

2016 DCA Qualified Allocation Plan
General Questions & Answers
Posting #6
April 21, 2016

QAP Threshold - Exhibit A: DCA Underwriting Policies

1. Are we using the set 9% applicable tax credit percentage?

Response: Yes, the Applicable Credit Percentage for the month preceding the Application Submission is expected to stay at the fixed 9% floor.

QAP Threshold - 1 Project Feasibility, Viability Analysis, and Conformance with Plan

1. In Appendix I, Threshold Criteria, it states: viii. HUD letters by an authorized official from the Multifamily Housing Division stating that the application is under serious consideration and Lender Preliminary Commitments for HUD assisted projects under 221 (d) (3) or 221 (d) (4) program may be submitted with the Application, but final MAP Invitations must be submitted by the deadline noted on Exhibit A DCA Pre-application and Pre-Award Deadlines and Fee Schedule. I have spoken with an authorized official from the Multifamily Housing Division at HUD and they will need to see a "Concept Meeting" package or application before issuing a "letter of interest" to DCA. The "Letter of Interest" typically gives the project the green light to proceed in the 221d4 process. There is a disconnect of the terminology between HUD and DCA. Can you please confirm that the "letter of interest" terminology will satisfy the MAP Invitation, as they are essentially the same thing?

Response: DCA would prefer a Letter of Invitation from HUD showing acceptance into the 221d4 process. Should an Applicant choose to apply directly for a firm commitment and not be able to receive a Letter of Invitation, the applicant will need to submit proof that they held a Concept Meeting with HUD on the proposed project and the proposed project is encouraged to submit an 221d(4) application to HUD through the streamlined process.

QAP Threshold - 7 Environmental Requirements

1. Is the HOME HUD Environmental Questionnaire required for non-HOME and/or non HUD projects?

Response: No, the HOME/HUD Environmental Questionnaire is only required for applicants seeking HOME funds.

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QAP Threshold - 20 Qualifications for Project Participants

1. There are a number of new items listed in these sections that may have been submitted in the Pre-Determination submission (i.e., Performance workbook, etc.). Are those same items expected to be resubmitted with the Core application? An item required to be submitted is "Declaration of No Participation in adverse development". Is there a specific form or format that is expected to be used?

Response: An Applicant's Qualification Determination letter will identify any required documentation needed at Application Submission in June.

No specific form is required. The Applicant should submit a signed declaration stating they have not participated in an adverse development.

QAP Threshold - 25 Relocation And Displacement of Tenants

1. I am trying to determine exactly what is required for the application for a rehabilitation of an existing LIHTC development, specifically as it relates to the Tenant Household Data Form, where HOME funds will not be applied for. On page 9 of the Relocation and Displacement Manual, Section 4 details the Required Application Documents. The Tenant Household Data Form is included as a required document in the 2016 Application for each Unit. Is this truly required for an existing LIHTC development applying for a new allocation of Credits, since no tenants will be displaced as a result of their income? In addition, the Tenant Household Data Form refers to gross income as defined in the DCA HOME Manual, and as part of the form "description" at the bottom mentions "(HOME + TC)." I would like to ensure that I am not providing more documentation than is actually required, and that I am not inconveniencing existing tenants, if it is not necessary.

Response: If a rehabilitation includes temporary relocation of existing tenants, even if they all return, the application needs to include all necessary relocation documents. This would include the Tenant Household Data Form.

2. Item #11 is the Master relocation plan(s). Please explain how this is different from item #3 Detailed Project Relocation Plan and Budget.

Response: Page 9 of 26 of the 2016 Relocation and Displacement Manual includes a list of Required Application Documents. #2 on the list is Detailed Project Specific Displacement and Relocation Plan and Budget. There is no #11 on this list.

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QAP Scoring - 15 Leveraging

1. A. Grants/Loans Qualifying Sources; I) Federal Government grant funds and loans.
Can you please confirm that a loan under HUD's 223 (f) Pilot Program would qualify?

Response: The Applicant should have a concept meeting with HUD to determine if their proposed project would qualify for the 223(f) program. HUD has limits on 223(f) loans for projects that perform Substantial Rehabilitation. HUD's maximum work allowed under Substantial Rehabilitation is \$15,000 per unit, see MAP Guide 5.1 (D) for full detail. Section XV Rehabilitation Standards, of the 2016 Qualified Allocation Plan, defines the minimum per unit rehabilitation at \$25,000 per unit. The applicant will need to submit proof that they held a Concept Meeting with HUD on the proposed project and the proposed project is encouraged to submit a 223(f) application to HUD through the streamlined process.