



REQUEST FOR APPLICATIONS

**Permanent Supportive Housing (PSH) Development Program Round X
with option for Healthy Housing, Healthy Communities (H3C)**

Deadline:
5:00 P.M. on January 16, 2024

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Section 1: IHDA 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 (“ACHP”) 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.” IHDA’s Permanent Supportive Housing Development Program explicitly funds the creation of housing units that directly support a minimum of three of the ACHP’s 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 2023 ACHP also identified four distinct policy priorities to guide the activities of IHDA 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 IHDA 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 2023-2024 QAP outlined four distinct policy priorities, one of which directly prioritized populations served by the Permanent Supportive Housing Development Program:

- **Priority #3: Special Populations** - IHDA continues its mission to finance housing development for populations with special needs. This includes, but is not limited to, persons living with disabilities, experiencing homeless, at risk of homelessness, and recently incarcerated populations.

The 2024-2025 QAP, currently in draft form as of July 2023, intends to not only continue the use of the **Special Populations** policy priority to guide the mandatory rules and scoring incentives of the LIHTC Program, but also plans on significantly expanding avenues to encourage further development of PSH units through the LIHTC program.

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 IHDA'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 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, IHDA developed an internal guiding document that outlines tangible actions that IHDA can take to support the work and objectives of the Home Illinois plan. The five components outlined in IHDA's Home Illinois strategy all impact and would 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 IHDA'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, IHDA 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 would support the attainment of this goal.

Section 2: Program Overview and Examples

A. RFA Overview and Allowable Project Types

IHDA has created the Permanent Supportive Housing (“PSH”) Development Program to increase housing options for Illinoisans who either are in need of Permanent Supportive Housing or need reduced barriers to housing. Under this request for applications (“RFA”), Applicants with investment from a Healthcare Partner may also apply for additional funding through the Healthy Homes, Healthy Communities (“H3C”) initiative. Interested Applicants should refer to **Section 4** of this RFA for full guidance.

Allowable Project Types under this RFA			
	PSH-Only Projects	Combination PSH-H3C Projects	H3C-Only Projects
Major Project Characteristics	Serve a target PSH population* but do not have investment by a Healthcare Partner in the Project	Serve a target PSH population* and have investment by a Healthcare Partner in the Project and address a community health disparity	Have investment by a Healthcare Partner in the Project and address a community health disparity but do not serve a target PSH population*
Scoring Criteria to follow (reference Section 8)	PSH-Only Scoring Criteria	Combination PSH-H3C Scoring Criteria	H3C-Only Scoring Criteria**
Per Project Total IHDA Funding Eligibility***	Up to 90% of total Project cost	Up to 90% of total Project cost (up to \$8 million may come from H3C Funds)	Up to 90% of total Project cost (up to \$8 million may come from H3C Funds)

*As outlined in **Section 2** of this RFA

H3C-Only Projects must refer to the **H3C Scoring Rubric found in **Appendix II** or on the Website

***LIHTC is not considered IHDA funding for determining the funding eligibility limit under this RFA

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. IHDA will accept proposals for single site, integrated, and scattered site projects in which at least 50% of the units are targeted to Permanent Supportive Housing Populations. See **Section 2.H** and **Section 2.I** for specific guidance.

Applicants to the PSH Development Program may also apply for the Illinois Affordable Housing Tax Credit (“IAHTC”). Applicants should be aware of the specific requirements for this program, which are available on the Website.

Projects may request Long-Term Operating Support (“LTOS”) and/or Section 811 Project-Based Rental Assistance for a maximum of five units in the Project from each respective rental assistance source. IHDA reserves the right to waive this limitation on the number of units at its sole discretion. IHDA 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. Applicants 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.

Alignment with 4% LIHTC

All Project Types are eligible to seek 4% Low-Income Housing Tax Credits 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.

Alignment with 9% LIHTC

Projects with an existing allocation of 9% LIHTC may pursue H3C Funds only. Should Projects with an existing 9% LIHTC allocation want to pursue funding as a Combination PSH-H3C Project, this must be disclosed at the Concept Meeting stage (see **Section 6.B**). Eligibility will be determined solely at the Authority's discretion. Projects seeking a future allocation of 9% LIHTC will not be considered, unless at the Authority's sole discretion.

Projects Pursuing H3C Funds

Projects pursuing H3C Funds that either only partially or do not at all incorporate any element of Permanent Supportive Housing in their proposed model must still apply for funding through this RFA process but will be evaluated on criteria that is specific to a healthcare and housing partnership model.

Combination PSH-H3C Projects are subject to PSH Project requirements described throughout this RFA unless otherwise noted.

Projects pursuing only H3C Funds are not subject to PSH Project requirements described throughout this RFA unless specifically noted.

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, the U.S. Department of Housing and Urban Development ("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 of their problems, including those related to behavioral health, or progress through various service programs before being housed—or as a condition of retaining housing.

IHDA 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 ≤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).

IHDA's definition of Supportive Housing Populations is meant to allow flexibility in project design so that applicants 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. Applicants 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. IHDA'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. This section is intended for informational purposes only.

PSH Housing Configuration Examples

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.

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.

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.

Community Integrated Living Arrangement ("CILA")

A Community Integrated Living Arrangement 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. IHDA 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.

PSH Common Terms

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

Recent IHDA-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.

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.

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.

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) 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.

Money Follows the Person (“MFP”)

A federal rebalancing demonstration program enacted by the Deficit Reduction Act (“DRA”) of 2005. 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. Healthy Housing, Healthy Communities Partnership Program Overview and Definitions

Numerous studies have demonstrated the relationship between stable housing and positive health outcomes. Given the relationship between housing and health, the H3C initiative is building partnerships between the healthcare industry and affordable housing to address health disparities often experienced by low-income households and their communities. To be eligible for financing under this program, projects must:

- Have investment from a hospital, healthcare organization, insurer or Managed Care Organization (“MCO”);
- Generate permanent affordable housing units; and
- Promote long-term health and stability for affordable housing residents while addressing community-level health disparities.

Projects eligible for H3C Funds must have, at minimum, one of the following financial contributions from a hospital, healthcare entity, insurer, or MCO in the Projectⁱⁱⁱ:

- | | |
|-------------------------|-----------------------------|
| • Revolving loan fund | • Predevelopment financing |
| • Low-/no-interest loan | • Loan guarantee |
| • Grant | • Rental assistance |
| • Operational subsidy | • Facility or land donation |

In addition to a financial contribution, health systems are encouraged to participate in this initiative in other ways, including:

- Tenant referrals from emergency rooms
- Provision of onsite care services or mobile care clinics
- Support of tenant-focused activities and programs addressing health such as nutrition literacy, healthy meal preparation; exercise classes; chronic disease self-management, etc.

E. Healthcare-Supported Housing Configuration Examples

Competitive applications under this pilot program should generate Projects that either address a demonstrated community health need, expand neighborhood access to healthcare and wraparound services, grow the supply of housing units for Illinois' most vulnerable residents, or provide housing and wrap-around services for frequent utilizers of emergency room services. Examples of Projects that would qualify for H3C financing include:

[Affordable Housing Co-Located with a Healthcare Clinic](#)

The New Jersey Housing and Mortgage Finance Agency in partnership with University Hospital financed 78 affordable rental units that serve homeless and moderate-income households in Newark, New Jersey. The ground floor features a clinic operated by University Hospital, and a wellness center that provides outpatient medical care to an at-risk population.

[Affordable Housing as Part of a Community Health Master Plan](#)

Gibbons Apartments is an 80-unit affordable development in Southwest Baltimore, a community that, according to the Baltimore City Health Department, scored in the bottom third of nearly 25 measures of neighborhood conditions that shape residents' health. Bon Secours Health System provided predevelopment financing for architecture and environmental assessments, which were required to submit for a tax credit application. The apartment serves residents earning 30% to 60% of the area median income and is part of a larger community health master plan. Bon Secours' community health education team conducts onsite health screenings and educational events, such as blood pressure checks and presentations on healthy eating and nutrition^{iv,v}.

[Affordable Housing for Frequent Utilizers of Emergency Rooms](#)

Champlain Housing Trust partnered with University of Vermont Medical Center (UVMC) to acquire and operate two renovated motels in Burlington, Vermont, which provide homes to formerly homeless and housing-insecure individuals with high medical needs. The development consists of two properties, one with 19 units serving individuals with chronic illnesses with on-site services paid in part by the medical center. The second with 8 units, including 5 designated for chronically homeless people, and 3 "respite" units designed for those recovering from illness without a safe place to stay. UVMC paid for the property's purchase and renovation, pays for case management and operations and refers its patients to the property^{vi}.

[Affordable Housing to Serve a Community's Most Vulnerable Residents](#)

A partnership between Kaiser Permanente and an affordable housing developer purchased a 41-unit building that will serve homeless populations in a rapidly gentrifying Oakland, CA neighborhood. Financing was provided through a fund in partnership with Enterprise Community Partners and the East Bay Asian Local Development Corporation. The investment is part of a longer-term initiative by Kaiser Permanente aimed at improving the health of the Bay Area's homeless populations by preventing displacement.

Healthcare-Supported Project Examples

New Jersey Housing and Mortgage Finance Agency & University Hospital: Newark, NJ ***Affordable Housing Co-Located with a Healthcare Clinic***



Gibbons Apartments: Baltimore, MD ***Affordable Housing as Part of a Community Health Master Plan***



Kaiser Permanente: Oakland, CA ***Affordable Housing to Serve a Community's Most Vulnerable Residents***



F. Eligible Activities: All Project Types

Eligible activities under the Permanent Supportive Housing Development Program, including the Healthy Housing, Healthy Communities (H3C) Partnership 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. IHDA will consider proposals under this RFA for Community Integrated Living Arrangements (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 Mandatory Application Criteria described in **Section 7**.

G. 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.

Projects Pursuing H3C Funds

Applicants pursuing H3C Funds either in combination with PSH funding or through an H3C-Only Project Application must meet the following criteria:

Non-profit, for-profit, and joint-venture developers with investment from a hospital, healthcare system, insurer, or Managed Care Organization (MCO) in the Project's financing are eligible to apply for financing under the H3C program.

H. Eligible Project Size

PSH-Only and Combination PSH-H3C Projects with 40 or fewer units are eligible to apply under this RFA. Projects larger than 40 units may be proposed based on location, demand, sponsor capacity, and financial feasibility. H3C-Only Projects are not restricted to a unit maximum.

I. Income Restrictions

IHDA anticipates the majority of Projects submitted under the PSH Development Program will make 100% of their units in the Project affordable to those $\leq 30\%$ AMI. However, flexibility will be allowed for alternative mixed-income and integrated supportive housing models. Projects under the PSH Development Program (PSH-Only or Combination PSH-H3C Projects) **must include a minimum of 50% of the units for Supportive Housing Populations**. Exceptions to the 50% minimum may be granted at IHDA's sole discretion. H3C-Only projects are not required to include units for Supportive Housing Populations.

IHDA expects PSH units to be restricted at 30% of the Area Median Income, however IHDA will consider proposals that include PSH units affordable between 30% AMI and 50% AMI if:

1. The Project demonstrates the need for units serving Permanent Supportive Housing Populations above 30% AMI;
- AND/OR**
2. Those units are covered by project based rental assistance for a minimum of 15 years; and
3. 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.

Projects Pursuing H3C Funds Only

Applicants pursuing H3C Funds in combination with PSH funding must follow the income restrictions listed above. Projects pursuing only H3C Funds must meet the following criteria:

Projects financed under H3C shall meet the Average Income Test, which refers to the Average Income minimum set-aside election provided on line 10c of IRS Form 8609. Under the Average Income Test, where 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. For employer-assisted housing developments specific AMI limits may differ based on the funding sources utilized.

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, Applicants must demonstrate the ability to comply with the most restrictive requirements.

J. Target Populations

All Projects pursuing PSH funding (PSH-Only or Combination PSH-H3C) shall serve the Supportive Housing Population, as defined in this RFA, 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.

Section 3: Developer Engagement and Major Program Changes

A. Developer Engagement

Throughout the past year, IHDA has undertaken research activities and engaged developers, agencies, and advocates in the supportive housing community in a variety of forums. The feedback gained from these research and engagement activities has been critical in assessing IHDA's PSH and H3C programming and has significantly informed the writing of this RFA. These research and engagement activities are listed below, along with a summary of their resulting feedback and recommendations. A full account of all research and engagement activities, as well as feedback received can be found on IHDA's website.

Engagement Activity	Date/Timeframe
H3C Convening with Affordable Housing Developers and Stakeholders <i>Facilitated by IHDA staff</i>	February 7, 2023
The Supportive Housing Institute <i>Facilitated by the Corporation for Supportive Housing ("CSH")</i>	March – June 2023
PSH RFA Developer Listening Session <i>Hosted by the Supportive Housing Providers Association ("SHPA")</i>	April 18, 2023
PSH Developer Convenings <i>Facilitated by the Corporation for Supportive Housing ("CSH")</i>	April 17, 2023 and May 16, 2023
Barriers to IHDA's PSH Program Research <i>Conducted by IHDA's Policy and Research group, Strategic Planning and Reporting Department</i>	March – June 2023

B. Major Changes to Program

The following points summarize major changes between the 2022 and 2023 Permanent Supportive Housing Development Program RFA for reference:

Eligibility of mixed-income PSH developments

In 2022, Projects were expected to have 100% of units serving Supportive Housing Populations. In 2023, IHDA will require 50% of units serving Supportive Housing Populations. Additional affordable units may serve 60% AMI tenants. Projects may propose units serving tenants above 60% AMI, if financed from non-IHDA sources. All units will be required to maintain affordability standards through the relevant Compliance Period based on funding source.

Opportunity for Healthcare-Supported Housing Projects

In 2023, an Application may request funding under the Permanent Supportive Housing Development Program and additional funding provided through the H3C Partnership Program, if the Project meets certain criteria (see [Section 2.D](#)).

Increase in Projects unit limit

In 2022, Projects were expected to be 25 units or less. In 2023, Projects are expected to be 40 units or less. Projects may still request exceptions to this unit limit.

Flexibility in income limit for PSH units

While IHDA still anticipates the majority of PSH units will serve populations at or below 30% AMI, Projects may propose PSH units with a higher AMI limit, up to 50% AMI. Projects must demonstrate need for units among the target population at these higher income limits.

Updates to maximum request amount

In 2022, Projects could request either \$9 million or 90% of total project costs. In 2023, the dollar limit has been removed and Projects may request up to 90% of total project costs.

Ability to request IHDA-managed rental assistance with PSH Application

In 2022, there was no guidance regarding requests for IHDA-managed rental assistance. As of 2023, there is specific guidance regarding requests for two IHDA-managed rental assistance resources including the LTOS Program and the Section 811 PRA Program. Applicants 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.

Clarification of service plan requirements

In 2022, service plan details were included under the Coordination of Services Scoring Criteria with an on-site service provider. In 2023, requirements for a service plan have been clarified and are included in Mandatory Criteria **Section 7.D**.

More robust Pre-Application Process

In 2022, Applicants were required to complete a Project Concept Meeting Request Form, attend a Concept Meeting with IHDA staff, and attend a Mandatory Application Workshop. In 2023, the Concept Meeting Request Form has been expanded to include preliminary project financial information, and a second Project Concept Meeting with IHDA's Market and Research and Asset Management staff will be required to provide more robust feedback to Applicants.

Supportive Housing Institute and Pre-Development Certification Scoring Criteria

In 2023, IHDA has updated this RFA's Scoring Criteria to include incentives for participation in the Illinois Supportive Housing Institute, CSH Pre-Development Certification, and Statewide Referral Network participation. Sponsors who have not participated in the Supportive Housing Institute and/or choose to not complete the CSH Pre-Development Certification may earn points in this category by demonstrating extensive experience developing supportive housing units.

Veterans and PHA waitlist preference

In 2022, IHDA required that Projects include a preference for veterans and individuals on Public Housing Authority waitlists in their tenant selection plans. In 2023, IHDA still encourages Projects to consider including these preferences, but this is no longer a requirement.

Option to apply for 4% LIHTC

In 2023, Projects may propose, but are not required, to use LIHTC to aid their financing. All 2023 Permanent Supporting Housing Development Program Project Types may apply for 4% LIHTC (see **Section 5** for more detail). Projects with an existing 9% LIHTC award may apply for H3C Funds only, and can elect to be reviewed and scored as either an H3C-Only or Combination PSH-H3C Project.

Section 4: Option for Healthy Housing, Healthy Communities

IHDA recognizes an opportunity for alignment between PSH project models and those supported by and partnered with healthcare providers. Therefore, Projects that incorporate both a PSH and healthcare-supported (“H3C”) model, and that meet all requirements outlined in this RFA for both funding components can apply for a combination of H3C Funds alongside PSH funding. These “combination” Projects must adhere to all applicable Mandatory and Scoring Criteria identified as applicable to “Combination PSH-H3C Projects” outlined in detail throughout **Sections 7, 8, and 9** of this RFA.

Projects that serve target populations fitting only a PSH or H3C model as outlined in **Section 2** do not need to adhere to the combination program requirements, and must follow application guidance solely for their respective Project Type as outlined below:

	PSH-Only Projects	Combination PSH-H3C Projects	H3C-Only Projects
Major Project Characteristics	Serve a target PSH population* but do not have investment by a Healthcare Partner in the Project'	Serve a target PSH population* and have investment by a Healthcare Partner in the Project and address a community health disparity	Have investment by a Healthcare Partner in the Project and address a community health disparity but do not serve a target PSH population*
Subject to Pre-Application Process Requirements outlined in Section 6.B	•	•	•
Subject to Mandatory Criteria outlined in Section 7	•	•	•
Scoring Criteria to follow (reference Section 8)	PSH-Only Scoring Track	Combination PSH-H3C Scoring Track	H3C-Only Scoring Rubric**
Per Project Total IHDA Funding Eligibility***	Up to 90% of total Project cost	Up to 90% of total Project cost (up to \$8 million may come from H3C Funds)	Up to 90% of total Project cost (up to \$8 million may come from H3C Funds)

*As outlined in **Section 2** of this RFA

** H3C-Only Projects must refer to the **H3C Scoring Rubric** found in **Appendix II** or on the Website

***LIHTC is not considered IHDA funding for determining the funding eligibility limit under this RFA.

All Project Types may apply for 4% Low Income Housing Tax Credits and other IHDA funding. Projects seeking 4% LIHTC are required to comply with all applicable mandatory criteria outlined within the current **Qualified Allocation Plan** (“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 IHDA staff. See **Section 6** for more detail regarding the requirements for Projects seeking 4% LIHTC.

Section 5: Anticipated RFA Funding Sources

Under this RFA, up to 90% of the total Project cost at Application may be requested per Project, which does not include IHDA LIHTC. However, the Authority reserves the right to waive this limitation in its sole discretion. While there is no total dollar amount request maximum for PSH-Only and Combined PSH-H3C Projects, Applicants must ensure that Projects meet IHDA's underwriting standards. H3C-Only Projects may request up to \$8 million through this RFA.

The table included in **Section 5.A** below lists the primary Authority funding sources that are intended to support awards made under this RFA. Availability of sources varies by Project Type, and a variety require additional application steps of funding source-specific guidance (see table in **Section 5.A below** for specific guidance). 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 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, HOME Investment Partnerships Program (including American Rescue Plan), NHTF, Build Illinois Bond Program (BIBP) funds, Illinois Affordable Housing Tax Credit, SLFRF, and Financing Adjustment Factor Program. In addition, Projects will be evaluated for Authority administered rental assistance (LTOS, Section 811 Project-Based Rental Assistance, and/or other available sources) depending on availability. Applicants will have the ability to request LTOS and/or Section 811 PRA as part of the PSH Development Program Application Process as described in this RFA, 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.

Projects receiving H3C Funds (IHDA Capital Bill Funds) and/or Build Illinois Bond Program ("BIBP") funds will be subject to the Illinois Works Jobs Program Act (30 ILCS 559/20-1 et seq.). For grants with an estimated total project cost of \$500,000 or more, the grantee 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 applicant 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 CDP-21-10.

Applicants should consult with an accountant to explore any potential tax consequences for an award of funds. Applicants 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.

Applicants 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. Applicants should review IHDA's **current QAP** and **Low Income Housing Tax Credit program website** for additional details.

Projects Pursuing H3C Funds

Applicants pursuing H3C Funds either in combination with PSH funding or through an H3C-Only Project Application are eligible for financing from the IHDA Capital Bill Funds in the form of a forgivable loan, up to a maximum of \$8 million per Project. The Authority reserves the right to determine the final amount of the award. Priority will be given to Projects that demonstrate they are addressing existing healthcare needs or gaps in the community and/or have higher numbers of deeply affordable units.

A. Anticipated IHDA Funding Source Availability Under Round X RFA

Funding Source	Availability by Project Type			Major Requirements/Restrictions
	PSH-Only Projects	Combination PSH-H3C Projects	H3C-Only Projects	
CAPITAL DEVELOPMENT SOURCES				
National Housing Trust Fund	•	•		• Funding can only be applied to units that comply with NHTF standards
Home Investment Partnership Program	•	•		• Funding can only be applied to units that comply with HOME standards
State and Local Fiscal Recovery Funds	•	•		
H3C Funds <i>IHDA Capital Bill Funds</i>		•	•	• Healthcare partnership is required, and Healthcare Partner must make a financial contribution to the Project • Maximum per Project allocation: \$8 million
HOME-ARP Allocation*	•	•		
Illinois Affordable Housing Trust Fund	•	•		
Illinois Affordable Housing Tax Credit	•	•	•	• Must indicate request for this resource in Common Application • Program specific application requirements apply. See program website .
4% Low Income Housing Tax Credits	•	•	•	• Must indicate request for this resource in Common Application • Requires adherence to LIHTC requirements and submission of applicable LIHTC documents
OPERATIONAL AND RENTAL ASSISTANCE SOURCES				
Long Term Operating Support**	•	•		• Must indicate request for this resource in Common Application
Section 811**	•	•		• Must indicate request for this resource in Common Application

*Expected to be available/held for PSH Round XI (2024), only made available in Round X if necessary

**Applicants 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

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.**

Public Housing Authority (“PHA”) Project-Based Vouchers (“PBVs”)

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

Find your local PHA 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

Continuum of Care rental assistance

Local Continuum of Care (“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/>

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).

Chicago Low-Income Housing Trust Fund (“CLIHTF”)

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://www.clihtf.org/programs-and-initiatives>

IHDA-Managed Rental Assistance

IHDA 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 later in **Section 7.P** of this RFA.

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.

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. IHDA works with affordable housing owners to set aside units for eligible populations in IHDA-financed developments.

Section 6: RFA Timeline and Application Procedures

A. PSH Round X with option for H3C Timeline

Date	Action	Project Sponsor Action Required
July 11, 2023	RFA published on IHDA website	YES
	Concept Meeting Request Form available on IHDA website	YES
	Previous round Applicants notified of RFA release	
July 18, 2023	RFA informational webinar	OPTIONAL
August 21, 2023	<i>First available date to complete both# Mandatory Concept Meetings*</i>	
September 8, 2023	Supplemental RFA documents available on IHDA website	
October 6, 2023	<i>Last day to submit Mandatory Concept Meeting Request Form to IHDA*</i>	
October 13, 2023	<i>Last available date to complete both# Mandatory Concept Meetings*</i>	
	Last date to complete all Pre-Application Process components	YES
November 1, 2023 & November 15, 2023	Mandatory Application Workshops	YES
January 16, 2024	Application deadline**	YES
February 16, 2024	IHDA publishes Public Notice	
February 2024	Clarification period	
April 19, 2024 (expected)	Expected IHDA Board meeting with PSH/H3C Project approvals	OPTIONAL

#Projects pursuing only H3C Funds (and not PSH funding) are only required to complete one Concept Meeting (with IHDA's Multifamily Finance and Policy and Research teams). The second Concept Meeting with IHDA's Market and Research and Asset Management teams is optional and available upon request for H3C-Only Projects.

**Project sponsors cannot submit an Application until they have fully completed all Pre-Application Process components and attended a Mandatory Application Workshop

B. Pre-Application Process

Project sponsors must fully complete the Pre-Application Process outlined below as a mandatory component of submitting an application under the PSH Round X with option for H3C RFA.

If a Sponsor is seeking 4% Low Income Housing Tax Credits as an additional funding component of their Application submitted under this RFA, the Pre-Application Process for this RFA will replace the required Preliminary Project Assessment ("PPA") typically required when submitted a request for LIHTC. Such Projects applying will not be required to also submit a PPA, however, are 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 IHDA staff. Information about the Low Income Housing Tax Credit program requirements can be found on the **Low Income Housing Tax Credit program website**.

The Pre-Application Process has been expanded in this Round X RFA to incorporate more opportunities for project sponsors to access resources and gain feedback from IHDA staff regarding their upcoming application submissions. Project sponsors will meet with members of IHDA's Multifamily Finance, Policy and Research, Market and Research, and Asset Management departments across two meetings to discuss critical project components, opportunities, potential barriers, and application processes. The required Pre-Application Process consists of the following components:

- Complete and submit a **Concept Meeting Request Form**
- Attend a Finance and Policy Concept Meeting (*scheduled for one hour*)
- Attend a Market and Asset Management Concept Meeting (*scheduled for 30 minutes*)
 - *Mandatory for PSH-Only and Combination PSH-H3C Projects, optional and available by request for H3C-Only Projects*

Project Concept Meetings

Applicants will need to complete a Project Concept Meeting Form at least five business days before the first scheduled meeting. Between the two¹ required meetings, applicants should be ready to outline their Project concept including: intended population served, Project size, Project type, Project site/location, community amenities, proposed financing structure, service plan details, and proposed partnerships, if any. The discussion with the Authority will also 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. Project concept meetings may be virtual meetings. The **Project Concept Meeting Form** will be available on IHDA's website and should be emailed back to **PSHRFA@ihda.org**.

The final date for submission of the mandatory **Concept Meeting Request Form** is October 6, 2023. Both¹ mandatory concept meetings must take place in between August 21 and October 13, 2023. These meetings may be scheduled back-to-back, pending scheduling availability.

After completing the mandatory Concept Meetings¹, Sponsors will electronically receive a Concept Meeting Evaluation from IHDA that provides an evaluation of their proposed Project in the following five components:

1. Site
2. Market
3. Financial Feasibility
4. Development Team
5. Project Concept

Projects will receive either an "Approval" or "Conditional Approval" in each of the five categories above that will serve as informative feedback on a Project concept. Conditional Approvals received in any of the five categories may include requests for additional information from the Sponsor. No Project will be denied from submitting an Application based upon the responses of their Concept Meeting Evaluation, and an Application's score will not be impacted by any assessment made within the Concept Meeting Evaluation.

The Authority expects that Applications reflect the Project characteristics presented and opined on during the Concept Meeting(s)/Evaluation as closely and accurately as possible. The Authority is not responsible for inapplicable feedback provided to Sponsors via the Concept Meeting Evaluation in the circumstance that Applications substantially alter Project concepts, particularly via changes to Site(s), population served, or construction type.

The Authority recognizes some Project changes may occur prior to Application submission. If Sponsors anticipate substantial changes to Projects in between the Concept Meeting(s)/Evaluation receipt and Application submission, they should notify the Authority of these anticipated changes in writing.

¹ Projects pursuing only H3C Funds (and not PSH funding) are only required to complete one Concept Meeting (with IHDA's Multifamily Finance and Policy and Research teams). The second Concept Meeting with IHDA's Market and Research and Asset Management teams is optional and available upon request for H3C-Only Projects.

C. Mandatory Application Workshop

Applicants must complete all Pre-Application Process components steps before October 13, 2023. Applicants who have completed both¹ mandatory Project Concept Meetings and intend to submit an Application will be required to attend a Mandatory Application Workshop on either November 1 or November 15, 2023. Workshops may be offered in-person and/or via an online platform. The exact dates and times of these workshops are subject to change, but will be published on the Website.

D. Application Submission

Applications are accepted online through **IHDAConnect**. 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.

E. Additional Resources

IHDA technical assistance

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

- For PSH-Only and Combination PSH-H3C Project questions: **PSHRFA@ihda.org**
- For H3C-Only Project questions: **H3C_Information@ihda.org**

External resources

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

Illinois State Agencies

- [Illinois Department of Human Services](#)
- [Illinois Department of Healthcare and Family Services](#)
- [Illinois Department of Housing and Urban Development](#)
 - [Continuum of Care Database](#)
 - [Public Housing Authority Database](#)
- [Illinois Office to Prevent and End Homelessness](#)

Advocacy and Support Organizations

- [The Corporation for Supportive Housing](#)
- [Supportive Housing Providers Association](#)

F. 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 Applicant within 30 days. The Applicant is required to respond in writing to all comments received and to submit copies of all correspondence to the Authority.

G. Evaluation of Applications

Applications will be evaluated in the following manner:

1. 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 Applicant with stated reason(s) for denial.

2. Mandatory 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 the Mandatory Application Criteria section **(7)** below.

3. 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 the Scoring Criteria section **(8)** below.

H. 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 **Permanent Supportive Housing Development Program + H3C 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 + H3C Application Certification

All Applications must include a **signed Permanent Supportive Housing Development Program + H3C Application Certification, Organizational Chart**, and an **Identity of Interest form**, found on the Website, which provide 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 IHDA to proceed, this certification will not be required (See **Section 2.I: Income Restrictions** for more information)¹;
- 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 Long-Term Operating Support Program (LTOS), Section 811 Project-Based Rental Assistance 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 Program¹.

While not required, IHDA 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

¹ Requirement only applies to PSH-Only Projects and Combination PSH-H3C Projects; not applicable to Projects pursuing only H3C Funds

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

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 proposed¹;
- Number of SRN units proposed, if any (Note: SRN units **must be** 30% AMI units)¹;
- Number of LTOS units proposed (Note: LTOS units are anticipated to be SRN units)¹;
- Number of Section 811 PRA units proposed¹; and
- If the Application is for an existing Project, applicant 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.

Projects Pursuing H3C Funds

Applicants pursuing H3C Funds either in combination with PSH funding or through an H3C-Only Project Application must **also** include the following in their Project Narrative:

- Healthcare Partner(s) involved;
- Type and amount of contribution(s) from healthcare partner(s);
- Description of community healthcare needs from most recent Hospital Community Needs Assessment;
- Description of healthcare gap or need filled by the Project; and
- Anticipated impact on community health disparities from the Project including, but not limited to, description and number of households served, healthcare needs addressed, potential impact on community health, etc..

Applicants 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.

Supportive service plan narrative¹

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:

- 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..

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

¹ Requirement only applies to PSH-Only Projects and Combination PSH-H3C Projects; not applicable to Projects pursuing only H3C Funds

points under the Scoring Criteria. See **Scoring Section 8.G**.

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 **Scoring Section 8.H** 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	
City of Chicago	0.5 miles
Chicago Metro	0.5 miles
Other Metro	0.75 miles
Non-Metro	1 mile

Please note that the documentation provided for this Mandatory Criterion can also be used for the **Scoring Section 8.H** to demonstrate additional neighborhood assets. Please see that section 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, Food Access, Civic/Recreation, and Education/Job Training will be made available to residents of the development. IHDA, at its sole discretion, will determine whether any narrative will be sufficient to meet this Mandatory Criterion.

Projects Pursuing H3C Funds

Applicants pursuing H3C Funds either in combination with PSH funding or through an H3C-Only Project Application must demonstrate that at least two of the following three neighborhood assets are included within the proximity radius for the applicable Geographic Set-Aside:

- **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.
- **Food Access:** All sites are located within proximity radius of a supermarket, supercenter, full-service grocery store or other food store with fresh produce.
- **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.

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.

1. 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.

2. 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.

I. 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. PSH Environmental Checklist

The Application must include a completed **PSH Environmental Checklist** which may be found on the Website¹. While not required, IHDA encourages the completion and submission of a Phase I Environmental Site Assessment ("Phase I") at time of Application.

If funded, an environmental site assessment will be required as a condition of closing. This assessment should cover all Sites and be completed within one year prior to the Application deadline. The assessment should follow the Authority's **Standards for Environmental Reviews and Professionals**, which are available on the Website. If a Phase II Environmental Site Assessment ("Phase II") is available, it should also be submitted 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.

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

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

1. 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.

2. 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.

3. 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 ISGS website at <https://prairie-research.maps.arcgis.com/apps/webappviewer/index.html?id=e38e9769e1c04ec29e41dd5ba1c59bd7>.

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.

4. 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 & Regulatory Compliance Requirements

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

1. Project Scope Certification

The Application must include the **Design 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:

i. 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.

ii. **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 (minimum of eight slots per 25 units)	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 (e.g., volleyball, tennis, basketball, etc.)	On-site car sharing
Looped walking paths or connected sidewalks through the entire Project	At least one common room (e.g., community room, community kitchen, library, hair salon, billiards room, arts & crafts room, game room, dining room, etc.)	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		

2. **Preliminary Drawing 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;
- 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
- Certification of Project Scope signed by the Architect and Sponsor.

The Certification of Project Scope must include a written description of the full Project scope. Items to be included, but not limited to, in this document are:

- Outline specifications indicating all materials selected and/or defined performance criteria (e.g., windows, doors, hardware, drywall, exterior materials, floor and wall finishes, etc.);
- 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 scoping items included in the Project.

3. 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:

- The Construction Cost Breakdown forms completed by a qualified contractor, Architect of Record, or construction cost consultant. Construction Cost Breakdown form is located in the **Common Application**, available on the Website.
- A detailed explanation of all construction cost variances existing between the Construction Cost Breakdown and PNA, if applicable.

The Construction Cost Breakdown will need to be completed by an independent third-party construction cost estimation firm if an Identity of Interest exists among development team members, including:

- Between the Sponsor and the Project General Contractor;
- Between the Sponsor and the Project Architect; or
- Between the Project Architect and the Project General Contractor.

See the Authority's Standards for Construction Cost Estimating available on the Website for more information.

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 to meet the Mandatory Criteria.

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 and/or Healthy Housing, Healthy Communities development under this RFA. IHDA 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 Applicant.

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 IHDA website and should be filled out by the Applicant 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;
- HOME-ARP; and
- SLFRF.

Applicants 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:

1. Development Team Certifications & Required Experience

The Application must include certifications for the proposed owner, general contractor, architect, and property manager, 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

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)

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.

2. 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 Applicant 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.
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

All Applications must demonstrate that the Project is financially feasible. The following is a description of the areas, along with expected limits, which will be evaluated in order to determine financial feasibility.

The Authority will evaluate the Project's financial feasibility and underwriting assumptions. 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 and any variations from the Underwriting Standards detailed in this Section of the RFA. 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, and/or within this RFA. Unless a deviation is specifically identified in this RFA, the Authority's Underwriting Standards will be used to determine financial feasibility.

1. Overall Limits

a. General Contractor Fees

The general conditions, overhead, and profit in a general contractor's budget are limited to a combined 14% of trade payments and Site work as calculated in the Authority's Common Application.

b. Architect and Civil Engineering Fees

Fees for architectural services and civil engineering are subject to the limits contained in the Authority's **Standards for Architectural Planning and Construction**, as amended and found on the Website.

c. Development Costs

The Authority will evaluate the acquisition and construction costs for reasonableness taking into consideration the project type, location, and scope of work based on the Authority's past experience with comparable Projects and similar locations. All successful Applicants may be required to submit an appraisal prior to funding consideration by the Members of the Authority's Board.

d. Construction Contingency

Development budgets must include hard cost construction contingencies to cover unforeseen construction cost increases. The contingency must be sized as a percentage of the construction contract, as calculated in the Authority's Common Application, according to the following:

- New-Construction: 5%
- Rehabilitation (vacant residential, adaptive reuse, or modifications): 10%

e. Total Award

Under this RFA, up to 90% of the total Project cost, not including IHDA LIHTC, may be requested per Project; however, the amount of PSH Development Program funding to be allocated will not exceed the amount necessary to make the Project financially feasible, as determined by the Authority.

f. Developer Fee

A Project's developer fee may not exceed the lesser of \$1,500,000 or 15% of the Project's total development cost net of the following: total developer fee, reserves, syndication costs, and interim costs, as calculated in the Common Application. Developer fee includes all of the following which shall not appear elsewhere in the Project budget:

- Consultant fees;
- Construction management fees;
- Architectural and civil engineering fees in excess of the Authority's fee limits;
- Developer overhead fees; and
- Any additional fees related to direct assistance provided to the Sponsor or Owner in conjunction with the completion of the Application or construction of the Project.

Developer fees are limited to the amount contemplated at the time of a conditional award. Developer fee will be paid by the Authority on the following schedule:

- 20% at initial closing;
- 20% at 50% construction completion;
- 40% at Certificate of Occupancy; and
- 20% at Final Closing.

2. Project Income

a. Unit Rents

The proposed gross residential unit rents for the Project, including any utility allowances, must be reasonable for the market area and must not be in excess of 95% of any rent limits imposed by any committed or proposed financing source, program, or other requirement. **Rent and income limits** for the most current year available can be found on the Website. Units with project based rental assistance may use the full value of the rental assistance for underwriting.

b. Rental Assistance

Any Project that includes residential income generated as a result of a rental or operating assistance contract must clearly identify the portion of the rent paid by the tenant.

All assumptions regarding the funding and renewal of rental assistance contracts must be clearly identified. The Authority will review and determine the suitability of all assumptions regarding the funding and renewal of rental assistance contracts on a case-by-case basis.

In the event a rental assistance contract pays a rent in excess of 95% of the gross unit rent limit, the Application must demonstrate how the Project will remain financially feasible throughout the Compliance Period in the event the rental assistance contract is terminated.

c. *Additional Residential Income*

Additional sources of residential rental income are limited to laundry and vending income. Applications reflecting income from these sources must describe all assumptions regarding the calculation of this income.

d. *Commercial Income*

Applications that include any sources of commercial income must include a detailed description of any assumptions related to the commercial income and copies of any existing leases or letters of intent to occupy commercial space. The Authority will review and determine the suitability of all assumptions regarding commercial income on a case-by-case basis. Commercial income is assumed to be underwritten at a 50% vacancy rate. All funds requested and/or awarded through this RFA cannot be used for the construction or operation of commercial space. As a result, these costs must be broken out separately in the development and operating budgets.

3. *Utility Allowances*

All Projects that include tenant-paid utilities must submit current documentation fully detailing the average per-unit utility expenses incurred by utility type on a monthly basis. The utility allowance must be appropriate for the unit size, utilities covered, and Project location.

Projects that include gas or electric heat must differentiate heating expenses from other gas and electric expenses. Non-essential utilities including telephone, cable television, internet access, etc., are excluded from the utility allowance.

Current utility allowance information must be provided by the governing public housing authority for the county where the Project is located or through the submission of a utility survey covering one full year that is representative of each unit type within the Project.

4. *Debt Service Coverage Ratio*

Applications must demonstrate the Project can maintain a 15-year average minimum debt service coverage ratio (the ratio of a Project's net operating income to its total debt service) of 1.15, excluding cash flow notes.

Projects whose 15-year average debt service coverage ratio is less than 1.15 must capitalize operating or debt service reserves and detail how payouts from these reserves will maintain the minimum ratio through a cash flow statement reflecting annual payouts from the reserve.

5. *Cash Flow*

All Applications must demonstrate the Project can maintain a 15-year average annual cash flow (after debt service, if applicable) of at least \$100 per unit per year for a minimum of fifteen years.

6. *Third Party Studies*

Projects must budget \$20,000 to \$30,000 for third party studies. At the Authority's sole discretion, any or all of the following will be required: a construction cost estimate, environmental studies beyond a Phase I, a cost certification, and such other third-party studies as the Authority may require. All Projects will require a Market Study and/or Market Analysis Form at application, a Phase I between award and closing, and an appraisal between award and closing.

7. *Environmental Remediation*

If it is expected that 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.

8. Reserves

The Authority will review the Project's reserves to determine its long-term viability. Project reserves must be reflected in the Application and a narrative must be provided to explain assumptions regarding the calculation of the following:

a. Replacement Reserves

All Applications must capitalize a replacement reserve of \$1,500 per unit in the development budget and fund ongoing annual replacement reserve contributions of \$350 per unit from operations, which shall trend up at three percent per annum.

b. Real Estate Tax Reserves

All Applications must capitalize a real estate tax reserve to pay real estate taxes during the construction period plus an amount equal to 55% of the estimated annual real estate taxes in the first year of Project operations. Additionally, the operating pro forma must include the anticipated annual real estate tax expense.

All Applications must include evidence of how construction period real estate taxes and operations period real estate taxes were determined.

All Applications assuming a real estate tax abatement for any period of time must submit an attorney opinion letter which details any assumptions associated with the abatement including all of the following: the calculation of real estate taxes before, during, and after the abatement; and the anticipated date the abatement becomes effective; and the length of the abatement.

c. Insurance Reserves

All Applications must budget an adequate insurance reserve to pay insurance during the construction period plus an amount equal to 105% of the estimated annual insurance expenses in the first year of Project operations. Additionally, the operating pro forma must include the anticipated annual insurance expense.

d. Operating Reserves

All Applications must include an operating reserve sufficient to cover all Project operational costs including administrative, management, payroll, maintenance, utilities, taxes, insurance, and debt service payment for at least six months.

e. Other Reserves

The Authority will review all other Project reserves including, but not limited to, marketing/leasing, debt service, operating, and furniture, fixtures and equipment to evaluate their sufficiency and reasonableness. Projects including these reserves must also include a description with all of the following:

1. How the Project will benefit from the reserves;
2. Why the reserves are necessary;
3. Who (if anyone) is requiring them;
4. Who will hold them;
5. What is the process for releasing the reserves;
6. Is there a requirement the reserves be replenished; and
7. If there is a requirement that reserves be replenished, what is the source of funds for replenishment.

The Authority does not allow supportive service reserves to be funded through this RFA. Supportive service reserves may be reflected in the development budget if capitalized by another source.

9. Operating Expenses

Annual per unit operating expenses must be adequate and reasonable for the Project type, location, and population served.

Per unit annual operating expenses, excluding taxes, reserves, resident services, and debt service, as calculated

by the Common Application, are expected to fall within their respective ranges by Project type and Set-Aside found in **Section V.A. of IHDA's most current Underwriting Standards**.

In order to substantiate a deviation from the expected ranges the Application must include supplemental documentation with additional detail about specific expenses. The Authority will review and determine the suitability of operating expenses outside of expected ranges on a case-by-case basis.

Projects under this RFA shall not request a property management fee above 7% of gross income.

10. Trending Factors

The Project must demonstrate it remains financially feasible for a minimum of 15 years utilizing the following cash flow trending factors:

- Annual Increase in real estate taxes: 4%
- Annual Increase in operating expenses: 3%
- Annual Increase in income: 2%

In order to substantiate a deviation from the listed trending factors, the Application must include supplemental documentation such as an approved real estate tax abatement. The Authority will review and determine the suitability of trending factors outside the expected ranges on a case-by-case basis.

11. Residential Vacancy Rates

The Project must demonstrate it remains financially feasible for a minimum of 15 years utilizing an annual economic vacancy rate for the residential portion of the Project of 10%.

For Projects that have project-based rental assistance on 100% of the Project units, IHDA will consider underwriting units at a lower vacancy rate. The Authority will review and determine the suitability of any other vacancy rates on a case-by-case basis. Sponsors hoping to underwrite assisted units to a lower vacancy rate should provide a narrative with their Application evidencing sufficient demand for the units receiving the project-based rental assistance to justify this lower vacancy rate. The Authority will review and determine the suitability of any other vacancy rates on a case-by-case basis.

12. Evidence of Project Financing

All Applications must reflect adequate sources of financing to complete the Project, including any contemplated grant or loan financing from the Authority. Any Application that does not reflect adequate sources will fail the Mandatory Criteria.

All Applications must evidence all Project financing sources including debt, grants, and tax credit equity through executed acknowledgment letter(s) from all lender(s) and/or grantor(s). Each acknowledgment letter must contain evidence that, as of the Application deadline date, the Application is either still under consideration or has been approved.

If, during the Authority's review of the Application, the Applicant is notified that another Project financing source has been denied, the Applicant will be allowed 14 business days from the date of the denial notice to provide a revised financing plan. If not provided, the Application will be determined to be financially infeasible and will fail the Mandatory Criteria.

All Applications must demonstrate that Project underwriting is in compliance with the requirements associated with all Project financing sources.

a. Debt Sources

For any debt source, the executed acknowledgment letter(s) must contain the following terms:

1. The amount of the loan;
2. The length of the loan term, which must be at least 15 years;

3. The amortization period of the loan;
4. The interest rate (and any terms and conditions regarding adjustments);
5. The expected monthly or annual debt service payment; and
6. Any financing fees associated with the debt source.

If debt financing is to be obtained through a mortgage broker or banker, the executed acknowledgment letter must be from the actual lender.

b. Grant Sources

For any grant source, the executed acknowledgment letter(s) must contain the amount of the grant, when the grant will be available as a source to the Project, and any outstanding requirements to be met prior to grant availability.

c. Tax Credit Equity Sources

For any tax credit equity source, the executed acknowledgment letter(s) must contain the amount of tax credit equity available to the Project, the proposed net cent rate per tax credit dollar, and the proposed equity pay-in schedule.

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

In conjunction with an Application under the Permanent Supportive Housing Development Program, Applicants may also request the IHDA-managed rental assistance listed below, or any other IHDA-managed rental assistance that becomes available. However, Applicants 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.

1. Long Term Operating Support¹

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 IHDA multifamily financing programs, and IHDA is making LTOS available in conjunction with this RFA.

IHDA 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. IHDA 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, applicants 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**.

2. Section 811 Project-Based Rental Assistance¹

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. IHDA manages the Section 811 PRA for Illinois and makes allocations to

¹ Only PSH-Only and Combination PSH-H3C Projects are allowed to apply for this resource via this RFA. H3C-Only Projects are not allowed to include a request for this resource within this standalone RFA.

eligible Projects that have either already received IHDA financing, or that are applying for IHDA 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, Applicants 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, applicants may provide alternate documentation to demonstrate need related to Section 811. IHDA 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, applicants must submit the following with their Application:

1. Section 811 Interest Form; and
2. 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**.

Q. Additional Mandatory Criteria for Healthy Housing, Healthy Communities Projects

Projects pursuing H3C Funds either in combination with PSH funding or through an H3C-Only Project Application are also required to submit documentation that meets the requirements of the following two criteria:

1. Community Needs Assessment

Applications must upload the most recent Community Health Needs Assessment from partner hospital or hospital servicing that community, in addition to a narrative that summarizes the following:

- Demographic characteristics of the community;
- Key findings from the Community Needs Assessment;
- Healthcare gaps or needs; and
- How the Project fills a key need or gap in the community.

Applicants are encouraged to provide as much detail and background information about the Project as possible. Detailed information will assist the Authority in determining the local need for the Project, how well it addresses community health disparities, and whether the Project is sited in a community that will meet the needs of the tenants.

2. MOU for Healthcare Services

Projects partnering with a healthcare provider for on-site healthcare services must provide an MOU and a service plan that outlines:

1. The services offered to residents and/or community;
2. The number of proposed staff; and
3. The size and location of the service office.

If medical services are also provided to the wider community, the MOU must detail what these services are, proposed business hours, etc.

Section 8: Application Scoring Criteria

Primary and Sub-Categories	PSH-Only Projects		Combination PSH-H3C Projects	
	Maximum Points	Category Weight	Maximum Points	Category Weight
Leveraging	15	15%	20	20%
<i>Leveraging Other Sources of Funding</i>	15	15%	-	-
<i>Leveraging via Grant, Low-Interest Loan, Revolving Loan Fund, or Loan Guarantee</i>	-	-	10	10%
<i>Leveraged Funds from Healthcare Partner</i>	-	-	10	10%
Firm Commitment of Operating or Rental Assistance	20	20%	15	15%
Universal Design Beyond Code Requirements	10	10%	10	10%
Green Design and Energy Efficiency	7	7%	7	7%
Access to Transportation	10	10%	10	10%
Coordination of Referrals	10	10%	5	5%
Coordination of Services	5	5%	6	6%
<i>Coordination with Community-Based Provider</i>	5	5%	-	-
<i>On-Site Health Services Available</i>	-	-	6	6%
Neighborhood Assets	10	10%	10	10%
<i>Neighborhood Assets beyond Mandatory</i>	10	10%	2	2%
<i>Site/Facility Donation from Healthcare Provider</i>	-	-	8	8%
Development Team Characteristics	7	7%	9	9%
<i>Healthcare Partner is Part of Development Team</i>	-	-	2	2%
FOR-PROFIT TEAM ONLY CHARACTERISTICS	7	7%	7	7%
<i>BIPOC/Women Enterprises</i>	7	7%	7	7%
NON-PROFIT TEAM ONLY CHARACTERISTICS	7	7%	7	7%
<i>BIPOC/Women Enterprises</i>	5	5%	5	5%
<i>Non-Profit Organization Participation</i>	2	2%	2	2%
Supportive Housing Experience and Training	4	4%	-	-
Statewide Referral Network Participation	2	2%	-	-
Addressing a Key Community Health Need	-	-	8	8%
Totals	100	100%	100	100%

*H3C-Only Projects must refer to the **H3C Scoring Rubric** found in **Appendix II** or on the Website

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 Applicant'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 **Permanent Supportive Housing Development Program + H3C Self Scoring Form** which is available on the Website.

A. Leveraging Other Capital Funding Sources

PSH-Only and Combination PSH-H3C Projects are held to different requirements and can achieve different amounts of points under the Leveraging Other Capital Funding Sources scoring category.

Leveraging Other Sources of Funding

PSH-Only 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. IHDA 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.

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.

PSH-Only Projects will be awarded points based on the following criteria:

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

Projects Pursuing H3C Funds

Combination PSH-H3C Projects may earn up to 20 points under the Leveraging Other Capital Funding Sources scoring category. Combination PSH-H3C Projects that leverage non-IHDA resources are eligible for up to 10 points. Additionally, Combination PSH-H3C Projects that leverage financial resources from a Healthcare Partner are eligible for an additional 10 points.

Leveraging via Grant, Low-Interest Loan, Revolving Loan Fund, or Loan Guarantee

Projects with a grant award may earn up to 10 points depending on the size of that award as a percentage of total project cost in the Project's development budget. Projects with financing that includes a low interest loan or revolving loan fund may earn up to nine points based on the amount of leveraged resources as a percentage of total project cost in the Project's development budget. Projects with a loan guarantee may earn up to five points as a

percent of project cost in the Project's development budget.

Combination PSH-H3C Projects will be awarded points based on the following rubric, and may be awarded a maximum of 10 points:

Combination PSH-H3C Projects			
Leveraged Funds as Percentage of TDC	Points Available: Grant Funds	Points Available: Low Interest or Revolving Loan	Points Available: Loan Guarantee
20% or more	10	9	5
15.1-19.9%	7	6	3
10-15%	5	3	1

Leveraged Funds from Healthcare Partner

Combination PSH-H3C Projects that leverage resources listed above from a Healthcare Partner(s) may earn an additional five to 10 points in this category, depending upon the size of the leveraged resource(s) as a share of the Project's total development cost:

Combination PSH-H3C Projects	
Leveraged Funds from Healthcare Partner as a Percentage of TDC	Points
15% or more	10
5%-14.9%	5

B. Firm Commitment of Operating or Rental Assistance

PSH-Only and Combination PSH-H3C Projects are held to the same requirements though can achieve different amounts of points under the Firm Commitment of Operating or Rental Assistance scoring category.

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 the U.S. Department of Housing and Urban Development (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.

The Authority understands the Continuum of Care (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. Applicants 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.

PSH-Only 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. For PSH-Only Projects with a Rental Assistance Contract, points will be awarded as follows:

PSH-Only Projects			
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

Projects Pursuing H3C Funds

Combination PSH-H3C Projects that provide project-based rental or operating assistance may earn up to 15 points based on the number of units assisted and the length of committed assistance. Rental assistance provided by the Healthcare Partner is an acceptable form of rental assistance and will be evaluated on a case-by-case basis. For Combination PSH-H3C Projects with a Rental Assistance Contract, points will be awarded as follows:

Combination PSH-H3C Projects			
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	15	8	5
50.1-75% of units	12	6	3
10.1-50% of units	10	5	1
1-10% of units	5	3	0.5

C. Universal Design

PSH-Only and Combination PSH-H3C Projects are held to the same requirements can achieve the same amount of points under the Universal Design scoring category.

Projects identifying Universal Design elements to be provided within the architectural design in excess of code required Universal Design features plus ten additional items defined in the **Section 7.J**, as evidenced through submission of the **Architectural Standards, Universal Design and Amenities Certification** available on the Website, may earn up to 10 points as follows:

Universal Design Features Beyond Code Requirements	
PSH-Only <u>and</u> Combination PSH-H3C Projects	Points
Projects that select 10 additional Universal Design items beyond code requirements and beyond Mandatory Criteria (for a total of 20 items) in 100% of units	10

D. Green Design and Energy Efficiency

PSH-Only and Combination PSH-H3C Projects are held to the same requirements can achieve the same amount of points under the Green Design and Energy Efficiency scoring category.

Projects whose architectural design and construction certify to one of the standards below may earn up to seven points as follows:

Green Design and Energy Efficiency Requirements			
PSH-Only <u>and</u> Combination PSH-H3C Project Types			
Points	Points	Points	Points
3	4	6	7
Enterprise 2020 Community Certification		Enterprise 2020 Community Certification <u>&</u> 5.5b Moving to Zero Carbon: All Electric	Enterprise 2020 Community Certification <u>&</u> 5.5b Moving to Zero Carbon: All Electric <u>&</u> Enterprise Plus
LEED BD+C at the Gold level		LEED BD+C at the Platinum level	LEED BD+C at the Platinum level <u>&</u> LEED Zero
National Green Building Standard (NGBS) at the Emerald Level			
	International Living Future Institute's (ILFI) Core Green Building Certification	Living Building Challenge 4.0 (Petals certification program)	ILFI Zero Energy or Zero Carbon Certification
		Passive House Institute United States (PHIUS)' CORE certification	PHIUS Zero certification

E. Access to Transportation

PSH-Only and Combination PSH-H3C Projects are held to the same requirements can achieve the same amount of points under the Access to Transportation scoring category.

Projects may earn up to 10 points for access to transportation. Points in this category **are 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.

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 Applicant 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.

F. Coordination of Referrals

PSH-Only and Combination PSH-H3C Projects are held to the same requirements though can achieve different amounts of points under the Coordination of Referrals scoring category. Combination PSH-H3C Projects can achieve points in this category via one additional route not available to PSH-Only Projects (see #4 below).

PSH-Only Projects may earn up to 10 points and Combination PSH-H3C Projects may earn up to five points for coordination with either the Illinois Department of Children and Family Services (“DCFS”), Illinois Department of Corrections (“IDOC”), or the Illinois Department of Human Services Division of Developmental Disabilities (“IDHS DDD”). Points in this category **are not cumulative** and are limited to coordination with one of these three state Agencies as detailed below (Combination PSH-H3C Projects, see #4 below):

1. 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 points under this category as follows:

Coordination with DCFS Requirements	PSH-Only Projects	Combination PSH-H3C Projects
	Points	Points
Letter of support from DCFS regarding referrals to the housing	7.5	3.5
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	10	5

2. Coordination with Illinois Department of Corrections Re-Entry program

Projects providing housing which is coordinated with IDOC may earn points under this category as follows:

Coordination with IDOC Requirements	PSH-Only Projects	Combination PSH-H3C Projects
	Points	Points
Coordination with IDOC	7.5	3.5
Coordination with IDOC AND commitment of social services to further individual post-release plans	10	5

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; and
- The capacity of the organization to provide services to any Project tenants.

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.

3. 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 points under this category as follows:

Coordination with IDHS IDD Requirements	PSH-Only Projects	Combination PSH-H3C Projects
	Points	Points
<p>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</p>	7.5	3.5
<p>Letters of support from both: An IDHS-funded Independent Service Coordination agency willing to make referrals to the housing AND 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</p>	10	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 Independent Service Coordination agencies or IDHS-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. The Authority will review the documentation and may award points to Projects that have made best efforts.

4. Healthcare Partner as Referral Agency (Combination PSH-H3C Projects Only)

A Healthcare Partner may act as a housing referral agency for Combination PSH-H3C Projects. Applications that include a letter of support for housing referrals to the Project from a Healthcare Partner may earn five points.

G. Coordination of Services

PSH-Only and Combination PSH-H3C Projects are held to different requirements and can achieve different amounts of points under the Coordination of Services scoring category.

Coordination with Community-Based Provider

PSH-Only 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, number of proposed staff, and the size and location of the service office. Services at minimum must include case management, tenancy support services, and access to behavioral health services (which includes substance use and mental health services).

Projects Pursuing H3C Funds

On-Site Health Services Available

Combination PSH-H3C Projects that provide on-site medical services also accessible to community residents may earn up to six points. Projects must establish a MOU or other legally binding agreement with a Healthcare Partner, which may or may not be the Sponsor organization, to provide support 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. Services provided must be informed by the Community Needs Assessment, and appropriate for the target population. Combination PSH-H3C Projects will be awarded points based on the following rubric, and may be awarded a maximum of six points:

Combination PSH-H3C Projects	
Services Commitment Requirements	Points
At least one letter of support from either:	
One or more Healthcare Partner(s) willing to make service referrals to the Project	2
AND/OR	
One or more Healthcare Partner(s) providing limited medical services in the form of a mobile clinic, onsite screenings, etc. OR Providing other needed wellness services such as fresh produce, cooking classes, group exercise classes, etc.	3
One or more Healthcare Partner(s) providing full onsite medical clinic with services for tenants only	5
One or more Healthcare Partner(s) providing full onsite medical clinic that is also accessible to the community	6

H. Neighborhood Assets

PSH-Only and Combination PSH-H3C Projects are held to different requirements and can achieve different amounts of points under the Neighborhood Assets scoring category.

Neighborhood Assets beyond Mandatory

PSH-Only Projects may earn up to 10 points and Combination PSH-H3C Projects may earn up to two points in this section 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	
PSH-Only and Combination PSH-H3C Project Types	
City of Chicago	0.5 miles
Chicago Metro	0.5 miles
Other Metro	0.75 miles
Non-Metro	1 mile

PSH-Only Projects will be awarded two points for each asset in excess of the Mandatory Criteria neighborhood assets. Combination PSH-H3C Projects will be awarded two points for Health Services assets and/or one point for each asset in excess of the Mandatory Criteria neighborhood assets. Points will be awarded as follows:

Neighborhood Assets Requirements	PSH-Only Projects	Combination PSH-H3C Projects
	Points	Points
Health Services	4	2
Food Access	2	1
Civic/Recreation	2	1
Education/Job Training	2	1

Only one establishment will count for each category. For example, a community college and a job training center are each Education/Job Training establishments. The applicant may only take points for one asset. Conversely, a large grocery store with a pharmacy may score under both Health Services and Food Access.

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:

1. **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.

2. **Food Access**

All sites are located within proximity radius of a supermarket, supercenter, full-service grocery store or other food store with fresh produce.

3. **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.

4. **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.

5. **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.**

Projects Pursuing H3C Funds

Site/Facility Donation from Healthcare Provider

Combination PSH-H3C Projects where a Healthcare Partner(s) donates site(s) or facilities for reuse/redevelopment may earn eight additional points in the Neighborhood Assets scoring category, should the property or facility be a meaningful contribution to the Project.

I. Development Team Characteristics

PSH-Only and Combination PSH-H3C Projects are held to different requirements and can achieve different amounts of points under the Development Team Characteristics scoring category.

Projects Pursuing H3C Funds

Healthcare Partner is Part of Development Team

Combination PSH-H3C Projects may earn up to two points should the Healthcare Partner(s) be a Project team Participant. Participation must be evidenced at time of Application via the Organizational Chart included in the **Application Certification**. Combination PSH-H3C Projects may earn points under this category as follows:

Combination PSH-H3C Projects	
Healthcare Partner Participation Requirements	Points
Healthcare Partner(s) has at least a 20% stake in all aspects of development control including but not limited to ownership, cash-flow, and voting rights.	2
Healthcare Partner(s) has between a 10%-19.9% stake in all aspects of development control including, but not limited to ownership, cashflow, voting rights.	1

BIPOC/Women Enterprises

PSH-Only and Combination PSH-H3C Projects whose Participants include For-Profit businesses led by Black, Indigenous, or People of Color (“BIPOC”) are eligible to earn a maximum of seven points in the BIPOC/Women Enterprises subcategory. PSH-Only and Combination PSH-H3C Projects whose Participants include BIPOC-led or -governed Qualified Non-Profits are eligible to earn a maximum of five points in this subcategory.

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:

- Illinois Department of Central Management Services- Business Enterprise Program for Minorities, Females and Persons with Disabilities;

OR

- 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.

BIPOC-Led/Governed Qualified Non-Profits

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

- **BIPOC-Led:** A minimum of 35% of director-level employee leadership is BIPOC, including the Executive Director and a share of those employees reporting directly to the Executive Director. This will be evidenced via the **BIPOC Participation Certification** and a completed **Organizational Chart Template** at the time of Application.

OR

- **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.

Women-Owned Business Enterprises and Disadvantaged Business Enterprises

Women-Owned Business Enterprises ("WBE") and Disadvantaged Business Enterprises ("DBE") may also earn points in this subcategory. Projects teams with Participants that include architects, property managers, and general contractors holding current MBE/WBE/DBE certificates with the entities as outlined above are also eligible to earn different amounts of points in this category according to the table below. These points may also be awarded to joint ventures amongst participating general contractors or architects, provided the MBE/WBE/DBE-certified member represents no less than 25% of the joint venture. Joint ventures must be evidenced by a Memorandum of Understanding at the time of the Application.

Points will be awarded by Participant as follows:

BIPOC/Women Enterprises Requirements		
PSH-Only and Combination PSH-H3C Project Types		
Development Control Threshold Requirements	Points Awarded: For-Profit BIPOC-Led Business	Points Awarded: BIPOC-Led/Governed Qualified Non-Profit
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	7	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	5	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	3	
WBE and DBE Threshold Requirements	Points Awarded: For-Profit BIPOC-Led Business	Points Awarded: BIPOC-Led/Governed Qualified Non-Profit
Project Participant team includes qualifying MBE/WBE/DBE General Contractor, Property Manager, Architect, and/or Joint Venture Partner	2 points per qualifying entity	2 points per qualifying entity
MAXIMUM ALLOWABLE SUBCATEGORY POINTS	For-Profit BIPOC-Led Business	BIPOC-Led/Governed Qualified Non-Profit
	7	5

Non-Profit Organization Participation

PSH-Only and Combination PSH-H3C Projects are eligible to earn a maximum of two points in the Non-Profit Organization Participation subcategory.

Projects that involve the participation of a Qualified Non-Profit Organization can earn two points if the Qualified Non-Profit 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:

- The Qualified Non-Profit's IRS determination letter; and
- 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 must have the right of first refusal at the end of the Compliance Period. Projects seeking 4% LIHTC must check the Qualified Non-Profit set aside box on IRS Form 8609 at the time of tax credit cost certification.

J. Supportive Housing Experience and Training

PSH-Only and Combination PSH-H3C Projects are held to different requirements under the Supportive Housing Experience and Training scoring category. Combination PSH-H3C Projects are not eligible for points under this category.

It is a goal of IHDA to both build the capacity of existing developers and attract new developers to successfully create supportive housing units across the state. Applicants 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 four 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.

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 400 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.

Supportive Housing Institute and CSH Pre-Development Quality Endorsement

IHDA has sponsored an Illinois Supportive Housing Institute 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 submitting PSH-Only Projects that have participated in the IHDA-sponsored Illinois Supportive Housing Institute from 2022 through the present may earn up to 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. PSH-Only Projects that have completed and passed the CSH Pre-Development Quality Endorsement process may earn up to two points.

Points will be awarded by under this category as follows:

PSH-Only Projects	
Supportive Housing Experience and Training Requirements	Points
Sponsor(s) demonstrates that they have developed and placed in service no less than 400 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

K. Statewide Referral Network Participation

PSH-Only and Combination PSH-H3C Projects are held to different requirements under the Statewide Referral Network Participation scoring category. Combination PSH-H3C Projects are not eligible for points under this category.

PSH-Only Projects that include Statewide Referral Network units may earn up to two points. Projects must include at least 20% of total units as SRN Units to receive points.

Applicants 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 IHDA's website. If the demand for SRN units is below the 3:1 ratio for proposed SRN units, applicants may provide alternate documentation to demonstrate need related to the SRN. IHDA 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.

Note that properties with LTOS units will be required to use the SRN for referrals for all such units. See Mandatory Criteria **Section 7.P**.

L. Addressing a Key Community Health Need

PSH-Only and Combination PSH-H3C Projects are held to different requirements under the Addressing Key Community Health Need scoring category. PSH-Only Projects are not eligible for points under this category.

Applications demonstrating a Project is responding to key community health needs, according to the narrative and Community Health Needs Assessment as submitted as part of Mandatory Criteria may earn up to eight points in this category. Projects will be evaluated according to the following rubric:

Combination PSH-H3C Projects	
Addressing a Key Community Health Need Requirements	Points
Project is filling an existing gap for a community medical-related use (<i>on-site physicians, lab services, clinic, federally qualified and/or full-service health center, etc.</i>) according to the Community Needs Assessment and other submitted data.	8
Project provides onsite healthcare-related services (<i>nutrition counseling, recreation center, etc.</i>) in response to community health data referenced in Community Health Needs Assessment.	5
<p>Project provides specialized onsite healthcare services, but data submitted does not indicate how the proposed Project would address community level healthcare needs or gaps.</p> <p>Examples of this may include:</p> <ul style="list-style-type: none"> Healthcare services referenced in the point categories above but without data to support addressing a community need Healthcare related services without a permanent physical space on-site (<i>i.e., visiting nurse, mobile care clinic</i>) 	2

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 Applicant specifying the terms, conditions, documentation, and timelines under which the Authority will fund the Project. If the Applicant 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 Applicant 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 applicant satisfies the terms and conditions of the Commitment as determined by the Authority in its sole and absolute discretion.

Applicants 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.

Applicants 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 Applicant 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.

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.

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.

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.

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

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

“Applicant” – shall mean the Sponsor that has applied for funds pursuant to this Request for Applications (“RFA”). The Applicant includes all individuals and entities of which the Owner is comprised.

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

“Combination PSH-H3C Project” – shall mean a Project submitting an Application that, through this RFA, is requesting both H3C Funds and other IHDA resources, and that serves a Supportive Housing Population, and that has investment in the Project’s financing by a Healthcare Partner, and that demonstrates that the Project is addressing community health disparities.

“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.

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

“Geographic Set-Aside” – shall mean Projects will be categorized by Set-Asides defined below:

a) **“City of Chicago Set-Aside”** consists of the City of Chicago.

b) **“Chicago Metro Set-Aside”** consists of the areas within the counties of DuPage, Kane, Lake, McHenry, Will, and Cook excluding the City of Chicago.

c) **“Other Metro Set-Aside”** consists of areas identified as Other Metro. For a list of the areas identified as Other Metro, see “Other Metro Set-Aside Places” on the Website.

d) **“Non-Metro Set-Aside”** consists of all other areas of the state not included in the City of Chicago, Chicago Metro, or Other Metro set-asides.

“H3C-Only Project” – shall mean a Project submitting an Application that, through this RFA, is not requesting

IHDA funding other than the H3C Funds, and that has investment in the Project's financing by a Healthcare Partner, and that demonstrates that the Project is addressing community health disparities. H3C-Only Projects may pursue additional IHDA funding outside of this RFA, such as 4% LIHTC, etc.

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

"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 ("PJs"), who distribute the funds through local affordable housing programs, including loans or grants for rental housing. PJs such as IHDA make project awards and monitor project compliance throughout the affordability period.

"Illinois Supportive Housing Institute" – A four-month training Institute, sponsored by IHDA 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.

"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.

"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, the Department of Housing and Urban Development ("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.

"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 $\leq 30\%$ 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.

"Project Concept Meeting" – shall mean a mandatory meeting (virtual or in-person) between an Applicant and the Authority to occur prior to Application submission where the Applicant outlines their Project concept including:

intended population served, Project size, Project Type, proposed financing structure, and proposed partnerships, if any. The Authority will also provide insight into the market characteristics for PSH in the area as well as any site or amenity concerns based on the project's location.

“Project Type” – shall mean the applicable funding route that a Project pursues under this Application, according to its scope and population served. Project Types under this RFA include: PSH-Only, Combination PSH-H3C, and H3C-Only Projects.

“PSH-Only Project” – shall mean a Project submitting an Application that, through this RFA, is not requesting any H3C Funds, and that serves a Supportive Housing Population.

“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.

“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.

“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 CPD-21-10.

“State and Local Fiscal Recovery Funds” (“SLFRF”) – shall mean the Coronavirus State and Local Fiscal Recovery Funds (“SLFRF”) program authorized by the American Rescue Plan Act (“ARPA”), which delivered \$350 billion to state, territorial, local, and Tribal governments across the country to support their response to and recovery from the COVID-19 public health emergency.

“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 Statewide Referral Network (SRN) Units.

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

Appendix II: H3C Scoring Rubric

The following Scoring Rubric applies to Applicants submitting H3C-Only Projects, as outlined in **Section 2** of the **Request for Applications of the Permanent Supportive Housing (PSH) Development Program Round X with option for Healthy Housing, Healthy Communities (H3C)** (“the RFA”). Projects pursuing H3C Funds in combination with PSH funding must adhere to the scoring criteria outlined for Combination PSH-H3C Projects in **Section 8: Application Scoring Criteria of the RFA**.

All Applications for H3C-Only Projects must adhere to the Pre-Application Process and Mandatory Application Criteria, as outlined in **Section 6** and **Section 7** of the RFA. Please refer to the RFA for all mandatory and application process details, including full timeline (**Section 6**) and Post-Award Requirements (**Section 9**).

Healthy Housing, Healthy Communities (H3C) Only Projects

To be eligible for financing under this program, H3C-Only Projects must:

- Have investment from a hospital, healthcare organization, insurer or Managed Care Organization (MCO);
- Generate permanent affordable housing units; and
- Promote long-term health and stability for affordable housing residents while addressing community-level health disparities.

H3C-Only Projects eligible for H3C Funds must have, at minimum, one of the following financial contributions from a hospital, healthcare entity, insurer, or Managed Care Organization in the Project:

- Revolving loan fund
- Low-/no-interest loan
- Grant
- Operational subsidy
- Predevelopment financing
- Loan guarantee
- Rental assistance
- Facility or land donation

H3C-Only Application Scoring Criteria

H3C-Only Projects that pass all Mandatory Application Criteria outlined in **Section 7 of the RFA** will be scored on the items outlined in this scoring rubric 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 Applicant'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 **Permanent Supportive Housing Development Program + H3C Self Scoring Form** which is available on the Website.

Primary and Sub-Categories	H3C-Only Projects	
	Maximum Points	Category Weight
Leveraging	20	20%
<i>Leveraging via Grant, Low-Interest Loan, Revolving Loan Fund, or Loan Guarantee</i>	10	10%
<i>Leveraged Funds from Healthcare Partner</i>	10	10%
Firm Commitment of Operating or Rental Assistance	13	13%
Universal Design Beyond Code Requirements	10	10%
Green Design and Energy Efficiency	7	7%
Access to Transportation	10	10%
Referrals and Services	15	15%
<i>Coordination of Referrals with Healthcare Partner</i>	3	3%
<i>On-Site Health Services Available</i>	12	12%
Site/Facility Donation from Healthcare Partner	8	8%
Development Team Characteristics	9	9%
<i>Healthcare Partner is Part of Development Team</i>	2	2%
FOR-PROFIT TEAM ONLY CHARACTERISTICS	7	7%
<i>BIPOC/Women Enterprises</i>	7	7%
NON-PROFIT TEAM ONLY CHARACTERISTICS	7	7%
<i>BIPOC/Women Enterprises</i>	5	5%
<i>Non-Profit Organization Participation</i>	2	2%
Addressing a Key Community Health Need	8	8%
Totals	100	100%

A. Leveraging Other Capital Funding Sources

H3C-Only Projects may earn up to 20 points under the Leveraging Other Capital Funding Sources scoring category. H3C-Only Projects that leverage non-IHDA resources in the form of grants, low-interest loans, revolving loan funds, or loan guarantee(s) from non-IHDA sources are eligible for up to 10 points. Additionally, H3C-Only Projects that leverage financial resources from a Healthcare Partner are eligible for an additional 10 points.

Leveraging Other Sources of Funding

Projects with a grant award may earn up to 10 points depending on the size of that award as a percentage of total project cost in the Project's development budget. Projects with financing that includes a low-interest loan or revolving loan fund may earn up to nine points based on the amount of leveraged resources as a percentage of total project cost in the Project's development budget. Projects with a loan guarantee may earn up to five points as a percent of project cost in the Project's development budget.

H3C-Only Projects will be awarded points based on the following rubric, and may be awarded a maximum of 10 points:

H3C-Only Projects			
Leveraged Funds as Percentage of TDC	Points Available: Grant Funds	Points Available: Low Interest or Revolving Loan	Points Available: Loan Guarantee
20% or more	10	9	5
15.1-19.9%	7	6	3
10-15%	5	3	1

Leveraged Funds from Healthcare Partner

H3C-Only Projects that leverage resources listed above from a Healthcare Partner(s) may earn an additional five to 10 points in this category, depending upon the size of the leveraged resource(s) as a share of the Project's total development cost:

H3C-Only Projects	
Leveraged Funds from Healthcare Partner as a Percentage of TDC	Points
15% or more	10
5%-14.9%	5

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 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:

4. The maximum household income;
5. The total number of units assisted; and
6. The length of the rental assistance contract

For H3C-Only Projects rental assistance from a Healthcare Partner is incentivized if it is project-based, even if the Healthcare Partner is the Sponsor or part of the sponsorship entity. When the U.S. Department of Housing and

Urban Development (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 unless the developer providing rental assistance is the Healthcare Partner. Rental assistance provided by the Healthcare Partner is an acceptable and preferred form of rental assistance for H3C-Only Projects.**

The Authority understands the Continua of Care (CoC) that are recipients of Health 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 the 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. Applicants 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.

H3C-Only Projects that provide project-based rental or operating assistance may earn up to 13 points based on the number of units assisted and the length of committed assistance. For H3C-Only Projects with a Rental Assistance Contract, points will be awarded as follows:

H3C-Only Projects			
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	13	6	4
50.1-75% of units	10	5	2
10.1-50% of units	7	3	1
1-10% of units	3	2	0.5

C. Universal Design

H3C-Only Projects identifying Universal Design elements to be provided within the architectural design in excess of code required Universal Design features plus ten additional items defined in **Section 7.J of the RFA**, as evidenced through submission of the **Architectural Standards, Universal Design and Amenities Certification** available on the Website, may earn up to 10 points as follows:

Universal Design Features Beyond Code Requirements	H3C-Only Projects
	Points
Projects that select 10 additional Universal Design items beyond code requirements and beyond Mandatory Criteria (for a total of 20 items) in 100% of units	10

D. Green Design and Energy Efficiency

H3C-Only Projects whose architectural design and construction certify to one of the standards below may earn up to seven points as follows:

H3C-Only Projects

Green Design and Energy Efficiency Requirements

Points	Points	Points	Points
3	4	6	7
Enterprise 2020 Community Certification		Enterprise 2020 Community Certification <u>&</u> 5.5b Moving to Zero Carbon: All Electric	Enterprise 2020 Community Certification <u>&</u> 5.5b Moving to Zero Carbon: All Electric <u>&</u> Enterprise Plus
LEED BD+C at the Gold level		LEED BD+C at the Platinum level	LEED BD+C at the Platinum level <u>&</u> LEED Zero
National Green Building Standard (NGBS) at the Emerald Level			
	International Living Future Institute's (ILFI) Core Green Building Certification	Living Building Challenge 4.0 (Petals certification program)	ILFI Zero Energy or Zero Carbon Certification
		Passive House Institute United States (PHIUS)' CORE certification	PHIUS Zero certification

E. Access to Transportation

H3C-Only Projects may earn up to 10 points for access to transportation. Points in this category **are 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.

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 Applicant must include a letter from the Dial-A-Ride provider stating all of the following:

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

F. Referrals and Services

H3C-Only Projects may earn up to 15 points for housing referrals coordinated through a Healthcare Partner and/or the provision of onsite health services.

Coordination of Referrals with Healthcare Partner

A Healthcare Partner may act as a housing referral agency for H3C-Only Projects. Applications that include a letter of support for housing referrals to the Project from a Healthcare Partner may earn three points.

On-Site Health Services Available

H3C-Only Projects must establish a Memorandum of Understanding ("MOU") or other legally binding agreement with a Healthcare Partner, which may or may not be the Sponsor organization, to provide support 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. Services provided must be informed by the Community Needs Assessment, and appropriate for the target population.

H3C-Only Projects will be awarded points in this category based on the following rubric, and may be awarded a maximum of 12 points:

H3C-Only Projects	
Services Commitment Requirements At least one letter of support from either:	Points
One or more Healthcare Partner(s) willing to make service referrals to the Project	4
AND/OR	
One or more Healthcare Partner(s) providing limited medical services in the form of a mobile clinic, onsite screenings, etc. OR Providing other needed wellness services such as fresh produce, cooking classes, group exercise classes, etc.	6
One or more Healthcare Partner(s) providing full onsite medical clinic with services for tenants only	10
One or more Healthcare Partner(s) providing full onsite medical clinic that is also accessible to the community	12

G. Site or Facility Donation from Healthcare Partner

H3C-Only Projects where a Healthcare Partner(s) donates site(s) or facilities for reuse/redevelopment may earn eight additional points in the Neighborhood Assets scoring category, should the property or facility be a meaningful contribution to the Project.

H. Development Team Characteristics

H3C-Only Projects may earn up to nine points in the Development Team Characteristics scoring section.

Healthcare Partner is Part of Development Team

H3C-Only Projects may earn up to two points should the Healthcare Partner(s) be a Project team Participant. Participation must be evidenced at time of Application via the Organizational Chart included in the **Application Certification**. H3C-Only Projects may earn points under this category as follows:

H3C-Only Projects	
Healthcare Partner Participation Requirements	Points
Healthcare Partner(s) has at least a 20% stake in all aspects of development control including but not limited to ownership, cash-flow, and voting rights.	2
Healthcare Partner(s) has between a 10%-19.9% stake in all aspects of development control including, but not limited to ownership, cashflow, voting rights.	1

BIPOC/Women Enterprises

H3C-Only Projects whose Participants include For-Profit businesses led by Black, Indigenous, or People of Color (“BIPOC”) are eligible to earn a maximum of seven points in the BIPOC/Women Enterprises subcategory. H3C-Only Projects whose Participants include BIPOC-led or -governed Qualified Non-Profits are eligible to earn a maximum of five points in this subcategory.

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:

- Illinois Department of Central Management Services- Business Enterprise Program for Minorities, Females and Persons with Disabilities;

OR

- 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.

BIPOC-Led/Governed Qualified Non-Profits

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

- BIPOC-Led: A minimum of 35% of director-level employee leadership is BIPOC, including the Executive Director and a share of those employees reporting directly to the Executive Director. This will be evidenced via the **BIPOC Participation Certification** and a completed **Organizational Chart Template** at the time of Application.

OR

- 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.

Women-Owned Business Enterprises and Disadvantaged Business Enterprises

Women-Owned Business Enterprises ("WBE") and Disadvantaged Business Enterprises ("DBE") may also earn points in this subcategory. Projects teams with Participants that include architects, property managers, and general contractors holding current MBE/WBE/DBE certificates with the entities as outlined above are also eligible to earn different amounts of points in this category according to the table below. These points may also be awarded to joint ventures amongst participating general contractors or architects, provided the MBE/WBE/DBE-certified member represents no less than 25% of the joint venture. Joint ventures must be evidenced by a Memorandum of Understanding at the time of the Application.

Points will be awarded by Participant as follows:

H3C-Only Projects		
BIPOC/Women Enterprises Requirements		
Development Control Threshold Requirements	Points Awarded: For-Profit BIPOC-Led Business	Points Awarded: BIPOC-Led/Governed Qualified Non-Profit
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	7	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	5	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	3	
WBE and DBE Threshold Requirements	Points Awarded: For-Profit BIPOC-Led Business	Points Awarded: BIPOC-Led/Governed Qualified Non-Profit
Project Participant team includes qualifying MBE/WBE/DBE General Contractor, Property Manager, Architect, and/or Joint Venture Partner	2 points per qualifying entity	2 points per qualifying entity
MAXIMUM ALLOWABLE SUBCATEGORY POINTS	For-Profit BIPOC-Led Business	BIPOC-Led/Governed Qualified Non-Profit
	7	5

Non-Profit Organization Participation

H3C-Only Projects are eligible to earn a maximum of two points in the Non-Profit Organization Participation subcategory.

Projects that involve the participation of a Qualified Non-Profit Organization can earn two points if the Qualified Non-Profit 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:

- The Qualified Non-Profit's IRS determination letter; and
- 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 must have the right of first refusal at the end of the Compliance Period. Projects seeking 4% LIHTC must check the Qualified Non-Profit set aside box on IRS Form 8609 at the time of tax credit cost certification.

I. Addressing a Key Community Health Need

H3C-Only Projects demonstrating that their Project is responding to key community health needs, according to the narrative and Community Health Needs Assessment as submitted as part of **the RFA's Mandatory Criteria** may earn up to eight points in this category. Projects will be evaluated according to the following rubric:

Addressing a Key Community Health Need Requirements	
H3C-Only Projects	Points
Project is filling an existing gap for a community medical-related use (<i>on-site physicians, lab services, clinic, federally qualified and/or full-service health center, etc.</i>) according to the Community Needs Assessment and other submitted data.	8
Project provides onsite healthcare-related services (<i>nutrition counseling, recreation center, etc.</i>) in response to community health data referenced in Community Health Needs Assessment.	5
<p>Project provides specialized onsite healthcare services, but data submitted does not indicate how the proposed Project would address community level healthcare needs or gaps. <i>Examples of this may include:</i></p> <ul style="list-style-type: none"> Healthcare services referenced in the point categories above but without data to support addressing a community need Healthcare related services without a permanent physical space on-site (<i>i.e., visiting nurse, mobile care clinic</i>) 	2

Appendix III: 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>.

ⁱⁱⁱ Outreach and engagement with potential healthcare partners and researching successful healthcare/housing programs revealed common ways the healthcare industry participates in affordable housing development.

^{iv} <https://www.huduser.gov/portal/casestudies/study-062518.html>

^v <https://www.mercurynews.com/2019/01/15/kaiser-permanente-to-spend-5-2-million-to-house-homeless-in-oakland/>

^{vi} https://shelterforce.org/wp-content/uploads/2018/08/HCD_Supplement_v04.pdf