



2017 LIHTC Application Round FAQs

When will the new online Application Portal be available to upload my documents?

- The Portal will be available approximately two weeks prior to the June 23, 2017 Application Deadline.
- You will receive an email from MFPortal@IHDA.org with your username and password based on your approved PPA which will give you access to the Portal.
- Paper copies of applications will **NOT** be accepted.

What are the 2017 Application limits for Authority Debt Sources with below Market Interest Rates?

- AHPAA and Non-Metro set-asides may apply for up to 25% of total development cost.
- City of Chicago, Chicago Metro and Other Metro set-asides may apply for up to 15% of total development cost.
- Priority will be given to those projects that score the highest number of points in the 2016-17 Qualified Allocation Plan (QAP) under the scoring category F.) Housing Policy and Objectives.
- Applications are subject to the maximum Authority subordinate loan limits above. Failure to adhere to these limits will result in a project that is not financially feasible as defined in the 2016-17 QAP.
- The Authority reserves the right to limit the number of LIHTC awards to one per developer per year.

How do I request a Term Sheet for Authority Debt Sources with Market Interest Rates?

- The QAP states that Term Sheets must be requested 45 days prior to the application due date. For the 2017 LIHTC Round, we will permit letters to be requested from the Authority through 5/31/2017.
- Sponsors must submit a copy of the Common Application, in a nearly final form, along with a brief project narrative describing the deal structure and financing sources.
- IHDA will consider projects for permanent financing only at this point. Construction financing may be an option once a project receives a 9% LIHTC award.
- Program information and rates are located on the Authority's [website](#).
- In addition to requesting an IHDA Term Sheet, Sponsors must include at least one additional letter for Non-Authority Debt Sources.
- Based on the rates and terms of the letters received, Sponsors may select debt financing sources to be used in the final Common Application submitted to the Authority.

What information should be included in my financing acknowledgement letters (Letters of Interest) for Tax Credit Equity Sources (minimum of two letters)?

- In addition to the requirements listed in the QAP, letters must also include the following:
 - A fixed net cent raise rate. No pricing ranges will be accepted.
 - Assumptions for potential tax reform, including applicable tax rate used to determine net cent raise rate.
 - Upward and downward adjuster terms and requirements, including dates when adjusters are applicable.



Will you accept Department of Commerce and Economic Opportunity (DCEO) Illinois Energy Now funds as a Non-Authority Grant Source in my Common Application?

- Unless the project has received a grant agreement, the source cannot be included in scoring for Leverage of Authority Resources. If the Sponsor provides a commitment to contribute the same amount of cash that would otherwise be provided by the DCEO grant (in the event the grant is not received), the Sponsor contribution can be included in scoring for leveraging.
- Any grants received after award or closing will be used to pay-down an Authority Grant and/or an Authority Debt Sources with below Market Interest Rates.
- Please note the intent to apply in the description section of the “B_Details” tab of the Common Application.

Will you accept Federal Home Loan Bank (FHLB) Affordable Housing Program (AHP) funds as a Non-Authority Grant Source in my Common Application?

- Due to the extreme shortage of subordinate funding sources, Sponsors are encouraged to apply for AHP funds; however, unless a project has received an AHP grant, the source cannot be included in scoring for Leverage of Authority Resources. If the Sponsor provides a commitment to contribute the same amount of cash that would otherwise be provided by the AHP grant (in the event the grant is not received), the Sponsor contribution can be included in scoring for leveraging.
- Any grants received after award or closing will be used to pay-down an Authority Grant and/or an Authority Debt Sources with below Market Interest Rates.
- Please note the intent to apply in the description section of the “B_Details” tab of the Common Application.

Can I include a request for Illinois Affordable Housing Tax Credits (IAHTC) (State Donation Tax Credits) in my Common Application?

- Yes. Please limit the request to 1.5 million credits.
- If the project is eligible for more credits, please note the maximum amount and how it was determined in the description section of the “B_Details” tab of the Common Application.
- If requesting IAHTCs with your LIHTC application, please submit the following:
 - IAHTC Expanded Donation Form.
 - Appraisal that supports the donation amount (If available at the time of application).
 - The Expanded Donation Form is found in the [Developer Resource Center](#) under the *Illinois Affordable Housing Tax Credit Documents* section.

What should I submit for the Preliminary Participant Score review?

- In order for IHDA to do a preliminary review on a development team member, draft Development Experience Certifications (as discussed in section (N.1) of the QAP) must be submitted for each participant requesting IHDA's review.
- It is not necessary to provide feedback or signatures from other HFA's at this point. All that is needed is a completed Certification.
- Draft Unfavorable Practices Certifications from scoring section (XIV)(D)(3) are **NOT** required. IHDA recognizes that there is an error requesting this document in the QAP.
- Draft Development Experience Certifications should be submitted electronically to multifamilyfin@ihda.org no later than May 19, 2017.



What should I submit if my project is subject to IHDA's Waiver of 4% Feasibility requirement?

- In order for IHDA to conduct the Feasibility review, we'll need the sponsor to complete the IHDA Common Application. The Common Application can be found in the [Developer Resource Center](#) under the *Full Application Mandatory Documents Section*.
- Structure and complete the application as though it's a 4% LIHTC deal.
- Email the completed application to multifamilyfin@ihda.org by May 26, 2017 at 5:00 PM CST.

Does IHDA have an approved list of 3rd Party Vendors for my PNA, Market Study, Phase I, or Appraisal?

- IHDA does not have an approved list of vendors for 3rd party reports. It is the Sponsor's responsibility to select a vendor and have the report done prior to Application in accordance with the QAP guidelines.
- All vendors should follow IHDA's Standards which are listed on the [Developer Resource Center](#) under the General Reference Document's section. Reports that do not follow the posted Standards could be rejected by IHDA and result in a mandatory fail on the Application.
 - [IHDA Historic Preservation Requirements](#)
 - [Standards for Environmental Reviews and Professionals](#)
 - [IHDA Standards for Architectural Planning and Construction](#)
 - [Standards for Construction Cost Estimating](#)
 - [Standards for Property Needs Assessments](#)
 - [Standards for Site and Market Study Reviews and Professionals](#)
 - [IHDA Standards for Appraisals](#)

If my project has subordinate resources from IHDA, how will IHDA treat cost savings or sources that come into the project after initial closing?

- IHDA's first preference is to always have Soft Funds repaid before paying deferred developer fee so the Soft Funds can be used in other affordable housing projects. All project requesting Soft Funds will have provisions in their regulatory documents that require Soft Fund repayment in the event of cost savings on a project or the additional of another source/grant to the deal after initial close.

What if I have additional questions?

- Please submit any additional questions to multifamilyfin@ihda.org