

## **2009 DCA Qualified Allocation Plan General Questions and Answers Posting #1**

1. Has DCA issued the list of Rural Communities, that is referred to in the QAP as being “Exhibit B of Appendix II”? We have not been able to find it – if it has not been made available yet, when should we expect that?

**Response: The list of Rural Communities has been posted to the website.**

2. The QAP states that you can score points if your project is located “within the boundaries of a Local Government” in which a deal has not been funded. I was wondering what the definition of a “local government” is. We are looking at site and it is not clear whether the local government would be defined as the county or the city.

**Response: Local Government is defined in the 2009 Qualified Allocation Plan as the controlling elected governing body of the local jurisdiction (as defined in its Charter) in which the property is located at the time of Application (e.g., city council if within the city limits, or county commission if in an unincorporated area).**

3. I am trying to get more detail about how to qualify for the 3 redevelopment plan points. Is there a list of specific requirements more extensive than what is in the QAP?

**Response:**

**Choice #1: The Georgia Redevelopment Powers Law, O.C.G.A. § 36-44-1, et seq., provides means for the redevelopment of economically and socially depressed areas through the creation of tax allocation districts by political subdivisions. The statute is explanatory. Choice #2: The Georgia Urban Redevelopment law, O.C.G.A. 36-61 gives cities broad powers to redevelop blighted or threatened areas of the community. It allows communities to use eminent domain to buy and assemble property for revitalization and resale. It does not require a referendum. It can be implemented either by a Downtown Development Authority (DDA) or a Redevelopment Authority appointed by the city. It encourages involvement of private enterprise/public private partnerships to redevelop neglected areas of the community. Choice #3: Local Redevelopment Plan is the same as previous years. Both statutory Redevelopment have specific processes that must be initiated for that type of Plan.**

4. Has the Real Estate Schedule required by the Tier I developer instructions been posted to the website yet? If so, can you tell me how to get it? If not, do you have an estimated time that it would be posted?

**Response: The Real Estate Schedule will be posted on the DCA website by the application workshop (February 12<sup>th</sup>). DCA will be sponsoring a**

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**Performance Workbook Roundtable that will discuss the Tier 1 Developer. The dates of the roundtable will be given out at the Application Workshop.**

5. Will there be an environmental workshop soon? I have not seen any notice of one.

**Response: There is no environmental workshop currently planned for this calendar year. If you have any questions regarding DCA's environmental requirements, please contact the OAH's Legal Unit at 404-679-3156.**

6. I noticed in the draft QAP there is a developer qualification requirement, is this correct? When is the date and requirement for submission?

**Response: There is no set date for the developer experience qualification. The 2009 Performance Workbook will need to be completed and submitted on or before application intake date for participation in the 2009 competitive round. For bond applications, the Performance Workbook can be submitted with the bond application. The 2009 Performance Workbook will be posted to the DCA website no later than February 12, 2009.**

7. This email is concerning the requirements for a Tier 1 developer in the "final draft" of the QAP. The question we have is in regards to the 400 Georgia Affordable Housing units that have been awarded credits in the last seven years and placed in service by January 1st of 2008.

Due to this wording, we are seeking additional clarification. Obviously projects awarded tax credits in the 2008 round would not qualify under this definition (and it is highly unlikely that projects awarded credits in 2007 would have placed their projects in service by January 1 of 2008.

Therefore, we are concerned as to what the required time period is for meeting this 400 units within the last seven years rule. Is it going to be only projects awarded from 2001 to 2007 or some different timeframe.

Your assistance is greatly appreciated. We are trying to determine if we qualify as a Tier 1 developer before we start the task of gathering all the required documentation for submission to DCA for consideration of a Tier 1 designation.

**Response: The 400 units of Georgia Affordable Projects only includes projects allocated funds in the year 2000 or later. All projects also must be placed in service prior January 1, 2008.**

8. The QAP Core, Section 7 states developments that incorporate a high degree of sustainability components into their design, may be eligible for a 20% developer fee by submitting a pre-approval request but Exhibit A in the QAP Core refers to a 30% developer fee for sustainable rural. Can you please clarify?

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**Response: The QAP Core, Section 7 is correct. Exhibit A should read: Pre-Approval of 20% Developer Fee for Sustainable Development.**

9. According to Exhibit A, the pre-application for 30% Boost for Green Building is due April 16, 2009. Are all pre-application for the State Designated 30% Basis Boost due at the same time?

**Response: Yes, all pre-applications for the State Designated 30% Basis Boost are due on April 16, 2009. Please note, there is not a pre-application form. Pre-applications should be in a narrative in accordance with the pre-application instructions.**

10. The 2009 QAP (page 6 of 26) states that wetlands within a 100 feet would be "undesirable"; however, new wetlands constructed as part of storm water mitigation are exempt. If a stormwater retention pond were constructed approximately two years ago and is stocked with fish, is DCA going to make this exempt or undesirable?

**Response: This question deals with undesirables scoring. Please note that DCA cannot answer scoring questions in Q&A. However, we can offer further guidance on the policy behind the undesirable category. The 100 foot buffer is intended to discourage proposed new construction within the perimeter of a wetland or stream area. Applications that propose the rehabilitation of properties without adding any square footage that encroaches on the 100 foot buffer of such wetlands or streams would typically be exempt from this criterion. The burden of proof that any existing body of water is not a wetland under the jurisdiction of USACE, a state water under the jurisdiction of the Georgia Environmental Protection Division, or an area of special concern identified by state or local rule is on the Applicant. Because documentation that is submitted after the application due date cannot be considered for scoring, Applicants are directed to include any such documentation as part of the application submission.**

11. On the upcoming round re: Tier 1, we have an unusual situation with the sale of our GP interests last summer. However, we'll be judged on the requirement that we STILL OWN at least 4 properties which were developed within the last 7 years. We DID retain a 25% GP interest in 6 properties (all built within the past few years) totaling about 1200 units. I know we'll still need to submit a pre-application for formal determination, but will DCA be able to interpret that 25% ownership on those properties as "still owning" them, for purposes of Tier 1 requirements? (We still own 100% GP interests in 5 other tax credit properties – 2 in TN and 3 in GA – but they were all built more than 7 years ago.)

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**Response:** DCA does not currently require a minimum percent ownership interest in the General Partnership in order to qualify for "ownership" for Tier 1 purposes. However, this was an oversight and will be correct in future QAP's. DCA's intent is to consider only those owners that have demonstrated long term, continuous, controlling ownership and to eliminate short term merchant developers.

12. To score points for 50% set aside units, do those units have to be IN ADDITION to 50% units set aside under HOME requirements?

**Response:** No, these units do not have to be in addition to the 50% units set aside under HOME requirements.

13. Also, we assume that a non-profit does not have to be a CHDO to get the points for non-profit ownership (or qualify for the non-profit set-aside), but the list of documents under that section of the scoring criteria does list CHDO docs as 2 of the required docs. Can you please clarify?

**Response:** No, you do not have to be a CHDO to qualify the non profit points.

14. The wording of the QAP in 2009 is slightly different than in 2008 when it comes to the requirement for exterior materials upgrades.

From 2009:

- For the rehabilitation of buildings that do not have existing brick or stone in excess of 40% (and are not eligible for historic credits), replace and upgrade the existing exterior finish surfaces on all wall faces including the front wall face, rear wall face and both side wall faces with brick or a product that provides a 40 year warranty.

My client's building (this is a full gut rehab, I should have started with that) is a very unusual crescent shaped single building with 163 units and is 4 stories tall. He does not want to put up Hardi board that will be difficult to install, but more importantly difficult to paint to replace the existing poorly installed builder grade vinyl. He is willing to install a superior siding basically a PVC (polymer) product (not a typical vinyl) manufactured by CertainTeed called Cedar Impressions. I believe your agency has seen info on this product in the past. At the bottom of this email is a link to the warranty for this product, it is fifty years. From the wording of the new QAP that would seem to be an option if the agency were to agree. What can I advise my client as to this option?

**Response:** You must submit the 2009 Architectural Standards Waiver form under the Design Options Pre-Approval section. You will not be required to submit the waiver fee, but you must submit the product data, including

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**product warranty information, as back up to the waiver from for DCA pre-approval.**

15. What do you need to submit for the Master Planned Community pre-approval?

**Answer: This was included in error in this Section. There is no pre-approval process for Master Planned communities. However, please refer to the scoring criteria which states that master planned communities must be submitted in the Application, along with site control and total project concept information (VII. Phased Developments / Previous Projects, A. Phased Developments).**