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**2021 9% and 4% Housing Tax Credit**

**Competitive Rounds Questions and Answers**

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The pages that follow are DCA responses to questions pertaining to Competitive Rounds for both 9% and 4% Housing Tax Credits.

# Part I: Overview

## Submitting Additional Questions

Questions must be submitted through the online 9% and 4% Competitive Round Q&A Survey hosted on the 2021 QAP and Related Documents webpage ([click here](https://www.dca.ga.gov/safe-affordable-housing/rental-housing-development/housing-tax-credit-program-lihtc/qualified-0/2021)).

* **Having issues using the online survey?** Please email hfdround@dca.ga.gov.
* **Concerned about the timing of DCA’s response?**
	+ First, given the volume of questions submitted, please expect at least a 2-week delay between submitting a question and seeing an answer posted to the website.
	+ If you have concerns related to response timing, please email the inquiry to hfdround@dca.ga.gov
* **Have a project-specific question?** There is no separate option for “project-specific” questions. Currently, all questions go through the same approval and publication process.

## Deadline to Submit Questions

The deadline to submit questions is Monday, April 26, 2021. This deadline is to ensure that all applicants have sufficient time to react to posted DCA responses before the May 21st application submission deadline.

After this deadline, DCA will only respond to questions pertaining to the mechanics of application submission (e.g., issues accessing the online application portal).

## Q&A Document Update Process

DCA will update the Q&A document in small, incremental response sets. As this will increase the number of updates to the document relative to prior years, DCA will not send an email notification each time the Q&A document is updated.

Please monitor the “Updated” date by the Q&A document on the DCA website to track when DCA has released additional responses. By default, the table below will be sorted such that the most recent responses are at the top.

## Navigating the Q&A Table

The below table, as posted to the DCA website, is sorted in descending order by date posted. If preferred, the document can also be sorted by category (in Microsoft Word, select the full table, select “Home” à “Sort”, under the Paragraph section).

In the window that pops up, select the following:

* The **Date** **Posted** column should be sorted by “Type: Date”
* The **Category** column should be sorted by “Type: Number”

Question categories are assigned a number for purposes of table sorting. Below are the category breakdowns in the Q&A table:

* 1-Core Plan
* 2-Threshold
* 3-Scoring
* 4-Compliance Appendix
* 5-Manuals
* 6-Emphasys Application Portal
* 7-Application Materials (Forms, etc.)
* 8-Other

Category numbers take the following form:

*[Category number]* ***.*** *[subsection #]*

For example, *Core Plan, Section 8. 9% Round Set Asides* is numbered as “1.08.”

## Log of Changes in Updates to this Q&A Document

This section provides a high-level description of changes made to the document from one version to the next.

|  |  |
| --- | --- |
| **Update** | **Changes** |
| 2/18/21 | * Initial posting
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| 2/26/21 | * Posted new Q&A set
* Clarified in *Part I: Overview* that questions related to 4% Housing Tax Credits can also be submitted through this Q&A process and document, not just 9% questions.
* Adjusted category numbers to resolve sorting issues.
* Removed responses to Q0217\_01 and Q0217\_02 posted on 2/28/21.These provided preliminary guidance on QAP Workshop Slides and Pre-Application Instructions.
	+ [Click here](https://www.dca.ga.gov/safe-affordable-housing/rental-housing-development/housing-tax-credit-program-lihtc/qualified-0/2021) to view the QAP Workshop Slides
	+ [Click here](https://www.dca.ga.gov/node/7252) to view Pre-Application instructions
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| 3/2/21 | * Posted new Q&A set
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| 3/3/21 | * Posted new Q&A set
 |
| 3/4/21 | * Posted new Q&A set
* Updated *Part I: Overview, Submitting Additional Questions* to clarify that inquiries or concerns related to the timing of DCA responses to specific questions should be emailed to hfdround@dca.ga.gov.
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# Part II: Question and Answer Table

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| **Date****Posted** | **Category** | **Question and Answer** |
| 3/4/21 | 1.08Core, Set Asides | **Question: Q0303\_01**The QAP states that an application is eligible for the Rehabilitation Set Aside if it is “*an existing occupied property previously funded by 9% or 4% Credit equity with building(s) in the Extended Use Period while the Plan is in effect.*”Since it is uncertain when the 2022 QAP will be signed by the Governor, is it possible for an application to be eligible for the Rehabilitation Set Aside but not enter the Extended Use Period until after the application deadline? * If the property enters the Extended Use Period in July, the 2021 QAP will certainly be in effect.
* If the property enters the Extended Use Period in December, the 2021 QAP might be in effect.

In our case, we have three properties that will enter the Extended Use Period in January of 2022. **Answer:** Please note the following from *Core, Eligibility of Certain Project Configurations*:“*DCA will not consider 9% Credit Applications for the preservation of existing Housing Credit developments with a placed-in-service date that is within 15 years of Application Submission (May 21, 2021).*”The QAP does not establish an end date for how long the 2021 QAP will “be in effect,” as this depends on when the Governor signs the QAP. Therefore, in any case where the eligibility of an application is in question, DCA staff will confirm eligibility based on the above provision from *Eligibility of Certain Project Configurations*. Based on this review method, absent further evidence to the contrary, the above-referenced properties transitioning into the Extended Use Period in January 2022 are not eligible for consideration under the *Rehabilitation Set Aside*. |
| 3/4/21 | 1.23Core; DCA Pre-Application Fees and Deadline Schedules | **Question: Q0304\_02**The QAP states that the Qualification Determination fee is $1,000. If a pre-app QD determination comes back as conditional on adding a partner for Experience, does an additional $1,000 fee need to be submitted at Full Application submission with the updated QD package showing the new partner or does or does the original pre-app $1,000 QD fee cover it?**Answer:** This would be a continuation of DCA’s initial review at pre-app and no new $1,000 QD fee would be required at Application.  |
| 3/4/21 | 1.23Core; DCA Pre-Application Fees and Deadline Schedules | **Question: Q0304\_03A**The QAP states that the Qualification Determination fee is “Required for all Deals” (see *Core, Exhibit A, DCA Pre-Application Fees and Deadline Schedules*). “Deals” is capitalized, but is not in *Core, Definitions*. If we are submitting multiple pre-applications with the same project team for each one, do we need a $1,000 application fee for EACH pre-application?**Answer:** The $1,000 Qualification Determination fee applies to the Project Team, regardless of the number of deals submitted. Note: Project Teams may be reviewed for qualifications at Pre-Application or Application Submission. To receive a full Threshold review at Pre-Application under this section, Applicant must have the project team and construction type finalized by Pre-Application.So multiple submissions/fees are only required where there are differences in the Project Team. |
| 3/4/21 | 3.05Scoring; Desirable/Undesirable Activities | **Question: Q0202\_04**Pedestrian access to our site is by way of an easement, and we are wondering if this impacts how we measure distances for purposes of Desirable Activities. If pedestrian access to a site is by way of an easement that has been given to the partnership from an adjacent neighbor, is that acceptable to DCA or does the partnership have to own the land where pedestrian access exists? **Answer:** Driving or walking routes must originate from geo-coordinates of the pedestrian or vehicle site entrance and end at the geo-coordinates of the desirable amenity. The entrance geocoordinates should be used, even if access is by way of an easement. |
| 3/4/21 | 3.05Scoring; Desirable/Undesirable Activities | **Question: Q0201\_05**Would an outdoor community recreation facility with amenities like lighted baseball/softball fields, tennis courts, basketball courts, walking trail, etc. qualify as a community or recreational center (Item L) in the Desirables section? The QAP appears to allow outdoor facilities like a public pool to qualify, but we wanted to confirm that public, multi-use recreational facilities would also be eligible.**Answer:** Yes, an outdoor community recreation facility as described in your question would qualify under category L. as a community multi-purpose facility as stated in the QAP Scoring Section V. Desirable/Undesirable Activities A. 2. Eligibility.  |
| 3/4/21 | 3.18Scoring; Favorable Financing | **Question:** **Q1030\_02**If the seller of the land/property (or any related party) is providing funds to finance the development and claiming these points, the sales price will be reduced from the total funds provided, to calculate the favorable financing points allowable. Can DCA please comment and confirm whether the calculation actually affects the true sales price of the property and will impact the acquisition credits or is the calculation only used for the purpose of determining the eligible amount toward favorable financing points?**Answer:** The calculation is only used for the purpose of determining the eligible amount toward *Favorable Financing* points. |
| 3/4/21 | 7.00Application Materials (Forms, etc.) | **Question: Q0304\_03B** On the Compliance History Summary and GA Compliance History Summary, do we show projects that are under construction or just projects that have already placed in service?  **Answer:** In the performance workbook, list properties as follows: * Capacity Tab/Form - list properties that have been awarded and that are under construction (under 100% complete)
* Compliance History Summary Form / GA Compliance History Summary Form – show properties that have been completed
 |
| 3/3/21 | 1.14Core, Eligibility of Certain Project Configurations  | **Question: Q0220\_04**For scattered sites, the QAP says we need to submit the Conceptual Site Development Plan. Does the siteplan need to meet all threshold requirements or are you just looking at the locations of the scattered sitesfor purposes of the pre-application?**Answer:** The Conceptual Site Development Plan submission for scattered sites at Pre-Application must meet the requirements for the following Minimum Documentation requirement under *Threshold, Site Information and Conceptual Site Development Plan*: * “Conceptual Site Development Plan (Utilize DCA Cover Sheet Template)”
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| 3/3/21 | 2.02Threshold, Cost Limits | **Question: Q0220\_02**Can you please clarify the extent to which historic tax credit properties can exceed cost limits? Is the amount of historic tax credit equity generated the extent to which we can exceed cost limits? **Answer:** *Threshold, Cost Limits*, states the following: * **“*Cost Limits for Historic/Transit Oriented Properties****: The cost limits for historic rehabilitation projects that qualify for scoring points under Historic Preservation…will be increased to 110% [above the] applicable cost limits.”*
* ***“Cost Waivers****…DCA will consider a cost waiver request for the following [three scenarios]…Costs for historic development above the project cost limits which will be covered by historic credit equity.*”

Yes, the Historic Credit Equity generated is the amount by which the applicant can exceed cost limits. In this case, as stated in the above QAP excerpt, the cost limit being exceeded is 10% above the normal cost limit if the applicant receives points under *Scoring*, *Historic Preservation*. 9% Applicants may submit cost limit waivers at Application Submission or Pre Application. If DCA denies a cost waiver submitted after the Application Submission deadline, the Applicant will fail Threshold.  |
| 3/3/21 | 2.02Threshold, Cost Limits | **Question: Q0220\_03**When will core app be posted? We need to submit a cost waiver. **Answer:** DCA anticipates publishing the 2021 core app in late April. For now, applicants may use the 2021 Cost Limit Testing Workbook posted on the “2021 Pre-Application Forms” section of the DCA website ([click here](https://www.dca.ga.gov/node/7252)). The Development’s Total Development Cost for purposes of cost limits excludes the following line items from the Uses tab in the Core Application: “DCA-Related Costs,” “Local Government Fees”, the rent-up reserve, operating deficit reserve, and an upfront-funded replacement reserve, if applicable.Please see the [2020 Core App](https://www.dca.ga.gov/node/6478) as an example for how the cost limits are calculated, with DCA excludable costs. See Part IV-Uses, J163-J166. |
| 3/3/21 | 4.00 | **Question: Q0220\_01***Appendix III: Compliance Monitoring Procedures*, states the following: “Applicants must ensure the management company included in all applications is approved per DCA’s Management Company Approval policy…” Is my property management company on DCA’s list of approved management companies?**Answer:** DCA has not yet published a list of approved management companies. DCA will publish this list after June 30, 2021. For details regarding management company qualifications, please see [DCA’s Management Company Approval policy](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.dca.ga.gov%2Fsites%2Fdefault%2Ffiles%2Fmanagement_company_approval_policy-12-29-2020_-_final.pdf&data=04%7C01%7CJack.Popper%40dca.ga.gov%7Cbe76b7f2e68045158ada08d8d90e6202%7Cdc9db449fad64fcd899014394088d4ec%7C1%7C0%7C637498003571273979%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C1000&sdata=j3tKAusZvKoj%2F77vYXoPIVQxXenKc4PK1ocRiYNpTp4%3D&reserved=0) ([click here](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.dca.ga.gov%2Fsites%2Fdefault%2Ffiles%2Fmanagement_company_approval_policy-12-29-2020_-_final.pdf&data=04%7C01%7CJack.Popper%40dca.ga.gov%7Cbe76b7f2e68045158ada08d8d90e6202%7Cdc9db449fad64fcd899014394088d4ec%7C1%7C0%7C637498003571273979%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C1000&sdata=j3tKAusZvKoj%2F77vYXoPIVQxXenKc4PK1ocRiYNpTp4%3D&reserved=0)). |
| 3/2/21 | 2.20Experience, Capacity, and Performance Requirements for General Partner and Developer Entities | **Question: Q0227\_01**For Probationary Designation review, does DCA require anything specific for "evidence" of five or more years of full time employment in the industry and material participation in the development of at least three successful tax credit developments? Is a written summary of experience and resume sufficient or are there specific documents or forms of evidence required?**Answer:** A written summary and resume are sufficient. DCA may request follow up documentation and/or clarification upon review. |
| 3/2/21 | 2.20Experience, Capacity, and Performance Requirements for General Partner and Developer Entities | **Question: Q0226\_03*** Are financial statements required for all principals filing a Performance Workbook? I don't see it listed as a requirement in the Performance Workbook but it's shown on the checklist on the main Pre-Application form.
* We have the same team that was qualified last year, do we submit financial statements or are they "upon request" like the Credit & Criminal Release?

**Answer:** Financial statements are not required at Pre-Application unless requested by DCA during the Qualification review. |
| 3/2/21 | 2.20Experience, Capacity, and Performance Requirements for General Partner and Developer Entities  | **Question: Q0225\_02**The below QAP provision describes the grandfathering process – that if an entity received a “Qualified” letter in the 2020 round, they don’t need to re-submit documentation related to Experience for the 2021 round (“grandfathering,” as the QAP provision below refers to it). Does this also apply if you were qualified based on “grandfathering” in the 2020 round? That is, if I submitted a 9% application during the 2020 round but I was grandfathered in based on submitting Experience documents during the 2019 round, do I need to now re-submit Experience documents (syndicator letters, etc.) for the upcoming 2021 round? The relevant QAP provision is the following: “*A certifying entity that was deemed to meet experience requirements in 2020 is only exempt from submitting documentation of experience for the 2021 round. All other sections—both capacity and compliance—of the performance workbook must be completed. Only those certifying entities that have received a determination letter of “Qualified” in the 2020 round will be deemed to qualify under grandfathering.*”**Answer:** Grandfathering also applies where an entity was qualified based on grandfathering in the 2020 round. Grandfathering turns on the receipt of a “Qualified” determination letter from DCA in the prior year’s round.  |
| 3/2/21 | 6.00Emphasys Application Portal  | **Question: Q0226\_04**On Emphasys, in cases where a consultant is filing an application on an applicant's behalf, can the consultant file it via his own Emphasys account, or would you prefer he do so via the applicant's account?**Answer:** A consultant may fill out the application, so long as all required documentation for Qualification Determination review and/or waiver reviews are provided.  |
| 3/2/21 | 7.00Application Materials (Forms, etc.) | **Question: Q0226\_02**1. Can you confirm if the Competitive Pool designation and/or the LIHTC Election designation selected on the Submission Form & Checklist tab of the Pre-Application Submission form can be adjusted from pre-application submission to what will be presented in the 2021 9% full application submission? Specifically for the LIHTC Election, can there be a change from Income Average to 40% of Units at 60% AMI from pre-app to full app?
2. Similarly, regarding the Competitive Pool designation, the pre-app submission form only allows for one pool to be selected. If an applicant selects "9% Other Metro" in the pre-app submission form, can that applicant apply under an additional pool at the full application submission, such as "9% Other Metro" and "9% RAD Set-Aside"?
3. Can you confirm if the information presented in the "Rent Schedule & Summary" tab within the pre-application submission form can be adjusted from pre-application submission to what will be presented in the Core Application with the 2021 9% full application submission?

**Answer:** Yes. The information can be changed for a new construction application requesting solely a Qualification determination. Per the 2021 QAP, Threshold page 33:“*Project Teams may be reviewed for qualifications at Pre-Application or Application Submission. To receive a full Threshold review at Pre-Application under this section, Applicant must have the project team and construction type finalized by Pre-Application. If either is ‘To Be Determined,’ DCA will not conduct a team qualifications review during the Pre-Application review phase.*”If the applicant is requesting other waivers (underwriting waivers, construction waivers, relocation, income averaging unit distribution, etc.), a change in the location, geographic pool, unit mix, minimum set aside election, will require DCA’s re-review of the waiver and new information. |
| 2/26/21 | 1.14Core, Eligibility of Certain Project Configurations  | **Question: Q0224\_01**Would a site bifurcated by an alley or lane be considered a scattered site? If so, would these sites be able to share amenities or would a waiver be needed to allow for sites to share amenities.**Answer:** Under Section 42, scattered sites are defined by their proximity and not necessarily the presence of an alley or lane. Per QAP Core Section 14.A., sites must have no more than six (6) non-contiguous parcels within a ½ mile radius and a minimum of four (4) residential units per parcel, except for parcels on which the community center is located. Note that Applications must include a legal opinion on scattered site to support the project’s development. Please provide both a legal opinion and a Conceptual Site Development Plan for DCA review at Pre-Application. Please note per 2021 QAP Threshold, Section XIII. Required Amenities, for scattered site projects, required amenities must be met for each non-contiguous parcel. If the site is considered a scattered site per the legal opinion, an architectural waiver is required at pre-application for the site for determination. |
| 2/26/21 | 1.15Core; Submission Requirements and Award Limitations | **Question: Q0217\_02**We will be submitting an application for a rehab in the upcoming 2021 round. The property is owned by a housing authority, and they are operating with a skeleton staff because of Covid. We are trying to prepare Architectural Standards waivers, as well as the Rehabilitation Work Scope and PNA Fannie Mae forms, but due to Covid-related staffing issues, the housing authority has been unable to provide us with the help necessary to complete this work. Would it be possible for us to submit these documents at some point beyond the March 5th pre-app deadline? It will allow us to provide you with far more accurate information.**Answer:**The deadlines will not be extended for rehab waivers.Please note: Four (4) Applications will be selected that propose rehabilitation of an existing occupied property previously funded by 9% or 4% Credit equity with building(s) in the Extended Use Period while the Plan is in effect. |
| 2/26/21 | 1.18Core, Evaluation of 9% Tax Credit Competitive Applications  | **Question: Q0223\_02**Please clarify what types of proposed developments are eligible for consideration under the 2021 9% Competitive Round.**Answer:**Please note that *Core, Evaluation of 9% Tax Credit Competitive Applications, Selection, Sequence of Competitive Round Award Determinations* lists the competitive evaluations that comprise the 2021 9% Competitive Round:* Rental Assistance Demonstration Set Aside
* Rehabilitation Set Aside
* New Supply

*Core, Definitions* defines New Supply eligibility as “Applications proposing new construction or Adaptive Reuse.”*Core, 9% Round Set Asides*, states that only the following types of properties are eligible for the Rehabilitation Set Aside: “existing occupied propert[ies] previously funded by 9% or 4% Credit equity with building(s) in the Extended Use Period.” |
| 2/26/21 | 1.23Core; DCA Pre-Application Fees and Deadline Schedules | **Question: Q0201\_04**The QAP states on the Exhibit A DCA Pre-Application Fee and Deadline Schedules: *Qualification Determination (Required for all Deals) - $1,000 with a 9% Deadline of 3/5/21*In Threshold XX. Experience, Capacity and Performance Requirements for General Partner and Developer Entities it is stated: *Project Teams may be reviewed for qualifications at Pre-Application or Application Submission*.The second statement contradicts the first statement saying that the Qualification Determination is required for all deals. * Please clarify whether this is a requirement at pre-app for all deals.
* If not, is the $1,000 Qualification Application Fee still due with the full application May 21, 2021 on top of the 2021 Credit Application Fee and Third Party Review Fee.

**Answer:**Applicants are not required to submit Qualification documentation and the corresponding fee at Pre-Application. Project Teams may be reviewed for qualifications at Pre-Application or Application Submission.The $1,000 Qualification fee is required for all applications. If applicants request a Qualification review at Pre-Application, it is due by March 5.If Applicants choose to request the Qualification review as part of the Full Application (May 21), then the fee can be paid at the Full Application submission deadline (May 21st). The Qualification review fee is an additional, separate cost to the 2021 Credit Application Fee ($6,500 For Profits; $6,500 For Profits/Non- profits Joint Venture; $5,500 Non-profits). |
| 2/26/21 | 2.02Threshold; Cost Limits | **Question: Q0128\_01**This question pertains to a rehabilitation application we will submit, wherein we are purchasing an existing affordable housing property from another affordable housing provider. DCA only allows cost limit waiver requests in three instances, listed under *Threshold, Cost Limits, Cost Waivers.* The third option is what we want to confirm we are eligible for. That third option allows cost waivers for…“Costs that are covered by funding from a foundation, other unrelated not-for-profit charitable organization, or governmental entity that is not DCA in the amount equal to or greater than the development cost that exceeds DCA’s unit cost limitations.”We would like to request the waiver based on a seller’s note. * Question 1: Under this cost limit waiver option, are seller notes an allowable source of funding to cover the amount by which TDC exceeds DCA cost limits?
* Question 2: In our case, the seller is a non-profit 501(c)(3) affordable housing provider. Does the seller constitute an “other unrelated not-for-profit charitable organization” that can provide the funding that covers the amount by which TDC exceeds DCA cost limits?

**Answer:**Answer to first question: Seller’s notes are an allowable source of financing for covering the amount by which TDC exceeds DCA cost limits under this cost limit waiver option, provided the note meets the other requirements listed under this subsection (e.g., the seller’s note must be a cash-flow loan). Answer to second question: An organization qualifies where there is no Identity of Interest between the parties. In *all* circumstances in which an application exceeds DCA cost limits, a cost limit waiver must be submitted. 9% Applicants may submit cost limit waivers at Application Submission or Pre-Application. |
| 2/26/21 | 2.03Threshold; Tenancy Characteristics  | **Question: Q0223\_01**Our proposed project is an acquisition rehabilitation that was originally built in 1985 with HUD 202 funds. It is not a PHA property. The current tenancy allows ages 62+ as well as those ages 18+ with physical disabilities. Based on our interpretation, this would be a project categorized as "Other" tenancy. Please confirm this is correct. Also, QAP notes to contact DCA for instructions on this section no later than the pre-app deadline. Please provide guidance or instructions.**Answer:**First, please see question Q0223\_02 pertaining to eligibility for consideration under the 2021 9% Competitive Round. For purposes of the tenancy question, the above interpretation is correct. As part of the Pre-Application and Full Application, if the above-referenced property is eligible for the 9% Competitive Round, please select Tenancy “other.” Please provide any supporting documentation tied to the property which lists the above tenancy restriction for DCA review. |
| 2/26/21 | 2.12Threshold; Public Water/Sanitary Sewer/Storm Sewer | **Question: Q0211\_01**We are contemplating doing a single family home ownership application in rural Georgia. In many rural areas and some metro areas, septic tanks are viable, reliable and serviceable options for sewer. The tanks and install costs are cheaper than public sewer connections and there is no monthly sewer expense to the resident. The maintenance is also fairly inexpensive with emptying every 3-5 years at an average cost of $250, which is less than $1200 for the initial 15 year compliance period. The QAP only speaks to public sewer. Will DCA consider a septic tank system for single family home ownership if public sewer is not available in an rural area?**Answer**To satisfy *Theshold*, *Public Water/Sanitary Sewer/Storm Sewer*, public water and sewer service must be available at the proposed development site at the time of Application Submission.Septic tanks are not allowable.Per 2021 QAP *Threshold, Public Water/Sanitary Sewer/Storm Sewer*, ***public water and/or sewer availability cannot be contingent on the construction of a water/sewer system***, annexation of the property, or funding to the utility provider from an outside source. |
| 2/26/21 | 2.20Threshold; Experience, Capacity and Performance Requirements for General Partner and Developer Entitites | **Question: Q0224\_02**I wanted to confirm that because we were "Qualified" in 2020 we don't need to submit the additional documents noted in the performance workbook pertaining to “Experience” requirements (8609's syndicator letters, etc.)**Answer:**Correct. The relevant QAP provision is the following, from *Threshold, Experience, Capacity, and Performance Requirements for General Partner and Developer Entities,* subsection *Requirements for Experience (Certifying Entity)*:“A certifying entity that was deemed to meet experience requirements in 2020 is only exempt from submitting documentation of experience for the 2021 round. All other sections—both capacity and compliance—of the performance workbook must be completed. Only those certifying entities that have received a determination letter of ‘Qualified’ in the 2020 round will be deemed to qualify under grandfathering.”Certifying entities that qualify under grandfathering are exempt from submitting the required documents related to Experience, such as the syndicator letters, IRS Forms 8609, and trailing twelve-month occupancy reports for each Successful Tax Credit Project. |
| 2/26/21 | 2.25Threshold; Occupied Developments | **Question: Q0226\_01**My question is about the following QAP provision from *Threshold, Occupied Developments, Relocation*: “For 9% Applications, DCA will not allow permanent displacement of tenants unless a waiver is obtained.”If the construction scope and timeframe require relocation over 12 months, is a waiver required?**Answer:**No. Relocation over 12 months is considered temporary, and therefore a waiver is not required. Please refer to the Temporary Relocation section of the manual for specific requirements in this scenario. |
| 2/26/21 | 3.05Scoring; Desirable/Undesirable Activities | **Question:** **Q0111\_02**Do “Family Dollar / Dollar General” qualify as “Retail/clothing/department store (full range of clothing/household items)”? **Answer:** “Family Dollar” and “Dollar General” both are considered retail stores under “Retail & Restaurants” in category b. of subsection *A. Desirable Activities*. |
| 2/26/21 | 3.14Scoring; Previous Projects | **Question: Q0209\_01**We are pursuing a property where approximately 80% of the property is located outside of the city limits and 20% is located inside the city limits. The site entrance will be located outside of the city limits and the buildings will be located outside of the city limits. Zoning will be through the County not the City. For the purposes of Previous Projects, would DCA consider this proposed development to be located within the city limits or outside the city limits?No approvals are expected to be necessary for the city. We have not gotten very far on water sewer letters or building permits but the County planning and zoning told us we didn’t have to go for a rezoning by the city if buildings were not within the city limits. We stated we would be using county water and sewer in our county rezoning request.**Answer:**For the purposes of *Scoring, Previous Projects*, DCA considers this proposed development to be located outside the city limits due to the fact that all buildings will be located outside city limits and all approvals necessary for construction will be outside the jurisdiction of the city. |
| 2/26/21 | 7.00Application Materials; Pre-Application Instructions | **Question: Q0222\_01**The instructions of the 2021 Pre-Application state that all applicants must submit a rent summary chart. If the site is "TBD" we are unable to submit proposed rents, max gross rents, utility allowances, etc. Is it ok for the applicant to leave this chart blank if the site is TBD?**Answer**The rent chart may be left blank if the site is TBD. |
| 2/18/21 | 1.13Core; Financing Resources – HOME Loans | **Question:** **Q0121\_01**Can you direct me to the CHDO Certification Application that is due at the time of Pre-Applications?**Answer:**Per the 2021 QAP, “DCA will select developments for purposes of [the CHDO] set aside through a Notice of Funding Availability announced as funds become available.” CHDO HOME funds are not allocated through the summer 9% Competitive Round. The 9% Competitive Round Pre-Application deadline is not applicable to any CHDO documentation submission requirements. CHDO HOME funds are allocated towards rental housing development through Notices of Funding Availability (NOFAs) that pair HOME funds with 9% Tax Credits. An organization’s CHDO status is confirmed during the NOFA application review process. Organizations interested in assessing CHDO eligibility in advance of a NOFA release should review HUD guidance on CHDO status ([click here](https://www.hud.gov/sites/documents/19787_CH03.PDF)) and the DCA form used to confirm CHDO status during the most recent CHDO NOFA ([click here](https://www.dca.ga.gov/sites/default/files/2017_chdo_certification_application_0.docx)). Please note that the DCA CHDO form is for reference only and may differ from what is utilized in a future NOFA. [Click here](https://www.dca.ga.gov/safe-affordable-housing/rental-housing-development/housing-tax-credit-program-lihtc) to subscribe to the email list where CHDO NOFAs are publicized (click “Join our email list”). |
| 2/18/21 | 1.18Core; Evaluation of 9% Tax Credit Competitive Applications | **Question ID**: **Q1217\_02** Please clarify the tiebreaker (b), “Earlier year of the most recent 9% Credits award for the Local Government Boundary” from Core Plan, Section 18. Evaluation of 9% Tax Credit Competitive Applications, subsection D. Selection part 4. Tie-Breaker. **Answer**:This tiebreaker applies if tiebreaker (a) did not break the tie and the proposed sites of the tying applications are in different Local Government Boundaries (LGBs). To apply this tiebreaker, DCA will perform the following analysis: * For each LGB associated with the tying applications, identify the most recent 9% Credit award
* Identify which of these most recent allocations is the oldest. The application in the LGB with the oldest of these allocations wins the tiebreaker.

This policy furthers DCA’s priorities for equitable geographic distribution of resources. |
| 2/18/21 | 3.00Scoring; General | **Question ID: Q0129\_01**In some sections of the QAP, such as those dealing with proximity to desirable/undesirable neighborhood characteristics or public transportation, distances are to be measured from the geocoordinates of the proposed main pedestrian or vehicular entrance to the property. In other sections, such as those dealing with proximity to previously-funded developments, the QAP is silent on the location of the "starting point" for measuring these distances. Should an applicant assume that the geocoordinates of the proposed main pedestrian or vehicular entrance to the property is the "starting point" in all cases?**Answer:**Where small differences in distance have a practical impact under the section goals, the QAP will specify a starting point (e.g., walking accessibility of an amenity). Some section goals are not sensitive to small distance differences (e.g., equitable allocation of DCA resources across the state). In such cases, DCA staff confirm point eligibility based on any of the following location information provided in the application:* Location information from the application’s general information section (geocoordinates or site address)
* Geocoordinates of the pedestrian site entrance

If an applicant notices a point differential based off measuring from a pedestrian/vehicle site entrance, geo-coordinates, or address, they should note the difference in the supporting documentation and applicant comment box of the application. In such instances where the QAP is silent on starting point and multiple starting points are relevant, the starting point location may be construed in favor of the applicant. |
| 2/18/21 | 3.02Scoring; Applicability of Scoring Criteria | **Question:** **Q0111\_01**On the chart on page 102 of the QAP it says max points for 9% New desirables is 20 and for 4% New is 12. In the explanation it only mentions the 20 points and no differentiation between 9% and 4%. To be sure I understand, new construction 4% can still score points in all the same Desirables categories, but the maximum points a new 4% application can get in that area is 12 as opposed to 20 points max for a new construction 9%?**Answer:** The above interpretation is correct. Per the description above the table, “Numbers in the below table indicate the maximum points that can contribute to the Application’s score from that section given the construction type and tax credit sought.”  |
| 2/18/21 | 3.05Scoring; Desirable/ Undesirable Activities  | **Question: Q0202\_02**I could not find a definition for (Elementary, Middle or High schools) pertaining to Section (J) section 2 of Desirable Activities. Does a Private school qualify? **Answer**For purposes of the 2021 Competitive Round, a private school qualifies under this subsection.  |
| 2/18/21 | 3.06Scoring; Community Transportation Options | **Question:** **Q1221\_01**Will you please clarify what qualifies as a transit hub? Does it have to have three bus lines plus rail? Or does it have to have three of any (bus routes, rail options, or other mass transportation)?**Answer:** The QAP states: “For purposes of this subsection, a transit hub is a station that has three or more bus routes, rail options, and/or other affordable mass transit options.” “Three or more” applies to the list items and not bus lines specifically. A transit hub may qualify based on any combination of bus, rail, or other affordable mass transit options. Please review this scoring section for additional requirements related to transit hub qualification. |
| 2/18/21 | 3.07Scoring; Quality Education Areas | **Question:** **Q1207\_01**Points in *Quality Education Areas* are based on data from the Department of Education (DOE) gathered through standardized testing. Due to the pandemic, standardized testing did not occur, and the DOE will not release College and Career Ready Performance Index (CCRPI) scores or Beating the Odds (BTO) designations for 2020. How is DCA responding to this for purposes of 9% scoring? **Answer:** Applicants seeking points under this section can pursue either of the following:* Qualifying schools with CCRPI – Applicants now have two, rather than three, years to use for qualifying schools. [Click here](http://r20.rs6.net/tn.jsp?f=001KFxG_BcjDK_xpQarxTVQeV4F6DCCkiFpdx9PS24dNyV1WcJGFwkGRGssnq_PcFqMt6DGUJJmPFHhlYo4LgQJKpR32vJ-JSgXuJ1xbs32p3kja0gCdK43HLi43qew_hR9HA8pooq1r4crUnpSeN0T3N9HpL-_l4oflKuhoo42pzBE6Iw-aNGU2zAB47qk0qHFgIP_voov9hU3AKCxwM7HVgdpGnXOiToDs_syx0_lnUnojhJlzVIpQYxds2PNWzPKzV7siv2Y_sWYgSlEPBTPEbz5nrweep7k&c=I3wD3lQ6d57mhKTvdRHxsbbLLQpfKlf99Lj8vnLvx2HDIB56UYWy5Q==&ch=LiMjGPQmTm4go0VR6ueQO5e3u4SHWXkCMUoMEWXET54zrieKKUOxSw==) to view the CCRPI Scores Table on the DCA website.
* Qualifying schools with BTO – As signed by the Governor, the 2021 QAP provision detailing the BTO qualifications option referenced 2020 BTO designations. To allow applicants to utilize two years of BTO designations as intended, DCA’s Commissioner has signed an administrative amendment to the QAP allowing applicants to use 2018 and 2019 BTO reports to qualify schools. The amended 2021 QAP and announcement detailing the amendment are posted to the DCA website ([click here](http://r20.rs6.net/tn.jsp?f=001KFxG_BcjDK_xpQarxTVQeV4F6DCCkiFpdx9PS24dNyV1WcJGFwkGRGssnq_PcFqMt6DGUJJmPFHhlYo4LgQJKpR32vJ-JSgXuJ1xbs32p3kja0gCdK43HLi43qew_hR9HA8pooq1r4crUnpSeN0T3N9HpL-_l4oflKuhoo42pzBE6Iw-aNGU2zAB47qk0qHFgIP_voov9hU3AKCxwM7HVgdpGnXOiToDs_syx0_lnUnojhJlzVIpQYxds2PNWzPKzV7siv2Y_sWYgSlEPBTPEbz5nrweep7k&c=I3wD3lQ6d57mhKTvdRHxsbbLLQpfKlf99Lj8vnLvx2HDIB56UYWy5Q==&ch=LiMjGPQmTm4go0VR6ueQO5e3u4SHWXkCMUoMEWXET54zrieKKUOxSw==)).
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| 2/18/21 | 3.07Scoring; Quality Education Areas | **Question ID: Q0201\_01**I would like a clarification on the CCRPI qualifications listed below. The score table released most recently shows different information even for the same time periods from the previous table that was being used to score projects we are currently working on. The links below show the discrepancies mentioned:* CCRPI Score Table from “2020 QAP and Related Documents webpage,” posted prior to 1/27/21: <https://www.dca.ga.gov/sites/default/files/ccrpi_scores_table.pdf>
* CCRPI Score Table from “2021 QAP and Related Documents webpage,” posted 1/27/21: <https://www.dca.ga.gov/sites/default/files/2021ccrpi_scores_table.pdf>

Why do the 2019 values differ between these two tables? We have been working from the first set of guidelines in preparation for an application submission. **Answer:**The Georgia Department of Education (DOE) posted a revision to the 2019 scores after the initial release. As stated in the DOE CCRPI public release for 2019:*“NOTE: The state-level 2019 CCRPI scores have been updated… Please note that district- and school-level scores did not change; this is an update to the state scores only.​”*The above-referenced table from the 2020 QAP documents webpage was published for purposes of the 2020 round, and the revision occurred after the release of that document. For purposes of the 2021 round, DCA will allow scores to qualify based on the originally published 2019 scores, all of which are lower than the updated 2019 data. An updated CCRPI scores table has been posted to the DCA website ([click here](https://www.dca.ga.gov/safe-affordable-housing/rental-housing-development/housing-tax-credit-program-lihtc/qualified-0/2021)). Please note that in subsequent rounds the revised 2019 averages will apply.  |
| 2/18/21 | 3.10Scoring; Stable Communities | **Question:** **Q1222\_01**For the Local Health and Economic Indicators: If we use the 2015-2019 estimates, will we be comparing these estimates to the published percentiles that were based on the 2014-2018 estimates, or will we have to show that the 2015-2019 estimate is above the 60th percentile for that dataset?**Answer:** On January 15, 2021, DCA sent an email update indicating that the Census Bureau had released the 2019 update of the data used for scoring 9% Credit applications under the Stable Communities section. DCA has accordingly posted an updated version of the Local Health and Economic Indicators table on the DCA website ([click here](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.dca.ga.gov%2Fsafe-affordable-housing%2Frental-housing-development%2Fhousing-tax-credit-program-lihtc%2Fqualified-0%2F2021&data=04%7C01%7CBryce.Farbstein%40dca.ga.gov%7C89ae262f65464ffd6a5208d8b98d13d1%7Cdc9db449fad64fcd899014394088d4ec%7C1%7C0%7C637463362872978216%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C1000&sdata=riLDUih8DPBiUDSwZ7lYCK6t6HtPeVPBUIYjlAK6zwQ%3D&reserved=0)), which includes both 2018 and 2019 percentile calculations. Per the QAP: “Applicants cannot claim points based on a statistics set comprising values from both before and after a data update.” Thus, applicants have two paths for scoring under this subsection, illustrated in the below table.

|  |  |  |
| --- | --- | --- |
| Scoring Options | Metrics | Maximum Points |
| Employment rate | Health insurance rate | Median income | Life expectancy |
| Using 2018 Census data | > 2018 Percentile | > 2018 Percentile | > 2018 60th or 80th Percentile | > Published percentile (only one)  | 5 |
| Using 2019 Census data | > 2019 Percentile | > 2019 Percentile | > 2019 60th or 80th Percentile | 5 |

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| 2/18/21 | 3.14Scoring; Previous Projects  | **Question:** **Q0121\_02**If a project located in an unincorporated area was awarded credits but subsequently that area is annexed into a municipality, for purposes of scoring in the 2021 cycle, would that award be considered as being in the unincorporated area or the municipality? **Answer:** *Previous Projects* states in subsection A. that points “will be awarded if the proposed development site is within a current Local Government Boundary that has not been awarded 9% Credits…” The above language intends to equitably distribute 9% credits across local government jurisdictions. As such, DCA evaluates this section based on current municipal boundaries. A municipality that has annexed a property funded under a previous 9% Competitive Round has received the prior-year award. Where applicable elsewhere in the QAP, DCA approaches this analysis in the same way (e.g., tiebreakers). |
| 2/18/21 | 3.18Scoring; Favorable Financing | **Question ID: Q0113\_01**If a certified CDFI Banking Institution is a lender on a development and has agreed to provide a construction and permanent source of funding that meets the four pre-requisite requirements of the Favorable Financing section of the QAP, but the funds used by that bank for the funding are not specifically designated as magnet funds, but general “bank funds”, would the financing still qualify for the favorable financing points? Some conventional banks have capital magnet or reinvestment funds specifically for this type of use, but the statement of “loans originated by a conventional bank are ineligible” appears to disqualify this situation.**Answer:** Per the 2021 QAP, qualifying sources must either meet the criteria for one of the first ten sources listed under *Favorable Financing* subsection A or constitute “Other Federal, State, or local grant funds or loans.” Further, “Loans originated by a conventional bank are ineligible.” Therefore, absent further information that clarifies how the hypothetical lending institution and sources of funds meet the criteria for one of the items under subsection A, the above-referenced financing opportunity would not qualify for points under *Favorable Financing.* |