



Permanent Supportive Housing (PSH) Development Program Round XII RFA Informational Webinar

IHDA Strategic Planning and Reporting Department Staff

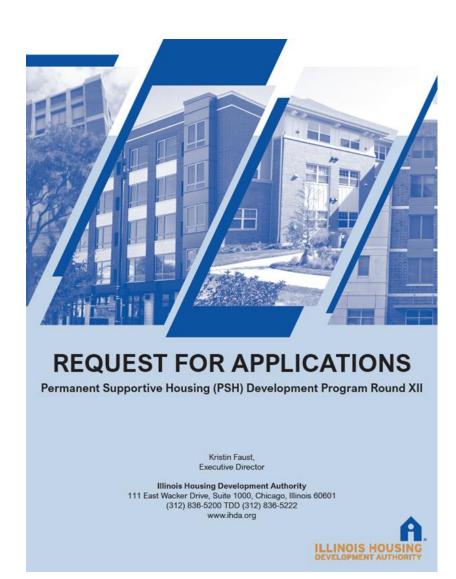
8/6/2025





Agenda

- PSH Development Round XII
 Overview
 -Opioid Remediation Fund specifics
- 2. Timeline and PPA Process
- 3. Full Application details relevant at PPA
- 4. Q&A





Permanent Supportive Housing Development Round XII

PSH DEVELOPMENT PROGRAM OVERVIEW



Recent PSH Development Rounds 2017present

- IHDA has held an annual PSH Development Program Funding Round since FY 2017
- Since 2017, IHDA has utilized over \$400 million in financing to create and preserve over 1,329 units in 64 developments through the PSH Development Program.



Program Overview

- Opportunity to apply for funding for projects specifically targeted at creating housing for those in need of PSH and who face significant barriers to housing.
- New/expanded coordination opportunities. Encourage projects that:
 - Are interested in pursuing Opioid Remediation Funds to serve persons living with substance use and/or co-occurring disorders and experiencing homelessness
 - Coordinate with local homeless Continuum of Care
 - Target justice-involved individuals and reduce barriers in tenant screening practices
 - Establish partnerships with anchor institutions, including healthcare partners and insurers



Developer Engagement

Engagement Activity	Date/Timeframe
The Supportive Housing Institute Facilitated by the Corporation for Supportive Housing ("CSH")	March – June 2025
PSH RFA Developer Listening Session Hosted by the Supportive Housing Providers Association ("SHPA")	May 2025



Major Changes from Prior Year

RFA Design, Process, and Requirements

- Removal of HOME-ARP funding availability
- Removal of Illinois Affordable Housing Tax Credits ("IAHTC") funding availability through this RFA
- Limited availability of IHDA-managed rental assistance
- Inclusion of ability to request up to \$10 million in Opioid Remediation Funds for qualifying Projects
- Alignment with the Authority's 2026 QAP
- Clarification period reduced to 3 days
- Neighborhood assets (mandatory and scoring) calculated by walking distance rather than radius



Major Changes from Prior Year

Mandatory Application Criteria

- Alignment with the Authority's 2026 QAP.
- Addition of three categories in mandatory criteria:
 - Projects Involving Rehabilitation & Adaptive Reuse
 - Relocation
 - Enterprise Green Communities
- Alignment in various mandatory criteria categories for consistency in layout, naming, and requirements of the 2026 QAP
- Inclusion of low-barrier preliminary tenant screening requirements within Project narrative
 - Address intended approach to use of credit history, criminal background, eviction and prior housing history, and substance use
 - IHDA encourages limiting look-back periods, and using individualized assessments.



Major Changes from Prior Year

Application Scoring Criteria

- Alignment with the Authority's 2026 QAP
 - Various scoring category names changed to align with the 2026 QAP (no requirements/content changed)
- Added clarification of existing scoring requirements
- Examples and clarification provided for qualifying leveraging resources
- Simplification of referral coordination methods
- Clarification added for qualifying Supportive Housing Institute participation
- Definition clarified for qualifying Anchor Institutions



Definition of PSH and Service Component

IHDA defines Permanent Supportive Housing as:

- Housing in the project is permanent; not time-limited
- For persons who need supportive services to access and maintain housing including those:
 - Experiencing homelessness or at risk of homelessness,
 - Living with a Disability
 - Experiencing or at risk of institutionalization, including those exiting the criminal justice system, jail, or prison
- Independent tenant holds lease with tenant rights and responsibilities
- Affordable Rent
 - Targeted to extremely low-income households at ≤30% AMI
 - Typically rent-stabilized
- Access to Supportive Services
 - Services are flexible, voluntary, and sustainable. Participation in services is not a condition of tenancy



Definition of Supportive Housing Populations

- Supportive Housing Populations defined as:
 - Households headed by persons with chronic disabilities and/or
 - Households that are homeless, at-risk of homelessness or unnecessary institutionalization
 - Other special needs populations who need access to supportive services in order to maintain housing stability, including
 - justice involved individuals
 - Victims/survivors of domestic violence/gender-based violence



Eligible Activities and Project Types

- Eligible Activities may include:
 - Acquisition
 - New Construction
 - Rehabilitation of Existing Occupied Units
 - Rehabilitation of Vacant Units, and/or
 - Adaptive reuse of Non-residential Properties
- IHDA welcomes proposals including single-site, scattered-site, and integrated PSH models.
- Funding can be used to create space specifically used for tenant services or building management.
- Commercial space should be financed from a non-IHDA source.
- Transitional Housing and supportive living facilities are ineligible under this RFA.



Eligible Applicants, Project Size, Target Populations

- Eligible Applicants include Non-profit, For Profit, and Joint Venture developers
- 40 Units or fewer; though IHDA may consider proposals over 40 units (see RFA)
- Target Populations Disability neutral unless subsidy source requires specific targeting
 - Opioid Remediation Funds require more specific targeting
- At least 50% of units must be for Supportive Housing Populations
 - Opioid Remediation Funds require 100% of units



Income Restrictions

- 50% of the units in the project must be dedicated for Supportive Housing Populations
 - Expected that these will be affordable to those at or below 30% AMI.
 - IHDA will consider proposals that include a portion of PSH units affordable to those between 30%-50% AMI.
- Other IHDA-funded units may serve households up to 60% AMI.
- May propose other affordable or market-rate units if funded from another source.
- Projects pursuing Opioid Remediation Funds must adhere to requirements outlined in Section 4 of the RFA
 - Tenants pay no more than 30% of income toward rent and utilities, and
 - all units supported through a rental subsidy and/or other source
- Typically restricted for 30 years; Projects funded must comply with the most restrictive funding source



Funding Request Limit and Additional Sources

- May request the lesser of \$7.5 million or 90% of the total Project costs
 - IHDA solely reserves right to waive this limitation
 - Maximum request limit does not include, or 4% equity/bonds, or IHDA rental assistance requests
 - Projects eligible for/pursuing Opioid Remediation Funds may request up to \$10 million
- IHDA may add/remove costs as it deems necessary to support the development and operation of the project
- Ability to request additional IHDA sources at time of Application, including Section 811 PBRA and LTOS
 - IAHTC (State Donation Tax Credits) not available at this time
 - Expect limited IHDA rental assistance availability.
- Projects may request consideration under the 9% LIHTC Round and PSH RFA when submitting PPA



Non-IHDA Resources

 Encourage projects to pursue other funding available for their project. Important coordination opportunities include:

Non-IHDA Rental Assistance Sources:

- Public Housing Authority Project-Based Vouchers
- Continuum of Care rental assistance
- Williams and Colbert bridge subsidy
- Chicago Low-Income Housing Trust Fund

Other Non-IHDA current funding opportunities:

- IHDA encourages CoC coordination, including CoCBuilds
- Federal Home Loan Bank Affordable Housing Program
- Local municipal/county funding, as available

Funds must be committed at time of application to include in underwriting.



Background

- Originates from state of Illinois settlement with opioid distributors, manufacturers, and dispensers.
- The Opioid Remediation Advisory Board and the Governor's Steering Committee approved IHDA for one-time funding for the development of permanent supportive housing.



Application Requirements and process

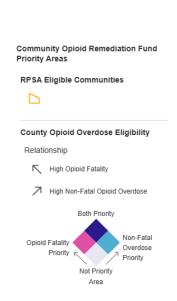
- Projects indicate interest in Opioid funds at PPA submission under the PSH RFA and may request up to \$10 million
- Opioid Remediation Fund Requirements outlined in Section 4 of RFA and include:
 - Income restrictions:
 - Projects must ensure that all tenants pay no more than 30% of their gross income toward rent and utilities.
 - all units must be supported through a qualifying rental subsidy and/or other sources.
 - 100% of Project units must target individuals living with substance use disorder/co-occurring disorder that also experience homelessness.
 - Projects must utilize coordinated entry with their local CoC as a referral method, which is also incentivized in scoring.

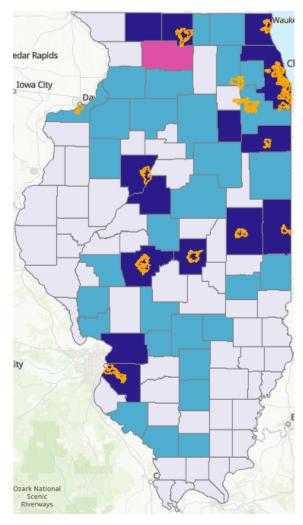




Application Requirements and process

- Projects must be in communities impacted by the opioid epidemic.
 - Map will be available on IHDA's website.
 - Areas with high opioid fatality rates, nonfatal overdose rate, or Communities eligible for the Reimagine Public Safety Act (430 ILCS 69)







Application Requirements and process

- Project development teams must include at least one service provider that commits to providing services to the target population that include, but are not limited to the following:
 - Telehealth services;
 - Case management;
 - Behavioral health services;
 - Medication-assisted recovery ("MAR");
 - Peer recovery support;
 - Employment; and
 - Housing navigation services
- Compliance with other tenant selection and compliance requirements including alignment with housing first, harm reduction, and fair housing requirements, including:
 - Project property managers may not perform drug testing or other monitoring of Project tenant sobriety;



Application Requirements and process

Optional Opioid Remediation Fund Informational Webinar

Registration: Opioid Remediation Fund, PSH RFA Informational Webinar

Thursday, August 7, 2025

1:00 p.m.-2:00 p.m.



Permanent Supportive Housing Development Round XII

PSH DEVELOPMENT PROGRAM TIMELINE AND PRE-APPLICATION PROCESS



Permanent Supportive Housing Development Program Round XII Timeline

EVENT	DATE
Mandatory RFA Informational Webinar	Wednesday, August 6, 2025 11:00 a.m12:00 p.m.
Optional Opioid Remediation Fund Informational Webinar Registration: Opioid Remediation Fund, PSH RFA Informational Webinar	Thursday, August 7, 2025 1:00 p.m2:00 p.m.
Universal PPA Deadline For Projects seeking Round XII PSH Development Program and 2026 9% LIHTC	Wednesday, September 17, 2025
PPA Notification to Sponsors	Tuesday, November 25, 2025
PSH Round XII Application Deadline	Monday, January 26, 2026
Clarification Period	Early March 2026
Recommendations to Board	Friday, May 15, 2026



Permanent Supportive Housing Development Program Round XII Documents

Other resources and reference documents will be available on IHDA's <u>Supportive</u> <u>Housing Page</u> and on <u>IHDA's Developer Resource Center</u> including:

Design, Construction & Regulatory Compliance Requirements

Updates available including around Build America, Buy America

(BABA) compliance and requirements

Underwriting Standards Guide

2025 Income/Rent Limits

Preliminary Tenant Screening and referral coordination guidance

All PPA Submission and Reference documents will be available in early August in IHDA's Supportive Housing page.



Permanent Supportive Housing Development Program Round XII PPA Process

Preliminary Project Assessment Process:

https://www.ihda.org/developers/supportive-housing/

- Review the RFA, PPA Workbook and consult your project team.
- All projects must submit a PPA, and receive written approval from IHDA before submitting a full Application to IHDA.
- PPAs can be submitted between now and <u>September 17th, 2025</u>.
- Submission is entirely online through IHDAConnect.
 - See IHDAConnect video on process steps
 - https://ihda.sharefile.com/public/share/web-sd63342ae3dc4416ab8d6dec737f54b9c
- Projects may be considered for multiple funding programs under one PPA –this must be clearly indicated on the PPA.
 - For example, request for consideration under both the PSH RFA and 9% LIHTC.
 - Must indicate which program (PSH or 9% LIHTC) prior to full application
- No fee if only applying under PSH RFA (refer to Multifamily Fee Payment Form for other programs)





Preliminary Project Assessment Evaluation

- IHDA will review PPAs using 5 categories:
 - Project Concept, Site, Market, Financial Feasibility, Development Team
- Projects will receive an overall PPA evaluation Determination:

Possible PPA Evaluation Outcomes and Implications PPA Evaluation Outcome PPA Category Overall PPA Outcome The PPA is approved, and a full **Approval** The PPA category is approved, Application will be accepted by criteria are satisfied the Authority **Conditional Approval** The PPA category is conditionally The PPA is approved subject to approved, criteria(on) are not fully conditions being met within any satisfied and are subject to of the four categories conditions* Denial The PPA is denied, and an The PPA category is denied, criteria Application will not be accepted are not satisfied by the Authority

^{*}Should a PPA receive a "Conditional Approval" in any of the five categories, its overall PPA outcome will be "Conditional Approval" or "Denial" pending evaluations received in the remaining categories. Applications are accepted under the assumption that conditions will be met.



Project Concept Criteria

- Project size and type
 - Number of units, clarify percentage/number of PSH units, and whether requesting IHDA rental assistance
- Target populations
 - Describe the intended population(s) to be served by the project.
 - If seeking Opioid Remediation Funds, confirm specific targeting.
- Housing referral coordination
 - Describe approach to housing referral coordination
 - For example: will the project use Coordinated Entry to house persons experiencing homelessness?
 - Is coordination planned with state agencies to house certain priority populations identified in the RFA?
 - If seeking Opioid Remediation Funding, confirm intent to utilize Coordinated Entry
- Preliminary service plan details
 - Outline overall approach to services, including detail on the services that will be made available to tenants.
 At a minimum must address case management, tenancy support services and access to behavioral health (substance use and mental health services).
 - Describe any planned partnerships with service providers, and how social services will be funded.
 - Describe any on-site service space, and how coordination between social service staff and property management will occur
 - Clarify how the project intends to align with Housing First principles (service will not be a condition of tenancy, plans to reduce barriers in housing application process, etc.)



Site Criteria

- Determine a Primary Market Area (PMA)
 - Identify census tracts and natural boundaries (highways, roads, waterways, etc.)
 - See notes regarding projects with multiple sites
 - IHDA will review and provide feedback regarding PMA, as applicable.
- Enterprise Green Communities
 - Certify at PPA intent to comply with EGC criteria.
 - IHDA will review for compliance with EGC at full Application.



Market Criteria

- Economic and Market Indicators
 - IHDA will review publicly available market information, (See PPA Data and Metrics Chart)
 - Data available on IHDA's website under Market Research or on the Developer Resource Center, including:
 - Affordable Rental Unit Survey
 - IHDA Market Analysis Application
 - Authority portfolio/rent-restricted concentrations; and/or
 - SRN demand lists.

Food Access

- Projects should demonstrate food access by providing map of qualifying Food Access Businesses.
- IHDA has online food access locator available. Must meet NAICS definition.
- If project does not meet requirement, IHDA may conditionally approve and require documentation of how appropriate food access will be provided.

Food Access Requirements			
Set-Aside	Qualifying Food Access Business(es)	Minimum Proximity Radius (miles)	
Chicago Metro	- W	1 mile	
City of Chicago	 Full-service grocery store (NAICS 445110) Fruit & vegetable market/produce market (NAICS 445230) 		
Other Metro	,		
Non-Metro	Supermarket/Grocery (NAICS 445110)Fruit & vegetable market/produce market (NAICS 445230)	5 miles	





Financial Feasibility Criteria

- Review Underwriting Standards Guide when preparing PPA
 - Make sure Sources and Uses match
 - Debt Service Coverage Ratio of 1.15 through year 15 or 85% Income to Expense Ratio if no "hard pay" debt
 - Review other standards including:
 - Cash flow after debt service (at least \$100/unit)
 - Vacancy Rate (residential assumed at 10%)
 - Contingency (construction and soft cost)
 - Fees and fee limits
 - Developer Fee
 - Operating Expense ranges (by region)
 - Reserves (replacement, operating, debt service, real estate tax, insurance, etc.)
 - DO NOT include service funding in project operating expenses
 - hard cost per square foot construction limits:

Set Aside	Base	Green Building Certification - Advanced Level	Green Building Certification- Net Zero Level
City of Chicago	\$424	\$450	\$476
Chicago Metro	\$350	\$376	\$402
Other Metro	\$334	\$360	\$386
Non-Metro	\$328	\$354	\$380

Set Aside	Base	Green Building Certification - Advanced Level	Green Building Certification- Net Zero Level
City of Chicago	\$272	\$314	\$356
Chicago Metro	\$261	\$303	\$345
Other Metro	\$225	\$266	\$308
Non-Metro	\$167	\$208	\$250



Development Team Criteria

- IHDA will review development team criteria
 - At PPA stage, all projects must provide Development Team Experience Certifications for:
 - The Sponsor or Sponsors (all parties listed on the organizational chart in the PPA Workbook)
 - General contractor
 - Property manager
 - · Architect of record
 - Service provider (Service Provider may be Sponsor, if so, please also include Service provider form)
- Note that development team members must demonstrate a history of similar work and type as required for the proposed Project.
 - Reach out to IHDA to discuss potential exceptions





Preliminary Project Assessment Notification

- IHDA will notify Sponsor directly of the outcome of the PPA by November 25th.
- PPA outcomes may be used for two funding rounds (Round XII and Round XIII)
- Address all conditions at time of full application submission
- If changes between PPA and full application, notify the Authority.
- Projects will receive an overall PPA evaluation Determination:

Possible PPA Evaluation Outcomes and Implications

PPA Evaluation Outcome	PPA Category	Overall PPA Outcome
Approval	The PPA category is approved, criteria are satisfied	The PPA is approved, and a full Application will be accepted by the Authority
Conditional Approval	The PPA category is conditionally approved, criteria(on) are not fully satisfied and are subject to conditions*	The PPA is approved subject to conditions being met within any of the four categories
Denial	The PPA category is denied, criteria are not satisfied	The PPA is denied, and an Application will not be accepted by the Authority

^{*}Should a PPA receive a "Conditional Approval" in any of the five categories, its overall PPA outcome will be "Conditional Approval" or "Denial" pending evaluations received in the remaining categories. Applications are accepted under the assumption that conditions will be met.



- Questions/Technical Assistance with PPA/application materials
 - Email <u>PSHRFA@ihda.org</u> for general program/content related questions
 - Email lHDAConnect and the submission process
 - May request technical Assistance Meeting after receiving PPA Notification Letter
- Application Program Intent
 - If indicated potential application for multiple programs (PSH and 9% LIHTC), Sponsor <u>must</u> indicate program intent prior to submitting full application. Date will be published on website.
 - Sponsors may not pursue an Application in more than one program for the same Project.



Permanent Supportive Housing Development Round XII

PSH DEVELOPMENT PROGRAM ROUND XII APPLICATION DETAILS



Full Application Submission and Logistics

- Applications Due: January 26th, 2026
- Application accepted online through IHDAConnect.
 Instructions will be provided at <u>after PPA Notification</u>.
- Application Materials will be available at <u>www.ihda.org</u> on the **Permanent Supportive Housing** Page.
- All applications documents posted at least 60 days before applications are due.
- If changes between PPA and Application, <u>must</u> notify IHDA.
 Expect project to be substantially similar to approved PPA.



Application Evaluation

- Completeness of Application
 - Application forms and supporting documentation
 - Signatures on all necessary documents
 - Payment of non-refundable application fee
- Mandatory Criteria
 - Completed application will be reviewed to determine if project meets mandatory criteria
- Scoring Criteria
 - If mandatory criteria is met, the application will be scored and ranked



Section 8 Mandatory Application Criteria

- A. Application Certification, Organizational Chart, Identity of Interest Certification
- B. Project Narrative and Supportive Service Plan Narrative
- C. Neighborhood Assets
- D. Site Control
- E. Zoning
- F. Site Physical Information
- G. Historic Preservation
- H. Phase 1 Environmental
- I. Design, Construction & Regulatory Compliance Requirements
- J. Construction Cost Breakdown
- K. Projects Involving rehabilitation & Adaptive Reuse
- L. Relocation
- M. Market Study
- N. Development Team
- O. Financial Feasibility
- P. Enterprise Green Communities
- Q. Statewide Referral Network Requirements
- R. LTOS and Section 811 PRA Requests



Section 8 Mandatory Application Criteria

- Unless specific deviation in RFA, projects should follow general IHDA guidance contained in the Underwriting Standards and current Design, Construction, and Regulatory Compliance Requirements
- Include Agreements/MOUs for social services and complete service plan
- Include details for Preliminary Tenant Screening Requirements
- Third Party Studies:
 - Phase 1 Environmental Review required at time of application
 - Physical Needs Assessment (if rehab)
 - Third-Party Cost Estimate
 - Market Study and/or Market Analysis Form
- Enterprise Green Communities
 - Complete IHDA Enterprise Green Communities Workbook OR proof of non-Enterprise Green Building certification





Section 8 Scoring Criteria

Primary and Sub-Categories	Maximum Points	Category Weight
Leveraging	15	15%
Firm Commitment of Operating or Rental Assistance	20	20%
Sustainability and Energy Efficiency	7	7%
Access to Transportation	5	5%
Coordination of Referrals	10	10%
Coordination with local Continuum of Care	5	5%
Coordination with State Agency	5	5%
Coordination of Services	10	10%
Coordination with Community-Based Provider	5	5%
Additional Service and Support Coordination	5	5%
Community Characteristics	10	10%
Development Team Characteristics	11	11%
FOR-PROFIT TEAM ONLY CHARACTERISTICS	11	11%
BIPOC Development Control Women/Disadvantaged/Minority Enterprises	11	11%
NON-PROFIT TEAM ONLY CHARACTERISTICS	11	11%
BIPOC Development Control Women/Disadvantaged/Minority Enterprises	7	7%
Non-Profit Organization Participation	4	4%
Supportive Housing Experience, Training and Endorsements	4	4%
Anchor Institution and Insurer Partnerships	8	8%
Totals	100	100%



Section 8 Application Scoring Criteria

- Resources must be committed in order to be included in underwriting and scoring at full application.
- Reach out early to CoC, state agencies regarding referral coordination
- Scoring for prior experience with PSH, or for SHI participation and/or CSH Pre-development Certification



QUESTIONS?

Optional Opioid Remediation Fund Informational Webinar

Registration: Opioid Remediation Fund, PSH RFA Informational Webinar Tomorrow! Thursday, August 7, 2025
1:00 p.m.-2:00 p.m.

Reminder: PPAs due by **September 17**th, **2025**.

Additional questions can be sent to: PSHRFA@ihda.org



THANK YOU