

**2008 & 2009 Qualified Allocation Plan (QAP)  
Low Income Housing Tax Credits (LIHTC)  
Illinois Housing Development Authority (IHDA)**

**Summary of Proposed Revisions to the 2006 & 2007  
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The new QAP will govern two LIHTC calendar years, and be in effect for the years 2008 & 2009. IHDA will reserve the right to make supplemental changes to the 2009 QAP, subject public notice requirements.

**I. Table of Contents**

- a. Supplements (p. 3): - Add “These documents are available on IHDA website ([www.ihda.org](http://www.ihda.org)) and will be included in the QAP Application Packet.”
  - 1. Maximum Income Limit Schedule
  - 2. Maximum Monthly Rent Schedule
  - 3. Maximum HOME Rents
  - 4. Metropolitan and Non-Metropolitan Community Listing
  - 5. Green Housing Initiatives Program

**II. Definitions**

- a. Definition of Lead Referral Agency (p.8): - Add “an agency that coordinates a range of local disability and homeless services agencies to develop a collective process for referring and making their services available to qualified tenants. A Lead Referral Agency acts as the point of contact with property management over the life of a project, and represents the local services system in dealings with property management. A Lead Referral Agency coordinates with a household’s original referral source to 1) assist the applicant(s) during the application process, including requesting and negotiating reasonable accommodations, if necessary, and 2) make supportive services available to the applicant(s) and/or act as referral agent for other community services as needed.”
- b. Definition of Metropolitan Communities (p. 8): Communities within the Chicago Metropolitan Area which indicates the counties of Cook, Lake, DuPage, Will and McHenry counties and any city outside these counties with a population as per the 2000 U.S. Decennial Census greater than 50,000.

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- c. Definition of Non-Metropolitan Communities (p.9): Communities that do not meet the definition of Metropolitan Communities.
- d. Definition of Special Needs (p.10): Replace with definition of “Supportive Housing Populations.”
- e. Definition of Supportive Housing Populations (p. 10): Individuals and families who are homeless, at risk of homelessness, and/or have disabilities, and who require access to supportive services in order to maintain housing.
- f. Definition of Supportive Housing (p.11): Add “housing that helps people live stable, successful lives through a combination of affordable, permanent housing and supportive services, appropriate to the needs and preferences of residents, either onsite or closely integrated with the housing. Supportive housing serves individuals and families who are homeless, at risk of homelessness, and/or have disabilities, and who require access to supportive services in order to maintain housing.”  
  
“For Purposes of this Set-Aside Supportive Living Facility’s are not included.”
- g. Definition of Supportive Living (p.11): Will be renamed “Supportive Living Facilities.”

**III. Receipt of Application**

- a. Deadlines (p.14): LIHTC application deadlines – 2 year QAP  
2008 - Monday, December 3, 2007, and Monday, April 7, 2008.  
2009 - Monday, December 1, 2008, and Monday, April 6, 2009  
\*\* These dates may change but there will still be two rounds per allocation year.
- b. Increase Requests (p.17-18): Any funded increase of IHDA’s Subsidy Resources that are granted on a previous application within 24 months of a current application submission may result in point reduction for “Scoring Category” of Development Team Record. This reduction will be based on IHDA’s review of the cause for the funded increase.

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- c. Applications for Projects Financed Primarily with Tax-Exempt Bonds (pgs. 11-12): Add language “The Authority will also take into consideration the results of the site and market study and PNA in determining whether to offer IHDA credit enhancement. Projects seeking bond financing or issuance from the Authority should contact the Authority in advance regarding the availability of bond cap for the Project. All other Projects financed with tax-exempt bonds must submit evidence of the availability of bond volume cap, including letter(s) from an authorized signatory of the Project’s proposed bond issuer. A copy of the appropriate local government entity(ies) binding resolution(s) committing or ceding the bonds may also be requested.”

**IV. Mandatory Application Requirements**

- a. Ownership Documentation (p.21): Documentation of Limited Partnership (LP) or Limited Liability Company (LLC) (“Owner”) as a duly formed, validly existing entity must be submitted with application.
- b. Evidence of Application for Financing (pg 23): For projects intended for eventual tenant ownership consideration is contingent on applicants providing the Authority with a feasible Tenant Homeownership Plan that meets requirements set out in Attachment 10 to the QAP. This attachment will set out minimum requirements for such a plan.
- c. Minimize Displacement (p.24): Add language reflecting that any project must submit a “relocation plan” and also if any project applying for, or in receipt of, federal funds must submit a “relocation plan” in compliance with the Uniform Relocation Act.
- d. Projects Involving Rehabilitation (p. 24): PNA – add “Note: The architect that prepares the Physical Needs Assessment cannot be the architect of record.”

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**V. Competitive Review**

- a. Set-Asides (General) (p. 27): - Reorder Set-Asides as follows: (i) Public Housing Authorities (Large); (ii) Public Housing Authorities (Small); (iii) Independent Elderly & Supportive Living Facilities; (iv) Non-Profit; (v) Small Project; (vi) Preservation; (vii) Supportive Housing Populations.
- b. Elderly Set-Aside (p.32): Will be renamed “Independent Elderly & Supportive Living Facilities Set-Aside.”

Add \$500,000 to Elderly Set-Aside for a total of \$3,500,000.

- c. Non-Profit Set-Aside (p.28): Require submission of IRS form 990 for each of the previous three calendar years with their application /or equivalent documentation to provide financial, previous experience, and participant or organizational qualifications.
- d. Small Project Set-Aside (p. 31): – Add \$250,000 for a total of \$1,500,000.
- e. Supportive Housing Populations Set-Aside (p.32): replaces “Special Needs Set-aside.” Add: “Supportive Housing Populations Set-Aside. The Authority will reserve up to \$2,000,000 for Projects serving Supportive Housing Populations. The Project must reserve at least 50% of the total units affordable to and occupied by Supportive Housing Populations. The percentage must be stated in the Application. The Project must also comply with applicable federal and state law, including but not limited to the federal Fair Housing Act and the Illinois Environmental Barriers Act (410 ILCS 25/1 et seq.). Projects funded under the Supportive Housing Set-Aside must submit a Supportive Housing Plan with the application, which shall include provision by a local human services agency of at least one (1) on-site support coordinator (hours should be proportional to number of Supportive Housing units in the Project) to assist residents in the application process, in implementing

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the tenants' plan for success in permanent housing, and in continuing linkage to supportive services as needed. **Further requirements of Projects receiving funds under the Supportive Housing Set-Aside, including components of the Supportive Housing Plan, are found in Attachment 11.** Applicants are encouraged to contact Tara Peele at [tpeele@ihda.org](mailto:tpeele@ihda.org) prior to the development of the required Supportive Housing Plan.

Note: Supportive Living Facilities will not be considered in this set-aside but may apply in other set-asides if otherwise eligible.

**VI. Scoring Categories**

- a. Homeownership/Longer Extended Use Period (pg 35): Alternatively, one (1) point will be awarded to Projects intended for eventual tenant ownership consideration is contingent on applicants providing the Authority with a feasible Tenant Homeownership Plan that meets requirements set out in Attachment 10 to the QAP. This attachment will set out minimum requirements for such plan
  
- b. Lowest Income Tenants/Lowest Rents: New point structure. Add language, Projects that receive five points (5pts) for income/rent targeting under this scoring category will receive an additional 2 points if the project also receives 2 or more points in the Financial Leveraging category.

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\*NOTE - Points are not cumulative

10% or more of the Units Occupied by Households with Incomes At or below:	Points
50%	4
40%	4
30%	5

- c. Mixed Populations (p. 36): (Maximum 4 points) This category will provide points to support both mixed income and mixed need projects. Up to four (4) points will be awarded for mixed income projects containing market rate units, as set forth below. Market rate units are those rental units that are part of the Project but that will not be reserved for Low Income Tenants: units for which Tax Credits will not be claimed. The rents for market rate units **must exceed** the highest Tax Credit rent for comparably sized units in the Project by at least 5%. The Application must state the number of market rate units.

Deleted: Special Needs Points (5pts)

- d. Supportive Housing Populations (p. 37): (Maximum 2 points) The housing and services needs of persons with disabilities and homeless/at-risk households are diverse, and the Authority supports the creation of a range of housing options with supports available, whether on-site or community-based. Mixed Populations points are available to Projects in **one of the following two categories**:

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**I. Targeting a Minimum of 10% of Units to Supportive Housing Populations (3 points)**

To further the creation of community-based housing, Projects that target a **minimum of 10%** of the units for Extremely Low Income (less than 30% AMI) Supportive Housing Populations, excluding Supportive Living Facilities, will receive **3** points under this category. With Application, the owner must demonstrate a partnership with a Lead Referral Agency and submit a **Referral and Support Plan** (using template provided) for review by the Authority. Applicants are encouraged to contact Tara Peele at [tpeelee@ihda.org](mailto:tpeelee@ihda.org) prior to the development of the required **Referral and Support Plan** for assistance in identifying a Lead Referral Agency. For further details please refer to Attachment 12, Referral and Support Plan for Mixed Population Properties.

The Lead Referral Agency will coordinate a range of local disability and homeless services agencies in the referral process. The Lead Referral Agency will submit a standard letter of referral to property management, which will then process the referred household's application for tenancy using the same screening criteria that is applied to all other tenants in the Project. Units targeted to Supportive Housing Populations under this category are to be open to any referrals from the Lead Referral Agency, which will include households headed by persons with a range of disabilities as well as households that are homeless or at-risk of homelessness. property management will use the Lead Referral Agency

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as their main point of contact to ensure that supports are available to tenants in the targeted units.

**II. Targeting 50% or More Units to Supportive Housing Populations (1 point)**

Projects that target **50% or more** of the units for Supportive Housing Populations, including Supportive Living Facilities, will receive **1** point under this category. Elderly and SLF projects seeking points under this category must adhere to requirements described under the Elderly Set-Aside. All other Projects seeking points under this category must adhere to requirements described under the Supportive Housing Set-Aside, including submission of a **Supportive Housing Plan** with Application.

e. Enhanced Accessibility for Persons with Mobility Impairments

Two (2) points will be awarded to Projects that exceed minimum accessibility requirements of federal Section 504 (Section 504 of the Rehabilitation Act of 1973 as amended) **for mobility impaired units** as follows:

- (i) Projects subject to federal Section 504 accessibility standards will receive two (2) points if at least 10% of the total units in the project are designed for persons with mobility disabilities as defined in the Section 504 regulations.
- (ii) Projects NOT subject to federal Section 504 accessibility standards will receive two (2) points if at least 5% of the total units in the project are designed for persons with mobility disabilities as defined in the Section 504 regulations.

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(iii) Rehabilitation Projects subject to the accessibility standards of 24 CFR 8.22 will receive two (2) points if at least 10% of the total units in the project are designed for persons with mobility disabilities as defined in federal Section 504 regulations.

Projects receiving points under this category must notify the appropriate statewide accessibility group at the time of application that accessible housing is being proposed and document efforts to market availability of accessible units through communication with one or more of the following:

- their Lead Referral Agency (if they are partnering to target units to Supportive Housing Populations),
- their local Center for Independent Living ([www.incil.org/locations.asp](http://www.incil.org/locations.asp)) and/or
- other local agencies with services targeted to persons with mobility impairments.

e. Financial Leveraging (p.39): Input scoring methodology

Non-Metropolitan

10% leverage and over	4 points
5% - 9.99%	3 points
< 4.99%	2 points

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Metropolitan

20% leveraged and over	4 points
15% - 19.99%	3 points
10% - 14.99%	2 points
< 9.99%	1 points

Note: Please refer to Supplement Document 4

- f. Development Team Record (p. 42): Add “Previous participation” must be included for all team members, forms attached to the common application. Add explicit reasons for point reduction:
- a. Unsatisfactory Experience (i.e., failure to correct 8823 form)
  - b. Delinquent IHDA loan payments
  - c. Poor occupancy and management due to extensive deferred maintenance or other factors.
  - d. Unsatisfactory compliance reporting.
  - e. Failure to provide a previous experience form for each team member.
  - f. Returned and/or unused tax credits within 24 months.
  - g. Any tax credit increase request within the 24 months prior to application.
- g. Community Support (page 45): change to tiered point structure. Three (3) points for Mayor or chief elected official; two (2) points for Alderman, Trustee, or similarly local elected official; one (1) point for an unaffiliated letter of support. Points are not cumulative, i.e. a project will not receive 3 points for a letter of support from a Mayor and an additional point for an unaffiliated letter of support.

Note: Points are not cumulative in this category.

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- h. Project Design/Amenities (p.46): Add “1-3 points- projects with significant Green Development Components will earn one to three points. For details see Attachment 11”

150 green points = 1 pt

200 green points = 2 pts

250 green points = 3 pts

Note: For Point Detail see Supplemental Document 5

**VII. Mandatory Project Standards**

- a. Operating Expenses (p.53) – Annual operating expenses based upon type and location of project will be as follows:

Non-Metropolitan  
\$3,000 – \$5,000

Metropolitan  
\$4,000 - \$6,000

Note: Written justification for any deviation from the suggested range must be included with the Application, including justification for enhanced residential services for Supportive Housing Populations. The Authority will review and determine suitability for each deviation on a case-by-case basis.

**VIII. Attachments (p.71)**

- a. New approved Market Study format.
- b. New updated Physical Needs Assessment Guide (p. 99).
- c. Review Qualified Census Tracts - update.
- d. New 2007 Income Limits.