

2014 DCA Qualified Allocation Plan
General Questions & Answers
Posting #9
June 3, 2014

1. Does a property that has 20% or less of its units targeted to persons with disabilities meet the requirements under the Justice Department mandate for Integration?

Response: The Justice Department's analysis of integration goes beyond simply limiting the percentage of units set aside for individuals with disabilities. Therefore, an Applicant must specifically address characteristics that demonstrate how the project meets the definition of integration within the context of housing. Those characteristics include: the project's proximity to community resources and activities, the opportunity the tenants with disabilities will have to live independently and interact with other non-disabled persons; the same tenancy rights as non-disabled individuals including eviction protection, choice of roommates and service providers; and the absence of restrictive, regimented rules that limit residence activities or impede their ability to interact with other non-disabled individuals. DCA uses the definition of integration provided by the Justice Department in its Statement on Enforcement of the Olmstead Integration Mandate. Funding sources or rental assistance that require documentation of a disability as a condition of eligibility will be considered documentation that the unit targets individuals with disabilities and will be counted towards the 20 percent limitation. Examples include funding that require recipients to be "chronically" homeless, or any property that targets persons with HIV/AIDS. Before an Applicant claims that a unit is not targeting a disabled population, a review of all funding sources and rental assistance should be made to ensure that these documents are consistent with the designation of a non-disabled unit. (Applicants should review DCA's Guidance on claiming the Integrated Supportive Housing points as additional resource for this issue.)

2. I have a commitment for rental assistance (section 8) from a local housing authority. Can I use this rental assistance to claim points under Section XVIII Integrated Supportive Housing/Section 811 rental assistance, Section A?

Response: No. The Applicant must agree to accept rental assistance from DCA, not any other entity in order to claim these points. The purpose of this DCA-provided rental assistance is to target the population of persons with mental illness as defined in the Settlement agreement between Georgia and the Justice Department. Applicants who have a commitment of rental assistance from a public housing authority, (PHA) with an Administrative Plan which allows a tenant selection preference for this population of individuals with a specific disability must claim points under Section B. The PHA must have documentation of a HUD waiver of the prohibitions against tenant selection preference for specific disabilities. A rental assistance commitment without this tenant selection preference is not eligible for points under this category. (See DCA guidance on claiming the Integrated Supportive Housing Points)

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3. Can you tell me how DCA measures the 2 mile radius for determining whether a project is awarded Previous Project points? My proposed project is very close to the proposed radius site.

Response: DCA uses a previous Projects map generated by ArcGIS to determine whether an Application falls within the 2-mile/10-mile radius of recently funded projects. Project addresses are used to generate this map. Next, DCA uses the ruler tool on Google Earth to verify distances for all Applications whose Score would be changed based on the ArcGIS map. Finally, DCA uses Google Earth to verify distances for sites in very close proximity to the 2-mile/10 mile radius boundary. Project sites are measured from the farthest corner of the proposed site to the farthest corner of a previous project that appears to be in close proximity to the radius boundary.

4. My proposed Application has project based rental assistance and a history of very low vacancies. Do I need to trend my vacancy and collection at 7% or can I use a lower percentage?

Response: All applications must trend vacancy and collection at 7%. (See page 51 of 58 of Appendix II). DCA may determine that a higher rate is indicative of the market but no applications will be reviewed at less than a 7% rate.

5. Can I enter my project based rent in the operating subsidy column of the pro forma?

*Response: No. Project based rent is not considered an operating subsidy it should entered in the Proposed Gross Rents section of the pro form. Entry of the PBRA into the wrong section of the pro forma will result in point deductions when DCA corrects the error and could result in a change in the overall feasibility of the project. See Core application instructions which states :
"Proposed Gross Rent – enter the proposed rent to be charged for each unit (includes utility allowance). This rent cannot exceed the Gross Rent Limit, except if there is PBRA for 10 yrs or more which allows for higher rents."*

6. Inasmuch as Section 811 funds are ultimately federal/HUD funding, if a tax credit applicant claims points for Integrated Supportive Housing under option A (willingness to accept DCA's Section 811 vouchers), but has no other HOME or HUD funding, do the additional HUD requirements apply?

Response: As DCA does not have a final Sec. 811 agreement with HUD, an agreement by a LIHTC Applicant to accept Sec. 811 project based rental assistance alone (i.e. a project with no federal financing or assistance, such as HOME, HUD 221 (d)(3) or (d)(4), or PBRA) will not trigger the "Additional HUD

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Requirements” as stated in Threshold XXIV (p. 38 of 58, 2014 QAP). As such, for the purpose of the 2014 Application submission, “Additional HUD Requirements” are not applicable solely for an agreement to accept Sec. 811 PBRA but such requirements may need to be met prior to an award of any Sec. 811 rental assistance contract. (DCA will provide additional guidance on Sec. 811 requirements after DCA’s Sec. 811 agreement is finalized with HUD).