



Entry Form 2017 Annual Awards for Program Excellence

Entry Deadline: Thursday, June 15, 2017, Midnight ET

Each entry must include a completed entry form. Please complete a form for each entry your HFA is submitting. The completed entry form will become the first page of your entry.

This form is a fillable PDF. Type your information into the entry form and save it as a PDF. Please do not write on or scan the entry form. **Questions: Call 202-624-7710 or email awards@ncsha.org.**

Entry Title: Enter your entry's title exactly as you wish it to be published on the NCSHA website and in the awards program.

Category:

Subcategory:

Entry Summary: A 15-word (max) summary of the program, project, or practice you are entering.

HFA:

HFA Staff Contact:

Phone:

Email:

Visual Aids:

Are you mailing to NCSHA 10 copies of any visual aids that cannot be included in your entry PDF? Yes No

Payment:

My HFA is mailing a check to NCSHA.
My HFA is emailing the credit card authorization form to awards@ncsha.org.

2016 Tax Exempt Program for New Senior Housing

The State of Maine is one of the oldest states in the country and our elderly population is projected to continue to grow. As a result, there is a growing need and demand for new, affordable housing for seniors.

MaineHousing's Development Department has recognized and responded to the need for additional affordable housing units for Maine's seniors. From 2011 to 2015 MaineHousing added a total of 1,815 units of affordable housing, 53% or 954 units were for seniors. In 2013, nearly 80% of units were for seniors. However, the need continues to outpace our development resources. While there are vocal constituencies supporting added resources for senior housing development, MaineHousing has become increasingly interested in the location of new senior housing. Our objective is to encourage the development of new senior housing in communities that will support the future needs of its residents, including residents of senior housing projects, to enable them to live independently.

The objective to address the future needs of senior residents began with MaineHousing's requirement that provision for health care delivery be included in new project development. Based on a roundtable discussion with health care executives, MaineHousing has sought to understand and bring the research about the interrelationship of health and housing into our policy development and program design.

Beginning with the 20XX QAP, MaineHousing has required access to broadband sufficient to support telehealth and a telemedicine room that is designated for the sole purpose of offering telemedicine services to the tenants of the Project, including counseling, home health services, diagnostic and monitoring activities, rehabilitation services (including assessment and therapy) and education. The services must be provided by qualified medical professionals in a private and confidential manner.

The next step in the evolution of our policy development was to consider the location of new senior housing in our development decisions. Reaching out to the Maine Council on Aging, an active policy and advocacy organization focused on senior issues, MaineHousing began a discussion on how to encourage the location of new senior housing in communities that are "age friendly." Given the state's demographic shift to a more elderly population, there is a growing interest among Maine's communities about supporting aging in place and age friendly programs and initiatives. Maine communities are participating, at varying levels, in several community based approaches. Perhaps the best known approaches are AARP's Livable Communities and the World Health Organization's Age Friendly World. The Maine Health Access Fund has also supported a community based approach through their Thriving in Place grant program. Finally, several Maine communities have decided to develop their own home grown approaches.

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The Maine Council on Aging worked with us to develop a tiered approach to identifying a community's commitment to adopting and implementing an age friendly approach. Three tiers were identified:

1. just starting, collecting information, organizing committees
2. analyzing, developing strategies, a plan of action
3. implementing, programs and services in place

The three organizations – Maine Council on Aging, AARP Maine, and the Maine Health Access Foundation provided lists of communities that they are working with, organized into the three tiers. This list and the associated scoring points were published in the request for proposals. A benefit of this approach is that organizations with expertise in this field provided the list of communities, drawing them into the process.

The Request for Proposals and selection of projects was completed in 2016. MaineHousing offered \$4 million in debt and subsidy financing through the 4% Low Income Housing Tax Credit Rental Loan Program. We received 5 applications totaling \$7 million. Three projects were selected of which one is an Age Friendly community and the other 2 are in Service Center communities that have a certain level of retail sales, the jobs, federally assisted housing and service sector jobs. Service centers are places where people go to work, shop, get services, and turn for help in time of need and may also provide access to transportation services, retail services and recreational opportunities. All three projects were required to incorporate telehealth into their design.

A copy of the Request for Proposals is attached. The relevant scoring criteria can be found at:

- Telemedicine Room, page 6
- Age Friendly Community, page 10

While the number of projects is not large, we have begun the discussion of where to locate senior housing with a view toward supporting tenants to age in place into the future. We have also built a positive partnership with the organizations in Maine that share this mission.



2016 Tax-exempt Financing Program for the Creation of New Senior Housing

MaineHousing is making the following resources available under the Rental Loan Program to finance eligible new affordable rental housing for seniors:

- Proceeds of tax-exempt facility bonds issued pursuant to Section 142(d) of the Internal Revenue Code of 1986, as amended (the “Code”)
- 4% “automatic” Low Income Housing Tax Credit
- 0% deferred financing sources, which include:
 - Federal funds pursuant to Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, 42 USC § 12701 *et seq.*, and the HOME Investment Partnerships Program Rule, 24 CFR Part 92, all as amended, (“FedHOME Funds”); and
 - Proceeds of tax-exempt facility bonds and other bond-related funding subject to MaineHousing’s Mortgage Purchase Program Bond Resolution and Section 142(d) of the Code

Any funding awarded to a Project will include the proceeds of tax-exempt facility bonds issued pursuant to Section 142(d) of the Code and the low-income housing tax credits generated by the tax-exempt bond proceeds. The Project may also be awarded 0% interest deferred funding that MaineHousing determines is necessary for the Project to be feasible, considering other resources available for the Project, and that provides for the most efficient use of the funding sources available under this program.

Funding under this program is available for eligible Projects on a competitive basis until such time as the resources allocated to this program are exhausted or are insufficient to fund an eligible Project. Projects that have a Notice to Proceed from another MaineHousing program are not eligible to apply.

Applicants must comply with the requirements of MaineHousing’s Rental Loan Program Guide dated August 2014 (the “RLP Guide”) not specifically addressed herein and the applicable requirements of the 2015-2016 Qualified Allocation Plan for the State of Maine (the “QAP”). The RLP Guide and the QAP can be found at MaineHousing’s website, www.mainehousing.org. Capitalized terms used but not defined herein have the meanings set forth in the QAP.

MaineHousing reserves the right to suspend or terminate this program at any time and to reject or cease processing any application prior to issuing a financing commitment. MaineHousing is under no obligation to finance any Project until a financing commitment has been issued by MaineHousing and accepted by the applicant in accordance with its terms.

TAX-EXEMPT BOND FINANCING AND TAX CREDITS

The source of funding for interest-bearing construction and permanent financing for Projects under this program will be proceeds from qualified tax-exempt facility bonds issued pursuant to Section 142(d) of the Code.

MaineHousing will provide the construction-period financing for Projects unless otherwise approved by MaineHousing. MaineHousing will utilize a financial institution, selected by the Applicant and acceptable to MaineHousing, to serve as MaineHousing's escrow agent for disbursing the proceeds of the construction financing. The financial institution must enter into an escrow agreement on terms and conditions acceptable to MaineHousing.

All Projects must be eligible for and utilize the "4% automatic" federal Low Income Housing Tax Credit ("LIHTC") as described in Section 42 of the Code generated by the tax-exempt bond funding provided to the Project.

Projects must comply with the QAP, Section 142 of the Code and associated regulations regarding the use of tax-exempt bond proceeds, and Section 42 of Code and associated regulations regarding the LIHTC.

0% INTEREST DEFERRED FUNDING

MaineHousing is making 0% interest deferred funding in an aggregate amount up to \$4,000,000 available for eligible Projects. The amount of these resources awarded to a Project will be limited to the lesser of (i) \$40,000 per LIHTC-eligible unit for a Project that is eligible for federal and state historic rehabilitation tax credits, (ii) \$65,000 per LIHTC-eligible unit for Projects in York, Cumberland, Androscoggin and Sagadahoc Counties and \$85,000 per LIHTC-eligible unit for all other Projects, (iii) \$2,000,000 per Project, and (iv) the amount that MaineHousing determines is necessary for the feasibility and long-term viability of the Project.

MaineHousing intends to maximize the use and efficiency of all of the 0% interest deferred funding resources available under this program when allocating these resources to successful Applicants. Accordingly, MaineHousing, in its sole discretion, will determine the source(s) and amount(s) of 0% interest deferred funding awarded to successful Applicants based on the underwriting criteria set forth below. An Applicant may be awarded one or more of the sources of 0% interest deferred funding identified above, which may be different from the source and/or in a lesser amount than is requested in the Application for the Project.

Applicants must comply with all requirements associated with all sources of 0% interest deferred funding resources awarded to the Applicant.

MaineHousing reserves the right to award all, a portion or none of the available funding during any offering, depending on the quality and merits of the applications received and the availability of the funding.

FINANCING TERMS AND UNDERWRITING CRITERIA

- Construction Financing Terms:**
- 2.5% interest rate per year plus a 2-point origination fee, subject to change based on market conditions at the time the tax-exempt facility bonds are issued.
 - Secured by a first-lien mortgage and security interest in the Project and related personal property.
 - Prepayment prohibited until construction completion and satisfaction the requirements of Section 42(h)(4)(B) of the Code (the “50% Test”) for LIHTC eligibility.

Interest-bearing Financing Terms:

- 5.5% interest rate per year, subject to change based on market conditions at the time the tax-exempt facility bonds are issued.
- At the Applicant’s option, (a) amortization of principal and interest over 30 years, (b) amortization of principal and interest over 40 years with a balloon payment due at the end of 30 years, (c) interest only payments for 30 years with a final balloon payment of all amounts owed due at the end of 30 years, (d) interest only payments for 15 years with a 30-year amortization beginning in year 16 and a final balloon payment of all amounts owed due at the end of 30 years, (e) interest only payments for 15 years with a 40-year amortization beginning in year 16 and a final balloon payment of all amounts owed due at the end of 30 years.
- Financing must be supported by an operating budget acceptable to MaineHousing that should demonstrate a cash flow of at \$500 per unit in the first year of stabilized operations and should not drop below \$200 per unit based on MaineHousing expense trending.
- Secured by a first lien mortgage and security interest in the Project and related personal property.
- Prepayment prohibited during the term of the financing.

- 0% Deferred Financing Terms:**
- No interest deferred payment financing with payment due on the earliest of (a) 30 years, (b) a sale, transfer, or assignment of the Project, (c) the discontinuation of the

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intended public purpose, or (d) a default of any
MaineHousing financing on the Project.

- Secured by a mortgage and security interest in the Project and related personal property, the priority of which will be determined on a project-by-project basis depending on the funding source. Bond-related sources must be secured by a first lien mortgage and security interest in the Project and related personal property.
- Prepayment prohibited during the term of the financing.
- All other resources available for the Project, including without limitation equity generated from the LIHTC and any other tax credits, the interest-bearing financing that MaineHousing determines the Project can support and other non-MaineHousing resources, will be considered in determining the need for and amount of 0% interest deferred financing. Applicants must maximize all other resources available for the Project.
- The amount of 0% interest deferred funding awarded to a Project may be less than the amount requested by the Applicant if MaineHousing determines that the Project can support more interest-bearing financing based on its review of the Project's operating budget.
- MaineHousing will use the maximum LIHTC rent for LIHTC-eligible units to determine the need for 0% interest deferred financing, except for LIHTC-eligible units in Projects for which the comparable market rent is less than the maximum LIHTC rent as supported by an independent market study acceptable to MaineHousing.
- Applicants that propose affordability targeting that is deeper than 60% of area median income must demonstrate resources from a non-MaineHousing source that support the greater affordability.
- If a Project is underwritten at rents that are less than the maximum LIHTC rent, the Project will be obligated to maintain the lower rents during the term of the MaineHousing financing.
- 0% interest deferred financing may be made available during the construction of the Project to the extent possible, as determined by MaineHousing in its sole

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discretion, considering any limitations of the sources and
the requirement that the Project satisfy the 50% Test for
LIHTC eligibility.

Construction Cost Increases:

- If the construction costs of a Project increase after the date of the Application due to market conditions or other reasons beyond the control of the Applicant, as determined by MaineHousing in its sole discretion, and the Project has been awarded the maximum LIHTC allowed under the QAP, MaineHousing may, at its sole discretion, award additional resources to the Project, provided that any additional 0% interest deferred financing (a) when combined with the equity generated by any additional LIHTC awarded under the QAP, will not exceed an amount equal to 5% of the Total Construction Cost for the Project estimated at the time construction bids on the Project are requested, and (b) does not exceed the 0% interest deferred financing limits set forth above.

The following rules and guidelines apply: The RLP Guide (to the extent not in conflict with this program), the 2015-2016 Qualified Allocation Plan for the State of Maine, and Chapter 29 of MaineHousing's Rules, *Multifamily Development and Supportive Housing Loans and Grants*.

SELECTION CRITERIA

Eligible Projects

To be eligible, a Project must meet the applicable threshold requirements in the QAP and the following requirements.

1. New Senior Housing. The Project must create new affordable rental housing units for seniors through new construction or adaptive reuse of non-housing structures. Seniors are persons who are elderly as defined under federal and State of Maine fair housing laws or a federal housing program designated for persons who are elderly.
2. Historic Tax Credits. Projects involving the adaptive reuse of an historic structure must apply for federal and state historic rehabilitation tax credits, if eligible, unless the Applicant can demonstrate good cause to MaineHousing's satisfaction for not pursuing these credits.
3. Minimum Affordability. For a period of 45 years, at least 40% of the units in the Project must be available for rent by persons who earn no more than 60% of the area median income and must be rent-restricted in accordance with Section 42 of the Code. The owner of the Project, and the owner of the fee interest if the Project or land on which the Project is located is leased, must execute a restrictive covenant that requires compliance with these affordability requirements and any additional affordability pledged by the Applicant and must be recorded in the appropriate registry of deeds.

4. Construction Standards. The Project must be designed and constructed in accordance with MaineHousing's *Quality Standards and Procedures Manual* dated June 2016 and all applicable local, state and federal codes, regulations, statutes and ordinances.
5. Telemedicine Room. The Project must include a room that is designated for the sole purpose of offering telemedicine services to the tenants of the Project, including counseling, home health services, diagnostic and monitoring activities, rehabilitation services (including assessment and therapy) and education. The services must be provided by qualified medical professionals in a private and confidential manner.

The design and construction of the room must comply with the specifications and requirements set forth in MaineHousing's *Quality Standards and Procedures Manual* dated June 2016. The Applicant must provide and pay for dedicated internet or wireless service with band width capacity to support live videoconferencing in real time between persons on-site and off-site using telecommunication technology (i.e. minimum of FCC Speed Tier 3 with a download speed of 10 Mbps or greater) and dedicated telephone service.

The room must be used exclusively by the qualified medical providers offering the services and by the tenants of the Project accessing the services. The providers and the tenants may not be charged for the use of the room or the internet or wireless and telephone services.

Projects that are, in MaineHousing's sole determination, within close proximity to an existing medical facility or clinic may request a waiver of this provision. This request must be submitted at least fourteen days prior to the application deadline

Scoring Criteria

Applications for eligible Projects that are accepted by MaineHousing will be reviewed and scored according to the scoring criteria set forth below. The Applicant must complete all information and submit all documentation required in the Application for this program with respect to the scoring criteria to be eligible for the points under the scoring criteria. Applications will be ranked from the highest scoring to the lowest scoring application. Any Applications selected for funding will be selected based on the score of the Application and the funding priorities set forth below.

A. **Project Characteristics (maximum of 16 points)**

1. Readiness. An Application will be awarded 4 points if (a) the Project has all municipal land use approvals (except a building permit and other permits customarily issued during construction such as electrical and plumbing permits) and all State land use approvals (such as site plan, subdivision, stormwater or wetlands approvals) required to proceed with and complete the Project, (b) any Related Development has all municipal land use approvals (except a building permit and other permits customarily issued during construction) and all State land use approvals required to proceed with and complete the Related Development, and (c) the timeframe to appeal all such approvals has expired as of the date of the Application with no appellate action being taken or all appeals have been resolved as of the date of the Application. The design of the Project submitted to and approved by the municipality and the State must be acceptable to MaineHousing. The Applicant must meet with MaineHousing's Construction Services Manager

concerning the design of the Project before submitting the design to the municipality and the State for approval. Notwithstanding MaineHousing’s approval of the level of design of the Project approved by the municipality and the State, the final design of the Project, including all plans, details and specifications, must be approved by MaineHousing.

2. Historic Rehabilitation. An Application will be awarded 2 points if the Project includes the rehabilitation of a certified historic structure and uses capital generated from both the federal historic preservation tax credit under Section 47 of the Code and the State historic preservation tax credit under 36 M.R.S.A. § 5219-BB for the development of the Project.
3. Accessibility. An Application will be award 1 point, up to a maximum of 10 points, for each accessible unit for persons with mobility impairments in the Project that exceeds the number of such units required by applicable federal and state accessibility laws and associated regulations. At a minimum, the additional unit(s) must meet the requirements for a Type A unit under ANSI Standard A117.1-2009.

B. Financial Characteristics (maximum of 40 points)

1. Total Development Cost. An Application will be awarded points or lose points based on the Total Development Cost of the Project relative to the following benchmark and range of Total Development Cost for a project of its type.

Type of Project	Benchmark Total Development Cost (per unit cost)	Lower Limit of Range (per unit cost)	Upper Limit of Range (per unit cost)
New Construction	\$180,000	\$175,000	\$185,000
Adaptive Reuse	\$225,000	\$220,000	\$230,000

If a Project involves the adaptive reuse of an historic structure and new construction, the Benchmark Total Development Cost and the lower limit and upper limit of the associated range of Total Development Cost will be determined as follows. The Benchmark Total Development Cost is the sum of the percentage of Total Development Cost allocable to each project type, based on the number of units in each project type, as applied to the Benchmark Total Development Cost for the respective project type. The lower limit of the associated range of Total Development Cost is \$5,000 less than the Benchmark Total Development Cost and the upper limit of the associated range is \$5,000 more than the Benchmark Total Development Cost. For example, the Benchmark Total Development Cost for a Project that involves the conversion of an existing historic school into 10 units plus the construction of a new addition containing 10 units is \$202,500 per unit, which is 50% of the \$225,000 Benchmark Total Development Cost for Adaptive Reuse plus 50% of the \$180,000 Benchmark Total Development Cost for new construction. The lower and upper limits of the associated range of Total Development Cost for the Project are \$197,500 and \$207,500, respectively.

a. An Application will be awarded up to 10 points based on the percentage by which the Total Development Cost of the Project is less than the lower limit of the range of Total Development Cost for that type of project as follows.

<u>Percentage of Total Development Cost to Lower Limit of Range</u>	<u>Points</u>
>15% less	10 points
10% - 15% less	6 points
<10% less	4 points

b. An Application will lose up to 8 points based on the percentage by which the Total Development Cost of the Project is higher than the upper limit of the range of Total Development Cost for that type of project as follows.

<u>Percentage of Total Development Cost to Upper Limit of Range</u>	<u>Points</u>
<10% higher	-3 points
10% - 13% higher	-5 points
>13% higher	-8 points

If there is any increase in the Total Development Cost of the Project between the date of the Application and the later of the construction loan closing for the Project or an allocation of LIHTC for the Project and the increase is not the result of market conditions or other reason beyond the control of the Applicant as determined by MaineHousing, MaineHousing will re-score the Application based on its effect under this scoring criteria.

The Applicant must submit a written plan describing how the Applicant intends to cover the increased Total Development Cost to MaineHousing within 30 days of the date MaineHousing notifies the Applicant that the Application has been re-scored. The plan must identify the source(s) of funding to cover the increased cost and provide the timeframe for application, commitment and closing for the source(s) of funding, and must otherwise be acceptable to MaineHousing.

Any Notice to Proceed issued with respect to the Application will be automatically terminated and the Application will be placed on the waiting list in the order of its score relative to other Applications if (1) the total score of the Application, after re-scoring, is less than the total score of the highest scoring Application on the waiting list, or (2) the Applicant cannot submit a plan to cover the increased Total Development Cost with eligible non-MaineHousing funding. If the total score of the Application is equal to the score of one or more other Applications, MaineHousing will use the tie breaker mechanism in subsection E. below to determine the priority of the Application.

2. Efficient use of 0% Interest Deferred Funding. An Application will be awarded 1 point, up to a maximum of 20 points, for each \$1,500 that the amount of 0% interest

deferred funding per LIHTC-eligible unit requested in the Application is below the applicable per unit 0% interest deferred funding limit for the type of project set forth above.

For example, a Project in Somerset County that is not eligible for federal and state historic rehabilitation tax credits will be scored as follows:

<u>Amount of 0% Interest Deferred Funding</u>	<u>Points</u>
\$85,000 - \$83,501 per LIHTC-eligible unit	0 points
\$83,500 - \$82,001 per LIHTC-eligible unit	1 point
\$82,000 - \$80,501 per LIHTC-eligible unit and so on until	2 points
\$55,000 or less per LIHTC-eligible unit	20 points

Projects that are eligible for federal and state historic rehabilitation tax credits and Projects that are located in York, Cumberland, Androscoggin or Sagadahoc County will be scored similarly beginning with the respective 0% interest deferred funding limits for these projects.

3. New Project-based Rental Assistance. An Application will be awarded up to 5 points based on the percentage of LIHTC-eligible units in the Project for which new project-based rental assistance has been committed as follows.

<u>Percentage of LIHTC-eligible Units</u>	<u>Points</u>
15% to < 25% (but not less than 4 units)	1 point
25% to < 50%	2 points
50% to < 75%	3 points
75% to <100%	4 points
100%	5 points

Assistance provided under the Project-Based Voucher Program pursuant to 24 CFR Part 983 is eligible for points under this subsection only if the Project has been awarded assistance pursuant to a competitive process prior to the date of the Application. Project-based rental assistance made available, either directly or indirectly, by MaineHousing is not eligible for points under this subsection. To be eligible, the terms of the project-based rental assistance must be similar to the terms of RD or HUD project-based rental assistance or provide rental assistance in the minimum amount of \$200 per assisted unit per month.

4. Developer Fee Contribution. An Application will be awarded 5 points if at least 25% of the maximum net Developer Fee allowed under Section 7.B.2. of the QAP in connection with the project is deferred, loaned or foregone for the benefit of the Project. Any Developer Fee pursuant to Section 7.B.3. is not eligible for points under this scoring criteria.

C. Project Location (maximum of 28 points)

1. Age-friendly Communities. An Application for a Project located in a community that has made a commitment to participate in an aging-in-place community initiative will be awarded up to 15 points based on the progress made to implement the community’s initiative as set forth below.

Age-friendly Communities	Points
Bath	15
Blue Hill	15
Boothbay	15
Bowdoinham	15
Brunswick	15
Bucksport	15
Cape Elizabeth	15
Caribou	15
Cumberland	15
Dexter	15
Dover-Foxcroft	15
Ellsworth	15
Fairfield	15
Falmouth	15
Fort Fairfield	15
Fort Kent	15
Freeport	15
Harpswell	15
Houlton	15
Madawaska	15
Madison	15
Orland	15
Pittsfield	15
Presque Isle	15
Prospect	15
Rangeley	15
Skowhegan	15
Swan’s Island	15
Verona Island	15
Yarmouth	15
Berwick	10
Bethel	10
Biddeford	10
Buxton	10
Eliot	10
Farmington	10
Greenwood	10

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Jackman	10
Jay	10
Kennebunk	10
Kennebunkport	10
Kittery	10
Lebanon	10
Lyman	10
Machias	10
Newry	10
North Berwick	10
Old Orchard Beach	10
Paris	10
Portland	10
Saco	10
Sanford	10
South Berwick	10
South Paris	10
Waterboro	10
Wells	10
Wilton	10
Woodstock	10
York	10
Bangor	5
Bar Harbor	5
Belfast	5
Camden	5
Limerick	5
Lincoln	5
Millinocket	5
Readfield	5
Rockland	5
Southwest Harbor	5
Stoneham	5
Topsham	5

2. Service Center Community Need. An Application for a Project located in a Service Center Community will be awarded up to 3 points based on the need for affordable senior housing in the Service Center Community as determined by MaineHousing and set forth below.

Service Center Community	Points
Auburn	3
Augusta	3
Bangor	3

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Biddeford	3
Brunswick	3
Falmouth	3
Kittery	3
Lewiston	3
Portland	3
Saco	3
Sanford	3
Scarborough	3
South Portland	3
Topsham	3
Waterville	3
Westbrook	3
Bar Harbor	2
Bath	2
Belfast	2
Brewer	2
Bridgton	2
Caribou	2
Ellsworth	2
Freeport	2
Kennebunk	2
Madawaska	2
Old Orchard Beach	2
Presque Isle	2
Rockland	2
Rumford	2
Skowhegan	2
Van Buren	2
Windham	2
Bethel	1
Blue Hill	1
Camden	1
Damariscotta	1
Dexter	1
Dover-Foxcroft	1
Farmington	1
Fort Kent	1
Gardiner	1
Hermon	1
Houlton	1
Lincoln	1
Mexico	1
Millinocket	1
Mount Desert	1

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Norway	1
Oxford	1
Pittsfield	1
Rangeley	1
Rockport	1
Southwest Harbor	1
Wiscasset	1

Notwithstanding the foregoing, Applications for Projects located on Native American tribal lands will be awarded 3 points.

3. Smart Growth. An Application for a Project that incorporates the following principles of smart growth will be awarded up to 10 points.
 - a. An Application will be awarded up to 4 points if the Project has or provides access to public transportation as follows:
 - i. An Application for a Project that is located within a Safe Walking Distance of not more than ½ mile of a designated pick-up location for existing Fixed-route Public Transportation will be awarded 4 points; or
 - ii. An Application will be awarded one (1) point if Demand Response Transportation is available to all of the tenants of the Project. Demand Response Transportation services with eligibility criteria that limit or deny service to any tenants of the Project are not eligible for the points.
 - b. An Application for a Project that is located within a Safe Walking Distance of not more than one mile of a Downtown will be awarded 2 points.
 - c. An Application for a Project that is located within a Safe Walking Distance of not more than ½ mile of at least 3 destinations important to the course of daily living appropriate for seniors will be awarded 4 points. An eligible destination important to the course of daily living includes a grocery store, a senior center, a pharmacy, a bank or credit union, a post office, a retail store, a general health care practitioner’s office (not a specialist), a public library or a hospital. An applicant must justify, to MaineHousing’s satisfaction, other destinations it believes are important to the course of daily living. Convenience stores, gas stations, restaurants and other food service establishments are not eligible destinations for purposes of this subsection. If there is more than one destination important to the course of daily living within a single establishment, each destination will be counted separately for purposes of this subsection (e.g. a retail store that also includes a pharmacy and a bank branch will be treated as 3 destinations important to the course of daily living).

D. **Sponsor Characteristics (maximum of 11 points).**

1. CHDO Participation. An Application will be awarded 5 points if the Project is sponsored by a community housing development organization (CHDO) pursuant to Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, 42 USC § 12701 *et seq.*, and the HOME Investment Partnerships Program Rule, 24 CFR Part 92, all as amended.
2. Developer Capacity. An Application will be awarded up to 3 points based on the development experience of any Principal of the Applicant or Affiliate thereof as follows.
 - a. An Application will be awarded 3 points if any Principal of the Applicant or Affiliate thereof (i) has completed the development of one or more multi-family rental housing projects with MaineHousing funding or (ii) has completed the development of one or more Qualified Low-income Housing Projects in any other state(s); or
 - b. An Application will be awarded 2 points if any Principal of the Applicant or Affiliate thereof has experience developing and operating any multi-family rental housing or has experience managing any affordable housing, and the Application will be awarded one (1) additional point if the Applicant contracts with a qualified consultant with experience successfully developing and completing Qualified Low-income Housing Projects to develop the Project. For purposes of this criteria, affordable housing means multi-family rental housing that has five or more units and is assisted under a HUD or Rural Development program or is subject to a restrictive covenant requiring units in the housing to be restricted to households with income at or below 60% of area median income, as determined by HUD.
3. Owner Performance. An Application will lose points based on the performance of the Applicant, any Principal thereof or any of their Affiliates as follows.
 - a. An Application will lose 2 points if at any time since October 1, 2011, any Principal of the Applicant or Affiliate thereof has been 60 days or more delinquent in the payment of any MaineHousing loan (except delinquencies resulting from the delay or loss of Section 8 housing assistance payments), has been declared in default by MaineHousing or has failed to pay taxes or other assessments resulting in a lien on any housing funded by MaineHousing.
 - b. An Application will lose one (1) point if any Qualified Low-income Housing Project developed by the Applicant, any Principal or their Affiliates that was issued a Notice to Proceed after November 1, 2013 does not have a construction loan closing within 15 months of the date a Notice to Proceed was first issued to the Qualified Low-income Housing Project, unless the delay was the direct result of circumstances beyond the control of said Applicant, Principal or Affiliate, as determined by MaineHousing in its sole discretion.

- c. An Application will lose one (1) point for each Qualified Low-income Housing Project that was Placed in Service in the State since October 1, 2006 by any Principal of the Applicant or Affiliate thereof and had a year-end operating deficit, as determined by MaineHousing, in the last full Fiscal Year, unless the operating deficit was fully funded by the Application deadline.
 - d. An Application will lose 2 points if at any time since October 1, 2013, any Principal of the Applicant or Affiliate thereof (i) was issued an IRS Form 8823 for any reason other than a violation of UPCS or local inspection standards (box 11c of IRS Form 8823) that was subsequently reported as “noncompliance corrected” within the specified time period for correction, or (ii) had an IRS audit finding resulting in a recapture event.
4. Management Capacity. An Application will be awarded up to 3 points based on the experience of the entity that will manage the Project as follows.
- a. An Application will be awarded 3 points if the Project will be managed by a management company with at least 3 years of experience successfully managing at least one Qualified Low-income Housing Project.
 - b. An Application will be awarded 2 points if the Project will be managed by a management company that has at least one staff person with a minimum of 3 years of experience successfully managing at least one Qualified Low-income Housing Project, and will be awarded one (1) additional point if the management company has at least one additional staff person with low-income housing tax credit training in the last 3 years for every 150 units in Qualified Low-income Housing Project(s) the management company plans to manage.
5. Management Performance. An Application will lose points based on the performance of the management company that will manage the Project as follows.
- a. An Application will lose one (1) point if the last 2 consecutive physical plant inspections by MaineHousing of any Qualified Low-income Housing Project that is managed by the management company and is still in the Compliance Period had a below average or unsatisfactory rating. An Application will lose 2 points if the last 2 consecutive physical plant inspections by MaineHousing of 2 or more Qualified Low-income Housing Projects that are managed by the management company and are still in the Compliance Period had a below average or unsatisfactory rating.
 - b. An Application will lose points based on the number of Project Reports (defined as an audited financial report, an annual project budget or the annual certification and tenant data required pursuant to Section 10.B. of the QAP) that were submitted after the applicable deadline for submission since October 1, 2015 for Qualified Low-income Housing Project(s) that are managed by the management company and are still in the Compliance Period as follows.

<u>Number of Late Project Reports</u>	<u>Points</u>
1-4 late reports	-1 point
5-10 late reports	-2 points
> 10 late reports	-3 points

- E. **Tie Breaker.** In the event the total score of two or more Applications is the same and MaineHousing has, in its sole discretion, determined that there is not enough LIHTC to fund both or all of the Applications with the same score, the Application for the Project with the lowest Total Development Cost Per Unit will be selected. An Application that is not selected under this tie-breaker process will be placed on the waiting list in the order of the Application's score as prioritized under this subsection.

Commitments made in an Application for which the Application was awarded points under the above scoring criteria will be included in the Extended Use Agreement required to be executed in connection with the Project. MaineHousing will deem an Application withdrawn and any Notice to Proceed cancelled if after the Application is made there is any change in the commitments made in the Application which results in a net reduction in the total score of the Project, except as provided in section B.1. of the above scoring criteria.

Funding Priorities

Any Applications selected for funding will be selected based on their ranking after scoring and the following funding priorities.

1. The highest scoring Application for a Project located in the southern region of the State, i.e. York, Cumberland, Androscoggin and Sagadahoc Counties, and the highest scoring Application for a Project in the other regions of the State and at least one from the balance of the State; and
2. Then, any remaining Applications will be funded without regard to location until all 0% interest deferred funding is fully awarded or is insufficient to fund the next Application.

Waiting List

All Applications that are accepted and scored but not selected will be placed on a waiting list prioritized by score, from the highest to lowest scoring Application. Any 0% interest deferred funding that is returned or otherwise is allocated specifically to this program may be made available to the next Application(s) on the waiting list that can efficiently utilize and achieve feasibility with the available 0% interest deferred funding. The waiting list will automatically expire at the time MaineHousing offers the next tax-exempt financing with 0% interest deferred funding program.

SUBMISSION REQUIREMENTS

All Applicants must submit a request for pre-application site review pursuant to Section 4.A. of the QAP **no later than August 24, 2016**. The Application must be in the form prescribed by MaineHousing for this program. The Application must be completed and submitted, together with

all supporting documentation, electronically to MaineHousing's ShareFile **no later than 5:00 PM on September 22, 2016.**

MaineHousing will review all applications for completeness, eligibility and feasibility. Applications that MaineHousing determines are complete, eligible and feasible will be processed pursuant to the selection criteria set forth above. Applications that are not complete or eligible or are not feasible will be rejected.

Please call Bill Glover, Manager of Lending of the Development Division, at (207) 626-4600 if you have any questions or need information on how to access MaineHousing's ShareFile or any other information.

MAINEHOUSING'S NONDISCRIMINATION POLICY

MaineHousing does not discriminate on the basis of race, color, religion, sex, sexual orientation, national origin, ancestry, physical or mental disability, age, familial status or receipt of public assistance in the admission or access to or treatment in its programs and activities. In employment, MaineHousing does not discriminate on the basis of race, color, religion, sex, sexual orientation, national origin, ancestry, age, physical or mental disability or genetic information. MaineHousing will provide appropriate communication auxiliary aids and services upon sufficient notice. MaineHousing will also provide this document in alternative formats upon sufficient notice. MaineHousing has designated the following person responsible for coordinating compliance with applicable federal and state nondiscrimination requirements and addressing grievances: Louise Patenaude, Maine State Housing Authority, 353 Water Street, Augusta, Maine 04330-4633, Telephone Number 1-800-452-4668 (voice in state only), (207) 626-4600 (voice) or Maine Relay 711.