

DCA HIGH PRIORITY DESIGNATION

DCA is seeking to designate a high priority property for the 2015 LIHTC competitive round. The Office of Portfolio Management will issue a high priority letter to one property which will receive 2 points in the Preservation category (2015 Qualified Allocation Plan, Scoring, XIX. Preservation Priority, p. 27 of 34). The high priority designated property must have physical and financial issues that cannot be remedied through DCA's normal workout processes.

DCA is committed to preserving a project when it is in the agency's best interest due to factors such as the tenant base, location, or potential loss of affordable housing stock. DCA will use the following "priority factors" to determine whether a property should be designated as high priority by Portfolio Management:

- The potential risk of loss of funds or program reputation if the property closes.
- A strong public policy reason for intervening in the closure of a property must exist. The State will rely heavily on the local government's recommendations in making this determination.
- The likelihood that the current tenants can be relocated into safe, decent affordable housing in that area.
- The difficulty of replacing affordable housing in its current location and the level of need for affordable housing in the neighborhood.
- The destabilization that the closure of the property would precipitate in the local neighborhood.
- The amount of resources available to leverage an allocation of Credits.
- The level of risk to the portfolio or investment of either the State or local government.
- The likelihood that the resource will return the property to safe, decent and sustainable affordable housing.
- The impact of remedial action on the safety of the neighborhood if the project is preserved.

In order to receive the High Priority designation, the applicant must submit a narrative indicating the project's status with respect to each of the "priority factors." In addition, the applicant must submit the 1) financial statements, preferably audited, for the last two fiscal years, and annual budget for the current fiscal year. Applicants interested in receiving the high priority designation should submit the requested documents with the application materials on **June 11, 2015**.