



## New York State Low-Income Housing Tax Credit

**NEW YORK STATE LOW-INCOME HOUSING TAX CREDIT PROGRAM (SLIHC):** SLIHC provides a dollar-for-dollar reduction in certain New York State taxes to investors in qualified low-income housing projects that meets the requirements of Article 2-A of the Public Housing Law and has also received an allocation under the criteria and procedures established in the SLIHC Regulations at 9 NYCRR Section 2040.14. SLIHC is similar to the federal 9% Low-Income Housing Tax Credit (9% LIHTC) except that the program may units serving households earning up to 90% AMI.

Projects seeking to include units above 90% AMI and up to 130% AMI are eligible to apply for Middle Income Housing (MIHP) funds subject to the limits specified below, as applicable, and based on demonstrated need for gap financing pursuant to HCR underwriting standards.

Actual award amounts will be based on the demonstrated need for such funding, and are subject to approval by the Commissioner of HCR. Applicants are strongly encouraged to apply for only the funding necessary for the financial feasibility of the project and to leverage funding from non-HCR sources.

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| <b>Eligible Uses</b>                   | <p>New construction of, or the adaptive reuse of non-residential property to, affordable housing, or substantial rehabilitation or moderate rehabilitation of site-specific multifamily rental housing.</p> <p>Eligible costs are for site acquisition, hard costs, and related soft costs.</p>   |
| <b>Area Median Income Restrictions</b> | <p>At least 40% of the units must be affordable to households earning no more than 90% AMI.</p> <p>SLIHC may not be used to finance senior units (62+) serving households above 60% AMI.</p> <p>For projects seeking funding under the Middle Income Housing Program (MIHP), at least 10% but no more than 30% of the units within the project must be for households with incomes over 90% AMI and up to 130% AMI. HCR will allow a reduced rent burden to encourage middle- and moderate- income households to reside in economically distressed neighborhoods, such as a Qualified Census Tract (QCT) or a project which is a component of a downtown revitalization effort. In such cases, HCR will allow up to a 20% rent advantage for middle-income tenants. For example, if the rent of a MIHP unit is set at an 100% AMI affordability level, it may be rented to households up to 120% AMI. Projects outside of a QCT or which are not a component of a downtown revitalization effort must be able to achieve rents that are affordable to households with incomes over 90% AMI in order to access MIHP funding.</p> |
| <b>Per Project Maximum Award</b>       | Up to \$500,000.  |

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|  | For MIHP financed units, up to \$140,000 in MIHP per unit in New York City, Westchester, Nassau & Suffolk counties, and up to \$95,000 in MIHP per unit in all other counties.  |
| <b>Priorities</b>                        | Projects that would qualify for the maximum number of points under the SLIHC scoring criteria for Mixed Income use.   |
| <b>Eligible Applicants</b>               | Not-for-profit developers, for-profit developers, individuals, corporations, limited partnerships, and limited liability corporations.  |
| <b>Regulatory Agreement Requirements</b> | Minimum of 30 years or coterminous with LIHTC regulatory term, as extended.   |
| <b>Scoring Criteria</b>                  | Community Impact/Revitalization (10), Financial Leveraging (11), Sponsor Characteristics (9), Green Building (5), Fully Accessible and Adapted, Move-In Ready Units (5), Individuals with Children (7), Project Readiness (10), Persons with Special Needs (5), Participation of Non-Profit Organizations (4), Income Mixture (12), Historic Nature of Project (2), Cost Effectiveness (5), Housing Opportunity Projects (5), Investment in underserved areas (5) and Minority and Women Owned Business Enterprise Participation (5)  |
| <b>Additional Eligibility Criteria</b>   | For projects utilizing multiple sources of tax credit financing, tax credit investor letters must identify the specific and independent value of each tax credit resource including the separated value of SLIHC financing from LIHTC, as applicable.   |
| <b>Application and Allocation Fee</b>    | <p>Application fee of \$3,000, \$1,000 if binding agreement is requested and one-time allocation fee equal to 8% of annual SLIHC allocation amount, payable prior to carryover issuance.</p> <p>Not-for-profit applicants or their wholly-owned subsidiaries that have not received an award of HCR capital funding since 2018 and that serve as the sole general partner or co-general partner with another non-profit, may request a deferral of payment until the credit allocation. Such deferral requests must document the applicant’s inability to remit the application fee at the time of the application, financial hardship, and that it has not received an award from HCR since 2018, at the time of application. Deferral requests must be submitted no later than one month in advance of any applicable application due date.</p> <p>Written application deferral approvals granted by HCR must be appended to application <b>Attachment H-1</b>. Send deferral requests to: Mr. Arnon Adler, LIHTC Program Manager at arnon.adler@nyshcr.org</p> |
| <b>Monitoring and Servicing Fees</b>     | Monitoring fee of .5% of the 90% SLIHC maximum rent per SLIHC regulated unit per month.   |

*State Low-Income Housing Credit Program (SLIHC)*

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*HCR retains the right to revise this term sheet from time to time and to waive any requirement contained therein, subject to the applicable statutes and program regulations. HCR also retains the right to not award any or all of its funds under this program. All proposals must comply with all applicable federal, state and local laws.*