ILLINOIS HOUSING DEVELOPMENT AUTHORITY
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FAQs
Frequently Asked Questions

IHDA Preservation Program - Limited Rehabilitation 2.0 (Preservation 2.0) – Frequently Asked Questions

FAQ #4 – 07/01/2026

1. **What number should I use for the application, the contractor's bid or the PNA estimates?** Use the contractor's bids, as they reflect the actual amount you will pay based on current market conditions. PNA estimates are only estimates and do not account for inflation, tariffs, or other supply-related changes.

2. **How do I comply with the Release Authorization requirement when the partner agency refuses to complete the IHDA document?** If the partner agency declines or is unable to complete the Release Authorization form, provide a copy of the communication thread documenting your efforts to obtain the information. Also submit the most recent compliance, regulatory, and inspection report available, along with any relevant follow-up communications confirming that the development is in compliance.

3. **What are the tax implications that owners can anticipate when participating in the Preservation 2.0 Program?** If awarded a Preservation 2.0 grant, owners are responsible for complying with all applicable federal, state, and municipal tax regulations. Consult your tax advisor regarding potential tax liabilities or reporting requirements. IHDA cannot provide tax advice. Grant funds cannot be used to satisfy taxes, and IHDA is not responsible for any tax obligations.

4. **If a property has Federal Low Income Housing Tax Credits (LIHTC) or IAHTC Multifamily funding and meets the other criteria as outlined in the RFA, do they qualify for consideration under the Preservation 2.0 Program?** If the development meets the criteria outlined in the Preservation 2.0 RFA they are welcome to apply. If the LIHTC was issued by IHDA, applicants will be required to waive the right to a Qualified Contract (QC) if awarded Program funds.

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5. **If a property has multiple regulatory agreements including Extended Use Agreements how will IHDA score regarding loss of affordability?** IHDA will score your application based on the last expiring regulatory agreement regardless of the originating Agency.
6. **Will IHDA consider both IHDA and non-IHDA regulatory agreements?** Regardless of the originating agency IHDA will consider all regulatory and extended use agreements.
7. **Should I provide a copy of my regulatory and extended use agreements even if IHDA did not issue it?** Yes, include these documents with your application.
8. **Regulatory Agreement: How will IHDA determine when the extending period will start, based on which date?** Per the Preservation 2.0 Program Request for Application: The Applicant will be required to execute a Regulatory Agreement with the Authority, whereby the Owner shall agree to the Extended Compliance Period for a period of 10 years beyond the end of the agreement with the latest expiring regulatory agreement and/or extended use agreement.
9. **What is the on-going reporting and monitoring requirements post-grant award?** Please refer to page 18 Section D of the Preservation 2.0 Program Request for Application for more information (Click Here):
10. **What if the development needs more than $475,000 to address the matters in the PNA? Can we use Program grant funds in combination with other funds to finance the development rehabilitation?** Using additional funding sources is not prohibited. However, it is recommended that developments in need of funding in excess of $475,000 to

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address the needs in the PNA. In need of recapitalization, contact our Multifamily Financing team at Multifamilyfin@ihda.org.

Any expense over the awarded amount is the sole responsibility of the owner and must be billed separately.

11. **If we are not a corporation, what documents do you need?** Please submit the organizational documents appropriate for your business structure, such as Operating agreement for an LLC, and Partnership agreement for a general partnership

Note: This FAQ is being provided for convenience purposes only. In the event of any discrepancies between this FAQ and the Request for Application, the Request for Application document will govern, unless otherwise determined by IHDA in its sole discretion.