

# **NIFA Programs Committee Report**

## **June 17, 2020**

The NIFA Programs Committee (Warren Arganbright, Marlin Brabec, Herb Freeman, and Galen Frenzen) met with NIFA staff members (Tim Kenny, Sara Tichota, and Robin Ambroz) and Theresa Bima-Reeves and Erika Lynch from Kutak Rock LLP on Wednesday, June 17, 2020. The Programs Committee discussed the recommendation of Competitive Round Two and CRANE Low Income Housing Tax Credit (LIHTC) and Nebraska Affordable Housing Tax Credit (AHTC) Conditional Reservations and the 2020/2021 Amended and Restated Qualified Allocation Plan (2020/2021 QAP).

NIFA staff provided an overview of the Competitive application review process, including a summary of the applications received, LIHTC/AHTC requests, and individual scoring categories, such as Efficient Housing Production. Also, the attendees discussed the CRANE application and recommendation process, as well as reviewing the project summaries for the recommended CRANE developments. NIFA staff will provide a PowerPoint presentation summarizing the applications received and the associated scoring at the June 19, 2020 Board Meeting.

NIFA staff provided an overview of the public process that was involved in the drafting of the 2020/2021 QAP, to include discussion at prior NIFA Board meetings and the oral and written public comments received in connection with the public hearing on June 15, 2020. Attendees discussed such comments, as well as the changes between the 2020 QAP and the 2020/2021 QAP. During the course of discussing the public comments, it became apparent that recommendation of the 2020/2021 QAP for approval by the NIFA Board and the Governor should be postponed for a later date to allow for additional review and discussion.

In closing, NIFA staff has determined and reviewed with the Programs Committee that the six (6) applications for the developments being recommended in Competitive Round Two and the two (2) in CRANE meet the Threshold Requirements of the 2020 Qualified Allocation Plan.

**Recommendation:** Approval of the recommended 2020 Competitive Round Two and CRANE Conditional Reservations as presented to the NIFA Board.

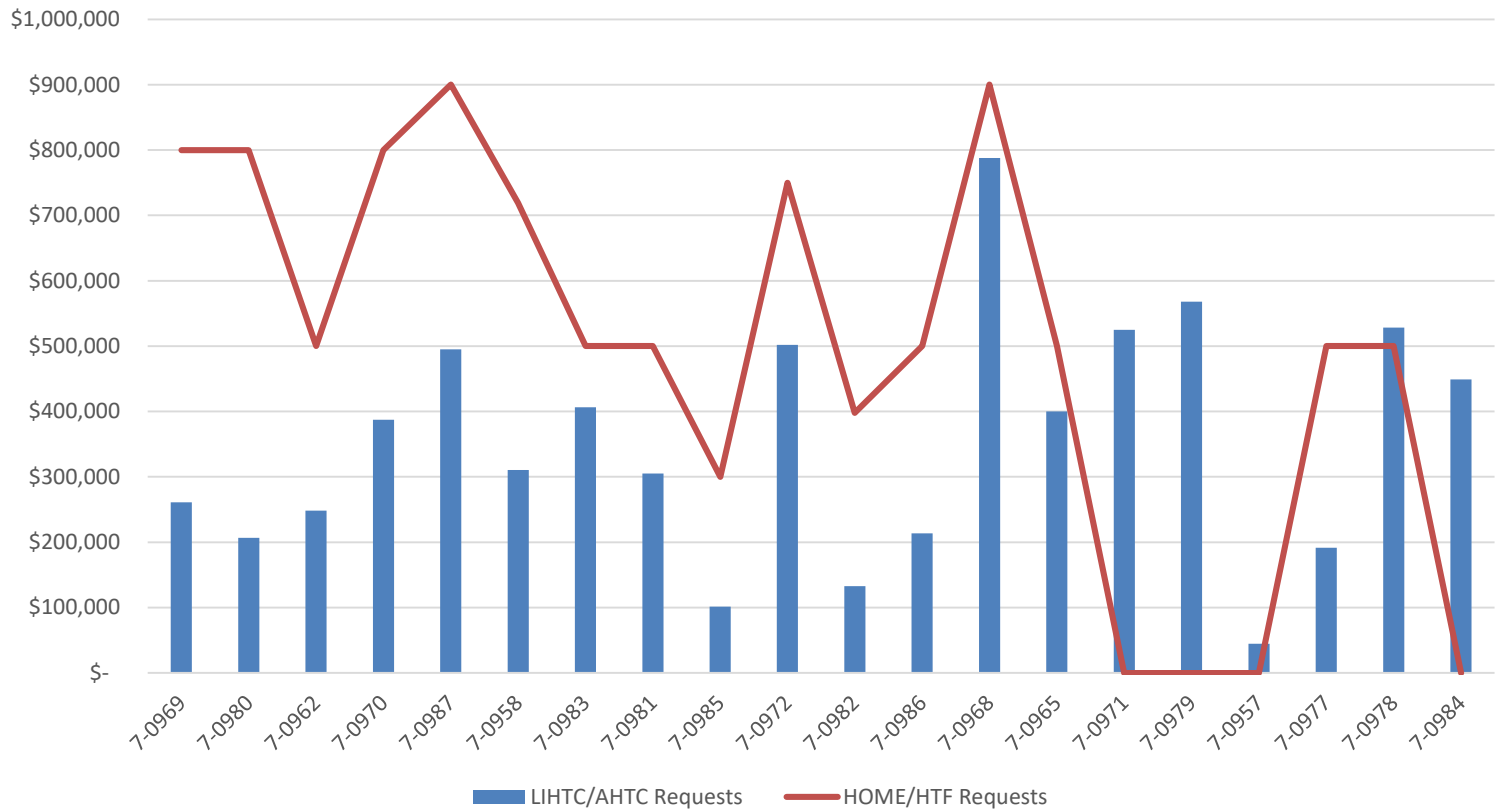


# Low Income Housing Tax Credit (LIHTC) and Nebraska Affordable Housing Tax Credit (AHTC) Programs Committee Report

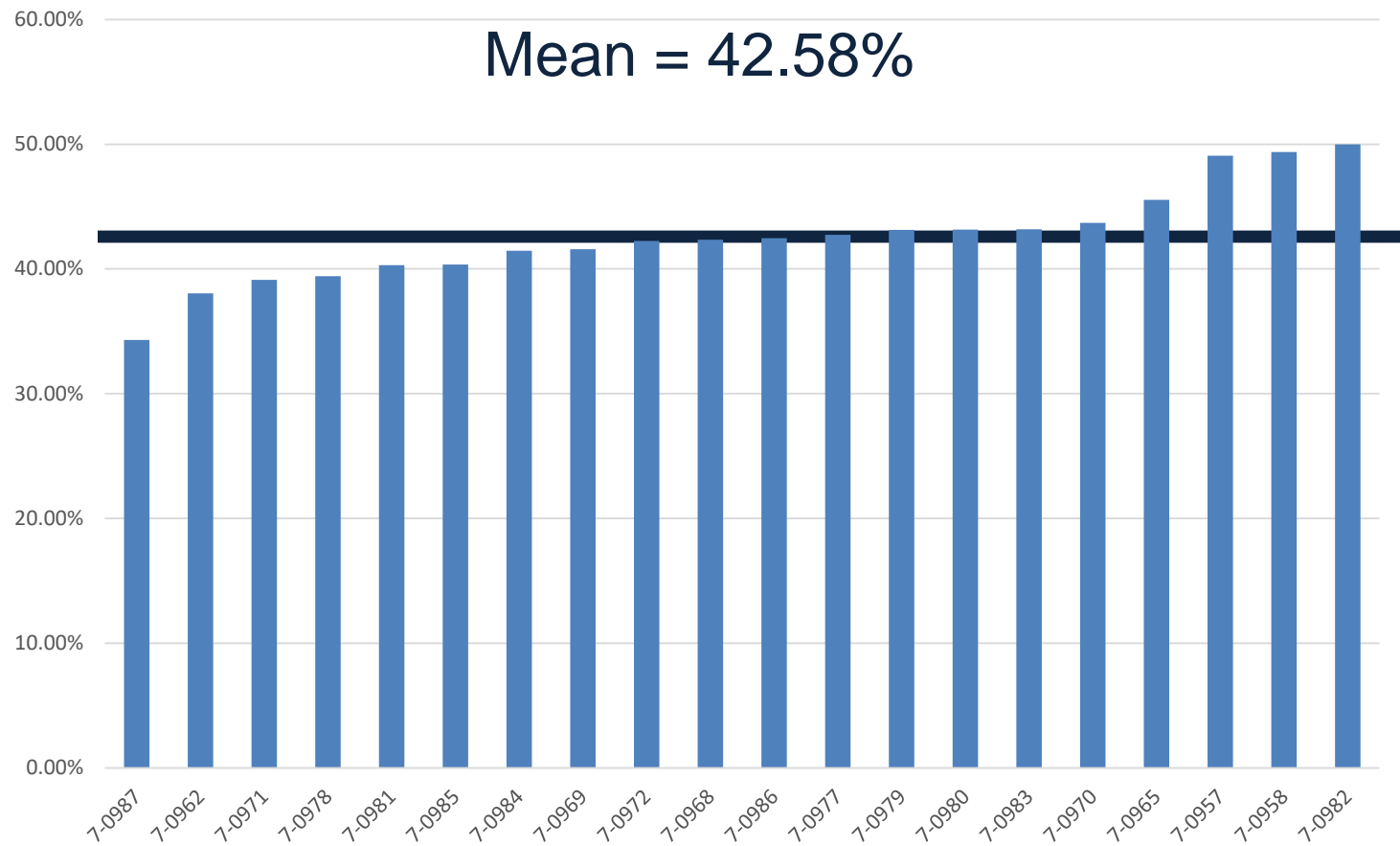
June 2020

# 2020 Round Two Requests

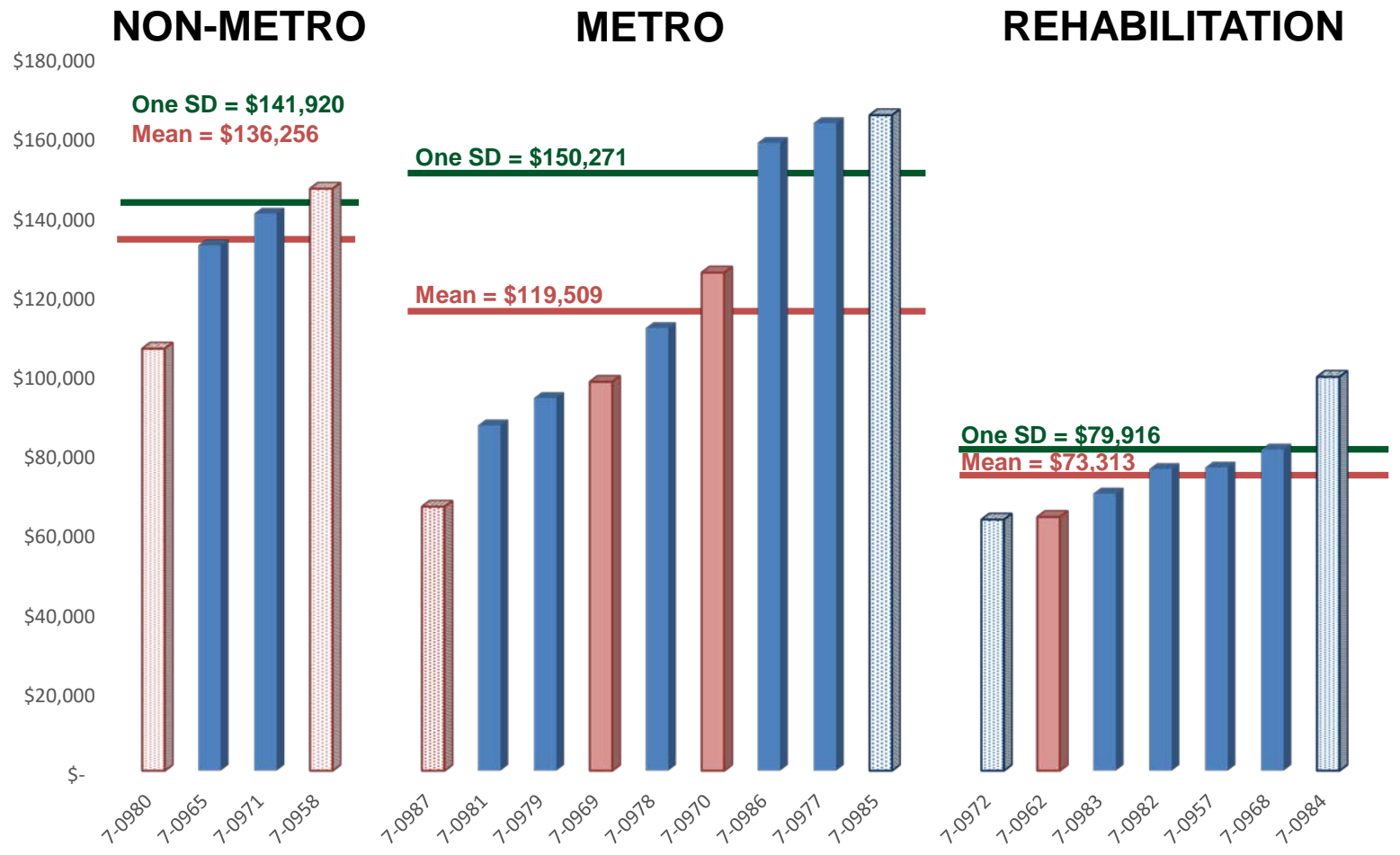
LIHTC/AHTC Requests = \$7,064,414  
HOME Requests = \$9,867,000



# 2020 Round Two Rent Targeting



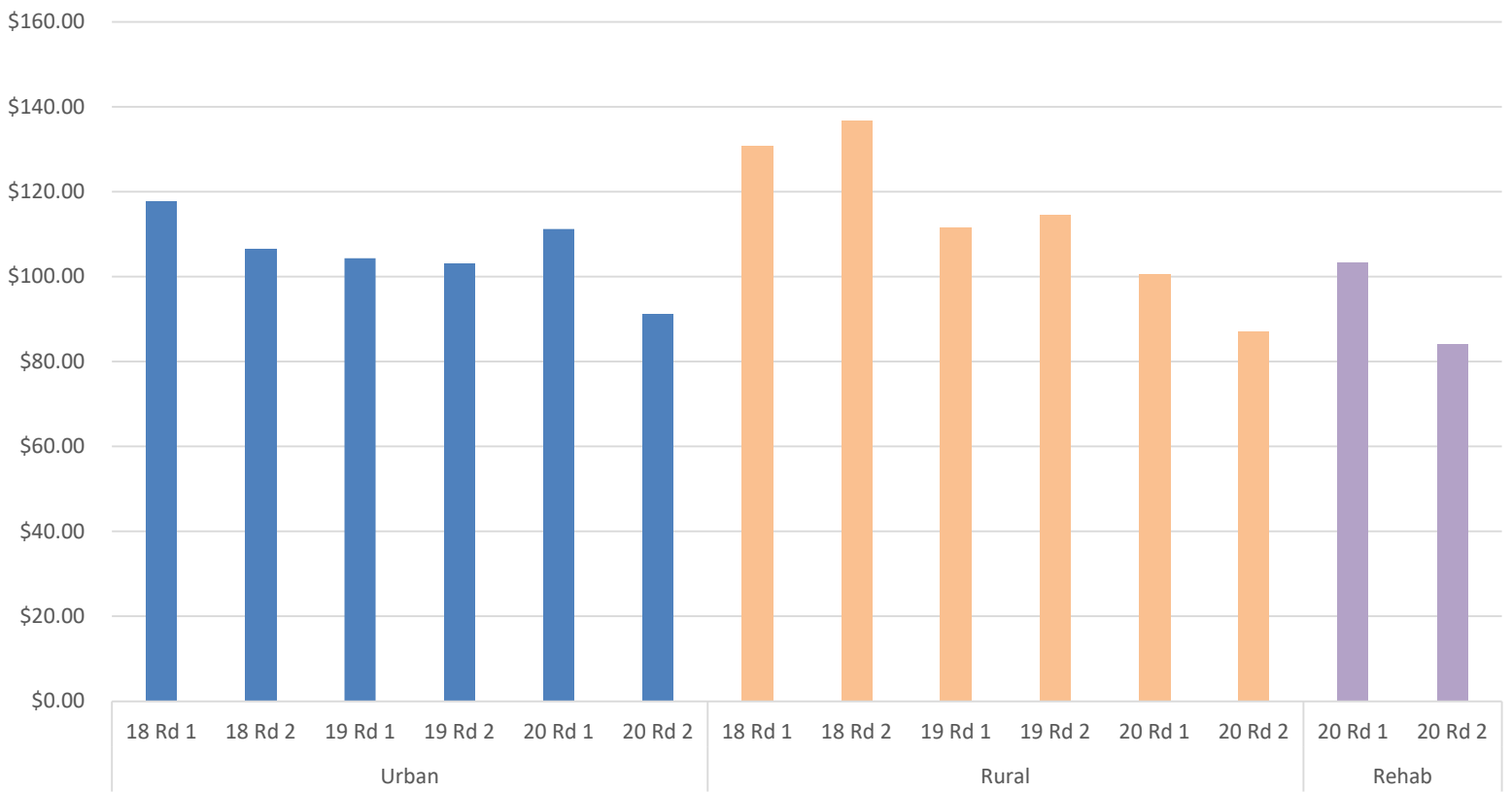
# 2020 Round Two Cost per Unit



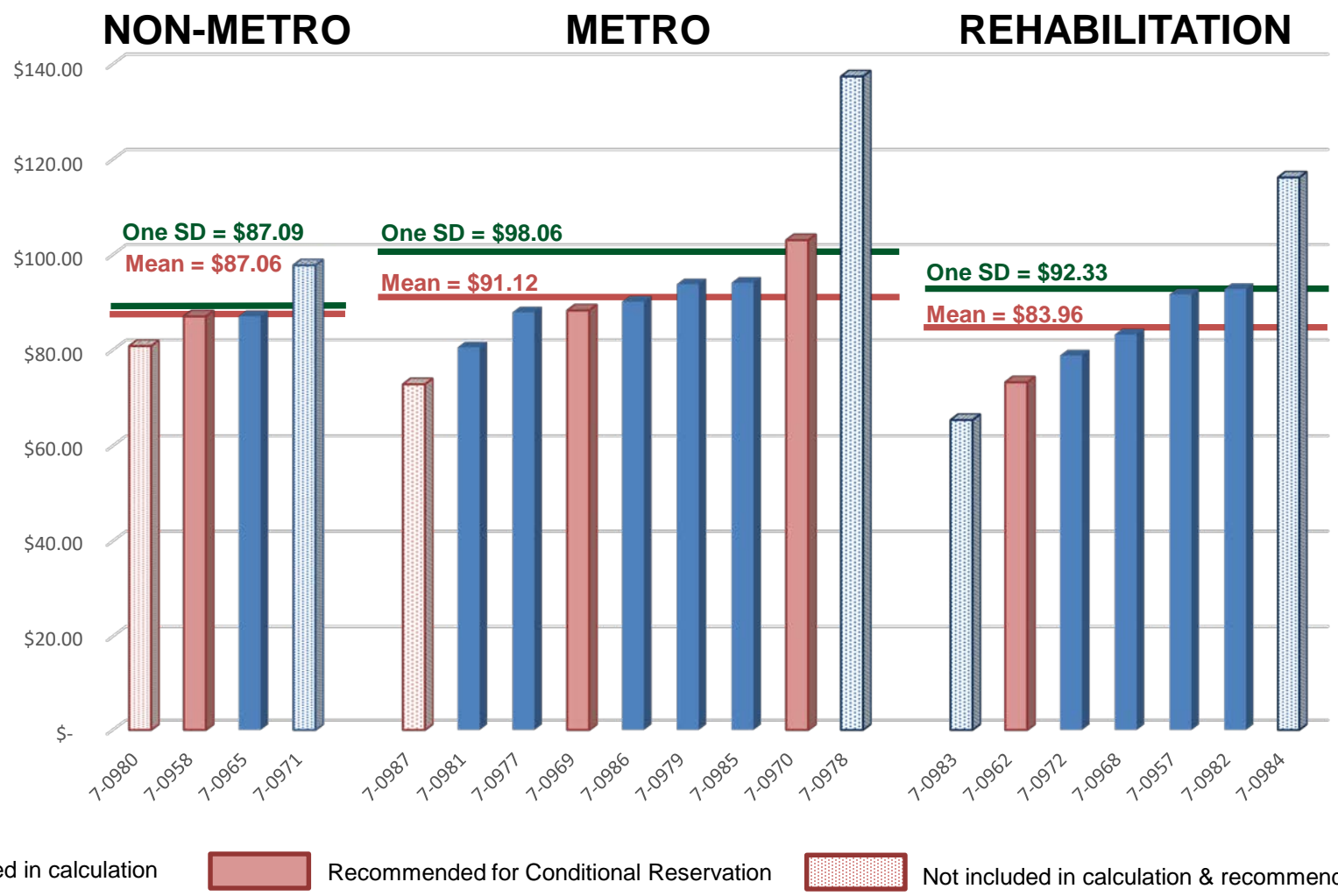
Not included in calculation
  Recommended for Conditional Reservation
  Not included in calculation & recommended

# Cost Per Square Foot 2018-2020

Mean Cost Per Square Foot  
Based on Eligible Basis



# 2020 Round Cost per Square Foot

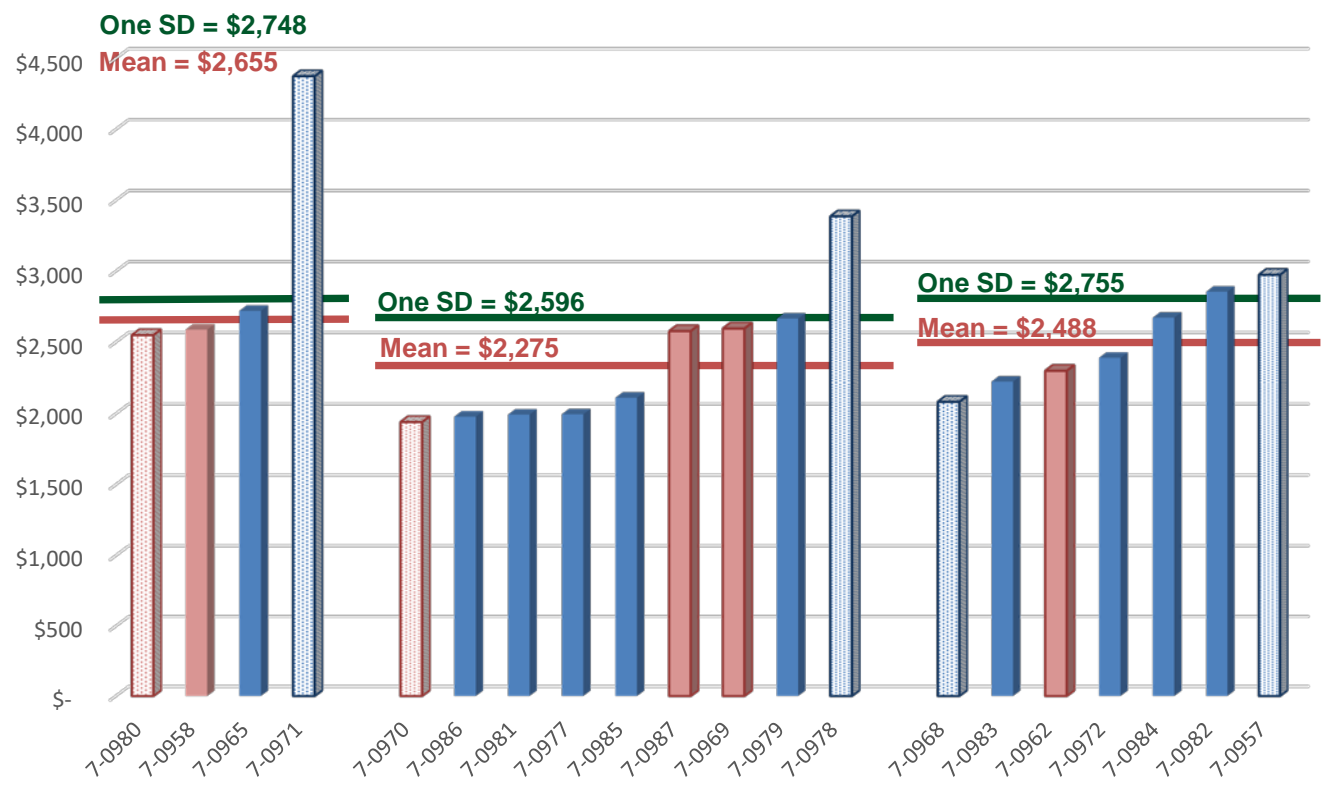


# 2020 Round Two LIHTC per Occupant

**NON-METRO**

**METRO**

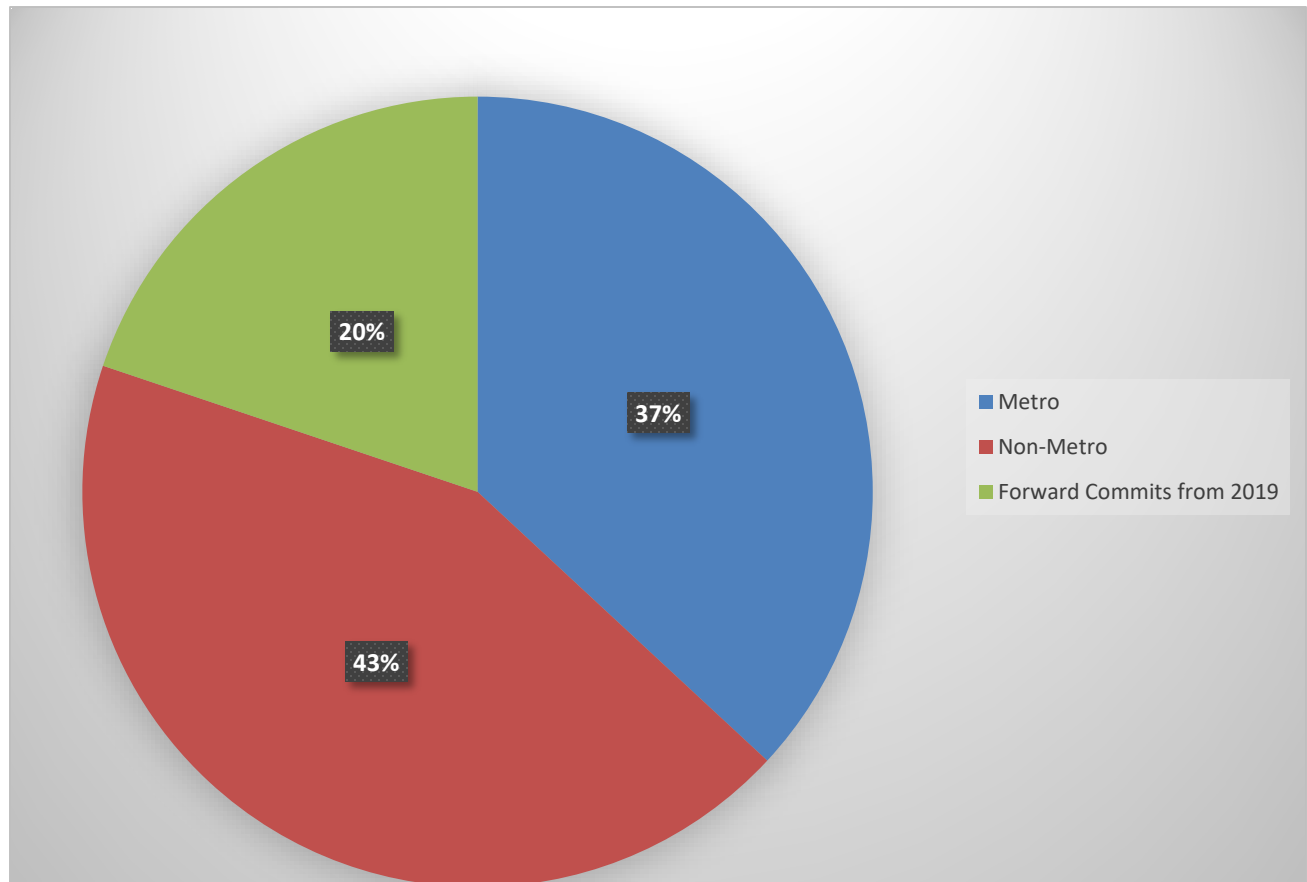
**REHABILITATION**



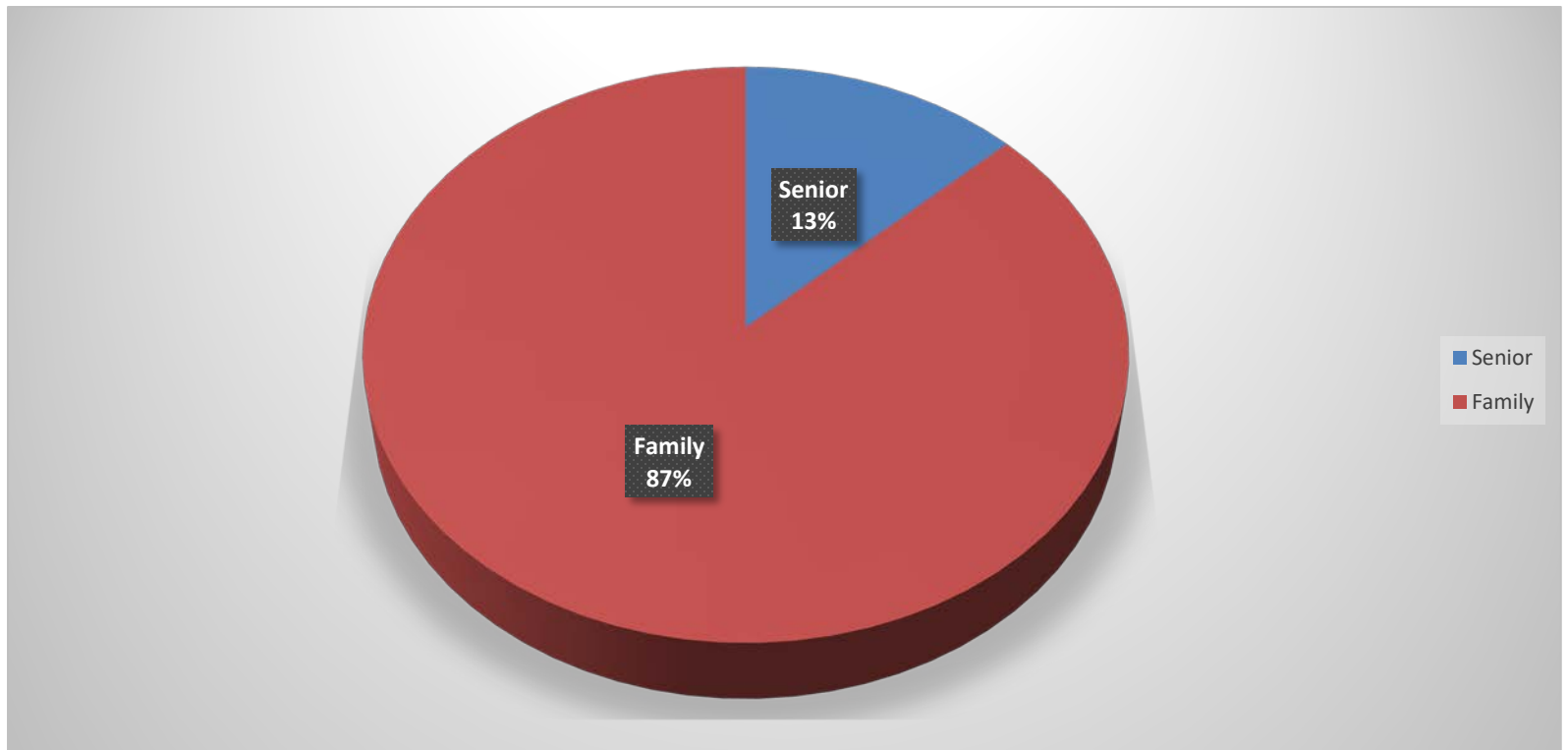
  Not included in calculation    
   Recommended for Conditional Reservation    
   Not included in calculation & recommended



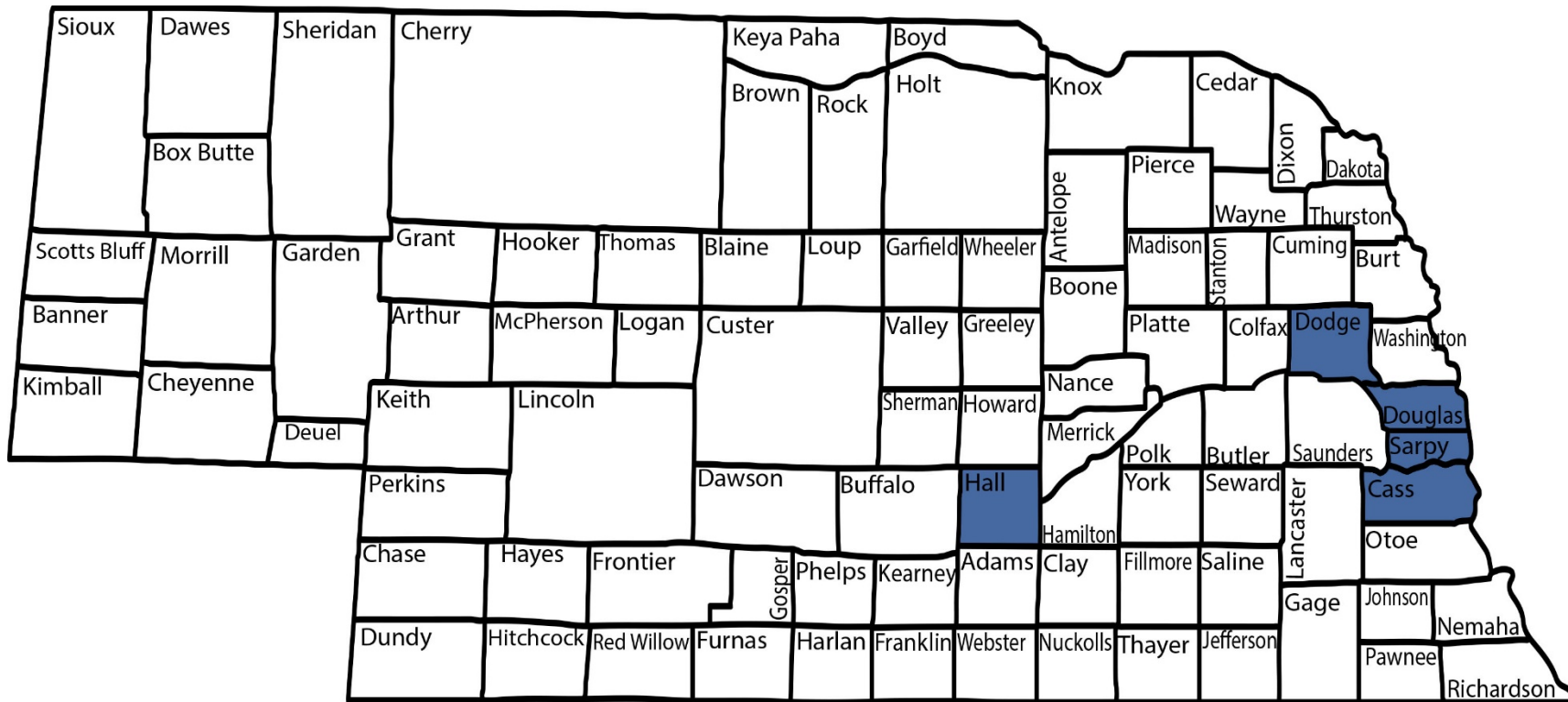
## 2020 Competitive Allocation Split



## 2020 Round Two Conditional Reservations by Project Type



# 2020 Round Two Distribution



(248 units)

# CRANE Developments

Bethlehem House      Omaha, NE

- Fifteen Units
- Permanent Supportive Housing
- Drug and Alcohol Dependency

Villa Rows      Omaha, NE

- Twenty-Three Units
- Households at or below 30% AMI
- Service Coordinator

## CRANE Project Summaries

**Bethlehem House**, will be located at 2315 S 15<sup>th</sup> Street in Omaha, Nebraska. This development will consist of fifteen (15) three-bedroom units. All fifteen (15) of the units will provide housing for low income households, with the development giving a preference to special needs individuals who have a drug or alcohol dependency. This development is adjacent to an existing Bethlehem House facility and allows the creation of a permanent supportive housing program. The overall targeted rent will be 32.19% of AMI (Area Median Income) with all units targeted to households at or below 60% AMI. Bethlehem House will utilize a conventional loan, donated land and a deferred developer fee, as well as Low Income Housing Tax Credits and Affordable Housing Tax Credits. The development will offer an array of supportive services at no cost to the residents, which will include but are not limited to the following:

- 1) Onsite food pantry at no cost to the tenant.
- 2) Monthly onsite congregate meals will be provided at no cost to the tenant.
- 3) Monthly onsite, organized tenant activities offered at no cost to the tenant.

**Villa Rows**, will consist of the construction of twenty-three (23) units to be located in the Omaha View and Deer Park Neighborhoods in Omaha, Nebraska. The project will include two (2) two-bedroom and twenty-one (21) four-bedroom units. The overall targeted rent will be 36.87% of AMI (Area Median Income) with seven (7) units targeted for households earning below 30% AMI. The development will utilize City of Omaha Home Funds, National Housing Trust Funds, Tax Increment Financing, a General Partner loan, and a conventional loan, as well as Low Income Housing Tax Credits and Affordable Housing Tax Credits. Villa Rows will partner with Heartland Family Services and will offer an array of supportive services which include but are not limited to the following:

- 1) Transportation Services – 12 round trips at no cost to the tenant
- 2) Onsite RentWise Education
- 3) Quarterly onsite medical, dental or vision testing at no cost to the tenant

**SUMMARY OF 2020 ROUND TWO APPLICATIONS**

NIFA #	Development	# of Units	Location	County	Metro/Non-Metro	Project Type	Threshold Criteria	Other Selection Criteria	Threshold Review	Targeting Gross Rents	Efficient Housing Production - Cost Per Unit	Efficient Housing Production - Cost Per Sq. Foot	Efficient Housing Production - LIHTC Per Occupant	Natural Disaster	Total Score	Annual AHTC/LIHTC	DED Funds
<b>Recommended for Conditional Reservation:</b>																	
7-0969	Lofts on Main Street	41	Plattsmouth	Cass	Metro	Family	25	43	2	5	3	2	1	2	<b>83</b>	\$ 260,934	\$ -
7-0980	Fremont Northside Townhomes	18	Fremont	Dodge	Non-Metro	Family	25	35	2	5	4	4	4	2	<b>81</b>	\$ 206,536	\$ 800,000
7-0962	Southlawn IV	36	Grand Island	Hall	Non-Metro	Senior	25	37	1	5	4	4	3	0	<b>79</b>	\$ 248,214	\$ 500,000
7-0970	Deer Creek Village	48	Bellevue	Sarpy	Metro	Family	25	40	2	5	1	0	4	2	<b>79</b>	\$ 387,310	\$ 800,000
7-0987	131 Fort	80	Omaha	Douglas	Metro	Family	25	38	2	5	4	4	1	0	<b>79</b>	\$ 495,000	\$ 900,000
7-0958	The Rows of Fremont	25	Fremont	Dodge	Non-Metro	Family	24	38	2	5	0	3	3	2	<b>77</b>	\$ 306,547	\$ 719,200
	<b>Total Recommended</b>	<b>248</b>														<b>\$ 1,904,541</b>	<b>\$ 3,719,200</b>
<b>Other Applications:</b>																	
7-0983	West Park II	54	North Platte	Lincoln	Non-Metro	Family	25	35	1	5	3	4	3	0	<b>76</b>	\$ 406,652	\$ 500,000
7-0981	1120 Lofts	30	Omaha	Douglas	Metro	Family	24	34	1	5	4	4	3	0	<b>75</b>	\$ 305,046	\$ 500,000
7-0985	Plattsmouth CROWN Homes	8	Plattsmouth	Cass	Metro	Family	25	37	2	5	0	1	3	2	<b>75</b>	\$ 101,424	\$ 300,000
7-0972	Prairie View Apartments	77	Kearney	Buffalo	Non-Metro	Family	25	35	1	5	4	3	2	0	<b>75</b>	\$ 501,857	\$ 750,000
7-0982	Omega West Point	22	West Point	Cuming	Non-Metro	Family	25	41	2	5	1	0	0	0	<b>74</b>	\$ 132,795	\$ 397,800
7-0986	Blair Crown Homes	18	Blair	Washington	Metro	Family	25	37	2	5	0	2	3	0	<b>74</b>	\$ 213,775	\$ 500,000
7-0968	Timbercreek Apartments	108	Omaha	Douglas	Metro	Family	25	37	1	5	0	2	4	0	<b>74</b>	\$ 787,752	\$ 900,000
7-0965	Morgan Drive Homes	28	Nebraska City	Otoe	Non-Metro	Family	25	37	1	5	3	1	1	0	<b>73</b>	\$ 399,919	\$ 500,000
7-0971	Alliance Court Apartments	40	Alliance	Box Butte	Non-Metro	Family	25	41	1	5	1	0	0	0	<b>73</b>	\$ 524,971	\$ -
7-0979	Victory Park Seniors Residence	84	Lincoln	Lancaster	Metro	Veteran/Senior	25	37	1	5	3	1	0	0	<b>72</b>	\$ 567,937	\$ -
7-0957	Historic Atlas Apartments	6	Omaha	Douglas	Metro	Family	24	39	2	5	1	1	0	0	<b>72</b>	\$ 44,625	\$ -
7-0977	Townhomes at Spaulding	16	Omaha	Douglas	Metro	Family	24	35	1	5	0	2	3	0	<b>70</b>	\$ 191,646	\$ 500,000
7-0978	Hamilton Village - Senior Suites	52	Omaha	Douglas	Metro	Senior	25	35	2	5	2	0	0	0	<b>69</b>	\$ 528,402	\$ 500,000
7-0984	Fairfield West	50	Lincoln	Lancaster	Metro	Family	25	33	2	5	0	0	1	0	<b>66</b>	\$ 449,000	\$ -
	<b>Total Non-Funded</b>	<b>593</b>														<b>\$ 5,155,801</b>	<b>\$ 5,347,800</b>
	<b>Total Funded &amp; Non-Funded</b>	<b>841</b>														<b>\$ 7,060,342</b>	<b>\$ 9,067,000</b>

=Recommended for Conditional Reservation

### 2020 Allocation Summary

**Sources**

2020 Low Income Housing Tax Credits (LIHTC)  
 National Pool  
 Returned Credits  
**2020 LIHTC Available**

Competitive	CRANE	Total
\$ 3,645,150	\$ 1,795,372	\$ 5,440,523
482,480		
<b>\$ 4,127,630</b>	<b>\$ 1,795,372</b>	<b>\$ 5,923,003</b>

Uses	Amount Requested	2020 LIHTC Allocation		2020 AHTC Allocation		Set Asides					
		Competitive	CRANE	Competitive	CRANE	Non-profit (10%)		Metro (50%)		Non-Metro (50%)	
<b>Round 1 Reservation of Tax Credits</b>											
7-0964 Gatewood Village	\$ 182,196	\$ 182,196		\$ 182,196							\$ 182,196
7-0966 Hidden Brook Townhomes II	\$ 231,625	\$ 231,625		\$ 231,625		\$ 231,625					\$ 231,625
7-0959 Rolling Meadows	\$ 569,417	\$ 569,417		\$ 569,417							\$ 569,417
7-0961 Trinity Heights	\$ 268,896	\$ 268,896		\$ 268,896							\$ 268,896
7-0967 Maple 37	\$ 380,045	\$ 380,045		\$ 380,045		\$ 380,045		\$ 380,045			
<b>Sub Total - Round 1 Reservations</b>		<b>\$ 1,632,179</b>	<b>\$ -</b>	<b>\$ 1,632,179</b>	<b>\$ -</b>	<b>\$ 611,670</b>	<b>10.33%</b>	<b>\$ 380,045</b>	<b>9.21%</b>	<b>\$ 1,252,134</b>	<b>30.34%</b>
<b>Round 2 Reservation of Tax Credits</b>											
7-0969 Lofts on Main Street	\$ 260,934	\$ 260,934		\$ 260,934				\$ 260,934			
7-0980 Fremont Northside Townhomes	\$ 206,536	\$ 206,536		\$ 206,536							\$ 206,536
7-0962 Southlawn IV	\$ 248,214	\$ 248,214		\$ 248,214							\$ 248,214
7-0970 Deer Creek Village	\$ 387,310	\$ 387,310		\$ 387,310				\$ 387,310			
7-0987 131 Fort	\$ 495,000	\$ 495,000		\$ 495,000				\$ 495,000			
7-0958 The Rows of Fremont	\$ 306,547	\$ 60,981		\$ 60,981							\$ 60,981
<b>Sub Total - Round 2 Reservations</b>		<b>\$ 1,658,975</b>	<b>\$ -</b>	<b>\$ 1,658,975</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ 1,143,244</b>	<b>27.70%</b>	<b>\$ 515,731</b>	<b>12.49%</b>
<b>Total - Competitive Reservations</b>		<b>\$ 3,291,154</b>	<b>\$ -</b>	<b>\$ 3,291,154</b>	<b>\$ -</b>	<b>\$ 611,670</b>	<b>10.33%</b>	<b>\$ 1,523,289</b>	<b>36.90%</b>	<b>\$ 1,767,865</b>	<b>42.83%</b>
<b>Forward Commitments from 2019 &amp; Supplemental Allocations</b>											
7-0929 Belle Plaine Apartments LP	\$ 595,000	\$ 595,000		\$ 595,000				\$ 595,000			
7-0922 Osborne View Estates (Supplemental)		\$ 17,837		\$ 17,837							\$ 17,837
7-0951 Ohio 36 Limited Partnership	\$ 223,639	\$ 223,639		\$ 223,639		\$ 223,639		\$ 223,639			
<b>Sub Total - Forward Commitments/Supplementals from 2019</b>		<b>\$ 836,476</b>	<b>\$ -</b>	<b>\$ 836,476</b>	<b>\$ -</b>	<b>\$ 223,639</b>	<b>3.78%</b>	<b>\$ 818,639</b>	<b>19.83%</b>	<b>\$ 17,837</b>	<b>0.43%</b>
<b>Total - Competitive Reservations &amp; Competitive Forward Allocations</b>		<b>\$ 4,127,630</b>	<b>\$ -</b>	<b>\$ 4,127,630</b>	<b>\$ -</b>	<b>\$ 835,309</b>	<b>14.10%</b>	<b>\$ 2,341,928</b>	<b>56.74%</b>	<b>\$ 1,785,702</b>	<b>43.26%</b>
<b>CRANE Reservations</b>											
7-0909 Bethlehem House	\$ 240,000		\$ 240,000		\$ 240,000						
7-0939 Villa Rows	\$ 463,552		\$ 463,552		\$ 463,552	\$ 463,552					
<b>CRANE Forward Commitments from 2019 &amp; Supplemental Allocations</b>											
7-0940 Columbus FRC Housing	\$ 425,745		\$ 425,745		\$ 425,745	\$ 425,745					
7-0912 Eagle Heights (Supplemental)	\$ 65,845		\$ 65,845		\$ 65,845						
<b>Total - CRANE Reservations &amp; CRANE Forward Allocations/Supplementals</b>		<b>\$ -</b>	<b>\$ 1,195,142</b>	<b>\$ -</b>	<b>\$ 1,195,142</b>	<b>\$ 889,297</b>	<b>15.01%</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ -</b>	<b>0.00%</b>
<b>Total Reservations</b>		<b>\$ 4,127,630</b>	<b>\$ 1,195,142</b>	<b>\$ 4,127,630</b>	<b>\$ 1,195,142</b>	<b>\$ 1,724,606</b>	<b>29.12%</b>	<b>\$ 2,341,928</b>	<b>39.54%</b>	<b>\$ 1,785,702</b>	<b>30.15%</b>
<b>Balance to Allocate</b>		<b>\$ 0</b>	<b>\$ 600,230</b>	<b>\$ 0</b>	<b>\$ 600,230</b>						

**Forward Commitment from 2021 Allocation**

7-0958 The Rows of Fremont \$ 245,566

**\*\*210 West Mission Did not accept credits.**

7-0976 210 West Mission Avenue \$ 422,418

## MOTION

Whereas the Nebraska Investment Finance Authority (“NIFA”) has completed its review of the applications for federal low-income housing tax credits (“Section 42 Credits”) and Nebraska state low-income housing tax credits (“Nebraska Credits” and, together with the Section 42 Credits, collectively, the “Tax Credits”) pursuant to the Low Income Housing Tax Credit Program 2020 LIHTC Allocation Plan for 9% LIHTCs and Nebraska Affordable Housing Tax Credits – Round Two and CRANE;

Whereas said review was conducted pursuant to the 2020 Qualified Allocation Plan (the “2020 QAP”), adopted by NIFA pursuant to a public process and approved by the Governor of the state of Nebraska; then

Be it resolved that subject to continued authorization of the Section 42 Credit program pursuant to Section 42 of the Internal Revenue Code of 1986 (the “Code”) and the continued authorization of the Nebraska Affordable Housing Tax Credit pursuant to Neb. Rev. Stat. § 77-2501 et seq. (the “AHTC Act”) and, in each case, the allocation amounts established therein, a “conditional reservation” of Tax Credits in the amounts and categories set forth below shall be granted to the applicants of the following projects:

### Round Two

<u>Applicant</u>	<u>Project</u>	<u>County</u>	<u>City</u>	<u>LIHTC Amount</u>	<u>AHTC Amount</u>
MDX Investments, LLC	Lofts on Main Street	Cass	Plattsmouth	\$260,934	\$260,934
Mesner Development Company	Fremont North Townhomes	Dodge	Fremont	\$206,536	\$206,536
Midwest Housing Initiatives, Inc.	Southlaw IV	Hall	Grand Island	\$248,214	\$248,214
Trinity Housing Development, LLC	Deer Creek Village	Sarpy	Bellevue	\$387,310	\$387,310
Foundations Development, LLC	131 Fort	Douglas	Omaha	\$495,000	\$495,000
Hoppe & Son, LLC*	The Rows of Fremont	Dodge	Fremont	\$306,547	\$306,547
<b>Total</b>				<b>\$1,904,541</b>	<b>\$1,904,541</b>

### CRANE

<u>Applicant</u>	<u>Project</u>	<u>County</u>	<u>City</u>	<u>LIHTC Amount</u>	<u>AHTC Amount</u>
Foundations Development, LLC	Bethlehem House	Douglas	Omaha	\$240,000	\$240,000
Holy Name Housing Corporation	Villa Rows	Douglas	Omaha	\$463,552	\$463,552
<b>Total</b>				<b>\$703,552</b>	<b>\$703,552</b>

### Conditions:

1. Amounts reserved for the Section 42 Credits may be adjusted by the Executive Director by up to 10% up or down, based upon receipt and review of the final information necessary to complete the analysis and subsidy layering reviews. Amounts reserved for the Nebraska Credits may be adjusted by the Executive Director by up to 10% up or down, based upon receipt and review of the final information necessary to complete the analysis and subsidy layering reviews.
2. A conditional reservation for Tax Credits will become a final reservation upon the resolution within ninety (90) days of all outstanding items, including financial and technical questions, to the satisfaction of the Executive Director. Upon satisfaction of such conditions, a reservation will require no future action by this Board to become a final reservation of Tax Credits.



3. Reservations and allocations of Tax Credits will be made pursuant to the requirements of the 2020 QAP, Section 42 of the Code, in the case of the Section 42 Credits, the AHTC Act, in the case of the Nebraska Credits and, in each case, are subject to the representations made by the applicant in the application, the conditions imposed by the 2020 QAP and such other conditions as the Executive Director deems necessary in light of his review of the application within the purposes of the 2020 QAP and the Tax Credit Programs.
  
4. \*This Motion authorizes a conditional reservation of \$306,547 for Hoppe & Son, LLC. \$60,981 for Hoppe & Son, LLC will be reserved from 2020 Tax Credits. The remaining \$245,566 for Hoppe & Sons, LLC shall be funded from the following sources, or any combination thereof at the discretion of the Executive Director, subject to the availability of Tax Credits: returned 2020 Tax Credits, Tax Credits returned from a prior year, national pool received for 2020 Section 42 Credits, or 2021 Tax Credits.