

### **Tab 44 Health for Housing Investment**

The Agency will reserve tax credits to, at a minimum, one (1) development in the aggregate between the two Pools (Urban & Suburban/Rural) for Health for Housing Investment (HHI) eligible projects. To be eligible for financing under this program, projects must:

- Include a Capital investment from a health care entity.
  - Eligible health care entities include health care payers such as Medicaid Managed Care Organizations (MCOs) and private insurers, health providers such as hospital systems, and health conversion foundations.
  - The projects must include funding contributions from the participating healthcare entity towards the capital financing of the project, in the form of a grant, loan, debt, or the contribution of land and/or existing structure(s).
- Promote long-term health and stability for affordable housing residents while addressing community-level health disparities.

In addition to a financial contribution, health systems are encouraged to participate in this initiative in other ways, including:

- Tenant referrals from emergency rooms
- Provision of onsite care services or mobile care clinics
- Support of tenant-focused activities and programs addressing health such as nutrition literacy, healthy meal preparation; exercise classes; chronic disease self-management, etc.

#### **1. Health for Housing Investment Matching Funds**

Projects that are Health for Housing Investment Eligible may also request HHI matching funds.

- The Agency will match the amount of the capital contribution made by the health care entity up to a maximum of \$2,000,000 for 9% LIHTC developments and \$1,500,000 for 4% developments.
- A minimum capital contribution from the healthcare entity must be made in the amount of no less than \$250,000 (including applications seeking match for donation of land)
- The Agency will match Land Donation of an amount up to 50% of the “**as-is**” appraised value. (Applications seeking match funds for donated land must also have a minimum capital contribution of \$250,000 from the Health Care entity).

**ATTENTION:** Consult your Tax Attorney regarding the structure of the capital contribution from the Health Care Entity.

### Matching Fund Calculation Examples

#### Example #1 – 9% or 4% Application:

Capital Contribution by Health Care Entity - \$500,000 - Agency match - \$500,000

Donation of land - “as-is” Appraised value - \$1,000,000 - Agency match - \$500,000

Total Agency match for which eligible to apply - \$1,000,000

#### Example #2 – 9% Application:

Capital Contribution by Health Care Entity - \$1,500,000 - Agency match - \$1,500,000

Donation of Land – “as is” Appraised value - \$2,000,000 - Agency match - \$1,000,000

Total Agency match for which eligible to apply - \$2,000,000

#### Example #3 – 4% Application:

Capital contribution by Health Care Entity - \$1,500,000 - Agency match - \$1,500,000

Donation of Land – “as is” Appraised value - \$2,000,000 - Agency match - \$1,000,000

Total Agency match for which eligible to apply - \$1,500,000

### HHI Application Requirements

To apply for the HHI program and matching funds, applicants must provide:

- A current letter of intent from the Health Care Entity must be provided in Tab 21 & Tab 44 of the application. These funds should be listed as “Health for Housing Investment” funds on the source of funds section of the core application.

Each letter of intent must:

- Be dated within 60 days of the Application submission deadline
- Include loan terms and conditions
- The source of funds must be clearly identified and have been set-aside for the subject development
- Provide a breakdown of any and all financing fees (financing fees will not be recognized in total project cost at application if not stipulated in the letter of intent)
- A narrative statement which discusses the following:

- Healthcare Partner(s) involved and their level of involvement in the project including services provided, partnership agreements, evidence of ongoing relationship;
  - Type and amount of contribution(s) from healthcare partner(s);
  - Description of community healthcare needs from most recent Hospital Community Needs Assessment or other comparable community health data/report;
  - Description of healthcare gap or need filled by the Project; and
  - Anticipated impact on community health disparities from the Project including, but not limited to, description and number of households served, healthcare needs addressed, potential impact on community health, etc.
- Certificate of Attendance for a PHFA Health for Housing Investment Tab 44 Informational Webinar/training. Information regarding these informational sessions will be available following the submission of the Intent to Submit.

## 2. **Guidance on Supportive Housing and HHI Projects**

Research and best practice indicate opportunities to pair supportive housing with health and housing partnerships in the development of affordable housing. To this end, the following guidance is intended to guide projects looking to apply to both the Health for Housing Investment and Supportive Housing Preferences.

Projects interested in applying to both the Health for Housing Investment and Supportive Housing Preferences should note the following:

- Applicants must complete both Tab 31 and Tab 44
- The HHI health care entity that contributes financially to the project may also serve as the Tab 31 Lead Agency but is not required to do so.
- Projects with target populations not specifically defined in Tab 31 will be approved by the Agency on a case-by-case basis. Population eligibility will be reviewed upon submitting the Intent to Submit.