

APPROVAL OF GOVERNOR REGARDING THE
LOW-INCOME HOUSING TAX CREDIT

2027 and 2028

QUALIFIED ALLOCATION PLAN

WHEREAS, the Connecticut Housing Finance Authority (the "Authority ") has been designated as the housing credit agency for the allocation and administration of the Low-Income Housing Tax Credit in the State of Connecticut (the "State");

WHEREAS, the Authority has previously adopted a Qualified Allocation Plan for the allocation of Low-Income Housing Tax Credits in the State;

WHEREAS, following due and proper publication of notice, the Authority held a public hearing on July 7, 2026, regarding a proposed Low-Income Tax Housing Credit 2027 and 2028 Qualified Allocation Plan;

WHEREAS, on July 23, 2026, the Board of Directors of the Authority voted to adopt the Low-Income Housing Tax Credit 2027 and 2028 Qualified Allocation Plan in the attached form;

WHEREAS, in accordance with the Internal Revenue Code and the Regulations promulgated thereunder, any primary apportionment of the State housing credit ceiling and any grant of housing credit allocations under a qualified allocation plan by a housing credit agency must be authorized by gubernatorial act; and

WHEREAS, the approval of the 2027 and 2028 Low-Income Housing Tax Credit Qualified Allocation Plan by the Chief Elected Officer of the State or his authorized designee is required in accordance with the Internal Revenue Code.

NOW, THEREFORE, I AS GOVERNOR OF THE STATE OF CONNECTICUT, HEREBY APPROVE the attached *Low-Income Housing Tax Credit 2027 and 2028 Qualified Allocation Plan*.

IN WITNESS WHEREOF, I have hereunto set my hand as Governor this 28th day of July, 2026.



Ned Lamont
Governor



**CONNECTICUT
HOUSING
FINANCE AUTHORITY**

Unlocking Solutions, Building Strong Communities.



Low-Income Housing Tax Credit 2027 and 2028

Qualified Allocation Plan

Adopted by the Board of Directors July 23, 2026 / Approved by the Governor July 28, 2026

Table of Contents

Policy Goals of the 2027 and 2028 Low-Income Housing Tax Credit Qualified Allocation Plan	3
I. Governing Authority	4
II. State Housing Plans.....	6
III. Credit Award Process	6
A. Basic Threshold Requirements	7
B. Financial Feasibility	10
C. Preservation and New Construction Classifications	11
D. Preservation Classification Priority Ranking	12
E. New Construction Classification Competitive Point Ranking Categories	13
F. New Construction Classification Tie Breaker Policy	14
G. Qualified Non-Profit Set-Aside.....	15
H. New Construction Classification Competitive Points.....	15
1. Rental Affordability	15
2. Financial Efficiency & Sustainability	17
3. Local Impact	20
4. Housing Needs & Location	22
5. Qualifications & Experience	22
IV. Projects Financed With Tax-Exempt Bonds	24
V. Tax Credit Compliance Monitoring	25
A. Recordkeeping and Record Retention	25
B. Certification and Review Provisions.....	26
C. Inspection Provision	26
D. Notification of Noncompliance	26
E. Compliance Monitoring Fees	26
F. Asset Management Fees.....	27
G. Other.....	27
H. Liability & Delegation	27
Exhibit A-1	28
Sustainable Design Measures: Preservation	28
Exhibit A-2	29
Sustainability Design Measures: New Construction.....	29
Exhibit A-2	30
Sustainability Design Measures: New Construction <i>continued</i>	30

Policy Goals of the 2027 and 2028 Low-Income Housing Tax Credit Qualified Allocation Plan

It is the mission of the Connecticut Housing Finance Authority (“CHFA” or the “Authority”) to alleviate the shortage of housing for low- to moderate-income families and persons in the State of Connecticut. CHFA’s vision is that all low- and moderate-income residents in the State will have a range of choices where they can live in affordable, safe, quality housing located in environmentally sustainable and economically healthy communities.

Within this framework, CHFA presents the 2027 and 2028 Low-Income Housing Tax Credit Qualified Allocation Plan for the State of Connecticut.

CHFA’s policy goals remain:

- Rental Affordability
- Financial Efficiency & Sustainability
- Local Impact
- Housing Needs & Location

Objectives that meet the Authority’s affordable rental housing policy goals include:

- Housing affordability for the most cost-burdened renters, reducing the number of low- and moderate-income households that are cost-burdened by housing, transportation, and energy costs
- Creating supportive housing options for individuals and families experiencing homelessness and those with special needs
- Preserving and ensuring that the State’s existing housing stock provides healthy, safe, and resilient homes and remains affordable for residents for the long term
- Incorporating energy efficiency solutions that will reduce energy costs for the consumer and reduce greenhouse gas emissions and pollution in the State
- Ensuring rental housing opportunities are developed throughout the State, particularly where the need is greatest considering both available housing options and the needs of the community population

- Seeking creative housing solutions including adaptive reuse/office conversions, mixed income/mixed use, infill development, historic preservation and tiny homes to support the needs of the communities in which they are built
- Developing transit-oriented housing where there is an availability of infrastructure and access to mass transit and employment opportunities

I. Governing Authority

This 2027 and 2028 Qualified Allocation Plan (the “Plan”) hereby establishes procedures for the reservation, allocation and compliance monitoring of the federal Low-Income Housing Tax Credit Program (the “LIHTC Program”) in the State of Connecticut (the “State”) and establishes policies, procedures and requirements for the use of federal Low-Income Housing Tax Credits (the “Credits”) in the State in order to meet the purposes contained in Section 252 of Public Law No. 99-514 (October 22, 1986), known as the federal Tax Reform Act of 1986, as amended and as codified in Section 42 of the Internal Revenue Code (the “Code”).

CHFA is a public instrumentality and political subdivision of the State created by virtue of Chapter 134 of the Connecticut General Statutes (as amended, the “Act”). The Authority is designated as the housing credit agency for the State and has adopted the Plan in order to set forth selection criteria to be used to determine housing priorities which are appropriate to local conditions in the State in accordance with the requirements set forth in Section 42(m) of the Code and with other applicable law.

LIHTC Program applicants, awardees and other participants in the State shall be subject to, and shall be required to comply with, all rules and requirements governing the LIHTC Program set forth herein and set forth in: the Act, other applicable provisions of the Connecticut General Statutes, Section 42 of the Code, other applicable sections of the Code, and all federal and state administrative and regulatory law promulgated thereunder, including, without limitation, all Internal Revenue Service (IRS) regulations, revenue rulings, procedures and notices and all applicable provisions of the procedures (the “Procedures”) adopted by the Authority in accordance with the Act and Section 1-121 of the Connecticut General Statutes. In the event that any statutory, administrative or regulatory requirements governing the LIHTC Program are changed, amended or modified, applicants, awardees and other participants in the LIHTC Program shall be subject to such changes, amendments or modifications and such changes, amendments and modifications are incorporated herein.

In addition, each Application (as defined below) submitted in accordance with the Plan, and any resulting reservation award or allocation, shall be subject to, and shall be required to comply with, all rules and requirements governing the LIHTC Program set forth in the following procedures, policies and other guidance materials published by the Authority (as amended, collectively, the “LIHTC Materials”):

1. Article IV(A) of the Procedures;
2. Article II of the Procedures;
3. The CHFA/DOH Consolidated Application (the “ConApp”);
4. The CHFA 2027 and 2028 Multifamily Design, Construction and Sustainability Standards (the “Construction Standards”);
5. The Authority’s Board Very Low-Income Construction Employment Policy Statement (the “VLI Policy”);
6. The Authority’s Board Program Eligibility Requirements: Delinquent or Non-Performing Applicants Policy Statement (the “Eligibility Policy”);
7. The most recent Authority Guidelines, including, without limitation, the CHFA Low-Income Housing Tax Credit (LIHTC) Program Guideline, the CHFA Construction Guideline: Project Planning & Technical Services Review, the CHFA Pre-Construction Guideline, the CHFA Supportive Housing Guideline, the CHFA Appraisal & Market Study Guideline, the Construction Guideline: Energy Conservation & Sustainability, the CHFA Hybrid Financing Structure Guideline, the CHFA Guidelines for Resident Services Coordinators, the CHFA LIHTC Program Glossary of Terms, the Housing Needs & Location Guideline, and all other LIHTC Program and construction guidance or materials published in connection with the Plan (collectively, the “Guidelines”).

In the event that any requirements or terms contained in the LIHTC Materials shall contain contradictory provisions or in opposition to terms expressly set forth in the Plan, the terms or requirements set forth in the Plan shall be controlling and supersede any requirements in conflict therewith.

The Plan governs all applications (each an “Application”) for proposed developments (each, a “Proposed Development”) submitted by a developer or sponsor (together with any affiliate, subsidiary or other related party, as determined by the Authority, each an “Applicant”) requesting 9% Credits (the “9% Credits”) to be reserved from the 2027 or 2028 Credit Ceiling (as defined below) or from any subsequent Credit Ceiling and/or requesting Credits in accordance with the requirements of Section 42(h)(4) of the Code (the “4% Credits”). Applications submitted for 9% Credits should be identified by the Applicant for consideration in either the Preservation Classification or the New Construction Classification, both of which are described further in Section III(C) below.

The amount of 9% Credits available for annual award and reservation pursuant to the Plan shall be equal to the annual amounts estimated by the Authority, in its sole discretion, to be available under Section 42(h)(3)(C) of the Code for the calendar years 2027 and 2028 and for any future calendar year (each an annual “Credit Ceiling”), which amount shall include, without limitation, unused 9% Credits from prior calendar years, population based 9% Credits for the applicable calendar year, eligible returned 9% Credits and national pool 9% Credits. Notwithstanding the foregoing, in its sole

discretion and in order to accomplish the objectives of the Plan, the Authority may make awards and reservations for the purpose of forward allocations from future-year credit ceilings which may affect each annual Credit Ceiling.

In order to provide continuity and stability to the LIHTC Program development community, the Authority intends to make every effort to publish the estimated 9% Credit Ceilings to be administered under this Plan and under future qualified allocation plans adopted by the Authority upon the announcement of awarded reservations, which estimates shall be subject to change.

II. State Housing Plans

The Authority and the State of Connecticut Department of Housing (DOH) work closely to align the Plan with State housing policy. To that end, the focus of the Plan for 2027 and 2028 is to ensure consistency and coordination with the State of Connecticut's Consolidated Plan for Housing and Community Development and the current Annual Action Plan and the 2025 – 2030 Conservation and Development Policies: The Plan for Connecticut.

III. Credit Award Process

Each Application for a Proposed Development received by the Authority on or before the applicable deadline published by the Authority from time to time: (i) seeking an awarded reservation of 9% Credits from an annual Credit Ceiling, or (ii) requesting an allocation of 4% Credits in accordance with the requirements of Section 42(h)(4) of the Code and the Plan, shall be evaluated for full compliance with the Basic Threshold Requirements (as defined below). ***No Applications or included Application materials will be considered for review if they are submitted after the applicable deadline published by the Authority, provided, however, the Authority may seek clarification of any Application submissions in its sole discretion at any time.*** All Completed Applications (as defined below) seeking an awarded reservation of 9% Credits from an annual Credit Ceiling shall be evaluated for their achievement of Financial Feasibility (as defined below) and shall receive a priority or competitive ranking described further in Sections III(C), III(D) and III(E) below.

In making such evaluations and rankings, the Chief Executive Officer – Executive Director shall have discretion to interpret the intent of the requirements set forth in the Plan and to evaluate and score Applications accordingly in order to address the Authority's and the State's housing policy goals.

Notwithstanding anything contained herein to the contrary, awarded reservations for 9% Credits from an annual Credit Ceiling shall be Completed Applications (as defined below) that demonstrate Financial Feasibility (as defined below) and receive a priority or competitive ranking which is deemed by the Authority to be sufficient to receive an awarded reservation of 9% Credits from an annual Credit Ceiling.

The Authority's Board of Directors shall approve all awarded reservations of 9% Credits from each annual Credit Ceiling and the Board of Directors retains the full discretion to independently review proposed awarded reservations and not award 9% Credits on account of non-compliance with requirements of any adopted housing policies, standards, or objectives of the State.

A. Basic Threshold Requirements

At any time during the Authority's review of Applications and in order to further the housing policies and goals of the Plan, the Chief Executive Officer – Executive Director shall have the discretion to determine that an Application is completed (each, a "Completed Application") upon the presentation of documented evidence demonstrating the Proposed Development's compliance with the following Basic Threshold Requirements (the "Basic Threshold Requirements"):

1. Proposed Credible Financing Plan. The Application shall include a proposed credible financing plan that demonstrates a balanced sources and uses of funds essential to the viability of the Proposed Development with: (a) a proposed amount of awarded reservation of 9% Credits which does not exceed the requirements and limitations set forth in Section III(B)(1) and (2) of this Plan, and (b) sources of funds or financing that are supported by commitment letters from the providers of said sources of funds or financing, *provided, however*, with respect to any proposed source of funds or financing from DOH or financing from the Authority, the Application need only include evidence of a pending application or pending request made: (i) to DOH that qualifies under the applicable funding or financing parameters published by DOH, or (ii) to the Authority that qualifies under the applicable financing parameters published by the Authority;
2. Site Control & Environmental Site Assessment. The Application shall demonstrate the Applicant's site control of the Proposed Development and shall include a Phase I environmental site assessment prepared and supplemented in accordance with the requirements set forth in the ConApp and which has been completed within one (1) year prior to the applicable deadline published by the Authority;
3. Zoning Approval. The Proposed Development shall have received appropriate planning and zoning approval from all State and municipal authorities with jurisdiction;
4. Qualified Development Team. The Application shall include a qualified development team satisfying the Guidelines, which qualified development team shall include, without limitation, an architect, a general contractor (subject to applicable bidding requirements) and a property management agent;
5. Bidding & Project Cost Adjustments. The Application shall demonstrate compliance with all applicable bidding requirements. In the event that the Proposed Development's project costs increase from the budget proposed at the time of Application, the Authority shall require the applicant to mitigate and reduce such project cost increases by virtue of, without

limitation, competitive bidding and/or value engineering, or both as may be required by the Authority;

6. Construction Oversight. The Proposed Development shall commit to provide construction observation reports to the Authority on a regular basis in accordance with the Guidelines;
7. No Resident Displacement. The Proposed Development shall be affordable to current residents (if any) so that no permanent displacement is required for reasons of affordability;
8. Affordability Commitment. The Proposed Development shall include a commitment of at least forty (40) years of affordability by virtue of the LIHTC Program Extended Low-Income Housing Commitment (the ELIHC). The Proposed Development shall include a minimum of 20% of the units in the Proposed Development that shall serve households with incomes less than or equal to 50% of the Area Median Income (AMI). If a Proposed Development includes units that have a rental or supportive housing subsidy that subsequently becomes unavailable, upon the request of the owner, and with the authorization of the Authority in its sole discretion, the designated units, including supportive housing units, may revert to 50% AMI or 60% AMI units as stated in the ELIHC until new subsidy or funding becomes available;
9. Plans and Specifications. Any Application for (a) 9% Credits shall include plans and specifications that are in compliance with the Construction Standards and shall be submitted at a minimum level of 90% completion in accordance with the Construction Standards and the applicable Guidelines; and (b) 4% Credits shall include plans and specifications that are in compliance with the Construction Standards and shall be submitted in accordance with the applicable Guidelines;
10. Preservation Classification Construction Hard Costs. For Proposed Developments in the Preservation Classification (as further described in Section III(C) below) or seeking an allocation of 4% Credits, the Application shall include minimum construction hard cost expenditures of \$35,000 per unit and a capital needs assessment of the structure to be rehabilitated in form and content consistent with the Construction Standards;
11. Re-syndication. If the Proposed Development, or a portion of the Proposed Development, seeking an awarded reservation of 9% Credits from an annual Credit Ceiling shall have received an allocation of Credits in a prior year, the Application deadline under the Plan shall be more than twenty (20) years after said Proposed Development's placed-in-service date with respect to such prior allocation of Credits;
12. Very-Low Income Construction Employment. The Application shall include a commitment to undertake good faith efforts to hire or train very low-income persons in accordance with the VLI Policy;
13. Prior Applicant Non-compliance. The Applicant shall not have failed to comply with the requirements of the LIHTC Program with respect to any prior reservation award or allocation of Credits, including, without limitation, (a) failing to comply with the terms of any ELIHC for a project the Applicant previously sponsored or developed, (b) failing to comply with any

condition or commitment made in connection with a previous LIHTC Program award or allocation in the state, (c) being removed as a general partner, managing member or manager or management agent from any previous LIHTC Program development, or (d) being affiliated with a project against which a foreclosure was commenced;

14. Public Housing Resident Participation. If the Proposed Development includes existing public housing unit residents, the Applicant shall certify that it has a plan that ensures meaningful resident participation in the planning and implementation process in accordance with Section 8-64c of the Connecticut General Statutes;
15. Public Housing Preference. The Application shall include a commitment to: (a) give preference in its tenant selection plan to eligible households on waiting lists of the public housing authority(ies) (each, a PHA) in the local market area, subject to HUD regulations, and (b) make on-going efforts to request that the PHA make referrals to the Proposed Development, or request that the PHA include relevant information about the Proposed Development on any listing that the PHA makes available to persons on its waiting list(s), and to persons least likely to apply;
16. Waiver of Qualified Contract. The Applicant and the Proposed Development shall waive the right to request a “qualified contract” as such term is defined in Section 42(h)(6)(F) of the Code and Section 1.42-18 of the U.S. Treasury Regulations, which waiver shall be set forth in the ELIHC governing the Proposed Development;
17. Market Study. In accordance with the requirements of the Code, the Application shall include an acknowledgement that any allocation of Credits shall be subject to the submission of a housing market study, in form and content consistent with the Procedures and the Authority’s Market Study Guidelines, demonstrating a sufficient demand for the housing to be developed;
18. Tenant Ownership Proposals. If the Application includes a proposal to establish tenant ownership of the Proposed Development (or all of the individual units) after the initial 15-year compliance period, the Application shall include a specific and credible plan that demonstrates owner capacity and identifies the resources necessary for tenant organization and representation, the acquisition(s), and all transaction costs;
19. LIHTC Program Developments in Prior Two Years. If the Applicant shall have or shall have had a direct or indirect ownership interest in a LIHTC Program application or development that received an awarded reservation of 9% Credits in either of the preceding two (2) calendar years, the Application shall demonstrate that said previously awarded reservations of 9% Credits are on track to meet LIHTC Program benchmarks, as determined by the Authority in its sole discretion; and
20. Preservation Classification Energy Efficiency. All Proposed Developments in the Preservation Classification or seeking an allocation of 4% Credits: (i) shall propose a scope of work based on recommendations from an energy consultant for the highest energy

efficiency and sustainability design measures appropriate, and (ii) to the extent appropriate and practical for the Proposed Development, shall include the required items set forth on Exhibit A-1: Preservation Sustainable Design, attached hereto and made a part hereof, which required items shall be subject to Authority review.

B. Financial Feasibility

Each Completed Application seeking an awarded reservation of 9% Credits from an annual Credit Ceiling shall be required to demonstrate the financial feasibility of the Proposed Development (“Financial Feasibility”). At any time during the Authority’s review of Applications and in order to further the housing policies and goals of the Plan, the Chief Executive Officer – Executive Director shall have the discretion to determine that a Completed Application demonstrates Financial Feasibility upon the presentation of documented evidence demonstrating the following:

1. Population Component Cap. The Completed Application shall not require an awarded reservation of 9% Credits from an annual Credit Ceiling in an amount greater than 20% of the population component of the annual Credit Ceiling, as determined in accordance with Section 42(h)(3)(c)(ii) of the Code;
2. 9% Credits Per Qualified Unit. The Completed Application shall not require an awarded reservation of 9% Credits from an annual Credit Ceiling in an amount greater than the product of \$30,000 and the number of LIHTC Program qualified units in the Proposed Development;
3. Debt and Credit Sizing. The Application shall include proposed financing terms that deploy 9% Credits effectively and minimally relative to other proposed sources of funds in a Proposed Development and the Chief Executive Officer – Executive Director shall retain the discretion to set the amount of any awarded reservation of 9% Credits from an annual Credit Ceiling to a Proposed Development, notwithstanding the amount of 9% Credits proposed or sought for said Proposed Development in a Completed Application;
4. Hybrid Financing Structures. In order to maximize the use of public resources and to otherwise accomplish the objectives of the Plan, the Authority reserves the right to consider Proposed Developments seeking an awarded reservation of 9% Credits from an annual Credit Ceiling that are paired in a hybrid financing structure with a separate and simultaneous financing plan seeking an allocation of 4% Credits (together, a “Proposed Hybrid Development”). Any Proposed Hybrid Development shall: (i) satisfy all applicable requirements set forth in the Plan; (ii) be subject to the limitation set forth in Section III(B)(1); and (iii) be subject to the limitation set forth in Section III(B)(2), *provided, however*, for purposes of the Section III(B)(2) calculation of the number of LIHTC Program qualified units, all LIHTC Program qualified units in the entire Proposed Hybrid Development shall be included so long as the Authority determines, exercising full discretion allowed by law, that the award of 9% Credits to the Proposed Hybrid Development is consistent with the objectives of the Plan. The Authority will require Proposed Hybrid Developments to be of a

scale necessary to produce demonstrable savings of resources in exchange for the higher complexity of the execution and to otherwise meet the requirements set forth in the Guidelines. In evaluating such Proposed Hybrid Developments, the Authority will consider, among other things: (a) the Applicant's experience in successfully completing the proposed hybrid structure and organizational depth and capacity to undertake complex transactions; (b) simultaneous financing for each building/phase/condominium unit; (c) the Applicant's demonstrated ability to adhere to strict timelines; and (d) the Completed Application's demonstration of cost savings, increased unit production, and reduction in the needed volume of 9% Credits or resources, as required; and

5. Completed Applications Viable with 4% Credits. In order to further the housing policies, objectives and goals of the Plan, at any time during the Authority's Financial Feasibility review, the Chief Executive Officer – Executive Director shall have the discretion to determine that a Completed Application appears to leverage funding or financing sources essential to the viability of the Proposed Development more effectively with an allocation of 4% Credits, will need to proceed seeking an allocation of 4% Credits in connection with proposed tax-exempt bond financing, and will be deemed ineligible for an award or reservation of 9% Credits from the applicable annual Credit Ceiling.

C. Preservation and New Construction Classifications

For purposes of furthering State policy and in order to further the housing policies, objectives and goals of the Plan, the Authority will accept Applications for 9% Credits to be reserved or awarded from each annual Credit Ceiling for Proposed Developments in either the "Preservation Classification" or the "New Construction Classification." Proposed Developments that primarily constitute the substantial rehabilitation or replacement of existing occupied multifamily rental housing shall be eligible to apply under the Preservation Classification. Proposed Developments that do not qualify for the Preservation Classification shall be eligible to apply under the New Construction Classification. Notwithstanding the foregoing, the Authority may designate any Proposed Development as solely eligible to apply in the New Construction Classification depending on relevant considerations necessary to achieve the objectives of the Plan.

It is the intent of the Authority to make 25% of the awards or reservations from each annual Credit Ceiling to Completed Applications in the Preservation Classification and 75% of the awards or reservations from each annual Credit Ceiling to Completed Applications in the New Construction Classification. Further, it is the intent of the Authority to make 50% of the awards or reservations in the New Construction Classification to Completed Applications in high and very high resource areas as determined in accordance with the Housing Needs & Location Guideline. Notwithstanding the foregoing, the number of annual awards or reservations made in each Classification may vary depending on relevant considerations and limitations necessary to achieve the objectives of the Plan.

D. Preservation Classification Priority Ranking

In the Preservation Classification, all Completed Applications shall be evaluated based solely on their satisfaction of the following ranked Preservation priorities. As determined by the Authority in its sole discretion, the satisfaction of each Preservation priority will result in a Completed Application achieving a higher priority for an award of 9% Credits from an annual Credit Ceiling. The Preservation priorities are listed in declining order of significance, as follows:

1. Proposed Developments demonstrating the largest scope of rehabilitation work on an existing and occupied affordable rental housing development, as demonstrated by a capital needs assessment and by Authority review;
2. Proposed Developments at risk of losing affordability through expiring restrictive covenants, loss of rental subsidies and/or conversion to market rate housing within five years of the date of Application, or as such risk and/or time period is otherwise determined by the Authority to be consistent with the goals of the Plan;
3. Proposed Developments seeking re-syndication of a prior allocation of Credits;
4. Proposed Developments that are: (i) planned as part of an overall phased affordable rental housing development which is in full compliance with all applicable requirements and goals of the Plan (each collectively, an “Existing Phased Development”), (ii) the second or other subsequent phase of the Existing Phased Development, and (iii) either contiguous with, or located within close proximity of, the Existing Phased Development;
5. Proposed Developments with demonstrated cost efficiencies (as defined in the Guidelines);
6. The Applicant’s demonstrated successful performance as developer and/or managing member/manager/general partner of the ownership entity of LIHTC Program properties that remained in good standing throughout the development and compliance periods;
7. Proposed Developments located in a municipality where there is less than 10% assisted and deed-restricted housing according to the definition in Section 8-30g(k) of the Connecticut General Statutes and identified on the “Affordable Housing Appeals Procedure List” published by DOH;
8. The greatest number of sustainable design measures set forth on **Exhibit A-1: Preservation Sustainable Design**, attached hereto;
9. Proposed Developments identified by the State, the municipality, or other regional, community or municipally recognized organization as needing rehabilitation for community revitalization purposes.

E. New Construction Classification Competitive Point Ranking Categories

In the New Construction Classification, all Completed Applications shall be scored and ranked in accordance with a total of 100 Points to support priority for housing development proposals (“Points”). The categories of Points are summarized, as follows:

Rental Affordability (35 Points) – Creates rental units dedicated to low-income, very low-income and extremely low-income families, households and individuals.

Sub-Category	Maximum Points
Supportive Housing Units	9
Extremely Low-Income Households	8
Very Low-Income Households	7
Mixed-Income Housing	6
Existing Phased Development	2
On-Site Resident Services Coordinator & Clinical Partnership	3

Financial Efficiency & Sustainability (28 Points) – Demonstrates cost effectiveness through efficient use of Credits and other sources.

Sub-Category	Maximum Points
Cost Effectiveness & Hard Costs	4
Credits Per Qualified Bedroom	4
Credit Equity Less than 50% of Total Uses	3
Other Permanent Funding Sources	3
Sustainable Design	10
Cost Effectiveness, Intermediary Costs	4

Local Impact (15 Points) – Maximizes existing infrastructure while preserving natural resources, giving priority to projects that reuse or capitalize areas within built-up lands, existing commercial properties, and brownfield sites.

Sub-Category	Maximum Points
Access to Infrastructure	3
Transit-Oriented Development	4
Historic Place, Adaptive re-use or Brownfield Development	6
Located in a Qualified Census Tract	1
Concerted Community Revitalization Plan and/or Affordable Housing Plan	1

Housing Needs & Location (10 Points) – Promotes diverse housing opportunities in municipalities statewide particularly those with greatest affordable housing need.

Sub-Category	Maximum Points
Municipalities with Less Assisted and Deed-Restricted Housing	5
Developments Located in Area of Housing Needs	5

Qualifications & Experience (12 Points) – Promotes an experienced development team’s strong track record in the LIHTC Program and affordable housing development.

Sub-Category	Maximum Points
Experience of Sponsor/Applicant/General Partner	5
Developer/Sponsor Resources	3
Developer LIHTC Program Performance	4

F. New Construction Classification Tie Breaker Policy

In the event that two Completed Applications receive equal Point rankings, the Authority shall use the following tie-breaker preferences, in the following order:

1. Highest total score in “*Rental Affordability*” category;
2. Highest total score in “*Financial Efficiency & Sustainability*” category;
3. Highest total score in “*Housing Needs & Location*” category;
4. Highest total score in “*Local Impact*” category.

G. Qualified Non-Profit Set-Aside

Notwithstanding Point rankings or Classifications to the contrary, the Authority retains the discretion to afford ranking priority to Applications satisfying the 10% non-profit set-aside of credit authority for “qualified non-profit organizations” within the meaning of Section 42(h)(5)(c) of the Code. Non-profit organizations must satisfy the following requirements in order to receive a non-profit designation: (i) the non-profit organization must commit to participating materially (within the meaning of Section 469(h) of the Code) in the development and operation of the project throughout the compliance period; and (ii) the non-profit sponsor must be a qualified non-profit organization as defined in Section 42(h)(5)(C) of the Code.

H. New Construction Classification Competitive Points

All Completed Applications seeking 9% Credits in the New Construction Classification shall be ranked in accordance with the Points received in accordance with the following parameters:

1. Rental Affordability

- a) Supportive Housing Units. Points will be awarded based on: (i)(1) the Applicant’s written commitment to fill supportive housing units through the Coordinated Access Network (CAN) referral process in accordance with the Supportive Housing Guideline and said commitment must include a description of funding sources, a budget for supportive services, identification of target population (i.e. homeless adults, homeless families), and evidence of the affordability and need for supportive housing units in the Proposed Development’s location; or (2) the Applicant’s written commitment to set aside units for referred individuals from any program administered directly or indirectly by the State of Connecticut for the Proposed Development; and (ii) formerly homeless individuals and/or families moving from service-intensive supportive housing settings or from other facilities and who require light or no services (“Moving-On Households”). Up to nine (9) Points may be awarded in this category, subject to the Supportive Housing Guideline.

Percentage of Units	Points
≥ 10% CAN Referral	7
≥ 10% State Referral	5
≥ 5% Moving-On Households	2

- b) Extremely Low-Income (ELI) Households. Points will be awarded based on the percentage of qualified units that serve ELI households and that provide rents pursuant to HUD guidelines adjusted for family size throughout the extended use period. For purposes of this category, ELI shall mean income limits set by the United States Department of Housing and Urban Development (HUD), or as otherwise defined by the Authority in the Guidelines.

Percentage of Units	Points
≥ 25%	8
≥ 20% and < 25%	5
≥ 15% and < 20%	3
≥ 10% and < 15%	2

- c) Very Low-Income (VLI) Households. Points will be awarded based on the percentage of total units that serve VLI households and that provide rents pursuant to HUD guidelines adjusted for family size throughout the extended use period. For purposes of this category, VLI shall mean income limits set by HUD, or as otherwise defined by the Authority in the Guidelines.

Percentage of Units	Points
≥ 40%	7
≥ 30% and < 40%	4
Over 20% and < 30%	3

- d) Mixed-Income Housing. Proposed Developments that promote economic integration by creating mixed-income housing will receive Points based on the percent of non-qualified units (market rate housing without income restrictions) included.

Percentage of Non-qualified units	Points
≥ 20%	6
≥ 10% and < 20%	2

- e) Existing Phased Developments. Proposed Developments that are: (i) planned as part of an Existing Phased Development (as defined herein) which has received a prior allocation of 9% Credits or Authority first mortgage financing, (ii) the second or other subsequent phase of the Existing Phased Development, and (iii) either contiguous with, or located within close proximity of, the Existing Phased Development.

2 Points

- f) On-Site Resident Services Coordinator & Clinical Partnership. A maximum award of three (3) Points will be provided to Proposed Developments that include staffing of a Resident Services Coordinator by virtue of qualifying under either subsection (i) or subsection (iii) below. Points will not be awarded for simultaneous eligibility in both subsections (i) and (ii). Resident Services Coordinators should be engaged and credentialed (as applicable) in accordance with the Authority Guidelines for Resident Services Coordinators.

- i. *Full-Time Credentialed.* On-site Credentialed Resident Services Coordinator staff, working a minimum of one full-time equivalent hours per week, and a property budget line item or evidence of an arrangement with a third-party provider specifying the funding source for the Resident Services Coordinator salary, benefits and annual training is required, as well as an executed “*Acknowledgement of Guidelines for Resident Services Coordinators.*”

2 Points

- ii. *Part-Time.* On-site Resident Services Coordinator working a minimum of .5 full time equivalent hours per week and a property budget line item or evidence of arrangement with a third-party provider specifying the funding source for Resident Services Coordinator salary, benefits and annual training is required, as well as an executed “*Acknowledgment of Guidelines for Resident Services Coordinators.*”

1 Point

- iii. *Clinical Partnership.* The provision of service coordination in partnership with a local wrap-around or comparable services agency to assist all residents in developing and implementing plans for success in supportive housing and continuing the linkage to supportive services, as needed. Documentation of a service plan and any other conditions set forth in the Guidelines is required.

1 Point

2. Financial Efficiency & Sustainability

- a) Cost Effectiveness & Hard Costs. Points may be awarded based upon deviation from the Authority’s anticipated construction square foot cost. (For additional information please refer to the Construction Standards). Costs are reviewed in the context of development location and any applicable constraints in the marketplace including regional labor and material costs and applicability of prevailing wage statutory requirements. Determination of the acceptable range of hard costs shall be at the Authority’s discretion, *provided, however*, Points in this category will not be available for: (i) Proposed Developments that do not include general contractors fully procured in accordance with all applicable laws at the time of submission of the Application, and (ii) Applications that include hard costs submitted by a cost estimator, consultant, architect or other comparable source.

Percentage Deviation	Points
Between +/- 5%	4
Between > 5% and 10% or Between < -5% and -10%	1

- b) Credits Per Qualified Bedroom. Proposed Developments with family units will be ranked in order of lowest to highest credits per LIHTC Program qualified bedroom. Points will be awarded in rank order and no more than four Proposed Developments will receive Points in this category. Per-bedroom figures may be modified by the results of the Authority's financial feasibility analysis. With respect to any Proposed Hybrid Development, Points in this category will be calculated based on the total number of qualified bedrooms in the Proposed Hybrid Development and the sum of the Proposed Hybrid Development's 9% Credits and 4% Credits.

Credits per Qualified Bedroom	Points
Lowest Credits per qualified bedroom	4
Second Lowest Credits per qualified bedroom	3
Third Lowest Credits per qualified bedroom	2
Fourth Lowest Credits per qualified bedroom	1

- c) Credit Equity Less than 50% of Total Uses. 9% Credit equity estimated by the Authority for any one Proposed Development which does not exceed 50% of total uses will receive Points. 9% Credit equity estimated by the Authority for developments located in federally designated Qualified Census Tracts (each a QCT) or Difficult Development Areas (each a "DDA"), as defined in Section 42(d)(5)(B)(ii) of the Code, which do not exceed 65% of total uses as recognized by the Authority will receive Points.

3 Points

- d) Other Permanent Funding Sources. Commitment(s) for non-debt permanent funding sources of greater than 5% of a Proposed Development's Total Development Resources (as defined in the Guidelines), including local housing trust funds, grants, foundation awards, or other non-debt commitments such as land contributions, tax abatement, block-grant funds, or an AHP award will qualify for Points in this category if written documentation is provided. State or state-administered funds, including but not limited to funding from DOH, Urban Act, Brownfields, the State Housing Tax Credit Contribution program, State Historic Tax Credits, the Municipal Redevelopment Authority and/or the Capital Region Development Authority are not eligible sources of permanent funding for purposes of qualifying for this Point.

3 Points

- e) Sustainable Design. Points will be awarded based upon the Sustainable Design Measures (SDM) included in a Proposed Development and indicated in the plans, specifications, energy conservation plan, third-party energy consultant or professional engineer's report, and/or other supporting documents as required in the Construction Guidelines: Energy Conservation and Sustainability, and the Construction Standards. Points will be awarded in

accordance with the criteria as set forth on **Exhibit A-2: New Construction Sustainable Design**, attached hereto and made a part hereof, and in summary, as follows:

Criteria	Points
<u>Energy Conservation</u>	
Tier 1	2
Tier 2	3
<u>Green Building</u>	
Tier 1	2
Tier 2	3
<u>Solar</u>	2

Points shall take into account solar installations included in the Proposed Development to the maximum extent feasible given project parameters including roof size or clear and unobstructed land area. Rooftop or ground solar is a baseline expectation. Building-integrated photovoltaics (“BIPV”) such as solar glass, solar shingles and façade-integrated PV may also be considered.

Sustainable Development with Digital Literacy and Connectivity 1

Commissioning 1

One (1) Point may be awarded if Applicant provides a proposed Commissioning contract for MEP system planning, design, documentation, installation, verification and training, to provide a facility that operates as a fully functional system per the Owner's Project Requirements and 90% plans and specifications, and evidence of the projected cost for Commissioning in the development budget.

- f) Cost Effectiveness, Intermediary Costs. Points will be awarded to Proposed Developments with the lowest percentage of intermediary costs. No more than four Proposed Developments will receive Points in this category.

Lowest percentage	4 Points
Second-Lowest percentage	3 Points
Third Lowest percentage	2 Points
Fourth-Lowest percentage	1 Point

3. Local Impact

- a) Access to Infrastructure. Priority is afforded to Proposed Developments with access to infrastructure. One (1) Point will be given for each of the following criteria:

- i. Existing or planned sewer service from an adopted wastewater facility plan or other comparable plan
- ii. Existing or planned water service from an adopted public drinking water supply plan or other comparable plan
- iii. Local bus service provided seven days a week within one-half mile of the proposed development as measured by a pedestrian's path

Criteria	Points
3 Criteria	3
2 Criteria	2
1 Criteria	1

- b) Transit-Oriented Development. Transit-Oriented Development (TOD), for purposes of the LIHTC Program, means the development of affordable multi-family residential apartments within walking distance of public transportation stations serving rapid transit bus services or rail. (For the complete definition, please refer to the Glossary). Applicants shall provide maps evidencing the distance of a pedestrian's path to the transportation hub or transit station. Points may be awarded based on the following criteria:

Proximity to Transit. Proposed Development is located within one-half mile of an existing station or hub along the CTfastrak corridor or the Hartford rail line, Shoreline East or MetroNorth's New Haven, New Canaan, Danbury or Waterbury lines, or other public transit facilities that meet transit supportive standards for land use, built environment densities and walkable environments, in order to facilitate and encourage the use of those services:

2 Points

Proximity to Amenities. Applicants may provide documentation of the driving distances calculated by Google Maps for the amenities described below. Routes must be drivable as of the application deadline. The measurements will be between the points closest to the site entrance, to or from the amenity entrance. For scattered site properties, the measurement will be from the location with the longest distance(s).

Private amenities accessible by residents within two miles of the Proposed Development including, without limitation, full-service grocery stores, variety shopping, pharmacies, medical and dental facilities, hospitals, doctor's offices, clinics, day care facilities and banks.

1 Point

Public amenities accessible by residents within two miles of the Proposed Development including, without limitation, local bus service, parks owned and maintained by a local government containing, at a minimum, playground equipment, walking/bike trails, skating rink, basketball or tennis courts and/or other family activities listed on a map or website; schools and public libraries, community centers with scheduled activities, sports facility, swimming pool, botanical or other garden, or hiking trail which is the property of the municipality or the state.

1 Point

- c) Historic Place, Adaptive re-use, or Brownfield Development. Points may be awarded for Proposed Developments of new multifamily rental housing which involves: (i) renovation of a designated historic building(s), provided eligibility requires evidence of such designation, (ii) renovation and adaptive re-use of vacant or abandoned non-residential structure(s), which structures do not have to be historic, or (iii) remediation of brownfield site(s), provided such site(s) is included on a federal or state list of brownfield sites and/or has been awarded brownfield “clean-up” funds by a federal or state agency. Points will be awarded in this category as follows:

2 Points will be awarded for Proposed Developments that include funding associated with the above-listed renovation or remediation (other than State or federal historic tax credits) which substantially offsets hard costs and is included in the total development resources (as defined in the Guidelines)

2 Points will be awarded for Proposed Developments that include a “clean site” (as defined in the Guidelines) delivered by a municipality or comparable jurisdiction as part of the Proposed Development

2 Points will be awarded for Proposed Developments that include State or federal historic tax credit commitments satisfactory to the Authority

- d) Located in a Qualified Census Tract. One (1) Point shall be awarded to a Proposed Development that is located in a QCT or, if determined by the Authority, a DDA and the development of which contributes to a concerted community revitalization plan. A copy of the community revitalization plan must be provided.

1 Point

- e) Concerted Community Revitalization Plan and/or Affordable Housing Plan. One (1) Point shall be awarded to a Proposed Development that is: (i) part of a concerted community revitalization plan, or (ii) an affordable housing plan adopted in accordance with Connecticut General Statutes §8-30j, or (iii) a plan adopted for a neighborhood revitalization zone (as defined in the Guidelines), all as demonstrated by the criteria set forth in subsections (i) through (iv) below, and/or an affordable housing plan adopted in accordance with Section 8-30j of the Connecticut General Statutes. A plan adopted for a neighborhood revitalization

zone (as defined in the Guidelines) that satisfies the following criteria will also be eligible for the Point in this category.

1 Point

- i. As of the preliminary application deadline under this Plan, the State, municipality, or other regional, community or municipally recognized organization or group formally adopted a concerted community revitalization plan to revitalize a defined geographic area which includes the site of the Proposed Development, *provided, however*, a standard land use or comprehensive plan will not be eligible unless it contains a specific revitalization component;
- ii. The State, municipality, or other regional, community or municipally recognized organization or group certifies that no principal initiated the adopted concerted community revitalization plan (other than a public housing authority or a related entity);
- iii. The completion of the Proposed Development would contribute to one or more of the concerted community revitalization plan's stated goals; and
- iv. The State, municipality, or other regional, community or municipally recognized organization or group has made, or is committed to making, specific investments in non-housing infrastructure, amenities, or services beyond the Proposed Development.

4. Housing Needs & Location

- a) Municipalities with Less Assisted and Deed-Restricted Housing. Points shall be awarded to Proposed Developments located in a municipality where there is less than 10% assisted and deed-restricted housing according to the definition in Section 8-30g(k) of the Connecticut General Statutes and identified on the "*Affordable Housing Appeals Procedure List*" published by DOH.

5 Points

- b) Developments Located in Area of Housing Needs. Proposed Developments located in a municipality with measured need for additional affordable units shall be awarded up to five (5) Points in this category in accordance with the Housing Needs & Location Guideline". .

1 to 5 Points based on Housing Needs & Location Guideline

5. Qualifications & Experience

- a) Experience of the Sponsor/Applicant/General Partner. The Authority will award Points for demonstrated experience of the sponsor, applicant, general partner, managing member or other manager of the Proposed Development's ownership entity ("GP"), either principal or

entity, in successful LIHTC Program development(s) based on the scales below up to a maximum of five (5) Points combined for the number of projects and the years of LIHTC Program experience. In order to be eligible for consideration, existing LIHTC Program projects must have a minimum of five years of operation since being placed in service. Applicants claiming Points for experience should include a list of developments, locations, and years placed in service. Notwithstanding the foregoing, an Applicant established as a joint venture which includes a partner, member, principal, managing member/manager or other joint venture participant with LIHTC Program experience may qualify for Points in this category upon the determination of the Authority, *provided, however*, such joint venture Applicant shall partner with a property management company with appropriate experience of managing LIHTC Program developments.

Number of LIHTC Program Projects: To use the scale, add the applicable Points for projects in operation more than five years. A maximum of three (3) Points are possible in this category:

Projects	Points
≥ 6	3 Points
≥ 4 and < 6	2 Points
≥ 2 and < 4	1 Point

Number of Years of LIHTC Program Experience: To use the scale, add the applicable Points for years of ownership. A maximum of two (2) Points are possible in this category:

Years of LIHTC Program Experience	Points
≥ 10	2 Points
≥ 5 and < 10	1 Point

- b) Developer/Sponsor Resources. Points will be awarded based upon the percentage of permanent Developer/Sponsor Resources to the project's permanent Total Development Resources (for additional information, refer to the Glossary).

Percentage of Resources	Points
≥ 10%	3 Points
≥ 5% and < 10%	2 Points
< 5%	0 Points

- c) **Developer LIHTC Program Performance.** Points will be awarded in this category based on the Applicant's demonstrated performance as developer and/or managing member /manager / general partner of the ownership entity of LIHTC Program properties in the State that were completed and operated on schedule and with no material changes from the Application, in compliance with their proposed development budgets, and which are in good standing with all LIHTC Program requirements. For the Applicant's most recent award of 9% Credits:

	Points
(i) Initial construction closing within 8 months of award	2
OR	
Initial construction closing within 10 months of award	1
(ii) Final cost certification less than or equal to 5% of proposed development budget approved by the Authority	2
OR	
Final cost certification greater than +5% and less than or equal to +10% of proposed development budget approved by the Authority	1

Any material performance or noncompliance issues (as determined by the Authority in its sole discretion) for any other award of Credits or Authority financing received by an Applicant shall disqualify said Applicant from receiving Points in this category.

IV. Projects Financed With Tax-Exempt Bonds

Applications made to the Authority for an allocation of 4% Credits in connection with proposed tax-exempt bond financing shall be subject to full compliance with the Basic Threshold Requirements and with applicable underwriting criteria adopted from time to time by the State and by the Authority. To the extent projects are financed with the proceeds of tax-exempt bonds subject to the annual volume cap limitation under Section 146 of the Code, such projects may receive an allocation of 4% Credits if a specified percentage or more of the aggregate basis of a project (including land) is financed with the proceeds of such tax-exempt bonds, and the entire project may be eligible for 4% Credits based on its qualified basis. The issuance of all 42(m) letters by the Authority for 4% Credit allocations shall be subject to a determination by the Authority that the proposed project complies with the Basic Threshold Requirements and is otherwise consistent with the Plan, such consistency being determined by the following:

- A. Application Criteria: Tax-exempt bond financed projects must comply with the Basic Threshold Requirements and the requirements set forth in the Procedures;

- B. Underwriting Criteria: Tax-exempt bond financed projects must also meet the underwriting criteria adopted from time to time by the State Bond Commission for multifamily rental housing financed with bonds issued pursuant to an allocation of volume cap authority approved by the State Bond Commission;
- C. Credit Limitation: 4% Credits available to tax-exempt bond financed projects are also limited to an amount necessary for the financial feasibility of the project, as set forth in Section 42(m)(2)(A) of the Code; and
- D. Debt Sizing: In accordance with the Section 42(m)(2)(A), all tax-exempt bond projects shall include proposed financing terms that deploy 4% Credits effectively and minimally relative to other proposed sources of funds in a Proposed Development as determined by the Authority in its discretion.

V. Tax Credit Compliance Monitoring

Section 42(m)(1)(B)(iii) of the Code requires that a qualified allocation plan provide a procedure that the Authority or its authorized agent will follow in monitoring for noncompliance with the provisions of Section 42 and to notify the IRS of such noncompliance. The compliance monitoring process will determine if a project is in compliance with the requirements of the Code and all applicable regulations, revenue rulings, procedures and notices promulgated thereunder. The Authority's monitoring process is outlined in the Low-Income Housing Tax Credit Compliance Manual. The Authority's compliance monitoring requirements apply to all tax credit projects, including those financed with tax-exempt bonds. Owners and management agents of developments placing in service are required to attend the Authority's Tax Credit Compliance Monitoring Conference at least six months prior to the first building's Placed-In-Service date. However, if the owner and agent have previously attended this Conference, within the last three years, the attendance requirement may be waived with Authority approval.

A. Recordkeeping and Record Retention

Under the recordkeeping provision of Reg. Section 1.42-5 (b), the owner must keep records for each building in the project for each year in the compliance period. Under the record retention provision, Section 1.42-5 (b)(3), owners are required to keep all records for each building for a minimum of six years after the due date (with extensions) for filing the federal income tax return for that year. The original records for the first year of the credit period must be retained for at least six years beyond the due date (with extensions) (21 years) for filing the Federal income tax return for the last year of the compliance period of the building. Duplicate copies of first year files should be kept at an accessible and secure off-site location. Copies may be scanned, retained in a PDF file or recorded on a compact disc. The owner of a LIHTC project must retain the original local health, safety, or building code violation reports or notices that were issued by the State or local government unit for the Authority's inspection and submit copies with the annual certification.

B. Certification and Review Provisions

The owner of the tax credit project must certify at least annually to the Authority that for the preceding 12-month period the project met certain requirements. The Authority will review at least 20% of low-income tenant files at least once every three years. New projects will be reviewed within two years following the year the last building in the project is placed in service. Annual reporting must be submitted throughout the Extended Use Period of the project. The Authority or its designee will require annual certification that the developer/owner has provided, and will continue to provide, items for which an awarded Proposed Development received Points. Additionally, the Authority or its designee will require annual certification that the developer/owner has complied with all requirements of the Violence Against Women Act (VAWA). Guidance and references are provided on the Authority's website.

C. Inspection Provision

At least once every three years the Authority or its designee will perform an on-site inspection of the project including site, building exteriors, building systems, units, and common areas. The Authority or its designee will periodically perform Quality Assurance monitoring for supportive housing units pledged by a developer/owner in its development project. Monitoring visits during which the monitoring agency will review files, interview staff and meet with tenants to assess compliance are more fully described in the current Supportive Housing Guideline.

D. Notification of Noncompliance

The Authority is required to provide prompt written notice to the owner when the Authority does not receive the required certifications and other forms; does not receive or is not permitted to inspect the tenant income certifications, supporting documentation and rent records; or discovers by inspection, review or in some other manner that the project is not in compliance with the provisions of Section 42. The correction period, established by the Authority, is 30 days from the date of the notice. The Authority is required to file Form 8823 Low-Income Housing Credit Agencies Report of Noncompliance or Building Disposition with the IRS.

E. Compliance Monitoring Fees

Projects allocated Tax Credits are required to pay an upfront Tax Credit Servicing Fee in the amount of 8% of the annual allocation. The Authority may adjust annual monitoring fees due to increased monitoring requirements and or costs.

F. Asset Management Fees

The Authority will perform Asset Management functions throughout the compliance period on projects receiving American Recovery and Reinvestment Act (ARRA) funding. The Asset Management Fee charged for projects receiving any of the ARRA funding sources shall be \$5,000 annually.

G. Other

The Authority may revise compliance monitoring policies and procedures as required by Section 42 of the Code, including other guidance published by the IRS. The 2008 HERA Law requires the Authority to report tenant data to HUD annually, including tenant race, ethnicity, family composition, age, income, use of rental assistance or other similar assistance, disability status, and monthly rental payments.

H. Liability & Delegation

Compliance with the requirements of Section 42 of the Code is the responsibility of the owner of the building for which the Credits were allocated. The Authority's obligation to monitor for compliance with the requirements of Section 42 of the Code does not make the Authority liable for an owner's noncompliance. The Authority may choose to delegate all or a portion of its compliance monitoring responsibilities to an agent or other private contractor. The option, if chosen, does not relieve the Authority of its obligation to notify the IRS of noncompliance. The Authority may also delegate some or all of its compliance monitoring responsibilities to another state agency. The delegation may include the responsibility of notifying the IRS on noncompliance.

Exhibit A-1

Sustainable Design Measures: Preservation

LIHTC applications for preservation will require a scope of work, including recommendations from the Energy consultant for the highest energy efficiency and sustainability design measures appropriate for the development. CHFA will expect the proposal to contain the following items to the extent appropriate and practical for the property.

- Energy Conservation
 - Average HERS Index ≤ 70 ; OR
 - $\geq 30\%$ reduction in pre-rehab energy use
- Green Building
 - Enterprise Green Communities 2020 (EGC 2020); OR
 - National Green Building Standard (NGBS); OR
 - Leadership in Energy and Environmental Design (LEED)
- PV system to the greatest extent possible given the scope and budget - Complete feasibility study and analysis of return on investment in consultation with CT Green Bank
- High-speed Broadband access to units

Exhibit A-2

Sustainability Design Measures: New Construction

Energy Conservation

Criteria	Points
Tier 1 Average HERS Index ≤ 46 ; OR Average % below ENERGY STAR Target Index $\geq 25\%$	2
Tier 2 Average HERS Index ≤ 42 ; OR Average % below ENERGY STAR Target Index $\geq 35\%$; OR Passive House	3

Notes:

- All HERS scores are excluding renewables
- Balanced ventilation is required as a prerequisite for any of the Energy Conservation measure Points
- For the purposes of tier evaluation, projects receiving Historic Tax Credits and subject to SHPO/NPS restrictions may use projected HERS ratings in which the affected envelope assemblies are modeled according to CHFA Design Standards.

Green Building

Criteria	Points
Tier 1 Enterprise Green Communities 2020 (EGC 2020); OR National Green Building Standard (NGBS) Gold; OR Leadership in Energy and Environmental Design (LEED) Gold	2
Tier 2 National Green Building Standard (NGBS) Emerald; OR Leadership in Energy and Environmental Design (LEED) Platinum; OR Living Building Challenge (LBC) Core Ready	3

Exhibit A-2

Sustainability Design Measures: New Construction *continued*

Solar PV System

Criteria	Points
PV system designed to the greatest extent possible given the scope of work and project budget	2

Operation and Resiliency

	Points
Sustainable Development with Digital Literacy and Connectivity	1
Commissioning	1

Digital Literacy and Connectivity

Criteria	Points
High-speed Broadband access to units	1