

2018 Q&A Posting #6

April 19, 2018

QAP Threshold-1 Project Feasibility, Viability Analysis & Conformance Plan 6. Rent and Utility Standards

1. In a previous Q&A, DCA stated that 9% applicants must use 2017 Rent and Income Limits. Can a 4% bond application use the new 2018 income and rent limits for an application submitted this year?

➤ DCA Response: DCA will allow 4% Bond applications to use the applicable rent and income limits in effect at the time of application, assuming all other underwriting requirements in the 2018 QAP are met, including the rents being supported by the market study. 2018 9% applications must use 2017 Rent and Income Limits.

QAP Threshold-7 Environmental Requirements

1. In the 2018 Environmental Manual under #8- Lead-Based Paint, LBP sampling is required.....unless: #2 states 'the structure is vacant and will remain vacant until it is demolished.' In the following paragraph it is stated "If structure is planned for demolition, a full lead paint survey is not required, but no paint chips, or planned debris may remain on site when demolition activities are finished." As the remainder of that paragraph is in reference to soil sampling for lead content, is this second sentence in reference to lead-in-soil testing and not a lead based paint survey? Otherwise, these appear to be conflicting statements for the (common) case when buildings are planned to be demolished but not vacant at the time of application/due diligence.

➤ DCA Response: Lead based paint sampling is required for all structures that will remain on the property, unless the structure was constructed after 1978 or has a valid certificate of compliance under applicable lead-based paint laws. If a structure is planned for demolition, and it can be ensured that paint chips or paint debris will not remain on site after demolition, a full lead paint sampling is not required. When structures formerly present on the property have already been demolished, lead in soil sampling is required. If LBP is identified, soil sampling is required and must conform to all requirements in Section D.

2. If a project is receiving HOME funds from a participating jurisdiction (not DCA HOME funds), does the Phase I Report have to include the Additional Environmental Requirements for HOME/HUD-funded projects noted on pages 18 and 19 of 64 of the Threshold Criteria? If the project is awarded tax credits, the participating jurisdiction will commission their own Phase I Report.

➤ DCA Response: All applicants seeking tax credits are required to submit a Phase I Environmental Site Assessment, based on requirements outlined in the 2018 DCA Environmental Manual regardless of whether or not HOME funds are being sought from DCA. However, the Additional Environmental Requirements for HOME/HUD-funded Projects, outlined on pages 18 and 19 of 64 of the Threshold Criteria are only required for developments seeking HOME funds through DCA. However, the requirements outlined in this section are in accordance with the provisions of the National Environmental Policy Act of 1969 (NEPA) and HUD regulations at 24 CFR Part 58, which the participating jurisdiction awarding the HOME funds must also adhere to. It is the responsibility of the applicant to ensure that all NEPA provisions are being met.

QAP Scoring-5 Sustainable Developments

1. The 2018 QAP states that the applicant must provide a Certificate of Participation in DCA's 2018 training course, but then states that certificates for 2015 on will be accepted. Will a 2017 Green Building for Affordable Housing Certificate of Attendance satisfy the required documentation for achieving the Sustainable Building Certification point?

➤ DCA Response: Yes, a certificate from the 2017 Green Building for Affordable Housing course will satisfy the required documentation for Scoring Section V. Sustainable Developments.

QAP Scoring-6 Enriched Property Services

1. On page 16 of 46, for the minimum documentation required for the Preventative Healthcare points, it says that the MOU/letter of intent must provide evidence that the service partner has administered an existing preventive health screening/wellness program in an existing property. Does existing property mean an existing LIHTC property or any existing property/business or clinic?

➤ DCA Response: For the purposes of Scoring Section 6 regarding on-site screening experience, the program must have been administered as a service to any residential property.

QAP Scoring-8 Revitalization/Redevelopment Plans

1. In the QAP Scoring section VIII. Revitalization/Redevelopment Plans under Minimum Documentation, bullet item 9 the requirement is two letters which outline an organization's involvement and support in the planning and community input process. Do the letters need to be current with a recent date? Or if a plan has been active for a year or more would it be appropriate/acceptable to utilize letters which were a part of the planning process and dated during the time of such planning and community input?

➤ DCA Response: The QAP language requires the letters from organizations "actively working or investing" (Scoring, p. 22 of 46). The letters must be dated within 12 months prior to Application submission.

QAP Scoring -17 Favorable Financing

1. We are purchasing land at fair market value from a City's Land Bank Authority. With the funds received from the land sale, the Land Bank Authority is providing a loan to the project at or below AFR. The Land Bank Authority is not a Project Team Member. Does this scenario qualify for points?

➤ DCA Response: While DCA does not pre-score, so long as all requirements of Scoring Section XVII. Favorable Financing are met, an application would be eligible for points.