

# NCSHA 2015 Annual Awards Entry Form

(Complete one form for each entry)

**Deadline: Wednesday, June 10, 2015**

Visit [ncsha.org/awards](http://ncsha.org/awards) to view the Annual Awards Call for Entries.

**Instructions:** Type entry information into the form and save it as a PDF. Do not write on or scan the form. If you have any questions contact Matt Cunningham at [mcunningham@ncsha.org](mailto:mcunningham@ncsha.org) or 202-624-5424.

Fill out the entry name *exactly* as you want it listed in the program.

**Entry Name:**

\_\_\_\_\_

**HFA:**

\_\_\_\_\_

**Submission Contact:** (Must be HFA Staff Member) \_\_\_\_\_

**Email:** \_\_\_\_\_

Please provide a 15-word (maximum) description of your nomination to appear on the NCSHA website.

\_\_\_\_\_

Use this header on the upper right corner of each page:

**HFA:**

\_\_\_\_\_

**Entry Name:**

\_\_\_\_\_

**Select the appropriate subcategory of your entry and indicate if you are providing visual aids.**

<b>Communications</b>	<b>Homeownership</b>	<b>Legislative Advocacy</b>	<b>Management Innovation</b>
Annual Report	Empowering New Buyers	Federal Advocacy	Financial
Creative Media	Encouraging New Production	State Advocacy	Human Resources
Promotional Materials and Newsletters	Home Improvement and Rehabilitation		Operations
			Technology
<b>Rental Housing</b>	<b>Special Needs Housing</b>	<b>Special Achievement</b>	Are you providing visual aids?
Encouraging New Production	Combating Homelessness	Special Achievement	Yes
Multifamily Management	Housing for Persons with Special Needs		No
Preservation and Rehabilitation			

## Overview

Historically, IHCD's Qualified Allocation Plan ("QAP") has reserved 10% of its annual Section 42 low-income housing tax credits (referred to as rental housing tax credits or "RHTC" in Indiana) as a discretionary set-aside for projects that further the agencies mission and priorities. This set-aside is known as the "General Set-aside."

In 2014, IHCD piloted a new initiative to use the 10% General Set-aside to promote innovative housing concepts. A special Innovation Round was created to encourage developers to submit proposals for unique developments that would be at a competitive disadvantage in our regular scoring round. This round was not based on scoring evaluation per the QAP, but rather allowed a subjective, non-scoring evaluation of the quality of the innovation. As a result, IHCD awarded credits to three innovative developments in August, 2014.

## The Process

In November 2013, IHCD released a Request for Letters of Intent (see **Appendix A**) inviting our development partners to submit proposals identifying an innovative affordable housing concept that would be a first of its kind in Indiana but that could be replicable. Submissions were due in February 2014 to allow partners sufficient time to develop their innovative concepts. In addition to those that specifically submitted letters, all applicants for 2014 tax credits that did not receive an allocation through the competitive QAP process were also considered. Proposed concepts were evaluated based upon the following criteria:

- Uniqueness of the project concept;
- Ability to address an unmet need;
- Contribution to IHCD's mission and goals;
- Reasonableness of scope;
- Financial viability;
- Extent to which the development would be at a competitive disadvantage in a competitive round based on QAP scoring factors; and
- Demonstrated capacity of the development team to complete the proposed activity.

Using these evaluation criteria (see **Appendix B**), a team of IHCD staff ranked all submissions into three tiers. Tier 1 was for those five developments that were the most unique and innovative. Tier 2 was for developments that did offer unique and innovative components, but did not make the top five. Tier 3 was for developments that did not present a strong innovative component or that failed to make a case as to why the project could not be competitive in a regular scoring round.

The five Tier 1 proposals were selected as finalists and invited to submit full applications to IHCD (see **Appendix C** for this memo). The full applications were reviewed by IHCD staff for underwriting and compliance with threshold requirements. After this threshold level review, a site visit was conducted wherein each development team was allowed two hours to present the development concept and answer questions.

The site visits were attended by not only key IHCD staff, but also by an external committee of four industry peers. Since the "winners" were to be selected subjectively outside of normal QAP scoring evaluation, IHCD wanted to have a non-biased external committee assist in making the final funding recommendations. This committee consisted of the following individuals:

- A member of IHCD's Board of Directors;
- The head of a statewide disability advocacy network;
- The executive director of an Indiana CDFI; and
- A representative from another HFA (Mark Shelburne who at the time was with North Carolina).

Following the site visits, each IHCDA staff member and external committee member ranked the five projects. A consensus was reached and based on availability of credits; the top-three developments were awarded allocations. These developments are described below.

## The Developments

Three developments received credit allocations under the 2014 Innovation Round. The selected developments represented an array of innovation types, representing energy efficiency, construction methodology, and tenant engagement.

Main Street Cottages in Princeton, Indiana proposed high-quality modular construction as a means of cost containment. By stacking modular units to create a multi-family building, the developer was able to decrease construction costs and time and deliver credits more quickly, thus attracting better equity pricing. The IHCDA and external committee review team were able to tour the modular home factory (an Indiana company) during the site visit to learn more about how modular units are made.

Oxford Place Senior Apartments in Indianapolis proposed the first energy positive housing development in the State of Indiana. Through the use of solar panels, geothermal systems, and other energy efficient designs, the development design allowed both the owner and the tenants to incur no electricity costs and for the owner to in fact sell electricity back to the grid. This increased affordability for low-income seniors, and the saved costs to the property's operating budget allowed the developers to set up a higher annual budget for ongoing tenant services and programming.

South Bend Mutual Homes in South Bend proposed the first cooperative model in a Section 42 property in Indiana. The residents will elect a Board of Directors to make decisions about property operations. At the completion of the fifteen year compliance period, the property will be transferred from the tax credit partnership ownership to the 501(c)(3) cooperative organization. In addition to this unique project concept, the development team committed to work with a local university to study the ongoing impact of this model on the tenants and the neighborhood. Much like the model being the first of its kind, engaging academia into the research of tenant outcomes is extremely rare. The deliverables outlined with the university include: (1) a literature review on cooperatives, (2) typed transcripts of interviews and summary of interviews, (3) resident questionnaire and (4) results of the resident questionnaire along with a summary. Outcomes from this survey will provide us data on residents including their: (1) educational aspirations, (2) employment aspirations, (3) health, (4) social support, (5) access to social services, (6) life satisfaction, (7) life expectations and (8) perceived safety.

## The Future

Based on the quality of submissions in 2014 and the excitement from our development community, IHCDA again used its 2015 General Set-aside for an innovation round (see **Appendix D**). As of the writing of this submission, the five finalists have been selected, with site visits to occur in July 2015. Those finalists are proposing the first scholar house program in Indiana, a mixed-use building that combines housing with a grocery store in an area designated as food desert, a shared living senior development that voluntarily allows seniors to use a matchmaking program to identify potential roommates to increase social interaction and decrease living costs, a development that seeks to serve a broader range of incomes by designating units at a range of incomes from 20 AMI up to 80% (non-LIHTC), and a development that seeks to encourage entrepreneurship by offering training opportunities and work space for residents who are small business owners and entrepreneurs. In addition, IHCDA has proposed to codify its commitment to innovation. The current draft 2016/2017 QAP has officially noted that the General Set-aside will be used to promote innovative housing concepts. While the exact format of the Innovation Round may change from what was done in 2014 and 2015, the agency has committed to funding innovative housing concepts for at least the next two years.

## Appendix A

Attached is the notice sent to Real Estate Development Partners asking them to participate in the 2014 Rental Housing Tax Credit (RHTC) General Set-Aside Round.



## 2014 RENTAL HOUSING TAX CREDIT GENERAL SET-ASIDE REQUEST FOR LETTERS OF INTENT November 6, 2013

The Indiana Housing and Community Development Authority (IHCDA) is seeking letters of intent from Real Estate Department Partners that would like to participate in the 2014 Rental Housing Tax Credit (RHTC) General Set-Aside Round.

Through the 2014 General Set-Aside Round, IHCDA will allocate approximately \$1.2 million in rental housing tax credits to projects that further IHCDA's mission and goals through the unique and innovative delivery of high quality affordable housing.

### LETTER OF INTENT SUBMISSION REQUIREMENTS

Eligible developments are those meeting the threshold requirements established in the 2014-2015 Qualified Allocation Plan (QAP).

In order to submit a successful Letter of Intent, applicants must submit the following by **February 3, 2014**.

- 3-5 page Letter of Intent signed by the applicant, introducing the development team and project concept, with an emphasis on unique and innovative characteristics contributing to the community and the State of Indiana as a whole.
- Information Summary Workbook, which should contain anticipated information. Final information will be required with the formal application due July 1, 2014.
- One electronic PDF version and one paper version should be mailed to the address below:

Indiana Housing & Community Development Authority  
Attn: RHTC General Set-Aside  
30 S. Meridian Street, Suite 1000  
Indianapolis, IN 46204

### TIMELINE

Following receipt of the Letter of Intent, IHCDA will issue a solicitation for complete applications from selected applicants that responded successfully to this request.

Upon the selection of the final applicants, IHCDA and the Advisory Committee will schedule a two-hour site visit to each community, in which the development team will have an opportunity to present the project concept and highlight the development location.

**Appendix A (Continued)**

Provided below is the notice sent to Real Estate Development Partners asking them to participate in the 2014 Rental Housing Tax Credit (RHTC) General Set-Aside Round.

Selected final applicants will be required to submit a complete RHTC application by July 1, 2014.

Final funding recommendations will be made on August 21, 2014.

**EVALUATION**

Letters of Intent will be evaluated based on:

- Uniqueness of the project concept and ability to address an unmet need;
- Contribution to IHCD A mission and goals;
- Reasonableness of the scope of project;
- Financial viability;
- The extent to which the project would be at a competitive disadvantage in a competitive round based on score; and
- Documented and demonstrated capacity to complete proposed activities, including the ability to submit a response to a complete application if selected as a finalist.

Questions regarding the Letter of Intent may be directed to:

Alan Rakowski  
Rental Housing Tax Credit Manager  
Indiana Housing and Community Development Authority  
(317) 233-1220  
[arakowski@ihcda.in.gov](mailto:arakowski@ihcda.in.gov)

**Appendix B**

Provided below is a copy of the Review Tool used for the RHTC Innovation Round. The three major criteria include: (1) Reasonableness of the Scope of the Project, (2) Financial Viability and (3) Capacity.

Review Tool: Innovation Set-aside

Project: \_\_\_\_\_

Reviewer: \_\_\_\_\_

Threshold considerations

Item	Question	Notes
Reasonableness of the Scope of the Project	Following RED's established methodology, is the project small enough to be feasible? (Y/N)	
Financial Viability	Based on the information available, is the project within or outside of IHCD's established underwriting guidelines? (Y/N)	
Capacity	Following RED's established methodology, does the development team have sufficient capacity to finish and successfully manage the deal? (Y/N)	

**Appendix C**

Provided below is a copy of IHCD Real Estate Department (RED) Notice 14-14. In this notice, IHCD announced the finalists that had been selected.




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To: 2014 General Set-Aside Applicants Notice: **RED-14-14**  
 From: Real Estate Department  
 Date: March 17, 2014 – **Revised March 21, 2014**  
 Re: **2014 Tax Credit General Set-Aside Round – Announcement of Finalists**

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**NOTICE: A description of the selection process has been added to the end of this document.**

IHCD is pleased to announce that the following applicants have been chosen as finalists and are hereby invited to submit a full application in the 2014 General Set-Aside.

Project Name	Applicant	Project City
Grassy Creek Commons	Pathway Resource Center, Inc. & Flaherty Collins Development, LLC.	Indianapolis
Indianapolis Scholar House	Family Scholar House, Inc.	Indianapolis
Main Street Cottages	Milestone Ventures, Inc.	Princeton
Oxford Place Senior Apartments	Englewood Community Development Corporation	Indianapolis
South Bend Mutual Homes	Neighborhood Development Associates, LLC	South Bend

Approximately \$1.2 million in rental housing tax credits will be available for the round. Complete applications are due by July 1, 2014.

Please direct any questions to Alan Rakowski, Rental Housing Tax Credit Manager, at (317) 233-1220 or [arakowski@ihcda.in.gov](mailto:arakowski@ihcda.in.gov).



**Appendix C (Continued)**

**2014 General Set-Aside - Process for Selection of Finalists**

- 1) Eligible Projects: All 2014A-C applicants not recommended for a tax credit award and all Letters of Intent received by February 3, 2014.
- 2) List further narrowed down by excluding 2014A-C applicants that did not score at least 4 points on Unique Features.
- 3) All remaining projects were evaluated against threshold criteria:
  - Eligible under Section 42
  - Reasonableness of scope
  - Financial viability
  - Sponsor Capacity
  - Contribution to IHCDA mission and goals
- 4) IHCDA internal review committee met to organize projects into three tiers:
  - Tier 1 – Most unique and innovative.
  - Tier 2 – Unique and innovative components.
  - Tier 3 – High quality projects lower on the uniqueness and innovation continuum; potentially competitive in the November round.
- 5) Tier 1 was then narrowed down to 5 finalists via a ranking process that relied on the evaluation criteria listed in the Call for Letters of Intent.

**Key Innovative Features of the Finalists**

- On-site facility to house an initiative providing homeschooling and early childhood development.
- Family scholar house with early childhood education center and academic service center.
- High-quality modular construction as a viable means of cost containment.
- The first energy positive housing development in the State of Indiana.
- Cooperative housing where residents will become members of the non-profit ownership entity and assume full ownership of the development at the end of the compliance period.





**Appendix D**

Provided below is the notice sent to Real Estate Development Partners asking them to participate in the 2015 Rental Housing Tax Credit (RHTC) General Set-Aside Round.



**2015 RENTAL HOUSING TAX CREDIT GENERAL SET-ASIDE  
REQUEST FOR LETTERS OF INTENT  
October 15, 2014**

The Indiana Housing and Community Development Authority (IHCDA) is seeking letters of intent from Real Estate Department Partners that would like to participate in the 2015 Rental Housing Tax Credit (RHTC) General Set-Aside Round.

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**LETTER OF INTENT SUBMISSION REQUIREMENTS**

**Eligible developments are those meeting the threshold requirements established in the 2014-2015 Qualified Allocation Plan (QAP).**

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Upon the selection of the final applicants, IHCDA and the Advisory Committee will schedule a two-hour site visit to each community, in which the development team will have an opportunity to present the project concept and highlight the development location.

**Appendix D (Continued)**

Selected final applicants will be required to submit a complete RHTC application by July 1, 2015.

Final funding recommendations will be made on August 27, 2015.

**EVALUATION**

Letters of Intent will be evaluated based on:

- Uniqueness of the project concept and ability to address an unmet need;
- Contribution to IHCDA mission and goals;
- Reasonableness of the scope of project;
- Financial viability;
- The extent to which the project would be at a competitive disadvantage in a competitive round based on score, yet still meet the minimum threshold score; and
- Documented and demonstrated capacity to complete proposed activities, including the ability to submit a response to a complete application if selected as a finalist.

Questions regarding the Letter of Intent may be directed to:

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Rental Housing Tax Credit Manager  
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