

## 2011-2012 LIHTC Self Scoring Exhibit

Calculate Applicant Scores for your development on this Exhibit. You must proactively choose or decline participation in each scoring category. **Points will not be awarded if not requested, or if the required documentation for a category is not submitted, is insufficient, or is in an unacceptable form. Applicants must commit via written agreements to actions supporting points awarded in scoring categories. Once a development has executed a Reservation of Credit, no changes to the development score will be allowed.**

WHEDA will determine final point scores after reviewing information provided by applicant. **If two or more applicants receive the same score, the application with the highest percentage of units set aside at 30% and 40% of county median income will be ranked the highest. A secondary tiebreaker, if needed, will rank applications by lowest cost per unit.**

**All developments must score at least 120 points to be eligible for Credit.** Points ending in a fraction will be rounded down. WHEDA reserves the right to change this threshold as it deems appropriate.

	Maximum Points	
1. Lower-Income Areas	10	
2. Energy Efficiency and Sustainability	30	
3. Local Support	27	
4. Mixed-Income Incentive	15	
5. Serves Large Families (Three-bedroom or larger units)	18	
6. Serves Lowest-Income Residents	70	
7. Supportive Housing	25	
8. Elderly Assisted Living-RCACs	18	
9. Acquisition/Rehab	30	
10. Market Appeal	20	
11. Universal Design	23	
12. Financial Participation	25	
13. Ownership Characteristics	6	
14. Eventual Tenant Ownership	3	
15. Project Team	50	
16. Readiness to Proceed	15	
17. Credit per Unit	30	
18. Debt Coverage Ratio	6	
<b>Scoring Total</b>	<b>421</b>	

**1. Lower Income Areas (10 points)**

**Eligible Locations:**

- Developments located in a qualified census tract (see Appendix F), and in which the development contributes to a community revitalization or redevelopment plan. **Attach a map of the census tract showing the project location and a copy of the plan.**
- Developments on federally designated tribal lands. These applications do not need to submit a community revitalization or redevelopment plan, but must attach a map of tribal land showing the project location.

**2. Energy Efficiency and Sustainability - Maximum Score (30 Points)**

Points will be awarded to developments which promote long term energy efficiency and sustainability through thoughtful design and development location.

**\*In scattered site developments, two-thirds of the sites must meet criteria to receive points in any of the subcategories.**

Points	Description										
10	<p><b>National Green Standards</b> Points will be awarded to developments certifying they will be /have been built according to one of the following green building standards: LEED-Certified, Wisconsin Green Built Homes or Green Communities Program. It is not necessary to provide the actual certification from the standard. Architect Certification required with initial application.</p>										
3	<p><b>Focus on Energy Consultation</b> Submit a letter from Focus on Energy stating that the applicant has met, in person, with Focus on Energy staff to review this proposed development for possible energy savings ideas. (website <a href="http://www.focusonenergy.com">http://www.focusonenergy.com</a>). <b>OR</b>, provide evidence that Focus on Energy has conducted a no-cost energy audit for an existing multifamily building</p>										
10	<p><b>Infill Location</b> The following criteria will be considered by WHEDA in determining whether a site is infill or not. Site must meet three of the four criteria to receive points:</p> <table border="1" style="width: 100%;"> <tr> <th colspan="2">Select all that you believe apply to the project:</th> </tr> <tr> <td style="width: 50px;"><input type="checkbox"/></td> <td>Site has had water, electric, gas, and sewer service for at least 15 years</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Site platted and subdivided for at least 15 years</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Site directly bounded on at least three sides by existing developments</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Site is in downtown, urban, or central city area</td> </tr> </table> <p>Provide corroborating information with this application (i.e., site map, land use plan, dated plat map, dated aerial or other photos, certified survey map, fact letter from local planner or zoning official, etc.). <b>WHEDA, in its sole discretion, will determine whether the corroborating information satisfies infill requirements.</b></p>	Select all that you believe apply to the project:		<input type="checkbox"/>	Site has had water, electric, gas, and sewer service for at least 15 years	<input type="checkbox"/>	Site platted and subdivided for at least 15 years	<input type="checkbox"/>	Site directly bounded on at least three sides by existing developments	<input type="checkbox"/>	Site is in downtown, urban, or central city area
Select all that you believe apply to the project:											
<input type="checkbox"/>	Site has had water, electric, gas, and sewer service for at least 15 years										
<input type="checkbox"/>	Site platted and subdivided for at least 15 years										
<input type="checkbox"/>	Site directly bounded on at least three sides by existing developments										
<input type="checkbox"/>	Site is in downtown, urban, or central city area										
5	<p><b>Public Transportation</b> Points will be awarded to developments located no more than two tenths (0.2) of a mile from a regularly scheduled bus stop <b>OR other designated public transit stops, hubs or stations.</b> Provide corroborating information with this application.</p>										
1	<p><b>Indoor Air Quality</b> Developments using Energy Star-labeled bathroom fans (exhausted to the outdoors and equipped with a humidistat sensor or timer), AND using Energy Star-labeled power vented fans or range hoods (exhausted to the outdoors). Architect Certification required with initial application.</p>										
6	<p><b>Resource Conservation (3 points for each item below)</b></p> <table border="1" style="width: 100%;"> <tr> <th colspan="2">Check box next to all that apply</th> </tr> <tr> <td style="width: 50px;"><input type="checkbox"/></td> <td>Minimum of 20% recycled content material – excluding mechanical equipment and electrical equipment. Architect Certification required with initial application.</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Minimum of 35% of wood products that are (A) salvaged wood, (B) engineered materials, and/or Forest Stewardship council certified wood products and materials. Architect Certification required with initial application.</td> </tr> </table>	Check box next to all that apply		<input type="checkbox"/>	Minimum of 20% recycled content material – excluding mechanical equipment and electrical equipment. Architect Certification required with initial application.	<input type="checkbox"/>	Minimum of 35% of wood products that are (A) salvaged wood, (B) engineered materials, and/or Forest Stewardship council certified wood products and materials. Architect Certification required with initial application.				
Check box next to all that apply											
<input type="checkbox"/>	Minimum of 20% recycled content material – excluding mechanical equipment and electrical equipment. Architect Certification required with initial application.										
<input type="checkbox"/>	Minimum of 35% of wood products that are (A) salvaged wood, (B) engineered materials, and/or Forest Stewardship council certified wood products and materials. Architect Certification required with initial application.										

**3. Community Support (27) Points)**

Points	Description
15	<p><b>Municipal Support</b>            Support is indicated on the attached Local Notification Form            Support = 15            No position or opposed = 0</p> <p>Maximum 15 points</p>
6	<p><b>Community Support. Check box</b>            Two (2) points for each letter of support from local non-elected municipal officials, local elected public officials other than individuals signing Local Notification Form, local housing-related neighborhood groups, or local housing authorities.            The letter(s) must not be neutral and must clearly demonstrate favorable support.            The letter(s) must not be from multiple individuals from the same entity/organization.            The letter(s) must not be from an official from a different jurisdiction.            The letter(s) must be received by WHEDA no later than the application deadline date.</p> <p>Maximum 6 points</p>
6	<p><b>Financial Support. Check box</b>            Evidence of 1) government OR non-government-funded <b>offsite</b> improvements that benefit the development, Must total a minimum of 5% of the total development budget to be eligible for points.</p> <p>The offsite improvements must have occurred within the previous twelve months or are to be completed within the next twelve-month period (budget commitments or documented expenditures must be provided). Types of improvements normally considered include, but are not limited to: New or upgraded access road, parks, schools, walkways, community facilities or utility extensions (routine maintenance or service items are not eligible for points). Improvement or TIF/TID boundary shall be no more than 2/10ths of a mile distant from the development.</p> <p>Maximum 6 points</p>

**4. Mixed Income Incentive (15 Points)**

Percentage of market-rate units in development. Score 1.00 point for every percentage point of market-rate units in the development as a whole, up to 15 points.

Number of Market Rate Units		
Total Units		= XX %
Multiplied by 1.00	X 1.00	= XX Points

Note: Applicants with scattered site developments should consult with their tax or legal counsel before selecting points in this category. See IRS Code Section 42(g) (7).

Applicants applying in the Supportive Housing Set-Aside are prohibited from scoring points in this category. Applicants applying in the Preservation Set-Aside are prohibited from scoring points in this category unless designed to accommodate an existing 'over-income' person. Provide documentation with initial application.

**5. Serves Large Families (18 Points)**

Divide the number of three-bedroom (or larger) low-income units by total number of low-income units.

New construction/adaptive reuse units must be 50% CMI or below to claim points.

<b>Three-Bedroom (or Larger) Low Income Units</b>		
<b>Total low-income units</b>	/	= XX%

Percentage	Points
10-15%	10
16-20%	12
21-25%	14
26%+	18

**6. Serves Lowest Income Residents (70 Points)**

WHEDA will award points to developments with a minimum percentage of units reserved for households with incomes at 50% or less of county median income. The market study must show there is a sufficient market for the target population.

**Points will not be awarded in this category for developments applying in the Preservation Set-aside, or for developments with federal operating or rental subsidies, or developments with federal financing unless they clearly result in the creation of new low-income units. In addition, points are not awarded for units with dedicated, project-based vouchers or certificates\*. Tax-exempt bond-financed developments are allowed to score points. Projects using HOME funds that result in the addition of new low-income units are also allowed to score points.**

\*Developments scoring 25 points in Category 7, Supportive Housing, may use committed project based vouchers or other rental subsidies as "50% CMI equivalents" for the calculation below. Developments scoring 5 points in Category 7 may only use this feature for 5% of the development units.

Calculate appropriate percentages and points				
Total Units for Development				
CMI Set-Aside Percentage	Number of Units @ CMI	Percentage of Total (Must equal or exceed 5%)	Multiply Percent by Factor	Total Points
50%		%	X 1.00 =	
40%		%	X 1.25 =	
30% or lower		%	X 1.50 =	

**Note to Applicants: The unit mix stated in the Application, and the unit mix for which points are taken above, will be reflected in the eventual Land Use Restriction Agreement for the property.**

## 7. Supportive Housing (25 Points)

Points will be awarded to developments intending to provide supportive services for individuals and families who are homeless, at risk of homelessness and/or have disabilities and who require access to supportive services to maintain housing.

### POINTS (check only one)

\_\_\_\_\_ 5 points Check the box if the development and application meets all of the below criteria **AND** intends to offer supportive services to a minimum of 5% of the development units. Round up to determine unit requirement. Example: 24 units X 5% = 1.20 units. Rounded up means 2 units are required.

\_\_\_\_\_ 25 points Check the box if the development and application meets all of the below criteria **AND** intends to offer supportive services to a minimum of 50% of the development units. Developments seeking these points must apply in the Supportive Housing Set-Aside.

Please describe primary target population you intend to serve below.

In order to score points in this category the applicant must demonstrate to WHEDA's satisfaction the following:

**1. Rental Assistance.** Provide documentation the applicant has a firm commitment of rental subsidy assistance for the targeted number of units. Example: A 24 unit development with 50% targeted units must demonstrate rental assistance commitments for 12 units. Examples of allowable rental assistance include: Project-based Section 8 vouchers, operating subsidy, or capitalized operating fund or other rental subsidy assistance provided by a public housing authority or other government entity.

**2. Support Service Provider.** Provide to WHEDA documentation indicating experience, mission and capacity of Service Provider(s) for the target population. Complete and attach a *Relevant Experience and Certification Service Provider* sheet. (see [www.wheda.com](http://www.wheda.com) for form). Note: All Service Providers described must be a 501(c)(3) non profit or tax exempt organization with a minimum of five years experience in the field.

**3. Service Plan.** Provide to WHEDA a Memorandum of Understanding executed by both the applicant and anticipated Service Provider detailing:

- how the services will enhance independent living success and promote the dignity of residents
- the services that will be offered
- how the services will be funded
- a marketing plan to insure the target population can be attracted to the development
- how residents will be connected with a service provider if services are not provided by the owner

**4. Market Demand** – The market study submitted must specifically support a sufficient market for and demand by the target population.

**5. County agency, Managed Care Organization, or other major service funder support-**Provide to WHEDA a letter of support from the appropriate county agency or Managed Care Organization (in Family Care counties) or other major service funder where the development will be located indicating that:

- the proposed development and the Service Plan has been reviewed;
- the agency or organization feels there is a need is for the supportive housing, and that the housing and service plan is consistent with State or local plans and policies;
- the agency or organization currently provides or will provide funding for services to residents that meet its eligibility criteria;
- the agency or organization does (or does not) have experience with the proposed service provider and, if it does have experience with the service provider, a description of that experience.

## 8. Elderly Assisted Living (18 Points)

Points will be awarded to developments intending to provide supportive services to elderly persons in a certified Residential Care Apartment Complex (RCAC).

In order to score points in this category the applicant must demonstrate to WHEDA's satisfaction the following:

**1. Support Service Provider.** Provide to WHEDA documentation indicating experience, mission and capacity of Service Provider(s) for the target population. Complete and attach a *Relevant Experience and Certification Service Provider* sheet. (see [www.wheda.com](http://www.wheda.com) for form). Note: All Service Providers must demonstrate a minimum of five years experience in the field.

**2. Service Plan.** Provide to WHEDA a Service Plan executed by both the applicant and anticipated Service Provider detailing:

- How the services will enhance independent living success and promote the dignity of residents
- the services that will be offered
- how the services will be funded
- a marketing plan to insure the target population can be attracted to the development
- how residents will be connected with a service provider if services are not provided by the owner

**3. Design Features.** Include with initial application architect's certification this development will be built according to the requirements in Wisconsin Statute 50, DHS 89.

**4. Market Demand.** The market study submitted must specifically support a sufficient market for and demand by the target population. WHEDA's Market Study Guidelines for RCACs must be followed.

**5. County agency and/or Managed Care Organization Support.** Provide to WHEDA a letter of support from the appropriate county agency or Managed Care Organization (in Family Care counties) where the development will be located indicating that:

- the proposed development and the Service Plan has been reviewed;
- the agency or organization feels there is a need is for the RCAC, and that the housing and service plan is consistent with State or local plans and policies;
- the agency or organization currently provides or will provide funding for services to residents that meet its eligibility criteria;
- the agency or organization does (or does not) have experience with the proposed service provider and, if it does have experience with the service provider, a description of that experience.

6. Licensed CBRFs and Adult Family Homes are not eligible for credit.

### POINTS (check box)

\_\_\_\_\_ 18 points Check the box if the development and application meets all of the above criteria and intends to offer supportive services to the elderly in a certified (State of Wisconsin Administrative Code DHS 89) RCAC in at least 50% of the total development units.

## 9. Acquisition/Rehab (30 Points)

30 points will be awarded to Applications with the following characteristics.

- Propose rehabilitation, or acquisition and rehabilitation, of existing residential housing units.
- Minimum \$25,000 per unit of hard cost rehab.
- Construction of additional units is prohibited if these points are requested and awarded
- Applicants receiving points in this category shall be automatically assumed by WHEDA to have a maximum 85% applicable fraction (i.e. assumed to have 15% over-income households) unless the applicant provides rent rolls, certifications, or other information sufficient for WHEDA to determine that a higher applicable fraction will not result in the displacement of current residents. Applications demonstrating a year one proforma rent increase of no more than five percent (5%) for any occupied units. Provide current rent schedule and explanation.

Existing market rate developments, and LIHTC developments a minimum 15 years past their placed-in-service date at application, are acceptable in this category. Note; Existing LIHTC residents may retain program eligibility even though "over income" under certain circumstances.

Reminder: Applicants should provide a plan addressing any proposed temporary relocation or any proposed permanent relocation of residents. The plan should meet the standards established by the federal Uniform Relocation Act (URA). WHEDA prohibits permanent displacement of residents, including those whose incomes are known to, or are estimated to, exceed tax credit maximums. WHEDA may require the reduction of applicable fractions in tax credit awards to avoid displacement of existing residents.

**10. Market Appeal (20 Points)**

WHEDA will award points to Projects in which the owner is providing amenities that enhance market appeal and promote long-term Project viability. - This list is all inclusive. Applicants may not add "Other Amenities".

**Note: Owner-paid services (i.e. internet service) checked below must be included as a line item in the Project operating budget**

**Note: Some amenities listed below must be available at no charge to residents to be point eligible. An amenity for which there will be an additional fee for the resident must have its corresponding capital cost excluded from Eligible Basis on the Credit Calculation page, and on the project's Cost Certification.**

**Unit Amenities. Amenity must be included in a minimum of 50% of units. Check box next to all that apply.**

Check Box	Points	Amenity
	3	Separate ground floor exterior entries (primary entries only)
	3	Basement in townhouse, duplex or single-family unit
	3	Washer and dryer (no fee for resident). Cannot be used in combination with washer/dryer hookup points
	1	Washer and dryer hookup in addition to central/common laundry- (no fee for resident). Cannot be used in combination with washer/dryer points
	3	Underground parking and/or garage (at least 1 space per 2 units) - no carports/other covered parking
	1	Air conditioning (central only)
	1	Electronic pass keys (no fee for to resident)
	1	Private balconies/patios/porches (minimum 4' X 8' size) (no fee for resident)
	3	Owner-paid high-speed internet service (this means free, unrestricted internet <b>service</b> supplied at no fee for the resident by the development-not just wired access)

**Common Area Amenities. In scattered site developments, amenity must be included in a minimum of two-thirds of sites. Check box next to all that apply.**

Check Box	Points	Amenity
	2	Dedicated community space appropriately furnished & equipped (no fee for resident)
	2	Elevator installation for existing preservation/acquisition-rehab transactions
	1	Outdoors age-appropriate playground or recreational equipment/area. (equipment appropriate to size of development)
	1	Beauty salon/barber shop - plumbed & equipped
	1	Business center with computer and copy machine and/or fax machine (no fee for resident)
	1	Indoors sports court or fitness center (with equipment appropriate to development size and type) (no fee for to resident)
	1	Individual storage lockers (no fee for resident) in residents' building (includes basement in single family, duplex, or townhome).

\* Rural single-family scattered site developments may receive points for community space, playgrounds or business centers if constructed as part of the development, and within 2/10th mile from at least 50% of the homes.

**11. Universal Design (23 Points)**

Developments offering architectural features that increase accessibility will broaden the market for many units. All items must be specified and certified by an architect and attached to the initial application. Unless noted otherwise, references to section numbers are from ICC/ANSI A117.1 –2003 edition. "Building Code" refers to the current 2006 edition of the International Building Code with Wisconsin's amendments. "ADAAG" refers to the ADA Accessibility Guidelines for Buildings and Facilities.

**In scattered site developments, Common Area Features must be included in a minimum of two-thirds of sites. Check box next to all that apply.**

Check Box	Points	Feature
	3	Hand rails: In elderly housing, install handrails on both sides of common hallways at all wall sections 4'-0" or more in length uninterrupted by door or window openings. Handrails shall meet the requirements of Sections 505.4 through 505.9. <u>Cottage style, townhouse, duplex and single family style are not eligible for handrail points.</u>
	3	<b>Automatic Door Openers:</b> Provide automatic door openers at main accessible entrances to all main buildings, including entrances from accessible parking areas, per Section 404.3
	2	<b>Accessible Signage:</b> Provide accessible signage for all common rooms and dwelling unit entries with visual characters per Section 703.2 and Braille characters per Section 703.4. If possible, unit entry signage shall be mounted 60" maximum above the floor to the top of the signage and located on the wall adjacent to the latch side of the door.
	2	<b>Accessible Public Bathroom:</b> Provide accessible public bathroom adjacent to public gathering area. This common area toilet shall have clearances that meet the requirements of Section 604.3.

**Unit Features. Minimum of 20% of units, unless otherwise indicated. Check box next to all that apply**

Check Box	Points	Feature
	3	Provide a circular or T-shaped turning space per Section 304 in kitchen(s) and bathroom(s). Turning space shall be outside the door swing in bathrooms unless a 30" x 48" clear floor space is provided within the room beyond the arc of the door swing. Sinks/vanities shall meet all requirements of Section 1003.12.4 including a height of 34" maximum above the floor with a clear floor space for forward approach.
	3	Garbage disposal switch, range hood controls, and electrical receptacles shall meet the requirements of Section 309. At each section of countertop uninterrupted by a sink or appliance, if one accessible electrical receptacle is provided then other non-accessible receptacles may also be provided.
	3	Provide minimum one accessible work surface that meets all requirements of Section 1003.12.3. including top of counter at 34" above the floor, minimum 36" wide, and a clear floor space for forward approach.
	3	Provide standard roll-in type shower compartment per Section 608.2.2. Exception: 2" maximum raised curb is acceptable. <u>Minimum 10% of units.</u>
	3	Entrance doors to the unit shall meet all requirements of Section 404 including delayed action closers, maneuvering clearances, etc.
	3	In multi-story dwelling units, provide one minimum accessible bathroom (with one sink and one toilet minimum) on the entry floor level that meets the requirements of Section 1003.11.
	3	All interior doors intended for user passage shall comply with Section 1003.5, which includes maneuvering clearances, thresholds, clear width, level hardware, etc.
	2	On accessible floor levels, all closet doors shall have a clear floor space of 30" x 48" minimum to allow either forward or parallel approach by wheelchair. Doors to closets that are more than 18" in depth shall provide at least 32" nominal clear opening.
	2	Where operable windows are provided, provide at least one window in each sleeping, living, and dining space complying with all of Section 309 including the following: Operable hardware and locking mechanisms require less than 5 lbs. of pressure to operate; are easily grasped with one hand without tight grasping, pinching, or twisting of the wrist; and are located no more than 48" above the floor. Provide 30" x 48" clear floor space for forward or parallel approach centered on the window. <u>Minimum 10% of units.</u>
	2	Carpet shall have 1/2" maximum pile and meet all requirements of Section 302.2
	2	Bottom edge of mirror at all bathroom sink/vanities to be 40" maximum above the floor. If medicine cabinet is provided in addition to a mirror, then bottom edge shelf on cabinet to be 44" maximum above the floor.
	1	All unit light switches shall be Rocker type light switches.

<b>Items below only available for Acquisition/Rehab and Preservation projects</b>		
2		Provide all bathtubs/showers with offset controls and a 30" x 48" clear floor space for parallel approach. Where the centerline of the controls is between 18" and 9" from the open face of the bathtub/shower compartment, the clear floor space in front of the fixture shall extend at least 9" beyond the control wall. Where the centerline of the controls is between 9" and 0" from the open face of the bathtub/shower compartment, the clear floor space in front of the fixture shall extend at least 5" beyond the control wall.
1		Electrical outlets and cable/data outputs set to a minimum height 18" above the floor
1		Thermostats, primary electrical box and light switches set to a maximum height of 48" above the floor
2		All sinks in all bathrooms AND kitchens must have single-lever faucets
1		Water supply and drainpipes under lavatories and sinks shall be insulated or otherwise configured to protect against contact.
3		100% visitable units. Provide an accessible route from accessible parking stalls to all dwelling units. Accessible routes shall meet all the requirements of Section 402 including Section 404 for accessible doors. The living room and minimum of one bathroom (with a minimum of a toilet and sink) must be on the accessible route from the unit entry. Bathroom shall meet the requirements of Sections 1004.11 minimum
2		Toilets in units shall have clearances that meet the requirements of Section 1004.11.3.1.2.1, 1004.11.3.1.2.2, or 1004.11.3.1.2.3.
2		Low-profile thresholds - All changes in level within common areas and in dwelling units to be ¼" maximum vertical or ½" maximum beveled at 1:2 per Sections 303.2 and 303.3.
2		Provide reinforcement for the future installation of grab bars at toilets, bathtubs, and shower compartments per Section 1003.11.4.
1		Bathtub/shower compartment permanently lined with non-skid surface or pattern covering 75% of floor

Sum of Checked Items	Maximum Total Points
38 and Over	23
30-37	16
22-29	12
14-21	8
6-13	4

## **12. Financial Participation (25 Points)**

Points will be awarded for various types of financial participation that is secured by the applicant. The percentage of development costs, or the percentage of rental units covered by a rental or operating subsidy, qualify for points in this category.

Funding sources that typically fund a portion of the development costs include: unaffiliated private companies, federal, state or local government loans or subsidies, equity from sale of federal or state Historic tax credits, tax-exempt bond financing (only on 4% tax credit applications) unaffiliated religious, philanthropic, or charitable organizations, unaffiliated nonprofits and unaffiliated public or private foundations, or public housing authorities. See A. below.

Development operating or rental subsidies also score points. See B. below.

- A. Up to 25 points will be awarded by dividing the financial participation amount by the total development costs. Score 1 point for every percentage point of financial participation.

**OR**

- B. Section 8 HAP or RAP or other rental subsidy contracts and all documented contracts providing operating subsidies are eligible to score points. Score 1 point for each 4% of the development units that are currently covered by the rental or operating subsidy. The point score must be rounded down to the next whole number when completing the point score calculation.

An applicant cannot claim points from a combination of Sections A and B above.

**Examples of the types of financial participation include, but are not limited to, the following:**

- The local government funds on-site project costs by providing HOME, CDBG funds or other financial resources in the form of loans, grants, or a combination thereof.
- The local government creates a quantifiable reduction of on-site project development costs specifically for this project. Examples of quantifiable reduction of on-site development costs include: waiver of water or sewer fees, waiver of building permit fees or other government development fees, waiver of impact fees, donation or waiver of project specific assessment or infrastructure costs, provides reduction of purchase price for land or buildings as compared to assessed or appraised value, provides demolition and removal of existing structures at no/reduced cost.
- USDA RD Section 515 financing, generally in the form of a loan
- Federal Home Loan Bank AHP funds, generally in the form of a loan
- NAHASDA funding, generally in the form of a loan
- A Section 8 HAP or RAP, or other rental subsidy contract
- Documented development contract providing an operating subsidy.
- TIF financing in the form of a grant or loan.
- Cash donations or grants from any of the above named entities
- Loans, grants or cash donations made by area employer(s)

Note: A Payment in Lieu of Taxes (PILOT) agreement with a Local Government does not qualify for points in this category.

**Guidelines under which points will be awarded:**

- A. Funding or project cost reductions must be documented in the form of a written commitment.
- B. Funding can be in the form of a loan, grant, or cash donation, or municipal cost reduction.
- C. Only loans which provide permanent financing for a minimum term of ten (10) years will be considered for points in this category. The loan must be at a rate equal to, or less than, the Long Term Applicable Federal Rate (compounded annually). Origination fees may not exceed 2.5%.
- D. All loans, grants or cash donations must be included as a source of funding for the development on the application. If cash donations or grant funding will be paid in multiple years, only the initial year funding will be included in the point scoring.
- E. All Local Government contributions which provide a quantifiable reduction of on-site development costs must be identified in the application and be linked to this affordable housing proposal.
- F. "Local government" includes the city, town, village or county where the proposed development will be located.
- G. Applicants must provide a letter from the appropriate representative of the Local Government certifying the Local Government's contribution and/or actions that create a quantifiable reduction of on-site development cost. The "appropriate representative" of the Local Government would include the person or person(s) that have the authority to sign such a commitment. That person may include the mayor, common council president, or department head, etc. The letter must clearly show the types, amounts, value or terms and conditions of such contributions and/or quantifiable reductions. All such contributions must be included in the Application.
- H. Commitments may contain conditions, but only within control or based upon the performance of the borrower, not the local government or other provider.
- I. To receive points in this category, written, fully executed, conditional funding commitments must be submitted with the application to document any points claimed.
- J. If claiming Historic Tax Credit, submit a) written evidence that historic designation (Part I) has been applied for, or that the building is already deemed historic, and b) letter of interest by investor, and c) detailed calculation of the credit and equity amounts. Points are calculated on the lower of the Credit, or the equity from sale of the credit.
- K. All funding commitments must include the type of funding (grant or loan or cash donation), amounts, terms and conditions of all funding. Commitments that include the terms "may" or "intend" will not be acceptable for scoring purposes of this category.
- L. Copies of any rental or operating subsidy contracts must be submitted with the application. The contracts must include the amount of the subsidy and/or the number of units covered by the contract. Contracts that do not include the required information will need a separate letter from the provider which provides that information.

Dollar Amount of Qualified Financial Participation	
Total Development Cost	/
Percentage Points	=

OR

Number of units covered by subsidy	
Total Number of Development units	/
Percentage of units – 1 pt for each 4%	% /4
Points	=

**Maximum 25 Points**

**13. Ownership Characteristics (Maximum of 6 Points)**

Check Box	Points	Item
	6	Developments where the controlling entity (managing member or general partner) is at least <b>51%</b> owned and controlled by a member of a minority group as defined by DOC Comm. 105.02(29). Please refer to page 2 of the "Minority Business Enterprise Certification Manual" found at <a href="http://www.commerce.state.wi.us/bd/BD-Wiscert.html">http://www.commerce.state.wi.us/bd/BD-Wiscert.html</a> . Controlling entity must have acceptable previous experience in the development and/or operation of housing similar to that proposed in the application. Previous experience must be documented Please name minority:
	3	Developments where the controlling entity (managing member or general partner) is at least <b>30%</b> owned and controlled by a member of a minority group as defined by DOC Comm. 105.02(29). Please refer to page 2 of the "Minority Business Enterprise Certification Manual" found at <a href="http://www.commerce.state.wi.us/bd/BD-Wiscert.html">http://www.commerce.state.wi.us/bd/BD-Wiscert.html</a> . Controlling entity must have acceptable previous experience in the development and/or operation of housing similar to that proposed in the application. Previous experience must be documented Please name minority:
	6	The controlling entity (managing member or general partner) is at least 51% owned and controlled by a tax-exempt organization (including local governments and public housing authorities) with acceptable previous experience in the development and/or operation of housing similar to that proposed in the application. Previous experience must be documented.

**Note: Ownership percentage must be reflected in Ownership Entity section of the Application in order to receive points in this category.**

**14. Eventual Resident Ownership (3 points) NOTE: Points are limited to developments designated as BOTH (1) “family” and (2) “single family” style construction.**

3	<p>100% of the development is intended for eventual resident ownership. A Resident Homeownership Plan must be submitted with initial application. The plan must incorporate an exit strategy, including how units will be marketed and sold to the eventual resident owner, as well as detailing the provision of services including home ownership education, training, and down payment assistance.</p> <p>The Resident Homeownership plan must include the following:</p> <ul style="list-style-type: none"><li>• Anticipated tenant qualifications</li><li>• Pre-purchase homeownership and financial counseling services to be provided</li><li>• Estimated timelines for transition to ownership</li><li>• Estimated affordable purchase price of units – Show methodology. Use WHEDA’s Home Ownership program for purchase price limitations</li><li>• Detail any downpayment assistance that will be offered to the residents – for example, will any part of the monthly rent be reserved for downpayment assistance?</li></ul> <p>Release of the LURA after the expiration of the compliance period will be subject to WHEDA’s review at that time regarding the above, as well as tenant protection, continued affordability, and review of a Capital Needs Assessment (CNA).</p> <p>Failure to provide any required element of the Resident Homeownership Plan will result in no points.</p>
---	--

**15. Development Team (50 Points)**

Applicants must document Development Team strength and experience. Appendix P details factors that will be considered by WHEDA in evaluating the Development Team. Applicants are encouraged to consult with WHEDA staff regarding documentation in advance of submitting their application.

**FOR INFORMATIONAL PURPOSES ONLY - SCORING WILL BE COMPLETED BY WHEDA**

**Note: Scoring will be done based on the average scores of the Primary Developer and the Co-Developer (if any) with such score not to be lower than 85% of the highest scoring entity.**

Developer Quality Scoring	Available Points
Experience	
<ul style="list-style-type: none"> <li>Years of Multifamily/Section 42 Experience Documented</li> </ul>	
Below Average/None	1
Satisfactory/Average	2
Superior	3
<ul style="list-style-type: none"> <li>Quality/Success of Projects</li> </ul>	
Below Average	2
Satisfactory	3
Above Average	4
Superior	5
Market (Product-type) Familiarity	
Below Average	2
Satisfactory	3
Above Average	4
Superior	5
Market (Geographic) Familiarity	
Below Average	2
Satisfactory	3
Above Average	4
Superior	5
Understanding of Tax Credit Process	
Below Average	2
Satisfactory	3
Above Average	4
Superior	5
Ability to Bring Strong Players Together	
Below Average	2
Satisfactory	3
Above Average	4
Superior	5
Non-Performance Deduction	
<ul style="list-style-type: none"> <li>WHEDA reserves the right to deduct up to 15 points for non-compliance with a previous LIHTC award's representation of scope, support services, design, energy efficiency, amenities, score or certifications.</li> </ul>	
Total Developer Quality Points	28

Management Agent Quality Scoring	Available Points
<b>Compliance History</b>	
Below Average	3
Satisfactory	4
Above Average	5
Superior	6
<b>Vacancy History</b>	
Portfolio more than 10% vacant	3
Portfolio 7-10% vacant	4
Portfolio 5-7% vacant	5
Portfolio less than 5% vacant	6
<b>Property Condition</b>	
Below Average	2
Satisfactory	3
Above Average	4
Superior	5
<b>Capacity/Experience</b>	
Below Average	2
Satisfactory	3
Above Average	4
Superior	5
<b>Total Management Agent Quality Points</b>	
	22

**16. Readiness to Proceed (15 Points)**

**Zoning Status:** Permissive zoning in place where Multifamily Housing is an allowed use. Final plan approval not required.

**17. Credit Usage (30 Points maximum)**

**Credit Per Low-Income Unit (30 Points maximum).** WHEDA will award points to developments requesting relatively fewer credits per low income unit produced, as calculated in Application One.

<b>Preservation Set-aside</b>	
Credit per Unit	Points
\$5,900 or less	30
\$5,901 to \$6,900	20
\$6,901 to \$7,900	10
More than \$7,900	0

<b>All Other Set-Asides</b>	
Credit per Unit	Points
\$10,900 or less	30
\$10,901 to \$12,900	20
\$12,901 to \$14,900	10
More than \$14,900	0

Note: The Credit-per-Unit calculation for the proposed unit mix will be adjusted to reflect the bedroom sizes of the low-income unit mixes (see examples below). The “Weighted Credit-per-Unit” value will be used to determine points.

Examples of different projects and their “Weighted Credit-per-Unit” values:

	<b>Efficiency</b>	<b>1-br</b>	<b>2-br</b>	<b>3-br</b>	<b>4-br</b>	<b>LI Units</b>	<b>Weighted Units</b>	<b>Credit Request</b>	<b>Credit Per Unit</b>	<b>Credit Per Weighted Unit</b>
<b>Weights</b>	<b>0.72</b>	<b>0.82</b>	<b>1.00</b>	<b>1.29</b>	<b>1.42</b>					
Project 1 - All 2BR Units			50			50	50.0	600,000	12,000	12,000
Project 2 - All 1BR Units		50				50	41.0	550,000	11,000	13,414
Project 3 - All Efficiencies	50					50	36.0	500,000	10,000	13,888
Project 4 - All 3BR Units				50		50	64.5	650,000	13,000	9,923
Project 5 - All 4BR Units					50	50	71.0	750,000	15,000	10,563

**18. Debt Coverage Ratio (6 Points)**

Debt Coverage Ratio: Points will be awarded to developments reflecting an estimated Debt Coverage Ratio minimum 1.20 in their initial LIHTC Application.