

Columbia Canopy at Grove Park, Atlanta
Columbia Residential

Housing Tax Credit Updates

October 10, 2024



Speakers

Mitch Kelly

Director, Housing Finance

Sandy Wyckoff

Senior Tax Credit Manager

Meagan Cutler

Senior Allocation Manager

Gary Huggins

Construction Services Manager

Jessica Worthington

Community Engagement Strategist/Interim Deputy Division Director

Melissa Florkowski

Housing Finance Policy Lead

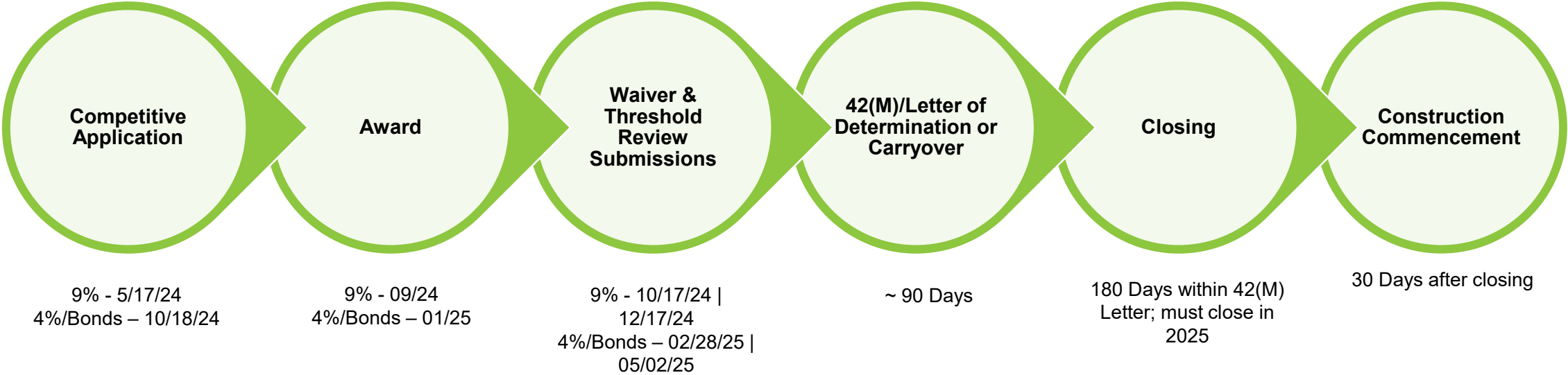
Sanjana Zahin

Tax Credit Specialist

Agenda

- *Level-Setting*
- QAP Updates
- Project Team Reviews
- Scoring
 - 2024 9%
 - 2024 4%/Bonds
 - 2025 9%
- Underwriting/Feasibility
- Development Monitoring
- Construction Monitoring
- General Updates

Pre-Construction Timeline



Housing Continuum

Temporary Housing | Supportive Housing | Rental (Workforce & Senior) | Homeownership

HOME-ARP

National Housing Trust Fund

Housing Tax Credits

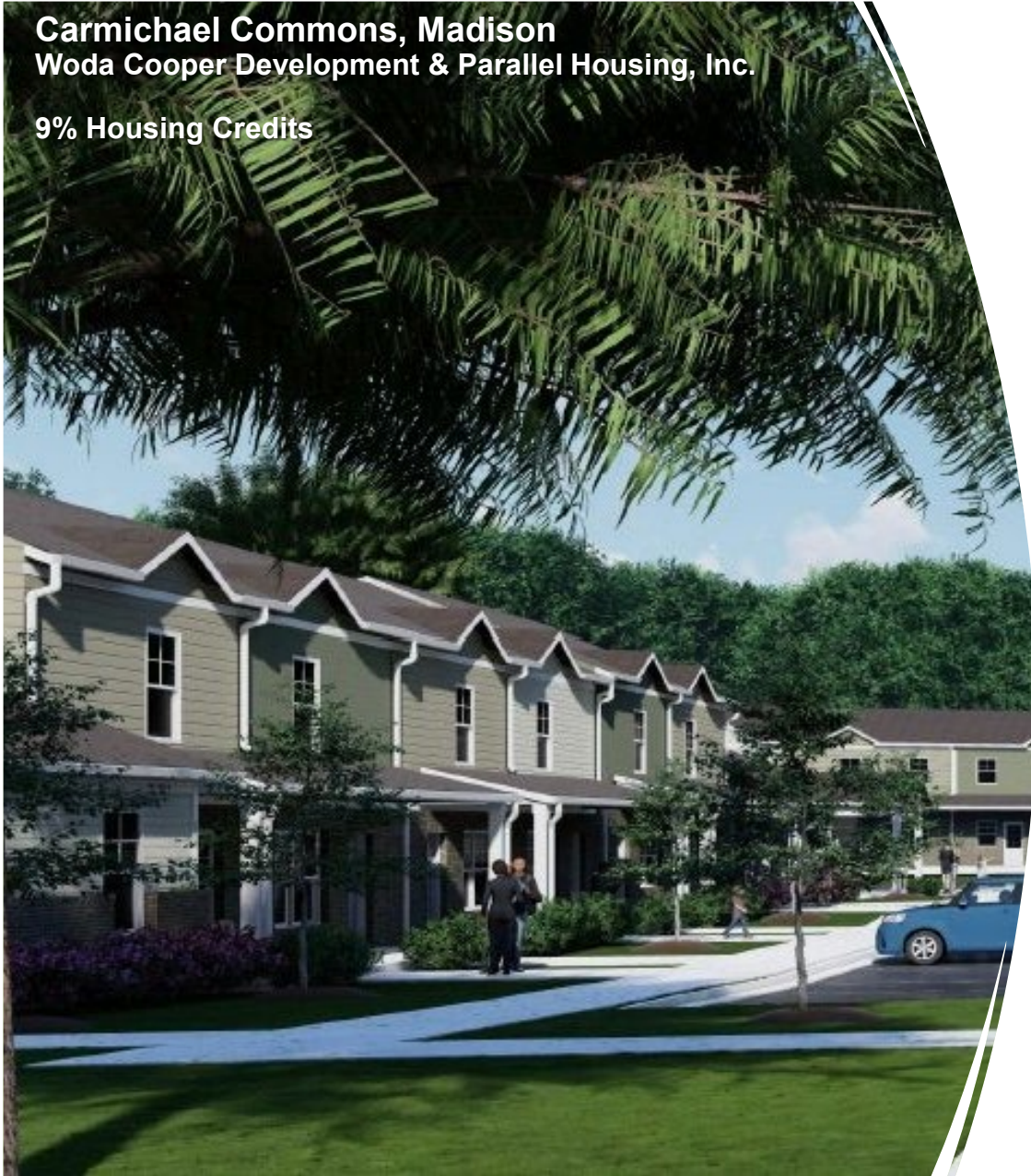
SLFRF, ERA2, and TCAP Funds

Rural Workforce Housing Initiative

CHIP

Carmichael Commons, Madison
Woda Cooper Development & Parallel Housing, Inc.

9% Housing Credits



QAP Updates

Melissa Florkowski, Housing Finance Policy Lead

QAP Development Timeline

Jan. | Feb. | Mar. | Apr. | May | Jun. | Jul. | Aug. | Sep. | Oct. | Nov. | Dec. | ...

2024

2019-2023
Round Evaluation

HFA Outreach & Research

Stakeholder Engagement, Individual Meetings, Resident Surveys

2024 9% and 4%/Bond Round Evaluation

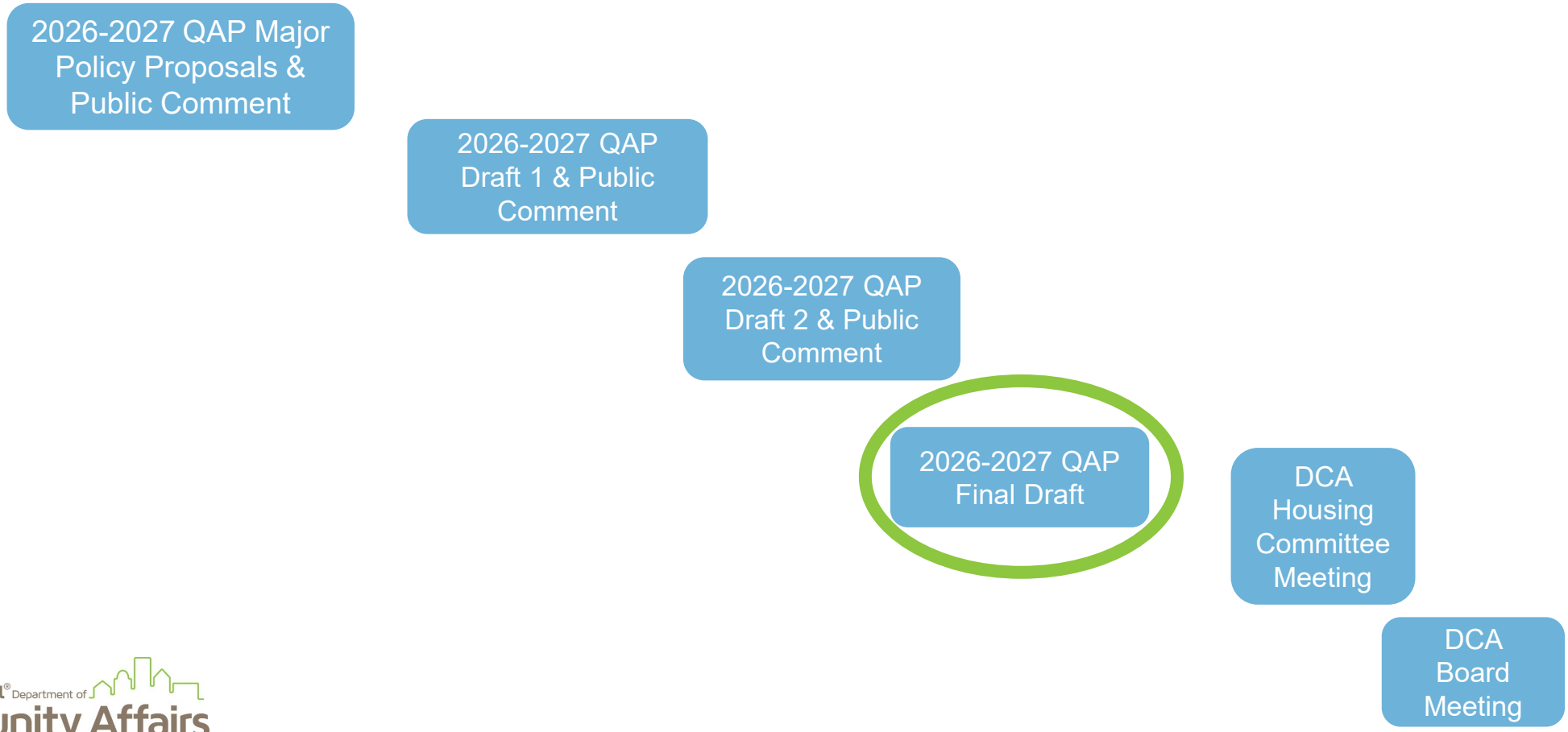
2026- 2027
QAP Policy Priorities

Listening Sessions &
Focus Groups

QAP Development Timeline

Jan. | Feb. | Mar. | Apr. | May | Jun. | Jul. | Aug. | Sep. | Oct. | Nov. | Dec. | ...

2025



QAP Development: Where We Are Now

- QAP engagement meetings
 - ~35 meetings held with developers, PHAs, municipalities, advocacy organizations, service providers, other stakeholders
- High-level priority-setting
- Resident survey distribution
- 2024 9% round evaluation
- Planning for listening sessions
 - November/December
- See [approximate QAP development timeline](#)

Likely Priorities for '26-'27 QAP

Preservation

- Looking at existing stock and expiring properties
- Qualified Contract policies and procedures
- Are we looking at the right things in preservation scoring?

Scoring Pathways

- Open up more high-scoring areas by expanding distances, revamping data
 - Desirable/Undesirable Activities, Quality Education Areas
- Adjusting sections to meet intent
 - Revitalization/Redevelopment, Economic Development

Likely Priorities for '26-'27 QAP

Feasibility, Deal Structuring

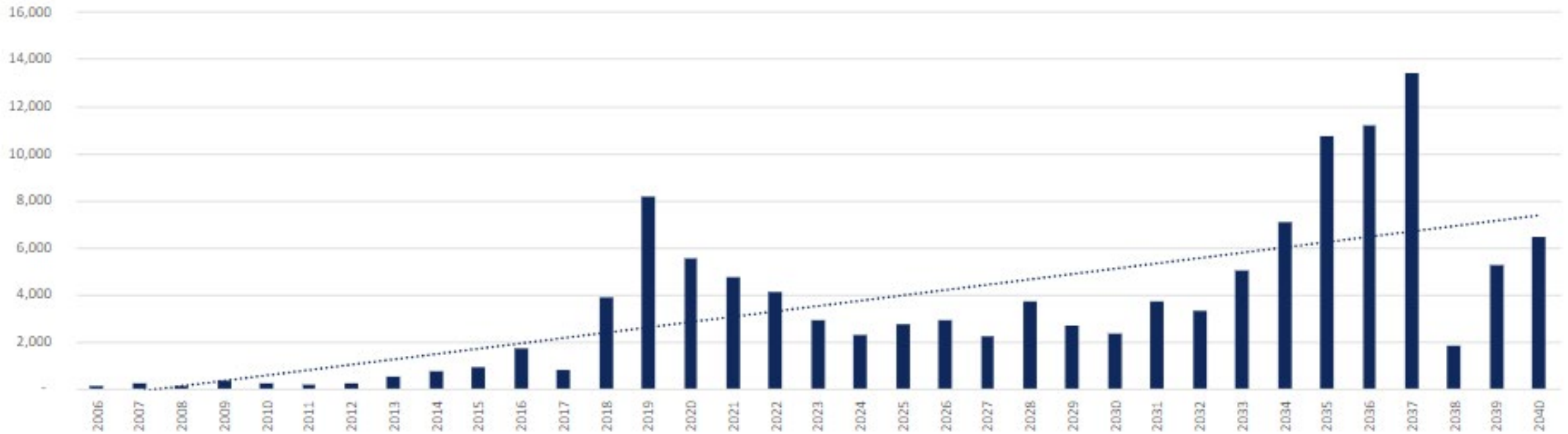
- Restructure Favorable Financing
- Restructure Developer Fee model

Other

- Enriched Property Services
- MBE/WBE
- Compliance Performance
- Readiness to Proceed
- Implementation of Integrated Supportive Housing policies

Units Ending Compliance Period

Total number of low-income units reaching Year 15



How To Provide QAP Input

- Complete the [2026-2027 QAP outreach survey](#)
- To request a meeting to discuss input or ask questions, reach out to melissa.florkowski@dca.ga.gov
- Participate in listening sessions
- Submit public comment on policy proposals and QAP drafts

Please submit input as early as possible, especially regarding major priorities!

Hearthside Lawrenceville, Lawrenceville
OneStreet Residential & Lawrenceville Housing
Authority

4% Housing Credits & HOME



Project Teams

Sanjana Zahin, Tax Credit Specialist

Project Team Qualification Review

Project Team Experience

- Experience review is required for Certifying Entities only.
- Organizational chart must clearly identify the Certifying Entities.
- Grandfathering is no longer allowed.
- Certifying entity must submit a completed performance workbook, including the experience tab.
- DCA may request additional documents- syndicator letters, rent rolls etc.
- Project team lacking experience are required to partner with an experienced GP/Developer entity.

Stricter Project Team Reviews

❑ Project Team Capacity

- Number of projects under construction, ability to meet closing timelines
- Experience in similar developments
 - Size
 - Complexity
 - Scope

❑ Additional documentation may be requested

❑ All Project Team members will be evaluated on Compliance Performance

- Any non-compliance identified during the review must be corrected within DCA suggested time-period.

❑ Conditions based on capacity or compliance performance

Project Team Review Updates

- ❑ Difference in 9% and 4%/Bonds reviews
 - ❑ A qualified determination in the 9% round doesn't guarantee the same determination in the 4% round.
 - ❑ DCA may issue a conditional approval letter only for 9% round, if there are concerns regarding project team's participation in the 4% round.

- ❑ Transparency in review process
 - ❑ DCA would be flexible and will maintain open communication with the project team throughout the review process.
 - ❑ Applicants are encouraged to reach out to DCA about any concerns related to the project team.

- ❑ Project Team Timeline
 - ❑ Accepted on a rolling basis.
 - ❑ Deadline to submit for 2025 9% round: March 14, 2025

Crossing Pointe, Union City
National Church Residences

9% Housing Credits & SLFRF

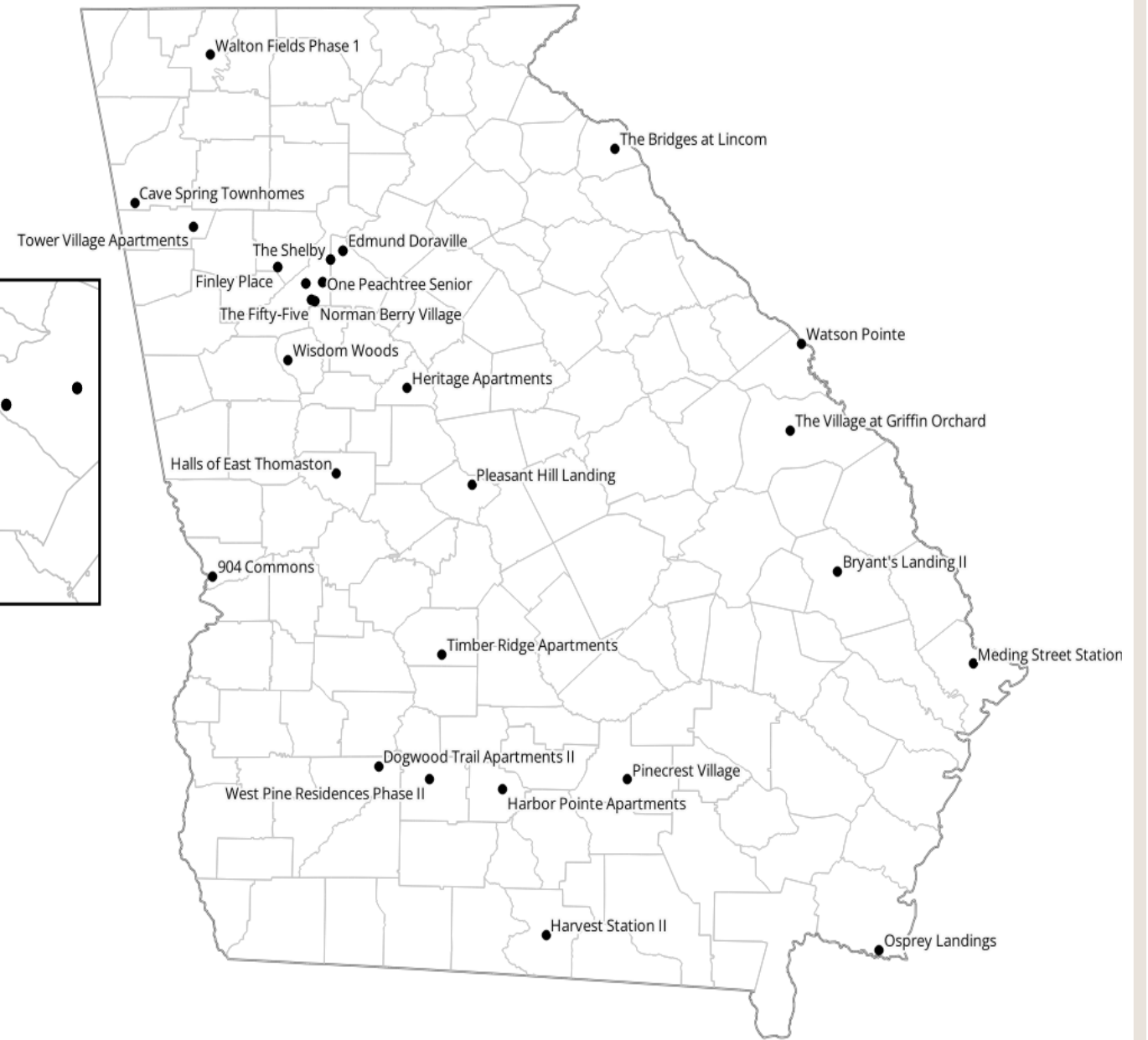
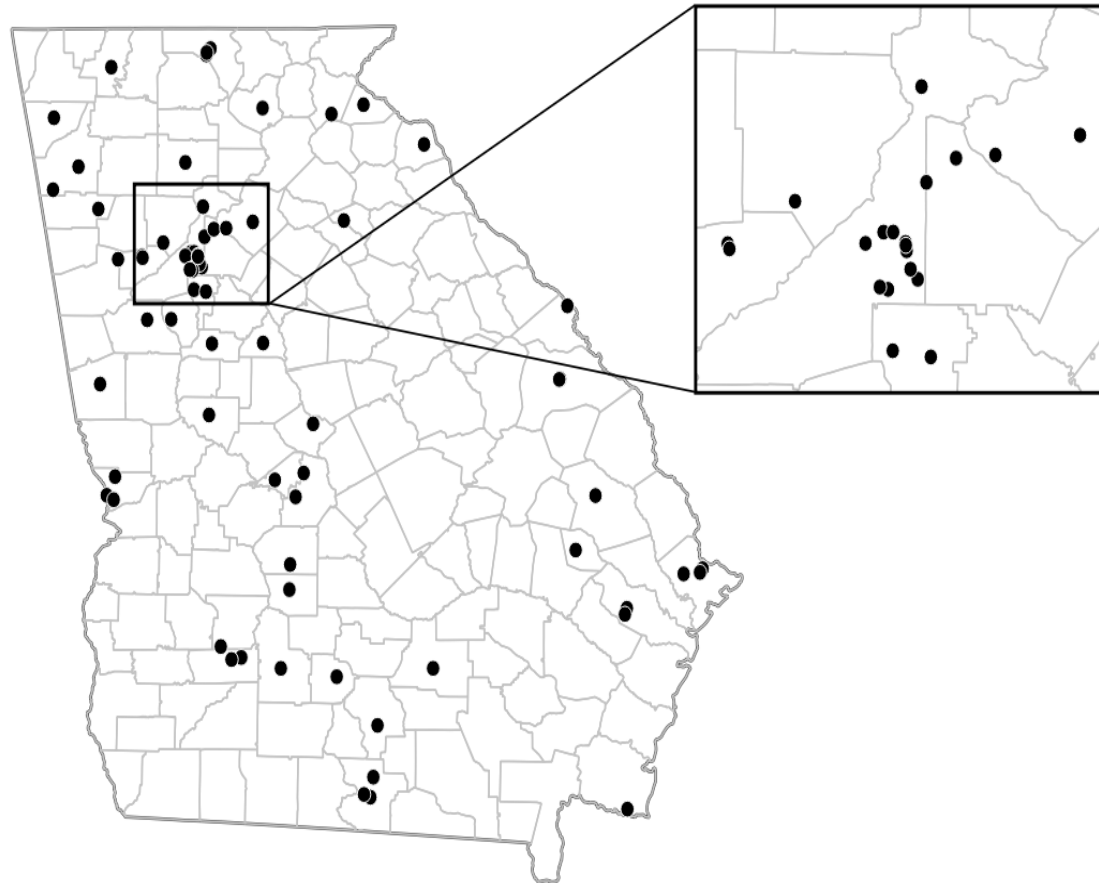


Allocation Updates

Meagan Cutler, Senior Allocation Manager

Allocation

2024 9% Housing Credits Applications & Awards



Allocation

2024 9% Threshold Application

- For each awarded Application, DCA has sent the Excel version of the Application's final Competitive Application workbook
 - For Threshold Application, applicants must complete and re-submit
- Applicants must:
 - Clearly indicate any changes made to the Application
 - Provide a clear explanation and justification for the change made
- Applicants may not make any changes to the Scoring tab

Allocation

Waiver Request and Threshold Application Contacts

- **Stephen Barrett** (Stephen.Barrett@dca.ga.gov)
 - Technical Excel Application issues
- **Relocation Team, Environmental Team, Assigned Underwriting and Construction Contacts**
 - All other inquiries
 - RelocationReview@dca.ga.gov
 - EnvironmentalReview@dca.ga.gov
 - Underwriting and Construction contacts provided in Select Letter

Allocation

2024 4% Housing Credits/Bonds

Intent to Apply

- **80** surveys submitted in **46** different cities
 - **56** New Affordability
 - **21** Preservation
 - **1** USDA Portfolio
 - **1** New Affordability & Preservation

Projected Timeline *(subject to change)*

- Awards mid- to late-January

Allocation

Readiness to Proceed Reminders

- Do not submit expired/outdated documents
- Documents must meet applicable Manual requirements
 - Ex:
 - Accurate unit mix and capture rates in market study
 - Executed documents (where specified)

Allocation

DCA Review and Determination PSA

- We do not enjoy deducting points
 - Please give us all the information we need to say "yes"
- Don't panic about preliminary deductions
 - Look at this as a "clarification" opportunity for Scoring
 - We often just need an explanation to confirm requirements are met

Help us get to "yes"!

Allocation

2024 4% Housing Credits/Bonds - Expectations

DCA will be less flexible on developments awarded 4% Housing Credits/Bonds going forward. DCA advises applicants:

- ***Do not submit*** if you currently project a gap in financing.
- ***Do not submit*** if you cannot close on your financing within calendar year 2025.
- ***Do not submit*** if you are unable to meet all QAP Threshold requirements.
- ***Do not submit*** unless you are confident that the requested PAB amount will be enough to meet the 50% Test.

Going forward, DCA plans to impose penalties on applicants who withdraw any competitive award or do not close on their financing within the calendar year.

Allocation

2025 9% Housing Credits

In alignment with DCA's mission and strategic goals, DCA will utilize the General Set Aside in the 2025 9% Housing Tax Credit round, as outlined in the 2024-25 QAP (Core Plan, V. Competitive Rounds, B. Set Asides and Allocation Targets).

DCA may award **up to two** Applications that propose Single-Site Supportive Housing and demonstrate the capacity to provide quality development standards, operational support, and support services for the residents. This set-aside applies to the 2025 9% round only.

Residences at Westview, Atlanta
Gorman & Company

9% Housing Credits & (pending) SLFRF



Tax Credit Underwriting

Sandy Wyckoff, Senior Tax Credit Manager

Tax Credit

Underwriting – New Policies

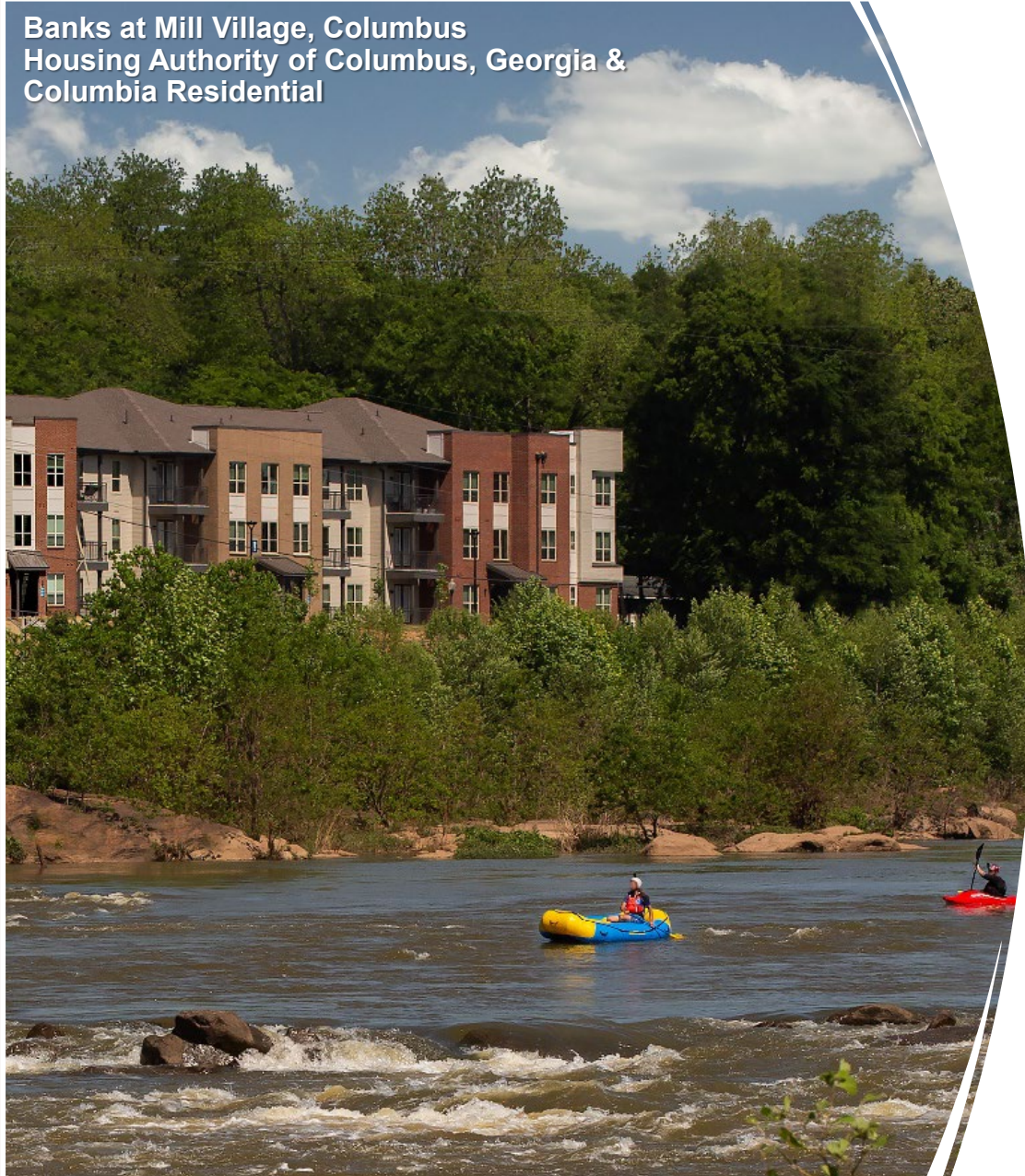
- Escrow of Taxes & Insurance
 - Max of 12 months (unless LOI requires more)
- Seller Notes
 - Identity of Interest
- Building Identification Numbers (BINS)
 - Fire Walls
- Commercial Space
 - Commercial Space Budget required
 - Not allowed on no debt deals
- Letter of Determination (LOD) Dates
- Underwriting Timelines
 - Goal is 90 days

Tax Credit

Underwriting – Under Consideration

- Re-syndication Deals – Income Averaging

Banks at Mill Village, Columbus
Housing Authority of Columbus, Georgia &
Columbia Residential



Development

Onome Uwhubetine, Development Manager

Development

- 8609 Review Process
- Development community feedback
- Changes
 - 10% Test submissions now sent to Development@dca.ga.gov
 - Project Concept Changes
 - Outreach post LOD issuance

Development

- Scoring Commitments
 - 811
 - Project Based Vouchers
 - MBE/WBE
- Additional Bond Requests in 2024
 - 19 developments awarded additional bonds (as of 9/26)
 - Average additional bond amount is \$2.5 MM
 - Additional bonds in 2025?
- Post 75% Completion Coordination
 - Scoring Commitments
 - Educational Opportunity

Sparrow Pointe, Rome
Birdsong Housing

9% Housing Credits & HOME



Construction

Gary Huggins, Construction Services Manager

Architectural Waivers

There are 4 types of common waiver request that DCA will consider for rehabilitation:

- Architectural Feasibility Waivers
- Accessibility Waivers
- Optional Amenities Waivers
- Exception for items that are new or in good condition

Architectural Feasibility Waivers

Common Requests:

- Unit Sizes
- Number of bathrooms
- Ceiling Heights
- Counter tops/Cabinet dimensions

Accessibility Waivers

Common Requests:

- Fair Housing Act (FHA) Exemption - For Building built or placed in service before March 13, 1991
- The use of the 2010 Americans with Disabilities Act (ADA) Standards as an alternative to Uniform Federal Accessibility Standards (UFAS)
- Supportive Housing Upgrades- (Accessibility Manual pg15 of 40). Let us know if you plan on going above and beyond minimum accessibility requirements.

Optional Amenities

- Amenities that are not included in the QAP architectural manual
- Only considered to replace an Additional Required Site Amenity
- Pools are allowable but will not be accepted as an optional amenity.

Architectural Waivers for New/Good Condition

Common Requests:

- Items with 15 years or more of useful life remaining and in a good conditions.
 - Roofs
 - Siding
 - Walls/Doors
 - Floors
- Backup documents will include a PNA within 6 months of pre-application, invoices and warranties.

Architectural Waivers

Other Comments:

- Anything outside of the waivers categories mentioned will likely need additional vetting.
 - Scope, impact, unintended consequences, tenancy, age of property, etc.
- If you are unsure about your waiver request, contact me prior to your competitive application submission.

Architectural Manuals

Few minor revisions to the 2025 Architectural Manual:

- Cabinet material additions
- DCA approved amenities additions

Larger revisions for the 2026 Architectural Manual:

- Round tables for 2026 architectural manual revisions and additions
- We encourage contractors, architects and vendors to send in any modern construction technologies specs that will benefit DCA's LIHTC program.

Inspections

- DCA approved inspection companies will contact your project team to schedule a minimum of 4 site visits (25%,50%,75%,100%).
- Invoices will be billed to DCA after the site visits.
- Inspection companies will be assigned by DCA for all projects after 2023
- Project Monitoring is moving over to the Emphasys program
- Once the integrated our goal is to have the ability to access construction progress data in real-time and produce meaningful reports to DCA management

Sparrow Pointe, Rome
Birdsong Housing

9% Housing Credits & HOME



General Updates

Mitch Kelly, Housing Finance Director

Jessica Worthington, Community Engagement Strategist

Community Engagement

New Community Engagement Strategy

- Impact Report
- Intentional Outreach and Education
- Resolving issues
- Contact Jessica.Worthington@dca.ga.gov

Program Alignment

Project Based Vouchers

- 3,000 PBVs requested
- Preliminary Commitments awarded for most applications

Supportive Housing/Targeted Populations

- Supportive Housing NOFO
 - HOME-ARP and NHTF
- Supportive Housing Institute ongoing
- 2025 9% General Set Aside

Upcoming Deadlines & Meetings

2024 4%/Bond Competitive Review Deadline

October 18, 2024, at 5:00 pm EST

Monthly *Condo'ing* Working Group

Next meeting on October 28, 2024, at 1:00 pm EST

2024 9% Waiver and Threshold Review Deadline

Waivers due by October 17, 2024, at 5:00 pm EST | Threshold Review Submissions due by December 17, 2024

2026-2027 QAP Listening Sessions

November TBD

2025 QAP Workshop

More information forthcoming.

Calls to Action

Highlight your properties!

Send high-resolution images to Mitchell.Kelly@dca.ga.gov and Jessica.Worthington@dca.ga.gov

Close quicker

Avoid one-size-fits-all policies in QAP.

Site Visits/Grand Opening

Educational opportunity for communities and leaders around the State. Coordinate with Jessica.Worthington@dca.ga.gov.

Policy Engagement

Share your policy concerns, suggestions, and questions with us. Coordinate with Melissa.Florkowski@dca.ga.gov

Contact



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Mitchell.Kelly@dca.ga.gov



Sandy Wyckoff

Sandy.Wyckoff@dca.ga.gov



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Jessica.Worthington@dca.ga.gov



Sanjana Zahin

Sanjana.Zahin@dca.ga.gov

Not sure who to contact? See page 8 of the [Application Manual](#).

Questions?

Raise your hand or put a question into the chat.



Thank you!

Banks at Mill Village, Columbus
Columbia Residential and Housing Authority of Columbus, Georgia

9% Housing Credits



Appendices

Appendix A

2024 9% Housing Credits Summary

	Applications	Awards
All Applications/ Awards	72 applications \$85,172,800 total request 4,180 LI / 4,534 total units	27 awards \$30,743,174 total credit allocation 1,458 LI / 1,544 total units
Averages		
All Apps/Awards (averages)	\$1,182,956 request \$21,332 credits/LI unit 58 LI / 63 total units	\$1,138,174 credit allocation \$21,712 credits/LI unit 54 LI / 57 total units
Preservation (averages)	\$949,433 request \$17,225 credits/LI unit 63 LI / 66 total units	\$911,727 credit allocation \$19,468 credits/LI unit 52 LI / 57 total units
New Affordability (averages)	\$1,239,323 request \$22,234 credits/LI unit 57 LI / 62 total units	\$1,221,435 credit allocation \$22,614 credits/LI unit 55 LI / 57 total units

5-Year Lending

By Calendar Year Closed

	2020	2021	2022	2023	2024
HOME	\$27.3 MM 10 Loans	\$37.15 MM 12 Loans	\$5.6 MM 2 Loans	\$63.5 MM 18 Loans	\$13.9 MM 3 Loans
NHTF	\$0	\$9.15 MM 4 Loans	\$14.15 MM 3 Loans	\$13.8 MM 4 Loans	\$2.5 MM 1 Loan
CDBG-DR	\$13.47 MM 4 Loans	N/A	N/A	N/A	N/A
SLFRF	N/A	N/A	N/A	\$0	\$7.36 MM 1 loan
ERA2	N/A	N/A	N/A	\$0	\$4.87 MM 2 Loans
	\$40.77 MM 14 Loans	\$46.3 MM 16 Loans	\$19.75 MM 5 Loans	\$77.36 MM 22 Loans	\$28.63 MM 7 Loans