

2010 DCA Qualified Allocation Plan
General Questions & Answers
Posting #4
May 6, 2010

1. In the first paragraph of Section 26 Relocation and Displacement of Tenants on page 43 of Appendix I, there is a new requirement for a "relocation survey which specifically addresses the development history and occupancy of the proposed project". Could you please explain in more detail and perhaps give examples of what is expected to be submitted to fulfill this requirement? Is there a specific form or format to be followed?

Response: The Relocation Site Survey is a specific form located in the DCA Relocation and Displacement Manual. This form must be completed for all projects, new construction and rehabilitation. The form is designed to provide a developmental and occupancy history of the proposed site. The survey will help to identify relocation situations involving businesses and/or tenants which may be overlooked due to the unusual circumstances.

2. If our client submitted a deal and received an allocation of credits for 2009 and has to do an update for 2010 are they required to follow the 2010 environmental manual that has not been released yet? (i.e. will they have to do vapor intrusion?)

Response: Per the 2010 DCA Environmental Manual, Environmental Phase I Reports that are six (6) months old but less than one (1) year old will require an update report and Phase I Reports older than one year will require a new report. Projects submitting tax credit applications during the 2010 Competitive Funding Round will have to comply with the new vapor intrusion requirements as set forth in the 2010 DCA Environmental Manual.

Is there going to be a required Home/HUD portion of the environmental for 2010?

Response: The 2010 HOME and HUD Environmental Questionnaire is required to be submitted with tax credit applications requesting federal funding.

3. The 2010 QAP indicates that "if wetlands are suspected on the site either through the site reconnaissance or the examination of the NWI map, a wetlands delineation, performed in accordance with all federal and state guidelines, including an official jurisdictional determination issued by the USACE, must be included in the Application". Once the wetland delineation is done and a wetlands report written, the USACE takes 45 days to process a JD. Is DCA going to require correspondence from the USACE at the time of the application submittal or can the applicant just show that they have submitted a request to the USACE? Why would a JD be required at all if there are no proposed impacts to the wetland areas on a given project?

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Response: If wetlands are suspected on the site either through the site reconnaissance or the examination of the NWI map, a wetlands delineation must be performed in accordance with all federal and state guidelines and included in the Application. The purpose of the delineation is to verify the existence of wetlands and to determine the extent thereof.

A jurisdictional determination issued by USACE is required if the proposed development will disturb more than one tenth (1/10th) of one acre. This must be provided at application submission. There are more than 90 days to the Application Submission date.

If the proposed development is not expected to disturb the wetlands, it must be made clear to DCA through the delineation and project concept plans that the development activities will have no impact. If documentation submitted does not meet DCA's requirements then at its discretion, DCA may request Applicant provide a professional opinion.

Please refer to the 2010 Environmental Manual for additional guidance.

4. The 2010 QAP indicates that "the Environmental Professional must render an opinion as to whether State Waters are located on the subject property using EPD's Field Guide for Determining the Presence of State Waters that Require a Buffer. DCA recommends that the Local Issuing Authority as determined by the EPD make the final State Water determination and, if permitted, include a letter in the Application". Since DCA is already requiring a 100 foot buffer on all wetlands and streams, is the letter from EPD or the Local Issuing Authority necessary if there are not impacts to any streams on a project? If there is no Local Issuing Authority and EPD has to be contacted, it is very unlikely that a letter will be issued in less than 45 days and would most likely not be ready for inclusion in the final application.

Response: DCA does not "require" a 100 foot buffer on wetlands and streams. As part of the scoring process for evaluating competitive applications, the proximity of a project to wetlands, floodplains, or streams is deemed an "undesirable" site characteristic. Please refer to Section III A of the Scoring section of the QAP.

The Environmental Professional must identify any potential State Waters located on the subject property using "EPD's Field Guide for Determining the Presence of State Waters That Require a Buffer". A letter of determination from the Local Authority is a

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necessary requirement to confirm the presence of State Waters on the proposed site. If in the opinion of the Environmental Professional, State Waters is suspected on a proposed site and there is no Local Authority to make that determination, the final determination must be confirmed by EPD. There are more than 90 days to the Application Submission date.

5. What is the deadline for submitting experience waivers and what form or application process do we need to apply for the waiver.

Response: Experience is a Threshold Requirement and all requests for determination of experience should be submitted as soon as possible. To determine if an Owner, Developer or Management Company meets the DCA experience requirements the applicant must submit the Experience Section of the 2010 Performance Workbook. Incomplete submissions will not be reviewed.

If DCA determines that the entity meets the experience requirements then that entity's name will be posted on the 2010 Experience List. The applicant will also be notified via email.

If DCA determines that the entity does not meet the experience requirements the applicant will be notified via email. The applicant may then choose to submit supplemental documentation and may request an experience waiver. A \$1,500 Experience Waiver Request Fee is required.

Please note that at least a 30 day turnaround should be allowed for processing all experience determination requests. All experience determination requests must be submitted no later than June 17, 2010.

6. Last year under the Sustainable Developments section we were required to meet with the Southface / LEED staff to explore broader possibilities for sustainability for the specific project site prior to application submission for the Sustainable Building Certification points. We also had to submit a signed agreement for services for that meeting. Is that meeting going to be required in 2010 or will we only need to submit the Draft Scoring Sheet that includes the minimum score under the program?

Response: Last year, to be eligible for up to a 30% boost, applicants were required to go through the orientation with Southface. This incentive is not offered in the 2010 QAP.

Per Section IV A in the Scoring section of the QAP, in order to qualify for the Sustainable Communities points, applicants must submit:

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- Copy of an executed EarthCraft Communities Memorandum of Participation for the development where the project is located or a LEED-ND registration for the larger development from the US Green Building Council. If Memorandum of Participation
- is not signed by the Applicant, then the Applicant must provide a narrative as to how the Memorandum is applicable to the project.
- Draft scoring sheet for the development that includes the minimum score under the program to qualify for the designation and master site plan for the development.

In order to qualify for the Sustainable Building points, applicants must submit:

- Draft scoring sheet for the development that includes the minimum score under the program to qualify for the designation.

7. Under Section V. Stable Communities/ Redevelopment/ Revitalization (p. 13 of 29: We are able to get 2-4 out of the 5 categories on some of our properties in the Stable Communities section. Are we able to obtain partial points in this section and if so, how should we calculate our score?

Response: You cannot combine points from different sections. You must choose one section. The only choice that allows you to score the maximum six points is the HOPE VI choice in Section 2.

8. We have a radon report for a property that was submitted in 2009, but that did not receive reward/funding approval. The radon report identifies buildings that will require mitigation as per the pending renovation. These buildings' mitigation will be included in the recommendations of the 2010 submittal.

The 2009 guidance is a little unclear as to whether or not the property will require a new radon report for 2010 submittal. It seems to state the property would need a new report only if we intend to say it complies with the 4 pic/L threshold.

Will this property require another radon testing report performed within 6 months of the 2010 DCA submittal? Or will the 2009 radon testing report be sufficient?

Per the 2010 DCA Environmental Manual, Environmental Phase I Reports that are six (6) months old but less than one (1) year old will require an update report and Phase I Reports older than one year will require a new report with updated testing.