86	\$111.29	0.14	-0.28		
Historic Rehab or Adaptive/Reuse	\$169.25	\$177.93	0.08	-0.16		
<b>Total Points</b>					0	0

**2. Credit Efficiency**

10	0
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Projects will be assessed points for credit efficiency based on the eligible tax credit amount per LIHTC unit using the criteria below. Evaluations will be conducted based on the type of project being proposed and will be compared to average credit per unit data for the previous five years. Within each building-type, projects will be scored as follows:

- Projects whose credit per unit is within the “safe harbor” identified will receive 0 points. The "safe harbor" is calculated using an amount that is 2.5% above and 2.5% below the 5-year cost average for each project-type.
- Projects whose credit per unit is below the “safe harbor” will receive up to 10 additional points.
- Projects whose credit per unit is above the “safe harbor” will receive negative points.
- The data used to determine the safe harbors and point factors for projects in this point section will be a rolling total of the previous five years and will be subject to updates as new project data becomes available.
- If a project is made up of a combination of building types, the applicable number of LIHTC units and amount of applicable credit should be entered separately below. Each building type within the project will receive its own applicable points. The weighted average of those points will be used for the project score, with a maximum of 10 points.

To determine the number of points a project qualifies for, applicants can use the information below. Please fill in the yellow boxes.

**Total LIHTC Units:**

Total New Construction Units:	
Total Preservation/Existing Development Units:	
Total Historic Rehab or Adaptive/Reuse Units:	
Total Units:	-

**Total Credit:**

Total New Construction Credit:	
Total Preservation/Existing Development Credit:	
Total Historic Rehab or Adaptive/Reuse Credit:	
Total Credit:	-

**Total Credit per LIHTC Unit:**

New Construction:	
Preservation/Existing Development:	
Historic Rehab or Adaptive/Reuse:	

	Safe Harbor Min	Safe Harbor Max	Positive Point Factor per \$\$ below safe harbor:	Negative Point Factor per \$\$ above safe harbor:	Possible Points for project type	Weighted Average points (if multiple project types)
New Construction:	\$18,385.30	\$19,328.14	0.0008	-0.0008		
Preservation/Existing Development:	\$6,942.41	\$7,298.43	0.002	-0.002		
Historic Rehab or Adaptive/Reuse:	\$21,002.12	\$22,079.15	0.0004	-0.0004		
				<b>Total Points</b>	0	0

**QUICK REFERENCE SHEET**

Section:		Possible Points	Self Score	Awarded
<b>A. Place-Based Criteria</b>				
1.	Proximity to Transportation	5	0	
2.	Site Amenities	20	0	
3.	Central Cities Developments	10	0	
4.	Neighborhood Revitalization Plans/Investment Activity Areas	10	0	
5.	Economic Integration	5	#DIV/o!	
6.	Historic Rehabilitation Projects	5	0	
7.	QAP Green Policy	10	0	
<b>Section Total:</b>		<b>65</b>	<b>#DIV/o!</b>	<b>0</b>
<b>B. Municipal Support</b>				
1.	Tax Abatement	5	0	
2.	Proper Zoning	5	0	
3.	Site Plan Approval	5	0	
<b>Section Total:</b>		<b>15</b>	<b>0</b>	<b>0</b>
<b>C. Development Characteristics</b>				
1.	Community Space	5	0	
2.	Native American Housing	5	0	
3.	Low Income Targeting	20	#DIV/o!	
4.	Affordability Commitment	5	0	
5.	Tenant Ownership	1	0	
6.	Visitable Units	3	0	
7.	Barrier-Free/Fully-Adaptable-to-Barrier-Free Units	3	0	
<b>Section Total:</b>		<b>42</b>	<b>#DIV/o!</b>	<b>0</b>
<b>D. Development Team Characteristics</b>				
1.	Previous Experience of Owner/Member	10	0	
2.	Previous Experience of Management Agent	10	0	
3.	Nonprofit Ownership Participation	2	0	
4.	Temporary Point Reduction	-5	0	
5.	Poor Previous Participation of Applicant	-20	0	
6.	Poor Previous Participation of Management Agent	-20	0	
<b>Section Total:</b>		<b>20</b>	<b>0</b>	<b>0</b>
<b>E. Development Financing</b>				
1.	Existing HUD Section 236 Property	5	0	
2.	Rehab Only Preservation	5	0	
3.	Replacement/Redevelopment of Public Housing	5	0	
4.	RHS Section 515 Property	5	0	
5.	Project-Based Tenant Subsidies	5	0	
<b>Section Total:</b>		<b>25</b>	<b>0</b>	<b>0</b>
<b>F. Permanent Supportive Housing Developments</b>				
1.	Service Coordination Plan	6	0	
2.	Continuum of Care	4	0	
3.	Service Funding Commitments	5	0	
4.	Community/Supportive Service Room	2	0	
5.	Targeted Supportive Housing Populations	5	0	
6.	Developing in a High Need Area	2	0	
7.	Experienced Supportive Housing Development Team	9	0	
8.	Successful PSH Outcomes	2	0	
9.	Housing First Model	4	0	
<b>Section Total:</b>		<b>39</b>	<b>0</b>	<b>0</b>
<b>G. Cost Containment</b>				
1.	Cost Containment Points	5	0	
2.	Credit Efficiency	10	0	
<b>Section Total:</b>		<b>15</b>	<b>0</b>	<b>0</b>
<b>GRAND TOTAL:</b>			<b>#DIV/o!</b>	<b>0</b>

**Ex. 1 LOW INCOME TARGETING POINT CALCULATION FORM**

Points for each unit type are calculated by multiplying the percent of total units targeted by the weighting factor. **PLEASE NOTE: in the event that the 9% credit rate is fixed (not floating) through future legislative measures, the points and weighting factors in this Exhibit 1 will be doubled (resulting in a maximum point total of 20 points under Section C.3 of the Scoring Criteria). In that event, MSHDA will release a revised Scoring Criteria to reflect that calculation and scoring change.**

**Project Information Entry**

= Indicates input required by Applicant

Type of Project:   
 Minimum Set-Aside Election:   
 Target Population:   
 Total Units in the Development:   
 Total Market Rate Units in the Development:   
 Total PSH units in the Development:   
 Total PBRA units in the Development:

**Low Income Targeting for PSH units and/or non-PSH units with PBRA**

Total Percentage of PSH units and/or non-PSH units with PBRA:	#DIV/o!
Total Points from PSH units and or non-PSH units with PBRA:	#DIV/o!

**Points**

#DIV/o!

**Low Income Targeting for Unassisted (LIHTC-Only) Units**

MAX POINTS =		20		
Total Number of Unassisted Units allowed for Targeting:		0		
Total Percentage of Unassisted Units allowed for Targeting:		#DIV/o!		
Total Percentage of Units Allowed at 30% AMI:		#DIV/o!		
	<b># Units</b>	<b>% Units</b>	<b>x Factor</b>	<b>Points</b>
30% AMI	<span style="background-color: yellow; border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span>	#DIV/o!	70	#DIV/o!
40% AMI	<span style="background-color: yellow; border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span>	#DIV/o!	40	#DIV/o!
50% AMI	<span style="background-color: yellow; border: 1px solid black; display: inline-block; width: 40px; height: 15px;"></span>	#DIV/o!	10	#DIV/o!
Total targeted units:		#DIV/o!	Total Points:	#DIV/o!

#DIV/o!

**Total Low Income Targeting Points:**

#DIV/o!

**Ex. 2 Low Income Targeting Restrictions in LURA**

- o units ( **#DIV/o!** ) will be rented to families whose income does not exceed 30% of area median gross income
  - o units ( **#DIV/o!** ) will be rented to families whose income does not exceed 40% of area median gross income
  - o units ( **#DIV/o!** ) will be rented to families whose income does not exceed 50% of area median gross income
  - o units ( **#DIV/o!** ) will be rented to families whose income does not exceed 60% of area median gross income
  - o Units (in addition to the 30% AMI units listed above) will be rented to tenants with special needs receiving substantial services as a result of a contract (or equivalent relationship) with a local service provider.
  - o Units will be targeting low income populations through the use of project based rental subsidy (excluding project based vouchers from MSHDA)
- #DIV/o!** 20% of the units will be rented to tenants at market rate.