

CITY OF SOUTH BEND LOW INCOME HOUSING TAX CREDIT (LIHTC) ASSISTANCE POLICY

Policy Statement: To meet the housing and development objectives of the City of South Bend, it shall be the City’s policy to analyze projects requesting support for proposed Low Income Housing Tax Credits (LIHTC). Such analysis is to determine if the projects comply with certain principles and policies in the City Plan, as well as various other redevelopment or neighborhood plans adopted by a local governing body. The goal of this analysis is to (a) establish if LIHTC projects merit local support, and (b) prioritize LIHTC submissions if more than a single proposal is received during an evaluation period.

General Eligibility: Housing projects that propose construction and/or preservation of decent, safe, sanitary and affordable housing in areas of the City with the greatest housing need will be eligible for consideration of support. Such support may be any combination of the following:

- “Form C” ranking
- Letter(s) of support
- Tax abatement
- TIF funding investment
- Off-site improvements
- HOME or CDBG award
- Any other form of support deemed relevant

2015 Schedule:

June 1	Pre-Application period begins
	Application, guidelines available on City website
Sept 4	Applications due to DCI
Sept 5 – Sept 30	Evaluation Period
Oct 1 – Oct 16	Prepare Form C, letters of support
Oct 12 – 23	Form C, letters of support due to developers

Required Information: Before a project will be evaluated by the Department of Community Investment, each applicant requesting support must submit the City of South Bend’s LIHTC Project Assistance application, all attachments to the application, and “Form C” from the Indiana Housing and Community Development Authority’s (IHCDA) Qualified Allocation Plan. The application and list of required documents are available on the City’s website.

Priority Considerations: The City of South Bend is committed to the goal of improving the quality of life in the City, its neighborhoods and for its residents. As part of this commitment to a comprehensive community development and improvement program, the City supports the

development of decent, safe, sanitary and affordable housing options that provides full and equal access to all persons.

Therefore, in general, the City of South Bend will give preference to a project that:

- Aligns with the priorities stated in the Indiana Housing and Community Development Authority's (IHCD) current Qualified Allocation Plan (QAP);
- Is located in an area with an adopted redevelopment or neighborhood plan;
- Incorporates a strategy of adaptive reuse or rehabilitation rather than new construction;
- Actively involves the neighborhood organization / stakeholders;
- Does not contribute to an over-saturation of affordable housing in a neighborhood;
- Demonstrates a high quality of design / construction; and,
- Can be funded with without public dollars from the City.

Meeting with City Staff: No less than one meeting with the developer, sponsor and relevant DCI/City staff will take place to discuss the proposed project in general, and any issues and concerns identified in the application in particular.

Absence of a Redevelopment / Neighborhood Plan: When a current plan is not available, it is the responsibility of the applicant to approach DCI staff early in the pre-application period, as stated on the City's website and in the LIHTC Project Assistance Application. The City of South Bend may, at its discretion and with reasonable notice, update an existing plan or develop a new plan. It is noted that actions taken by City staff with regards to a redevelopment/neighborhood plan do not commit the City to fund/support a particular proposed project.

Request for Tax Abatement or TIF Funds: An applicant seeking support via tax abatement or TIF funding must inform DCI staff of such intent early in the pre-application period, as stated on the City's website and in the LIHTC Project Assistance Application. An application for tax abatement must be completed by the LIHTC applicant, and contact with the Economic Resources team initiated. It is noted that applying for and/or receiving tax abatement does not commit the City to fund/support a particular proposed LIHTC project.

Impact on City Infrastructure: Support will not be provided for proposed LIHTC projects that will negatively impact City public services, including utilities, public safety and emergency response services, neighborhoods or schools.

Authority of the City: The City of South Bend reserves the right to deviate from any policy when it considers such action to be in the best interests of the City. In addition, the City may, at

its discretion, consider other factors as part of its evaluation of an application for LIHTC project assistance, including:

- The design and architectural quality of the proposed project
- The amenities for residents included at the project
- The services provided for residents at the project
- Any other factor deemed relevant

Number of Requests of Support: No commitment of support will be provided for a proposed LIHTC project that was denied funding by IHCDCA for two consecutive years. An exception will be made if the applicant has made modifications to the project based on feedback from IHCDCA.

Duration of Commitment of Support: No commitment of support for a proposed LIHTC project will remain in effect for more than one (1) year from the date of written support.

Substantial Changes: Should a project which receives a commitment of financial and/or development assistance from the City have a substantial change including, but not limited to, the following before the start of construction, the developer must notify the Department of Community Investment in writing and request a new commitment of support:

- Number of units
- Type of units
- Target population
- Amenities
- Type of construction
- Developer / sponsor / owner
- Assistance required from City
- Final site development plan

Compliance & Monitoring

DCI staff will be responsible for ensuring Davis-Bacon Act and Section 3 compliance, if applicable. Any development receiving tax credits through IHCDCA, that also receives CDBG or HOME funds through the City, may be subject to Davis-Bacon Act and/or Section 3 regulations. If DCI staff determines that the project meets Davis-Bacon Act and/or Section 3 criteria, a meeting will be scheduled with the development team and the general contractor to ensure implications of the regulations are understood and are followed.

Administration of the LIHTC Program: The LIHTC program in the State of Indiana is administered by the Indiana Housing and Community Development Authority. The City of South Bend has no responsibility for application approval for LIHTC projects or for the administration of the LIHTC program.