



To: All Rental Housing Tax Credit Partners
From: Real Estate Department
Date: July 25, 2024
Re: **Allocation Method of the 2025 Tax Credit General Set-Aside**

Notice: RED-24-40

As announced in RED Notice 24-34, IHCDA will use the scoring criteria established in the 2025 QAP for the 2025 Tax Credit General Set-Aside, with criteria added and/or removed at IHCDA's discretion to address competitive disadvantage issues and IHCDA's goals for the round. IHCDA is now releasing full details on the allocation method.

Eligibility Requirements

- Proposed developments must meet the requirements of the Preservation Set-Aside, with the added requirement that 100% of the units must qualify as preservation.
- Developments that were denied in the 2025 9% or 4%/Bonds/AWHTC tax credit rounds will not be eligible, unless the application then applies in this set-aside as a deal that includes both a 9% credit application and an accompanying 4% credit application with tax exempt bonds.

Threshold Requirements

The minimum score is waived, but all other threshold requirements remain in place.

Evaluation Factors

IHCDA will retain the following scoring criteria for the round. Scoring criteria not included in the list below will be removed for this round.

- Rent Restrictions
- Income Restrictions
- Additional Years of Affordability
- Development Amenities
- Universal Design Features
- Preservation of Existing Affordable Housing
- Tax Credit Per Unit
- Internet access
- Green Building Certification
- Onsite Recycling
- Leveraging Capital Resources
- Certified Tax Credit Compliance Specialist



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- MBE, WBE, DBE, VOSB, SDVOS
- Resident Services
- CORES
- Eviction Prevention Plan
- Low Barrier Tenant Screening
- Negative Points for Owners Who Have Requested Release Through Qualified Contract

IHCDA is adding the following new scoring criteria:

- Number of Units Preserved
 - 50-74 – 1 point
 - 75-99 – 2 points
 - 100 or more – 3 points
 - Required Documentation: Form A
- Tax Credit Units Aged Out or Most at Risk of Aging Out of the Program
 - Project is currently in Years 16-20 (as of application due date) – 1 point
 - Project is currently in Years 21-25 (as of application due date) – 3 points
 - Project is currently Years 26+ (as of application due date) – 5 points
 - Project already aged out or was released through Qualified Contract or foreclosure (as of application due date) – 5 points
 - Required Documentation: Selection made on the score sheet. IHCDA will then confirm.
- 9% & 4% Applications
 - Applicant includes both a 9% credit application and an accompanying 4% credit application with tax exempt bonds – 5 points
 - Required Documentation: Applications for both types of credits.
- Competitive Disadvantage
 - The application has been submitted and denied due to score in a previous IHCDA competitive funding round for tax credits – 2 points
 - Required Documentation: Selection made on score sheet. IHCDA will then confirm.
- Leveraging of Solar & Energy Resources (4 or 2 points)
 - The project will leverage a solar energy financing program that will provide meaningful utility cost savings to the residents – 4 points; or
 - The project has a commitment of another Federal or State Energy Rebate – 2 points
 - Required Documentation: Copy of the commitment letter.
- Replacement Reserves
 - Property has less than \$50 in replacement reserves per unit as of December 31, 2023, based on audited financial statements - 3 points
 - Required Documentation: Audited financial statements from the property as of 12/31/23.
- Operating Reserves
 - Property has less than one month of operating reserves as of December 31, 2023, based on audited financial statements - 3 points
 - Required Documentation: Audited financial statements from the property as of 12/31/23.
- Areas that are Underserved (up to 6 points total)
 - Project to be preserved is the only tax credit project in the county – 2 points
 - Project to be preserved is the only tax credit project in the city/town – 2 points
 - Project to be preserved is the only tax credit project in the census tract – 2 points

- Required Documentation: Selection made on score sheet. IHEDA will then confirm.

Application Due Date

December 23, 2024 by 5:00 ET

Anticipated Award Date

March 27, 2025

Questions about this notice should be directed to Alan Rakowski, Director of Real Estate Allocation, via arakowski@iheda.in.gov