

ASK DCA WEBINAR Q&A FOLLOW UP

This document recaps the question and answer session between our industry partners and the DCA Housing and Finance Development Division team, during the “ASK DCA Q&A” webinar. The online live webinar was held on Wednesday, April 15, 2020, and addressed questions and concerns related to the COVID-19 pandemic and DCA’s interim policy response.

Questions from our partners were submitted prior to the webinar and in the live webinar chat. DCA encourages you to submit additional questions [here](#) for future Q&A sessions. The next Q&A session has not been scheduled at the time of this publication, please visit the [COVID-19 response page](#) for frequent updates.

I. DEVELOPMENT & CONSTRUCTION QUESTIONS

1. For purposes of application submission for the 9% round, how will DCA handle the inability to have required public meetings due to the Governor's Shelter-in-Place order?

DCA has pushed back the application deadline to June 18, 2020. DCA is monitoring the situation closely and welcomes all feedback on difficulties in preparing an application for the upcoming 9% round. Any future application deadline updates will be posted to DCA's website.

2. Regarding the 4% program, can we expect the bond pre-applications that were submitted by the February 17th due date to be reviewed soon?

How will DCA evaluate who can access bond cap when the cap is removed?

The first 2020 4% Pre-applications will be reviewed at the end of May. DCA is currently focusing on the 2020 HOME NOFA reviews, backlog of 2018 and 2019 bond applications in the queue, and 9% pre-applications for the upcoming round. DCA received 103 2020 4% pre applications, totaling an estimated \$1.7 billion in tax exempt bonds. DCA will soon open a public comment period in regards on how to order applications for review. DCA welcomes all comments on what the development community feels are prudent strategies for ordering the 103 applications.

3. Regarding 4% deals with pre-applications that have already been approved, will DCA make sure those deals are viable so that some other projects may use bond cap if the non-viable deals do not? Would you provide feedback on current 4% preapplications that have been submitted?

DCA has emailed every applicant who applied for a 2018 and 2019 4% bond pre-application, for which the full application has not been received. An updated list has been posted to

DCA's website under the 2020 QAP link. As we work through the remainder of the 2018 and 2019 applications, the spreadsheet titled '2016-2019 Bond 4% Applications' (updated as of 4/13/2020) will be updated.

4. Can you tell us about any extensions that DCA has permitted on any development deadlines?

DCA approves extensions on a case by case basis. The majority of 9% awards are forward committed credits, meaning a 2019 application, received 2020 credits. This pushes the Placed In Service deadline back 11 months to account for any delays in completion. DCA has the ability to extend 10% test deadlines and Placed In Service deadlines since a Federal Emergency has been declared for the state of Georgia. DCA can also do a credit exchange to push these deadlines back. Any request for a 10% test extension or PIS extension should be submitted to Ryan Fleming at ryan.fleming@dca.ga.gov.

5. When will 4% HOME consents be awarded? Is there any update on 2020 9% pre-apps?

DCA plans to have both the 2020 4% HOME NOFA awards and 2020 9% pre-application determinations/feedback sent to applicants by Friday, April 24, 2020.

6. What is DCA doing to ensure 8609s can be delivered as quickly as possible, prior to tax filing deadlines?

DCA's has maintained a 90-day review process, upon receipt of a final allocation application (cost certification) package, for issuance of signed 8609s/IT-HCs. Please remember to also turn in your Final Inspection submissions and 8609 Submission to DCA's Construction Services Department. DCA may waive certain requirements for issuance of 8609s during this time. Please submit any requests to Ryan Fleming at ryan.fleming@dca.ga.gov.

7. Does DCA have any official stance on developers continuing to work in occupied apartments?

If not, doesn't this present an unnecessary risk for workers and occupants as developers / builders try to meet deadlines?

DCA is not barring any construction activity from occurring and encourages developers and contractors to abide by all social distancing guidelines established by local government. If developers or contractors slow or halt construction activity and need an extension on deadlines, please email Ryan Fleming at ryan.fleming@dca.ga.gov.

8. Does DCA have any special instructions on submission of core applications?

As of now, there are not any special instructions for the submission of core applications. Although DCA staff is currently teleworking to ensure social distancing guidelines, DCA's mail room is open for submission of applications. For any applications delivered in person, DCA will ensure social distancing requirements are maintained.

9. Will Credit delivery modifications be possible if an Acquisition Rehab project isn't finished on time due to COVID delays?

DCA needs finalized costs and a final allocation application to determine the credits to be awarded for each building. DCA has maintained a 90-day review process upon receipt of a

final allocation application (cost certification) package. Please remember to also turn in your Final Inspection submissions and 8609 Submission to DCA's Construction Services Department. DCA may waive certain requirements for issuance of 8609s during this time. Please submit any requests to Ryan Fleming at ryan.fleming@dca.ga.gov.

10. In the past, DCA inspected a representative unit for each bedroom type as-is, for an acquisition rehab project.

Given the current environment, would exterior Subject and Neighborhood Photos be enough to submit for these projects? This is regarding Acquisition Rehab inspections for market studies.

In-unit inspections are not be required as part of a market study for Acq/Rehab properties/applications.

11. For Acquisition Rehab applications, the PNA and Environmental 3rd party providers can't visit properties, which is required for Threshold. Can these be turned in after application?

At this time, all application documents are required at the time of application submission. DCA has pushed back the application deadline to June 18, 2020. DCA is monitoring the situation closely and welcomes all feedback on difficulties in preparing an application for the upcoming 9% round. Any future application deadline updates will be posted to DCA's website.

12. Will DCA consider proceeding with application intake, subject to receipt of the other documents?

At this time, all application documents are required at the time of application submission.

II. COMPLIANCE & OPERATIONS QUESTIONS

1. How should we calculate income when someone has been furloughed due to COVID 19, and they are now receiving unemployment benefits? How should we handle the \$1200 stimulus check? Is the additional \$600 unemployment benefit treated like traditional unemployment?

Regular Unemployment Benefits:

For the purposes of income determination, unemployment benefits are included in the income calculation. For 100% LIHTC properties, use the date provided in the tenant's unemployment letter and the tenant's Unemployment Affidavit to calculate anticipated income for the next 12 months. For HOME-funded properties, annualize the amount in the tenant's unemployment letter to calculate anticipated income for the next 12 months. For further guidance, refer to the [DCA Low Income Housing Tax Credit \(LIHTC\) Compliance Manual](#).

\$1200 Stimulus Check:

This should be treated as a one-time gift, and not included as income.

\$600 Additional Unemployment Benefit:

Per HUD guidance issued on May 1, 2020, this should not be included as income.

2. Will income averaging programs be affected due to any COVID 19 Circumstances?

Income averaging expectations do not differ from the other minimum set-aside requirements. Owners and managing agents should lease units according to the AMIs reflected in the LURC.

3. How will DCA respond to delayed move-outs or hold over eviction actions against non-renewed residents, who were non-renewed due to non-compliance?

Does DCA have any preference or expectations as it relates to allowing owners and managing agents to assume “Month-to-Month” rent collections during the Eviction Moratorium?

Owners and managing agents should consider the needs of each resident at this time and determine the best long, or short, term lease options (including month-to-month terms) for the both parties, that are permissible under Program rules. For situations where a holdover eviction process is suspended or delayed, Owners and managing agents should work out agreements that are achievable for the resident and that will not result in a subsequent eviction for non-payment of rent, following the expiration of the 120-day Eviction Moratorium. All properties should log any changes to routine operations, that are in response to COVID-19 related circumstances, as DCA may audit your policies and practices for filing hold-over dispossession actions, for fair housing compliance.

4. Does DCA have any requirements for industry partners' record keeping regarding changes in operations related to Covid-19?

Owners and managing agents should continue keeping records within tenant files and document any deviations from normal business operations and compliance monitoring as stated in existing program requirements until further federal guidance is issued.

5. Does DCA have a specific wording to include in the file, for the 90-day grace period they are giving on late recertifications?

DCA does not have specific wording for the 90-day grace period, however, DCA encourages owners and managing agents to document and clarify all events and occurrences that fall outside normal program conditions.

6. How will DCA determine "financial hardship"?

Can you provide us with some specifics on the financial data that DCA would define as "financial hardship"?

For the purposes of qualifying for a HOME Loan Deferment Request, DCA defines “financial hardship” as the inability to pay operating expenses and/or debt service as a result of reduced rental collections from unemployment and under-employment of residents.

- 7. Will DCA utilize any waivers available for HOME Participating Jurisdictions as announced by HUD on 4/10/20, particularly the waiver for income documentation that allows for self-certification of income up to 12/31/20?**

DCA intends to utilize the waiver guidance published by HUD that allows the use of self-certification of income in lieu of source documentation to determine eligibility to reside in a HOME-assisted unit for people impacted by COVID-19. A waiver of self-certification of income is allowable through 12/31/20. Per HUD, DCA is required to audit affected files within 90-days of 12/31/20. DCA will require owners and managing agents to collect the source documents from the tenant as soon as possible and no later than within 30 days of 12/31/2020. Properties intending to utilize the waiver must first complete the form [here](#).

- 8. Regarding Recertifications, how do we proceed with signatures and gathering documentation?**

DCA will allow waivers for tax credit properties without HOME funding for the time frame beginning on March 1, 2020 and going forward, until further notice. Additionally, under the DCA HOME program, HUD is permitting electronic signature on recertification or interim recertification documents IF the owner obtains an original “wet ink” signature on the recertification/interim recertification documents within 90 days from the termination of national, state, or local orders restricting movement to essential activities, whichever comes later.

- 9. With respect to social distancing, how should managers obtain signatures for forms?**

The Housing Finance and Development Division (HFDD) will accept and permit the use of electronic signatures provided that 1) the electronic signature software has the capability to audit or authenticate the signature, and 2) there are no existing restrictions imposed by State or Federal law.

- 10. Can an applicant/resident take pictures or screenshots of pay stubs and other verification documentation, if it shows a clear and complete image and as long as we obtain the original source document when business resumes and it is safe to do so?**

Yes. DCA will follow [HUD guidance](#) that states that tenants can provide income documentation by email or other electronic delivery to the owner and managing agent at the Owner’s discretion. DCA will require owners and managing agents to collect the original source documents from the tenant as soon as possible and no later than within 30 days of 12/31/2020.