

REVISIONS:

PROPOSED 2008 LIHC QUALIFIED ALLOCATION PLAN
AND NYS LOW-INCOME HOUSING TAX CREDIT PROGRAM REGULATION
January 17, 2008

QAP Section 2040.2(s) Qualified low-income housing project (page 6)

- Reinstates an unintentionally omitted definition of an additional income test (25% of the rent restricted units affordable at 60% or less of area median income) allowable by the Internal Revenue Code for projects in New York City.

QAP Section 2040.2(u) Supportive housing definition (page 7)

- Increasing from 25–30% the percentage of LIHC-assisted units in a project which must serve persons with special needs in order to qualify for the Supportive Housing set aside.
- Addresses comments from supportive housing advocacy organizations.

QAP Section 2040.3(c) Processing fees (page 8)

- Correcting reference to appropriate milestone event which triggers required payment of allocation fee from time of request for final credit allocation to time of carryover allocation.
- Reflects current, ongoing policy; addresses comment expressing concern about unintended change in fee processing requirements.

QAP Section 2040.3(e)(15) Acquisition cost threshold eligibility requirement (pages 12-13)

- Reinstates the language of the current QAP.
- No change in definition of eligible acquisition costs for rehabilitation projects was intended. There is no need to exclude the cost of land because it is not part of the eligible basis.
- Comments received that stated the proposed language would limit development in areas with high land costs.

QAP Section 2040.3(e)(18) Green building threshold eligibility requirement (page 13)

- Clarifying the requirements for use of energy efficient appliances, light fixtures and heating systems by providing specificity as to what Energy Star-labeled or related standard would meet threshold for each item.
- Addresses comments from developers who indicated that the provision as previously worded was unclear.

QAP Section 2040.3(f)(1) Community impact/revitalization (page 14)

- Retaining the language of the current QAP by reinstating scoring item (iv) which encourages obtaining local government support as evidenced by implementation measures on behalf of the project. (Also SLIHC Section 2040.14(d)(1), page 3.)
- Expands opportunity for projects to demonstrate community impact and provides a good measure of community support and readiness to proceed.

- Responds to comments from developers that projects benefiting from local support should continue to qualify for points and concerns that projects might not qualify for the maximum of 15 points under the three previous criteria due to project location/primary market area. Also addresses concerns about the de-emphasis of project readiness in the scoring criteria.

QAP Section 2040.3(f)(9) Energy efficiency (page 17)

- Broadening this scoring provision to provide a more realistic opportunity for projects to participate in the NYSERDA program by demonstrating the project is eligible, will participate and will meet the standards. (Also SLIHC Section 2040.14(d)(9), page 7.)
- Responds to concerns that participation in this program requires a significant investment (\$20,000) which is only reimbursed if the project is funded. This requirement adversely impacted small businesses and not for profit developers.

QAP Section 2040.3(f)(13) Participation of non-profit organizations (page 18-19)

- Expanding this scoring item by adding a new one point option for project participants which do not meet the QAP definition of a local non-profit organization. (Also SLIHC Section 2040.14(d)(13), page 8.)
- Addresses concerns of developers that there was no incentive to partner with an otherwise competent non-profit which was not locally-based or was not a provider of housing-related services.

QAP Section 2040.3(f)(15) Project amenities (page 19)

- Broadening the scoring item by replacing the word “patio” with “recreational area.” (Also SLIHC Section 2040.14(d)(14), page 9.)
- Addresses comment seeking clarification about this criteria while providing projects with the discretion as to the type of outdoor recreational space best-suited to the tenant population.