

2013-2014 LIHTC SCORING CRITERIA

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

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

Funding Round:

Project Name:

City/Township:

County:

Self-Identification (check all that apply):

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

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SCORING CRITERIA

A. Development Location	Possible Points	Self Score
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1. Housing Needs Characteristics

15	0
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Points will be awarded to projects based on a Supply/Demand Analysis according to project type.

To locate a project's Housing Needs Score, please go to: www.michigan.gov/mshda and type in the project address.

2. Proximity to Transportation

5	0
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Developments that can demonstrate that they are located within 1/10 miles from a public transportation stop (i.e. bus stop) will be eligible to receive points. Developments that are creating a public transportation stop within 1/10 miles or have some other form of dedicated, safe, reliable, timely, and regularly scheduled transportation available to all tenants of the development may be eligible for these points upon providing sufficient documentation as determined by MSHDA.

3. Site Amenities

10	0
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Projects will be awarded points for being located in areas containing amenities that are in close proximity to the project site. A maximum of 10 points will be awarded on a sliding scale using a project's Walk Score, which can be determined by going to:

www.walkscore.com

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

Walk Score:	0
Divided by 100:	0
Multiplied by 10: (Rounded Up if applicable)	0
Equals Site Amenities Points:	0

No partial points will be awarded. Any point calculation that results in a fraction of a point will be rounded upward to the nearest whole number for purposes of determining the points a project is eligible to receive.

SCORING CRITERIA

A. Development Location	Possible Points	Self Score
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4. Central Cities Developments

10	0
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A project qualifies as a Central Cities development by:

(1) being located in a traditional downtown or commercial center where 20 or more contiguous buildings have been planned, zoned, or used for commercial purposes for 50 or more years, where a majority of the buildings are built zero feet back from the public right of way and are adjacent to one another, and where the area contains a significant number of multi-level, mixed-use buildings; and

(2) being located in an area with an employee to resident ratio of 1.0 or greater. Central Cities developments can receive up to 10 points in addition to the Site Amenities points available in Section A.3. Points will be calculated using a project's Walk Score, which can be determined by going to:

www.walkscore.com

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

Steps:

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

Walk Score:	0
Divided by 100:	0
Multiplied by 15: (Rounded Up if applicable)	0
Equals Central Cities Points:	0

No partial points will be awarded. Any point calculation that results in a fraction of a point will be rounded upward to the nearest whole number for purposes of determining the points a project is eligible to receive.

NOTE: Applicants may contact MSHDA's Marketing Staff in advance of submitting an application if they are unsure about whether or not their project meets the eligibility criteria for the Central Cities points.

SCORING CRITERIA

B. Municipal Support	Possible Points	Self Score
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1. Tax Abatement

15	0
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A project application that submits evidence of local support in the form of tax abatement or fixing the current tax rate may receive points according to the chart below. These points will also be available to existing projects for which tax abatement has previously been in place and the municipality has extended.

To receive any points for tax abatement, any project-specific tax abatement ordinance or area-wide tax abatement ordinance with a qualifying resolution submitted with an application must meet Authority requirements and must state the length of time the PILOT or locking of taxes will be in effect (minimum of 15 years). Projects located in the City of Detroit must submit the project specific tax abatement resolution or a copy of the Detroit tax abatement ordinance, and a letter from the City of Detroit stating that the project is eligible for tax abatement. If location in a Renaissance Zone is presented as evidence of tax abatement, the project must document that tax abatement will be effective for the 15 year compliance period.

Points will be awarded under the highest applicable category, not under multiple categories.

Tax Abatement Categories	Elderly Project	Family, PSH
Letter from municipality stating that the PILOT ordinance will be in effect for 15 years or more or that the taxes will be fixed for 15 years or more, it is on the approving board's agenda, and the date that the PILOT or tax rate fix is expected to be approved	3 Points	6 Points
Project -specific ordinance that locks the property taxes at the current level with no increase for a minimum of 15 years	5 Points	10 Points
Project-specific tax abatement ordinance in place for the entire 15 year compliance period	6 Points	12 Points
Project-specific tax abatement ordinance in place for longer than the 15 year compliance period	10 Points	15 Points

SCORING CRITERIA

B. Municipal Support	Possible Points	Self Score

2. Community Revitalization

10	0
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Points will be awarded for projects that are located where a community revitalization plan is in place and where a sponsor can demonstrate that the proposed development contributes to the plan. Additionally, a letter of support must be submitted from the local municipality referencing their awareness and support of the project as it contributes to the betterment of the community in which it is or will be located. A Community Revitalization Plan for this purpose is defined as follows:

A published document (approved and adopted by the local governing body by ordinance or resolution) that assesses the existing physical structures and infrastructure of the community and that targets specific geographic areas for low-income residential developments serving residents at or below 60% of the area median income. The plan should also contain detailed policy goals that include the redevelopment and production of affordable housing as well as the proposed timeline for achieving these goals. Additionally, the plan should explain municipal support to the particular area. The following items should be included to demonstrate that the project is part of the Community Revitalization Plan:

1. Letter from local government (signed by the appropriate official)
2. Local government financing commitment documentation (for the referenced project and/or for other projects/investments in the planned area)
3. Evidence of major investment (public/private investment that has taken place or is anticipated to take place as part of the plan)
4. Approved Community Revitalization Plan or a link to where the Community Revitalization Plan can be found on the municipality's website

RURAL SET-ASIDE PROJECTS ONLY: In lieu of a Community Revitalization Plan, projects located in rural areas may receive points by submitting a Resolution of Community Support adopted by the local municipality. In order to receive points the Resolution of Community Support must state and identify the following items demonstrating significant local support and the project's contribution to a concerted local revitalization strategy: (a) Local government financing commitments for the referenced project and/or for other projects/investments in the planned area (b) Evidence of major investment (public/private investment that has taken place or is anticipated to take place as part of the planned development).

3. Evidence of Proper Zoning

5	0
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Evidence from the municipality that the proposed site is already properly zoned for the intended use. Please note that these points will be available for rehabilitation projects only if a letter from the municipality is submitted with the application stating that the zoning is compatible with the proposed use of the building(s). (Attach as Exhibit 3)

SCORING CRITERIA

B. Municipal Support	Possible Points	Self Score
<p>4. Evidence of Site Plan Approval</p> <p>Evidence from the municipality that the proposed site has received site plan approval. Please note that these points will be available for rehabilitation projects only upon submission of a letter from the municipality indicating that the relevant board or commission of the municipality has reviewed the proposal, including the level of rehabilitation work to be completed, the site, and that no further plan approvals are necessary. (Attach as Exhibit 16)</p>	5	0

SCORING CRITERIA

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

5	0
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All projects will receive 5 points for providing community space for use by tenants. To receive points, the community room must, at a minimum, be sized at 15 square feet (net usable floor space) per residential unit. It may be used for activities such as dining, crafts, exercise, medical clinic, socializing, or any other activity or use that may benefit tenants. This space is envisioned as one room or contiguous space, and does not include common space such as hallways, offices, or lobbies. A drawing identifying square footage must be submitted for all community space.

(See Exhibit 23)

Total residential units*:	0	
Minimum square footage (Units x 15):	0	
Community space provided	0	Square Feet

*Including market-rate units, but excluding management units

2. Economic Integration

5	#DIV/o!
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Projects that promote economic integration by serving market rate tenants in at least 20% of residential units (exclusive of management units) will receive 5 points. Market rate units must be evenly distributed among bedroom types and buildings, except in elderly projects. The IR Code states that scattered site projects cannot include market rate units.

Number of market rate units:	0
Total residential units*:	0
Percentage of market rate units	#DIV/o!

*Including market-rate units, but excluding management units

SCORING CRITERIA

C. Development Characteristics	Possible Points	Self Score
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3. Low Income Targeting

30	#DIV/o!
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Projects that commit to restricting units to low-income tenants will receive points for depth and breadth of targeting. Points deliberately encourage use of Project Based Rental Assistance (PBRA). The lower rent targeting must be evenly distributed among bedroom types. Also, the market rate units must be evenly distributed among bedroom types and buildings, except for elderly projects.

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

- a. No points will be awarded for Permanent Supportive Housing units in which MSHDA Project Based Vouchers are being requested
- b. No more than 10% of a project’s total units may be targeted to units that are less than or equal to 30% AMI without PBRA
- c. No more than 50% of a project’s total units may be targeted and counted toward total points without PBRA
- d. PBRA does not include PSH-designated units that are anticipated to receive newly allocated Project Based Vouchers from MSHDA
- e. Projects using an owner established sinking fund for rental assistance (e.g. rental subsidy reserve) will not be eligible to receive points under the project-based rental assistance portion of the scoring

Points will be awarded using the Low Income Targeting Point Calculation Form (“Targeting Form”) attached as Exhibit 1 and 2 to this Scoring Criteria.

Note: To receive points for units with project-based subsidy, applicants must submit evidence of project-based rent subsidy and commit to renewing the subsidy through the end of the extended use period. Due to federal regulatory restrictions, project-based vouchers allocated by MSHDA do not qualify for points under this section.

SCORING CRITERIA

C. Development Characteristics	Possible Points	Self Score
<p>4. Affordability Commitment</p> <p>Projects that agree to commit to an extended use period longer than 15 years (i.e., beyond the minimum total commitment of 15 years compliance plus 15 years extended use = 30 years) will receive 0.34 points for each additional year, up to a maximum of 5 points. Fractional points will be rounded down. Thus, a project committing to a total affordability period of 45 years would earn the maximum 5 points.</p> <p>Projects are only eligible for these points if a MSHDA-approved and legally binding deed, land trust or regulatory agreement containing and evidencing appropriate restrictions will be recorded in the county land records upon execution.</p>	5	0
<p>5. Lease/Purchase Option</p> <p>Projects that agree to offer for sale 100 percent of the housing tax credit units to tenants in such units at the end of the initial 15-year compliance period will receive 3 points. To qualify for the points, the owner must provide a detailed tenant ownership plan that complies with the Internal Revenue Code and is acceptable to the Authority. The plan must describe the terms of the right of first refusal given to the tenants, including the means of exercising the right of first refusal, the determination of the sale price for each unit and any continuing use or deed restrictions that will be imposed on the units by the seller following any such transfer.</p>	1	0

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C. Development Characteristics		Possible Points	Self Score
6. Historic Rehabilitation Projects		2	0
<p>Projects that are completing a rehabilitation of an existing certified historic property listed on the National or State Historic Register.</p>			
7. Visitable Units		5	0
<p>Projects that incorporate “visitability” design features into all units with first floor living space or access to units by elevator will receive points. The following design items are required:</p> <ul style="list-style-type: none"> a. No step entry b. Barrier free parking - with ramps as needed c. Barrier free entry door d. Barrier free 1/2 bath on first floor e. Electrical switches at reachable heights f. Assessable route through the first floor living space 			
8. Barrier Free Units		5	0
<p>Projects that commit to building 10% of the units within the development according to barrier free or fully adaptable to barrier free standards will receive points.</p>			

SCORING CRITERIA

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

20	0
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Previous **successful** participation by a general partner or member of a limited liability company in the proposed development utilizing the LIHTC or other programs producing affordable housing will receive the following points. Points are based on years placed in service. Applicants should note the following:

- a. any projects that have materially defaulted on any obligations (including but not limited to project foreclosure, filing a bankruptcy petition, or providing a deed in lieu of foreclosure) or have any uncorrected 8823s that have been outstanding for longer than 6 months cannot be counted towards these points.
- b. to receive consideration for previous participation, the applicant must fully complete the GP/Member Experience Form in the primary application and submit a certification from a third party certified public accountant that the projects for which it is requesting points have maintained a positive operating cash flow from typical residential income alone and have funded reserves in accordance with the partnership or operating agreement and any applicable loan documents for the year in which each development's last financial statement has been prepared ("successful properties"). If a particular project has not maintained positive operations as outlined above, but the GP/Member can document that they have been advancing funds to keep the project operating financially and physically maintained, points may be considered for that property. In addition, for projects that were originally structured to operate with negative operating cash flow from typical residential income but were structured with sufficient capitalized reserves to mitigate the negative operations, points may be considered if appropriate documentation can be submitted to evidence this. To receive consideration for projects previously owned by the proposed general partner or member, which it no longer owns, a similar certification must be submitted with respect to the last full year of ownership by the proposed general partner along with verification of the number of years that the project was owned by that general partner.

Points will be awarded based on the number of positively performing projects that a GP/Member has completed. In the case of co-GP/ Members, experience points will be awarded for the GP/Member that has the greatest amount of experience as determined below (the individual experience of two or more co-GP/Managing Members will not be added together to get the total points).

Project Size, Placed in Service Years		Successful Properties Points
1 project	≥ 6 units, ≥ 3 years	4
2-4 projects	≥ 6 units, ≥ 3 years	8
5-8 projects	≥ 6 units, ≥ 3 years	12
9-12 projects	≥ 6 units, ≥ 3 years	16
13+ projects	≥ 6 units, ≥ 3 years	20

SCORING CRITERIA

D. Development Team Characteristics	Possible Points	Self Score
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GP/Member Michigan-Based Business Entity

3	0
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Michigan-based business entity (organized or incorporated in Michigan and actively doing business in Michigan for at least 1 year from application date). Individuals are not eligible for these points.

Applicants must submit Articles of Organization and a current Certificate of Good Standing in order to be eligible for points.

2. Previous Experience of Management Agent

15	0
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Previous **successful** participation by a management agent in managing low-income housing tax credit projects, with at least three years of experience. Points will be awarded only if the date in which management began such project(s) is included in the application, and will be based on years managed. Applicants should note that any projects that have uncorrected 8823s that have been outstanding for longer than 6 months cannot be counted towards these points.

To calculate the total number of points in the chart below, use the following steps: 1) Determine the total number of points achieved under the “Total Properties” column; 2) Determine the total number of points achieved under the “Property in Michigan” column; and 3) Add these two scores together to get the total points (maximum of 15) for the previous experience of the management agent. For example, a management agent manages 20 total properties, of which 15 are in Michigan. Score = 15 (12 points for 20 total properties, plus 3 points for the 15 Michigan properties).

(Applicants must complete form on page 26 of primary application outlining previous experience in order to receive points under this section. Failure to accurately complete this form will result in the loss of these points. Submit form as Exhibit 11b)

Number of Projects	Parcel Size, Years Managed	Total Properties	Properties in Michigan
1-5 Projects	> 6 units, > 3 years	4 Points	1 Point
6-11 Projects	> 6 units, > 3 years	7 Points	2 Points
12-17 Projects	> 6 units, > 3 years	10 Points	3 Points
18+ Projects	> 6 units, > 3 years	12 Points	4 Points

SCORING CRITERIA

D. Development Team Characteristics	Possible Points	Self Score
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Management Agent Michigan-Based Business Entity

3	0
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Michigan-based business entity (organized or incorporated in Michigan and actively doing business in Michigan for at least 1 year from application date). Individuals are not eligible for these points.

Applicants must submit Articles of Organization and a current Certificate of Good Standing in order to be eligible for points.

3. Employing Michigan-Based Companies

3	0
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Applicants that agree to employ Michigan-based companies (builders, accountants, attorneys, architects, etc.) to assist in the development process will receive up to 3 points as identified below. **NOTE: Since general partners/members are eligible for MI-Based Business points in D.1. above and management agents are eligible for MI-Based Business points in Section D.2. above they will not count for points in this section. Additionally, equity providers will not count for points in this section.**

1. 1 MI-Based Company = 1 point
2. 2 MI-Based Companies = 2 points
3. 3 MI-Based Companies = 3 points

Applicants must submit Articles of Organization and a current Certificate of Good Standing for the companies being employed in order to be eligible for points.

4. Nonprofit Ownership Participation

5	0
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Projects seeking Nonprofit Ownership Participation points must submit all of the criteria required in Exhibit 13 of Addendum I for any of the nonprofit ownership participation levels selected in the scale below. Additionally, applicants must submit a narrative describing the specific areas in which the nonprofit's proposed participation will contribute to the development, ongoing operations, or service aspects of the project. If it is determined that the nonprofit partner's participation in the development is immaterial in nature, points will not be awarded under this section.

The nonprofit owner must have at least an equivalent interest in the cash-paid portion of the developer fee as the ownership percentage selected below.

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

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

Nonprofit Ownership Percentage	Points
20% - 29%	2
30% - 39%	3
40% - 49%	4
50% +	5

SCORING CRITERIA

D. Development Team Characteristics	Possible Points	Self Score
Nonprofit Name _____		
Ownership Percentage _____		

SCORING CRITERIA

D. Development Team Characteristics	Possible Points	Self Score
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5. Temporary Point Reduction

-5	0
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At its discretion, MSHDA will reduce a project's score if the applicant, or any related party failed to meet program or MSHDA requirements on a prior project. These points will be assessed and evaluated on a round-by-round basis, and Applicants will be notified when a situation necessitating the assessment of these points occurs.

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

- a. Failure to follow through with representations made at the time of application on previous projects where points were awarded that resulted in the project being funded.
- b. Poor response or slow response in providing follow-up documentation or clarification requests made by MSHDA staff.
- c. Failure to meet one or multiple deadlines on previous developments.
- d. Failure to submit Progress Reports by the required deadline.

6. Poor Previous Participation of Applicant

-20	0
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Poor previous participation on the part of the Applicant, or any related party will be penalized in the form of negative points. This includes, but is not limited to, failure to utilize a Commitment or Allocation of credit, failure to meet requirements necessary to obtain a Carryover Allocation after notification has been provided to the Authority that the requirements would be met, inability to complete a previous project within three years of first submission, regulatory or mortgage defaults, foreclosure or granting of a deed in lieu of foreclosure, failure to submit Annual LIHTC Owner's Certifications or any other compliance monitoring documentation in a timely manner (including but not limited to owner responses to file audits and/or physical inspections), removal under the Limited Partnership Agreement or Operating Agreement for a housing development, current outstanding HUD 2530 violations, current outstanding program compliance violations for LIHTC (Uncorrected 8823), RHS, HOME, or other federally funded rental properties or serious and repeated violation of program requirements as determined by the Authority.

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

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

SCORING CRITERIA

D. Development Team Characteristics	Possible Points	Self Score
<p>7. Poor Previous Participation of Management Agent</p> <p>Poor previous participation on the part of the management agent will be penalized in the form of negative points. This may include, but is not limited to, failure to submit correct information in a timely manner on monitoring reports (Annual LIHTC Owner’s Certifications, responses to file audits and/or physical inspections, etc.), failure to verify and/or calculate tenant income and rents in accordance with federal regulations, current outstanding HUD 2530 violations, current outstanding program compliance violations for LIHTC (Uncorrected 8823), RHS, HOME, or other federally funded rental properties, or serious and repeated violation of program requirements as determined by the Authority.</p> <p>Applicants are strongly encouraged to check with MSHDA’s Asset Management and LIHTC Compliance unit well in advance of the funding round deadline if they (or other members of the development team) would like to know if they have any outstanding issues (as listed above) which could lead to a potential negative point assessment in a LIHTC funding round. If choosing to utilize this option, development team members should contact MSHDA to confirm whether they have any outstanding issues at least 1 month prior to the funding round deadline to ensure that (1) MSHDA has sufficient time to review past records and (2) so development team members have time to correct outstanding issues prior to the submittal of a LIHTC application.</p> <p><i>If these points are assessed, points for successful previous experience in Section D.2. will not be given. Negative points will be imposed on the management agent for three years following the instance of poor participation.</i></p>	-20	0

SCORING CRITERIA

E. Development Financing	Possible Points	Self Score
<p>1. Firm Commitment of Financing</p> <p>Firm commitment for all sources of financing that is dated within 30 days of application due date and is accepted by the sponsor (for Authority financing, documentation indicating an official Notice to Proceed).</p>	5	0
<p>2. Replacement/Redevelopment of Public Housing</p> <p>Project involves the replacement or redevelopment of public housing units.</p>	5	0
<p>3. RHS Section 515 Developments</p> <p>Projects that involve the rehabilitation of an existing RHS 515 property will receive points</p>	5	0

SCORING CRITERIA

F. Preservation Developments	Possible Points	Self Score
<p>1. Preserving Existing Project-Based Tenant Subsidies</p> <p>Preserving existing project-based tenant subsidies for the length of the existing rental subsidy compliance period and commit to renew the contract to the extent available.</p>	3	0
<p>2. Acquisition Costs</p> <p>Acquisition cost less than 30% of the total development cost.</p>	3	0
<p>3. Unrestricted Capital</p> <p>Project lacks sufficient unrestricted capital to address replacement of items identified in the Capital Needs Assessment as having already exhausted their useful life as determined by the Authority. Unrestricted Capital for this purpose is defined as follows: <i>Reserve accounts and free cash flow (excluding tax and insurance escrows) in which the use of such funds is completely unrestricted or is specifically designated to address the replacement of items identified in the Capital Needs Assessment as having already exhausted their useful life as determined by the Authority. A project with an unrestricted capital balance below \$1,000 per unit is considered to lack sufficient unrestricted capital.</i></p>	3	0
<p>4. Preservation with rehab above \$30,000 per unit</p> <p>Project requires rehabilitation in excess of \$30,000 per unit of hard rehabilitation costs as supported by a Capital Needs Assessment satisfactory to MSHDA.</p>	3	0

SCORING CRITERIA

F. Preservation Developments	Possible Points	Self Score
<p>5. Existing HUD Section 236 Property</p> <p>Project involves the rehabilitation of an existing HUD 236 property.</p>	8	0
<p>6. Existing HUD Section 236 Property with 20% PBV Commitment</p> <p>Project involves the rehabilitation of an existing HUD 236 property and has received a commitment from a PHA to commit Project Based Vouchers to 20% of the units.</p>	3	0
<p>7. Existing HUD Section 236 Property with 50% PBV Commitment</p> <p>Project involves the rehabilitation of an existing HUD 236 property and has received a commitment from a PHA to commit Project Based Vouchers to 50% or more of the units. Applicants may not claim points for both #6 and #7.</p>	5	0

SCORING CRITERIA

G. Permanent Supportive Housing Developments	Possible Points	Self Score
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Permanent Supportive Housing projects which meet all of the requirements of Addendum III, including all threshold criteria, are eligible for the following points:

1. Service Coordination Plan

3	0
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On-site service coordination must be available to all supportive housing tenants. This may be provided through a partnership with local service organizations, but it is recommended that the following schedule serve as a minimum standard.

- a. One day per week – projects of 30 units or less
- b. Two days per week – projects 30-60 units

A commitment documented by a letter including the source of funding from the service agency to increase on-site service staff hours are eligible for the following points:

- Two days per week – projects of 30 units or less = **3 points**
- Four days per week – projects of 31 - 60 units = **3 points**
- Five days per week – projects of 61 units or larger = **3 points**

2. Service Funding Commitments

6	0
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Projects employing other sources of federal, state and/or private financing or contributions for services will receive additional points for the sources of financing listed below. Firm commitment letters must be provided to receive points.

- a. McKinney Vento funds such as HUD Shelter Plus Care Program (SHP) **1 Point**
- b. Capital Contribution targeted for supportive services from developer fee (\$100 per supportive housing unit/per year through the 15-year compliance period) **1 Point**
- c. Private/Foundation - minimum of \$1,000 per supportive housing unit must be committed **1 Point**
- d. Other State Agencies - minimum of \$1,000 per supportive housing unit must be committed (DOC, DCH, DHS) **1 Point**
- e. A special service fund account escrowed and funded by equity - minimum of \$1,000 per supportive housing unit/year - must be committed through the 15-year compliance period **1 Point**
- f. Federal Funding for supportive housing programs such as the HUD 811 Program or Veteran housing programs targeted for special needs or homeless populations. **1 Point**

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G. Permanent Supportive Housing Developments		Possible Points	Self Score
3. Community/Supportive Service Room		2	0
<p>Projects are required to provide community or supportive service space to projects with 11 or more units. A minimum of 15 square feet per residential unit is required.</p> <p>Projects that provide additional community space to offer enrichment classes or employment training on-site. Provide documentation of partnering agencies providing these opportunities and funding source.</p>	2 Points	<input type="checkbox"/>	
4. Housing the Most In Need		4	0
<p>Projects that have demonstrated in their Supportive Service Plan to serve the supportive housing populations most in need as outlined below will receive points as outlined below:</p> <p>a. Chronically Homeless per HUD's definition 3 Points <input type="checkbox"/></p> <p>b. Homeless with a Special Need 1 Points <input type="checkbox"/></p> <p>A minimum of 30% of the supportive housing units must be set aside to receive points from either a. or b. listed above. Separate waitlist must be maintained for these populations.</p>			
5. Developing in a High Need Area		1	0
<p>Points will be awarded to those projects that can document a high need area where the homeless count is greater than 500 persons within the City or County that the development is located:</p> <ul style="list-style-type: none"> - The documented need must be presented based on HMIS and Point-In-Time data available to the community in the City or County where the development is located within the current year or most recent available data. 			

SCORING CRITERIA

G. Permanent Supportive Housing Developments	Possible Points	Self Score
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6. Experienced Supportive Housing Development Team

3	0
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Points will be awarded to development team members that have experience with 50 units of supportive housing units as follows:

- Developer owns and operates 50 units or more of supportive housing **1 point**
- Management Company has experience managing 50 units of supportive housing **1 point**
- Lead Agency has experience providing services for 50 units of supportive housing **1 point**

7. Supportive Employment

1	0
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Projects that agree to provide job-training opportunities in the building trades, operation, and/or supportive service programs to individuals who meet the supportive housing tenant definition will receive points. This must be outlined in the Supportive Service Plan and the employment of tenants must be related to the supportive housing development. An example would be the management company employing tenants to work at the site.

8. Housing First Model

3	0
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Points will be awarded to supportive housing models that are collaboratively meeting the needs of the community to reduce the high costs of current system usage such as emergency rooms, police and emergency response systems and other community funded services. This must be demonstrated through the use of assessment tools that identify and prioritize the referrals to serve the most vulnerable.

9. Housing Assessment and Resource Agency (HARA)

1	0
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Points will be awarded if the local HARA has signed a memorandum of understanding with the lead service agency to provide referrals to the lead agency when appropriate.

SCORING CRITERIA

H. QAP Green Policy Points	Possible Points	Self Score
1. QAP Green Policy Points Transfer Score from Green Policy Certification	10	0

SCORING CRITERIA

I. Cost Containment	Possible Points	Self Score
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1. Cost Containment

10	0
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Projects will be assessed points for cost efficiency based on their Total Development Cost per-square-foot using the criteria below. Evaluations will be conducted based on the type of project being proposed and will be compared to average cost data for the previous five years. For calculation purposes, the low income unit square footage may include indoor basis approved space (common areas, etc.). Within each project-type, projects will be scored as follows:

- Projects whose Total Development Cost per-square-foot is within the “safe harbor” identified will receive 0 points. The "safe harbor" is calculated using an amount that is 5% above and 5% below the 5-year cost average for each project-type.
- Projects whose Total Development Cost per-square-foot is below the “safe harbor” will receive up to 10 additional points.
- Projects having costs above the “safe harbor” will receive negative points.

To determine the number of points a project qualifies for, applicants can use the information below.

Total Development Cost (TDC):
 Divided by: LIHTC Square Footage
 Equals: **TDC per square foot:**

\$0
0
#DIV/o!

Project Type (Select One)

- New Construction
- Preservation
- Historic Rehab or Adaptive / Reuse

Safe Harbor Min	Safe Harbor Max	Positive Points Factor = +1	Negative Points Factor = -1	Possible Points for project type
\$146.50	\$161.92	0.2	-0.2	
\$100.18	\$110.72	0.15	-0.15	
\$223.12	\$246.61	0.075	-0.075	

QUICK REFERENCE SHEET				
Section:		Possible Points	Self Score	Awarded
A. Development Location				
1.	Housing Needs Characteristics	15	0	
2.	Proximity to Transportation	5	0	
3.	Site Amenities	10	0	
4.	Central Cities Developments	10	0	
Section Total:		40	0	0
B. Municipal Support				
1.	Tax Abatement	15	0	
2.	Community Revitalization Plan	10	0	
3.	Proper Zoning	5	0	
4.	Site Plan Approval	5	0	
Section Total:		35	0	0
C. Development Characteristics				
1.	Community Space	5	0	
2.	Economic Integration	5	0	
3.	Low Income Targeting	30	#DIV/0!	
4.	Affordability Commitment	5	0	
5.	Lease/Purchase Option	1	0	
6.	Historic Rehabilitation Projects	2	0	
7.	Visitable Units	5	0	
8.	Barrier-Free/Fully-Adaptable-to-Barrier-Free Units	5	0	
Section Total:		58	#DIV/0!	0
D. Development Team Characteristics				
1.	Previous Experience of Owner/Member	20	0	
2.	Michigan-Based Business	3	0	
3.	Previous Experience of Management Agent	15	0	
4.	Michigan-Based Business	3	0	
5.	Employing Michigan-Based Companies	3	0	
6.	Nonprofit Participation	5	0	
7.	Temporary Point Reduction	-5	0	
8.	Poor Previous Participation of Applicant	-20	0	
9.	Poor Previous Participation of Management Agent	-20	0	
Section Total:		49	0	0
E. Development Financing				
1.	Financing Commitments	5	0	
2.	Replacement/Redevelopment of Public Housing	5	0	
3.	RHS 515 Developments	5	0	
Section Total:		15	0	0
F. Preservation Developments				
1.	Preserving existing project-based tenant subsidies for length of compliance period.	3	0	
2.	Acquisition cost less than 30% of the total development costs.	3	0	
3.	Lacks sufficient unrestricted capital funds to provide renovations and repairs on an ongoing basis	1	0	
4.	Preservation with rehab above \$30,000/unit	3	0	
5.	Existing HUD 236 Property	8	0	
6.	Existing HUD 236 Property with 20% PBV	3	0	
7.	Existing HUD 236 Property with 50% or more PBV	5	0	
Section Total:		10	0	0
G. Permanent Supportive Housing Developments				
1.	Service Coordination Plan	3	0	
2.	Other Federal, State, and Private Financing	6	0	
3.	Community/Supportive Service Room	2	0	
4.	Housing the Most in Need	4	0	
5.	Developing in a High Need Area	1	0	
6.	Experienced Supportive Housing Development Team	3	0	
7.	Supportive Employment	1	0	
8.	Housing First Model	3	0	
9.	Housing Assessment and Resource Agency (HARA)	1	0	
Section Total:		24	0	0
H. QAP Green Policy Points				
1.	Transfer Score From Green Policy Certification	10	0	
Section Total:		10	0	0
I. Cost Containment				
1.	Cost Containment Points	10	0	
Section Total:		10	0	0
GRAND TOTAL:			#DIV/0!	0

Ex. 1 LOW INCOME TARGETING POINT CALCULATION FORM

Points for each unit type are calculated by multiplying the percent of total units targeted by the weighting factor. For purposes of calculating the Low Income Targeting Points below (1) Permanent Supportive Housing units do not count for points and (2) due to voucher program regulations, Project Based Vouchers requested from MSHDA for Permanent Supportive Housing Units will not count as PBRA units and will not be given points.

Project Information Entry

= Indicates input required by Applicant

Type of Project:	9% Competitive
Minimum Set-Aside Election:	40% @ 60%
Target Population:	Family
Total Units in the Development:	0
Total Market Rate Units in the Development:	0
Total PBV's requested from MSHDA:	0
Total PBRA units in the Development:	0

Low Income Targeting for Units with PBRA

- 91% - 100% of units w/PBRA = 10 points
- 81% - 90% of units w/PBRA = 8 points
- 71% - 80% of units w/PBRA = 6 points
- 61% - 70% of units w/PBRA = 4 points
- 51% - 60% of units w/PBRA = 2 points

Total Percentage of PBRA:	#DIV/o!
Total Points from PBRA Units:	#DIV/o!

*While projects containing PBRA at levels less than those shown in the list above will not receive additional targeting points for having PBRA, these PBRA units will be able to receive points for the low income targeting equivalent of the PBRA units as calculated below.

**For purposes of Low Income Targeting Equivalent points, units with PBRA will score as 40% AMI units, but will not be restricted below 60% AMI in the LIHTC Regulatory Agreement

# of Units	% Units	x Factor	Points
40% AMI	0	#DIV/o!	40
			#DIV/o!

Low Income Targeting Equivalent Pts:	#DIV/o!
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Points

#DIV/o!

Low Income Targeting for Unassisted (LIHTC-Only) Units

MAX POINTS =	20
Total Number of Unassisted Units allowed for Targeting:	0
Total Percentage of Unassisted Units allowed for Targeting:	#DIV/o!
Total Percentage of Units Allowed at 30% AMI:	10%

# Units	% Units	x Factor	Points
30% AMI	0	#DIV/o!	100
			#DIV/o!
40% AMI	0	#DIV/o!	40
			#DIV/o!
50% AMI	0	#DIV/o!	10
			#DIV/o!

Total targeted units:	#DIV/o!	Total Points:	#DIV/o!
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#DIV/o!

Total Low Income Targeting Points:

#DIV/o!

Ex. 2 Low Income Targeting Restrictions in LURA

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

