

2014 DCA Qualified Allocation Plan
General Questions & Answers
Posting #6
May 6, 2014

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

1. Are we to use the HUD website to get the maximum tax rents for 2014 for tax credit only properties?

Response: Please refer to appendix I, A, 5 page 3 of 58 for information on maximum rents. DCA will publish tables when they are released by HUD.

QAP Threshold - Exhibit A: DCA Underwriting Policies

1. Will Section 8 rents be utilized in underwriting an existing development with a USDA project based rental assistance on 100% of the rental units? The QAP states that "projects with a commitment for PBRA that is less than ten years, for which a renewed contract is not possible, will be underwritten within the maximum tax credit rents and/or HOME rents, as applicable." The USDA rental assistance agreement form is for a term of one year but renews annually subject to funding availability. We intend to submit an application with such rental assistance in which the agreement has renewed for the last 10 years.

Response: Section 8 rents will not be utilized in underwriting an existing development with USDA project based rental assistance on 100% of the rental units. Assuming USDA 515 financing remains in place, and the rental assistance will renew subject only to appropriations, the underwritten rents would be those commensurate with any related USDA rental assistance.

QAP Scoring - 9 Phased Development/Previous Projects

1. In the Phased Development / Previous Projects scoring section, under Part B: Previous Projects, it states that an application can receive points if the site "Is located in a non-rural area outside of a 2-mile radius from such a funded project." How is the starting point for the radius determined? Does it start at the center of the proposed project site or from the nearest edge of the parcel to the nearest previous allocated project? Or would you start the radius point at the proposed project's entrance point?

Response: The radius is based on the distance starting from the existing project that was awarded tax credits in the last four funding cycles. The starting point is the address of the existing project to any closest boundary of the proposed site.

2014 DCA Qualified Allocation Plan
General Questions & Answers
Posting #6
May 6, 2014

QAP Scoring - 14 DCA Community Initiatives

1. Per Section XIV of the scoring section of the 2014 QAP, a development will be awarded one (1) point under the following conditions:

"One (1) point will be awarded for projects that have a letter from an eligible DCA Georgia Initiative for Community Housing (GICH) community which clearly:

- A. Identifies the project as located within their political jurisdiction,
- B. Is indicative of the community's affordable housing goals,
- C. Identifies that the project meets one of the objectives of the Community, and
- D. Is executed by the official representative of the Community.

Each community may issue only one (1) letter for one project in this year's competitive round. If more than one letter is issued, no project in that community shall be awarded any points.

Documentation:

- Letter executed by Official Representative"

The QAP states that the letter must be "executed by the official representative of the Community" and that the required documentation is a "letter executed by the Official Representative" of the Community. We read this to mean that the letter should be signed by the official representative of the GICH Community team and not the official representative of the municipality (mayor, city manager, county administrator, etc), unless such representative of the municipality is also the official representative of the GICH Community team. It seems clear that the QAP requires the letter to be signed by the official representative of the GICH Community team, which in most cases is the Chairman of the GICH Community team and is otherwise known as the lead contact to DCA with regards to the GICH. Is this correct?

Response: Yes, to be eligible for the DCA Communities Initiative point the QAP requires the letter to be signed by the official representative of the GICH Community team which is the team chairperson.

QAP Scoring - 17 Integrated Supportive Housing

1. Can more than one MOU for a property be submitted if we have more than one agency that wants to create a relationship?

Response: One MOU is the minimum requirement, however if others meet the requirements, they may also be submitted.

2014 DCA Qualified Allocation Plan
General Questions & Answers
Posting #6
May 6, 2014

2. The QAP states the units must be "one bedroom" units. Only one bedroom units are eligible?

Response: Yes

3. We are coming across several agencies that have stated they are unable to have an MOU with a housing provider because they have to "remain neutral as a public agency". Our MOU does NOT require them to only refer consumers to our property, it is just a lose MOU that states how we would work together. Any suggestions and has this been a problem that you have heard about? Any alternatives?

Response: Section XVII A. allows for the MOU to be from an 'appropriate service provider' or a State or Local behavioral health agency.

4. The QAP states that to be eligible for the points the property must set 15% of the units at 50% AMI rent and income levels and be willing to accept Section 811 rental assistance. But the residents must be within 30% of the Median Income for the area for Section 811. How are these to work together? Is it in how the Rental Assistance is used for that development that decides what income level the resident needs to fall into (50% or 30%)...whether it is "supported" by PRAC or "funded" by PRA? Please explain.

Response: If the resident is at 30% of AMI, they are qualified under 50% AMI; the rent level affords the property owner a reasonable rental rate as the 811 provides the difference between the residents ability to pay 30% of their income for rent and the 50% rent standard.

QAP Scoring - 19 Preservation Priority Points

1. Would an existing development with a USDA project based rental assistance on 100% of the rental units qualify for government awarded project based rental assistance preservation priority points? The USDA rental assistance agreement form is for a term of one year but renews annually subject to funding availability.

Response: USDA rental assistance could qualify for two (2) Preservation points if it is provided for at least 30% of the units for a minimum for 5 years.

2014 DCA Qualified Allocation Plan
General Questions & Answers
Posting #6
May 6, 2014

QAP Scoring - 20 High Performing School Zones

1. The Georgia DOE released the amended 2012 and 2013 scores for the new CCRPI standard on April 21, 2014. The new standard under CCRPI is completely different than the AYP/Scorecard standard previously used. Under CCRPI the school is evaluated using a weighted scoring metrics with a range of zero to 100. Are we allowed to use the 2012 or 2013 numbers? If so, what threshold will the new CCRPI weighed score need to meet to be considered a "meets" or "exceeds" score under section XX. High Performing Scholl Zones on page 25 of the 2014 QAP? Are there limits to what grades must be accounted for at the school we use (i.e is kindergarten included, must the school house two grades, must one of those grades require passing of the CRCT as a standard of promotion criteria)?

Response: 2012-2013 CRCT scores are also available in the Report Card format from the Georgia Office of Student Achievement. The same evaluation of schools is applied and the "Does not Meet", "Meets", and "Exceeds" standards is available for each school in the state. You can find the data available here: https://usg.gosa.ga.gov/analytics/K12ReportCard_GeorgiaTests

DCA will use the most recently available CRCT exam data for at least two (2) grade levels.

2. QAP says, "A high performance school, as defined by DCA, has a higher percentage of students that either "meet" or "exceed" standards, in each grade and in each subject area, than the state average for the corresponding grade and subject area." Consider this example.

4th Grade

Math State Average 45% Meets and 36% Exceeds

Math Local School 51% Meets and 27% Exceeds

In this example, would this local school be eligible for points? I also submit that this data is from 2010-2011 - three years old making this data invalid. I submit that DCA ought to not consider this scoring category when scoring all applicatons.

Response: In the example provided above, the local school would not be eligible for points, the school must have a higher percentage of students of combined meets/exceeds standards. The 2012-2013 report card is now available on the Georgia Office of Student Achievement's website. Thank you for your thoughtful input, but DCA will consider this scoring category during the 2014 9% round.

2014 DCA Qualified Allocation Plan
General Questions & Answers
Posting #6
May 6, 2014

Electronic Core Application - 1 Project Information

1. I would like to know what are the minimum document requirements for each QAP Threshold? Is there a place that will show me this?

Response: Minimum documentation is listed under most threshold categories. Please use the 2014 Application Instructions and the Tab Checklist (located in the first tab of the Core Application) to help you organize the application submission. It is the applicant's responsibility to read each Threshold and Scoring category and determine any additional documentation that may be required in order for DCA to conclude that the requirements have been met.

Electronic Core Application - 6 Revenues & Expenses

1. How do we account for the PBRA in the Proposed Gross Rent? Is there a way to differentiate between the rent the tenant pays vs the rental subsidy? I would think we should include what the tenant pays plus the utility allowance in the Proposed Gross Rent and include the rental subsidy under the Other Income section on the Operating Subsidy rows. Please confirm.

Response: Please refer to the Core Application instructions. Proposed Gross Rent would include the entire PBRA amount plus the tenant paid rent for that unit. Any tenant paid utilities would be reflected under Utility Allowance.

Other

1. When is the rescheduled DCA Green Building Training Course? How do you register for the course?

Response: A pre-recorded video of the initial training course will be posted to the Southface website. The posting will be announced and on line registration will be required in order to view it. Please contact our office if you are not on our email distribution list.

2. DCA requires applicants of LIHTC to give public notice, one safe guard measure is to place a notice in the community's local newspaper. Does DCA have established language guidelines.

Response: DCA does not have newspaper language guidelines for local community engagement. It is important to be mindful of reaching all sectors of the population including persons with disabilities.

2014 DCA Qualified Allocation Plan
General Questions & Answers
Posting #6
May 6, 2014

3. Is lead in soil testing required if a site contained mobile homes that were pre-1978? The mobile homes have since been removed.

Response: DCA requires lead in soil testing for all structures unless prior lead testing of the interior and exterior of the property indicated that no lead was present or you have a valid certificate of compliance under applicable lead-based paint laws. (DCA 2014 Environmental Manual pg. 32)

4. Can market analysts also help complete the application for tax credits?

Response: Contracting between the Owner and its analysts is not determined by DCA. Please see the definition of 'consultant' in the Core QAP to determine whether the fee must be paid from any applicable developer fee.