

2011 DCA Qualified Allocation Plan
General Questions & Answers
Posting #4
May 10, 2011

1. Does the assumption of a HOME loan on a preservation project require that the applicant fulfill the application requirements for a HOME loan?

Response: It is not necessary to fill out a DCA HOME Consent Form to obtain permission to present an Application that includes the Assumption of a HOME loan as a financing source. However, you will need to provide such a request with your Performance Workbook by the May 12 deadline. Please note that DCA would not modify the existing HOME loan or payment set forth in the loan documents. DCA would also not subordinate to any new debt on the property. The following is also applicable to possible assumptions of existing DCA HOME loans.

New HOME funds cannot be approved for any project currently financed with HOME funds until the expiration for the period of affordability. Preliminary approval to use an existing HOME loan as a financing source in an application does not constitute a complete review of feasibility or in any way indicate that threshold requirements have been met, or that the project will receive an award of tax credits. Approval to assume an existing HOME loan does not qualify for points under Appendix II XVII Leveraging of Resources.

2. We see that DCA requires a release form to do a credit / criminal background check on an applicant. However, we do not see a release form in the performance workbook or elsewhere. Can DCA advise on where this form is available?

Response: The form can be found at:

<http://www.dca.ga.gov/housing/HousingDevelopment/programs/QAP2011docs.asp>

under Other Documents section. The form is not to be submitted at Pre-application or at Application Submission. The form should only be submitted when requested by DCA.

3. DCA also notes in the performance workbook instructions will have a "Multi-state Index" where multi-state release forms received by DCA will be posted starting April 14th. Can DCA direct us to where these documents are posted? We will receive forms from several states and want to verify that DCA has received.

Response: A listing of all multi-state forms that have been received by DCA will be posted on Monday afternoon, May 9, 2011.

4. One of the required documents for the Performance Workbook submittal is the release form for each project principal. Page 2 of 9 of the Performance Workbook instructions states that this release form is part of the Core Application. I do not see it in the Core. Is the Application Certification Form Letter the same thing as the release? If not, where can I find this document?

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Response: The form can be found at:

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under Other Documents. The form is not to be submitted at Pre-application or at Application Submission. The form should only be submitted when requested by DCA.

5. The "Instructions" of the Request for Project Team Determinations spreadsheet state, "determinations that a project team is qualified are made on a project basis." With the performance workbook due May 12th, how will Requests for Project Team Determinations be handled for sites identified and put under control after May 12th?

Response: Please refer to Q&A Posting #3, Question #12.

6. In the Performance workbook instructions Under the Determinations, Qualified with conditions or Qualified without conditions, it refers to the successful tax credit projects. Do these projects have to be Georgia Tax Credit projects or any successful tax credit projects in other states?

Response: Successful tax credit experience in other states may be included.

7. I am working on finalizing the Pre-Application Determination Package for our Project Team. I noticed in the instruction DCA has requested an electronic copy of the completed Performance Workbook in addition to the hard copy submission. Where should I send the electronic copy?

Response: Please see DCA Update #29. Please be reminded that Thursday, May 12, is the deadline for submitting a Determination of Project Team Qualifications Pre-Application. The submitted application must include a hard copy of the Performance Workbook(s) in addition to all other Required Documents and should be sent to Andria Williams. Applicants must also include an electronic copy of the Performance Workbook. Directions for submitting an electronic copy may be found at

<http://www.dca.ga.gov/housing/HousingDevelopment/programs/documents/2011PreAppPerformanceWbkSubmissionInstructions.pdf>

8. While completing the 2011 Performance Workbook I realized that in the 2010 Performance Workbook the instructions read as follows: "The 2010 Compliance History Summary (CHS) - please list the projects you are using for experience in the yellow boxes. These form tabs are numbered 1-20 (CHS 1, CHS 2, etc.) with enough space for 24 projects to be listed on each form. There are also five form tabs (named CHS 1 Lg, CHS 2 Lg, etc.) that have space for 60 projects in each form." In the 2011 Workbook are the yellow boxes in the CHS used for the same purpose? I believe this has changed due to the fact that there is now a Project Team Experience Chart, if this is the purpose of this form what is the purpose of the yellow boxes on the CHS? Should they be used in the same fashion as all non-shaded boxes?

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Response: The yellow boxes should be used in the same fashion as all non-shaded boxes. The Project Team Experience Chart has replaced the need for the yellow boxes on the 2011 CHS.

9. If we submit the Performance Workbook during the pre-application period do we need to include it in the application binder?

Response: Yes.

10. The QAP states that each Project Team is required to submit a real estate and commercial loan disclosure form, but the Performance Workbook Instructions state that it is not necessary to submit unless requested. Is each application required to submit this form? Is there a particular form that we are to use?

Response: The form should only be submitted when requested by DCA.

11. In a response #24 to Q&A Posting #2, it states: "Applicants should refer solely to the Performance Workbook for instructions on the documentation required for the Determination of Project Team Qualifications". Does this mean that whenever there is a conflict between another document such as the QAP and the Performance Workbook (such as the above question), the requirements of the Performance Workbook prevail?

Response: No, DCA's response cited above is meant to advise applicants to refer to the Performance Workbook for guidance on how to submit a Request for Determination of Project Team Qualifications. DCA is not aware of any conflict between the QAP and the Performance Workbook other than the Real Estate Disclosure requirement, which has been clarified in #24 above.

12. The list of Required Documents in the Performance Workbook Instructions includes a credit check authorization for each Principal, with the form to be found in the core application. On the Qualifications Designation Tab, it appears that this form is not required for applicants seeking designation as Qualified Without Conditions. Are applicants who are seeking designation as Qualified Without Conditions required to include this authorization in the initial application? We cannot locate the form in the latest core application on the DCA website, dated 3/11/11. Where may we locate the credit check form? Also, would we be required to include Project Team resumes if we are seeking Without Conditions?

Response: The credit check authorization form can be found at: <http://www.dca.ga.gov/housing/HousingDevelopment/programs/QAP2011docs.asp> under other Documents. The form is not to be submitted at Pre-application or at Application Submission. The form should only be submitted when requested by DCA. No, resumes are not required Without Conditions, however DCA reserves the right to request a resume(s) during review.

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13. What is the due date for 9% applications under the Supplemental Set Aside as described on page 13 of 58? Is it required to submit Pre-Applications on projects in this set aside?

Response: Please note that on page 14 of 58 it specifies that 1) the allocation of credits under this set aside will not be made in the competitive round, 2) only projects identified by DCA as “troubled” and a DCA priority will be *requested* to submit an application for credits, and 3) DCA will determine Application requirements as a part of its asset management review. Projects that have been requested to submit an application for credits will be provided additional information.

14. On the DCA HOME Loan Consent Request Form one of the Required Submissions is the “Environmental PE Certification.” Can you please clarify what is required to be submitted under this item with the Pre Application / HOME Loan request? Does this require the entire Environmental Phase I to be submitted at this time?

Response: Neither the Environmental PE Certification nor the Environmental Phase I Report is required to be submitted with HOME Loan Consent Package.

15. There was a Pre-Approval/Waiver Submission table of contents that was required to be submitted last year. I do not see this on the website this year. Is there somewhere this is located? Or another table of contents you are requiring be submitted on May 12?

Response: For HOME Consent Requests the HOME Consent Project Info Request form is essentially a table of contents. The Qualifications Designation form (page 2 of 3 4.b.) basically sets out what is required dependent upon the request. Each project should include a table of contents indicating what is included in the project package (see Exhibit A page 54 of 58 in the QAP) with tabs to help to expedite DCA’s review process.

16. Per the performance workbook instructions, page 2 under required documents –#5, it states *“Completed release for each Project Team Principal to allow DCA to perform a credit check and a criminal background check. This form is part of the core application. Applicants that are submitting a Request for a Qualification Determination during the pre-application period should use the form found in the core application and include it.”*

Q - Is the Application Certification Form Letter the document to be used for this?

In this paragraph of that document, it doesn’t list anything about a criminal background check, only a credit check. *“DCA reserves the right to verify all information or documents used in processing the application, including requiring credit checks on all parties involved in the transaction. Applicant hereby authorizes the financing bank, accountant, mortgage lender, creditors, other state housing agencies and others sources identified in the application to release information to DCA or its designee in order to verify the accuracy of information in the application and amendments thereto.”*

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Response: See #7 above.

17. My question is regarding the Performance Workbook. How do we need to list full exchange deals? Are we supposed to include them on the Compliance History Summary charts or the Management Performance Questionnaire or leave them off completely being that they are full exchange deals and are not classified as LIHTC funded?

Response: Please include the “full exchange deals” on the Compliance History Summary (CHS). Please include the GA Exchange ID number in field 5 on the CHS.

The Management Performance Questionnaire should also include the “full exchange deals”.

18. As part of the HOME Consent, and Environmental Certification must be submitted. However, each of the certification items assume that the Phase I ESA has already been completed. Since the Phase I ESA is not yet due, it is not yet complete, and therefore we cannot accurately certify to the items in the required certification. How would DCA prefer that we handle the execution of this certification? Can we include a narrative that states that the Phase I ESA has not been completed, but that it will be prior to June 23, 2011? Then in the certification itself, can we state for each requirement that it will be completed prior to 6/23/11 and have the form executed by the owner only?

Response: Neither the Environmental PE Certification nor the Environmental Phase I Report is required to be submitted with HOME Loan Consent Package.

19. If a PPT is requesting a qualification determination for "Qualified with Conditions" as listed in the Performance Workbook Part V - Qualifications Designation part 4a or b does the PPT need to include two letters of reference from qualified Georgia developers? Under 4b it says to attach 5 things but doesn't list the letters of reference. In the instructions for the Performance Workbook under required documents #10 it lists two letters of reference required for probationary participation only. Are the letters only needed for 4c and d in Part V of the performance workbook?

Response: The two letters of reference are required for those requesting probationary participation, however DCA reserves the right to request letters of reference during its review.

20. The pre-app instructions for submitting the qualification determination instructs us to email the performance workbooks. Are we required to mail a copy as well?

Response: Yes.

21. Are we to include only Part III - Manager Performance Questionnaire in our performance workbook when submitting if we are using a third party management company or do we have

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to include the management company's performance workbook with our performance workbook when submitting for qualification determination? The submission instructions indicate we are to email the third party management co. PW with ours.

Response: The management company may submit the Manager Performance Questionnaire and Compliance History Summary separately. However, for this review purposes a copy of the Manager Performance Questionnaire must be submitted in tab III of each Performance Workbook.

22. Are the financial statements we have to submit with our performance workbooks subject to disclosure under the Georgia Open Records Act (GORA)?

Response: No.

23. Is payment for a PERFORMANCE BONDS WAIVER due at the time of pre-application even though we will not know if we will get the HOME loan consent at the time?

Response: Yes, payment is due with the pre-application, however, the check will be returned if the project does not receive a HOME Consent.