

2026-2027 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

Please choose the project's primary funding category from the following list:

Select One

Please use an "x" to select whether the project is in an Urban or Rural area:

Urban

Rural

Please select Urban or Rural above.

Please use an "x" to select all that apply:

1. Strategic Investment Category
2. Non Profit - Statutory Set-Aside
3. Rural Housing - Statutory Set-Aside
4. Eligible Distressed Areas - Statutory Set-Aside
5. Elderly - Statutory Set-Aside
6. Emerging Developer - Non-Statutory Set-Aside
7. Tribal Housing - Non-Statutory Set-Aside
8. Tax Exempt Bond Financing (with 4% LIHTC)

Projects must submit supporting documentation for all points scored. Unless otherwise noted, documentation should be complete and dated within one year of the funding round deadline.

SCORING CRITERIA

A. Urban Opportunity Criteria	Possible Points	Self Score
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Developments located in an rural area as defined by the USDA RD Multifamily map should use Tab B - Rural Opportunity Criteria. Developments located outside of the rural areas as defined by the USDA RD Multifamily map should use Tab A - Urban Opportunity Criteria. A project will only be eligible for points from the applicable Tab A or B.

1. Proximity to Transportation

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Applicants that can *demonstrate* that the project is located within the required proximity from a public transportation stop (i.e. bus stop) or that have a dial-a-ride (curb to curb) transportation service in the community that runs at least 5 days per week. Alternatively, a project will be considered for 3 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. Projects that commit to creating a transportation stop at the development will be eligible to receive points subject to review of the commitment by MSHDA.

For projects located in Urban areas, the public transportation stop must be within 1/4 of a mile from the development. Distances will be measured in a straight line as the crow flies. Urban areas are defined in Tab GG of the Combined Application.

"Comparable transportation" should be available a minimum of 5 days per week and have the capacity to adequately serve all the tenants in the development based on the size of the development. The transportation provided should be sufficient to allow each tenant in the development to take at least two trips during the week. For example, a 15 passenger van running two routes per day five days per week would accommodate 150 passengers per week. This would be sufficient to accommodate a 75 unit development, which would require 150 trips per week.

PLEASE NOTE: The score for projects with multiple scattered sites will be determined by a weighted average based on the percentage of the total number of units at the sites that qualify for the points compared to the total units in the project. No partial points will be awarded and points will be rounded down in the case that a project's weighted average score contains fractions of points.

SCORING CRITERIA

A. Urban Opportunity Criteria

Possible Points	Self Score
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2. Proximity to Amenities

25	0
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Developments that are located within the required proximity to the amenities listed below will be awarded points. Applicants must demonstrate that they are within the required distance from the amenity by submitting the address of the amenity, a map that clearly highlights the location of the amenity, and photographs of the specific amenity for which points are being claimed. If the documentation does not clearly demonstrate the proximity to the amenity, points may not be awarded for that amenity.

Distances will be measured on a straight line as the crow flies. The Required Distances for Urban areas are 1 or 2 miles. Urban areas are defined in Tab GG of the Combined Application. Amenities within 1 mile receive the full amount of points available for that amenity, amenities located within 2 miles receive half the total amount of points for that amenity. Total points are rounded down to the nearest whole point. Applicants are required to include a map with clearly measured distances as well as any supporting documentation as listed below.

Amenity* Type	Distance	Possible Points	Points
Full Service Grocery/Supermarket ⁽¹⁾		5	
Licensed Childcare ⁽²⁾ (if undesignated) OR Senior Center ⁽³⁾ (if elderly)		5	
Pharmacy		3	
General Medicine Physician/Clinic		3	
Public Library ⁽⁴⁾		2	
Public School ⁽⁵⁾		2	
Community Organization ⁽⁶⁾		2	
Employment Center ⁽⁷⁾		1	
Public Park ⁽⁸⁾		1	
Job Training Center ⁽⁹⁾		1	
		Total Points:	0

**MSHDA, in its sole discretion, will determine whether an amenity that is submitted counts as an eligible amenity for points.*

SCORING CRITERIA

A. Urban Opportunity Criteria	Possible Points	Self Score
<p>(1) In order to qualify as a full service grocery/Supermarket, it must have a selection of (1) fresh fruits and vegetables, (2) fresh and uncooked meats and poultry, (3) dairy products, (4) canned foods, (5) frozen foods, (6) dry groceries and baked goods, (7) non-alcoholic beverages, (8) household paper products (toilet paper, paper towels, etc.) and (9) personal care items (soap, shampoo, etc.). Please provide evidence of these in the submission. A good reference may be the weekly sales ad.</p> <p>(2) Licensed childcare providers can be found here: https://cclb.my.site.com/micchirp/s/</p> <p>(3) A senior center is a community center where older adults congregate for fellowship with others to fulfill many of their social, physical, emotional, and intellectual needs. The submission must include evidence of senior or older adults services being provided on at least a weekly basis. A community center without these dedicated services will not be eligible for these points.</p> <p>(4) Little lending libraries, mobile libraries, and libraries inside a school or university will not apply for this section.</p> <p>(5) School must be free of charge and may not be gender-exclusive (i.e. a girls only or boys only school will not count). Schools must be open to all students of appropriate age, they should not require entrance examinations or requirements.</p> <p>(6) A Community Organization is one that provides year-round community outreach service(s) to people of the community. These services should be accessible to tenants of the project and may include, but are not limited to clothing closets, free meals, youth programming, senior and older adult services or programming, mental health services, adult continuing education classes and/or cultural activities.</p> <p>(7) An employment center is a single university or college, single hospital, single governmental entity, or single private company that has at least 250 year-round, full-time employees in one location for Urban developments and at least 125 year-round, full-time employees in one location for Balance of State developments. The project must provide a letter from the employer, a third-party employment agency, or the local body of government stating the number of year-round, full-time employees that work at the location. All employees must be at the same location to receive points.</p>		

SCORING CRITERIA

A. Urban Opportunity Criteria

**Possible
Points**

Self Score

(8) A public park is a green space currently designated as such by the local body of government or a public outdoor space traditionally used for human enjoyment and recreation. This might include a public gathering space with a playground, walking trails, public sporting, a pavilion, a band shell, a community garden, or other amenities.

(9) Services at a job training center must be available to the project's tenant base and must allow choice of career path in order to be awarded points. The same location cannot be counted as both a Community Organization and a Job Training Center.

PLEASE NOTE: The score for projects with multiple scattered sites will be determined by the weighted average of the individual scores based on the percentage of the total number of units at each individual site compared to the total units in the project. Points will be rounded down to the nearest half point in the case that a project's weighted average score contains fractions of points.

SCORING CRITERIA

A. Urban Opportunity Criteria	Possible Points	Self Score
<p>3- Community Revitalization Plan Area</p> <p>Points will be awarded for projects that meet the criteria below:</p> <ul style="list-style-type: none"> a. A signed letter or resolution from the local government dated within 60-days of the application due date that identifies, supports and outlines the significance of the proposed project, and includes: <ul style="list-style-type: none"> i. If there is a Community Revitalization Plan for the area, the letter or Resolution must (1) identify the Community Revitalization Plan for the area, (2) provide a link to the plan if not included in the application, (3) outline the goals of the plan, (4) define the specific boundaries of the target area, and (5) describe how the proposed project compliments the plan goals. For this purpose, a Community Revitalization Plan is defined as follows: <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> ii. For municipalities or local units of government that do or do not have a Community Revitalization Plan, the letter from the local governmental body should certify the amount of significant public and private investment in the area that has or is occurring proximate to the project. Significant public and private investment is defined as: <ul style="list-style-type: none"> a. For projects located in a municipality with a population of less than or equal to 10,000 people, at least \$5 million in public and private investments within 2 miles of the project within the last 5 years as part of the plan to invest in the area. Further, projects must demonstrate that there is at least \$1 million of total investment located within 2 miles of the project that is planned for the future. 	1	

SCORING CRITERIA

A. Urban Opportunity Criteria	Possible Points	Self Score
<p>b. For projects located in a municipality with a population between 10,001 and 25,000 people, at least \$20 million of total investment located within 1 mile of the project within the last 5 years and that \$10 million of the total investment is private investment. Projects must also demonstrate that there is at least \$3 million of total investment located within 1 mile of the project that is planned for the future.</p> <p>c. For projects located in a municipality with a population between 25,001 and 50,000 people, at least \$40 million of total investment located within 1 mile of the project within the last 5 years and that \$20 million of the total investment is private investment. Projects must also demonstrate that there is at least \$6 million of total investment located within 1 mile of the project that is planned for the future.</p> <p>d. For projects located in a municipality with a population over 50,000 people, at least \$50 million of total investment located within 1 mile of the project within the last 5 years and that \$25 million of the total investment is private investment. Projects must also demonstrate that there is at least \$10 million of total investment located within 1 mile of the project that is planned for the future.</p> <p>Note: Projects do not need to provide additional documentation supporting the amount of investment at time of application, however MSHDA reserves the right to verify the significant investment at the time of award. Applicants who deliberately circumvent this requirement will be subject to negative points in future funding rounds.</p> <p><i>PLEASE NOTE: The score for projects with multiple scattered sites will be determined by a weighted average based on the percentage of the total number of units at the sites that qualify for the points compared to the total units in the project. No partial points will be awarded and points will be rounded down in the case that a project's weighted average score contains fractions of points.</i></p>		

SCORING CRITERIA

A. Urban Opportunity Criteria

Possible Points	Self Score
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4. Household Overburdened Area

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Projects that can demonstrate that they are located within an area that has a high percentage of households that are overburdened will receive points. Points will be based on the following scale. Applicants should reference the data in **Tab HH** to determine whether the proposed project is located in one of these areas:

a. 30.0% to 39.9% of Households	1 points
b. 40.0% to 49.9% of households	2 points
c. 50.0% and above of households	3 points

Please note that Household Overburdened Area is determined based on census tract. If a development is not located within a census tract with a Household Overburdened Area score, but is located within 1/3 mile of that census tract, it will be allowed to claim the Household Overburdened Area point total of the census tract. For example, if a development is located within a census tract that scores 2 points using the table above, but is located in an Urban area and within 1/3 mile of a census tract that scores 3 points on the table below, it will be eligible for 3 points. The purpose of this is to allow points for projects that are located in close proximity to a census tract that scores on the Household Overburdened Area metric. The proximity will be measured on a straight line from the edge of the property line to the boundary line of the census tract. Urban areas are defined as those ineligible as rural on the USDA RD multifamily tool.

PLEASE NOTE: The score for projects with multiple scattered sites will be determined by a weighted average based on the percentage of the total number of units at the sites that qualify for the points compared to the total units in the project. No partial points will be awarded and points will be rounded down in the case that a project's weighted average score contains fractions of points.

5. Communities without Recent Awards

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Developments located in counties that have not received a reservation of 9% credits in the last four funding rounds will be eligible for this point item.

Previous reservation lists can be found at <https://www.michigan.gov/mshda/developers/low-income-housing-tax-credits-lihtc>.

SCORING CRITERIA

A. Urban Opportunity Criteria	Possible Points	Self Score
<p>6. Community Supported Initiatives</p> <p>Developments located or developed in accordance with local unit of government approval, through a community-supported development plan, request for proposal, and/or other specific project alignment with community programming will be eligible for this point item. The community-supported development plan, request for proposal, or other public and documented community outreach must have been initiated within 24 months prior to the funding round deadline. Examples of eligible community supported developments include HUD Choice Neighborhood areas, sites that the local unit of government has released a request for proposal, and others. If you have any questions, please contact MSHDA prior to the funding round deadline.</p> <p>Mark an "x" in up to ONE box below, as appropriate.</p> <p><input type="checkbox"/> Place-based developer involvement Place-based developer is defined as an individual or entity that is headquartered and works primarily within the local municipality, unit of government, county, or economic region (such as an MSA). The placed-based developer must have at least a 25% ownership in the development.</p> <p><input type="checkbox"/> Community supported initiatives without place-based developer</p>	5	0
<p>7. Job Growth Opportunities</p> <p>Developments located in proximity to new economic development projects funded with significant state resources targeted to attract economic development projects, business and new job growth, such as using the SOAR funds from the Michigan Economic Development Corporation. MSHDA will post a list of qualifying economic development projects prior to each funding round.</p> <p>A list of priority communities will be published prior to each round. This list will be based on MSHDA conversations with other state agencies.</p> <p>Mark an "x" in up to ONE box below, as appropriate.</p> <p><input type="checkbox"/> Project is located within 15 miles of the eligible site</p> <p><input type="checkbox"/> Project is located within 25 miles of the eligible site</p>	4	0

SCORING CRITERIA

B. Rural Opportunity Criteria	Possible Points	Self Score		
<p align="center">Developments located in an rural area as defined by the USDA RD Multifamily map should use Tab B - Rural Opportunity Criteria. Developments located outside of the rural areas as defined by the USDA RD Multifamily map should use Tab A - Urban Opportunity Criteria. A project will only be eligible for points from the applicable Tab A or B.</p>				
<p>1. Proximity to Transportation</p> <p>Applicants that can <i>demonstrate</i> that the project is located within the required proximity from a public transportation stop (i.e. bus stop) or that have a dial-a-ride (curb to curb) transportation service in the community that runs at least 5 days per week. Alternatively, a project will be considered for points if the applicant can <i>demonstrate</i> 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. Projects that commit to creating a transportation stop at the development will be eligible to receive points subject to review of the commitment by MSHDA.</p> <p>For projects located in Rural areas, the public transportation stop must be located within 1/2 mile of the development. Distances will be measured in a straight line as the crow flies. Rural areas are defined as those eligible in the USDA RD Multifamily tool.</p> <p>"Comparable transportation" should be available a minimum of 5 days per week and have the capacity to adequately serve all the tenants in the development based on the size of the development. The transportation provided should be sufficient to allow each tenant in the development to take at least two trips during the week. For example, a 15 passenger van running two routes per day five days per week would accommodate 150 passengers per week. This would be sufficient to accommodate a 75 unit development, which would require 150 trips per week.</p> <p>For Native American Housing projects, the existing tribal transportation services may be comparable to those services outlined above. These projects must provide a letter from the tribal chairperson or council outlining the tribal transportation systems available and how they will meet the needs of tenants similar to the outlined options.</p> <p><i>PLEASE NOTE: The score for projects with multiple scattered sites will be determined by a weighted average based on the percentage of the total number of units at the sites that qualify for the points compared to the total units in the project. No partial points will be awarded and points will be rounded down in the case that a project's weighted average score contains fractions of points.</i></p>	<table border="1"> <tr> <td data-bbox="1229 491 1379 534">4</td> <td data-bbox="1379 491 1533 534"></td> </tr> </table>	4		
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SCORING CRITERIA

B. Rural Opportunity Criteria

Possible Points	Self Score
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2. Proximity to Amenities

25	0
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Developments that are located within the required proximities to the amenities listed below will be awarded points. Applicants must demonstrate that they are within the required distances from the amenity by submitting the address of the amenity, a map that clearly highlights the location of the amenity, and photographs of the specific amenity for which points are being claimed. If the documentation does not clearly demonstrate the proximity to the amenity, points may not be awarded for that amenity.

Distances will be measured on a straight line as the crow flies. The required distances for Rural areas are 2 or 5 miles. Rural areas are defined in Tab GG of the Combined Application. Amenities within 2 miles receive the full amount of points available for that amenity, amenities located within 5 miles receive half the total amount of points for that amenity. Total points are rounded down to the nearest whole point. Applicants are required to include a map with clearly measured distances as well as any supporting documentation as listed below.

Amenity* Type	Distance	Possible Points	Points
Full Service Grocery/Supermarket ⁽¹⁾		5	
Licensed Childcare ⁽²⁾ (if undesignated) OR Senior Center ⁽³⁾ (if elderly)		5	
Pharmacy		3	
General Medicine Physician/Clinic		3	
Public Library ⁽⁴⁾		2	
Public School ⁽⁵⁾		2	
Community Organization ⁽⁶⁾		2	
Employment Center ⁽⁷⁾		1	
Public Park ⁽⁸⁾		1	
Job Training Center ⁽⁹⁾		1	
Total Points:			0

**MSHDA, in its sole discretion, will determine whether an amenity that is submitted counts as an eligible amenity for points.*

SCORING CRITERIA

B. Rural Opportunity Criteria	Possible Points	Self Score
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(1) In order to qualify as a full service grocery/Supermarket, it must have a selection of (1) fresh fruits and vegetables, (2) fresh and uncooked meats and poultry, (3) dairy products, (4) canned foods, (5) frozen foods, (6) dry groceries and baked goods, (7) non-alcoholic beverages, (8) household paper products (toilet paper, paper towels, etc.) and (9) personal care items (soap, shampoo, etc.). Please provide evidence of these in the submission. A good reference may be the weekly sales ad.

(2) Licensed childcare providers can be found here:

<https://cclb.my.site.com/micchirp/s/>

(3) A senior center is a community center where older adults congregate for fellowship with others to fulfill many of their social, physical, emotional, and intellectual needs. The submission must include evidence of senior or older adults services being provided on at least a weekly basis. A community center without these dedicated services will not be eligible for these points.

(4) Little lending libraries, mobile libraries, and libraries inside a school or university will not apply for this section.

(5) School must be free of charge and may not be gender-exclusive (i.e. a girls only or boys only school will not count). Schools must be open to all students of appropriate age, they should not require entrance examinations or requirements.

(6) A Community Organization is one that provides year-round community outreach service(s) to people of the community. These services should be accessible to tenants of the project and may include, but are not limited to clothing closets, free meals, youth programming, senior and older adult services or programming, mental health services, adult continuing education classes and/or cultural activities.

(7) An employment center is a single university or college, single hospital, single governmental entity, or single private company that has at least 250 year-round, full-time employees in one location for Urban developments and at least 125 year-round, full-time employees in one location for Balance of State developments. The project must provide a letter from the employer, a third-party employment agency, or the local body of government stating the number of year-round, full-time employees that work at the location. All employees must be at the same location to receive points.

SCORING CRITERIA

B. Rural Opportunity Criteria

Possible
Points

Self Score

(8) A public park is a green space currently designated as such by the local body of government or a public outdoor space traditionally used for human enjoyment and recreation. This might include a public gathering space with a playground, walking trails, public sporting, a pavilion, a band shell, a community garden, or other amenities.

(9) Services at a job training center must be available to the project's tenant base and must allow choice of career path in order to be awarded points. The same location cannot be counted as both a Community Organization and a Job Training Center.

PLEASE NOTE: The score for projects with multiple scattered sites will be determined by the weighted average of the individual scores based on the percentage of the total number of units at each individual site compared to the total units in the project. Points will be rounded down to the nearest half point in the case that a project's weighted average score contains fractions of points.

For Native American Housing projects, it is anticipated that many tribally-owned and based services will meet the requirements above. As examples, tribal schools and community organizations likely meet the requirements above and should be outlined and documented in the submission. This can include a letter from the tribal chairperson or council outlining the amenities' relevance and noting how they provide similar amenities as those listed above.

SCORING CRITERIA

B. Rural Opportunity Criteria	Possible Points	Self Score
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3. Community Revitalization Plan Area

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Points will be awarded for projects that meet the criteria below:

- a. A signed letter or resolution from the local government dated within 60-days of the application due date that identifies, supports and outlines the significance of the proposed project, and includes:
 - i. If there is a Community Revitalization Plan for the area, the letter or Resolution must also (1) identify the Community Revitalization Plan for the area, (2) provide a link to the plan if not included in the application, (3) outline the goals of the plan, (4) define the specific boundaries of the target area, and (5) describe how the proposed project compliments the plan goals. For this purpose, a Community Revitalization Plan is defined as follows: *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.*
 - ii. For municipalities or local units of government that do or do not have a Community Revitalization Plan, the letter from the local governmental body should certify the amount of significant public and private investment in the area that has or is occurring proximate to the project. Significant public and private investment is defined as:
 - a. For projects located in a municipality with a population of less than or equal to 10,000 people, at least \$5 million in public and private investments within 2 miles of the project within the last 5 years as part of the plan to invest in the area. Further, projects must demonstrate that there is at least \$1 million of total investment located within 2 miles of the project that is planned for the future.
 - b. For projects located in a municipality with a population between 10,001 and 25,000 people, at least \$20 million of total investment located within 2 miles of the project within the last 5 years and that \$10 million of the total investment is private investment. Projects must also demonstrate that there is at least \$3 million of total investment located within 2 miles of the project that is planned for the future.

SCORING CRITERIA

B. Rural Opportunity Criteria

Possible
Points

Self Score

c. For projects located in a municipality with a population between 25,001 and 50,000 people, at least \$40 million of total investment located within 2 miles of the project within the last 5 years and that \$20 million of the total investment is private investment. Projects must also demonstrate that there is at least \$6 million of total investment located within 2 miles of the project that is planned for the future.

Note: Projects do not need to provide additional documentation supporting the amount of investment at time of application, however MSHDA reserves the right to verify the significant investment at the time of award. Applicants who deliberately circumvent this requirement will be subject to negative points in future funding rounds.

PLEASE NOTE: The score for projects with multiple scattered sites will be determined by a weighted average based on the percentage of the total number of units at the sites that qualify for the points compared to the total units in the project. No partial points will be awarded and points will be rounded down in the case that a project's weighted average score contains fractions of points.

SCORING CRITERIA

B. Rural Opportunity Criteria

Possible Points

Self Score

4. Household Overburdened Area

3

Projects that can demonstrate that they are located within an area that has a high percentage of households that are overburdened will receive points. Points will be based on the following scale. Applicants should reference the data in **Tab HH** to determine whether the proposed project is located in one of these areas:

a. 30.0% to 39.9% of Households	1 points
b. 40.0% to 49.9% of households	2 points
c. 50.0% and above of households	3 points

Please note that Household Overburdened Area is determined based on census tract. If a development is not located within a census tract with a Household Overburdened Area score, but is located within 1 mile (Rural areas) of that census tract, it will be allowed to claim the Household Overburdened Area point total of the census tract. For example, if a development is located within a census tract that scores 2 points using the table above, but is located in an Rural area and within 1 mile of a census tract that scores 3 points on the table below, it will be eligible for 3 points. The purpose of this is to allow points for projects that are located in close proximity to a census tract that scores on the Household Overburdened Area metric. The proximity will be measured on a straight line from the edge of the property line to the boundary line of the census tract. Rural areas are defined **using the USDA RD Multifamily tool**.

For Native American Housing projects, the tribal census tracts data is included in the Household Overburdened Area list. Please refer to Tab HH for more information.

PLEASE NOTE: The score for projects with multiple scattered sites will be determined by a weighted average based on the percentage of the total number of units at the sites that qualify for the points compared to the total units in the project. No partial points will be awarded and points will be rounded down in the case that a project's weighted average score contains fractions of points.

SCORING CRITERIA

B. Rural Opportunity Criteria	Possible Points	Self Score
<p>5. Communities without Recent Awards</p> <p>Developments located in counties that have not received a reservation of 9% credits in the last four funding rounds will be eligible for this point item.</p> <p>For Native American Housing projects, communities that have not received a reservation of 9% credits in the last four funding rounds will be eligible for this point item. For instance, a Native American Housing development is funded in Town A in Round 1. In the next rounds, the tribe will not receive points for subsequent projects in Town A, but will be eligible for points in Town B or C.</p> <p>Previous reservation lists can be found at https://www.michigan.gov/mshda/developers/low-income-housing-tax-credits-lihtc.</p>	2	
<p>6. Community Supported Initiatives</p> <p>Developments located or developed in accordance with local unit of government approval, through a community-supported development plan, request for proposal, and/or other specific project alignment with community programming will be eligible for this point item. The community-supported development plan, request for proposal, or other public and documented community outreach must have been initiated within 24 months prior to the funding round deadline. Examples of eligible community supported developments include HUD Choice Neighborhood areas, sites that the local unit of government has released a request for proposal, and others. If you have any questions, please contact MSHDA prior to the funding round deadline.</p> <p>Mark an "x" in up to ONE box below, as appropriate.</p> <p><input type="checkbox"/> Place-based developer involvement Place-based developer is defined as an individual or entity that is headquartered and works primarily within the local municipality, unit of government, county, or economic region (such as an MSA). The placed-based developer must have at least a 25% ownership in the development. 5 points</p> <p><input type="checkbox"/> Community supported initiatives without place-based developer 3 points</p>	5	0

SCORING CRITERIA

B. Rural Opportunity Criteria	Possible Points	Self Score
<p>7. Job Growth Opportunities</p> <p>Developments located in proximity to new economic development projects funded with significant state resources targeted to attract economic development projects, business and new job growth, such as using the SOAR funds from the Michigan Economic Development Corporation. MSHDA will post a list of qualifying economic development projects prior to each funding round.</p> <p>A list of priority communities will be published prior to each round. This list will be based on MSHDA conversations with other state agencies.</p> <p>Mark an "x" in up to ONE box below, as appropriate.</p> <p><input type="checkbox"/> Project is located within 15 miles of the eligible site 4 points</p> <p><input type="checkbox"/> Project is located within 25 miles of the eligible site 2 points</p>	4	0

SCORING CRITERIA

C. Development Characteristics	Possible Points	Self Score
<p>1. Affordable Assisted Living</p> <p>Projects that are proposing an Affordable Assisted Living (AAL) structure will be eligible for points. AAL projects must have been reviewed and approved by the AAL steering committee prior to application submission as evidenced by submission of an approval letter with the project application. If an AAL project does not receive approval by the steering committee, it will not be prohibited from applying, but will not be eligible for these points. The AAL steering committee will be composed of various industry members that are experienced in this form of housing.</p> <p>AAL developments must submit a review packet approximately 45 days prior to the funding round due date for review by the AAL Steering Committee. Please see the timeline in the QAP for the specific deadline to submit the review packet. The review packet must contain a detailed concept letter describing the development team members, the location of the development, project specific information (units, sizes, rent levels, services, service providers, funding, etc.). Developments must also submit a copy of the most recent pro-forma for review by the AAL Steering Committee. Please see Tab I for more detail.</p>	<p>2</p>	

SCORING CRITERIA

C. Development Characteristics	Possible Points	Self Score
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2. Low-Income Targeting

25	#DIV/o!
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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 as evenly distributed as possible among bedroom types and buildings.

When assembling the low-income targeting portion of the application, applicants should be aware of the following:

- a. No points will be awarded for the use of MSHDA Project-Based Vouchers or vouchers that are administered by MSHDA.
- b. No more than 10% of a project’s total units may be targeted to units that are less than or equal to 20% AMI without PBRA.
- c. No more than 25% of a project’s total units may be targeted to units that are less than or equal to 30% AMI without PBRA.
- d. No more than 50% of a project’s total units may be targeted and counted toward total points without PBRA.
- e. PBRA does not include PSH-designated units that are anticipated to receive newly allocated Project Based Vouchers from MSHDA.
- f. 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.

Points will be awarded using the Unit Targeting Point Calculation Form (“Targeting Form”) attached as Exhibit 1 to this Scoring Criteria.

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.

SCORING CRITERIA

C. Development Characteristics	Possible Points	Self Score		
<p>3. Historic Rehabilitation Projects</p> <p>Projects that are using Federal Historic Rehabilitation Tax Credits ("HTC") and completing a certified rehabilitation that conforms with the Secretary of Interior's Standards for Rehabilitation of a certified historic property and is 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> <p>Applicants must demonstrate that they have submitted a copy of the Part 1 Historic Application to the State Historic Preservation Office (SHPO) prior to application submission in order to receive points in this area and a confirmation letter from SHPO that the project is listed on the National or State Historic Register and is in the process of listing the property. The applicant must also provide a certification that the rehabilitation will conform with the Secretary of Interior's Standards for Rehabilitation of a certified historic property. The project must also include the HTC in the financing stack in the project application and have an equity letter that calls out the HTC.</p> <p>PLEASE NOTE: The score for projects with multiple scattered sites will be determined by a weighted average based on the percentage of the total number of units at the sites that qualify for the points compared to the total units in the project. No partial points will be awarded and points will be rounded down in the case that a project's weighted average score contains fractions of points.</p>	<table border="1"> <tr> <td align="center">1</td> <td></td> </tr> </table>	1		
1				

SCORING CRITERIA

C. Development Characteristics	Possible Points	Self Score
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4. Affordability Commitment

5	0
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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.

Compliance Period	15 Years
plus: IRS Required "Extended Use Period"	15 Years
plus: Additionally Committed Years	[] Years
equals: Total Affordability Commitment	30 Years

Projects using a TIF structure are not eligible for these points.

5. Tenant Ownership

2	
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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 points. To qualify for 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.

SCORING CRITERIA

C. Development Characteristics	Possible Points	Self Score
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6. On Site Tenant Services

2	0
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Projects that commit to providing additional services accessible to low-income residents within the community, in conjunction with the development, will be eligible for points. Eligible types of services are listed below. Points will only be awarded to those projects that can demonstrate that the services are being provided as a result of the affordable housing project being developed or rehabilitated and that are outside of the scope of typical management activities. Points will not be awarded to services already available to residents within the community. Coordination of these services does not count as a service.

Developments with specific supportive services being offered on-site will be awarded points for each of the services listed below in this area up to a **maximum of 2 points**. To qualify for these points, a narrative must be included in the Addendum I, along with an MOU or letter of intent from the partner agency(ies). Frequency of service must be specified in the MOU or letter of intent and must be timely and reasonable. The minimum frequency accepted will be based on the type of service, but will not be less than monthly. All services must be offered face-to-face (either individual or group, as appropriate) with an in-person provider or instructor. The documentation must be dated within 1 year.

Please note: Service providers that agree to offer the specific service(s) to the tenant in the tenant's unit will be eligible to count for these points. Further, this scoring item is intended to create more options for tenants and does not create a requirement that a tenant needs to receive the specific service(s) in their unit or at the development if they would prefer to receive the service(s) at a different location. With the exception of certain federal programs, tenants cannot be mandated to participate in any of the offered or available services, nor can non-participation itself be a factor in their lease or rental history. Tenants are not required to participate in the offered services or may choose to participate in these or similar services off-site.

SCORING CRITERIA		
C. Development Characteristics	Possible Points	Self Score
<p>a. If Undesignated population: Child Care or educational programming, youth programming, or other evidence-based youth development initiatives. OR If Project restricted to Elderly/Older Adult population: Older Adult Programming</p>	1 Point	<input type="text"/>
<p>b. Homeownership preparation classes</p>	1/2 Point	<input type="text"/>
<p>c. Financial literacy classes</p>	1/2 Point	<input type="text"/>
<p>PLEASE NOTE: No partial points will be awarded and points will be rounded down in the case that a project's weighted average score contains fractions of points.</p>		
<p>7. Energy Efficient Building Policy Transfer from MSHDA Energy Efficient Building Certificate Please see Energy Efficient Building Certification on MSHDA website.</p>	4	<input type="text"/>
<p>8. Evidence of Proper Zoning Evidence that the proposed site is already properly zoned for the intended use.</p>	3	<input type="text"/>
<p>9. Evidence of Site Plan Approval Evidence 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 local governing body indicating that the relevant board or commission of the local governing body 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>	3	<input type="text"/>

SCORING CRITERIA

C. Development Characteristics	Possible Points	Self Score
<p>10. Accessible Units</p> <p>Projects that commit to building and marketing a minimum of 10% of the total units to Accessible (Type A) dwelling units requirements will receive three points.</p> <p>The remaining units with first floor entry or accessible by an elevator must be Visitable (FHA Type C) dwelling units and/or meet the standards of the building code.</p> <p>These units must be marketed to the local Disability Network, Area Agency on Aging, local unit of government, and/or other local disability service provider. The development must keep records of the outreach attempts.</p>	3	

SCORING CRITERIA

C. Development Characteristics

Possible Points

Self Score

11. Accessible Community Space

2

Projects will receive points for providing accessible community space for use by tenants. The accessible community space is envisioned as one room or contiguous space that may be used for activities such as dining, crafts, exercise, medical clinic, socializing, birthday parties, holiday gatherings, study areas and/or other activities for individuals with children, or any other activity or use that may benefit tenants; and does not include common space such as hallways, offices, lobbies, bathrooms, laundry rooms, exterior areas etc. To receive points, the accessible community space must, at a minimum, be sized according to the ratio below and must be located within a reasonable proximity to the proposed project, if the space is provided in a separate building. If an accessible 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 accessible community space. Additionally, in the case of multiple phases, an easement agreement must be executed to allow the phases to have equal access to the accessible community space. A certification signed by the project Architect, Applicant, and Contractor must be submitted to demonstrate that the project will contain the minimum required amount of Accessible Community Space. A certification as well as an as-built drawing of the community space will also be required after construction completion to demonstrate that the requirements have been met.

Number of units that will have access to the community space*	Minimum 15 Square Feet Per Unit
	0

*Including market-rate units and all units in all phases, but excluding management units

Please Note: In the case of multiple scattered sites, if the accessible community space is not located within a reasonable proximity to all sites, the points under this section will be pro-rated based on the number of units that are located within a reasonable proximity to the accessible community space as compared to the total units in the project. No partial points will be awarded and points will be rounded down in the case that a project's weighted average score contains fractions of points.

SCORING CRITERIA

C. Development Characteristics	Possible Points	Self Score
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12. Tax Abatement

3	
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A project application that submits evidence of local support in the form of tax abatement may receive points. These points will also be available to existing projects for which tax abatement has previously been in place and the local governing body has agreed to provide tax abatement going forward. ***Additionally, MSHDA will consider awarding these points for alternative tax incentive structures such as Tax Increment Financing (or other structures) that meet the intent of reducing the property tax burden and have a duration at least as long as is otherwise required under this section. Applicants with these alternative forms of tax incentives are encouraged to contact MSHDA staff prior to the funding round to determine whether the tax incentive structure will qualify for these points.***

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:

- 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 local governing body stating that the project is eligible for tax abatement and the terms under which the tax abatement will be granted.

- For projects located in a jurisdiction where no area-wide ordinance exists: Submission of the appropriate project-specific tax abatement ordinance(s).

- For projects located on tribal trust land where a real estate tax exemption exists: Submission of the appropriate cooperation agreement to limit the property taxes charged.

SCORING CRITERIA

C. Development Characteristics	Possible Points	Self Score
<ul style="list-style-type: none"> - For projects with Housing Tax Increment Financing (TIF): Submission of the approved Brownfield TIF, along with the approved TIF Table, Potential Rent Loss and Potential Development Loss Calculations and a Total Housing Subsidy Calculation. All must have been approved prior to the funding round deadline by the local unit of government. All projects must follow MSHDA's Housing TIF Program Statement (specifically Addendum II). projects must demonstrate that the TIF will be in place for at least the minimum extended use period. Projects utilizing a TIF structure will not be eligible for Affordability Commitment points. <p><i>PLEASE NOTE: The score for projects with multiple scattered sites will be determined by a weighted average based on the percentage of the total number of units at the sites that qualify for the points compared to the total units in the project. No partial points will be awarded and points will be rounded down in the case that a project's weighted average score contains fractions of points.</i></p>		

SCORING CRITERIA

C. Development Characteristics	Possible Points	Self Score
<p>13. Public Housing Conversions</p> <p>Points will be awarded for projects that are utilizing a program that promotes the conversion and preservation of public housing units. The project must be on the site of the existing public housing conversion and/or at least 20% of the units in the project project being converted must be preserved as part of this project. Eligible programs include RAD conversions, Section 18, and others. Please contact MSHDA prior to the funding round to discuss alternative options.</p>	5	
<p>14. Project-Based Tenant Subsidies</p> <p>Projects will be eligible for two 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> <p>A project will be eligible for 1 point if a 3rd-party organization commits to establishing a reserve to fund rental subsidies for tenants at the development. These structures will be reviewed by MSHDA on a case-by-case basis, but generally the reserve should be sufficient to fund 15-years of rent payments for the vouchered units. The terms of the agreement (income of individuals and payment standards of the rental subsidies) does not need to mirror a traditional Project Based Voucher contract, but must demonstrate a significant impact to the residents in order to count for points. The reserve must be funded in full prior to the project placing in service to be eligible.</p> <p>To be eligible for two points, a development must have project-based tenant subsidies on at least the greater of 5 units or 15% of the total units in the development. The project-based tenant subsidies must be available to the project for, at a minimum, the length of the 15-year LIHTC compliance period and the letter evidencing the Project-Based Tenant Subsidies must state that the subsidies have been approved through whatever competitive process is required (if applicable). Owner established sinking funds will not be eligible to count for points in this section. Tribal housing assistance designated using tribal or federal funds will be eligible for these points.</p> <p>NOTE: Section 811 Rental Assistance will count for points as Project-Based Tenant Subsidies under this section. Please see the MSHDA website for more information pertaining to this opportunity.</p>	2	

SCORING CRITERIA

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

7	
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Previous successful participation of the General Partner/Member of the proposed development will be measured based on the criteria below. These points are not cumulative.

Successful LIHTC projects are defined as projects that have completed construction and received IRS Form 8609 in the last 20 years.

Non-LIHTC Affordable Housing Development Experience can include HOME, NSP, HUD 811, HUD 202, CDBG, FHLB, 1602 Funds, TCAP, 1937 Housing Act, ICDBG, NAHASDA, etc. These are given as examples of programs that would qualify. Applicants with questions about whether a program not listed above would qualify should contact MSHDA.

Non-LIHTC Economic Development Experience can include government programs designated for Economic Development projects. This can include CDBG, MEDC, and other funding sources. These are given as examples of programs that would qualify. Applicants with questions about whether a program not listed above would qualify should contact MSHDA.

Owners who have never completed a LIHTC development will be required to demonstrate that they have assembled a development team (attorney, CPA, architect, LIHTC consultant, builder, management company, etc.) where each member has successful prior experience working on LIHTC developments.

Experience	Points
Tier 1	
Non-LIHTC Affordable Housing Development Experience	2
Non-LIHTC Economic Development using Government Funding	2
Tier 2	
1-2 LIHTC Projects	3
3-4 LIHTC Projects	5
5+ LIHTC Projects	7

SCORING CRITERIA

D. Development Team Characteristics

**Possible
Points**

Self Score

Certification of Successful Operations and Compliance

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.

Previous Experience of GP/Member (continued)

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 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”). Positive operating cash flow is the net cash flow after required debt service and reserve contributions. 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 or where the GP/Member has been advancing funds to keep the project operating financially and physically maintained can submit additional explanation for consideration in awarding points for those projects. 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 order to receive points under this criteria, the Applicant must complete and execute the General Partner/Member Experience Certification found in Addendum I.

Projects that meet the definition of Native American Housing can gain seven experience points by demonstrating that the rest of the full development team (management company, service provider, general contractor, consultant, attorney, architect, accountant, and other development partners) have experience on LIHTC projects. Each team member's experience should include a minimum of 5 projects over the last 10 years.

SCORING CRITERIA

D. Development Team Characteristics

**Possible
Points**

Self Score

Partnerships Between Owners

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:

- 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.
- 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 determined below (the individual experience of two or more co-GP/Managing Members will not be added together to get the total points).
- d) A fully executed agreement between each of the entities must be provided, specifically calling out, at a minimum, the roles and responsibilities of each partner or entity during the development period as well as the operational period of the project, the length of time each partner/member will remain a part of the ownership entity, the amount of developer fee each will receive and which partners will be providing the guarantees for the equity investment and construction financing. Additionally, the agreement should specifically include language that allows MSHDA the right to approve any changes to the ownership entity of the project.

Projects that submit joint venture or partnership agreements lacking any of the above will not be eligible for points.

SCORING CRITERIA

D. Development Team Characteristics	Possible Points	Self Score
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2. Previous Experience of Management Agent

4	
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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.

In the case of projects where there will be multiple Management Agents, applicants should note the following requirements (in addition to the above criteria):

- a) It is intended that any Management Agent receiving points (or another Management Agent with equivalent capacity and experience) will remain a part of the property management team for the 15-year Compliance Period, at a minimum. If, at any time, the Management Agent receiving points ceases to be the Management Agent at the property, MSHDA reserves the right to approve any replacement Management Agent.
- b) Points will be awarded based on the Management Agent with the greatest amount of experience as determined below (the individual experience of two or more Management Agents will not be added together to get the total points).
- c) A fully executed agreement between each of the entities must be provided with the application, specifically calling out, at a minimum, the roles and responsibilities of each Management Agent, the length of time each Management Agent will remain as Management Agents for the property, as well as the amount of management fee each will receive. Additionally, the agreement should specifically include language that allows MSHDA the right to approve any replacement management agent.

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	≥ 12 units, ≥ 3 years	1 Points
5-8 Projects	≥ 12 units, ≥ 3 years	2 Points
9-11 Projects	≥ 12 units, ≥ 3 years	3 Points
12+ Projects	≥ 12 units, ≥ 3 years	4 Points

SCORING CRITERIA

D. Development Team Characteristics	Possible Points	Self Score
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3. Rental Development's Temporary Point Reduction

-5	
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MSHDA, in its sole discretion, 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. Applicants will first be given opportunities to remedy their issues and/or notice in advance of negative points being assessed. MSHDA should continue to foster a cooperative, solutions-oriented environment where developers feel supported in addressing challenges proactively—especially when those challenges stem from external circumstances. When assessed, these negative points may apply to all projects submitted for a period of two funding rounds.

Some examples that could result in this reduction of points include, but are not limited to the following:

- 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.
- b. Poor response or slow response in providing follow-up documentation or clarification requests made by MSHDA staff.
- c. Failure to meet one or multiple deadlines on previous developments.
- d. Failure to submit progress reports by the required deadline.
- e. Temporary negative points related to an additional credit award or other programmatic requirement.
- f. Repeated and extraordinary requests for additional resources or subsequent credit exchanges on one or subsequent projects. This is not intended to be issued to developers experiencing issues that can be documented as outside of their control.
- g. Repeated and extraordinary material changes to project costs and/or credit efficiency points on more than one project. This is not intended to be issued to developers experiencing normal or typical market fluctuations.

If these points are assessed, points for successful previous experience in Section C.1 may not be awarded. This will be assessed on a case-by-case basis.

SCORING CRITERIA

D. Development Team Characteristics	Possible Points	Self Score
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4. Asset Management's Noncompliance

-20	
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As per MSHDA's Noncompliance Letters Policy, property owners and/or management agencies that are noncompliant with one or more rules, rulings, policies, procedures, regulations or other official statements or obligations will be subject to penalties. Those penalties may include negative points. If a related entity is subject to a noncompliance letter and negative points, any projects submitted with that member of the development team will receive negative points. Negative points will be assessed as of the funding round deadline.

If these points are assessed, points for successful previous experience in Section C.1 may not be awarded. This will be assessed on a case-by-case basis.

5. Poor Previous Participation of Applicant

-20	
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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 MSHDA 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, removal under the limited partnership agreement or operating agreement for a housing development, current outstanding HUD 2530 violations, or serious and repeated violation of program requirements as determined by MSHDA.

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.*

SCORING CRITERIA

D. Development Team Characteristics	Possible Points	Self Score
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6. Poor Previous Participation of Management Agent

-20	
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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 MSHDA.

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

E. Permanent Supportive Housing Developments	Possible Points	Self Score
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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 E. of the LIHTC scoring criteria when awarding credit from the undesignated category.

1. Supportive Service Coordination

6	0
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To receive points, projects must provide on-site services as follows:

- a. Caseworker staffing at a minimum of 1:20 **2 Points**
- b. Caseworker staffing at a minimum of 1:15 **4 Points**
- c. Caseworker staffing at a minimum of 1:12 **6 Points**

Number of clients is calculated as 1 client per PSH unit.

Example: In a development with 35 1-bedroom PSH units, the number of clients would 35 clients. In order to receive the 4 points for Option B, the development must have at least (35 clients / 15 clients per caseworker) or 2.333, which would be rounded up to 3 caseworkers.

In Addendum III, applicants must describe how the project will meet the supportive service needs of the targeted tenants. Include the minimum caseworker:client ratio that will be met in the MOU 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

E. Permanent Supportive Housing Developments	Possible Points	Self Score
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2. Service Funding Commitments

6	0
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Projects employing other non-LIHTC or project cash flow sources of funding, such as private/foundation funding or GP capital contributions made from developer fee, which are targeted for services will receive additional points based the amounts of funding listed below. Firm commitment letters must be provided to receive points and must indicate the funding is to be used for services at the development. Funding must be made available to project within the first two years of service. In-kind commitments do not meet the requirements for points.

- a. Minimum of \$4,000/PSH unit targeted for supportive services **2 Points**
Example: 20 PSH units x \$4,000 each = \$80,000.
- b. Minimum of \$6,000/PSH unit targeted for supportive services **4 Points**
Example: 20 PSH units x \$6,000 each = \$120,000.
- c. Minimum of \$8,000/PSH unit targeted for supportive services **6 Points**
Example: 20 PSH units x \$8,000 each = \$160,000.

SCORING CRITERIA

E. Permanent Supportive Housing Developments	Possible Points	Self Score
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3. Targeted Supportive Housing Populations

12	0
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Projects that have demonstrated in their Supportive Service Plan to serve the most vulnerable supportive housing populations as outlined below will receive points under either OPTION 1 or OPTION 2 below.

OPTION 1

a. Developments that dedicate a minimum of 25% of the total populations to serve the following populations with their PSH units: **4 Points**

- i. Households who meet the Category 1 Homeless definition and have a disability as defined by HUD Continuum of Care Program or Veterans with a disability rating

AND/OR

- ii. Households who meet the Category 4 Homeless definition and have a disability as defined by HUD Continuum of Care Program or Veterans with a disability rating.

OPTION 2

a. Developments that dedicate a minimum of 25% of the total project units to serving the most vulnerable populations and with a demonstrated need can receive 8 points. Most vulnerable populations are defined as: **8 Points**

- i. Households that meet the Chronically Homeless definition (length and disability)

AND/OR

- ii. Households referred from the Data Match list (based on set criteria as determined by the State or an equivalent local effort approved by the State)

AND/OR

- iii. Top 10% of the local Continuum of Care's prioritized list scoring households based on the Service Prioritization Decision Assistance Tool (SPDAT) or other local assessment tool.

b. Developments that dedicate at least 50% of the total project units to the most vulnerable populations, as defined in OPTION 2 above, can receive additional points. **4 Points**

SCORING CRITERIA

E. Permanent Supportive Housing Developments	Possible Points	Self Score
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If units will be targeted toward these populations for points, the targeted population must be included in the tenant selection plan and evidenced in the CoC letter of support. There must be a commitment from a service agency for this specific population. In addition, the screening tools and prioritization for the referrals must be clearly outlined in the tenant selection plan and CoC letter of support. A preferenced waiting list will be established and these units must be occupied by tenants that meet the established criteria.

PLEASE NOTE: *It is intended that Recovery Housing developments will be able to qualify under this criteria through implementing a Data Match that would identify individuals that are participants of a local drug treatment court with a substance use disorder and are experiencing homelessness under HUD Category 1 or HUD Category 4.*

4. Developing in a High Need Area

5	0
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Projects will be awarded points under one of the items below based on the number of homeless persons in the county in which the project(s) will be located. Please provide the county's most recent annual literally homeless (category 1) count.

- a. 500 - 1249 literally homeless people in the county **1 Point**
- b. 1250 - 1999 literally homeless people in the county **2 Points**
- c. 2000 - 3500 literally homeless people in the county **3 Points**
- d. 3500+ literally homeless people in the county **4 Points**

- One additional point available if the percentage of literally homeless people in the county is greater than 5% of the county's general population. **1 Point**

SCORING CRITERIA

E. Permanent Supportive Housing Developments	Possible Points	Self Score
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5. Experienced Supportive Housing Development Team

9	0
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Points will be awarded to a development team that has experience with supportive housing for the target population selected. 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. Senior developments do not count towards experience.

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

In Addendum III Supportive Housing Development Team Experience form, please list the name of the development(s) and the total number of supportive housing units and their target populations or attach a separate sheet with this information.

6. On Site PSH Services

3	0
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Projects that commit to providing additional services accessible to all within the community, in conjunction with the development, will be eligible for points. Eligible types of services are listed below. Points will only be awarded to those projects that can demonstrate that the services are being provided as a result of the affordable housing project being developed or rehabilitated and that are outside of the scope of typical management activities. Coordination of these services does not count as a service.

SCORING CRITERIA

E. Permanent Supportive Housing Developments

Possible Points

Self Score

Developments with specific supportive services being offered on-site will be awarded points for each of the services listed below in this area up to a **maximum of 3 points**. To qualify for these points, a narrative must be included in the **Addendum III**, along with an MOU or letter of intent from the partner agency(ies). Frequency of service must be specified in the MOU or letter of intent and must be timely and reasonable. The minimum frequency accepted will be based on the type of service, but will not be less than monthly. All services must be offered face-to-face (either individual or group, as appropriate) with an in-person provider or instructor. The documentation must be dated within 1 year.

Please note: Service providers that agree to offer the specific service(s) to the tenant in the tenant's unit will be eligible to count for these points. Further, this scoring item is intended to create more options for tenants and does not create a requirement that a tenant needs to receive the specific service(s) in their unit or at the development if they would prefer to receive the service(s) at a different location. With the exception of certain federal programs, tenants cannot be mandated to participate in any of the offered or available services, nor can non-participation itself be a factor in their lease or rental history. Tenants are not required to participate in the offered services or may choose to participate in these or similar services off-site.

- a. Out-patient level substance use rehabilitation services **1 Point**
- b. Physical or behavioral health services offered by a local Federally Qualified Health Center, hospital system, or Indian Health Services department **1 Point**
- c. Behavioral health services provided by the local Community Mental Health provider, partner organization, or Indian Health Services department **1 Point**

CMHs can be found here:
<https://cmham.org/membership/cmhsp-directory/>

PLEASE NOTE: No partial points will be awarded and points will be rounded down in the case that a project's weighted average score contains fractions of points.

SCORING CRITERIA

E. Permanent Supportive Housing Developments	Possible Points	Self Score
<p>7. Medicaid Experience</p> <p>Developments will receive points if a member of the service team currently bills Medicaid or contracts with a Medicaid billing agency to provide services in a Permanent Supportive Housing, Behavioral Health, or Substance Use Disorder setting. This experience should be highlighted in the Addendum III Application form.</p> <p>Entity: _____</p>	2	
<p>8. Medicaid Billing</p> <p>Developments will receive points if the lead agency commits to billing Medicaid or contracting with a Medicaid billing agency to provide services in a Permanent Supportive Housing, Behavioral Health, or Substance Use Disorder setting. This commitment should be highlighted in the Addendum III Application form.</p>	2	
<p>9. Coordinated Entry System</p> <p>Developments will receive 4 points if their only referral source for all PSH units is through the local Continuum of Care's Coordinated Entry process. This must be documented in the MOU. 4 Points</p> <p>Developments will receive 2 points if their only referral source for the units designated to and serving HUD Category 1, 4 and chronically homeless populations is through the local Continuum of Care's Coordinated Entry process. This must be documented in the MOU. 2 Points</p> <p>If the targeted populations include the Data Match list population, it must be identified in the CoC's Coordinated Entry policies and prioritization process.</p>	4	0

SCORING CRITERIA		
E. Permanent Supportive Housing Developments	Possible Points	Self Score
<p>10. Recovery Housing Developments</p> <p>Projects that are proposing to create Recovery Housing will be eligible for points. Recovery Housing projects must have been reviewed and approved by the Recovery Housing steering committee that will be composed of representatives from the Michigan Association of Treatment Court Professionals prior to application submission as evidenced by submission of an approval letter with the project application. If a Recovery Housing project does not receive approval by the Recovery Housing steering committee, it will not be eligible for these points.</p>	4	

SCORING CRITERIA

F.	Cost Reasonableness with Credit Efficiency - (Mandatory for All Projects)	Possible Points	Self Score
	1. Cost Reasonableness with Credit Efficiency	5	0
	<p>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 that has been inflated to account for yearly cost increases. Within each building-type, projects will be scored as follows:</p> <ul style="list-style-type: none"> • 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 cost average for each project-type. • Projects whose credit per unit is below the “safe harbor” will receive up to five additional points. • Projects whose credit per unit is above the “safe harbor” will receive up to five negative points. • The data used to determine the safe harbors and point factors for projects in this point section will be subject to updates as new data and inflation factors become available to bring the cost data current. • 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 8 points. Projects must also describe in the project narrative and/or show the calculation of how the applicable credit amounts were calculated. • Projects that are have received MSHDA approval to move forward as a 4%/9% Mixed Transaction will be eligible to include the total LIHTC units that are being created/rehabbed between the 9% portion and the 4% portion of the transaction. These developments should also include only the amount of LIHTC that is being requested as part of the competitive funding round under Total Credit below. <p>To determine the number of points a project qualifies for, applicants can use the information below. Please fill in the yellow boxes.</p>		

Is this a Native American housing project?

Total New Construction LIHTC Units:

# of Bedrooms	# of 9% units	# of 4% units	Factor	Effective Unit Count
0 Bedroom			0.90	0
1 Bedroom			1.00	0
2 Bedroom			1.15	0
3+ Bedroom			1.25	0
TOTAL	0	0		0

Total Preservation/Existing Development LIHTC Units:

# of Bedrooms	# of 9% units	# of 4% units	Factor	Effective Unit Count
0 Bedroom			0.90	0
1 Bedroom			1.00	0
2 Bedroom			1.15	0
3+ Bedroom			1.25	0
TOTAL	0	0		0

Total Vacant Uninhabitable Rehab or Adaptive/Reuse LIHTC Units:

# of Bedrooms	# of 9% units	# of 4% units	Factor	Effective Unit Count
0 Bedroom			0.90	0
1 Bedroom			1.00	0
2 Bedroom			1.15	0
3+ Bedroom			1.25	0
TOTAL	0	0		0

Total Credit:

Total New Construction Credit:	<input type="text"/>
Total Preservation/Existing Development Credit:	<input type="text"/>
Total Vacant Uninhabitable Rehab or Adaptive/Reuse Credit:	<input type="text"/>
Total Credit:	<input type="text" value="-"/>

Total Credit per Effective LIHTC Unit:

New Construction:	<input type="text"/>	Safe Harbor Min	Safe Harbor Max
Preservation/Existing Development:	<input type="text"/>	Please tribal	make selection
Vacant Uninhabitable Rehab or Adaptive/Reuse:	<input type="text"/>	above	!
Total Points	<input type="text"/>	0	

MAXIMUM TOTAL DEVELOPMENT COST PER UNIT EVALUATION:

Fill in all boxes highlighted in Yellow above and below

Total Development Cost	<input type="text"/>
Total Number of 9% LIHTC Units	-
Total Number of Market Rate Units in 9% Phase	<input type="text"/>
Project Within TDC/Unit Limit?	#DIV/o!

2026-2027 Scoring Criteria Quick Reference Sheet			
Project Name			
		Possible Points	Self Score
A. Urban Opportunity Criteria			
1.	Proximity to Transportation	4	N/A
2.	Proximity to Amenities	25	N/A
3.	Community Revitalization Plan Area	1	N/A
4.	Household Overburdened Area	3	N/A
5.	Communities without Recent Awards	2	N/A
6.	Community Supported Initiatives	5	N/A
7.	Job Growth Opportunities	4	N/A
Section Total:		44	0
B. Rural Opportunity Criteria			
1.	Proximity to Transportation	4	N/A
2.	Proximity to Amenities	25	N/A
3.	Community Revitalization Plan Area	1	N/A
4.	Household Overburdened Area	3	N/A
5.	Communities without Recent Awards	2	N/A
6.	Community Supported Initiatives	5	N/A
7.	Job Growth Opportunities	4	N/A
Section Total:		44	0
C. Development Characteristics			
1.	Affordable Assisted Living	2	0
2.	Low Income Targeting	25	0
3.	Historic Rehabilitation Projects	1	0
4.	Affordability Commitment	5	0
5.	Tenant Ownership	2	0
6.	On Site Tenant Services	2	0
7.	Energy Efficient Building Policy	4	0
8.	Evidence of Proper Zoning	3	0
9.	Evidence of Site Plan Approval	3	0
10.	Accessible Units	3	0
11.	Accessible Community Space	2	0
12.	Tax Abatement	3	0
13.	Public Housing Conversions	5	0
14.	Project-Based Tenant Subsidies	2	0
Section Total:		62	0
D. Development Team Characteristics			
1.	Previous Experience of GP/Member	7	0
2.	Previous Experience of Management Agent	4	0
3.	Rental Development's Temporary Point Reduction	-5	0
4.	Asset Management's Noncompliance Letters Policy	-20	0
5.	Poor Previous Participation of Applicant	-20	0
6.	Poor Previous Participation of Management Agent	-20	0
Section Total:		11	0
E. Permanent Supportive Housing Developments			
1.	Supportive Service Coordination	6	N/A
2.	Service Funding Commitments	6	N/A
3.	Targeted Supportive Housing Populations	12	N/A
4.	Developing in a High Need Area	5	N/A
5.	Experienced Supportive Housing Development Team	9	N/A
6.	On Site PSH Services	3	N/A
7.	Medicaid Experience	2	N/A
8.	Medicaid Billing	2	N/A
9.	Coordinated Entry System	4	N/A
10.	Recovery Housing Developments	4	N/A
Section Total:		53	0
F. Cost Reasonableness with Credit Efficiency			
1.	Cost Reasonableness with Credit Efficiency	5	0
Section Total:		5	0
GRAND TOTAL:			0

Ex. 1 UNIT TARGETING POINT CALCULATION FORM

Please only enter data in the highlighted cells.

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:	
Will the Market Rate Units be owned by a separate legal entity?	
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

Please note: Units with rental assistance will not be allowed to be included in the targeting below.

MAX POINTS =		25
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 or below:		#DIV/o!
Total Percentage of Units Allowed at 20% AMI:		#DIV/o!

	# Units	% Units	x Factor	Points
20% AMI		#DIV/o!	100	Exceeds Limits
30% AMI		#DIV/o!	70	Exceeds Limits
40% AMI		#DIV/o!	30	Exceeds Limits
Total targeted units:		#DIV/o!	Total Points: Error	

Error

Total Low Income Targeting Points:

#DIV/o!