



# LOW-INCOME HOUSING TAX CREDITS



## Policy Objectives and QAP Changes Matrix

### Our Mission

*Growing Nebraska communities through affordable housing and agribusiness.*

# Policy Objectives and QAP Changes

The 2022/2023 QAP is structured with a goal of addressing the policy objectives of the board. Highlighted in this document are only the changes to the QAP. The QAP already contains countless mechanisms to achieve the board policy objectives. This document illustrates the QAP changes and the corresponding policy objective(s).

Summary of Change	Policy Objective Supported				
	Collaborative Partnerships for Strong Neighborhoods & Communities	Balanced Approach Between Quality and Creation of Units	Access to Opportunity for Tenants, Supporting Quality of Life & Dignity	Targeting Special or Underserved Populations	Transparent & Streamlined Processes and Procedures using Best Practices and Current Data
<b>CRANE</b>					
Choice Neighborhood program has been added as an eligible development in the CRANE process.*	X		X	X	
CRANE projects must commit to a minimum affordability period of 45 years (15-year compliance period + 30-year extended use period) and meet targeting gross rent requirements.**	X	X		X	
CRANE developments are required to have at least four (4) points supportive services and will need to provide a supportive services plan focused on services for the population being served.	X		X	X	
<p><i>Why: The changes above directly support the CRANE program's focus of housing underserved populations through collaboration of resource providers working with communities and neighborhoods, who have joined with for profit and non-profit entities, as well as other public and private resource providers. The Choice Neighborhoods program, by design, leverages significant public and private dollars to address struggling neighborhoods through a comprehensive approach to neighborhood transformation. Supportive services provide opportunities and support to tenants. Affordability period and rent targeting requirements will ensure the development will continue to house underserved population for a longer period of time and at affordable rents.</i></p>					

\*Changes made after the 1<sup>st</sup> Public Hearing

\*\*\* Changes made after the 2<sup>nd</sup> Public Hearing

\*\*Changes made after October Board Meeting

Summary of Change	Policy Objective Supported				
	Collaborative Partnerships for Strong Neighborhoods & Communities	Balanced Approach Between Quality and Creation of Units	Access to Opportunity for Tenants, Supporting Quality of Life & Dignity	Targeting Special or Underserved Populations	Transparent & Streamlined Processes and Procedures using Best Practices and Current Data
<b>Tenant and Family Opportunities</b>					
Added Areas of High Opportunity for Metro only developments. Indexes for the following three categories will be eligible for 1 point per category: Education, Health and Environment, and Social and Economic. An additional point is available if all three categories have a "Very High" rating. **	X		X	X	X
Added Family Development section for one point for developments with 10% of the units being 4-bedroom or larger, and they cannot receive points for senior development. *	X	X	X	X	
The maximum number of points for amenities is now eight (8) points.		X	X		
Added built in designated work or school space provided in each unit to amenities.			X		
Several new supportive services have been added with the focus of family.	X	X	X	X	
Added Proximity to Services (Non-Metro only). Developments can score up to 2 points-based proximity to grocery stores, medical clinics, day cares, school, parks, etc. **	X		X	X	

\*Changes made after the 1<sup>st</sup> Public Hearing

\*\*\* Changes made after the 2<sup>nd</sup> Public Hearing

\*\*Changes made after October Board Meeting

Summary of Change	Policy Objective Supported				
	Collaborative Partnerships for Strong Neighborhoods & Communities	Balanced Approach Between Quality and Creation of Units	Access to Opportunity for Tenants, Supporting Quality of Life & Dignity	Targeting Special or Underserved Populations	Transparent & Streamlined Processes and Procedures using Best Practices and Current Data
<p><i>Why: The above changes directly support the Board's desire to provide adequately sized housing for families but also provide ongoing support and opportunities for growth. Areas of High Opportunity and Proximity to Services incentivize affordable housing development in areas that offer improved access to jobs, schools, health care, parks, etc. Changes and additions to amenities and supportive service categories will provide opportunities and support for families through services such as tutoring services, parenting classes, built in work/school space and internet service that will be provided at no cost to the tenants.</i></p>					
<p><b>Coordination with Local Efforts &amp; Incentivize Development Across Rural Nebraska</b></p>					
Increased point value of Qualified Census Tract to two points and added one point for those developments in a QCT that are also part of a neighborhood redevelopment plan or that leverage significant public and private dollars to support locally driven strategies that address struggling neighborhoods with distressed public or HUD-assisted housing, i.e. Choice Neighborhood program.*	X		X	X	
Added Rental Assistance Demonstration (RAD) developments to Project-based rental assistance section for points.*	X	X	X	X	
Supportive Services maximum points has been changed to four (4) points with at least one (1) service being provided in partnership with a community based or regional service provider. In addition, at least one of the selected services must have a point value of at least two (2) points.*	X		X	X	

\*Changes made after the 1<sup>st</sup> Public Hearing

\*\*\* Changes made after the 2<sup>nd</sup> Public Hearing

\*\*Changes made after October Board Meeting

Summary of Change	Policy Objective Supported				
	Collaborative Partnerships for Strong Neighborhoods & Communities	Balanced Approach Between Quality and Creation of Units	Access to Opportunity for Tenants, Supporting Quality of Life & Dignity	Targeting Special or Underserved Populations	Transparent & Streamlined Processes and Procedures using Best Practices and Current Data
Added Community Housing Initiatives (Non-Metro only). Communities that demonstrate active housing activities (new construction, lot preparation, purchase rehab resale, etc.) within the last 24 months are eligible for one (1) point.***	X		X	X	
Added Development of Housing in Greater Nebraska. Two (2) points are available for an applicant or developer that has participated in a development of at least 10 units of owner occupied or rental housing in communities of less than 15,000 within the last 24 months.***	X		X	X	
Added Leverage and Collaboration. Applicants who demonstrate efforts to collaborate and leverage the housing credit and NDED funding sources will be eligible for up to four (4) additional points.***	X				X
<i>Why: These changes ensure that NIFA is supporting and working in coordination with locally developed strategies. Working in tandem with the local planning department, housing authority, and other community-based organizations will result in positive outcomes for communities and residents, specially incentivizing developments in rural Nebraska.</i>					
<b>Opportunities for Eventual Homeownership</b>					
CROWN developments must elect the 30-year (15-year compliance + 15-year extended use period) affordability period.	X	X	X	X	

\*Changes made after the 1<sup>st</sup> Public Hearing

\*\*\* Changes made after the 2<sup>nd</sup> Public Hearing

\*\*Changes made after October Board Meeting

Summary of Change	Policy Objective Supported				
	Collaborative Partnerships for Strong Neighborhoods & Communities	Balanced Approach Between Quality and Creation of Units	Access to Opportunity for Tenants, Supporting Quality of Life & Dignity	Targeting Special or Underserved Populations	Transparent & Streamlined Processes and Procedures using Best Practices and Current Data
CROWN developments are eligible for Right of First Refusal points.	X				
CROWN developments must waive any right to a Qualified Contract.			X		
Added a down payment savings plan as a supportive service.	X		X	X	
<i>Why: The CROWN program provides homeownership opportunities for underserved populations. The changes are programmatic in nature or will encourage program participation. Added supportive services will provide a mechanism to encourage homeownership.</i>					
Equitable Distribution and Preservation of Housing					
Reduced the point value from 4 to 3 points for developments involving preservation of existing affordable housing with an existing project-based rental assistance agreement (i.e. USDA or HUD).	X	X	X	X	
Small Community points will be for Non-Metro only.		X		X	
Removed points for Density*		X	X		
Resyndication developments must wait until 20 years after the date of the last building was placed in service before applying for LIHTC again.		X			
Metro and Non-Metro developments will be scored separately.		X			X

\*Changes made after the 1<sup>st</sup> Public Hearing

\*\*\* Changes made after the 2<sup>nd</sup> Public Hearing

\*\*Changes made after October Board Meeting

Summary of Change	Policy Objective Supported				
	Collaborative Partnerships for Strong Neighborhoods & Communities	Balanced Approach Between Quality and Creation of Units	Access to Opportunity for Tenants, Supporting Quality of Life & Dignity	Targeting Special or Underserved Populations	Transparent & Streamlined Processes and Procedures using Best Practices and Current Data
Efficient Housing Production: Applications will be separated by development type (new construction, rehabilitation) within each set-aside.		X			X
<i>Why: Changes to Preservation points and re-syndication requirements will assist in providing an improved balance between the preservation of existing units and construction of new units. An equitable distribution of developments throughout Nebraska will be the goal through new scoring processes and a focus on community needs.</i>					
<b>Green Standards/Sustainable Development</b>					
Developments will have to submit specifications of their development to the Nebraska Department of Environment and Energy for 10% test.*		X			X
CDBG -DR requirements for Green Standards are higher, so for developments seeking funding for CDBG-DR, they will receive 6 points in Green Standards.	X	X	X		
Increased point values of Green Standards and Amenities to reflect the cost of each item.		X	X		
<i>Why: Green building and sustainable design increases efficiency, impacts long-term durability, and can improve health outcomes and reduce energy costs for tenants.</i>					
<b>Long-Term Viability and Quality Operation of Developments</b>					
Added two points for management companies that attend the NIFA LIHTC Compliance Training.	X				X

\*Changes made after the 1<sup>st</sup> Public Hearing

\*\*\* Changes made after the 2<sup>nd</sup> Public Hearing

\*\*Changes made after October Board Meeting

Summary of Change	Policy Objective Supported				
	Collaborative Partnerships for Strong Neighborhoods & Communities	Balanced Approach Between Quality and Creation of Units	Access to Opportunity for Tenants, Supporting Quality of Life & Dignity	Targeting Special or Underserved Populations	Transparent & Streamlined Processes and Procedures using Best Practices and Current Data
Added one point for management companies that can provide documentation of a Housing Credit Certified Professional designation or equivalent.	X				X
<i>Why: Incentivizing the HCCP certification and NIFA training ensures knowledge of LIHTC requirements and Nebraska specific policies and procedures. Knowledgeable and well-trained Property Management staff is key to the long-term viability of a development.</i>					
<b>Stewardship of the Resource &amp; Integrity of the Program</b>					
Maximum allocation will be reduce based on efficiency measures.		X			X
Restructure of 4% LIHTC\AHTC\Bond application rounds and processes, i.e. optional Threshold review & separate application.*	X				X
One application round, with alternates selected.		X			X
Zoning will be considered the number two tiebreaker, after consideration given to meeting the established set-asides, as zoning shows readiness to proceed.*		X			X
Added points for developments that waive the right to request Qualified Contract.		X	X		X
Right of First Refusal: Non-profit entity may not be affiliated with or controlled by a for-profit organization and will need to be acceptable to NIFA.	X				X

\*Changes made after the 1<sup>st</sup> Public Hearing

\*\*\* Changes made after the 2<sup>nd</sup> Public Hearing

\*\*Changes made after October Board Meeting



Summary of Change	Policy Objective Supported				
	Collaborative Partnerships for Strong Neighborhoods & Communities	Balanced Approach Between Quality and Creation of Units	Access to Opportunity for Tenants, Supporting Quality of Life & Dignity	Targeting Special or Underserved Populations	Transparent & Streamlined Processes and Procedures using Best Practices and Current Data
Changes to Threshold review and structure. No points will be awarded for turning in threshold for review.					X
Added NIFA's Mission, Visions, Values and a chart of strategic objectives*					X
All funding sources need to be solidified by conditional reservation deadline.					X
Applications that fail to meet threshold will not be fully scored and will not be included in the efficiency calculations.					X
Any development that has a financing gap, due to the non-award of another source of funding that is greater than \$500,000 will not be eligible for a Conditional Reservation.					X
Implementing maximum number of days allowed for extensions for the following: Conditional Reservation; Carryover Agreement; 10% Test; and Cost Certification.					X
Formatting changes in QAP, Applications, and forms.					X
Subsequent owners of development will not be allowed to enter the Qualified Contract Process.					X
<i>Why: Restructuring the QAP and application to highlight NIFA's Mission, Vision, Values, and policies is achieved through these changes. NIFA staff is committed to improving processes, increasing transparency and continued stewardship through solidifying NIFA policies in the QAP and application. Many of the changes above incentivize developments that are ready to proceed.</i>					

\*Changes made after the 1<sup>st</sup> Public Hearing

\*\*\* Changes made after the 2<sup>nd</sup> Public Hearing

\*\*Changes made after October Board Meeting