

Issued: September 15, 2020
Expiration Date: Until Terminated or Revised

Attention: Owners, managers, and prospective purchasers of affordable multi-family housing financed by the Georgia Department of Community Affairs (“DCA”) or the Georgia Housing and Finance Authority (“GHFA”).

Subject: **Guidance on submitting a Request for Post Award Project Concept Change to DCA’s Office of Portfolio Management (“OPM”).**

A. Applicability

This guidance applies to all multi-family affordable housing properties that are currently being monitored by DCA for compliance related to funding received from DCA or GHFA and that have already been placed-in-service (“Applicable Properties”).

B. Purpose

Pursuant to the State of Georgia’s Qualified Allocation Plans and DCA’s Compliance Manual, Owners of Applicable Properties are required to submit a Request for Post Award Project Concept Change (“PCC”) to OPM at least 30 days prior to a change to an Applicable Property. The Office of Portfolio Management processes PCC requests for properties that have already been placed-in-service. The purpose of this guidance is to provide instructions to the public regarding the types of changes to Applicable Properties that require a PCC submission to OPM as well as instructions on how to submit a PCC to OPM

C. Discussion

Generally, any change to an Applicable Property requires a PCC be submitted to OPM. This requirement is independent of any documentation submitted to DCA's Office of Housing Finance as part of an application for funding from GHFA.

Below is a general overview of the required submission documents for a PCC. Appendix A contains additional instructions for specific PCCs that are commonly received by OPM. Please note that DCA charges a \$1500 fee for all PCC requests.

Changes Requiring a PCC Request

The following is a non-exhaustive list of the types of changes that require a PCC:

1. Sale of the Applicable Property;
2. Transfer of General Partner or Limited Partner interest;
3. Change in unit designation;
4. Any change to any term found in the Applicable Property's Land Use Restrictive Covenant Agreement ("LURC");
5. Any change to any term or any document related to a DCA or GHFA-issued loan;
and
6. Any change from what was committed to in the original application for funding.

Please note that if a management company change is the only applicable change to a property, then no PCC is required. The online change in management request form can be accessed via this link: <https://www.dca.ga.gov/safe-affordable-housing/rental-housing-development/compliance-monitoring/forms-reporting-dca>

Steps for Completing a PCC Request

1. **PCC Request Form.** All PCC's require the current owner of the Applicable Property to submit a completed PCC form to DCA. That form can be found on the DCA website using the following link:

<https://www.dca.ga.gov/node/4579>

To expedite processing of the PCC, please fully complete the form with as much information about the request as possible. At a minimum, please include the following information:



- a. Name, address, and Georgia ID Number of the property (ex: XX-XXXX);
- b. Current owner with contact information;
- c. Current DCA or GHFA-issued funding, including any applicable loan number;
- d. If it's a tax credit property, indicate whether it's in the compliance period or extended use period; and
- e. Narrative detailing the nature of the request.

Please see Appendix A for additional instructions related to specific types of PCCs.

2. **PCC Fee.** A check for \$1500 payable to the Georgia Department of Community Affairs. Please write the name of the property, GA ID number, and "PCC Fee" on the front of the check.
3. **Additional Documents.** Please see Appendix A for the required documents related to common PCCs.

Submission Instructions

It is the current owner's responsibility to submit all required documents and fees to DCA. For PCCs that require a proposed purchaser to provide documents or information, the parties may submit documents separately. However, it is easier for DCA to process the PCC if all documents are submitted together. Submission of PCC documents may be made using the following two methods:

1. **Mail.** Please mail all submission documents, including the PCC fee, following the submission instructions on the PCC form.
2. **Email.** Alternatively, submission documents may be emailed to OPM's legal consultant, Nick Sexton, at the following address: Nick.Sexton@dca.ga.gov. Please copy DCA's Manager of Asset Management, Steve Vlkovic, on the email using the following address: Stephen.Vlkovic@dca.ga.gov. The check for the PCC fee should be mailed following the instructions on the PCC request form.



Post-Submission Process

Once the PCC has been received, DCA will reach out to the applicable parties to confirm receipt and to gather additional information as needed. Please note that standard processing time for a PCC is 30 days. DCA will not begin processing the request until the fee and all required forms have been received.

D. Future Revisions

This guidance is subject to future revisions on an on-going basis. Specifically, revisions may be made to include guidance on additional types of PCCs, to further clarify required documentation, and to update submission instructions.



APPENDIX A

The following is a list of common changes to Applicable Properties that require a PCC with instructions on what documents to include with the submitted PCC. Please note that the required documents listed below are DCA's minimum requirements; additional documents may be requested depending on the nature of the PCC.

Fee Simple Transfer

Any transfer where title to the Applicable Property will change.

1. **PCC Request Form**. In addition to the minimum information listed in Section C above, please include:
 - a. Name and contact information for the proposed purchaser.
 - b. Any proposed funding that will be added to the property's financing. This includes private funding and funding issued by DCA or GHFA.
 - c. Indicate whether a management change will occur.
 - d. Proposed closing date.

2. **Performance Workbook**. The proposed purchaser must submit a completed Performance Workbook and Questionnaire ("PWB"). The PWB can be found on the DCA website using the following link: <https://www.dca.ga.gov/node/6247>
 - a. Any person with an ownership interest in the General Partner is required to submit a PWB.
 - b. Please fill out the organizational chart with as much detail as possible, including the ownership percentage of all relevant entities and individuals.
 - c. You may provide the entire PWB in PDF format, but at a minimum please provide the PWB Certification and PWB Questionnaire in PDF format.

3. **Purchase and Sale Agreement**. Please provide an executed copy of the Purchase and Sale Agreement ("PSA") with the buyer and seller matching the buyer and seller identified in the PCC request form. Include any assignments, if applicable.



4. Operating Agreement. Please provide the latest operating agreement or partnership agreement for the proposed buyer.
5. Cancellation Documents. If a GHFA HOME or other loan is being paid off at closing, DCA will prepare the applicable cancellation documents. However, owners may prepare a draft quitclaim deed of release or cancellation for DCA's review.

General or Limited Partner Transfer/Restructuring

Any change where an entity or individual is being added or subtracted from the ownership structure.

1. PCC Request Form. In addition to the minimum information listed in Section C above, please include:
 - a. Name and contact information for the incoming entity.
 - b. Indicate whether a management change will occur.
 - c. Proposed closing date.
2. Performance Workbook. The incoming entity must submit a completed Performance Workbook and Questionnaire ("PWB"). The PWB can be found on the DCA website using the following link: <https://www.dca.ga.gov/node/6247>
 - a. Any new person with an ownership interest in the General Partner is required to submit a PWB.
 - b. Please fill out the organizational chart with as much detail as possible, including the ownership percentage of all relevant entities and individuals.
 - c. You may provide the entire PWB in PDF format, but at a minimum please provide the PWB Certification and PWB Questionnaire in PDF format.
3. Transfer Agreement. Please provide an executed copy of any applicable transfer agreement.
4. Operating Agreement. Please provide the latest operating agreement or partnership agreement for the applicable entity.



Refinance or Restructuring of Loan

Any refinance or restructuring of a loan that requires an amendment to or subordination of any document to which GHFA or DCA is a party.

1. **PCC Request Form**. In addition to the minimum information listed in Section C above, please include:
 - a. Basic terms of the loan
 - b. Proposed closing date
2. **New Financing Information**. Please provide a commitment for the new loan showing the terms and conditions as well as a draft or final loan agreement.
3. **Amendment or Subordination Agreement**. If available, please provide a draft of the proposed amendment or subordination that DCA or GHFA will be required to sign.

Loan Assumption

Any sale of the Applicable Property where the incoming owner will be assuming the obligations of an existing DCA or GHFA loan.

1. **PCC Request Form**. In addition to the minimum information listed in Section C above, please include:
 - a. Name and contact information for the proposed purchaser.
 - b. Any proposed funding that will be added to the property's financing. This includes private funding and funding issued by DCA or GHFA.
 - c. Indicate whether a management change will occur.
 - d. Proposed closing date.
2. **Performance Workbook**. The proposed purchaser must submit a completed Performance Workbook and Questionnaire ("PWB"). The PWB can be found on the DCA website using the following link: <https://www.dca.ga.gov/node/6247>
 - a. Any person with an ownership interest in the General Partner is required to submit a PWB.



- b. Please fill out the organizational chart with as much detail as possible, including the ownership percentage of all relevant entities and individuals.
 - c. You may provide the entire PWB in PDF format, but at a minimum please provide the PWB Certification and PWB Questionnaire in PDF format.
3. Purchase and Sale Agreement. Please provide an executed copy of the Purchase and Sale Agreement (“PSA”) with the buyer and seller matching the buyer and seller identified in the PCC request form. Include any assignments, if applicable.
4. Operating Agreement. Please provide the latest operating agreement or partnership agreement for the proposed buyer.
5. New Financing Information. If DCA or GHFA will be asked to subordinate to a new loan, please include a commitment for the new loan and a pro-forma for the property.
6. Assumption Agreement. DCA will draft an assumption agreement. However, owners may draft their own assumption agreement for DCA’s review.

Unit Designation Change, Amenity Change, or Other Change to the LURC or Loan Documents

Any other change that affects the Applicable Property that is not covered elsewhere in this guidance.

1. PCC Request Form. In addition to the minimum information listed in Section C above, please include:
 - a. Additional details regarding the reason for the request.
2. Other. Any other relevant documentation. If the change involves action from the United States Department of Housing and Urban Development (“HUD”), please provide relevant documentation highlighting those actions.

