

## Site Review Characteristics

Specific site characteristics are investigated for each PPA submitted. PPA site evaluations are performed to determine if the location of the site is suitable for the proposed development. IHDA will perform a visual inspection of each proposed site. The analysis surrounding the suitability of the site will consider, but will not be limited to the following items:

- Project scope
- Project design and layout
- Aesthetic compatibility to existing neighborhood
- Availability of and access to appropriate public and community services and amenities
- Potential development concerns located on, adjacent to, or near the site
- Consistency with Authority initiatives and objectives

## Market Review Characteristics

### Concentration of Affordable Housing

To minimize the concentration of rent-restricted/subsidized units in individualized markets and to spread affordable housing investments throughout Illinois, the following three metrics are utilized:

1. *IHDA Market Share* – determined as the total number of rental units financed by IHDA in a market area divided by the total number of rental units for the market area. IHDA views an IHDA Market Share of 10% or higher for a particular market area as a possible indicator of over-concentration. When this Market Share is over 15% AND the PMA has a rental unit percentage over the average rate of its set-aside, IHDA may ask for Community Revitalization documents that show the project is part of local efforts, to bring us to comfort with the concentration.
2. *Affordable Market Share* – determined as the total number of rental units financed or subsidized by IHDA, HUD, and/or USDA in a market area divided by the total number of rental units for the market area. IHDA views an Affordable Market Share of 20% or higher for a particular market area as a possible indicator of over-concentration.
3. *Affordable Rental Unit Concentrations* – estimate of rental units affordable to a variety of income levels produced from ACS 5-year data regarding actual rents being charged, regardless of subsidy, in project census tract (or census tract + adjacent census tracts) for the market area. IHDA views a 60% of total rental units or higher for a particular income level as a possible indicator of over-concentration. More information can be found in the [Affordable Rental Unit Survey](#).

Please note that concentration concerns may not apply to market areas with low rental unit totals.

### Local Planning Documentation

Local planning documentation is recommended for projects located in areas of heavy affordable housing concentrations, QCTs or R/ECAPs, or areas where market metrics may not reflect a healthy environment for development.

For PPA considerations, “Local Planning Documentation” is loosely defined and very permissive. IHDA invites a wide variety of information as long as it can be tied to actual localized efforts. Please note that these loose standards do not apply to the Community Revitalization Strategies scoring in the [2024-2025 QAP](#).

Sponsors have the option of providing evidence of the need for a project by submitting documentation that provides context outside the numbers-based review to determine the IHDA Compatibility and Project

Viability (see above). This documentation is NOT REQUIRED but could help to obtain a PPA approval. The supporting planning documentation submitted for a PPA is not required to meet the same standards as plans submitted for Community Revitalization Strategies scoring (though plans submitted for that scoring review could also be submitted for PPA review). Submission of supporting planning documentation does NOT guarantee PPA approval. A plan should only be submitted if the Sponsor believes that the Project plays a key role in the plan, and if the plan helps bring to light local activity that is not realized by the other market evaluation metrics listed above.

## Data and Metrics

In addition to the housing concentrations discussed above IHDA also evaluates the “market” of a project based upon various other demographic and socio-economic data. Please see [PPA Data and Metrics](#) for the data utilized in IHDA’s market review.