



REQUEST FOR APPLICATIONS

Permanent Supportive Housing (PSH) Development Program Round XI

Deadline:
5:00 P.M. on February 13, 2025

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Permanent Supportive Housing Development Program

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Section 1: Authority Policy Priorities

The Illinois Housing Development Authority (“IHDA” or “the Authority”) identifies policy priorities through a variety of both proactive planning and legislatively mandated processes. Policy priorities are tools that are utilized to inform and guide the Authority’s funding mechanisms, and provide a framework for tracking and understanding the impact of Authority resources across the state. Many of the Authority’s policy priorities directly support the Permanent Supportive Housing Development Program and construction of Permanent Supportive Housing (“PSH”) units. Current priorities and their correlated plans include:

A. Annual Comprehensive Housing Plan Priority Populations

Executive Order 2003-18 and the Comprehensive Housing Planning Act (P.A. 94-965) established the statewide comprehensive housing initiative, identifying underserved “priority populations.” The Authority’s Permanent Supportive Housing Development Program explicitly funds the creation of housing units that directly support a minimum of three of the Annual Comprehensive Housing Plan’s (“ACHP”) eight priority populations:

- **Homeless persons and persons at-risk of homelessness**
- **Low-income persons with disabilities**
- **Other special needs populations, including people with criminal records and veterans experiencing, or at risk of, homelessness**

The ACHP published in January 2024 maintained four policy priorities which drove the prior year’s plan, and which currently serve as the influence that guide the activities of the Authority and other state agencies for upcoming year. Three of these four priorities directly address the need to support PSH units and activities:

- **Policy Priority #1:** Address Inequities in Housing
- **Policy Priority #2:** Advance Access for Priority Populations
- **Policy Priority #4:** Maximize Impact of New Resources and Programming by Building Partnerships and Leadership Capacity

B. Illinois Housing Blueprint

The Illinois Housing Blueprint is a statewide planning initiative that aims to create a vision for the future of equitable affordable housing in Illinois and lay out a plan for achieving it. The research and insights produced through the Illinois Housing Blueprint’s activities are meant to guide and inform the ACHP’s policy priorities with data-driven and actionable recommendations. One of the three priority areas identified by the inaugural 2021 Illinois Housing Blueprint directly addresses the need to support populations served under the Permanent Supportive Housing Development Program:

- **Priority #3:** Utilizing Affordable Housing Infrastructure to Promote Access
 - Prioritize Extremely Low-Income, Supportive Housing, and other Housing Need

Further research included in the 2022 Illinois Housing Blueprint identified extremely low-income housing units and Permanent Supportive Housing units as some of those with the highest need across every region in the state. Also included in the 2022 Illinois Housing Blueprint are the findings of a multi-agency and -organizational working group which provided tangible recommendations to address this priority¹.

C. Qualified Allocation Plan

The Qualified Allocation Plan (“QAP”) sets forth the criteria for evaluating all projects that apply for a tax credit allocation and establishes the rules under which the Authority offers affordable housing development funding in the form of federal Low Income Housing Tax Credits (“LIHTC”). Each QAP, approved on a two-year basis, outlines policy priorities which serve as guidance for its mandatory rules and scoring incentives, and encourage projects that can provide evidence of alignment with these priorities. The **2024-2025 QAP** took significant steps to prioritize the needs of and encourage development of housing for individuals in need of supportive housing. A second scoring track was introduced under the QAP to make developments that integrated Permanent Supportive Housing units

within their scope competitive for 9% Tax Credits. Additionally, this QAP identified and prioritized three distinct policy priorities, one of which directly prioritized populations served by the Permanent Supportive Housing Development Program:

- **Most Vulnerable Populations** – Through this policy priority, the QAP provides a mix of mandatory requirements as well as scoring incentives to developments that integrate Permanent Supportive Housing units within their scope.

D. Home Illinois

Home Illinois: Illinois' Plan to Prevent and End Homelessness sets the foundational vision to ending homelessness in the state. Through both established and new innovative strategies, Illinois residents, community agencies and state government will work together to prevent entries into shelter. This planning effort is a multi-agency approach led by the Illinois Office to Prevent and End Homelessness ("IOPEH") and the Illinois Interagency Task Force on Homelessness, on which the Authority's Executive Director sits.

To further align partners and support the goals and strategies outlined in the Home Illinois Plan, IOPEH and the Interagency Task Force engaged the U.S. Department of Housing and Urban Development ("HUD") technical assistance and worked with technical assistance provider Homebase to establish projections for reaching Functional Zero Homelessness in Illinois in November 2022. These projections included identifying local need within each Continuum of Care ("CoC") geography and across the State. This process identified a need for nearly 6,300 additional units of Permanent Supportive Housing and "Other Permanent Housing" throughout the State.

As a part of its participation on the Illinois Interagency Task Force on Homelessness, the Authority developed an internal guiding document that outlines tangible actions that the Authority can take to support the work and objectives of the Home Illinois plan. The five components outlined in the Authority's Home Illinois strategy all impact and support populations served under the Permanent Supportive Housing Development Program and other closely related programming. The plan component that is the most directly related to the Authority's Permanent Supportive Housing Development Program and its continued success and expansion is:

- **Component #5: Achieving Functional Zero for Illinois/Accelerating Development of PSH Units**

Under this component, the Authority has outlined a goal of increasing its annual production of PSH units by nearly 200% over the coming years, and provided recommended action items and strategies that support the attainment of this goal.

Section 2: Program Overview and Examples

A. RFA Overview and Allowable Project Types

The Authority has created the PSH Development Program to increase housing options for Illinoisans who either are in need of Permanent Supportive Housing or need reduced barriers to housing. Allowable Projects under this RFA must serve a target population as defined in **Section 2.H** and may request up to the lesser of \$7.5 million or 90% of their Project's total development cost¹. The Authority reserves the right to waive this limitation at its sole discretion.

The PSH Development Program is intended to provide a clear process primarily for smaller Projects serving Supportive Housing Populations. The PSH Development Program will offer flexibility to accommodate a range of development types, including acquisition, new construction, redevelopment of vacant or occupied units, or adaptive reuse of non-residential properties. The Authority will accept proposals for single site, integrated, and scattered site Projects in which at least 50% of the units are targeted to Supportive Housing Populations. See **Section 2.G** and **Section 2.H** for specific guidance.

i. Projects with Qualifying HOME-ARP Populations and Uses

Projects may request HOME-ARP funds under this RFA should their Project meet the requirements of **HUD Notice CPD 21-10**, as outlined in **Section 4** of this RFA.

ii. Alignment with the Illinois Affordable Housing Tax Credit

Applicants to the PSH Development Program under this RFA may also request the Illinois Affordable Housing Tax Credit ("IAHTC"). Sponsors seeking IAHTC should be aware of the specific requirements for this program, which are available on **the Website**.

iii. Alignment with Long Term Operating Support and Section 811 Project-Based Rental Assistance

Projects may request Long-Term Operating Support ("LTOS") and/or Section 811 Project-Based Rental Assistance for a maximum of five units from each respective rental assistance source. The Authority reserves the right to waive this limitation on the number of units at its sole discretion. The Authority is unable to allocate LTOS within the City of Chicago. Projects within the City of Chicago may contact the Chicago Low-Income Housing Trust Fund ("CLIHTF") regarding available rental assistance opportunities. Sponsors should be aware that funding availability for LTOS and Section 811 PRA may be limited and should not be included in the underwriting assumptions at the time of application; subsidy rents may not be used to meet underwriting standards.

iv. Alignment with 4% Low Income Housing Tax Credits

Projects may request 4% LIHTC as an additional financing source but are not required to do so. Applying for 4% LIHTC may require additional application components and/or documentation – see **Section 5** of this RFA for specific guidance.

v. Alignment with 9% Low Income Housing Tax Credits

Projects with an existing allocation of 9% LIHTC will not be considered for funding under this RFA except at the Authority's sole discretion. The **2024-2025 QAP** incentivizes developments that incorporate units that serve individuals in need of Permanent Supportive Housing through a competitive scoring track. The Authority allows for and encourages Projects that integrate PSH units within their unit mix to apply for 9% LIHTC utilizing the PSH Track Scoring. Should a Project that is applying under this RFA be better suited and sized for 9% LIHTC, the Authority can notify Sponsors of this option and requirements for pursuing it through the PPA notification process as outlined in **Section 6.C**.

Under the PPA submission structure utilized by this RFA (see **Section 6.B.ii.a**), Projects may elect to be evaluated for their feasibility under both the PSH Development Program and the 9% LIHTC round at time of PPA. Projects that elect to be evaluated for both programs at time of PPA will not be allowed to pursue a funding award under both programs, but must indicate their Application program intent (see **Section 6.G.i**).

¹ LIHTC is not considered Authority funding when determining the funding eligibility limit under this RFA

B. Permanent Supportive Housing Development Program Overview and Definitions

PSH is a combination of affordable housing and supportive services designed to help vulnerable individuals and families attain stable housing and use it as a platform for health, recovery, and personal growth. Federal agencies including the Center for Medicare and Medicaid Services, HUD, and the Substance Abuse and Mental Health Services Administration (“SAMSHA”) have recognized the importance of PSH to address homelessness and for families and individuals with complex service needs, including people leaving institutional settings. Increasing evidence demonstrates that PSH is a cost-effective intervention. PSH typically aligns with a Housing First approach, meaning that people are not required to address all their problems, including those related to behavioral health, or progress through various service programs before being housed or as a condition of retaining housing.

The Authority defines Permanent Supportive Housing as a Project that creates units for people who need supportive services to access and maintain affordable housing, including households who are experiencing or at risk of homelessness, are living with chronic disabilities, and/or are experiencing or at risk of institutionalization including those exiting the criminal justice system, jail, or prison. Supportive services must be appropriate to the needs and preferences of residents and be available either on-site or closely integrated with the housing. The housing should be permanent (not time-limited, not transitional), affordable (typically rent-subsidized or otherwise targeted to extremely low-income tenants who make $\leq 30\%$ of the area median income (“AMI”)), and independent (tenant holds the lease with normal rights and responsibilities). Services should be flexible (responsive to tenants’ needs and desires), voluntary (participation is not a condition of tenancy), and sustainable (focus of services is on maintaining housing stability and good health).

The Authority’s definition of Supportive Housing Populations is meant to allow flexibility in Project design so that Sponsors can develop Permanent Supportive Housing Projects to link affordable housing and social services to best meet the needs of diverse individuals and families who may otherwise face significant barriers obtaining and maintaining housing. Sponsors should, however, be aware of the definitions used for other funding programs and sources that may impact Project design. For example, HUD’s definitions of “homelessness,” “chronic homelessness,” and “at-risk of homelessness” are used for many homeless assistance programs funded through Continuum of Care, and these programs may prioritize only those experiencing chronic or literal homelessness.

C. PSH Housing Configuration Examples and Common Terms

Permanent Supportive Housing models can vary significantly. Below are some common types of supportive housing and related terms. The Authority’s PSH Development Program focuses on financing the creation of new PSH units, typically within a single site, although Projects with multiple sites may be considered, through new construction or rehabilitation. Projects in any of the configurations detailed below, unless otherwise specified, are eligible under the PSH Development Program. See **Section 2.F** for more clarification regarding eligible Project size and configuration under this RFA.

i. PSH Housing Configuration Examples

a. Single-Site PSH Projects

Projects that consist of one site in which the majority of units are filled by Supportive Housing Populations, and which offer both a broad array of on-site services and links to community-based services.

b. Scattered Site PSH Project

A collection of scattered site units within or detached from several sites, in which links to community-based services are coordinated. Scattered-site Projects may include but are not limited to the acquisition of several condominiums within a building or buildings in which the other units in the building(s) are not part of a PSH Project. Scattered site PSH could also include the acquisition of single-family or small multifamily buildings throughout a community, and where services can still be coordinated and provided across all sites. Although not eligible for funding through this RFA, scattered-site PSH can also refer to rental assistance programs where a service provider or organization uses a Housing First model to place clients in private units in the community and provides wrap-around support services.

c. Integrated PSH Projects

Affordable or mixed-income buildings that include some PSH units, in which links to community-based services are coordinated, and in which some limited supportive services may be offered to tenants onsite.

d. Community Integrated Living Arrangement

A Community Integrated Living Arrangement (“CILA”) is a living arrangement for adults (age 18 and older) in a group home, family home or apartment where eight or fewer unrelated adults with developmental disabilities live under supervision of a community developmental services agency. Residents receive complete and individualized residential habilitation, personal support services and supports under the direction of a community support team within the local agencyⁱⁱ. Individuals who do not need 24-hour supervision and choose to live independently are also able to receive Intermittent CILA (ICILA) support services outside of a 24-hour CILA setting, including in a family home or a private apartment. The Authority will consider proposals under this RFA for CILAs in which each individual has their own room and that contemplate providing ICILA services to those in independent apartments.

ii. PSH Common Terms

a. Homelessness Prevention and Functional Zero

Permanent Supportive Housing has been demonstrated to be a successful and cost-effective intervention to reduce and prevent homelessness, particularly for those experiencing chronic homelessness. A related concept on a community-level, “Functional Zero” is a term to describe when a community is able to demonstrate that the number of people experiencing homelessness is not greater than the number of people the community is able to house per month. In achieving Functional Zero, homelessness will be rare and brief for a specific population and sustained.

b. Housing First

Housing First is a housing intervention approach that emphasizes consumer choice, community-based service supports, and immediate access to permanent, stable housing. Housing First approaches focus on removing preconditions and barriers in access to housing such as sobriety, treatment completion, or service participation requirements, and instead prioritizes access to available, voluntary support services to maintain housing stability. Housing First approaches have proven effective in decreasing homelessness, improving quality of life, and community integration.

c. Individuals with Disabilities and PSH

Permanent Supportive Housing can be an important option for individuals with disabilities to live independently in the community with access to available services. This includes those that are living in institutional settings, but have a desire to move to a community setting, and those that are at-risk of institutionalization aligning with the three Consent Decrees (*Williams v. Pritzker*, *Colbert v. Pritzker*, and *Ligas v. Eagleson*)

Recent Authority-Financed PSH Project Examples

Madison Apartments II: Peoria, IL
Single-Site PSH Project

Madison Apartments II is a new construction 24-unit PSH development located in downtown Peoria targeting a diverse population in need of support services. Services are available through the sponsor, Phoenix CDS, whose offices are immediately adjacent to the development.



Access Health and Housing: Maywood, IL
Scattered Site PSH Project

Access Health and Housing is a scattered-site, community-integrated new construction housing development. Access Health and Housing will consist of a total of 20 accessible and affordable units in 6 buildings targeted to individuals with disabilities leaving institutional setting. All units are located near the Hines VA Hospital campus and Loyola University Medical Center, and project partner Trinity Health will manage a health care “flex-space” on the first floor of one of the buildings.



Torrence Place: Lansing, IL
Integrated PSH Project

Torrence Place is a mixed-income 48-unit development financed under the Low Income Housing Tax Credit Program targeted to veterans and individuals with disabilities. Christian Community Health Center, a Federally Qualified Health Center, will operate a health center on the first floor of the building.

for specific populations related to the federal *Olmstead v. L.C.* Supreme Court ruling which found that persons with disabilities have a right to receive their services in the most integrated setting according to their needs and desires.

d. Money Follows the Person

A federal rebalancing demonstration program enacted by the Deficit Reduction Act (“DRA”) of 2005. Money Follows the Person (“MFP”) is part of a comprehensive strategy to assist states in collaboration with stakeholders to make widespread changes to their long-term care support systems by allowing people who need long-term care to live in their own homes and communities or in a setting of their choice. MFP provides enhanced Medicaid match (for waiver and State Plan services provided in the first year of community residency) to support transitions of seniors and persons with disabilities out of institutions and into eligible community-based settings. In Illinois, MFP is administered by the Illinois Department of Healthcare and Family Services (“IDHFS”).

D. Eligible Activities: All Project Types

Eligible activities under the Permanent Supportive Housing Development Program, include, but are not limited to:

- Acquisition;
- New construction;
- Rehabilitation of existing occupied units;
- Rehabilitation of vacant units; and/or
- Adaptive reuse of non-residential properties.

The Authority welcomes creative models that will help meet a diverse array of needs. Projects may offer PSH units in a range of settings, including single-site, integrated, and scattered-site Projects.

Funding under this RFA may be used to create office space that is specifically used for social services or building management; additional office space must be paid for by a non-Authority source.

Transitional housing and supportive living facilities are not eligible activities under this RFA. The Authority will consider proposals under this RFA for CILAs in which each individual has their own room.

Only Projects that demonstrate readiness to move forward with financing and development will be considered, as evidenced by meeting the mandatory application criteria described in **Section 7**.

E. Eligible Applicants

Non-profit, for-profit, and joint-venture developers are eligible to apply for funds under the PSH Development Program. PSH development and operation requires knowledge and skill sets that may not currently exist in full at any one organization. Projects that build on the strengths of several organizations, including development partners, will be accepted. The roles, responsibilities, and capacity (including financial capacity) of each entity will be analyzed.

F. Eligible Project Size

Projects with 40 or fewer units are eligible to apply under this RFA. Projects larger than 40 units may be proposed based on Project concept, location, demand, sponsor capacity, and financial feasibility.

G. Income Restrictions

The Authority anticipates most Projects submitted under the PSH Development Program will make 100% of their units in the Project affordable to individuals and/or families earning $\leq 30\%$ AMI. However, flexibility will be allowed for alternative mixed-income and integrated supportive housing models. Projects under the PSH Development must reserve minimally 50% of the units for Supportive Housing Populations. Exceptions to the 50% minimum may be granted at the Authority’s sole discretion.

The Authority expects PSH units to be restricted at 30% AMI, however the Authority will consider proposals that include PSH units affordable between 30% AMI and 50% AMI if:

- The Project demonstrates the need for units serving Supportive Housing Populations above 30% AMI;
- and/or
- Those units are covered by project-based rental assistance for a minimum of 15 years; and
 - Tenants pay no more than 30% of their income towards rent and utilities.

Projects may include other general affordable units in up to 50% of the total Project units. No units may exceed a 60% AMI designation unless a non-Authority resource is used to fund such units.

i. Projects Pursuing HOME-ARP Funds

Projects pursuing a HOME-ARP allocation through this RFA must adhere to the eligibility requirements as defined in HUD Notice CPD 21-10 for any proposed units that will serve one or more Qualifying Population(s) as defined **Section 2.H.i** of this RFA. Should a Project’s receive HOME-ARP funding, units to which that funding is designated may serve households whose income exceeds this RFA’s requirements. However, a Project’s total units must adhere the requirements outlined in **Section 2.G** of this RFA regardless of a request for HOME-ARP funding.

ii. Regulatory Agreement Requirements

Each Project funded under this RFA will be required to execute at initial closing a Regulatory Agreement which outlines the terms of the Compliance Period during which a Project must comply with the occupancy restrictions (both income and rent) and amenities represented in the Project’s Application. Further, each Project funded through this RFA must comply with the requirements imposed by its most restrictive funding source. To the extent that specific funding sources are already committed or requested, Sponsors must demonstrate the ability to comply with the most restrictive requirements.

H. Target Populations

All Projects pursuing shall serve the Supportive Housing Population, as defined in this RFA (see **Appendix I**), in a minimum of 50% of the total Project units proposed under this RFA.

All Projects must be disability-neutral unless a committed or anticipated capital or operating subsidy source requires disability-specific targeting. Examples of this include but are not limited to: Housing Opportunities for Persons with HIV/AIDS (“HOPWA”) and Illinois Department of Human Services Bridge Subsidy. Unless otherwise dictated by another committed capital or operating subsidy source, units must be open to households headed by persons with any type(s) of chronic disability who otherwise meet Project-specific screening criteria.

i. Qualifying Populations for Projects Pursuing HOME-ARP Funds

Projects seeking an allocation of HOME-ARP funding must serve at least one of the following Qualifying Populations as defined in HUD Notice CPD 21-10:

1. “Homeless,” as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302(a));
2. “At-risk of homelessness,” as defined in section 401(1) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360(1));
3. “Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking,” as defined by the Secretary; and/or
4. “Other populations” where providing supportive services or assistance under section 212(a) of the Act (42 U.S.C. 12742(a)) would prevent the family’s homelessness or would serve those with the greatest risk of housing instability.

Section 3: Developer Engagement and Major Program Changes

A. Developer Engagement

Throughout the past year the Authority has engaged developers, agencies, and advocates in the supportive housing community as listed below. The feedback gained from these research and engagement activities has been critical in assessing the Authority’s PSH programming and has significantly informed the writing of this RFA.

Engagement Activity	Date/Timeframe
The Supportive Housing Institute <i>Facilitated by the Corporation for Supportive Housing (“CSH”)</i>	March – July 2024
PSH RFA Developer Listening Session <i>Hosted by the Supportive Housing Providers Association (“SHPA”)</i>	April 2024

B. Major Changes to Program

The following points summarize major changes between the Round X and Round XI Permanent Supportive Housing Development Program RFA:

i. RFA Design, Process, and Requirements

Increased incentives for Projects that serve homeless or at-risk-of-homeless populations

- Inclusion of HOME-ARP funds for Projects that serve Qualifying Populations
- Scoring incentives added for CoC coordination

Transition from concept meetings to official PPA process

Multiple program consideration through combined PPA option and Application program intent

PPA determinations may be maintained for two funding rounds

Funding limit of the lesser of \$7.5 million or 90% of TDC

Developer fee cap reduced to \$1 million

ii. Mandatory Application Criteria

Phase I Environmental Site Assessment added as requirement

Universal Design point incentives converted to mandatory requirements

Statewide Referral Network participation point incentives converted to mandatory requirements

iii. Application Scoring Criteria

Increased alignment with the 2024-2025 QAP’s PSH Track Scoring

- Sustainability and Energy Efficiency
- Development Team Characteristics

Expanded referral method options

- New point incentive for CoC coordination
- Expanded coordination option with IDOC or other correctional facilities

Increased points available and options for service coordination

- Points available for Projects that provide tenant supports

Option to demonstrate Neighborhood Assets utilizing the Quality of Life Index

Addition of Anchor Institution and Insurer scoring category

- H3C removed as a funding source and Project type, but healthcare and Insurer partnerships incentivized through this category

Section 4: Availability of HOME-ARP Funds for Qualifying Projects

A. HOME-ARP Background

On March 11, 2021, President Biden signed into law the American Rescue Plan (“ARP”), which provides over \$1.9 trillion in relief to address the continued impact of the COVID-19 pandemic on the economy, public health, State and local governments, individuals, and businesses. To address the need for homelessness assistance and supportive services, Congress appropriated \$5 billion in ARP funds to be administered through the HOME Investment Partnerships Program (“HOME”) to perform four activities that must primarily benefit qualifying individuals and families who are homeless, at risk of homelessness, or in other vulnerable populations.

As the administrator of the State of Illinois’ non-entitlement HOME funding, the Authority is responsible for the distribution of Illinois’ statewide non-entitlement allocation of ARP (or “HOME-ARP”) funds.

Requirements for HOME-ARP funds are established via **HUD Notice CPD 21-10: Requirements for the Use of Funds in the HOME-American Rescue Plan Program**. Sponsors should review carefully and refer back to HUD Notice CPD-21-10 and other HUD HOME-ARP resources for detailed descriptions and definitions of the requirements around the HOME-ARP program, in particular the definitions of eligible activities, Qualifying Populations, and referral methods, which are outlined in this section¹.

B. HOME-ARP Allocation and Requirements within the PSH Round XI RFA

The Authority has committed approximately \$15 million of its HOME-ARP allocation to the development of affordable rental housing, per its Allocation Plan which received HUD approval on September 15, 2022. The Authority’s Allocation Plan is available for public review and can be found on the Website. This funding is being made available to Projects that apply for funding under this PSH Round XI RFA, and that meet the three following criteria listed below, as established by HUD’s Notice CPD 21-10:

1. Projects must demonstrate proof of eligible activities;
2. Projects must serve at least one of the Qualifying Populations; and
3. Projects must demonstrate compliance with the designated Referral Methods.

Projects that meet these requirements may apply for HOME-ARP funds through this RFA process. Projects receiving HOME-ARP funds will be subject to the requirements established through HUD Notice CPD-21-10. Compliance with these criteria may include submission of additional documentation required by the mandatory criteria outlined in the **Section 7** of this RFA, which will be due at the time of Application unless requested in advance by Authority staff. The Authority’s Allocation Plan outlines the allowable tenant preferences that will guide its allocation of HOME-ARP funds. These preferences may be reviewed within the Authority’s Allocation Plan, available on the Website.

i. Eligible Activities under this RFA

HOME-ARP funds requested under this RFA may pay for up to 100 percent of the following eligible costs associated with HOME-ARP rental units:

- Development hard costs including:
 - The actual cost of constructing and rehabilitating housing to meet applicable property standards;
 - Site improvements;
 - Utility connections; and
 - Costs to construct or rehabilitate laundry and community facilities located within the same building as the HOME-ARP housing;
- Acquisition costs of improved or unimproved real property;
- Related soft costs including reasonable and necessary costs incurred by the Project Owner associated

¹Additional HUD guidance on HOME-ARP is available at <https://www.hudexchange.info/programs/home-arp/topics>

with the financing, development, acquisition, or rehabilitation of HOME-ARP rental housing;

- Relocation costs as defined in 24 CFR 92.206(f), 24 CFR 92.353, and HUD Notice CPD 21-10;
- Certain costs related to the payment of construction, bridge, or guaranteed loans, if HOME-ARP is part of original financing; and
- Operating cost assistance, through a capitalized operating reserve or ongoing operating cost payments, for HOME-ARP units restricted for occupancy by qualifying households.

ii. Qualifying Populations

HOME-ARP funds requested under this RFA must be used to primarily benefit individuals or families from one or more of the following Qualifying Populations:

1. “Homeless,” as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302(a));
2. “At-risk of homelessness,” as defined in section 401(1) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360(1));
3. “Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking,” as defined by the Secretary; and
4. “Other populations” where providing supportive services or assistance under section 212(a) of the Act (42 U.S.C. 12742(a)) would prevent the family’s homelessness or would serve those with the greatest risk of housing instability.

Sponsors seeking a HOME-ARP allocation under this RFA must indicate which Qualifying Population(s) will be served by the Project at time of PPA (see **Section 6.B.iv.a**).

iii. Referral Methods

Projects requesting HOME-ARP funds under this RFA must utilize one or more of the referral methods listed below for any Qualifying Population(s) that is intended to be served by the Project. A referral identifies the next individual or household to receive assistance after an initial assessment process that determines the individual or household is an eligible Qualifying Population. The three eligible referral methods for HOME-ARP Projects are:

1. Use of HOME-ARP expanded coordinated entry;
2. Use of standard coordinated entry with other referral methods; or
3. Use of a Project/activity waiting list.

Sponsors seeking a HOME-ARP allocation under this RFA must indicate which of the eligible referral method(s) their Project will utilize to serve its Qualifying Population(s) at time of PPA (see **Section 6.B.iv.a**) and Application submission (see **Section 7.D.i.a**).

Section 5: Anticipated RFA Funding Sources

Projects may request up to the lesser of \$7.5 million or 90% of the total Project cost at Application under this RFA, which does not include Authority LIHTC. However, the Authority reserves the right to waive this limitation at its sole discretion. Sponsors must ensure that Projects meet the Authority's underwriting standards.

The table included in **Section 5.A** below lists the primary Authority funding sources that are intended to support awards made under this RFA. A variety of the anticipated funding sources require additional application steps and compliance with funding source-specific requirements. The Authority will evaluate the feasibility of each Project and then determine which Authority administered funding source(s) are eligible and most appropriate. The amount of funding to be awarded will not exceed the amount necessary to make the Project financially feasible, as determined by the Authority. The Authority may add or remove costs as deemed necessary to support the development and operation of the Project. Awards may be made in the form of loans, forgivable loans, or grants. All funding awards, including the amount of the award and the funding source, remain subject to the final approval of the Authority's Board.

Potential Authority administered programs that will be evaluated for award by the Authority include, but are not limited to, Illinois Affordable Housing Trust Fund ("IAHTF"), HOME Investment Partnerships Program (including American Rescue Plan, or HOME-ARP), National Housing Trust Fund ("NHTF"), Build Illinois Bond Program ("BIBP") funds, IAHTC, and Financing Adjustment Factor Program. In addition, Projects will be evaluated for Authority administered rental assistance (LTOS, Section 811 Project-Based Rental Assistance ("Section 811 PRA"), and/or other available sources) depending on availability. Sponsors will have the ability to request LTOS and/or Section 811 PRA as part of this RFA's Application process as described **Section 6**, although should be aware that these resources may be limited and may not be included in the underwriting assumptions at the time of application; subsidy rents may not be used to meet underwriting standards.

For grants made with an estimated total Project cost of \$500,000 or more, grantees will be required to comply with the Illinois Works Apprenticeship Initiative (30 ILCS 559/20-20 to 20-25) and all applicable administrative rules. The "estimated total Project cost" is a good faith approximation at the time an Sponsor submits to the Authority a grant application of the costs of an entire Project being paid for in whole or in part by appropriated capital funds to construct a public work. The goal of the Illinois Apprenticeship Initiative is that apprentices will perform either 10% of the total labor hours actually worked in each prevailing wage classification or 10% of the estimated labor hours in each prevailing wage classification, whichever is less. Grantees will be permitted to seek a waiver or reduction of this goal in certain circumstances pursuant to 30 ILCS 559/20-20(b). The grantee must ensure compliance for the life of the entire Project and will be required to report on and certify its compliance. Projects receiving HOME-ARP funds will be subject to the requirements established through HUD Notice CPD-21-10.

Sponsors should consult with an accountant to explore any potential tax consequences for an award of funds. Sponsors should be aware that each funding source has its own set of rules and regulations and should become familiar with those rules and regulations. While the Authority reserves the right to select the funding source, Sponsors may, in their Project narrative, outline reasons why they believe certain funding sources may be more appropriate to their Project than others.

Sponsors may consider applying for 4% LIHTC to help finance their Projects. LIHTC is a dollar-for-dollar federal tax credit for affordable housing investments. It was created under the Tax Reform Act of 1986 and gives incentives for the utilization of private equity in the development of affordable housing aimed at low-income Americans. Sponsors should review the Authority's **current QAP** and **Low Income Housing Tax Credit program website** for additional details.

A. Anticipated Authority Funding Source Availability Under Round XI RFA

Funding Source	Major Requirements/Restrictions
National Housing Trust Fund	<ul style="list-style-type: none"> Funding can only be applied to units that comply with NHTF standards
Home Investment Partnership Program	<ul style="list-style-type: none"> Funding can only be applied to units that comply with HOME standards
HOME-ARP Allocation	<ul style="list-style-type: none"> Must indicate request for this resource in Common Application Requires adherence to requirements of HUD Notice CPD 21-10 requirements and submission of applicable documents Project must serve at least one Qualifying Population (see Section 4) Project must utilize at least one eligible referral method (see Section 4) for Qualifying Populations
Illinois Affordable Housing Trust Fund	<ul style="list-style-type: none"> Funding can only be applied to units that comply with IAHTF standards
Illinois Affordable Housing Tax Credit	<ul style="list-style-type: none"> Must indicate request for this resource in Common Application Program specific application requirements apply. See program website.
4% Low Income Housing Tax Credits	<ul style="list-style-type: none"> Must indicate request for this resource in Common Application Requires adherence to LIHTC requirements and submission of applicable LIHTC documents
Long Term Operating Support*	<ul style="list-style-type: none"> Must indicate request for this resource in Common Application
Section 811*	<ul style="list-style-type: none"> Must indicate request for this resource in Common Application

*Sponsors should be aware that these resources may be limited and may not be included in the underwriting assumptions at the time of application; subsidy rents may not be used to meet underwriting standards

B. Other Correlated Funding Sources

i. Public Sources for Rental Assistance

A major component of PSH is ensuring that rent remains affordable for tenants on an ongoing basis. Generally, this is achieved through the use of a rental subsidy or operating support resource. Rental assistance can ensure both long-term viability of the Project and affordability for tenants, as most rental assistance ensures that tenants will pay no more than 30% of their income for housing related expenses. Below are some of the most common sources of rental subsidy utilized in PSH Projects.

Resources listed below are included for informational purposes only. Projects are expected to submit documentation evidencing a current rental assistance contract or a commitment to provide rental assistance at the time of application for the rental assistance to be considered in determining financial feasibility of the Project, and to receive points under **Section 8.B** of this RFA. Subsidy rents may not be used to meet underwriting standards.

a. Public Housing Authority Project-Based Vouchers

Public Housing Authorities (“PHAs”) can allocate a portion of their Housing Choice Vouchers (“HCV”) to be used as project-based vouchers (“PBVs”). Contact your local PHA to determine whether PBVs are available and the process and timing for making these requests.

A listing of local PHAs is available here: <https://resources.hud.gov/>

A HUD-managed list of PHA contacts is available here:
https://www.hud.gov/program_offices/public_indian_housing/pha/contacts

b. Continuum of Care rental assistance

CoCs are regional or local planning bodies that coordinate housing and services funding for homeless families and individuals. CoCs manage HUD CoC funding, which can include rental assistance.

A HUD-managed list of CoC contacts is available here:
<https://www.hudexchange.info/grantees/contacts/>

c. Williams and Colbert bridge subsidy

As part of statewide system rebalancing efforts, the Illinois Department of Human Services Division of Mental Health (“DMH”) Bridge Subsidy Program assists consumers diagnosed with serious mental illness (“SMI”) or SMI with co-occurring substance abuse disorders who are living in institutional settings to secure affordable housing. The Bridge Subsidy Program is restricted to individuals who are current Class Members under one of two active Consent Decrees (Williams or Colbert).

d. Chicago Low-Income Housing Trust Fund

For Projects within the City of Chicago, rental assistance may also be available through the Chicago Low-Income Housing Trust Fund through either the Rental Subsidy Program (“RSP”) or the Multi-year Affordability through Upfront Investment (“MAUI”) programs.

More information can be found here: <https://clihtf.org/programs-initiatives/>

ii. Authority-Managed Rental Assistance

The Authority manages a limited amount of project-based rental assistance sources. These resources, which include but are not limited to the following, as well the process to request them in conjunction with an Application are described in more detail in **Section 7.Q** of this RFA.

a. Long-Term Operating Support Program

A minimum of 10% of the funding under the Rental Housing Support Program (“RHSP”) is available as the LTOS Program. LTOS provides up to fifteen years of a long-term, project-based rent subsidy to newly available affordable units. This program works to increase the supply of affordable housing to households earning at or below 30% AMI.

b. Section 811 Project-Based Rental Assistance

The **Section 811 Project-Based Rental Assistance Program** assists low-income households (at or below 30% AMI) with long-term disabilities to live independently in the community by providing affordable housing linked with voluntary services and supports. The Authority works with affordable housing owners to set aside units for eligible populations in Authority-financed developments.

iii. Current Funding Opportunities

In Summer 2024, HUD released a funding opportunity to address and reduce the number of persons experiencing homelessness by adding new units of permanent supportive housing through new construction, acquisition, or rehabilitation. The **Continuum of Care Builds (“CoCBUILDS”) NOFO** will make approximately \$175 million available for award under the program nationally. Individual CoCs/applicants may request between \$5 and \$10 million for eligible projects, based on each CoC’s Final Pro Rate Need for the FY2024 CoC Competition. Applications are expected to be due in November 2024¹.

The Authority strongly encourages eligible applicants to concurrently pursue an award under the CoCBUILDS NOFO alongside this RFA. Projects that secure a CoCBUILDS funding award by time of Application may be immediately eligible for 15 points under this RFA’s scoring criteria: Leveraging Other Capital Funding Sources (see **Section 8.A**).

¹ As of this RFA’s publication date

Funding pursued under the CoCBuils NOFO will not be considered as part of Project's budget until it is awarded and committed, however, Projects that submit a PPA under this RFA that are also pursuing or being considered for an award of funding under the CoCBuils NOFO may receive a conditionally approved PPA, which will be eligible for submission under Round XII of the PSH Development Program.

More information about the CoCBuils NOFO and application instructions can be found on HUD's website:
Continuum of Care (CoC) Builds | HUD.gov / U.S. Department of Housing and Urban Development (HUD)

Section 6: RFA Timeline and Application Procedures

A. PSH Round XI Timeline

Date	Action	Project Sponsor Action Required
August 5, 2024	RFA published on the Website	YES
	Previous round applicants notified of RFA release	
August 15, 2024	RFA informational webinar Recording will be made available for later review	YES
August 16, 2024	Preliminary Project Assessment Workbook available on the Website	YES
	First day to submit Preliminary Project Assessment	
October 7, 2024	Preliminary Project Assessment deadline	YES
December 13, 2024	The Authority sends PPA notifications	
	Optional technical assistance meeting period begins	OPTIONAL
January 15, 2025	Last day to request optional technical assistance meeting	OPTIONAL
	Last day to indicate Application program intent See Section 6.B.ii.a and Section 6.G.i	YES
January 20, 2025	First day to submit Application*	
February 13, 2025	Application deadline*	YES
March 21, 2025	The Authority publishes public notice	
March-April 2025	Clarification period	
May 16, 2025 (expected)	Expected Board meeting with PSH Project approvals	YES

*Project sponsors cannot submit an Application until they have received an Approval or Conditional Approval on a corresponding Preliminary Project Assessment. Applications will not be accepted for Projects that either did not submit or received a Denial on a corresponding Preliminary Project Assessment.

B. Preliminary Project Assessment

When applying for Authority resources, the first required step for all Projects is completing a Preliminary Project Assessment (“PPA”). All Projects seeking funding under this RFA must complete the process before submitting an Application under this RFA. Required PPA documentation includes information related to the Project concept, location, financing assumptions, and development team. PPAs will be evaluated based on the five components outlined in **Section 6.B.iv** below. The Website’s PPA section contains all required submission forms and additional information.

i. **Timing**

PPAs submitted for Projects seeking funding under this RFA will be accepted between August 16 and October 7, 2024. Sponsors will receive a determination of their PPA's evaluation by December 13, 2024.

ii. **PPA Submission**

All Sponsors who intend to submit a PPA under this RFA will be required to attend an RFA informational webinar on August 15, 2024. The webinar will be recorded and made available on the Website for sponsors who are unable to attend the virtual event. Attendance at the webinar or review of the recording is mandatory.

PPAs are submitted electronically through **IHDA Connect** using the **Preliminary Project Assessment Workbook** ("PPA Workbook"). Sponsors must request a Project ID ("PID") and an account for IHDA Connect in order to submit a PPA. Once assigned a PID and granted access to IHDA Connect, the PSH PPA Workbook and all additional documents must be uploaded electronically into IHDA Connect.

Sponsors can visit <https://ppa.ihda.org> to request an account for IHDA Connect and a PID. If a request for an account and/or PID is not fulfilled within three business days, Sponsors can reach out to IHDAconnecthelp@ihda.org for assistance.

PPA documentation will not be accepted in paper form.

a. **Multiple Program Consideration at PPA and Application Program Intent**

PPAs submitted under this RFA must utilize the Preliminary Project Assessment Workbook. This combined option allows for a Project to be considered for a simultaneous PPA evaluation under the following Authority programs and funding rounds:

- HOME-ARP Non-Congregate Shelter Development Program¹
- Permanent Supportive Housing Development Program: Round XI
- 9% Low Income Housing Tax Credits

Sponsors must clearly indicate within the PPA Workbook which program(s) they would like the Project to be considered for, and PPA submissions must include all information required in correlation with the respective program(s) as indicated in the PPA Workbook.

Projects will receive one PPA evaluation and notification letter (see **Section 6.C**) per program for which the Sponsor requested consideration at time of PPA submission. Should a Project receive an "Approval" or "Conditional Approval" for more than one program, Sponsors must indicate solely one program¹ that they intend to pursue with an Application with the Project. To indicate their Application program intent, Sponsors must notify the Authority of which program they intend to pursue at Application by emailing the Authority no later than January 15, 2025.

Sponsors may not pursue an Application in more than one program for the same Project¹.

iii. **Fees**

The Authority will not collect a fee for submission of the PPA in correspondence with this RFA. Should a Project utilize the option to be considered for both funding under this RFA and 9% LIHTC, a fee will be required at time of PPA as outlined in the 2024-2025 QAP.

iv. **PPA Evaluation**

The Authority will provide a PPA evaluation regarding Project characteristics in the following five categories:

1. Project Concept
2. Site

¹ Projects pursuing funding under the Non-Congregate Shelter Development Program will only be considered for simultaneous funding under the Permanent Supportive Housing Development Program: Round XI or 9% Low Income Housing Tax Credits at the Authority's sole discretion.

3. Market
4. Financial Feasibility
5. Development Team

PPA requirements and evaluation criteria for each of these categories will be determined as described in the sub-sections below. Sponsors must submit documentation to satisfy each category’s criteria at time of PPA submission.

PPAs will receive an evaluation in each of the five categories, as well as an overall PPA evaluation determination from the Authority. There are three possible outcomes for the five categories and overall PPA evaluation determination:

Possible PPA Evaluation Outcomes and Implications		
PPA Evaluation Outcome	PPA Category	Overall PPA Outcome
Approval	The PPA category is approved, criteria are satisfied	The PPA is approved, and a full Application will be accepted by the Authority
Conditional Approval	The PPA category is conditionally approved, criteria(on) are not fully satisfied and are subject to conditions*	The PPA is approved subject to conditions being met within any of the four categories
Denial	The PPA category is denied, criteria are not satisfied	The PPA is denied, and an Application will not be accepted by the Authority

*Should a PPA receive a “Conditional Approval” in any of the five categories, its overall PPA outcome will be “Conditional Approval” or “Denial” pending evaluations received in the remaining categories. Applications are accepted under the assumption that conditions will be met.

a. Project Concept Criteria

PPAs will be reviewed and evaluated for a Project’s general concept including: intended population served, Project size, service plan details, and proposed partnerships, if any.

All PPA submissions should include detailed responses within the PPA to clarify the Project’s overall approach to PSH and alignment with best practices and statewide policy priorities. Responses and all relevant details must be included in the designated text box narrative fields within the PPA Workbook. The Authority will evaluate the Project concept on the following criteria:

1. Project size and type
 - The proposed number of units; and
 - Whether the proposed Project will be 100% PSH or integrated (including non-PSH units).
2. Target populations
 - A description of the intended population(s) to be served by the project.
 - If seeking a HOME-ARP allocation, a listing of the Qualifying Population(s) to be served by the Project (see **Section 2.H.i**).
3. Housing referral coordination
 - A description of the Project’s proposed approach to housing referral coordination (this may include the intended use of Coordinated Entry to house persons experiencing homelessness, coordination with other state agencies to house certain priority populations, and any other housing referral partnerships).
 - If seeking a HOME-ARP allocation, indication of which eligible referral method will be used to serve the Project’s Qualifying Population(s) (see **Section 4.B.iii** and **Section 7.D.i**).

4. Preliminary service plan details

- A description of the Project’s proposed approach to providing supportive services for the target population, including:
 - Any existing or planned agreements/partnerships with service providers to provide services to tenants either on-site or in a community-based setting;
 - What services are anticipated to be made available to tenants. At a minimum, the following components must be addressed:
 - Case management;
 - Tenancy support services; and
 - Access to behavioral health services (including substance use and mental health services);
 - How social services will be funded;
 - Any on-site service space planned for the Project;
 - How coordination will occur between property management and social service staff; and
 - How the Project intends to align with Housing First principles; and

While not required, Projects are encouraged to submit draft versions of service plans, agreements or MOUs for services or referrals, or other relevant documentation to support the Project Concept narrative.

b. Site Criteria

PPAs will be reviewed and evaluated based on the location and fit of their Project Site(s) within the surrounding market area, and will include an evaluation of existing housing and demographic market characteristics.

Sponsors will determine and identify a Primary Market Area (“PMA”) that is appropriate for their Project for the purpose of PPA review only. The identified PMA must be included within the PPA Workbook. This PMA does not need to be the same PMA used in the Site and Market Study referenced in **Section 7.M**. Sponsors can determine an appropriate PMA by:

- Identifying a logical assemblage of the census tract(s) containing the Project Site(s) and adjacent census tracts for data aggregation purposes; and
- Identifying natural market area boundaries (i.e., highways, roads, train tracks, waterways).

Sponsors proposing Projects with more than one Site should utilize one of the following methodologies when determining the PMA:

- Determining a single but expanded PMA that encompasses the full range of all Project Sites; or
- Determining more than one PMA to account for multiple Project Sites serving multiple markets.

The Authority also conducts an on-the-ground visual review of each Project Site, which may inform the assessment of the PMA.

1. Enterprise Green Communities (“EGC”)

At time of PPA submission, Projects must certify that they will adhere to **EGC’s 40 mandatory criteria** at time of Application. A Project’s compliance with EGC’s 40 mandatory criteria will be evaluated solely at time of Application.

c. Market Criteria

1. Economic and Market Indicators

Economic and market conditions are reviewed and evaluated at PPA as components of a Project’s market. Market factors included in this review are outlined in the **PPA Data and Metrics Chart**. The Authority uses only publicly available data in its PPA market review. In some cases, market factors have

been combined into “indicators” designed to measure markets trends and/or changes. These indicators may include the following data sources which are published on the Authority’s **Market Research website** and **Developer Resource Center**:

- The **Affordable Rental Unit Survey** (“ARUS”);
- The **IHDA Market Analysis Application** (“IMAA”);
- **Authority portfolio/rent-restricted concentrations**; and/or
- **SRN demand lists**.

2. Food Access

Projects must demonstrate that their Site(s) has appropriate food access by evidencing proximity to one or more qualifying food access businesses. Projects with more than one Site need to demonstrate appropriate food access for each Project Site. A Project’s food access will be reviewed and evaluated at PPA as a component of its market. The Authority publishes an **online Food Access Locator** to help Sponsors gauge food access availability near a Site.

The Authority utilizes the North American Industry Classification System (“NAICS”) to determine qualifying food access businesses. Sponsors can refer to the **NAICS Association website** for NAICS code definitions. Qualifying food access businesses and proximity radii are determined based upon a Project’s Geographic Set-Aside (see **Appendix I: Definitions**), and are defined as follows:

Food Access Requirements		
Set-Aside	Qualifying Food Access Business(es)	Minimum Proximity Radius (miles)
Chicago Metro	<ul style="list-style-type: none"> • Full-service grocery store (NAICS 445110) • Fruit & vegetable market/produce market (NAICS 445230) 	1 mile
City of Chicago		
Other Metro		
Non-Metro	<ul style="list-style-type: none"> • Supermarket/Grocery (NAICS 445110) • Fruit & vegetable market/produce market (NAICS 445230) 	5 miles

Convenience stores do not fulfill food access requirements in any Set-Aside. To document appropriate food access, Sponsors must provide a map and the name(s) and address(es) of the qualifying food access business(es). The Authority will use ESRI Business Analyst to confirm identified businesses meet the outlined criteria.

Projects that cannot meet the food access requirements defined above will receive a Conditional Approval on the PPA market evaluation requiring that additional documentation is provided that demonstrates how appropriate access to food access will be provided to the Project.

d. **Financial Feasibility Criteria**

Various components of a Project’s proposed financial characteristics will be evaluated at time of PPA submission, constituting the PPA financial feasibility category.

1. Construction Overage Analysis

Proposals for Projects that exceed hard cost construction limits must provide a detailed explanation of specific and incremental expenses that result in costs in excess of the limits, as described in the **Underwriting Standards Guide**.

e. Development Team Criteria

Proposed Project participants will undergo an initial screening for congruence with Authority requirements for development team experience, as detailed in **Section 7.N**. This screening will constitute the PPA development team category. Sponsors will be required to complete a Development Experience Certification for each anticipated Sponsor (as identified on the organizational chart submitted with the PPA Workbook), general contractor, property manager and Architect of Record.

If a Sponsor does not meet stated ownership experience criteria as described in **Section 7.N**, the Authority may, at its sole discretion, accept alternative evidence of the development team's appropriateness. Sponsors are encouraged to be in contact with the Authority prior to submittal of PPA regarding potential exceptions to the experience requirements for any of the Participants.

C. PPA Evaluation and Notification Letters

The Authority will electronically issue an evaluation and notification letter directly to the Sponsor with the review outcome for a submitted PPA. The PPA evaluation notification letter will contain an outcome for each of the five categories, as well as an overall PPA outcome. The PPA evaluation and notification letter will also contain any conditions assigned via category Conditional Approvals received, if applicable, and potential penalties associated with non-compliance.

Overall PPA outcomes for Projects seeking funding under this RFA are valid for two funding rounds under the Permanent Supportive Housing Development Program subsequent to the date of their issuance¹, pending major changes to the Project as outlined in **Section 6.E** below.

Sponsors who submitted a past PPA and received a PPA evaluation and notification letter under another Authority program or for a resource request other than this RFA must resubmit a new PPA subject to the requirements of this RFA.

If the Authority's allocation of resources in a Project's market area impacts relevant Project market conditions, the Authority may rescind an overall PPA Approval before the Project's Application is submitted. Sponsors will be notified in writing if their Project's overall PPA Approval has been rescinded.

D. Conditional Approvals

It is the Sponsor's responsibility to understand and address all conditions assigned through a PPA Conditional Approval no later than at time of Application submission or otherwise requested. Sponsors whose PPA(s) has received one or more Conditional Approvals are encouraged to meet with Authority representatives to discuss the noted concerns before submitting an Application.

Applications seeking funding under this RFA that do not adequately address conditions received via the PPA evaluation and notification letter will receive a deficit of three points on their Application's assigned score. Failure to address the conditions received by the time of Application submittal may result in a condition(s) being added to the closing process, should the Application in question receive an award in conjunction with this RFA.

E. Changes Between PPA and Application

The Authority expects that an Application corresponding with an approved PPA be substantially similar to the Project as approved under the PPA. The Authority will not approve an Application for a Project which has changes to Site(s), population served or construction type.

Nonetheless, the Authority recognizes some Project changes may occur after PPA approval and prior to Application. Any changes in Project structure must be disclosed via a formal written request to the Authority prior to the submission of the Application. Any deviations from the PPA that are included in the Application and have not been formally approved by the Authority may result in disqualification of the Project from consideration for Authority resources or a deduction of points from the Project's overall score, if applicable. In its sole discretion, the Authority may consider the following changes permissible:

¹ Round XI and Round XII

- A decrease to the total number of units as long as the proportion between AMI levels remains the same;
- A maximum 10% increase to the total number of units;
- A maximum 10% increase or decrease to the number of affordable units;
- A maximum 10% increase or decrease to number of units of any bedroom size;
- A modification of income restrictions to increase the number of units for extremely low-income households;
- An increase in the amount of rental assistance;
- An increase to the number of Statewide Referral Network (“SRN”) Units, so long as the SRN Units do not exceed 25% of total Project units;
- Changes required to address concerns noted by the Authority; and
- Changes specifically requested by the Authority.

If changes are outside the parameters listed above, a formal request for approval must be made in writing to the Authority.

If a Sponsor is seeking 4% LIHTC as an additional funding component of their Application submitted under this RFA, they will be required to comply with all applicable mandatory criteria outlined within the **current QAP**. Compliance with these criteria may include submission of additional documentation required by the mandatory criteria outlined in the **QAP**, which will be due at the time of Application unless requested in advance by Authority staff. Information about the Low Income Housing Tax Credit program requirements can be found on the **Low Income Housing Tax Credit program website**.

F. Optional Technical Assistance Meeting

Sponsors are encouraged to request additional technical assistance surrounding the requirements of this RFA from Authority staff. Sponsors may request optional technical assistance meetings after receipt of their Project’s PPA Notification Letter and before indicating their Application program intent (see **Section 6.G.i**), from December 13, 2024 through January 15, 2025. These discussions with the Authority may include a basic review from the Authority about preliminary Project financial details and the market and its need for PSH based on the Project’s location. Optional technical assistance meetings may be held virtually. Sponsor’s may request optional technical assistance meetings by emailing **PSHRFA@ihda.org**.

G. Application Submission

Applications are accepted online through **IHDACconnect**. Applications will not be accepted in paper form. Specific instructions for submitting application materials will be posted on the Website. All Application materials will be available on the Website at least 60 days prior to the Application deadline.

An instructional video will be available on the Website containing guidance for submitting an Application under this RFA. Sponsors can request additional assistance regarding PPA and/or Application submission by contacting Authority staff at **PSHRFA@ihda.org**.

i. Application Program Intent

Before being allowed to access the IHDA Connect Application portal and submit an Application, Sponsors must indicate their Application program intent. Sponsors must indicate solely one program¹ that they intend to pursue with an Application regardless of how many programs their Project was evaluated for at PPA submission. To indicate Application program intent, Sponsors must notify the Authority of which program they intend to pursue at Application by emailing the Authority at **IHDACconnectHelp@ihda.org** no later than January 15, 2025.

Sponsors may not pursue an Application in more than one program for the same Project².

¹ Projects pursuing funding under the Non-Congregate Shelter Development Program will only be considered for simultaneous funding under the Permanent Supportive Housing Development Program: Round XI or 9% Low-Income Housing Tax Credits at the Authority’s sole discretion.

H. Additional Resources

i. Authority Technical Assistance

Additional technical assistance and support may be requested from Authority staff as Sponsors complete the Preliminary Project Assessment and Application requirements of this RFA. To request a meeting or ask a question, please email the following:

- For PSH Project questions: **PSHRFA@ihda.org**
- For HOME-ARP specific questions: **HOMEARP@ihda.org**

ii. External Resources

The following agencies and organizations offer a variety of informational resources and funding opportunities that may be beneficial to Sponsors as they complete this RFA process. Visit their respective websites for more information:

a. Current Funding Opportunities

- HUD's Continuum of Care Builds ("CoCBUILDS") NOFO:
Continuum of Care (CoC) Builds | HUD.gov / U.S. Department of Housing and Urban Development (HUD)

b. Illinois State Agencies

- Illinois Department of Human Services ("IDHS")
- Illinois Department of Healthcare and Family Services ("IDHFS")
- Illinois Department of Housing and Urban Development
 - Continuum of Care Database
 - Public Housing Authority Database
- Illinois Office to Prevent and End Homelessness ("IOPEH")

c. State Agency Contacts for Referrals (see Section 8.E.ii)

- Department of Child and Family Services ("DCFS"): John Cheney Egan, **John.J.Egan@illinois.gov**
- Illinois Department of Corrections ("IDOC") Parole Re-entry Group: Angela Mecagni, **Angela.Mecagni@illinois.gov**

d. Advocacy and Support Organizations

- The Corporation for Supportive Housing
- Supportive Housing Providers Association

I. Public Notice by the Authority

The Authority will send public notice letters to public officials and agencies as notification that an Application for funding has been received by the Authority, and to request comments. The notices will be sent to the following public officials of the area in which the Project is to be located:

1. The County Board Chair, Mayor, or chief local elected official;
2. The Illinois General Assembly members; and
3. The U.S. Congressional Representative and U.S. Senators.

The Authority's public notice requires that any written comments be sent to the Authority and the Sponsor within 30 days. The Sponsor is required to respond in writing to all comments received and to submit copies of all correspondence to the Authority.

J. Evaluation of Applications

Applications will be evaluated in the following manner:

i. Completeness of Application

The Application must be received by the designated Application deadline and will be reviewed for completeness. This includes the following:

- Completed Application forms and supporting documentation;
- Appropriate signatures on all necessary documents; and
- Payment of non-refundable Application fee.

If the Authority finds that the Application is not complete it reserves the right to reject the Application and notify the Sponsor with stated reason(s) for denial.

ii. **Mandatory Application Criteria**

If the Authority determines that the Application is complete it will be reviewed to determine if the Project meets the requirements set forth in **Section 7: Mandatory Application Criteria**.

iii. **Application Scoring Criteria**

If an Application has met all of the mandatory application criteria it will be reviewed and assigned a score based on the categories set forth in **Section 8: Application Scoring Criteria**.

K. Application Clarification Period

The Authority may issue a written request (sent via email) for clarification (“Clarification Letter”) of any Application submissions or their components. The Authority will allow a five-business day clarification period. Any response to a Clarification Letter must be in writing and will be allowed only during the five-business day period after the date of the Clarification Letter. Sponsor responses may not include any new information or any additional submissions outside of the items noted in the Clarification Letter.

Should a Sponsor fail to respond to the Clarification Letter in writing to the satisfaction of the Authority during the five-business day clarification period, the Authority will review the Application using only the information previously submitted.

Section 7: Mandatory Application Criteria

The **PSH Application Checklist** that corresponds with the outline below is available on the Website and must be completed and submitted with the Application. All Application materials will be available on the Website at least 60 days prior to the Application deadline.

Only Projects that demonstrate readiness to proceed with financing and development will be considered, as evidenced by meeting mandatory application criteria described in this section. The Authority reserves the right to rescind any award of funds that is unable to close within ten months from the date of award.

A. Permanent Supportive Housing Development Application Certification

All Applications must include a signed **Permanent Supportive Housing Development Program Application Certification, Organizational Chart, and Identity of Interest form**, found on the Website, which provides a written certification that the Project will:

- Take actions to affirmatively further fair housing;
- Minimize involuntary displacement of low-income households;
- Restrict at least 50% of the units, to households \leq 30% AMI. For Projects that have indicated a need for PSH units between 30% and 50% AMI, and have received written confirmation from the Authority to proceed, this certification will not be required (see **Section 2.G** for more information);
- Be willing to accept current or future State-administered operating subsidy or project-based rental assistance, should it become available, on units that are not already subject to a rental assistance contract. Certification of this willingness will not be required of those with already-committed rental or operating assistance for 100% of units. This assistance would likely be limited to a maximum of 25% of units within a given Project, would likely be reserved for households referred through the Statewide Referral Network, and may be targeted to Projects located in specific areas of the State based on need;

The Authority intends to seek all sources of operating subsidy or rental assistance that are currently available or may become available in the future and may wish to target any assistance identified to Projects that serve priority populations. Such assistance may include but is not limited to the LTOS, Section 811 PRA, or the Illinois Division of Mental Health Bridge Subsidy Program; and

Such assistance may be limited and, unless specified elsewhere in this RFA, cannot be assumed to be available to support the Project's operating budget at the time of application through the Permanent Supportive Housing Development Program.

While not required, the Authority does encourage Projects to consider additional preferences within their tenant selection plan for veterans and persons on Public Housing Authority waiting list(s), and to make ongoing efforts to request that PHAs make referrals to the Project, or request that PHAs include relevant information about the Project on any listing the PHA makes available to persons on its waiting list(s).

B. Multifamily Fee Payment Form and Non-Refundable Application Fee

All Applications must include a completed **Multifamily Fee Payment Form** and a copy of the check for payment of the non-refundable Application fee. The Multifamily Fee Payment Form may be found on the Website; the Application fee is listed on the form. All fees must be sent to:

Illinois Housing Development Authority Receipts and Fees
26411 Network Place
Chicago, IL 60673-1264

C. The Authority's Common Application

All Applications must include a completed **Common Application**. This form can be found on the Website.

D. Project Narrative and Supportive Service Plan Narrative

i. Project Narrative

All Applications must include a Project narrative that includes:

- Amount of funding requested;
- Number of total units in the Project;
- Number of PSH units proposed;
- Number of SRN units proposed, if any (SRN units must be 30% AMI units);
- Number of LTOS units proposed (LTOS units are anticipated to be SRN units);
- Number of Section 811 PRA units proposed; and
- If the Application is for an existing Project, Sponsor must describe all existing use restrictions, restrictive funding sources, and submit a current rent roll that includes the unit size, household size, household income, and current rent.

Sponsors are encouraged to provide as much detail and background information about the Project as possible. Detailed information will assist the Authority in determining whether there is adequate market demand for the Project in terms of unit mix and rental structure; the Project is located in an area with a shortage of PSH units; and the Project is sited in a community that will meet the needs of the tenants.

a. Projects Pursuing HOME-ARP

Projects seeking a HOME-ARP allocation under this RFA must utilize one of the following three referral methods as outlined in HUD Notice CPD 21-10 for all Qualifying Populations that will be served through the Project:

1. Use of HOME-ARP expanded coordinated entry;
2. Use of standard coordinated entry with other referral methods; or
3. Use of a Project/activity waiting list.

Sponsors pursuing HOME-ARP funding under this RFA must indicate which referral method(s) will be utilized to serve the Project's Qualifying Population(s) within the PPA Project Narrative.

ii. Supportive Service Plan Narrative

Projects must provide a service plan with the Application. The service plan should outline the services that will be offered to residents, the number of proposed service staff, how services will be provided (on-site, community-based) and by what organization(s), detail how service referrals will be handled, and how service provision will be funded. The service plan should clarify, at a minimum, how the Project will make the following services available to tenants whether directly by a service provider on the Project team or through referrals or other partnerships:

- Case management
- Tenancy support services
- Access to behavioral health services including substance use and mental health services

The service plan narrative should also include information about any additional supportive services that will be provided including, but not limited to, independent living skills support, transportation assistance, education/employment supports, etc..

Sponsors are also encouraged to provide detail in the service plan regarding:

- How the Project aligns with **Housing First** principles;
- How coordination will occur between property management and social service staff; and/or
- Whether there is a plan in place to assist tenants in **Moving On** when tenants no longer need or want the intensive services offered in supportive housing but may still need affordable housing.

Projects that establish a Memorandum of Understanding (“MOU”) or other legally binding agreement with a community-based service provider to provide support services on-site in a dedicated space are also able to receive points under this RFA’s scoring criteria (see **Section 8.F.i**).

E. Neighborhood Assets Map

All Applications must include a neighborhood assets map that clearly delineates the location of the Project along with neighborhood assets within the applicable proximity radius, which varies based on the Geographic Set-Aside. Proximity thresholds are based on Geographic Set-Aside (see **Appendix I: Definitions**). In addition, the Application must include a table referencing each neighborhood asset identified on the map and stating the asset category and address. Please see **Section 8.G.ii** for neighborhood asset categories.

The Authority reserves the right to mandatorily fail Project Applications that include fewer than two neighborhood assets within the proximity radius for the applicable Geographic Set-Aside. See table below:

Proximity Radius by Set-Aside	
Chicago Metro	0.5 miles
City of Chicago	0.5 miles
Non-Metro	1 mile
Other Metro	0.75 miles

Please note that the documentation provided for this mandatory criterion can also be used for scoring to demonstrate additional neighborhood assets. Please refer to **Section 8.G.ii** for further details.

For Projects that are unable to demonstrate that at least two neighborhood assets are included within the proximity radius for the applicable Geographic Set-Aside, a narrative may be provided indicating how access to Health Services, Civic/Recreation, and Education/Job Training will be made available to residents of the development. The Authority, at its sole discretion, will determine whether any narrative will be sufficient to meet this mandatory criterion.

F. Site Control

All Project Sites must be identified in the Application. Projects consisting of multiple Sites must satisfy site control requirements for all Sites.

The Application must include all of the following:

- A map showing the location(s) of the Site(s). If Site control is for a property larger than the Site(s), the Site(s) must be delineated on the map;
- Aerial photograph(s) of the Site(s) with the boundaries of the Site(s) clearly delineated, and surrounding uses clearly visible; and
- Evidence of Site control, which can only be demonstrated with Site control documentation for each Site consisting of one of the following:
 - A fee simple interest in the Site in the name of the Sponsor or Owner; or
 - A fully executed, binding agreement with a term ending no sooner than six months after the Application deadline, signed by both the Sponsor or Owner and the seller for the purchase of the Site; or
 - A fully executed, binding agreement with a term ending no sooner than six months after the Application deadline, signed by both the Sponsor or Owner and the seller for the long-term lease of the Site with a lease term of at least ninety-nine (99) years; or
 - A fully executed, binding agreement with a term ending no sooner than six months after the Application deadline, signed by both the Sponsor or Owner and the seller of the Site evidencing

land and/or building donation; or

- When the Site is owned by a governmental entity, a letter of intent to the Sponsor or Owner from the governmental entity to sell, donate, or enter into a long-term lease of the Site with a term ending no sooner than six months after the Application deadline.

Site control documentation must include all of the following clearly marked/highlighted:

- Expiration date for purchase option(s), purchase agreement(s), or letter(s) of intent;
- Legal description pursuant to the site control document;
- The sale or lease price of the Site(s). The Project budget in the Common Application for the Project may only include the acquisition costs attributable to the Site. If site control documentation is for property larger than the Site, a detailed narrative and calculation of the Site sale or lease price on a per square footage basis must be submitted; and
- Language that complies with the environmental review and voluntary acquisition guideline language outlined in the Site Control Compliance Language example on the Website.

If language is not included in the Site control documentation, evidence of compliance with this section can only be demonstrated by submitting a copy of language notification receipt by seller (e.g., certified mail, return receipt requested) and the date of delivery with countersignature by seller. Without language regarding compliance with environmental review and voluntary acquisition, Sponsors may be precluded from applying to the Authority for federal resources.

G. Zoning

The Application must include evidence that all Sites are either currently zoned for the proposed use or will be addressed through an already initiated zoning change or Planned Development or Planned Unit Development (“PUD”) process.

i. Zoned Project Sites

Evidence that Sites are currently zoned for the proposed use can only be demonstrated through:

- A valid building permit; or
- A letter from the local zoning administrator (or chief elected official in localities without a zoning administrator) identifying the Project and containing all of the following:
 - The location of the Site (s) (i.e., address or street crossings);
 - The current zoning and any special use designations;
 - A description of the Project (including number of units, proposed use, and whether it is new construction, rehabilitation, or both); and
 - A statement that the current zoning will permit the proposed Project.

ii. Sites with Pending Re-Zoning, Variance, or Special Use Applications

The Authority recognizes that a sponsor may need a re-zoning, a variance to existing zoning that does not require a full re-zoning, or a special use permit and will allow for the above as follows. As evidence of the pending re-zoning, variance, or special use permit application, the application must include a letter from the local zoning administrator (or chief elected official in localities without a zoning administrator) identifying the Project and containing all of the following:

- The location of the Site(s) (i.e., address or street crossings);
- A description of the Project (including number of units, proposed use, and whether it is new construction, rehabilitation, or both);
- A written explanation of the re-zoning, variance, or special use permit approval process;
- Evidence the re-zoning, variance, or special use permit process has been initiated;

- Evidence of which stage in the re-zoning, variance, or special use permit approval process the Project has reached; and
- Evidence that the re-zoning, variance, or special use permitting will be reviewed in a timely manner, including any available dates.

iii. PUD Project Sites

In cases where zoning will be addressed through a PUD process, sponsors must indicate whether the PUD already exists or whether it is yet to be established.

If the PUD already exists, the Application should indicate what, if any, amendments are required.

If the PUD is yet to be established the application should indicate where the PUD stands in the approval process, the additional steps required to complete the approval process, and an estimated timeline for completion.

As evidence of the PUD status, the application must include a letter from the local zoning administrator (or chief elected official in localities without a zoning administrator) identifying the Project and containing all of the following:

- The location of the Site(s) (i.e., address or street crossings);
- A description of the Project (including number of units, proposed use, and whether it is new construction, rehabilitation, or both);
- A written explanation of the PUD approval process;
- Evidence the PUD process has been initiated;
- Evidence of which stage in the PUD approval process the Project has reached; and
- Evidence that the PUD will be reviewed in a timely manner, including any available dates.

H. Environmental Assessment

The Application must include a Phase I Environmental Site Assessment (“Phase I”) covering all Sites. The Phase I must be completed within one year prior to the Application deadline according to the Authority’s Design, Construction and Regulatory Compliance Requirements, including all appendices. If a Phase II Environmental Site Assessment (“Phase II”) is available, it should be submitted along with the Phase I. In addition, a narrative explanation of any identified Recognized Environmental Condition (“REC”) should be submitted. The explanation must include how these conditions will be addressed and a breakdown of any associated costs. Any associated costs must be included in development budget. The Authority reserves the right to require an environmental contingency as well as modify the construction scope based on a review of the explanation.

I. Site Physical Information

i. 1% Floodplain or Floodway

The Application must include a Federal Emergency Management Agency (“FEMA”) floodplain map covering the Project area with the boundary of all Sites clearly delineated. FEMA floodplain maps can be obtained from the FEMA website at <https://msc.fema.gov/portal/home>.

If any portion of a Site is located within the 1% floodplain or floodway, the Application must include one or both of the following as applicable:

a. Rehabilitation

Projects proposing the rehabilitation of existing buildings on Sites within the 1% floodplain or floodway must submit a site plan that clearly indicates all of the following:

- Historic frequency of flooding and flood-related repairs;
- The FEMA determined elevation of the floodplain or floodway;
- The elevation of the lowest floor level in the existing buildings;

- The location of the existing buildings; and
- Evidence that the Site is enrolled or is eligible to enroll in the National Flood Insurance Program.

Projects involving the rehabilitation of existing buildings on Sites located in the 1% floodplain or floodway will only be permitted if the lowest existing floor elevation of each building in the floodplain is at least six inches above the FEMA designated floodplain elevation.

b. New Construction

Projects proposing new construction on Sites within the 1% floodplain or floodway must submit a site plan that clearly indicates all of the following:

- The FEMA determined elevation of the floodplain or floodway;
- The elevation of the lowest floor level in the proposed buildings; and
- The location of the proposed buildings.

Buildings must be situated outside the floodplain and any Project contemplating additional federal resources will be required to subdivide the Project Site from the affected land or obtain a Conditional Letter of Map Amendment or Revision from FEMA demonstrating the Site is eligible for reclassification out of the floodplain.

ii. Wetlands

The Application must include a U.S. Fish and Wildlife Service (“USFWS”) National Wetlands Inventory map for the Project area with the boundary of all Sites clearly delineated.

USFWS wetlands inventory maps can be obtained from the USFWS website at <https://www.fws.gov/wetlands/data/mapper.html>.

If any portion of a Site contains wetlands, or if the Project may impact wetlands, the Application must include one of the following:

- A Letter of No Objection from the U.S. Army Corps of Engineers; or
- A wetlands permit from the U.S. Army Corps of Engineers.

iii. Mining

The Application must include an Illinois State Geological Survey (“ISGS”) mining map for the Project area with the boundaries of all Sites clearly delineated.

ISGS mining maps can be obtained from the IL Mines website at: <https://ilmineswiki.web.illinois.edu/wiki/ILMINES>.

If any Site is in or near an area the ISGS identifies as affected by mining, the Application must include the following:

- The quadrangle study (if available) or the county mine map completed by the ISGS for the area in which the Site is located with the boundary of the Site clearly delineated;
- Information indicating the depth of the mine, the type of mining that was performed, and the year that mining ceased;
- An opinion from a qualified geotechnical engineer as to whether or not the Site will be impacted by the mining; and
- If the Site will be impacted by mining, evidence of the Project’s ability to obtain mine subsidence insurance.

iv. Seismic

The Application must include a seismic zone map for the Project area with the boundaries of all Sites clearly delineated.

Seismic zone maps may be obtained from the U.S. Geological Survey (“USGS”) website at <https://earthquake.usgs.gov/earthquakes/map>.

The map must identify any natural hazards located on, adjacent to, or nearby the site such as steep slopes, geological faults, or hazardous terrain features.

J. Design, Construction and Regulatory Compliance Requirements

All Projects must meet the requirements contained in the Authority’s **Design, Construction and Regulatory Compliance (“DCRC”) Requirements**, which are available on the Website.

i. Project Scope Certification

The Application must include the **Project Scope Certification** signed by a licensed architect acting as the Project’s Architect of Record. The Certification provides written confirmation of accessibility codes and Fair Housing Act requirements (if any) applicable to the Project. The Certification also provides written confirmation and identification of specific Project features which meet minimum code requirements.

a. Requirements

All Projects must comply with the Authority’s Design, Construction and Regulatory Compliance Requirements, including the following:

1. Universal Design

Universal Design, as defined by the Center of Universal Design, is “the design of products and environments to be usable by all people, to the greatest extent possible, without the need for adaptation or specialization.” The Authority recognizes the need to create housing including Universal Design features while maintaining aesthetics and affordability.

The Authority views Universal Design not as a building code or standard, but rather as a set of features that should integrate seamlessly into the design of a dwelling unit, providing market appeal and possibility for residents to age in place. Whether applied to standard units or units designed under an accessibility code, the challenge of Universal Design is to produce as normal and appealing an outcome as possible.

Universal Design is not a safe harbor for other required accessibility codes but it should be utilized as a supplement to any code requirements. To truly award Projects willing to provide Universal Design elements above the code, the Authority requires each Application to first identify all code required elements and provide ten additional items not required by code in 100% of the units. As such, the Application must identify any and all Universal Design principles to be integrated into the unit design. Any Applications seeking an exception to this requirement must provide a detailed narrative discussing why Universal Design features cannot be provided. The Authority will review the submitted narrative and approve or deny it at its sole discretion.

2. Amenities

The Application must include Project amenities as specified in the Design, Construction and Regulatory Compliance Requirements. In addition, a minimum of five additional amenities selected from the list below must be incorporated in the Project and identified on Architectural Standards, Universal Design, and Amenities Certification; a minimum of three of the five shall be from First Priority categories.

The Authority encourages creativity and dual function design and, therefore, it is possible for a single amenity to qualify as more than one option in the following list:

Health and Safety	Community Spaces	Sustainability
First Priority		
Free internet access per unit	Computer room equipped with one computer for every three units	All appliances in the unit meet the Energy Star rating
Residential studio units are 15% larger than the minimum requirement	Exercise/fitness center with at least one machine per five units	Dedicated recycling area within the Project
The Project meets HUD's definition of smoke free housing	Garden plots/designated community garden area with a combined minimum of 200 square feet	Green Roof with available seating or other community activity area available on the roof
Washer and dryer in every unit	Secured bicycle parking (<i>minimum of eight slots per 25 units</i>)	Upgraded landscaping, including one tree planted on-site for every ten units. 100% native and adaptive plantings/landscaping
Second Priority		
Facility wide security camera system	An equipped sports court (<i>e.g., volleyball, tennis, basketball, etc.</i>)	On-site car sharing
Looped walking paths or connected sidewalks through the entire Project	At least one common room (<i>e.g., community room, community kitchen, library, hair salon, billiards room, arts & crafts room, game room, dining room, etc.</i>)	Screen doors on all exterior unit doors
Microwave oven in every unit	Outdoor entertainment space such as an outdoor theater and gazebo with available seating	Trash and/or recycling disposal chutes or other refuse collection system
Porch, patio, or balcony for each unit		

ii. **Preliminary Plans and Specifications**

The Application must include preliminary drawing and specifications that include all of the following:

- Cover sheet with Project title, development team, drawing index, building areas and code information; and
- Dimensioned floor plans, including square footage, for all unit and building types, with room designations and proposed finishes;
- Color rendering;
- Typical wall sections;
- Exterior elevations for all building types with material notations matching those defined within the scoping document discussed below;
- A Site plan showing the placement and orientation of buildings, parking areas, sidewalks, easements, setbacks, trash dumpsters, buffers, storm water detention, required site amenities, and significant natural features;
- Preliminary landscape plan; and
 - **Project Scope Certification**, signed by the Architect and Sponsor. The Project Scope Certification must include a written description of the full Project scope. Items to be included, but not limited to, in this document are:
 - Specifications indicating all materials selected and/or defined performance criteria (e.g., windows, doors, hardware, drywall, exterior materials, floor and wall finishes);
 - Definition of structural systems to be modified/installed as part of the Project;

- Programmatic description of the proposed furniture, fixtures, and equipment items;
- Definition of the Project's sustainability strategy in the form of a certification checklist, energy model or detailed description of elements provided and their expected impact consistent with the level of points requested in the Application;
- Written description of HVAC system to be installed; and
- Definition of any/all other unique items included in the Project.

iii. **Projects Involving Rehabilitation**

All Projects involving any rehabilitation of existing structures must comply with the following requirements:

a. **Physical Needs Assessment**

The Application must include a Physical Needs Assessment ("PNA") completed according to the Authority's Standards for PNA, which are available on the Website and based on the existing conditions of the property.

b. **Minimum Rehabilitation Standards**

At a minimum, the proposed rehabilitation work must address all items identified as "Critical" or "Immediate" in the PNA.

Items identified in the PNA as five- to seven-year needs in current rehabilitation work may be completed as part of the current construction scope of work, or adequate reserves may be budgeted to ensure these items will be completed within timeframes identified in the PNA.

The Application must include a detailed explanation of any and all construction cost variances existing between the development budget and PNA. The Authority reserves the right to modify the construction scope based on a review the explanation.

K. Historic Preservation Checklist

All Projects must meet the requirements of the National Historic Preservation Act and the Illinois State Historic Resources Protection Act as determined by the Illinois Historic Preservation Agency ("IHPA"). Note that this requirement is required by State Statute and applies to all Projects regardless of their Project type, location, or historic nature. The Application must include the **Historic Preservation Checklist** found on the Website and all required attachments **or** an IHPA review letter specific to the Project and inclusive of all sites for multisite Projects.

L. Construction Cost Breakdown

The Application must include:

1. The Construction Cost Breakdown form in the Common Application completed by a qualified contractor, Architect of Record, or construction cost consultant;
2. A detailed explanation of all construction cost variances existing between the Construction Cost Breakdown and PNA, if applicable; and
3. An upfront construction analysis cost at the time of initial closing if the Authority is providing construction financing. The Authority will accept the report engaged by the syndicator or construction lender, provided that the Authority must be named on the report.

All Projects must provide a Construction Cost Breakdown that is completed by an independent third-party construction cost estimation firm according to the Authority's Design, Construction and Regulatory Compliance Requirements.

For rehabilitation Projects, Construction Cost Breakdown will be evaluated along with the PNA to ensure that all necessary items are addressed. If the scope of work is deemed insufficient by the Authority the Application may fail the mandatory review.

M. Site and Market Study

There are different levels of market studies and/or analyses required by the various funding sources that could be

used to fund a Permanent Supportive Housing development under this RFA. The Authority recommends that a Site and Market Study that meets all published **Site and Market Study Standards** (available on the Website) be completed at time of Application. This method will leave the most funding options open to the Sponsor.

Applications that do not include a Site and Market Study that meet Authority standards described above must submit a **Market Analysis Form** at the time of Application¹. This form is published on the Website and should be filled out by the Sponsor or a relevant third party only. This form will satisfy the requirements of the following funding sources:

- HOME;
- National Housing Trust Fund;
- Illinois Affordable Housing Trust Fund; and
- HOME-ARP.

Sponsors that wish to be considered for funding sources other than those listed above, including 4% LIHTC, must complete a Site and Market Study that meets all published Site and Market Study Standards.

N. Development Team Capacity

The Authority will evaluate the Development Team's capacity to successfully complete and manage the Project. Applications must include the following for the Authority to evaluate the experience and capacity of the development team:

i. Development Team Certifications & Required Experience

The Application must include certifications for each Project Sponsor, general contractor, architect, property manager, and service provider (if applicable) inclusive of all pending, under construction, or completed Projects in any state, including their present status and expected completion date. The **Development Experience Certification forms** can be found on the Website. The Authority will exercise its discretion when accepting alternative verification of acceptable experience.

Development team members must demonstrate a history of similar work and type as required for the proposed Project. Sponsors should discuss potential exceptions to experience requirements with the Authority as part of the pre-application process. The Authority will request additional information as necessary to approve Project Participants before full application.

ii. Unacceptable Practices

The Authority may deny any Project in which any Participant in the Development Team has failed to demonstrate ongoing proficiency with affordable and supportive housing programs. The Sponsor may include in the Application an explanation of the circumstances surrounding the unacceptable practice and the roles of each of the Participants. Examples of unacceptable practices include but are not limited to:

1. A Participant is affiliated with existing Projects which have been cited for material and/or continuing, but curable, noncompliance. Material noncompliance exists when a party exhibits a continual pattern of noncompliance, or when a party demonstrates an inability or an unwillingness to resolve noncompliance in a timely manner.
2. A Participant (including any affiliates) has experienced any events of foreclosure or failed to perform under the terms of a workout agreement over the past three years.
3. A Participant (including any affiliates) has declared bankruptcy over the past three years.
4. A Participant (including any affiliates) has a mortgage default or arrearage of three months or more within the last three years.
5. A Participant that has failed to pay any fee or expense due to the Authority, including outstanding compliance monitoring fees.

¹ Any Application that is also pursuing 4% LIHTC does not need to complete this requirement (it will be subject to 4% LIHTC Market Study requirements)

6. Any liens, judgements, or other claims exist against property owned by Owner (including any affiliates) for which the Owner has failed to resolve a public filing.
7. The Owner (including any affiliates) has been debarred or received a limited denial of participation in the past three years by any federal or state agency from participating in any development program.
8. A Participant that has materially misrepresented facts on any request for Authority resources.

O. Financial Feasibility

The Authority will evaluate the Project's financial feasibility and underwriting assumptions. In order to demonstrate financial feasibility, Projects must be consistent with requirements detailed in the Authority's **Underwriting Standards Guide** document, which can be found on the Website. Compliance with the Authority's financial feasibility standards will be substantiated by submission of the Common Application form and due diligence items specified in the Underwriting Standards Guide.

P. Statewide Referral Network Requirements

Projects applying for funding under this RFA are not required to include SRN units in their proposed unit mix. However, Sponsors that are also submitting a LIHTC 4% application will be expected to adhere to the requirements outlined in the 2024-2025 QAP regarding minimum SRN requirements. Projects may, at their own election, include up to 20% of total units as SRN Units. Projects applying under this RFA and requesting 4% LIHTC, may request a waiver from the minimum SRN requirements outlined in the QAP. This waiver should be requested when submitting a PPA, and Projects requesting the waiver should explain how the Project will coordinate referrals and services to meet the service and housing needs of the intended Supportive Housing Population.

Projects including SRN units, whether due to QAP requirements for combined PSH and 4% LIHTC Applications OR at the Sponsor's election, must demonstrate that on the date Applications are due, there are at least three persons per one unit on the SRN waitlist based on the Project's municipality or community area in Chicago. SRN Demand information is available on the Website. If the demand for SRN units is below the 3:1 ratio for proposed SRN units, Sponsors may provide alternate documentation to demonstrate need related to the SRN. The Authority will review and accept alternative narratives or other documentation at its sole discretion. This could include one or more of the following:

- A narrative to further describe the demand for SRN units in the Project's Market area; and/or
- Letter from a service provider(s) demonstrating ability to make referrals to the property. The letter should include:
 - Whether the organization has already executed an SRN User Agreement to utilize the PAIR module or intends to sign an SRN User Agreement;
 - Confirmation of the service provider's ability and willingness to provide ongoing services to potential tenants they refer through the SRN at the proposed Project site; and
 - Certification that the service provider understands the purpose of the SRN and will ensure that relevant staff are trained on the PAIR Module and the SRN referral process.

All Projects including SRN Units must submit a draft **SRN Agreement** at the time of application.

Q. Long-Term Operating Support Program and Section 811 PRA Requests (optional)

In conjunction with an Application under the Permanent Supportive Housing Development Program, Sponsors may also request the Authority-managed rental assistance listed below, or any other Authority-managed rental assistance that becomes available. However, Sponsors should be aware that these resources may be limited and may not be included in the underwriting assumptions at the time of application; subsidy rents may not be used to meet underwriting standards. The Authority will review all Applications and determine allocation of any resources that are currently or may become available at its sole discretion.

i. Long-Term Operating Support

The Long-Term Operating Support Program was established under the Rental Housing Support Program Act (Public Act 094-0118), to be used exclusively to provide commitments of rental subsidies for units that will be targeted to extremely low-income households ($\leq 30\%$ AMI). LTOS may be awarded in conjunction with other

Authority-managed multifamily financing programs. LTOS will be made available in conjunction with this RFA.

The Authority is prohibited from making direct LTOS awards within the City of Chicago. Projects within the City of Chicago are encouraged to contact the CLIHTF regarding available rental assistance opportunities.

Projects outside the City of Chicago may request LTOS for a maximum of five units in the Project in conjunction with their application. The Authority reserves the right to waive this limitation on the number of units at its sole discretion. Awards of LTOS units will require targeting to those with incomes at or below 30% AMI, with at least 50% of the assistance targeted to benefit households at or below 15% AMI. In order to apply for LTOS, Sponsors must submit the following with their Application:

1. LTOS Grant Calculation Exhibit;
2. LTOS Right to Inspect LTOS Units Certification; and
3. Statewide Referral Network Agreement Certification.

Additionally, the Project must identify the LTOS units on the Income tab of the Common Application.

ii. [Section 811 Project-Based Rental Assistance](#)

The Section 811 PRA provides supportive housing for persons with disabilities and is funded and monitored by HUD. This program assists extremely low-income people (with incomes at or below 30% AMI) with disabilities between the ages of 18 and 61 to live independently in the community by providing affordable housing linked with voluntary services and supports. The Authority manages the Section 811 PRA for Illinois and makes allocations to eligible Projects that have either already received or are applying for Authority financing. No more than 25% of the total units in a building may be restricted to Section 811 to ensure an integrated community. Projects may request a maximum of five Section 811 units in the Project in conjunction with their application.

In order to request Section 811 PRA, Sponsors must demonstrate that on the date Project Applications are due, there are at least three persons per one unit on the Section 811 waitlist based on the Project's municipality or community area in Chicago. **Section 811 Demand information** is available on the Website. If the demand for Section 811 units is below the 3:1 ratio for proposed Section 811 units, Sponsors may provide alternate documentation to demonstrate need related to Section 811. The Authority will review and accept alternative narratives or other documentation at its sole discretion. This could include one or more of the following:

- A narrative to further describe the demand for Section 811 units in the Project's Market area; and
- A letter from a service provider(s) demonstrating ability to make referrals to the property. The letter should include:
 - Whether the organization has already executed User Agreement to utilize the PAIR module OR intends to sign a User Agreement;
 - Confirmation of the service provider's ability and willingness to provide ongoing services to potential tenants they refer through the Section 811 waitlist at the proposed Project site; and
 - Certification that the service provider understands the purpose of the Section 811 program and waitlist process and will ensure that relevant staff are trained on the PAIR Module and the referral process.

In order to request Section 811 PRA, Sponsors must submit the following with their Application:

- Section 811 Interest Form; and
- Optional: Alternative Section 811 demand information (as described above).

Additionally, the Project must identify the intended Section 811 units on the Income tab of the Common Application.

Section 8: Application Scoring Criteria

Primary and Sub-Categories	Maximum Points	Category Weight
Leveraging	15	15%
Firm Commitment of Operating or Rental Assistance	20	20%
Sustainability and Energy Efficiency	7	7%
Access to Transportation	5	5%
Coordination of Referrals	10	10%
Coordination with local Continuum of Care	5	5%
Coordination with DCFS, IDOC, and/or IDHS IDD	5	5%
Coordination of Services	10	10%
Coordination with Community-Based Provider	5	5%
Additional Service and Support Coordination	5	5%
Neighborhood Assets	10	10%
Development Team Characteristics	11	11%
FOR-PROFIT TEAM ONLY CHARACTERISTICS	11	11%
BIPOC Development Control	11	11%
Women/Disadvantaged/Minority Enterprises		
NON-PROFIT TEAM ONLY CHARACTERISTICS	11	11%
BIPOC Development Control	7	7%
Women/Disadvantaged/Minority Enterprises		
Non-Profit Organization Participation	4	4%
Supportive Housing Experience, Training and Endorsements	4	4%
Anchor Institution and Insurer Partnerships	8	8%
Totals	100	100%

Projects that pass all mandatory application criteria will be scored on the following items and ranked according to total score. Points will be awarded based solely on the information submitted in the Application. The Authority reserves the right to verify information submitted in the Application.

The Authority may deny points if the correct forms or required information for each scoring category are not submitted, or if information available to the Authority negates a claim for points. The Sponsor's commitment to various scoring criteria shall, at the sole discretion of the Authority, be binding and shall be incorporated into a Regulatory Agreement.

All Applications must include a completed **PSH Scoring Workbook** which is available on the Website.

A. Leveraging Other Capital Funding Sources

Projects that leverage Authority resources may earn up to 15 points based on the amount of leveraged resources as a percentage of total funding sources in the Project's development budget.

Leveraged resources under this category are defined as funds provided by a non-Authority source. Authority-issued LIHTC is not a leveraged resource. All leveraged resources must be reflected in the Project budget and be available during the Project's construction period to pay for expenses reflected in the development budget. Only sources allocated to uses that fall within the Project's Site boundaries will be considered for financial leveraging.

Funding secured¹ through **HUD's CoCBUILDS NOFO** will be eligible for points under this category.

In Projects where the leveraged resource is a contribution of direct financial assistance from an area employer that is otherwise not participating in the development of the Project, the assistance must be in the form of an unsecured loan giving no foreclosure rights to the employer or a grant giving no recapture rights to the employer.

In Projects where the acquisition is financed in whole or in part through a seller's note, the amount of the seller's financing will not be considered a leveraged resource under this category. At its sole discretion the Authority may allow seller's notes from health and hospital systems to qualify for points under this category.

Projects will be awarded points as follows:

Leveraged Resources as Percentage of Total Project Costs	Points
20.1% or more	15
15.1-20%	10
12-15%	6

B. Firm Commitment of Operating or Rental Assistance

Rental assistance will be considered project-based if it is tied to the units rather than to the tenants. Points will only be awarded if the rental assistance ensures tenants pay no more than 30% of their income, or the minimum rent required, toward rent and utility expenses combined.

Sponsors seeking points in this category must submit documentation evidencing a current rental assistance contract or a commitment to provide rental assistance. Projects with a current rental assistance contract must submit a copy of the fully executed contract in the Application.

Projects with a rental assistance commitment must provide a commitment letter in the Application that includes all of the following:

1. The maximum household income;
2. The total number of units assisted; and
3. The length of the rental assistance contract.

When HUD is providing the rental assistance, the commitment letter must be from HUD. Illinois Division of Mental Health Bridge Subsidy Program commitment letters must be from the Illinois Department of Human Services or the Illinois Division of Mental Health, and Project-Based Housing Choice Voucher Conversion and Public Housing Authority Annual Contribution Contracts must be from the executive director of the relevant Public Housing Authority. Developer-funded rental assistance is not eligible for points under this category. However, rental assistance from a health and hospital system (or Healthcare Partner) may at the Authority's sole discretion be eligible under this category, even if the health and hospital system is the Sponsor or part of the sponsorship entity.

¹ Funding awards must be secured and committed by time of Application to be considered as a leveraged resource under this scoring criteria

The Authority understands the CoC that are recipients of Hearth Act funding (formerly known as McKinney Vento) are unable to commit rental assistance for periods of five years or longer. In recognition of this, and the Authority having a desire to work more closely with the CoCs of Illinois, points have been added in this RFA for rental assistance funded by CoCs which may not meet the Authority’s traditional requirement that Rental Assistance Contracts be for a minimum of five years. Regardless of whether a Project has a commitment of CoC-funded rental assistance, the Authority encourages Projects to work closely with CoCs and, when feasible for the Project and target population, utilize Coordinated Entry for referrals to the property. Sponsors should be aware that these resources may not be included in the underwriting assumptions at the time of application; subsidy rents may not be used to meet underwriting standards.

Projects that provide project-based rental or operating assistance may earn up to 20 points based on the number of units assisted and the length of committed assistance. Projects with a Rental Assistance Contract will be awarded points as follows:

Rental Assistance Requirements			
Percentage of Units Assisted	Points for 10+ Year Commitment	Points for 5-Year to 9-Year and 11 Month Commitment	Points for CoC funded Rental Assistance
75.1% or more units	20	10	7
50.1-75% of units	15	7	5
10.1-50% of units	10	5	3
1-10% of units	5	3	1

C. Sustainability and Energy Efficiency

Projects may earn up to seven points for committing to a qualifying Green Building or Energy Efficiency certification as outlined in this section. Projects may choose to pursue either certification pathway but will not be awarded points for both.

The details surrounding criteria and certification process for each of the third-party green building certifications referenced for the Basic Level sub-category, as well as the energy efficiency certifications referenced for the Basic Level, Advanced Level, and Net Zero Level sub-category can be accessed via the respective third-party websites for each standard. Sponsors will need to provide proof of Project registration in the program(s) of their choice at time of Application. When the Project receives its Certificate of Occupancy, Sponsors will provide official documentation to the Authority that they have achieved requisite certification(s). In lieu of certification(s), the Authority, in its sole discretion, may accept an alternative verification from a reliable third party qualified to confirm that the Project complies with the certification requirements despite not receiving the official documentation.

i. Green Building Certification: Basic Level

Projects whose design and construction meet or exceed green building criteria may earn seven points by certifying to any one of the following basic certification standards:

- **EGC - Certification;**
- **USGBC - Leadership in Energy and Environmental Design (“LEED”) BD+C at the Gold level;**
- **NGBS - Gold;** or
- **ILFI - Core Green Building Certification.**

The table below outlines the different paths for how Projects may earn points via the Green Building Certification: Basic Level sub-category:

Green Building Certification Requirements	Basic Level
	7 Points
Enterprise Green Communities (“EGC”)	Certification
United States Green Building Council (“USGBC”)	LEED Gold
National Green Building Standard (“NGBS”)	Gold
International Living Future Institute (“ILFI”)	Core Green Building Certification

ii. **Energy Efficiency Certification**

Alternately, Projects whose design and construction meet or exceed energy efficiency building criteria may earn up to seven points by certifying to one of the following Basic, Advanced, or Net Zero Level certification standards:

- **Basic Level: United States EPA, DOE - Energy Star;**
- **Advanced Level: United States EPA, DOE – Zero Energy Ready Home (“ZERH”); or**
- **Net Zero Level: United States EPA, DOE – ZERH + Solar.**

The Energy Efficiency Certification Requirements table below further elaborates on how Projects may earn points via the Basic Level, Advanced Level, and Net Zero Level sub-categories:

Energy Efficiency Certification Requirements			
Program	Basic Level: 3 Points	Advanced Level: 5 Points	Net Zero Level: 7 Points
United States Environmental Protection Agency (“EPA”), United States Department of Energy (“DOE”)	Energy Star	Zero Energy Ready Home	Zero Energy Ready Home + Solar (sufficient to achieve net zero energy)

D. Access to Transportation

Projects may earn up to five points for access to transportation. Points awarded in this category are not cumulative.

Projects will be awarded five points for transit-oriented development if the proposed Project is located in close proximity to fixed-route public transportation, excluding inter-city transportation. “Close proximity” is defined as being within a half-mile radius of a fixed route transit stop, defined as: a bus and train stop serving local destinations, with scheduled operations beginning no later than 8:00a.m. and ending no earlier than 6:00p.m., Monday through Friday. Transportation routes and distance to the Project Site must be identified on a map submitted with the Application along with a current schedule for the routes being considered.

OR

Projects will be awarded five points if served by publicly available Dial-A-Ride modes of transportation that are at a minimum available between Monday and Friday from 8:00a.m. to 5:00p.m. The Sponsor must include a letter from the Dial-A-Ride provider stating all of the following:

1. The Project is located within the service area of the Dial-A-Ride; and
2. The Dial-A-Ride service is, at a minimum, available between the hours of 8:00a.m. and 5:00p.m. Monday through Friday.

E. Coordination of Referrals

Projects may earn up to 10 points under the Coordination of Referrals scoring category by demonstrating coordination with the local CoC and/or other State Agencies to meet statewide priorities and support housing connections for those who face significant barriers to housing.

i. Coordination with Local Continuum of Care

Projects may earn up to five points for coordination with a local CoC. A is a regional or local planning body mandated by HUD that coordinates housing and services funding for homeless families and individuals. Projects that coordinate with their local CoC and commit to participate in accepting referrals through Coordinated Entry may earn points under this category as follows:

Coordination with local CoC Requirements	Points
Letter of support from CoC regarding referrals to the housing (commitment to Coordinated Entry)	3
Letter of support from CoC regarding referrals to the housing (commitment to Coordinated Entry) AND Commitment of services from a CoC-funded provider	5

A preference for the intended population must be appropriately referenced in the Tenant Selection Plan. Applications for Projects that are unable to obtain written confirmation from their CoC but have made efforts to obtain such written confirmation should include a description of the efforts used to obtain referrals for the Project. The Authority will review the documentation and may award points to Projects that have made best efforts and understands that in some regions, PHAs have existing partnerships with CoCs and are able to utilize Coordinated Entry as a referral method for PBVs. If a Project includes this type of arrangement, Sponsors must provide clarification from the PHA and/or CoC confirming this arrangement.

ii. Coordination with DCFS, IDOC, and/or IDHS DDD

Projects may earn five points for coordination with either the Illinois Department of Children and Family Services, Illinois Department of Corrections, or the Illinois Department of Human Services Division of Developmental Disabilities (“IDHS IDD”). Points for coordination with DCFS, IDOC, IDHS DDD are not cumulative and are limited to coordination with one of these three state agencies as detailed below:

a. Coordination with the Illinois Department of Children and Family Services or a Grantee of the Illinois Department of Children and Family Services to House Youth Aging out of DCFS Care

In Illinois, youth generally age out of DCFS systems at age 21 and many need a range of supportive housing interventions. All persons housed under this RFA must be of legal age to rent an apartment, although having co-signers of leases is acceptable, as is a master lease model, so long as the tenants are all at least 18 years of age. Housing may not be time limited and there can be no age restrictions on the housing but a preference for the intended population must be appropriately referenced in the Tenant Selection Plan. Projects may earn up to five points under this sub-category per the table at the end of the sub-category section.

A preference for the intended population must be appropriately referenced in the Tenant Selection Plan. Applications for Projects that are unable to obtain written confirmation from DCFS but have made efforts to obtain such written confirmation should include a description of the efforts used to obtain referrals for the Project. The Authority will review the documentation and may award points to Projects that have made best efforts.

b. Coordination with Illinois Department of Corrections Re-Entry program or County Sherriff's Office/Correctional Facility

Projects providing housing which is coordinated with IDOC or a correctional facility may earn up to five points under this sub-category.

Coordination must be evidenced through submission of all the following:

- Written confirmation from IDOC;
- How coordination will occur with Project;
- What services are provided;
- What funding source is used to pay for these services;
- The capacity of the organization to provide services to any Project tenants; and
- How the Project intends to reduce barriers to housing for re-entry populations.

A preference for the intended population must be appropriately referenced in the Tenant Selection Plan. Applications for Projects that are unable to obtain written confirmation from IDOC but have made efforts to obtain such written confirmation should include a description of the efforts used to obtain referrals for the Project. The Authority will review the documentation and may award points to Projects that have made best efforts.

For Projects coordinating with an entity other than IDOC such as a County Sheriff's Office, Sponsors should provide the same type of documentation listed above, including a letter from the Sheriff's Office, Correctional Facility, etc. outlining their commitment to re-entry support.

Sponsors should also outline ways they intend to reduce barriers to attaining and maintaining housing for re-entry populations including the anticipated approach to tenant screening related to criminal background. Projects may earn points under this sub-category per the table at the end of the sub-category section.

c. Coordination with Illinois Department of Human Services, Division of Developmental Disabilities

Projects providing housing which have received confirmation of support from an IDHS-funded Independent Service Coordination agency and/or other IDHS funded service provider for adults with Intellectual or Development Disabilities may earn up to five points under this sub-category.

A preference for the intended population must be appropriately referenced in the Tenant Selection Plan. Applications for Projects that are unable to obtain written confirmation from Independent Service Coordination Agencies or IDHS-DDD funded service providers but have made efforts to obtain such written confirmation should include a description of the efforts used to obtain referrals for the Project. A list of ISCs can be found on the IDHS website using the **DHS Office Locator tool** and filtering for the Office Type "Developmental Disability Services." The Authority will review the documentation and may award points to Projects that have made best efforts. Projects may earn points under this sub-category per the table at the end of the sub-category section.

Coordination with DCFS, IDOC, and/or IDHS DDD Requirements	
Coordination with DCFS Requirements	Points
Letter of support from DCFS regarding referrals to the housing	3
Letter of support from DCFS regarding referrals to the housing AND a plan for how services will be delivered once the youth has graduated from DCFS funded services	5
Coordination with IDOC or County Sherriff's Office/Correctional Facility Requirements	Points
Coordination with IDOC or County Sherriff's Office/Correctional Facility	3
Coordination with IDOC or County Sherriff's Office/Correctional Facility AND commitment of social services to further individual post-release plans	5
Coordination with IDHS IDD Requirements	Points
At least one letter of support from either: An IDHS-funded Independent Service Coordination Agency willing to make referrals to the housing OR One or more IDHS funded service provider(s) willing to make referrals to the housing and/or able to provide services to residents at the property	3
Letters of support from both: An IDHS-funded Independent Service Coordination agency willing to make referrals to the housing AND One or more IDHS-DDD funded service provider(s) willing to make referrals to the housing and/or able to provide services to residents at the property	5

F. Coordination of Services

Projects may earn up to 10 points under the Coordination of Services scoring category by demonstrating coordination with a community-based provider and/or through coordination efforts aimed at providing additional services and supports to the Project.

i. Coordination with Community-Based Provider

Projects that establish a MOU or other legally binding agreement with a community-based service provider, which may or may not be the Sponsor organization, to provide support services on-site in a dedicated space may earn five points. Projects must submit the MOU and a service plan that outlines:

- the services offered to residents,
- the number of proposed staff, and
- the size and location of the service office space.

Services at minimum must include case management, tenancy support services, and access to behavioral health services (which includes substance use and mental health services).

ii. Additional Service and Support Coordination

Projects may earn up to five points for demonstrating how additional services and supports will be made available to support tenants' ability to maintain financial and housing stability. This section is intended to capture ways in which Sponsors and Service Providers can support tenants with targeted resources that may not be captured in the financial underwriting of the Project, but that support the long-term viability of the development and housing stability of tenants. This section is also intended to encourage Sponsors to work with providers who are able to access services, supports, and coordination available to support the state's efforts in rebalancing long-term care systems through existing and planned activities including the Money Follows the Person ("MFP") Program, and to encourage access and utilization of services proposed under the **Illinois Healthcare**

Transformation Section 1115 Demonstration Program. Points under this sub-category will be awarded cumulatively but capped at five points as follows:

Additional Service and Support Coordination Requirements	Points
The Project has established an MOU with a service provider that is a Medicaid provider with experience billing for services including those covered under the current Home and Community Based Service Waiver(s) for the Project’s target population.	4
The Project has an eviction prevention policy, which may be in draft form, and provides a copy with the Application.	2
<p>The Project is able to demonstrate partnerships or funding to provide specific tenancy supports, including financial supports, for at least two of the following:</p> <ul style="list-style-type: none"> • Ability to connect tenants to mainstream services and entitlements (Medicaid, SSI/SSDI, SNAP, etc.); • Assistance with moving costs and/or furnishings at time of move-in; • Confirmation of rental or operating assistance that may not meet the Authority’s Underwriting Standards, but can be confirmed to be available to support tenants in the Project; and/or • Utility assistance as demonstrated by either: <ul style="list-style-type: none"> a. The Project does not include tenant-paid utilities; or b. The Projects demonstrates the ability to connect tenants with utility assistance such as LIHEAP. 	2

G. Neighborhood Assets

Projects may earn up to 10 points under the Neighborhood Assets category through either the Quality of Life Index or demonstrating the Site’s proximity to neighborhood assets beyond the mandatory requirements. Projects will be awarded the higher of their assigned Quality of Life Index score or points achieved under the Neighborhood Assets Beyond Mandatory.

i. Quality of Life Index

The Authority has developed a **Quality of Life Index** that calculates a score for every census tract in Illinois. The Quality of Life Index score is a dynamic measurement of cumulative positive outcome measurements in five different Quality of Life Categories. These categories are: education, prosperity, health, housing, and connectivity. Each category is worth two points and consists of carefully vetted data. Census tracts can achieve overall scores ranging from one to 10 points. A full discussion of methodology used in the **Quality of Life Index** is available on the Website. Projects will receive their assigned Quality of Life Index score per the methodology described above. Quality of Life Index scores cannot be adjusted.

ii. Neighborhood Assets Beyond Mandatory

Projects may earn up to 10 points in this sub-category based on the proximity of neighborhood assets to the Project Site. Proximity thresholds are based on the Project’s Geographic Set-Aside (see **Appendix I: Definitions**):

Proximity Radius by Set-Aside	
Chicago Metro	0.5 miles
City of Chicago	0.5 miles
Non-Metro	1 mile
Other Metro	0.75 miles

Projects will be awarded points for each asset in excess of the mandatory criteria neighborhood assets as follows:

Neighborhood Assets Requirements	Points
Health Services	4
Civic/Recreation	3
Job Training or Education	3

Only one establishment will count for each category. For example, a community college and a job training center both fall under the "Job Training or Education" category; the Sponsor would only be awarded points for one asset in this category.

The neighborhood assets/establishments used to meet the mandatory criteria in **Section 7.E** will be excluded from the scoring under this section. Additional neighborhood assets beyond those utilized to meet the mandatory criteria can be considered for scoring under this section.

Assets must meet the following threshold criteria:

a. Health Services

All sites are located within the proximity radius of a county health clinic, urgent care clinic, pharmacy, federally qualified health center, or hospital system.

b. Civic/Recreation

All sites are located within the proximity radius of a public library, public park / park district territory that is open to the public.

c. Job Training

All sites are located within the proximity radius of a workforce investment center or job training center. Please utilize the **Illinois workNet center** and/or the **Illinois Employment First website** to determine if these employment resources are located near your development site. The following categories on the Illinois workNet Service Finder Tool can be used to locate relevant job training locations:

- Disability Services;
- Education and Training;
- Job & Career Readiness Services;
- Mentoring;
- Workshop and Seminars;
- Recruitment Services;
- Resources; and
- Training Services.

d. Education

All sites are located within the proximity radius of a public K-12 school, community college, or continuing education facility offering a full set of classes. Tuition based schools and selective enrollment schools do not qualify. Pre-K or daycare facilities will be considered for family Projects only. Assets must be evidenced through submission of all of the following:

- Map(s) clearly delineating all Sites and distance to the neighborhood asset(s);
- The applicable proximity radius around the Site;
- A table referencing each neighborhood asset identified on the map(s); and

- Documents provided to meet this criteria can also be used to meet the mandatory criteria in **Section 7.E.**

H. Development Team Characteristics

i. BIPOC Development Control

Projects whose Participants include For-Profit businesses led by Black, Indigenous, or People of Color (“BIPOC”) are eligible to earn a maximum of 11 points cumulatively between the BIPOC Development Control and Women/Disadvantaged/Minority Enterprises sub-categories. Projects whose Participants include BIPOC-led or -governed Qualified Non-Profits, or one of the 10 Illinois Regional Development Authorities (“IL-RDA”), as listed on the **IL-RDA website**, are eligible to earn a maximum of seven points cumulatively between the BIPOC Development Control and Women/Disadvantaged/Minority Enterprises sub-categories.

a. For-Profit BIPOC-Led Businesses

For-Profit BIPOC-led businesses are defined as those companies who at the time of Application can provide documentation of current MBE certification with one of the approved entities below:

1. Illinois Department of Central Management Services- Business Enterprise Program for Minorities, Females and Persons with Disabilities; or
2. City of Chicago, City of St. Louis, Cook County, Chicago Transit Authority, Illinois Department of Transportation, METRA, PACE, Chicago Minority Supplier Development Council, Mid-States Minority Supplier Development Council or Women’s Business Development Center.

b. BIPOC-Led/Governed Qualified Non-Profits or Illinois Regional Development Authorities

BIPOC-led/governed Qualified Non-Profits or one of the 10 IL-RDAs are defined and certified at time of Application one of two ways:

1. BIPOC-Led: A minimum of 35% of director-level employee leadership is BIPOC, which can include the Executive Director, with the designated employees reporting directly to the Executive Director. This will be evidenced by the **BIPOC Participation Certification** and a completed **Organizational Chart Template** at the time of the Application; or
2. BIPOC-Governed: A Non-Profit whose board chair **AND** a minimum 30% of all other voting members is BIPOC **OR** whose overall board composition is 40% BIPOC. This will be evidenced by the **BIPOC Participation Certification** and a completed **Organizational Chart Template** at the time of the Application.

ii. Women/Disadvantaged/Minority Enterprises

Women-Owned Business Enterprises (“WBE”), Disadvantaged Business Enterprises (“DBE”) and Minority Business Enterprises (“MBE”) may also earn two points per qualifying entity in this sub-category. Projects teams with Participants that include architects, property managers and general contractors holding current WBE/DBE/MBE certificates with the entities as outlined above are also eligible to earn two points per qualifying entity in this sub-category. These points may also be awarded to joint ventures amongst participating general contractors or architects, provided the WBE/DBE/MBE-certified member represents no less than 25% of the joint venture. Joint ventures must be evidenced by a MOU at the time of the Application.

Only one entity can be awarded points under the Development Control Thresholds Requirements. Multiple entities can be awarded points under the WBE/DBE/MBE Thresholds Requirements. Additionally, a single entity will only be awarded the higher of the Development Control Threshold Requirement points or the WBE/DBE/MBE Threshold Requirement points. Points will be awarded under these circumstances cumulatively up to their respective limits as indicated below. Points will be awarded by Participant as follows:

BIPOC Development Control Requirements		
Development Control Threshold Requirements Only one qualifying entity can be awarded points under this category	Points Awarded: For-Profit BIPOC-Led Business	Points Awarded: BIPOC-Led/Governed Qualified Non-Profit or IL-RDA
Participants that have a 50.1% or greater stake in all aspects of development control, including but not limited to ownership, cash-flow, and voting rights	11	3
Participants that have between a 49.1% and 50% stake in all aspects of development control, including but not limited to ownership, cash-flow, and voting rights	7	1
Participants that have between a 25% and 49% stake in all aspects of development control, including but not limited to ownership, cash-flow, and voting rights	5	

Women/Disadvantaged/Minority Enterprises Requirements		
WBE/DBE/MBE Threshold Requirements Multiple qualifying entities can be awarded points under this category	Points Awarded: For-Profit BIPOC-Led Business	Points Awarded: BIPOC-Led/Governed Qualified Non-Profit or IL-RDA
Project Participant team includes qualifying WBE/DBE/MBE general contractor, property manager, Architect of Record, and/or joint venture partner/co-sponsor	2 points per qualifying entity	2 points per qualifying entity

MAXIMUM ALLOWABLE POINTS: BIPOC Development Control + Women/Disadvantaged/Minority Enterprises	For-Profit BIPOC-Led Business	BIPOC-Led/Governed Qualified Non-Profit or IL-RDA
	11	7

iii. **Non-Profit Organization Participation**

Projects that involve the participation of a Qualified Non-Profit Organization or one of the 10 Illinois Regional Development Authorities can earn four points if the Qualified Non-Profit or IL-RDA holds a majority ownership interest (more than 50%) and Control in the general partner or managing member of the Project Owner and materially participates throughout the Compliance Period. The Qualified Non-Profit must submit:

1. The Qualified Non-Profit's IRS determination letter; and
2. The section of the Qualified Non-Profit's articles of incorporation or by-laws that evidence the fostering of low-income housing as an exempt purpose, with that purpose clearly marked and highlighted.

The Qualified Non-Profit or IL-RDA must have the right of first refusal at the end of the Compliance Period. All Qualified Non-Profits seeking to score points in this category must check the "Allocation subject to nonprofit Set-Aside under sec. 42(h)(5)" box on IRS Form 8609 at the time of tax credit cost certification.

I. Supportive Housing Experience, Training, and Endorsements

Sponsors who demonstrate that they either hold extensive experience or are pursuing training and certification(s) to grow their capacity for developing supportive housing units may earn a maximum of two points in the Supportive Housing Experience and Training category. Sponsors may either earn points by demonstrating their experience, or through a combination of participation in the Supportive Housing Institute and/or completing the CSH Pre-

Development Quality Endorsement.

i. Supportive Housing Development Experience

Projects whose Sponsors can demonstrate that they have extensive experience successfully developing and placing in service a significant portfolio of supportive housing units may earn four points. Sponsors who can demonstrate that they have developed and placed in service no less than 300 supportive housing units within the United States by providing a list of all property name(s), property address(s), supportive housing unit count(s), and year that property(ies) and/or unit(s) were placed in service may earn four points.

ii. Supportive Housing Institute and CSH Pre-Development Quality Endorsement

The Authority sponsors the Illinois Supportive Housing Institute, which is led by the Corporation for Supportive Housing (“CSH”), to provide targeted training and technical assistance to build the capacity of developers of Permanent Supportive Housing in Illinois. Sponsors that have participated in the Authority-sponsored Illinois Supportive Housing Institute from 2022 through the present may earn two points.

Additionally, CSH offers a **Pre-Development Quality Endorsement** for supportive housing projects in the planning phase. Any Project, regardless of whether the Sponsor has participated in an Illinois Supportive Housing Institute, may pursue this certification. Projects that have completed and passed the CSH Pre-Development Quality Endorsement process may earn two points.

Points will be awarded by under this category as follows:

Supportive Housing Experience and Training Requirements	Points
Sponsor(s) demonstrates that they have developed and placed in service no less than 300 supportive housing units within the United States	4
OR	
Sponsor(s) has participated in the Illinois Supportive Housing Institute	2
Sponsor(s) provides a letter of support from CSH demonstrating the Project meets CSH Quality Standards	2

J. Anchor Institution and Insurer Partnerships

Projects that demonstrate innovative partnerships with anchor institutions and/or the healthcare industry that bring meaningful financial and/or service benefits to the Project and its tenants may earn up to eight points under the Anchor Institutions and Insurers category.

i. Financial or Site/Facility Contribution

Projects that demonstrate the ability to partner with an Anchor Institution and/or Insurer by securing a meaningful financial commitment may receive up to four points under the Financial or Site/Facility Contribution sub-category.

Projects that include financial contributions from partner Anchor Institutions and/or Insurers that meet the requirements and are considered a part of a Project’s leveraged resources as outlined in **Section 8.A** may be awarded points in this sub-section. Projects that include one or more of the following financial commitments from one or more Anchor Institution(s) and/or Insurer(s) totaling 2% or more of the Project’s Total Development Cost will be awarded four points:

- Low-/no-interest loan;
- Grant;
- Operational subsidy;
- Predevelopment financing;
- Facility or land donation (may trigger IAHTC as well); and/or

- Rental assistance that meets Authority standards.

ii. **Institutional Partner Services**

Projects where the Anchor Institution provides on-site medical, nutrition, support and/or other specialized services that are outlined on the Anchor Institution Service Checklist may earn a maximum of four points, depending on the level of intensity of such service and number of services provided. One point will be awarded per service provided unless otherwise noted on the Anchor Institution Service Checklist.

- Tenant referrals to the Project
- Provision of onsite care services or mobile care clinics
- Support of tenant-focused activities and programs addressing health and/or wellness such as nutrition literacy, healthy meal preparation; exercise classes; chronic disease self-management, etc.
- Transportation supportive services
- Support or provision of onsite educational programs, such as financial literacy, home economics, budgeting, early childhood education/childcare, etc.

Projects must establish a MOU or other legally binding agreement with an institutional Partner, which may or may not be the Sponsor organization, to provide services. Projects must submit the MOU and a service plan that outlines the services offered to residents, number of proposed staff, and the size and location of the service office (if applicable). Services provided must be appropriate for the target population. Services will be evaluated according to the list provided on the Anchor Institution Service Checklist. Points will be awarded cumulatively with a maximum of four points possible.

Section 9: Post-Award Requirements

If the Members of the Authority approve the Application, a term sheet and conditional commitment letter (collectively, the “Commitment”) will be issued to the Sponsor specifying the terms, conditions, documentation, and timelines under which the Authority will fund the Project. If the Sponsor does not satisfy the terms and conditions of the Commitment in the Authority’s sole and absolute discretion within the time frame specified therein the funds will not be awarded and will be withdrawn.

Among the requirements in the Commitment will be signature and delivery by the Sponsor of the following documents to be provided by the Authority, including without limitation:

(i) Funding Agreement, (ii) Regulatory Agreement, (iii) Recapture Agreement, and in cases where national Housing Trust Fund is the source of funds, (iv) a certification that the Sponsor shall comply with all national Housing Trust Fund Regulations.

Aside from certain costs associated with preparing a successful Application (for example, physical needs assessments), no Project costs may be incurred prior to closing of the award and funding of the Project. Closing shall be at such time as the Sponsor satisfies the terms and conditions of the Commitment as determined by the Authority in its sole and absolute discretion.

Sponsors must agree to comply with all applicable federal and State of Illinois requirements. Such requirements may have significant impact on the costs and complexity of the Project.

Sponsors are expected to be familiar with the full range of all legal and statutory compliance requirements applicable to the funds awarded and to obtain all necessary information and advice so that they can comply with such requirements. The following is a non-exhaustive summary of certain aspects of the major compliance requirements.

A. Approval of Final Plans and Specifications

The Authority’s Design, Construction and Regulatory Compliance team must approve the complete final architectural plans and specifications for the Project. The complete plans and specifications must incorporate all mandatory criteria as well as any scoring criteria for which the Project received points. In addition to the Project plans and specifications, the following documents will be required:

A copy of the Illinois Architectural Registration Certificate for the design firm and/or the sole proprietor; and

An Architect’s Error and Omissions Certificate of Insurance; and

The ALTA/ACSM Land Title Survey; and

If determined by the Authority to be applicable, a soils boring report describing the subsurface exploration, analysis relative to mining hazards, and geotechnical recommendations for the Site or a Site-specific certified letter from the architect regarding the suitability of soils.

B. Environmental Assessment

Unless federal funds are present, the Authority will determine in its sole discretion the scope of the environmental studies and, if applicable, the scope of remediation that may be required for one or more of the Projects. If a Project Site(s) will require remediation, the development budget must include both an environmental remediation line item to cover the scope of the remediation and an environmental remediation contingency line item in the amount of 10% of the remediation costs.

If federal funds are awarded, a determination will be made as to whether an environmental clearance from HUD will be required. If such clearance is required, the Sponsor may not undertake, or commit any funds to, physical or choice-limiting actions, including property acquisition, demolition, tenant relocation, rehabilitation, conversion, repair, or construction prior to receipt of environmental clearance from HUD.

C. Excluded Parties

The Excluded Parties List System (“EPLS”) includes information regarding entities that have been debarred, suspended, proposed for debarment, excluded, or disqualified under the non-procurement common rule, or otherwise declared ineligible from receiving federal contracts, certain subcontracts, and certain federal assistance and benefits. The Authority will check all names of all Participants against the EPLS found at www.epls.gov. The Authority may rescind a conditional approval of a funding award if a Participant appears on EPLS.

D. Labor Standards

The Authority will implement labor standards on demolition, construction, and rehabilitation Projects. In instances when a Project utilizes only non-federal funds, the Authority must ensure the Project abides by the Illinois Prevailing Wage Act (820 ILCS 130/0/.01). In instances where the Project utilizes federal funds from the Authority, the Authority must ensure the Project complies with Davis Bacon and Related Acts (DBRA). Federal Regulations can be found in part from the Code of Federal Regulations (Title 29 CFR, parts 1,3,5,6 and 7). If a loan or grant from another source requires a Project to comply with the Davis-Bacon Act, 40 USC 276a et seq., the requirements of the other source will prevail.

E. Fair Housing

Fair housing is otherwise known as equal housing opportunity. Federal, state, and various local laws legally define fair housing and identify specific protected classes based on documentation of past patterns of discrimination.

i. Fair Housing Act of 1968 as amended in 1988 (“Fair Housing Act”)

Title VIII of the Civil Rights Act of 1968, also known as the Fair Housing Act, prohibits discrimination based on race, color, religion, national origin, sex, familial status, or disability and requires landlords to make reasonable accommodations and modifications for tenants with disabilities.

The Fair Housing Act requires the Secretary of HUD to administer housing and development programs and activities that “affirmatively further” (actively support and encourage) fair housing. Participants must undertake specific activities to affirmatively further equal opportunity and fair housing and must assure all activities and services are accessible to persons with disabilities.

ii. Section 504 of the Rehabilitation Act of 1973 (“Section 504”)

Section 504 prohibits discrimination in federally funded programs. For a federally assisted new construction housing Project, Section 504 requires five percent of the dwelling units, or at least one unit, whichever is greater, to meet Uniform Federal Accessibility Standards (“UFAS”) or a standard that is equivalent or stricter, for persons with mobility disabilities. An additional two percent of the dwelling units, or at least one unit, whichever is greater, must be accessible for persons with hearing or visual disabilities.

For federally financed housing rehabilitation Projects that result in substantial alteration, the new construction provisions of 24 CFR 8.22 (equivalent to that described above) will apply. Alterations are considered substantial if they are undertaken to a property that has 15 or more units and the cost of the alterations is 75% or more of the replacement cost of the completed facility.

If the subject property has fewer than 15 units or the cost of alterations is less than 75% of the replacement cost of the completed facility and the recipient has not made 5% of its units in the Project accessible to and usable by individuals with disabilities, then the requirements of 24 CFR 8.23(b) - Other Alterations apply.

iii. The Americans with Disabilities Act of 1990 (“ADA”)

The ADA prohibits discrimination on the basis of disability in government-funded programs, including housing programs (“Title II”), as well as public accommodations (“Title III”) which means that rental offices, homeless shelters, and other on-site business locations used by the public, including common areas of public/assisted housing, must be accessible to persons with disabilities.

iv. *Olmstead v. L.C.*, 527 U.S. 581 (1999)

Olmstead v. L.C. found that persons with disabilities have a right to receive their services in the most integrated setting according to their needs and desires. The following Guidance on *Olmstead* and how it relates to housing

has been released by HUD and the U.S. Department of Justice:

<http://portal.hud.gov/hudportal/documents/huddoc?id=OlmsteadGuidnc060413.pdf>

http://www.ada.gov/olmstead/q&a_olmstead.htm

v. **Illinois Human Rights Act**

The Illinois Human Rights Act provides equal access to residential housing choices regardless of race, color, religion, national origin, sex, familial status, disability, pregnancy, marital status, age (40 and over), order of protection status, ancestry, military status, unfavorable military discharge, and sexual orientation (including gender-related identity).

F. Section 3 and Minority- and Women-Owned Business Enterprises

Projects will comply with Section 3 of the Housing and Urban Development Act of 1968 if an awarded loan or grant from a funding source triggers such requirement. In addition, hiring practices shall comply with any applicable Illinois or Federal requirements, including but not limited to the Business Enterprise for Minorities, Females, and Persons with Disabilities Act (30 ILCS 575).

G. Management Documents

All Projects will prepare management documents which may include a tenant selection plan, management plan, management agreement, affirmative fair housing marketing plan, and sample lease, and other documents as required, to be reviewed and approved by the Authority. At the Authority's discretion, some Projects may be required to provide a marketing plan and marketing agreement, and, if the Project involves the acquisition of existing condominiums or homes, a plan to engage and gain the support of any existing condominium or homeowner associations.

H. Regulatory Period

Projects will be required to execute a Regulatory Agreement with the Authority whereby the Owner shall agree to maintain unit affordability and serve the targeted populations for a minimum period of 15 years. Note that some sources may require affordability requirements be in place for 30 years or longer.

I. Reporting and Monitoring

The Authority will assess property and unit condition, compliance with affordability and targeting requirements, and financial stability through submission of audits.

Appendix I: Definitions

“Allocation Plan” – shall mean the Authority’s submitted and HUD-approved HOME-ARP Allocation Plan, which shall dictate and guide its distribution of HOME-ARP funds under this RFA. HUD required an Allocation Plan which describes how each Participating Jurisdiction intends to distribute its HOME-ARP funds and how they will use these funds to address the needs of HOME-ARP qualifying populations.

“Anchor Institution” – shall mean an organization which has significant economic or social impact in their community, like a university, medical center, hospital, employer, etc. and is contributing meaningful financial and/or service benefits to the Project and its tenants.

“Application” – shall mean an entire set of required and requested documents, in electronic form, as prescribed in this Request for Applications and submitted by a Sponsor to the Authority.

“Area Median Income” (“AMI”) – shall mean the median income of the county or the metropolitan statistical area in which the Project is located, adjusted for family size, as such adjusted income and median income for the area are determined from time to time for purposes of Section 8 of the United States Housing Act of 1937.

“Authority” – shall mean the Illinois Housing Development Authority (“IHDA”).

“Average Income Test” – shall refer to the Average Income minimum set-aside election provided on line 10c of IRS Form 8609. Under the Average Income Test, at least 40% of units are rent restricted, with an average income restriction of 60% AMI, and with maximum income restriction no higher than 80% AMI.

“Board” – shall mean the Members of the Authority’s governing body, appointed by the Governor of Illinois.

“Clarification Letter” – shall mean a written request (sent via email) sent by the Authority in response to an Application requesting further information or clarification of any Application submissions or their components. The sending of the Clarification Letter will signify the beginning of this RFA’s five-business day clarification period, during which Sponsors may respond to the requests laid out in the Clarification Letter. Sponsor responses may not include any new information or any additional submissions outside of the items noted in the Clarification Letter.

“Compliance Period” – shall mean the period of time under which any and all Authority resources utilized to finance a Project are applicable and monitored, according to their respective funding source’s specific rules and guidance. For 4% LIHTC, (notwithstanding Section 42(i)(1) of the Code) this shall mean the period of 15 consecutive taxable years beginning with the first taxable year of the Credit Period.

“Continuum of Care” (“CoC”) – A local planning body that coordinates housing and services planning and funding for homeless families and individuals. The CoC tracks and manages the homeless needs and services in its area.

“Coordinated Entry” (“CE”) – shall mean a centralized or coordinated process required for the CoC and Emergency Services Grants Program to coordinate program participant intake, assessment, and referrals within the CoC area. Under 24 CFR 578.3, HUD requires each CoC to establish and operate a standard CE system with the goals of increasing the efficiency of local crisis response and improving fairness and ease of access to resources for eligible homeless and at-risk populations.

“Funding Agreement” – shall mean the document that outlines the terms and conditions of a funding award.

“Geographic Set-Aside” (“Set-Aside”) – shall mean Projects will be categorized by Set-Asides defined below and as published on the Authority’s **Set-Aside Look Up tool**:

- **“Chicago Metro Set-Aside”** – shall mean the county boundaries containing DuPage, Kane, Lake, McHenry, Will, and Cook counties, excluding the city of Chicago.

- **“City of Chicago Set-Aside”** – shall mean the municipal boundary containing the City of Chicago.
- **“Non-Metro Set-Aside”** – shall mean regions that are located outside of any contiguous development metro areas, including all counties with a population less than 50,000 people.
- **“Other Metro Set-Aside”** – shall mean metropolitan areas outside of the Chicago Metro region, including smaller municipalities, with contiguous development.

“Healthcare Partner” – shall mean a hospital, healthcare organization, insurer or Managed Care Organization (“MCO”) with investments in the Project’s financing.

“HOME-ARP” – shall mean the HOME Investment Partnerships American Rescue Plan Program that provides funding to HOME Participating Jurisdictions to reduce homelessness and increase housing stability across the country.

“HOME Investment Partnership Program” (“HOME”) – shall mean a federal block grant program created by the National Affordable Housing Act of 1990. Block grants are made to state and local governments, known as Participating Jurisdictions, who distribute the funds through local affordable housing programs, including loans or grants for rental housing. Participating Jurisdictions such as the Authority make Project awards and monitor Project compliance throughout the affordability period.

“Housing First” – shall mean a homelessness prevention approach centered around quickly and successfully connecting individuals and families experiencing homelessness to permanent housing without preconditions and barriers to entry, such as sobriety, treatment or service participation requirements.

“Illinois Affordable Housing Trust Fund” (“IAHTF”) – shall mean the capital fund created by the Illinois Affordable Housing Act to finance projects of the Illinois Affordable Housing Program as authorized and approved by IHDA.

“Illinois Supportive Housing Institute” (“SHI”) – A four-month training Institute, sponsored by the Authority and led by the Corporation for Supportive Housing (“CSH”) to provide targeted training and technical assistance to development teams, with the goal of helping teams navigate the development process and increase the supply of quality supportive housing throughout the Illinois.

“Insurer” – shall mean an insurance company, insurance service, or insurance organization that is required to be licensed to engage in the business of insurance, particularly the issuance of health insurance coverage to individuals in the State of Illinois.

“Long-Term Operating Support” (“LTOS”) – shall mean the long-term operating support program established under the Rental Housing Support Program Act (Public Act 094-0118), to be used exclusively to provide commitments of rental subsidies for units that will be targeted to extremely low-income households ($\leq 30\%$ AMI).

“Members” – shall mean the duly appointed Board members of the Authority.

“Moving On” – shall mean a supportive housing strategy to support individuals and families who are able and want to move on from permanent supportive housing to do so by providing them with a sustainable, affordable housing options through mainstream systems and the services and resources they need to have continued housing success.

“National Housing Trust Fund” (“NHTF”) – shall mean the national Housing Trust Fund program, which was established under Title I of the Housing and Economic Recovery Act of 2008 (“HERA”). Under this program, HUD provides grants to states to increase and preserve the supply of rental housing for extremely low- and very low-income families, including homeless families and increase homeownership for extremely low and very low-income families. HUD’s implementing rule is codified at 24 CFR Part 93. All units funded by the national Housing Trust Fund shall be restricted as 30% AMI units.

“Owner” – shall mean the duly formed, validly existing, single purpose entity, organized under the laws of the State of Illinois, or any other state, that is awarded funds for a Project pursuant to this Request for Applications and which owns or will own the Project. The Owner shall be owned or controlled by the Sponsor.

“Participant” – shall mean a member of the Project’s development team, including Sponsor, general contractor, architect, and/or property manager.

“Participating Jurisdiction” (“PJ”) – shall mean any state, local government or consortium that has been designated by HUD to administer a HOME Program.

“Permanent Supportive Housing” (“PSH”) – shall mean a Project that creates units for people who need supportive services to access and maintain affordable housing, including households who are experiencing or at risk of homelessness, are living with chronic disabilities, and/or are experiencing or at risk of institutionalization. Supportive services must be appropriate to the needs and preferences of residents and be available either on-site or closely integrated with the housing. The housing should be permanent (not time-limited, not transitional), affordable (typically rent-subsidized or otherwise targeted to extremely low-income tenants who make ≤30% of the area median income), and independent (tenant holds the lease with normal rights and responsibilities). Services should be flexible (responsive to tenants’ needs and desires), voluntary (participation is not a condition of tenancy), and sustainable (focus of services is on maintaining housing stability and good health).

“Pre-Screening, Assessment, Intake, and Referral Module” (“PAIR Module”) – shall mean the online waiting list system that has the SRN and Section 811 unit waiting lists.

“Project” – shall mean an existing or proposed qualified project which satisfies, or will satisfy, all of the requirements of this Request for Applications and the Authority.

“Qualified Non-Profit Organization” (“Qualified Non-Profit”) – shall mean an organization which:

- Is tax exempt under section 501 of the federal tax code and has as one of its exempt purposes the fostering of Low Income housing within the meaning of Section 42(h)(5)(C), as evidenced by IRS Form 990;
- Has an ownership interest in the Project, either directly or through a wholly owned subsidiary;
- Materially participates in the operations of the Project on a regular, continuous, and substantial basis, throughout the Compliance Period; and
- Is determined by the Authority not to be affiliated with, or controlled by, a for profit corporation.

For purposes of scoring points for Non-Profit Organization Participation: the Qualified Non-Profit must have a majority ownership interest and control in the general partner or managing member of the Owner throughout the Compliance Period.

Projects seeking 4% LIHTC that elect to score points for Non-Profit Organization Participation will be identified as part of the Authority’s not-for-profit set-aside on IRS Form 8610.

“Qualified Allocation Plan (“QAP”) – shall mean the Illinois Housing Development Authority’s issued 2024-25 Low Income Housing Tax Credit Qualified Allocation Plan, as required under Section 42.

“Qualifying Populations” (“QPs”) – shall mean the individuals or families which HOME-ARP funds must be used to primarily benefit, which are as follows:

- Homeless, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302(a));
- At-risk of homelessness, as defined in section 401(1) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360(1));
- Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, as defined by the Secretary;
- In other populations where providing supportive services or assistance under section 212(a) of the Act (42 U.S.C. 12742(a)) would prevent the family’s homelessness or would serve those with the greatest risk of housing instability.

“Regulatory Agreement” – shall mean a document that outlines the terms of the period during which a Project must comply with the occupancy restrictions (both income and rent) and amenities represented in the Project’s Application.

“Request for Applications” (“RFA”) – shall mean this Permanent Supportive Housing Development Program Request for Applications, which outlays the mandatory criteria, scoring criteria, and other administrative and application procedures for which the Authority will determine and award funds under Round XI of its Permanent Supportive Housing Development Program.

“Section 811 Project Rental Assistance” (“Section 811”) – shall mean the Section 811 Project Rental Assistance (PRA) Program, which was authorized by the Frank Melville Supportive Housing Investment Act of 2010, and seeks to expand the supply of supportive housing that promotes community integration for low-income people with disabilities.

“Site” – shall mean a parcel of land on which the Project will be developed, described by a unique legal description which will be encumbered by the Regulatory Agreement. A Project may consist of multiple Sites.

“Sponsor” – shall mean a duly formed, validly existing entity, organized under the laws of the State of Illinois, or any other State, that is applying for funds for a Project pursuant to this Request for Applications. The Sponsor shall own or control the Owner of the Project. Project consultants and other like professionals shall not be considered as Sponsors.

“Supportive Housing Populations” – shall mean households headed by persons with chronic disabilities and/or households that are homeless, at-risk of homelessness or unnecessary institutionalization, and other special needs populations who need access to supportive services in order to maintain housing stability, including justice-involved persons and victims of domestic violence, and those that meet the definition of “Qualifying Populations” under the HOME-ARP Program as described in HUD Notice CPD-21-10.

“Statewide Referral Network” (“SRN”) – shall mean a statewide referral process that links Supportive Housing Populations with available Statewide Referral Network Units. The Statewide Referral Network is a collaboration between the Authority, the Illinois Department of Human Services, the Illinois Department on Aging, the Illinois Department of Healthcare and Family Services, and local social service providers. Households referred through the Statewide Referral Network process may or may not be in need of long-term social services. It is expected that referrals in-need of on-going social services will have them arranged by the referring service provider.

“Statewide Referral Network Units” – shall mean 30% AMI units set aside for households earning at or below 30% AMI, which are headed by Supportive Housing Populations and referred through a statewide referral network. Projects funded pursuant to this Request for Applications may set-aside up to 25% of total units as SRN Units.

“Website” – shall mean <http://www.ihda.org>.

Appendix II: Sources and References

ⁱ Working Group III – Utilizing Affordable Housing Infrastructure to Promote Access

ⁱⁱ See more information about CILAs on the Illinois Department of Human Services website at <https://www.dhs.state.il.us/page.aspx?item=47487>. A list of CILA providers can be found at: <https://www.dhs.state.il.us/page.aspx?item=56783>.