

SUMMARY OF CHANGES:

PROPOSED 2010 LOW-INCOME HOUSING CREDIT QUALIFIED ALLOCATION PLAN (QAP) AND PROPOSED 2010 NYS LOW-INCOME HOUSING TAX CREDIT PROGRAM REGULATION (September 17, 2009)

The following provides a summary of DHCR's proposed changes to the federal Low-Income Housing Credit Program (LIHC) Qualified Allocation Plan and NYS Low-Income Housing Tax Credit Program (SLIHC) Regulation, which are the subject of the Public Hearings set for November 2, 2009 (as referenced in DHCR's website). These documents set forth important aspects of DHCR's administration of these two programs, including project eligibility and scoring criteria, the project selection/allocation process and compliance monitoring requirements for completed projects.

Except where indicated, the proposed changes referenced below are set forth in the Proposed 2010 LIHC QAP. The modifications to the Proposed 2010 SLIHC Regulation are proposed in order to retain correspondence between LIHC and SLIHC scoring provisions, as applicable.

Green Building

- Threshold Eligibility:
 - Revise wording of current Green Building threshold eligibility requirement to better reflect current DHCR requirements for the selection of trees and plants and appropriate radon reduction measures.
 - Move pertinent provisions previously contained in the Green Building threshold provision to the more appropriate new Energy Efficiency threshold provision, as noted below.
- Scoring:
 - Reword Green Building scoring criteria to clearly indicate how DHCR awards points to projects meeting Green Building standards and to better correspond to DHCR's Green Building Handbook.
 - The scoring now details which Green Building criteria are mandatory items which must be satisfied before a project is evaluated for receipt of any scoring points and which criteria must be addressed to obtain up to the ten points available.
 - The point values for specific Green Building scoring items are now clearly delineated.

Energy Efficiency

- Threshold Eligibility:
 - Add a new threshold eligibility provision to require all projects to meet certain Energy Efficiency standards which will be stated in DHCR's annual Unified Funding Round Capital Projects Request for Proposals. This will enable DHCR to require that LIHC projects surpass current NYS Energy Code standards while providing the necessary flexibility to annually adjust the requirements to correspond to industry-driven changes in energy efficiency standards.

- As noted above, this new Energy Efficiency threshold provision also contains existing items (with improved wording) moved from the current Green Building threshold criteria, which are more suitable to Energy Efficiency.
- Scoring:
 - Revise wording of Energy Efficiency scoring provision to provide credit projects with the option of obtaining points for meeting energy efficiency standards required by, or comparable to, New York State Energy Research and Development Authority (NYSERDA) standards, whether the project does or does not participate in a NYSERDA program.
 - Re-word Energy Efficiency scoring to indicate applicant can demonstrate intent to participate in a NYSERDA program or meet comparable standards only upon approval and receipt of a DHCR credit reservation, in recognition of significant up-front costs incurred.

Historic Rehabilitation

- Scoring:
 - Add a new overall three point scoring category (and a definition) to encourage projects proposing the rehabilitation of a historic building.
 - This provision, a requirement of the 2008 Housing and Economic Recovery Act, includes one point for applicants seeking to leverage federal historic tax credits available to such projects.

Other Scoring

- Community Impact/Revitalization:
 - Modify scoring provision so that projects which are part of a comprehensive community revitalization plan can obtain scoring points if the revitalization plan addresses either employment, educational, cultural or recreational opportunities within the community without having to address all these factors.
- Long Term Affordability and Accessible Units:
 - Eliminate two points from Long Term Affordability and one point from the Fully Accessible, Adapted, Move-in Ready Units scoring categories to provide three points for the new Historic Rehabilitation scoring provision referenced above.
 - Add a clarification in the Accessibility scoring indicating that projects accessing these points provide roll-in showers. This wording reflects a current DHCR requirement already in place for obtaining these points.
- Project Amenities:
 - Improve wording to better explain how scoring points are allotted.

Administrative

- Clarify DHCR's current timing for issuance of a notice of credit availability.
- Revise annual tenant income certification language to be consistent with Internal Revenue Code revision set forth in 2008 Housing and Economic Recovery Act.

New York State Low-Income Housing Tax Credit Program

- Extend all LIHC scoring changes in the QAP to the New York State Low-Income Housing Tax Credit Program (SLIHC) Regulation to maintain consistency to the extent possible between the programs.