

Brian P. Kemp
Governor



Christopher Nunn
Commissioner

To: Georgia Affordable Housing Partners
From: Department of Community Affairs, Office of Housing Finance (OHF)
Date: December 15, 2022

Re: 2019, 2020, and 2021 9% Awards – Exchanges and Tax Credit Relief under IRS Revenue Procedure 2014-49

On March 29, 2020, the State of Georgia received a Disaster Declaration due to the Georgia COVID-19 Pandemic (DR-4501). Additional information can be found at this link on FEMA's website: <https://www.fema.gov/disaster/4501>. States that have received major disaster declaration for the COVID-19 pandemic can utilize relief outlined in IRS Revenue Procedure [2014-49](#).

As a result of increases in material costs (lumber, steel, piping, etc.), rapid increases in interest rates, and widespread delayed closing timelines, DCA recognizes developments awarded under the 2019, 2020, or 2021 9% Competitive Rounds require extensions to the statutory 10% Test or Placed-In-Service deadlines.

2019/2020/2021 9% Awards requiring only 10% Test Deadline Extensions:

Requests for 6-month extensions of the 10% Test Deadline should be emailed to Mitch Kelly (Mitchell.kelly@dca.ga.gov), Sherrie Potter (Sherrie.Potter@dca.ga.gov), Sandy Wyckoff (Sandy.Wyckoff@dca.ga.gov), and Meagan Cutler (Meagan.Cutler@dca.ga.gov).

Requests must include the following:

1. Memorandum that:
 - a. details the reason(s) for the development not being able to meet the 10% Test Deadline, and
 - b. provides an update of the status of the development.
2. Statement from Federal/State Equity Partner(s) that:
 - a. confirms investor approval and comfort with 6-month extension.
3. The most recent **Carryover Allocation**

2019/2020/2021 9% Awards requiring both 10% Test and Placed-in-Service Deadline Extensions:

Developments requiring both 10% Test and Placed-in-Service deadline extensions may request a new Carryover Allocation (i.e., exchange tax credit award).

Developments that receive approval for a new Carryover Allocation must return their awards in January of 2023; DCA will issue new Carryover Allocation documents shortly thereafter.

Requests must be submitted through the OHF Project Concept Change (PCC) process. Requesters must use the PCC form found [here](#) and email the submission to PCCsubmissions@dca.ga.gov with "Request to Exchange Credits" in the subject line. OHF will charge the \$1,500 PCC fee for this review.¹

¹ Payment for the PCC request must be sent to:

Georgia DCA, Office of Housing Finance
Attn: Cheyenne Speakman
60 Executive Park South, NE
Atlanta, GA, 30329



PCC Requests to Exchange Credits must include the following:

1. Memorandum that:
 - a. details the reason(s) for the development not being able to meet the 10% Test Deadline/Placed-In-Service deadline, and
 - b. provides an update of the status of the development.
2. Statement from Federal/State equity provider(s) that:
 - a. confirms investor approval of the new Carryover Allocation, and
 - b. provides up-to-date credit pricing.
3. Statement from Construction/Permanent lender(s) that:
 - a. confirms lender approval of the new Carryover Allocation, and
 - b. provides up-to-date loan terms.
4. The most recent **Carryover Allocation**

DCA is not required to approve any extension or credit exchange request. DCA reserves the right to deny a request if it deems the Developer did not take every appropriate measure to attempt to meet the 10% Test Deadline or Placed-in-Service deadline.

DCA recognizes the significant challenges development partners are currently facing. This policy is not relevant for future developments experiencing similar delays. There should be no assumption that DCA will enact similar policies in the future

