IOWA FINANCE AUTHORITY

2013 Low Income Housing Tax Credit Qualified Allocation Plan
Mandatory Developer Training
&
On-Line Application Guide

October 16th - October 18th, 2012

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OVERVIEW OF CHANGES

1) For each reference to the Supportive Services Tab, this has been corrected to reflect the correct on-line application Tab name of Special Needs Tab.

2) Add (c) to Section A.2 to explain how to obtain the historical view of applications.

3) In Section A.5(d), Other Category 5 - Project Costs, and B.17, Scoring Tab, clarified that if a project is both acq/rehab & new construction, in order to receive the maximum 5 points in this category, both percentages must be met for the new construction and the acq/rehab.

4) In Section A.6(i), Buildings Tab, clarified that the projected placed in service date is required for each residential building.

5) In Section A.6(k), Cost and Credit Calc. Tab, added requirement that the rehabilitation costs be entered here as well as the Building Tab. Previously, the rehabilitation costs were only entered in the Building Tab for each building. Now the costs will be entered in both places. The total of all of the building rehabilitation costs must equal the amount entered for rehabilitation on the Cost and Credit Calc. Tab.

6) In Section A.6(l), Projected Operating Costs Tab, clarified that an Applicant submitting a project Application that will be a Rose Program (Opportunity for Home Ownership) and wants to contribute more than the minimum $50 per unit per month, an email needs to be submitted to Dave Vaske with a copy to Stacy Cunningham so the adjustment can be made in the on-line application.

7) In Section A.6(q), Exhibits Tab:
   - Added Exhibits 1SA-LSP through 4SA-LSP for Applicants seeking approval for the Lead Service Provider as a non-profit. These SA-LSP Exhibits are required if an Applicant is seeking points for Resident Populations with Special Needs.
   - Indicated Exhibit 5S has been updated as of 11-2-12. The header was changed from Contribution(s) Derived from Federal Sources to Contributions derived from Federal or Local Sources. This makes the form consistent with the 2013 QAP language.

8) In Section A.6(s), Construction Tab (top of application), added instructions for Applicants to upload specified documents into the Construction Tab for IFA's Construction Analyst's review.

9) In Section A.6(y), Applying for the 2013 Reserve Set-Aside, added a note to clarify that projects must show a need for the 9% federal tax credit rate as IFA doesn't intend to over enrich projects through this set-aside.

10) In Section B.3(f), Special Needs Tab – Supportive Services Information, added a certification box for Applicants to mark to acknowledge the required commitment to obtain Tenant Services Certification forms at least annually, signed by one or more nonprofit service providers, and maintain such written verifications of services made available to tenants in the Project files for compliance monitoring purposes.

11) In Section B.7(e), Mandatory Developer Application Training, deleted must enter the relationship to the developer. This is not done in the Ownership Entity Tab, but in the Project Team Tab – Developer.

12) In Section B.11(c), Other Building Information, clarified that the total rehabilitation costs entered for each building in the Buildings Tab must match the total rehabilitation amount entered in the Cost and Credit Calc. Tab for rehabilitation.

13) In Section B.14, clarified that the Service Coordinator-Employee expense is required, but used for informational purposes only and is not included in total operating costs in addition to the $150 per unit minimum requirement. The Service Coordinator-Employee expense can be included in the $150 per unit minimum requirement.

14) In Section B.16, Financial Feasibility Tab, clarified that projects that have acq/rehab and new construction, the On-line Application will attribute all hard construction costs to the rehab portion except the amount in the new construction to figure the construction contingency then allow up to the amount for the new construction portion to be added to the construction contingency when calculating the minimum and maximums.

15) In Section B.18, Exhibits Tab, c) Non-Profit Set-Aside and Lead Service Provider Exhibits:
   - Clarified the deadline to submit these Exhibits to IFA through the on-line system is November 9, 2012.
   - Corrected instructions for submission of the Lead Service Provider Non Profit Exhibits (1SA-LSP, 3SA-LSP, and 4SA-LSP) through the On-Line Application.

16) In Section B.18, Exhibits Tab, d) Scoring Exhibits, indicated that Exhibit 5S is an IFA required form and that a heading had been updated in the form so language was consistent with the 2013 Qualified Allocation Plan, Section 6.

17) In Section A.6(i) and Section B.11(b), added a mandatory check box to the Building Tab for each Applicant to acknowledge regarding building identification numbers and restrictions in any existing Land Use Restrictive Agreement (LURA) applicable to any part of the application.

18) In Section A.6(g) and Section B.9(f), Project Amenities Tab, added mandatory check box for Applicants to acknowledge that all amenities that are selected as an amenity will be provided to ALL units in the project.

19) In Section A.6(k) and Section B.13(l), added a link to the Federal Tax Credits at Estimated Rate so Applicants can see the credit request at fixed 9%. Software rounds down the credit calculation.

20) In Section A.4 (c), added date the Appendix C was updated.

21) Updated links due to new IFA website.

22) Section I. has been updated to remove Nancy Wallis as the contact person to Katie Kulisky.

2013 AGENDA

TIME	SPEAKER(S)	TOPIC
8:30 – 9:00 or 1:00 –1:30	Dave Vaske	Welcome/Introductions & Overview of the 2013 QAP
9:00 – 10:00 or 1:30 – 2:30	Stacy Cunningham & Karen Kulisky	2013 On-line LIHTC Training Manual & On-Line Application
10:00 – 10:10 or 2:30 – 2:40	Break	
10:10 – 10:55 or 2:40 – 3:25	Stacy Cunningham Nancy Peterson Terri Rosonke	2013 LIHTC Application Exhibits
10:55 – 11:00 or 3:25 – 3:30	Dave Vaske	Title Guaranty & Multi-Family Loan Program
11:00 – 11:30 or 3:30 – 4:00	John Kerss	Construction
11:30 – 11:45 or 4:00 – 4:15	Rita Eble or Jerry Floyd	HOME Program
11:45 – 12:00 or 4:15 – 4:30		Question and Answer

A. USER INFORMATION

1. Requesting an On-Line Application Username

a) A user who doesn't have a username from previous a tax credit round must go to the on-line application link and apply for a new account by completing all of the information in the required fields: https://iowafinanceauthority.iowa.gov/secure/TAC2/Login.aspx?ReturnUrl=%2fsecure%2fTAC2%2fDefault.aspx. (Updated 5-15-13)

b) Password information will be sent to the e-mail listed within 24 hours of the new account submission.

c) Each user must have an individual user id.

d) For problems or questions, contact Stacy Cunningham at Stacy.Cunningham@Iowa.gov.

2. Accessing the On-Line Application

a) To access the on-line application, click on the link provided above in 1.

b) Once logged in, a user will be able to select what application and version they want to view. For those that have current applications for projects allocated in prior years, a historical view will now be available at log-in.

c) For Users to view the history of any application in which they have access to, they can select the arrow and it will give a drop down of all the historical applications in a read only view. (Updated 11-6-2012).

3. Adding Application Access to Additional Users

a) The registered user who creates the application must grant access to any additional person needing access to their LIHTC application through 'MyIFA Account' under the View drop-down on the TAC tool-bar.

b) Each additional person must have his/her own username and password to the on-line application.
- One or more persons can access the application at the same time as long as they are not trying to enter the same fields.
- It is not acceptable for users to share user ids. Each person accessing the application must have an individual user id.

4. Resources Available

a) Help Tab
- Once logged into the application, a Help Tab is located at the top of the application screen in the TAC toolbar.
- The current Qualified Allocation Plan, QCT Listing, and this training guide are listed.

- Please contact Stacy Cunningham at the above email address **ONLY** after reviewing this training guide to help answer any on-line application questions prior to submission.
- If an error is discovered in this training manual, please notify the Tax Credit Manager via the Questions and Answers (Q&A) on the 2013 9% rounds website to ensure the error is reviewed and corrected as necessary. http://www.iowafinanceauthority.gov/Home/DocumentSubCategory/61. (Updated 5-15-13)

b) On-Line Application Error Identifiers

- IFA has error identifiers built into the on-line application based upon the applicable approved Qualified Allocation Plan.
- Once all information is entered and saved, if all red x's haven't cleared, select "Submit" one time to see the errors that will need corrected in order to submit.
- At any time, an Applicant can hit "Submit" to see errors generated by the on-line application. Selecting "Submit" one time will not submit the application to IFA. A final submission will occur only after the "Submit" button has been selected twice.

c) IFA Website

- The Qualified Allocation Plan is available on IFA's website at: http://www.iowafinanceauthority.gov/Home/DocumentSubCategory/61 (Updated 5-15-13)
- The 2013 Overview of QAP changes is posted on IFA's website at: http://www.iowafinanceauthority.gov/Home/DocumentSubCategory/61 (Updated 5-15-13)
- Exhibits and Appendices will be posted on IFA's website on or about October 15, 2012 at: http://www.iowafinanceauthority.gov/Home/DocumentSubCategory/61 (Updated 5-15-13)
- Appendix K also contains a listing of all Exhibits.
- Appendix Listing is found at: http://www.iowafinanceauthority.gov/Home/DocumentSubCategory/61 (Updated 5-15-13)

Appendix	Title
A	Application Instructions
B	LIHTC Qualified Census Tracts & Metropolitan Statistical Area
C	Links (Updated 11-14-12)
D	*Reserved*
E	IFA Construction Sign
F	Resident Population with Special Needs
G	Requirements of Iowa Rose Program
H	Energy Efficiency
I	Transitional Housing Revolving Loan Program Information (9% credits)

J	Senior Living Revolving Loan Program Information (9% credits)
K	Exhibits & Scoring Checklist

- HOME Exhibits are listed on IFA Appendix K.
- HOME Appendix List for Rental with LIHTC are:

Appendix	**Title**
A	Tip Sheet - Rental
B	Links – Rental
C	221d(3) Limits
D	Match Contribution Information
E-H	*Reserved*
I	Appraisal Information - Rental
J	Iowa's Minimum Housing Rehabilitation Standards
K	Scope of Work
L	Restrictions on Lobbying
M	Lead Based Paint Requirements
N	Providing Audits – Local Govt., Nonprofit, CHDO
O	Providing Financial Statements – For Profit
P	*Reserved*

- HOME Exhibits and Appendices will be posted on IFA's website at: http://www.iowafinanceauthority.gov/Home/DocumentSubCategory/61 (Updated 5-15-13).

d) Staff

- Chief Administration Officer, Carolann.Jensen@Iowa.gov
- Tax Credit Manager, Dave.Vaske@Iowa.gov
- Construction Analyst, John.Kerss@Iowa.gov.
- Underwriting Analyst, Karen.Kulisky@Iowa.gov
- LIHTC Analyst, Stacy.Cunningham@Iowa.gov
- LIHTC Analyst, Nancy.Peterson@Iowa.gov
- LIHTC Administrative Assistant, Katie.Kulisky@Iowa.gov
- HOME Program Analyst, Rita.Eble@Iowa.gov
- HOME Program Analyst, Jerry.Floyd@Iowa.gov
- For questions regarding Affirmative Fair Housing Marketing Plans, please contact Nancy.Peterson@Iowa.gov

- For questions regarding Exhibit 1S and Supportive Service Plans, please contact Terri Rosonke at Terri.Rosonke@Iowa.gov
- For questions regarding HOME Relocation Plan requirements, please contact Jerry Floyd at Jerry.Floyd@Iowa.gov
- For questions regarding Environmental Reviews for the HOME Program, please contact Rita.Eble@Iowa.gov
- For existing tax credit projects with a Land Use Restrictive Covenants Agreement (LURA), contact Julie Noland @ Julie.Noland@Iowa.gov for guidance on how the existing LURA will be enforced along with the new LURA should the project receive a new allocation of tax credits.

5. On-line Application Design

a) Application Tabs – Save after entering information into each Tab.
- Project Name and Location
- Project Description
- Special Needs (New 2013)
- Site Description
- Site Control
- Zoning
- Ownership Entity
- Project Team
- Project Amenities
- Construction Characteristics (New 2013 – replaces Exhibit 10B)
- Buildings
- Funding Sources
- Costs and Credit Calc.
- Projected Operating Costs
- Projected Cash Flow
- Financial Feasibility
- Scoring
- Exhibits
- HOME Requirements
- HOME (if applying for HOME funds)
- Deficiency Report (only after submitted and IFA has sent a deficiency report)
- Fees (was previously Application Fees)

b) Symbol Identifications
- Application Tabs have a red X initially. As required application information is entered correctly for each Tab and saved, the red X will change to a green check mark. Some Tabs have links related to similar information and those Tabs will not change to the green check mark until the corresponding information in each Tab has been entered.
- A red asterisk (*) indicates a required field. Some required fields in the newer applications may not have this added yet, but an error will result if it's not entered.

- There are some fields/boxes that are grey. These are mandatory requirements and can't be changed.

c) Exhibits

- An Exhibit Checklist is incorporated into the on-line application on the Exhibits Tab. Exhibits are also posted on the IFA website for the current round.
- The Exhibit Checklist lists all required Exhibits based upon the information entered into the application. Please review the Exhibit Checklist after all information has been entered. If an Exhibit is listed that does not match, it is likely incorrect information has been entered. Ensure the current year Exhibit is used.

Example: In the Ownership Entity Tab, if the Ownership Entity is entered as a Limited Partnership and Exhibits 3T(a), 3T(b), and 3T(c) are not listed, then an incorrect entity type in the application for the Ownership Entity was selected.

- Upload all Exhibits contained in the Exhibit Checklist at the bottom of the Exhibits Tab. All required Exhibits must be uploaded or the Application cannot be submitted.
- Each document must be labeled as the correct Exhibit when it is uploaded into the on-line system.

Example, if the document being uploaded is the Current Limited Partnership Agreement, it must be uploaded as Exhibit 3T(c).

d) Scoring

- Most scoring items are initially created by the Applicant from the data entered into the application. <u>The preliminary score listed in the Scoring Tab at the time of the LIHTC application submission to IFA is not guaranteed to be the final score</u>.
- Scoring items are not correctable during the competitive allocation round and will not be included in the deficiency report. 4% Tax-Exempt Bond LIHTC Applications are permitted to correct scoring items since this program is non-competitive.
- The Scoring Tab contains a breakdown of all Scoring Categories for the current approved Qualified Allocation Plan. All possible categorical points, preliminary points received at Applicant submission, and the final score (which will be pending at the time of submission).
- Please review the application and Scoring Tab closely to ensure all points requested are shown. <u>IFA will not award more points than initially requested.</u>

Example: If a Scoring Exhibit is provided, but the applicable scoring question or box in the application is not marked or answered correctly, zero points for that item will be listed on the Scoring Tab. Zero (0) will also be the final point score for that scoring item as IFA will not award more points that originally requested which is shown as the preliminary score.

- For each scoring category listed in the Qualified Allocation Plan (QAP), Section 6, most scoring points are preliminarily based on two criteria: (i) Application questions answered correctly and/or check boxes marked appropriately and (ii) Application information entered accurately and as required.

Scoring Category	Category Name	Location	Comment
Resident Profile, Category 1 (0 to 20 points)	Serves Lowest Income Residents	Building Tab – Units	For every unit entered with an AMGI at or below 40% AMGI, 1 point for each full 1% of the total project units is calculated by the software. Applicants with a project that has a subsidized by project-based rental assistance contracts are ineligible for points under this category. Software will not generate more than the maximum points.
Resident Profile, Category 2 (20 points max.)	Mixed Income Incentive	Building Tab – Units	For every market-rate unit entered, excluding on-site staff or employee units, 1 point for each full 1% of the units is calculated by the software for the preliminary score. Software will not generate more than the maximum points. Applicants that request points under Building Characteristics, Category 3, are not eligible to receive points under the Mixed Income Incentive.
Resident Profile, Category 2 (5 points max.)	Serves 30% AMGI qualified tenants	Building Tab – Units	For every unit entered with an AMGI at or below 30% AMGI, 1 point for each full 1% of the units at 30% AMGI is calculated by the software if market rate units have also been entered. Software will generate the preliminary scoring points up to the maximum points available. Applicants that request points under Building Characteristics, Category 3, are not eligible to receive points under the Mixed Income Incentive for serving 30% AMGI qualified tenants.
Resident Profile, Category 3 (0 to 20 points)	Resident Populations with Special Needs	Project Description Tab – Targeting of Units and Affordable Assisted Living Facility/Program,	If Applicant selects a Special Needs Type from the drop down field, but will not be an Affordable Assisted Living Facility/Program, Applicant must enter information into the Special Needs Tab and

		Special Needs Type & Special Needs Tab	upload the required Exhibit 1S. When all information is provided, the software will generate a preliminary score based upon the information entered. If the project will be an Affordable Assisted Living Facility/Program, Applicant must mark it as such and enter the information in the Special Needs Tab and provide the required Exhibit 1S-AAL. When all information is provided, the software will generate a preliminary score based upon the information entered.
Resident Profile, Category 4 (50 points)	Provides an Opportunity for Homeownership	Project Description Tab – Ownership Type, Iowa Rose Program	If Applicant checks the Ownership Type box for an Iowa Rose Program, the software will generate a preliminary score of 50 points. This category is not available to Applicants that elect points in Resident Profile, Category 6, "Waives Right to a Qualified Contract." Exhibit 2S must be provided.
Resident Profile, Category 5 (20 points)	Rent Reasonableness	Project Description Tab – Other Elections	If Applicant checks the box indicating that 100% of the low income units will be set at or below 100% of the Fair Market Rent for the counties in which the property is located as established by HUD annually, the software will generate a preliminary score of 20 points for this category. Applicants that have a Subsidized Project-Based Rental Assistance Contract are ineligible for points in this category.
Resident Profile, Category 6 (50 points)	Waives Right to Qualified Contract	Project Description Tab – Other Elections	If Applicant checks the box indicating the Ownership waives the right to ask IFA to find a buyer after year 15, the Applicant will have waived the right to a qualified contract and the software will generate a preliminary score of 50 scoring points for this category except for Applicants that elect points for Providing an Opportunity for Homeownership.
Location, Category 1	Location Near	Project	Applicant must check the box for

(0 to 15 points)	Services	Description Tab – Location Near Services	each service in which points are requested. For each checked location near service box, the software will generate a preliminary score based upon the boxes checked up to the maximum points available. An Exhibit 3S is required for each service in which points are sought. Exhibit 3S is required for each building address for each location for a scattered site project and each building at each site must meet the 1.0 mile or less requirement.
Location, Category 2 (5 points)	Great Places	Project Description Tab – Other Elections	If the Applicant checks the box that the entire project will be located in and part of a Great Place community approved by the Department of Cultural Affairs, the software will generate a preliminary score of 5 points. Exhibit 4S is required.
Location, Category 3 (0 to 50 points)	Local Government Contribution	Funding Sources Tab – Total Federal Contributions box and Total Local Contributions box	If the Applicant has funding sources that qualify as a local government contribution as defined in the Qualified Allocation Plan, the amount of the government entity/political subdivision contribution, and the government entity/political subdivision contribution not derived from any Federal resources as listed in Exhibit 5S must be entered and the Funding Source Tab. The software will generate the applicable scoring points up to the maximum points available. Exhibit 5S required.
Location, Category 4 (5 points)	Underserved County	Building Tab – Building Address	The software will contain a listing of counties that have not received an award of Low-Income Tax Credits in the past three (3) years. If the project is located in one of these counties, the software will generate 5 scoring points.
Location, Category 4 (0 to 5 points)	Developer or Owner Cash Contribution	Funding Sources – Developer/ Owner Cash Contribution drop	If the developer or owner is contributing cash, the cash contribution must be listed under the Developer/Owner Cash

		down selection	Contribution funding source. The software will calculate the percentage of total project costs the cash contribution is. One point for each full 1% of the total project costs up to the maximum 5 points will be generated as a preliminary score.
Building Characteristics, Category 1 (0 to 35 points)	Market Appeal	Project Amenities Tab – Market Appeal Characteristics	For each amenity provided at no cost to tenants that enhances market appeal, check the applicable boxes and provide any specific information as requested. For each amenity box checked, the software will generate the preliminary scoring points up to the maximum points available.
Building Characteristics, Category 2 (10 points)	Projects with Historical Significance	Project Description – Other Elections	If the entire project is on the National Register of Historic Places or is determined eligible for the National Register by the State Historic Preservation Officer, check the box indicating such. If the box is checked, the software will generate 10 preliminary scoring points. Exhibit 6S required.
Building Characteristics, Category 3 (0 to 40 points)	Projects that are Subsidized Project-Based Rental Assistance Projects or HUD-VASH Voucher Projects	Project Description Tab – Rental Assistance	If the Applicant selects yes from the drop down field in the application and provides the number of units assisted by the project-based rental assistance contract or VASH Vouchers, the software will generate the applicable preliminary scoring points up to the maximum points available. Exhibit 7S required. This category isn’t available to an Applicant seeking points in Resident Profile, Category 1, “Serves Lowest Income Residents” and Resident Profile, Category 2, “Mixed Income Incentive.”
Building Characteristics, Category 4 (0 to 20 points)	Construction/Unit Characteristics	Project Amenities Tab – Construction Characteristics	For each construction/unit characteristic that will be provided and points are sought, check each box or radio button and provide any additional requested information. For each checked box, the software will generate

			preliminary scoring points up to the maximum points available.
Building Characteristics, Category 5 (0 to 27 points)	Olmstead Goals	Building Tab – Buildings & Units	As Applicant enters each building and unit information, the question on the number of handicapped accessible and visitable units must be provided. When entering units, Applicant must also answer the question on whether the unit is handicapped accessible or a visitable unit. For each unit entered (must match the number in each building), the software will calculate the percentage (%) of each unit type and generate a preliminary score up to the maximum points permitted. Points for visitable units are not available to an Applicant electing points under the Handicapped Accessible section of this category.
Building Characteristics, Category 6 (0 to 35 points)	Readiness to Proceed	Project Description Tab – Readiness to Proceed	For each area that applies to the Project, the Applicant must select each applicable readiness to proceed check box. The software will generate the preliminary scoring points for each box up to the maximum points available. Exhibits 9S – 11S will be required.
Building Characteristics, Category 7 (0 to 10 points)	Impact on the Environment	Project Description Tab – Impact on the Environment	For each amenity listed under Impact on the Environment, the Applicant must check each box and provide any additional requested information For each checked box, the software will generate preliminary scoring points up to the maximum points available.
Building Characteristics, Category 8 (0 to 20 points)	Energy Efficiency	Project Description Tab – Energy Efficiency	Applicant must check the applicable box for the level of energy efficiency for which points are sought. If the box is checked, the software will generate the applicable preliminary scoring points.
Other, Category 1 (10 points)	Title Guaranty	Ownership Entity Tab	Applicant will check the box certifying that the Ownership Entity will obtain a Final Title

			Guaranty Owner Certificate on the real estate of the Project from the Iowa Finance Authority's Title Guaranty Division prior to submittal of the 8609 package. The Ownership Entity shall obtain, at a minimum, a Final Title Guaranty Certificate with an Amount of Coverage that is not less than the value of the Land and pre-existing improvements, if any, combined with the total Hard Construction Costs of the project.
Other, Category 3 (10 points)	Qualified Development Team Experience	Project Team Tab – Developer, General Partner/Managing Member Team Member	Applicant must enter the number of years of Section 42 related experience and indicate whether that Team Member has at least (1) LIHTC project through 8609 within the last five (5) years. If 10 years or more of Section 42 experience is listed AND the Team Member has had a project completed through 8609 within the last 5 years, the software will generate a preliminary score of 10 points. Points are all or nothing.
Other, Category 3 (5 points)	Qualified Development Team Experience/Efficiency	Project Team Tab – Developer Team Member	Applicant must answer yes or no to the question whether the Developer has successfully closed a tax credit project with a third party equity investor in which the equity investor closing was completed within 9 months of the tax credit award date in the years of 2009-2012, and complete the corresponding questions. If yes is answered and the closing date is within 9 months of the award date, the software will generate preliminary scoring of 5 points. Exhibit 14S required.
Other, Category 4 (0 to 30 points)	Reduced Developer Fee	Cost and Credit Calc. Tab – Developer Fee's Subtotal	Applicant must enter the Developer Fee in the Cost and Credit Calc. Tab. The software will calculate the amount of reduction in developer fee subtotal below the maximum allowed and generate preliminary scoring points for each full 1% reduction in the developer fee below the maximum developer fee allowed up to the maximum

			points available.
Other, Category 5 (5 points)	Project Costs	Project Description Tab – Project Type Costs and Credit Calc. Tab	Based upon the project type, the construction costs, and total project costs entered by the Applicant, the software will calculate the percentage of construction costs to total project costs and generate a preliminary score of 5 points for new construction projects if the percentage is 67% or higher and 5 points for acq./rehab, rehab, or historic projects if the percentage is 50% or higher. If a project is both acq/rehab & new construction, both percentages must be met to receive the maximum 5 points. ~~The percentage of construction costs will be based on the square footage percentage of each construction type applied to the Construction Costs/Total Project Costs.~~ Calculation is based upon the calculated % of the new building costs and the rehab costs and then using that % to calculate the % of total costs to apply to Rehab and NC. (Updated 11-15-12)

6. 2013 TAC Enhancements/Changes

a) Project Name and Location Tab

- Check box if more than one political jurisdiction and ability to enter second political jurisdiction for those scattered site projects located in more than one political jurisdiction.
- Once a primary building address is entered in the Building Tab, this address will be listed on the Project Name and Location Tab along with the City(ies) and County(ies) the project is located.

b) Project Description Tab

- Credit % applied for will auto-fill based upon Project-Type entered.
- More than one Special Needs Type may now be entered under Targeting of Units and the Special Needs Type will carry over to the Special Needs Tab.
- Added Special Needs Type of Older Persons 62 and older.
- Special Needs Population - Modified language on persons with a physical and mental, and/or development disability to include the

following language: which may include persons with brain injury, mental illness, or co-occurring disorders.

- Special Needs Population - If state HOME program is selected, two additional items have been added to the drop-down box for selection; however, these two additional items will not generate LIHTC score or a Special Needs Tab. The two additional items are solely for HOME program information and will not generate points: SRO & Transition.
- Question added for Affordable Assisted Living Program/Facility under Targeting of Units.
- More than one building type may be entered unless electing an Ownership Type of Iowa Rose Program then only Standard Apartment may be selected under Building Type.
- Both Iowa Rose Program and Rental Program can't be selected.
- Added HUD-VASH Vouchers question and if yes, must enter the number.
- Updated the energy efficient water heaters description box under Impact on the Environment to include a .098 energy factor (EF) for tankless water heaters.

c) Special Needs Tab (new tab 2013)

- Required if a special needs type (scoring category) was entered under Targeting of Units on the Project Description Tab or the box was marked for Affordable Assisted Living Program/Facility.
- The Special Needs Tab is different for Affordable Assisted Living Program/Facility than Non-Affordable Assisted Living Program/Facility.
- If Affordable Assisted Living Program/Facility is elected, Exhibit 1S-AAL is required.
- Lead Service Provider is now a mandatory team member in the Project Team Tab if a Special Needs Population has been checked in the Project Description Tab.

d) Site Control Tab

- Added a question for projects that have HOME funds regarding installment contract or leasehold interest. If yes, an error will generate. Fee simple title is required for any site that includes any building located thereon or project acquired or used for rental activities.

e) Ownership Entity Tab

- Added a grey checkbox to reflect the Applicant's acknowledgement to commit to notify the DHS Referral Network of vacancies in handicapped accessible units.
- Added grey checkbox to reflect the Owner's requirement to lease handicapped accessible units designed for persons with disabilities to tenants requiring the accessibility feature of the unit and the use of lease addendum to be executed by a tenant(s) occupying a handicapped accessible unit who doesn't require such handicapped

accessibility features. The lease addendum must state the tenant agrees to move to a comparable non-accessible unit upon the request of the Owner with moving expenses to be paid by the Owner.

- Added question for state Ownership entity is organized.
- Added Contact Information and Authorized Signor(s) fields.

f) Project Team Tab

- Added requirement that either the Developer, Managing Member, General Partner or Development Consultant must have materially participated in a LIHTC project that has received an 8609 from any state within the past five years.
- Added relationship status to Developer for those attending the Mandatory Developer Training.
- Changed the experience requirement of the Management Company to three (3) years of successful management of a Section 42 property.
- Added requirement that a first time tax credit developer must complete at least one LIHTC project in which all LIHTC Units have been leased at least once and has received an 8609 in Iowa or any other state before permitted to submit a subsequent LIHTC application in Iowa and only eligible for an award of tax credits for one project.
- Added mandatory team member of a Lead Service Provider if a Special Needs Population is selected in the Project Description Tab.
- Added ability for Applicants to request non-profit approval of the Lead Service Provider through the on-line application and submit Exhibits for review and approval.
- Added a field to the General Partner/Managing Member and Co-GP/MM for entry of authorized signor(s).
- Added question to Co-Developers, % of developer benefits.
- Updated the year from 2011 to 2012 for applicable questions.
- A drop-down field of all potential project team member types has been added if "yes" is marked for Identity of Interest.
- Updated the years 2008-2011 to 2009-2012 for the question on successful closing of a tax credit project with a third party equity investor.
- Added stakeholder questions to the General Partner and Developer Project Team Member Tabs. Number and Names will have to be entered.
- Added questions to the Ownership Entity, Limited Partner, General Partner/Managing Member or Co-General Partner/Managing Member regarding filing a copy of the fully completed IRS form 8609 to an allocating state agency.
- Added question to the Developer Tab and Syndicator and Direct Investor member Tab relative to QAP Section 5.4.6.1.11.

g) Project Amenities Tab

- Added a mandatory checkbox stating the Applicant is providing all of the selected amenities to all units in the project. (Updated 11-15-12)
- Removed clubhouse.
- Updated requirement under Construction Characteristics- Main Entrance Areas, Covered Entry and Storm Door for unit main entrance to exterior to include the requirement of a minimum depth and width of coverage of 4 feet by 4 feet.
- If garages or parking will include charges, a charge amount must now be entered under Other Site Amenities. **This is directly linked to the cost/credit calculation tab now. If no charge, then the costs can be included in eligible basis; however, if a charge is entered, then the construction costs can't be included in eligible basis.
- If parking charges are listed, then this income must be shown.
- Updated the description for In-Unit Laundry Space with Washer and Dryer Hook-up under Other Market Appeal Amenities.
- Added question on any other extra tenant charges required for tenancy and amount under Other Site Amenities.
- Under Other Site Amenities, added requirement that if 24 hour on-site Resident Manager is elected, then a manager's unit with no rent charge must be entered in the Building-Units Tab and the unit will be common space and not a residential rental unit and shown as such in a carryover agreement for an awarded project.
- Under Other Site Amenities, separated out Computer in each unit and Computer Learning Center. Applicants will now be required to select one of these and then the application will auto-fill the data into the Construction Characteristics Tab. Can't select both.
- If no market units are entered in the Building-Unit Tab, no description will be permitted in the box to Describe Differences in Low-Income and Market Rate Unit Amenities under Other Site Amenities.
- Replaced Washer/Dryer Hookup with Washer/Dryer in each unit under Other Interior Apartment Amenities.
- Under Other Interior Apartment Amenities, Washer/Dryer in each unit will auto-fill into the Construction Tab; otherwise, Laundry Room will auto-fill under Other Site Amenities. One or the other must be checked.
- Under Other Interior Apartment Amenities, the flooring and heating/cooling and water heating information will auto-fill into the Construction Tab.
- Geothermal heating and cooling was added as an option.
- Window Coverings Type was added under Other Interior Apartment Amenities and will auto-fill into the Construction Characteristics Tab.
- Update description box for Storage Units under Construction Characteristics.
- Window air conditioning was removed.
- Added cooking type (electric or gas) under Other Interior Apartment Amenities if range will be provided.

h) <u>Construction Tab (Replaces Exhibit 10B)</u>

- Added under Minimum Development Characteristics-Roofs, that for flat roofs a system with a 10-year full warranty is required. Full warranty includes all labor and materials for the entire roofing system and insurance rider for consequential damage.
- Updated description for Exterior Entry Doors to Common Areas.
- Updated description for Unit Doors
- Updated description for resilient flooring.
- Updated description for Cabinetry.
- Updated description for Sidewalks.
- Updated description for Laundry.
- Updated description for Construction Warranty
- Updated description for Computer Learning Center
- Updated description for Energy Efficiency
- Added coding so that elections entered in Project Amenities Tab will auto-fill into this Tab so these will be greyed out here.

i) Buildings Tab

- Added water heating under Utilities Included in Rent.
- Added restriction that if the Minimum Set-Aside Election is 20/50 on the Project Description Tab, all units must be at the 50% AMI rent level when entering units.
- Must now enter the Projected Placed in Service Date for each residential building. (Updated 11-2-12)
- Handicapped and visitable units are shown in the Summary Table.
- If a building has been part of a prior LIHTC project, must now answer questions regarding LURAS and owner's initial minimum set-aside election.
- Under Other Information, the number of handicapped accessible, hearing and visually impaired, and visitable units for each building must match the number of units entered as such in the Units.
- Under Other Information, added field to enter number of visitable units.
- Under Other Information, if Building is Common Space box is not checked, but there is no residential square footage entered for a building, an error will be generated. This box must be marked if the building is a common space manager's unit in which no rent is charged or 100% common space.
- If a unit is entered as both a HOME & LIHTC unit, it will be reflected as such in the unit summary table.

j) Funding Sources Tab

- Revised how Applicants enter Local Government Contributions. Enter each from a drop down election, along with source and amount. Must match Exhibit 5S.
- Review the scoring tab to ensure the preliminary score accurately reflects the points requested under the Scoring Category for Local Government Contribution.

k) Cost and Credit Calc. Tab

- Enter the rehabilitation costs in the Cost/Credit Calc. Tab as well as the building tabs. The total of all the building rehabilitation costs entered in the Building Tab must match the total rehabilitation costs in the Cost and Credit Calc. Tab. (Updated 10-29-12)
- Software will prevent an applicant from requesting more credits than initially submitted at threshold during the deficiency period.
- Hard Construction Costs now include asbestos abatement and lead based paint measures.
- Construction Supervision was removed from under Section III. Construction.
- Changed Lead Based Paint Interim Control to Lead Based Paint Measures.
- Separated Accessory Building(s) and garages/parking that are included in rent.
- For any "Other" $ entered, a break-down of the amounts and type is required. Underwriter(s) will have to review and mark a box to indicate whether software will need to include or exclude from the calculation of reasonably expected basis and the amount.
- $3.00 variance is now permitted in order to submit due to rounding error. Software will round down in the tax credit calculation. (Updated 11-15-12)
- For 4% applications, all costs must be entered in the 30% column.
- Projects that aren't eligible for a 30% boost in eligible basis may receive the 15% boost in eligible basis.
- A link "See credit request at fixed 9%" has been added to the Federal Tax Credits at Estimated Rate line. (Updated 11-15-12)
- Projects will initially be underwritten at the federal floating rate at the time of application.
-

l) Projected Operating Costs Tab

- Added line for Service Coordinator – Employee that is to reflect the salary of that employee. This is different than the supportive services expenses. Required if Service Coordinator – Employee is selected in the Special Needs Tab.
- If a Rose Program, the $50 minimum per unit per month per year will auto-fill. If more than the minimum per unit amount will be provided, please email Dave Vaske and copy Stacy Cunningham in order to adjust the on-line application.

m) Projected Cash Flow Tab

- Other Income under Operating Income will be excluded when calculating the vacancy allowance.

- If charges are listed on the Project Amenities Tab for parking or garages, income most be shown for Parking under Operating Income.
- If other required charges are listed on the Building Tab, Other Income must be listed under Operating Income.

n) HOME Tab

- The HOME cost per unit is now calculated to be the HOME investment/Number of HOME units.
- Limits are now the 221d(3) limits which are listed in HOME Appendix C.

o) Financial Feasibility Tab

- Added real estate taxes to the *Operating Reserve* description and calculation.
- Unit Cost Cap was updated to reflect new amounts stated in QAP Section 4.9 and 4.9.1 and 10.8 and 10.8.1.
- A red X will now appear if the Equity Gap is higher than Eligible Basis in the Cost and Credit Calc. Tab.
- Removed ELI (Extremely Low Income) requirement for LIHTC projects requesting State HOME funds.
- Updated the heading on the cost cap limit under HOME.

p) Scoring Tab

- Scoring total and breakdown for Resident Profile, Category 3, Resident Populations with Special Needs, has been updated per QAP, Section 6. Now 0 to 20 pts. and 10% = 5 pts., 15% = 10 pts., 20% = 15 pts., and 25% = 20 pts.
- Applicants that request points under category, Building Characteristics, Category 3, Projects that are Subsidized Project-Based Rental Assistance or HUD-VASH Voucher Projects, are not eligible for points under Resident Profile, Category 2, Mixed Income Incentive.
- Points may not be received for both HUD VASH Vouchers and Project-Based Rental Assistance Projects under Building Characteristics, Category 3.
- Updated total score and scoring breakdown for Building Characteristics, Category 3, Projects that are Subsidized Project-Based Rental Assistance or HUD-VASH Voucher Projects to 0 to 40 points / 50% = 20 pts., 75% = 30 pts., 100% = 40 pts.
- Added total score and scoring breakdown for Building Characteristics, Category 3, Projects that are Subsidized Project-Based Rental Assistance or HUD-VASH Voucher Projects to 0 to 40 pts. / 5% = 8 pts., 10% = 16 pts., 15% = 24 pts., 20% = 32 pts., and 25% = 40 pts.
- Renamed Building Characteristics, Category 5, to Olmstead Goals and points to 0 to 27 points with a breakdown of 25% of LIHTC units

= 5 pts., 50% = 10 pts., 75% = 15 pts. Another 2 points are possible if all on-site property management staff will complete Mental Health First Aid training approved by the IA Dept. of Human Services and/or an Olmstead Consumer Taskforce approved disability awareness training program, such as may be offered by a Center for Independent Living.

- Added 10 points under Building Characteristics, Category 5, Olmstead Goals, for 50% of the fully handicapped accessible units designed will be 2, 3, or 4 bedroom units. This is based upon 50% of the Owner's election to provide 25, 50, 75, or 100% of units as fully handicapped accessible.
- Added points for providing visitable LIHTC units. 25% = 2 pts., 50% = 4 pts., 75% = 6 pts., and 100% = 8 pts. Can't receive points for providing visitable units and fully handicapped accessible units.
- Updated the description for Other, Category 1, Title Guaranty.
- Removed Syndication Price under Other, Category 3.
- Removed scoring category Other, Category 5, Project Costs for new construction project applications that include per unit costs that are in the lower 50% of all NC projects submitted in the 2012 round and acquisition/rehabilitation projects or historic projects, the Applicant doesn't apply for or request acquisition credits.

q) <u>Exhibits Tab</u>

- Updated the description for exhibit 6T to include tax increment financing.
- Updated Exhibit 1S and added Exhibit 1S-AAL.
- Added Exhibits 1SA-LSP through 4SA-LSP for Applicants seeking approval of their Lead Service Provider as a non-profit. Applicable only to projects requesting points for Resident Populations with Special Needs.
- Removed forms from TAC (except Exhibit 1T) and added IFA website link to locate Exhibits.
- Updated the description for Exhibit 3S for Scattered Site projects.
- Updated description for Exhibit 4S to exclude the 28E agreement requirement.
- Updated the description for Exhibit 5S. (Exhibit 5S heading clarified 11-2-12 on form)
- Updated the description for Exhibit 1T and created a computer-generated partially pre-filled form for execution.
- Updated the description for Exhibit 14S.
- Updated the description for Exhibit 11T.
- Updated Exhibit 14T to require floor plans.
- Removed Exhibit 10B.
- Updated description for Exhibit 7S & 7T to include HUD VASH Vouchers
- Added Exhibit 18T which is applicable to only new Developers in Iowa – three (3) years of financial statements.

- Added Exhibit 19T which is applicable only to Scattered Site Projects. This is documentation that all buildings are located within a 20-mile radius as shown on www.Googlemaps.com using driving directions.

r) Fees

- Renamed to Fees from Application Fees.

s) Construction Tab (top of application) (Updated 10-25-12)

For all awarded applicants, there are specific documents that must be provided to IFA's Construction Analyst. These must now be uploaded under the Construction Tab at the top of the application. Select the applicable document type from the drop-down box, name it, and then upload the document. Once uploaded, the document can't be deleted.

- Refer to QAP, Appendix 1.
- Refer to QAP Section 8.1
- Refer to On-Line Application Guide, Part C. (Updated 11-2-12)

t) Log-In with Historical View

When an Applicant logs into the on-line system, they will have an option to select what project application to view. Approved ones will be read-only.

u) Creating Applications

- Applicants can copy an application to create different scenarios.
- Any created application that is not submitted during an allocation round will be removed.

v) Award and Non-Award Notices

- Three letters. Awarded, Non-Award/No Offer, and Non-Award/Did Not Meet Threshold.

w) Requesting a Change in Application

- A button has been added for previously awarded projects to submit a change in application request for review and approval. The application will be coded as a Change in Application.
- Change in application fee will be required upon submission.

x) Applying for Additional Credits

- If the QAP in which an Applicant's project was awarded under permitted additional requests for tax credits, then this has been added to the top of the screen to use as applicable.

y) Applying for the 2013 Reserve Set-Aside
   - Refer to Section O.
   - Note: The project must show a need for the 9% federal tax credit rate. It's not the intent of IFA to over enrich projects.

7. Tax Credit Application Submission Due Date

a) The competitive round LIHTC Applications can be submitted anytime between 8 a.m. C.S.T. on December 1, 2012 and 4:30 p.m. C.S.T. on December 10, 2012.
b) 4% Tax-Exempt Bond LIHTC Applications can be submitted anytime after the competitive round. (non-competitive)

8. Ineligible Parties

a) IFA will notify all ineligible parties as defined in the 2013 QAP Section 5.4.6.
b) Applicants must ensure all on-line application questions are answered accurately for all relevant questions to enable IFA to determine eligibility/ineligibility.

9. General Comments Regarding On-Line Application & Process

- Description boxes requiring data input are expandable.
- Should IFA update the on-line application, any application saved in the system at the time of the update will automatically be updated as of the next business day.
- IFA prefers Exhibits to be PDF formats. Photos should be labeled and in one pdf sheet.
- Since the application is submitted electronically, there is no need for an Applicant to mail IFA any document with an original signature.
- Before submitting application questions to IFA, please ensure you've attempted to enter information into each TAB in the application first. More times than not, entering the information into the system will answer most questions.
- Some fields/boxes are grey and have been marked with an X. These are mandatory requirements listed in the Qualified Allocation Plan (QAP).
- Any application that is entered into the on-line system, but not submitted during the allocation round will be deleted and no longer accessible.

10. Threshold Application Submission

- After all application information is entered correctly and required Exhibits uploaded, the threshold application can be submitted.
- Once an application has been submitted, it is no longer accessible to an Applicant. **The only changes permitted after Applicant submission are those requested by IFA during the deficiency period**. No scoring

items are correctable and will not be part of a deficiency report as stated in QAP Section 3.3. Exception to this is the 4% Tax-Exempt Bond Applications.

- Once an application has been submitted to IFA, an Applicant shall not contact any IFA Staff or Board Member, nor shall anyone contact staff or Board on the Applicant's behalf, in order to unduly influence IFA's determination related to the award of tax credits. Refer to QAP Section 3.3.
- Payment of the application and market study fees will be required at the time of electronic submission of the application and must be paid electronically. Fees are listed in QAP Section 3.4.7.

B. CREATING AND ENTERING A THRESHOLD APPLICATION

To enter an application, click on link, Create a New 9% Application, Create a New 4% Application (Tax-Exempt Bond Financed Projects Only), or Create a New Rural Development Application (Rural Development Preservation Demonstration Projects Only). Begin entering information in Tab Order referring to Sections (LIST) below.

1. Project Name and Location Tab

a) Project Name

- Type Project Name in the box.

b) Jurisdiction

- Enter the name, address, city, zip code, and phone number of the Political Jurisdiction where the project will be located.
- More than one jurisdiction can be entered for scattered site projects that are part of more than one political jurisdiction.
- Enter the email address of the CEO of the political jurisdiction.
- The blue (REFERENCE) is a link to http://iowaleague.org/AboutCities/CitiesInIowa.aspx. This website contains City information to look up names or contact information.
- Enter the CEO First Name, Last Name, and Title (typically Mayor).
- This information is required in order for IFA to provide notification to Chief Executive Officer of the local jurisdiction as required by the IRC.
- Review information for typographical or data entry errors.

2. Project Description Tab

a) Project Type

- Select New Construction, Rehab, Acquisition/Rehab, or Adaptive Reuse.
- If more than 1 type, select all applicable boxes.

b) Credit Request

There are five (5) boxes that must be selected as applicable to types of funding requests that IFA administers or will have a joint application review with. Enter all applicable boxes.

- Transitional Housing Revolving Loan Program
- Senior Living Revolving Loan Program
- State HOME funds
- HOME CHDO set-aside
- City HOME funds
- PRLF (Only applicable to RD Demonstration Preservation Applicants)

For all other sources, except state HOME funds, IFA-approved participating Cities with allocated HOME funds, a commitment for funding must be made in advance. Refer to QAP Section 4.5.2.

- Set-Asides – Section 2.2 of the Qualified Allocation Plan lists the established Set-Asides. For the 2013 allocation round, four (4) Competitive Set-Asides and one (1) Non-Competitive Set-Aside have been established. Please select all Set-Asides applying for.
    i. Non-Profit (10%) – Competitive
    ii. Preservation (10%) – Competitive
    iii. Rural (10%) – Competitive
    iv. CHDO (5%) – Competitive
    v. Rural Development Preservation Demonstration (Carryover 2009-2012) – Non-Competitive

Note: The 2013 QAP also includes a Reserved Set-Aside (15%). Refer to QAP Section 2.2.5.2.

- Percentages
    - The on-line application will auto-fill the credit % applied for based upon the project-type entered.
    - If applying for acquisition and rehab credits, the software will auto-fill both 4% and 9%; otherwise 9% or 4% for tax-exempt bond applications. Acq/Rehab will have both 9% and 4% listed as will Adaptive Reuse.

NOTE: IRS Notice 2008-106 clarified that pursuant to Section 3002 of the Housing Assistance Act of 2008, newly constructed and substantially rehabilitated buildings that aren't federally subsidized; the applicable percentage was temporarily increased to 9 percent for buildings placed in service after July 30, 2008 and before December 31, 2013.

All buildings must be placed into service no later than December 30, 2013 or be at risk of not being eligible for the nine (9%) percent rate and Applicants must cover any loss in financing.

c) Federal Financing

- Enter Yes or No.
- If Yes, select the type of Federal Financing as shown in the drop-down box.
- If "Other" is selected, then an explanation of this "other" federal financing source must be provided in the box.

d) Minimum Set-Aside Election

- IRS requires the owner to elect a minimum set-aside of 20/50 or 40/60.
- Please select either 20/50 or 40/60 for the Minimum Set-Aside Election.
- If Deep-Rent Skewing is elected, please mark the box as such. Applicants may have 40% rents without electing Deep-Rent Skewing and still receive points under Scoring Category 1 under Resident Profile, "Serves the Lowest Income Residents". Exception: Points aren't available to an Applicant that elects points in the Building Characteristic-Category 3, "Projects that are Subsidized Project-Based Rental Assistance." Refer to QAP Section 6 for more specific information.

Note the 20% at 40% is a state scoring commitment for points. Deep Rent Skewing is governed by the IRS and must be reported on IRS form 8609.

e) Other Elections

i. Waives Right to Qualified Contract – In order to request points for Category 6 under Resident Profile, Category 6, "Waives Right to Qualified Contract," an Applicant must select this box. By doing so, the Applicant is waiving the Ownership Entity's right to request a Qualified Contract in year 14 of the Compliance Period. A 30-year commitment is being made with this election.
   - An Applicant electing points in Category 4 of Resident Profile, "Provides an Opportunity for Homeownership," is not eligible for these scoring points. Refer to QAP Section 6 for more specific information.
   - If a ROSE project, do not select this option.
   - Prior to submitting the application, review the scoring tab to ensure the 50 points requested is shown in the preliminary score column of the Scoring Tab.

ii. Great Places – If the Project will be located in and be a part of a Great Place community approved by the Department of Cultural Affairs mark the box if points are requested for this category.

- Exhibit 4S must be provided if points requested.

iii. Rent Reasonableness – If Applicant is requesting points for all low income units' rents being set at or below 100% of the Fair Market Rent (FMR) under Scoring Category, Resident Profile, Category 5, "Rent Reasonableness", then the box must be checked.

- If the project will have or has a project-based Section 8 rental assistance contract, points will not be received for this category – do not select the box.
- Eligibility for points is determined by contract rent plus utility allowance or the Gross Rent compared to the Fair Market Rent (FMR) and not the tenant paid portion of rent.
- If the Applicant marked the box and the 20 points is not showing in the preliminary scoring column of the Scoring Tab, review the Gross Rents (contract rent and utility allowances) compared to the FMR. If just one LIHTC unit is over, zero (0) points will be generated even if the box was marked by the Applicant.

iv. Historic Project – If the entire project is on the National Register of Historic Places or determined eligible for the National Register by the State Historic Preservation Officer, please select the box to generate points under Scoring Category, Building Characteristics, Category 2, "Projects with Historical Significance."

- Selecting this box will require the submission of Exhibit 6S. Zero (0) points will be requested if this box is not selected even if Exhibit 6S is provided. IFA will not award more points than requested.
- Prior to submitting the application ensure Exhibit 6S has been uploaded and this box has been checked if requesting the points for this category.
- This box will also be used by the on-line application when determining preliminary score for Category, Other, Category 5, Project Costs. If this Historic election is selected, the on-line application will apply the historic preservation threshold requirements and scoring criteria as applicable.
- Historic Tax Credit Equity must be entered as a funding source.

f) Targeting of Units

- Occupancy Type – Select occupancy type from the drop down box. Options from the drop down box are: Older Persons 55, Older Persons 62, and Family.
- IFA generally will not allow any material changes to the Project per Section 8.3 of the QAP. Once the occupancy type has been established and submitted to IFA, it cannot be changed.
- If the project will target a special needs population and Applicant seeks points for Resident Profile, Category 3, "Resident Populations with Special Needs," a Special Needs type(s) must be selected from the drop-down field and Exhibit 1S uploaded into the application.

Refer to QAP Appendix F for more information on Resident Population with Special Needs and to QAP Section 6 for more specific scoring information.

- More than one special needs population may be selected; however, ensure that the elections “make sense” for the project.
- Answer question on whether the project will be an Affordable Assisted Living Facility. If Affordable Assisted Living Facility then Exhibit 1S-AAL is required and not Exhibit 1S.
- Must Submit IFA Form – Exhibit 1S or Exhibit 1S-AAL and all required attachments and cover sheets as one (1) pdf.
- Must enter all information and mark all applicable boxes in the Special Needs Tab.
- The Special Needs Tab clarifies IFA’s policy on held for occupancy.
- Make sure the pro-forma has the minimum $150 per unit minimum annual contribution listed for the Supportive Services Budget. This is for all units in the project.
- If the Service Coordinator will be an employee (not the on-site manager), ensure the expense is shown in the pro-forma. Note: This expense can be included in the $150 per unit minimum. This line item is for information purposes only and is not calculated into total operating costs in addition to the $150 per unit minimum.
- Failure to mark the box for Special Needs will result in zero (0) points being requested and awarded even if Exhibit 1S is uploaded. Confirm on the Scoring Tab the preliminary points sought are correctly listed.
- IFA will not award more points for any category than requested.
- Special Needs Population & Affordable Assisted Living Facility/Program - If the project will be an Affordable Assisted Living Facility, please mark the box as such. Entry of information will be required in the Special Needs Tab and an upload of Exhibit 1S-AAL.
- After uploading Exhibit 1S and electing all Supportive Service and/or Affordable Assisted Living Facility/Program information, confirm the correct preliminary score is reflected on the Scoring Tab.

g) Location Near Services

If seeking points under Location, Category 1, “Location Near Services”, the applicable boxes must be checked and each Exhibit 3S must be uploaded into the application. Each Exhibit must show the Project’s Primary Address (PPA) as shown in the application (Building Tab) & the applicable Service name and address as well as the distance (must be 1 mile or less) from the PPA and the Service address. Refer to QAP Section 6 for more specific information. In addition, if a scattered site Project, in order to receive points, each scattered site PPA must meet the location near services requirements and Exhibits provided for each site in order to be considered for points under this category.

- Full-Service Grocery Store (refer to QAP Appendix 2 for complete definition of Full-Service Grocery Store)
- Schools (Family projects only)
- Senior Center (Older Person projects only)

- Medical Services (refer to QAP Appendix 2 for complete definition of Medial Services)

A Google Map must be provided as indicated in Appendix K and QAP Section 6. If the Project's Primary Address does not properly show or show at all on the Google Map, please email the Tax Credit Manager prior to submission of the application and request to use an alternative map. If approval is granted by the Tax Credit Manager, the approval must be provided with Exhibit 3S as well as the documentation submitted to the Tax Credit Manager for review.

- Failure to mark the applicable boxes will result in zero (0) points being requested even if each Exhibit 3S is uploaded for each service. IFA will not award more points for any category than requested.
- Prior to submitting the application, review the Scoring Tab to ensure all points requested are shown and each corresponding Exhibit 3S has been uploaded.
- For a scattered site project to be eligible for points for Location Near Services, each site must meet the specific requirement. If one site does, but the others do not, no points will be received under this category.
- An Exhibit is required for each specific site included in a scattered site project.

h) Building Type

Select the appropriate building type(s).

- Duplex
- Row/Townhouse
- Single Family Detached
- Standard Apartment

When uploading Exhibit 11T – Utility Allowance Documentation, it must list the correct building type as selected. If more than one building type, ensure that when entering buildings, the correct building type information is entered for each building.

Example: If Row/Townhouse and Single Family Detached, ensure that the utility allowances entered into the Building Tab match the building type listed on Exhibit 11T.

- Appendix 2-Glossary of Terms of the 2013 QAP requires a Project providing an Opportunity for Home Ownership (ROSE Program) must be a single family detached building type and must be new construction without an existing LURA.
- A project may consist of more than one building type and Applicants will also be required to enter building type for each building on the Building Tab.

i) Ownership Type

- Rental - If the project will be a rental project, select the "rental" box. A project may not be both rental and home ownership.
- Opportunity for Home Ownership – If the project will be an Iowa Rose Program project, select "Iowa Rose Program" box. By selecting this box and uploading Exhibit 2S (a-c), Applicant will have requested points for this category, Resident Profile, Category 4, "Provides an Opportunity for Homeownership." Refer to QAP Section 6 for more specific information.
- Failure to mark the box will result in zero (0) points being requested even if Exhibit 2S (a-c) are uploaded. IFA will not award more points for any category than requested.
- Prior to submitting the application, review the Scoring Tab to ensure the preliminary points requested are showing for this category, if applicable.

j) Rental Assistance

- Federal Assistance - If project will be utilizing federal assistance, select "yes" from the drop down box; otherwise select "no".
- If "yes" then the next two questions must be answered. Select the subsidy source from the drop down and then enter the number of units receiving rental assistance. Make sure the number entered matches the number shown in the rental assistance contract or the Public Housing Authority's (PHA) commitment letter.
- Once all units have been entered under the Building Tab, the software will calculate the percent of units covered by the rental assistance contract for the scoring category. IFA staff will confirm the information matches the Exhibit 7S. If incorrect information is entered, IFA reserves the right to adjust the scoring points accordingly.
- Please note: points are received on LIHTC units covered by a project-based rental assistance contract. Therefore, if the rental assistance contract covers 24 units, but only 21 will be LIHTC units, then the project is not 100% project-based rental assisted for this scoring category.
- If "yes" was selected and points are sought for Building Characteristics, Category 3, "Projects that are Subsidized Project-Based Rental Assistance Projects," Exhibit 7S must be uploaded. Refer to QAP Section 6 for more specific information.
- Failure to mark the box will result in zero (0) points being requested even if Exhibit 7S is uploaded. IFA will not award more points for any category than requested.
- Failure to provide a current and fully executed project-based rental assistance contract will result in zero (0) points.
- If a project is in the process of restructuring its rental assistance contract, Applicant must still provide a copy of the current executed contract.

- Even if points are not being requested, Exhibit 7T must be provided if "yes" is selected for the project having project-based federal rental assistance.
- Please enter the Contract Number(s) for the federal project-based rental assistance.
- Prior to submitting the application, review the Scoring Tab to ensure the requested points for this category are shown.
- Enter Loan Number if project has a Rural Development Section 515 mortgage.

Note: If a project only has a "conditional" commitment for a project-based rental assistance contract, this does not qualify for points under Building Characteristics, Category 3, "Projects with Subsidized Project-Based Rental Assistance.

- If a project will consist of VASH Vouchers, please select and enter the number of VASH Vouchers. Exhibits 7T and 7S required.
- The software will calculate the preliminary points based upon the information entered. Confirm on the Scoring Tab the points requested are listed correctly.
- If HUD assistance is received that requires HUD's approval for transfer of physical assets, select "yes" from the drop down box; otherwise, "no".
- If RD assistance is received that requires RD's approval for transfer of physical assets, select "yes" from the drop down box; otherwise, "no".
- If IFA approval for transfer of physical assets is required, select "yes" from the drop down box; otherwise, "no".

k) Readiness to Proceed

Applicant must be ready to proceed with the Project to meet Threshold. Scoring points are also available under Building Characteristics, Category 6, "Readiness to Proceed." Refer to QAP Section 6 Scoring Criteria, QAP Section 5.4, and Appendix 1 for more specific information.

- Select all applicable areas to request scoring points and submit Exhibits 8S (Capital Needs Assessment), 9S (Utilities), 10S (Paved Road), and 11S (Zoning) as applicable to the elections made.
- Ensure all Exhibits are properly completed and signed. All information must be completed on the forms and match the application.
- Capital Needs Assessment (CNA) must be uploaded if the box is selected. IFA will accept the USDA required form of the Capital Needs Assessment.
    - Applicable to Acquisition/Rehab & Adaptive Reuse projects only.
    - CNA must be prepared by a licensed architect in Iowa.

- All sites must have direct contiguous access from the Project to an existing paved publicly dedicated right of way to meet threshold. If the path from the proposed Property entrance to a paved road is de minimis, then the Applicant must provide a binding commitment for both the construction and financing for the paved road, using funds outside of the tax credit development budget and can't be included in project costs; however, will not receive Readiness to Proceed points.
- The construction of the paved road must be completed prior to the issuance of IRS form 8609.

Note: While the project may meet threshold by providing the required documents showing how the contiguous paved road access will be obtained to meet threshold, zero (0) points will be awarded for Readiness to Proceed since at the time of application submission, the contiguous access to the paved road did not exist.

- Utilities must be available to the site on the date of application submission or the Applicant must provide evidence that demonstrates the utilities will be available by start of construction, as well as the funding source for the utility extension.
- If utility extension is required, no Readiness to Proceed points will be awarded under "utilities".
- Only utilities required for the project are necessary to be shown to be available to the project site. Example: If Project was all electric, Application would not need to show gas hook-ups
- If the proposed project doesn't have proper zoning at the time of Application submission, the Applicant must provide a letter stating the site will be appropriately zoned by Carryover. Zero (0) points for Readiness to Proceed for proper zoning will be awarded.
- Failure to mark the boxes will result in zero (0) points being requested even if all applicable Exhibits 8S-11S are uploaded to the application. IFA will not award more points for any category than requested.

l) Impact on the Environment

- Environmentally Friendly Interior Paint – Box must be marked if the Applicant agrees to use all interior paints and primers that comply with Green Seal standards for low VOC limits and are requesting points for this category. By selecting this box, points will be requested under Building Characteristics, Category 7, "Impact on the Environment".
  - Review Scoring Tab to ensure points requested are listed before submitting the application.

- Environmentally Friendly Adhesives – Box must be selected if the Applicant agrees to use all adhesives that comply with all of the requirements listed in the Description box in the application and requests points for this category. By selecting this box, points will be requested under Building Characteristics, Category 7, "Impact on the Environment".

- Review Scoring Tab to ensure points requested are listed before submitting the application.
- No Smoking – Box must be selected if Applicant agrees to have a no smoking policy as stated in the Description box of the application and requests points for this category. By selecting this box, points will be requested under Building Characteristics, Category 7, "Impact on the Environment".
- This scoring category is not available for projects that have a HUD Project-Base Section 8 Rental Assistance Contract.
- Review Scoring Tab to ensure points requested are listed before submitting the application.
- A project that plans on implementing a no smoking policy, but grandfather in current residents who smoke, will not be eligible for points under this category.

- Energy Efficient Water Heaters
  - Box must be marked if Applicant agrees to install energy efficient water heaters that meet the QAP requirements and specifications listed in the Description box of the application. By selecting this box, points will be requested under Building Characteristics, Category 7, "Impact on the Environment".
  - If Energy Efficient Water Heaters box is selected, Applicant must specify the water heater tank type. A specific brand name does not have to be provided.
  - If the information entered here doesn't match the Construction Characteristics Tab, no points will be awarded for this category.
  - Zero (0) points will be awarded if this box is not selected in the application even if it is listed in the Scope of Work, Exhibit 9B, and the Construction Characteristics Tab. IFA will not award more points than requested.
  - Review Scoring Tab to ensure points requested are listed before submitting the application.

- Water Conserving Measures – If planned and the Applicant is seeking points for this category, the box in the application must be marked. A specific brand name does not have to be provided.
  - By selecting this box, points will be requested under Building Characteristics-Category 7, "Impact on the Environment".
  - Zero (0) points will be requested if this box is not selected in the application even if it is listed in the Scope of Work, Exhibit 9B. IFA will not award more points than requested.
  - Review Scoring Tab to ensure points requested are listed before submitting the application.

- Energy Efficiency
  - HERS or IECC- If Applicant requests points by exceeding the Home Energy Rating System (HERS) required for New

Construction or the 2009 International Energy Conservation Code (IECC) for Acquisition/Rehab Projects, Applicant must select the applicable box. Refer to QAP, Appendix 1, 23 for further information on the minimum requirements for energy efficiency and QAP Section 6. By selecting the applicable box, points will have been requested for Building Characteristics-Category 8, “Energy Efficiency”.

- Failure to select the box will result in zero (0) points being requested. IFA will not award more points than requested.
- Ensure the election matches the information entered on Construction Characteristics Tab.
- Review Scoring Tab to ensure points requested are listed before submitting the application.
- Applicant is committing to a more restrictive energy efficiency requirement than the minimum requirements and will be held to this election. Election must be met prior to IFA issuing an IRS form 8609.

m) Overview

- Provide a brief, well-written description of the proposed project. Ensure correct spelling and grammar are used.
- This may be used for news releases or other such communication initiatives.

3. Special Needs Tab

This tab will only appear if an Applicant selects Resident Population with Special Needs or Resident Population with Special Needs and Affordable Assisted Living Facility/Program on the Project Description Tab. The Tab will be different for Resident Population with Special Needs and Affordable Assisted Living Facility/Program.

- Resident with Population with Special Needs Non Affordable Assisted Living Facility/Program.
    - When all required boxes and information has been entered and the Exhibit 1S uploaded, the Scoring Tab should reflect the preliminary score based upon the information entered by the Applicant.

a) Unit Information for Special Needs Population - The total number of project units will auto-fill once all units have been entered from the Building Tab.

- Applicant must enter the number of project units for which preference will be given to the Special Needs Target Population.
- The software will calculate the percentage of total projects units giving preference to the Special Needs Target Population that will be used for determining the preliminary score on the Scoring Tab.

b) IFA Held for Occupancy Policy - Applicant must check the box to confirm understanding of the policy. The policy is listed in the Description Box.
   - Applicant must select the check box agreeing to adhere to IFA's Special Needs Target Population and Held for Occupancy Policy throughout the 15-year compliance period.
   - Failure to mark either box will result in the Applicant's inability to submit the LIHTC application.
   - Annual Service Provider Certification – Applicant must check the box to commit to obtain Service Provider Certification forms at least annually, signed by local service providers, and maintain such written verification of services made available to tenants in the project files for compliance monitoring purposes.
   - Maintaining Waiting List – Applicant must check the box to agree to maintain an extra column on the waiting list for persons in the targeted Resident Populations with Special Needs with a preference shown as part of the project's Affirmative Fair Housing Marketing Plan. The waiting list must also track whether the household requires a Handicapped Accessible Unit.

c) Fair Housing – Applicant must mark the box acknowledging its responsibility to ensure that all Fair Housing requirements are met.

d) Boarding Home Registration – Applicant must check the box to indicate understanding of the Iowa Boarding Home Registration and then mark the applicable box to indicate whether this will apply or not apply to the project.

e) Project Unit Design and Suitability – Applicant must provide a narrative explaining how all project units are designed and suitable for occupancy for the Special Needs Target Population.

f) Supportive Services Information – Applicant must answer yes or no as to whether the services will be actively linked to the project. If no, no points will be received.
   - Applicant must mark the box to acknowledge the required commitment to obtain Tenant Services Certification forms at least annually, signed by one or more nonprofit service providers, and maintain such written verifications of services made available to tenants in the Project files for compliance monitoring purposes. (Updated 11-2-12)
   - Applicant must provide a narrative explaining how the supportive services are actively linked to the project and comprehensively addresses the tenant service needs.
   - Applicant must complete each table as applicable for each service/activity. For each/service activity entered in each table, a Service Provider Form must be provided as part of Exhibit 1S.
   - Failure to provide all Service Provider Forms will result in no points being awarded.

g) Service Coordination – Applicant must check the box to show understanding of its commitment to provide a specific number of hours of on-site service coordination per week, based upon the number of units, to tenants through a qualified Service Coordinator employee, who can't also be serving as the property manager or a written contractual arrangement with a Lead Service Provider.
   - Check box to identify how the on-site service coordination to tenants will be provided (Service Coordinator Employee or Lead Service Provider).
   - Applicant must list a Lead Service Provider in the Project Team Tab as this team member will be a mandatory team member for all Applicants seeking Resident Populations with Special Needs scoring.
   - Expense for the Service Coordinator – Employee must be shown on the pro-forma on the applicable line.
   - Applicant must check the box certifying to IFA that participation in supportive services program will not be a condition of residency.

h) Resident with Population with Special Needs <u>and</u> Affordable Assisted Living Facility/Program
   - Required Certifications – Applicant must certify the project will include ten (10) or more Low-Income Units in which it will provide assisted living and commits to obtaining appropriate state certification as an assisted living program/facility from the Iowa Department of Inspection and Appeals and maintain such certification throughout the 15-year compliance period.
   - Applicant must mark the box agreeing that in order to receive points under Resident Profile, Category 3, Resident Populations with Special Needs, the Applicant must provide as part of Exhibit 1S-AAL, a certification showing the Applicant has previously obtained and maintained a certified assisted living program/facility in the State of Iowa and documentation the Developer is currently in good standing with the Iowa Department of Inspection and Appeals.
   - Applicant must mark the box yes or no as to whether it has obtained and maintained a certification in the State of Iowa for an assisted living facility/program and is in good standing.
   - If all information is provided and boxes appropriately marked, the software will generate preliminary scoring points in the Scoring Tab.

4. <u>Site Description Tab</u>

a) Site Acreage
   - Enter total site acreage. This must match the site acreage listed in a purchase agreement or option to purchase (Exhibit 1B). Excess land or acreage that will not be part of the proposed project can be included**.**

- If a scattered site project, mark the box indicating scattered site. Exhibit 19T required.
- Enter the number of additional primary market areas in the box provided. Refer to QAP Section 5.9 for more information.
- Scattered site projects will also pay a higher market study fee as listed in the QAP Section 3.4.7.

b) Utilities and Infrastructure Available

- Select the applicable boxes that identify utilities and infrastructure currently available and with adequate capacity for the project site(s). (Related to Readiness to Proceed)
- Selections must match Exhibits 8S, 9S, 10S, and 11S. IFA may adjust the points accordingly should it be determined the project does not meet the scoring criteria.

c) Flood Plain - From the drop down box, indicate “yes” or “no” to answer the question, “Is any portion of the site or adjoining sites in a flood plain?” If “yes”, an explanation is required in the description box below.

d) Demolition - From the drop down box, indicate “yes” or “no” to answer the question, “Is the demolition of any buildings required or planned?” If “yes”, an explanation is required in the description box below.

- Occupied Buildings On the Site - From the drop down box, indicate “yes” or “no” to answer the question, “Are existing buildings on the site currently occupied?” If “yes”, enter a brief description of the situation in the description box. Refer to QAP Section 5.5 Displacement of Tenants for more information.
- If any building on the site(s) is currently occupied, answer the two questions on the type of displacement (temporary or permanent) from the drop down boxes provided. In addition, in the description box, enter the relocation plan and assistance narrative.
- Exhibit 13T (IFA form) and a detailed Relocation Plan must be uploaded into the application for temporary or permanent relocation of existing tenants is required.
- IFA requires a relocation plan, Exhibit 13T, even if the Applicant is not planning on temporary displacement of tenants. This plan should be provided and followed in the event unforeseen events occur and displacement of tenants is needed.
- If a applying for HOME funding, submit the HOME Exhibit H-24 for Relocation Plan instead of Exhibit 13T as HOME program requirements for tenant relocation must be met.
- If no HOME funding is requested, but a relocation plan is required, LIHTC Exhibit 13T must be provided.

- Site or Adjoining Site Location - Applicant must disclose whether any portion of the site or adjoining sites are located within ½ mile of storage areas for hazardous or noxious materials, sewage treatment plant or other solid waste facility, businesses, or equipment producing foul odors or excessive noise or the site is a prior storage area for hazardous or noxious materials, sewage, or other solid or liquid waste. Select “yes” or “no” from the drop down box. If “yes”, a description must be inserted into the description box provided. Refer to QAP Appendix I (H) for more information.

- Site or Adjoining Site Slope/Terrain - From the drop down box, the Applicant must answer “yes” or “no” as to whether any portion of the site or adjoining sites have slope/terrain that is not suitable for the Project based on extensive earth removal/replacement requirements. If “yes” a description must be inserted into the description box provided. Refer to QAP Appendix I (H) for more information.

- Physical Barriers - If Applicant is aware of any obvious physical barriers of any portion of the site or adjoining sites, it must be disclosed. Select “yes” or “no” from the drop down box. If “yes”, a description must be inserted into the description box provided. Refer to QAP Appendix I (H) for more information.

- Location near Sanitary Landfill - If any portion of the site or adjoining sites is located within ½ mile of a sanitary landfill or sites that were previously used as a sanitary landfill, Applicant must answer “yes” from the drop down box; otherwise answer “no”. If “yes”, a description must be entered in the description box provided. Refer to QAP Appendix I (H) for more information.

- Flood Hazard Area - If any portion of the site or adjoining sites are located within a flood hazard area, at or on a 100-year flood plain as determined by the Iowa Department of Natural Resources, FEMA, or FIRMA map or a designated wetland, Applicant must answer “yes” from the drop down box; otherwise answer “no”. If “yes”, a description must be entered in the description box provided. Refer to QAP Appendix I (H) for more information.

- Airport Runway Clear Zone - If any portion of the site or adjoining sites is located within 500 feet of an airport runway clear zone or accident potential zone, Applicant must answer “yes” from the drop down box; otherwise answer “no”. If “yes” an explanation must be entered in the description box provided. Refer to QAP Appendix I (H) for more information.

- Site Legal Description - Enter the complete and accurate legal description of the entire property. The legal description provided in the application must match any legal description submitted in any Exhibit and must be complete and accurate.

5. Site Control Tab

a) Entity Name with Site Control - Enter the entity name that has site control for the project. The Ownership Entity must have site control. These two fields much match exactly in order to submit the application. Refer to QAP Appendix 1 (A).

b) Identity of Interest - Applicant must disclose any Identity of Interest that exists between the Owner/Principal or Ownership Entity with the option/contract for purchase of the property and the Seller of the property.
- Select “yes” or “no” from the drop down box. If “yes”, enter an explanation of the relationship in the specification box provided.
- If “yes” is answered, provide an appraisal by an MAI certified appraiser who is not a related party. The appraisal must not be more than 180 days old on the date the application is submitted. Appraisal is Exhibit 2B.
- Appraisal will be evaluated to determine whether the purchase/option price is not excessive and can be substantiated.
- If Applicant is applying for HOME funding, an appraisal is required regardless of an Identity of Interest in order to value the land and building(s) acquired.
- If the appraisal (Exhibit 2B) is not provided with the LIHTC application, Applicant will have 30 days from the date of the LIHTC submission due date to provide it. A page titled Exhibit 2B must be provided with a signed statement by Applicant that the appraisal will be provided within the QAP prescribed timeframe.

c) Ownership Type
- If the Ownership Entity has fee simple ownership of the property (site/buildings), enter “yes” from the drop down box; otherwise “no”.
- If “no”, enter purchase price. This amount must match price listed in the Costs and Credit Calc. Tab.
- If “no”, enter the current expiration date of the option/contract/lease to purchase. This date must not be less than 180 days from the date of the application submission date.
- If “yes”, enter the purchase date in the box provided.
- If State HOME funds were selected on the Project Description Tab, then a question will be required to be answered by the Applicant as to whether the HOME funds recipient will have a leasehold interest in the site. If yes, an error will be generated. See QAP Appendix 1, A.(5).

Note: The type of site control and the purchase date or option/contract/lease date will also need to be entered in the Buildings Tab for each building. The information entered on the Site Control Tab and the Building Tab must match.

d) Acquisition or Rehabilitation Projects Only
   - List rehabilitation expenditure amounts allocable to the low-income units.
   - Enter the adjusted basis amount.
   - Enter the number of buildings that will be acquired for the development.

e) All buildings under Ownership Entity Control
   - From the drop down box, Applicant must indicate "yes" or "no" as to whether all of the buildings are currently under site control for the development. Hint: It should be "yes."

6. <u>Zoning Tab</u>

Classification - In the box provided, enter the present zoning classification of the site(s).

- Enter zoning classification.
- Answer question, "Is the site zoned appropriately for proposed development?" from the drop down (yes or no).
- If any variances, special, or conditional use permits or any other item requires a public hearing to develop the proposal, select "yes" from the drop down box; otherwise, select "no".
- If "yes", Applicant must select "yes" or "no" from the drop down box for the question pertaining to whether the hearings have been completed and permits obtained. If "yes", specify permit or variance required and date obtained in the box.
- If "no", enter a description of the permits/variances required and a schedule for obtaining them.
- This information must match zoning information provided in Exhibit 7B.

7. <u>Ownership Entity Tab</u>

a) Name & Contact - Enter the Ownership Entity Name. Must match Ownership Entity name listed on Site Control and in all uploaded Exhibits exactly.
   - Enter the remaining Contact Information for the Ownership Entity below. You can select the box that says to copy address above if the contact will have the same address; otherwise, enter contact address.

b) Entity Type & Status - Enter the Entity Type for the Ownership from the drop down box. Ensure the correct election is made as this will determine the Exhibits that are required to be submitted shown on the Exhibits Tab.
   - When reviewing the Exhibits Tab, if the required Ownership Exhibits under 3T do not match the type of documents required

for the Entity Type, correct the Entity Type. Do not submit a document under an incorrect Exhibit name.

- Select the correct Entity Status from the drop down box. If not "already formed", by the date of application submission, Applicant will not meet threshold. Refer to QAP Section 5.2.
- Tax Identification Number - Enter the Tax ID Number assigned to the Ownership Entity by the IRS. This number must match the IRS issued Tax ID Number and Exhibit 3T(a).

c) Title Guaranty - Check the box, "If applicant certifies that the Ownership Entity will obtain a Final Title Guaranty Owner Certificate……, if points are being requested for this category. Please also note the three (3) greyed out boxes that are requirement of the owner.

d) IRS Forms 8609 - Answer the two (2) questions regarding the IRS form 8609.

e) Mandatory Developer Application Training - Enter Attendee Name who attended the Mandatory Developer Application Training. One person must represent the Developer, GP, and/or Development Consultant and one person must be the individual responsible for data input and submission of the on-line application to IFA.

- ~~Must enter the relationship to the developer.~~
- If neither of the required attendees participated in the Mandatory Developer Application Training for the current QAP, Applicant will not be eligible for the 2013 funding round.

f) Ownership Entity Components

To enter the Ownership Entity Components, select "Add Ownership Entity Component."

- Add the General Partner and Limited Partner information as requested. The entity name (company name) and the ownership percentage must match the Ownership Entity Exhibits and the General Partner Exhibits.
- The Tax Identification Number (TIN) for the General Partner must match any Exhibit provided if the GP entity is the Developer.
- IFA will allow a for-profit entity to serve as a Special Limited Partner in an Application that has a Non-Profit entity and has requested the Non-Profit Set-Aside.

g) Authorized Signor(s)

Enter all Authorized Signor information.
Can enter more than one name, if applicable.

8. <u>Project Team Tab</u>

a) Adding Team Members - Add all Team Members by selecting "Add New Team Member" at the bottom of the page. Keep adding all Team Members until at least all Mandatory Team Members have been entered.

- If a Mandatory Team Member is missing, Applicant will not be able to submit the application. If HOME funds are requested, additional mandatory team members required that are not required just for LIHTC projects without a HOME funding request.
- If there is a co-developer or co-general partner, enter as a team member as well as the percent (%) of developer fee each will receive.
- When entering Mandatory Team Members, a narrative box is provided for each Team Member. Enter detailed information on how that team member possesses the necessary experience to successfully complete the proposed project and all other projects under construction. Indicate whether the member has developed projects of comparable size and financing complexity as the proposed project.
- Identity of Interest questions must be marked correctly and relationship to any Qualified Development Team Member identified as applicable.

b) Developer and Co-Developer -(if applicable) application questions
   - Identity of Interest (Answer yes or no) and provide explanation if yes.
   - If Identity of Interest, Applicants will be required to identify the relationship with any other Qualified Development Team member.
   - Enter Team Member Type (Developer, Co-Developer) from drop down field.
   - Select either Legal Entity or Individual button, but not both.
   - Enter Contact First and Last Name and contact information. Can copy the address information if the same address; otherwise enter address for the contact.
   - Enter Business Type from the drop down field. Ensure the Legal Entity or Individual Selection accurately correlates to the Business Type election. For example, if Individual is selected, do not enter Corp. or Inc. as the Business Type.
   - Enter the Profit Percentage. Ensure this percentage matches any percentage listed in an Exhibit.
   - Enter the Number of Years of Related Experience as well as the Years of Section 42 Related Experience. If this experience and the response to the Developer has received an 8609 for a project in the last five years question further down in the section are entered correctly, the software will generate the applicable points in the Scoring Tab; however, should IFA determine the information provided is inaccurate, points may be reduced or eliminated accordingly for the Other-Category 3, “Development Team Experience.”
   - If Developer and/or Co-Developer have a website, provide website URL(s).
   - If Developer and/or Co-Developer successfully closed in 2009-2012 and awarded tax credit project with a third party equity investment and the Syndication or Third Party closing was

completed within 9 months of the tax credit award, answer “yes”; otherwise, answer no.

- If “yes” is answered, answer questions regarding project name, award date and closing date, and provide Exhibit 14S.
- If “yes” the software will automatically generate scoring points under the category Other-Category 3, “Development Team Experience/Efficiency.” However, if IFA should become aware of false information provided or incomplete or inaccurate information was provided, IFA will remove the points from this scoring category for the project.
- IFA will not award more points than initially requested by an Applicant. Refer to QAP Section 6 – Scoring for more specific scoring details.
- Review the Scoring Tab to ensure all requested points in this category are reflected.
- Answer question on Developer Stakeholders and enter the name, entity type, address, phone, and email of each stakeholder of the Developer.
- Answer the next questions pertaining to previous submissions of LIHTC applications to IFA and other states.
- Answer yes or no as to whether the team member completed a LIHTC project in which all LIHTC units have been leased at least once, either in Iowa, or any other state.
- Answer “yes” or “no” from the drop down field as to whether the team member has completed at least one LIHTC project through 8609 within the last five years.
- If “yes”, provide project name and complete address in the box provided.
- Enter all state abbreviations where this team member has had previous LIHTC projects. This information will be compared to Exhibit 15T.
- Answer “yes” or “no” from the drop down field as to whether the team member had completed 1 LIHTC project through 8609 within the last 5 years. If the team member has completed a project through 8609 within the time frame and the number of years of section 42 experience requirements asked above are met, the software will generate the applicable points in the Scoring Tab; however, should IFA determine the information provided is inaccurate, points may be reduced or eliminated accordingly for the Other-Category 3, “Development Team Experience.”
- Enter Tax Identification Number. This number must match the number on Exhibit 2T, IRS Form 8821.
- If this team member is a materially participating non-profit working with the project, then answer “yes” from the drop down box; otherwise answer “no”. If yes, select Non-Profit from the IFA-approved list. In addition, please note the grayed check box the Applicant is certifying to (non-profit shall receive no less than fifty (50) percent of the combined total of the developer and consultant fee. Refer to QAP Section 4.6.4.

- If this team member is a new developer to Iowa, list the name(s) of the person(s) and agency name(s) that represented the Developer in a meeting with the LIHTC Manager at IFA.
- Enter the date of this meeting with the LIHTC Manager.
- The date of the meeting with the LIHTC manager is only required of new developers who have never previously submitted an application to IFA.
- Answer all remaining questions and provide any requested explanations in the boxes provided for the entity.
- If State HOME funds are listed as a funding Source and also on Project Description Tab, there will be two (2) questions that must be answered “yes” or “no”. If yes, explanations must be entered in the two explanation boxes provided.
- If a development team member has applied for HOME funds to IDED, it is acceptable to mark “yes” even though IFA now administers the HOME program.

c) General Partner/Managing Member and Co-General Partner -(if applicable)

- Same information requested as listed (a) above.

d) Management Company

- Same information requested as listed in (a) and (b) above.
- Ensure the Management Company/Manager has at least one year’s experience of successfully managing a Section 42 property.
- At least 3 years’ experience must be listed in order to meet threshold.

e) Energy Consultant

- Answer “yes” or “no” to the Identity of Interest question.
- Select Team Member Type from the drop down field.
- Select Team Member button. Either Legal Entity or Individual.
- Enter Company Name and Contact information.
- Enter Business type. Do not enter Corp. or Inc. if Team Member is an Individual.
- Enter Years of Related Experience and Years of Section 42 Related Experience.
- Enter a Website URL if applicable.

A signed energy consultant agreement is not required at the time of application submission. The Exhibit 9T refers only to the project development consultant.

f) Tax Accountant

- Same as (g) above.

g) Tax Attorney

- Same as (g) above.

h) Lead Service Provider (if applicable)
- Enter all information.

9. Project Amenities Tab

a) Current Property Use Description - Enter a detailed description of the current use of the property, all adjacent property land uses, and surrounding neighborhoods in the description box provided at the top of the page.
- If the site(s) include any detrimental characteristics, the Applicant must provide a remediation plan and budget, subject to IFA's approval at its sole discretion, to make the site suitable for the Project. Refer to QAP Appendix 1, H.

b) Market Appeal Characteristics - (Check all that apply for scoring categories requested by the Applicant) Characteristics must be provided at no cost to tenants and enhance market appeal and promote long-term viability. Refer to QAP Section 6 Scoring for more detailed scoring information.

- Once a box is selected, a description will populate showing the current QAP requirements that must be met and what the Applicant is agreeing to comply with throughout the extended use period. If the Application includes an additional box asking for equipment specification or additional information, enter the requested information. Selections will generate points in the Scoring Tab of the application for Building Characteristics, Category 1, Market Appeal. Check the Scoring Tab prior to submitting the application to ensure the elections made here are shown correctly.
  - ✓ Fitness/Exercise Room
  - ✓ Exercise Room with 24 hour Access
  - ✓ Health Education
  - ✓ Gardening Area
  - ✓ Contests to Promote Wellness
  - ✓ Bike Racks
  - ✓ Walking Path (Older Persons projects only)
  - ✓ School Route Safety (Family projects only)
  - ✓ Ownership Entity Participates in Health Initiative

- Once a box is selected, a description will populate showing the requirements that must be met and the compliance specifications for the Applicant. Some selections require more specification of equipment or further information to be entered in the additional specification box provided.

c) Other Market Appeal Amenities - Selections will generate preliminary points in the Scoring Tab of the Application for Building Characteristics, Category 1, "Market Appeal". Check the Scoring Tab prior to submitting the application to ensure the elections made are shown. Refer to QAP Section 6 – Scoring. IFA will not award more points than requested.

- ✓ In-Unit Laundry space with washer/dryer hook-ups
- ✓ In-Unit Microwave
- ✓ Security System
- ✓ Medical Alert System (elderly projects only)

- Once a box is selected, a description will populate showing the requirements that must be met and the compliance specifications for the Applicant. Some selections require more specification of equipment or further information to be entered in the additional specification box provided.

d) Construction Characteristics (check all that apply)

1. Exterior Construction – Durability

- Check all boxes that apply to the exterior construction materials that will be used. Preliminary scoring points will be generated by the software for Building Characteristics, Category 4, "Construction/Unit Characteristics" and shown in the Scoring Tab based upon the checked boxes. Refer to QAP Section 6-Scoring.
- All items selected must be supported in any Exhibits provided. If IFA determines incorrect information was marked in the application compared to Exhibits, scoring will be adjusted accordingly.
- Doors
- Window Sills
- Community Room
- Main Entrance Areas – must be designed with a foyer and equipped with a remote security and intercom system to each unit to control entry to common areas; or a covered entry and storm door for unit main entrance to exterior.
- Storage Units

- Once a box is selected, a description will populate showing the requirements that must be met and the compliance specifications for the Applicant. Some selections require more specification of equipment or further information to be entered in the additional specification box provided.

e) Other Site Amenities (check all that apply)

- Community Building – Ensure square footage matches site/building plans.
- Garages - Answer whether rent will be charged, amount charged, and the number of garages. Income must be reflected in the

Cash Flow. If no charge, then the costs may be included in the Cost/Credit Calc. Tab in eligible basis.

- Surface Parking - Answer whether rent will be charged, amount charged, and the number of parking spaces provided. Income should be reflected in the Cash Flow. If no charge, then the costs may be included in the Cost/Credit Calc. Tab in eligible basis.
- Underground Parking - Answer whether rent will be charged, amount charged, and the number of parking spaces provided. If no charge, then the costs may be included in the Cost/Credit Calc. Tab in eligible basis.

- Mark all amenities listed that will be included at the Project:
  - Beauty Salon/Barber
  - Craft/Game Room
  - Laundry Room
  - Library
  - Media Center Room
  - On-site leasing office
  - Playground Area with Commercial Equipment
  - Picnic Area/Tables
  - Security Locked Building
  - Swimming Pool
  - Dining Room
  - 24-Hour On-Site Resident Manager
  - Gazebo

- Other - Enter an amenity being provided that is not listed as an option in the Application.
- Description – Enter a description of the difference(s) between Low-Income & Market-rate Unit Amenities in the box provided. If no market rate units, no description will be permitted.

f) Other Interior Apartment Amenities (check all that apply)

A mandatory check box has been added. Applicant must mark the box indicating that all the amenities selected in this section will be provided to all units. (Updated 11-15-12)

Check all boxes for the amenities that will be provided by the Owner. QAP required amenities will automatically be checked and grayed out. Some amenities will auto-fill based upon information entered in the Construction Tab.

- Ceiling fans
- Dishwasher
- Garbage Disposal
- Kitchen Exhaust Fan
- Range
- Refrigerator
- Washer and Dryer in each unit (Will pull from Construction Tab)

- Computer in each unit in lieu of a computer learning center (Will populate to the Construction Characteristics Tab)
- Flooring
- Other (must list in box provided)
- Heating/Cooling Type (Will populate to the Construction Characteristics Tab)
- Water Heating/Cooling Type (Will populate to the Construction Characteristics Tab)
- Window Covering Type (Will populate to the Construction Characteristics Tab)

10. <u>Construction Characteristics (Minimum) Tab</u>

Check all applicable boxes and specify material(s) to be used as requested and provide explanations for specific categories as required. The application will contain the minimum requirements listed in the QAP, Appendix 1. Some items will be auto-filled/populated from the Project Amenities Tab (i.e., computer learning center vs. computer in each unit).

- Exterior Construction
- Roofs
- Exterior Entry Doors to Common Areas
- Unit Doors – Direct access to exteriors
- Unit Doors – Interior common hall unit entry door
- Overhead Doors
- Carpeting – Within the dwelling units
- Carpeting – Common areas
- Resilient Flooring – Kitchens
- Resilient Flooring – Bathrooms
- Shower Flooring – Roll-in Showers
- Cabinetry
- Window Coverings
- Sidewalks
- Laundry
- Heating and Air Conditioning
- Handicapped Accessibility
- Construction Warranty
- Computer Learning Center
- High Speed Internet Access
- Bedrooms – Closet Door
- Energy Efficiency
- Minimum Unit Square Footage

11. <u>Buildings Tab</u>

a) General Building Information

- If HOME funds will be used; Applicant must select whether the HOME units will be fixed or floating units from the drop down box.

- Select box if an exception was requested and approved for the minimum square footage as required in QAP, Appendix 1.

b) Address Information

To add building(s) information, select "Add New Building."

- Enter all address information in the boxes.
- When entering the zip code, a 9 digit zip code must be entered. The "blue" zip code reference is a link to the United States Postal Service that will help you find the complete 9 digit zip code.
- For the building that contains the "Primary Address" for all buildings, check the box, "Primary Address". Note: If requesting scoring points for Location Near Services, the Primary Address must be used in the maps provided to IFA under Exhibit 3S.
- If this is an acq/rehab or rehab project that has buildings that have been part of a low-income housing tax credit project in a prior year, enter "yes" from the drop down field and enter the Building Identification Number (BIN) for each building entered.
- If a prior LIHTC project, the same BIN numbers previously assigned will remain with each building.
- If a prior LIHTC project with existing LURA is awarded, the maximum restrictions between the existing LURA and the new LURA will be enforced. Answer the question as to whether project is subject to an existing LURA.
- If combining prior LIHTC projects into one project, contact IFA for assistance on how to proceed based on the LURA restrictions for each LIHTC project and how the combining of more than one project into one new tax credit project can be accomplished with the LURA restrictions.
- All Applicants must mark the check box acknowledging understanding of existing building identification numbers and Land Use Restrictive Agreements. (Updated 11-15-12)
- Continue to add buildings until all buildings in the project have been entered.

c) Other Building Information

- Select whether building is "new" or "acquired".
- Enter the number of stories. This must match any energy efficiency scoring item election as well as the Construction Characteristics Tab.
- Enter the number of handicapped accessible units in the building, 5% of all units required to be handicapped accessible. If electing points for additional units, then ensure that the correct number for each building is entered here as well as in the unit section.
- Enter the number of hearing and visually handicapped accessible units in the building, 2% of all units required to be hearing and visually handicapped accessible in addition to the 5% listed above.
- Enter the number of vistiable units. Make sure the number entered here matches the number of units entered as visitable units.

- Enter the Acquisition and Rehabilitation Costs (if applicable). The totals rehabilitation costs entered for Each Bldg. must match the total rehabilitation amount entered in the Cost and Credit Calc. Tab. (Updated 10-29-12).
- Enter the Date Placed in Service by Previous Owner (if Acquisition/Rehabilitation). If a prior LIHTC project, use date from 8609 for each building.
- Enter the estimated Placed in Service Date. This date will be listed in a carryover allocation agreement for any awarded project.
- Enter Date Constructed.
- Enter Type of Control information. This must match the type of control entered on the Site Control Tab.
- Answer “yes” or “no” from drop down field for the question, “If any building in the Project consists of 4 or fewer units, will any unit in such building be occupied by the owner of such building or any person who is related to such owner?”
- If building is common space only, check the box; otherwise do not.
- For projects that have a project-based rental assistance contract and the rents exceed the LIHTC rent, check the “Extend Rent Limit” box and enter the Contract Number(s) in the box provided. If the box is not selected and the current gross rents exceed the LIHTC max. rents, applicant will receive an error.
- Enter the Building Type.
- Enter whether there are other mandatory charges required for tenancy and the amount. Answer question as to apply this to all residential buildings.
- Mandatory charges will be reflected in the gross rents.
- Enter the acquisition date.

d) Qualified Basis

- Enter the acquisition costs, if applicable.
- Enter the new/rehab costs, if applicable. The amount entered will carry over to the Cost/Credit Calc. Tab – Rehabilitation.

e) Utilities included in rents

- Enter all utilities included in the rent (paid by the Owner). If all utilities are paid by the owner, then a $0 utility allowance will auto-fill into the Unit Section; otherwise, the total of the amounts entered here will carryover into the applicable units.
- All utilities must be marked and the type indicated (electric or gas heat, electric or gas water heater, etc…) by bedroom size. It must match Exhibit 11T if there is a utility allowance for tenant paid utilities.
- Rural Development Projects can refer to RD form 3560-7, Multiple Family Housing Project Budget/Utility Allowance, Part IV

(C), for the breakdown of the utility allowance that must be entered.

- HUD project-based Section 8 projects may refer to the Owner for utility documentation (breakdown of the utilities) submitted to HUD or IFA Section 8 Contract Administration for the most recent approved utility allowance.
- If geo-thermal heating/cooling is the heating and cooling source, then use electric heat on the PHA utility allowance chart if geo-thermal is not shown and the tenant will be paying for heating and cooling.
- Ensure the utility types (electric, gas, etc…) match the Project Amenities and Construction Characteristics Tabs.

f) Building Features (includes)

Check the boxes that apply to the building features. If the building will include an elevator; enter the number in the box provided

- Elevator(s)
- Accessory Building(s)
- Commercial Facilities
- Other Facilities

g) Square Footage Information

- The Residential Square Footage will populate from the unit(s) screen.
- Enter the common space square footage and any commercial/retail square footage in the boxes provided.
- Gross floor square footage will automatically calculate.
- Reminder: A manager's unit with no rent charged is common space and not a residential unit; however, mark the unit as a manager's unit.
- If Applicant needs to advise IFA regarding any concerns or provide additional information concerning the building, remarks can be entered in the box provided.
- Square footage must match related Exhibits.

h) Units

To enter units, select "Add New Unit".

- Enter the type of unit from the drop down fields.
- Enter the number of bedrooms and bath from the two drop down fields.
- Enter the net square footage of the unit. This should match the building plans. <u>Do NOT include garage space in the square footage of the unit(s).</u>
- Unit number is not required at the time of threshold application, but if known, it can be entered.
- Enter the income level of the unit from the drop down field.
- Applicable scoring items from Resident Profile, Categories 1 & 2, "Services Lowest Income Residents and "Mixed Income

Incentive" will be computer generated based upon information entered into the Application.

- If a scattered site project and the project is having 20% of the units serve tenants at 40% AMI, all sites must have 40% AMI units.
- If unit will be a HOME unit, check the box.
- The Fair Market Rent (FMR) will be shown for your use. Please note if requesting points for all LIHTC unit rents being set at or below FMR, then pay close attention to the FMR information and the Gross Rent information (Total Housing Expense) shown after entering Monthly Rent and Utility Allowance. If this scoring item was selected on prior tab and the Total Housing Expense on any LIHTC unit exceeds the Fair Market Rent, zero points will be awarded.
- Enter the Monthly Rent. The Total Housing Expense will populate and cannot exceed the Rent Limit unless the project has a project-based rental assistance contract and the exceed rent limit was previously entered along with the contract number.
- Select "yes" or "no" from the two drop down fields regarding handicapped and visually/hearing handicapped accessible units. If requesting points for handicapped accessible units, then ensure the correct number of handicapped accessible units have been marked "yes" to receive the scoring points sought.
- Answer yes or no if the unit will be a vistable unit.
- Enter the Home Type (income level) from the drop down box if a HOME unit.
- Enter the Home Unit Cost if a HOME unit.
- When adding units, enter the number of units of the same type at one time to prevent having to enter each unit individually. <u>This is only if the units are of the same type and size.</u>
- If a project will have a need for a manager 24/7 at the project, enter the manager's unit. A manager's unit is considered common space and not a residential rental unit and will not be shown as in the total # of units. Ensure that 24/7 is also marked on the Project Amenities Tab if a manager's unit.

12. <u>Funding Sources Tab</u>

a) Enter funding sources:

- Select "Add new Funding Source".
- Enter the Type of loan from the drop down field.
- Enter the Source and amount of the loan.
- If non-amortizing, place a check in the box.
- Enter the Rate, Term, and Amortization Period.
- Select "yes" or "no" from the drop down field to indicate whether funding source is used for HOME Match (if applicable).
- For non-amortizing and amortizing loans, enter the debt service amounts for years 1-15. Enter for years 1-20 if a HOME loan.
- If entering an "Other" funding source such as EZ Credit Proceeds, list the amount only.

- A developer loan can be used to meet the DSCR requirements, but the debt must be foreclosable (legal note with valid, recorded mortgage). Flexibility is allowed concerning the amortization so interest only payments are ok during the first initial 15 years. In many projects the HOME funds are structured with interest only payments and varied principal payments.
- Polk County Housing Trust Fund money, if structured as a loan, would not reduce the eligible basis.

b) Syndication Price

- Enter the estimated pricing on sale of the Federal Tax Credits. This pricing must match commitment letter from investor.

c) Federal Contributions from Local Governments –

- For each Federal Contribution from a Local Government, select the type from the drop down box and then enter the amount.
- Hint: The type and amount must match Exhibit 5S.
- The amounts entered must be the sum of all contributions from a qualified government entity or political subdivision derived from a federal source to the Total Federal Contributions box. Entering an amount in this selection will require Exhibit 5S. Read Exhibit 5S carefully to verify the funding source is an allowable government entity or political subdivision source and the amount of the contribution is figured correctly. Exhibit 5S must be completed and executed by the required City/County representative. Check the Scoring Tab prior to submitting the application to ensure the elections made here are shown in the Scoring Tab. Refer to QAP Section 6, Resident Profile, Category 3. IFA will not award more points than requested.
- If Local Grant, ensure this is listed ALSO listed under Funding Sources. Must be entered in BOTH locations.

d) Non Federal Local Contributions –

- For each local contribution derived from a non-federal source, select the type from the drop down box and then enter the amount.
- Hint: Amount and type must match Exhibit 5S.
- The amounts entered must be the sum of all contributions from a qualified government entity or political subdivision **NOT** derived from a federal source to the Total Local Contributions box. Entering an amount in this selection will require Exhibit 5S. Read Exhibit 5S carefully to verify the funding source is an allowable government entity or political subdivision source and the amount of the contribution is figured correctly. Exhibit 5S must be completed and executed by the required City/County representative. Check the Scoring Tab prior to submitting the application to ensure the elections made here are shown in the Scoring Tab. Refer to QAP Section 6, Resident Profile, Category 3. IFA will not award more points than requested.

- If Local Grant, ensure this is listed ALSO listed under Funding Sources. Must be entered in BOTH locations.

An Applicant may receive a total of 50 points for Non-Federal Local Contributions unless an amount is entered in Federal Local Contributions. A combined categorical total may not exceed 50 points.

The Match for HOME projects amount will automatically calculate with the funding sources that were marked as HOME Match. All projects within a HOME Participating Jurisdiction are required to have a 25% match to the amount of State HOME funds requested. Applicable projects must meet this requirement in order to meet State HOME requirements and submit the application.

13. Costs and Credit Calculation (Calc) Tab

Any amount listed under “Other” will require a break-down and explanation. Please keep amounts listed in “Other” at a minimum.

a) Purchase Land and Buildings
   - Enter the estimated total cost for each line item in the first column, and any portion of that total into the eligible basis box(es). The 30% PV column is only for acquisition eligible basis items. The total of costs in 30% PV column and the 70% PV column amount of each line item cannot be larger than the initial estimated total cost for the same line item.
   - The amounts must match the Site Control Tab and Exhibit 1B.

b) Site Work

   Enter the estimated total cost for each line item in the first column, and any portion of that total into the eligible basis box(es). The 30% PV column is only for acquisition eligible basis items. The total of costs in 30% PV column and the 70% PV column amount of each line item cannot be larger than the initial estimated total cost for the same line item.

c) Construction

   Enter the estimated total cost for each line item in the first column, and any portion of that total into the eligible basis box(es). The 30% PV column is only for acquisition eligible basis items. The total of costs in 30% PV column and the 70% PV column amount of each line item cannot be larger than the initial estimated total cost for the same line item.
   - Any amount of Enterprise Zone Rebate or Energy Rebate will be subtracted from eligible basis as well as the total project costs.

d) Professional Fees

   Enter the estimated total cost for each line item in the first column, and any portion of that total into the eligible basis box(es). The 30% PV column is only for acquisition eligible basis items. The total of costs in 30% PV column and the 70% PV column amount of each line item cannot be larger than the initial estimated total cost for the same line item.

e) Interim Fees

Enter the estimated total cost for each line item in the first column, and any portion of that total into the eligible basis box(es). The 30% PV column is only for acquisition eligible basis items. The total of costs in 30% PV column and the 70% PV column amount of each line item cannot be larger than the initial estimated total cost for the same line item.

f) Financing Fees and Expenses

Enter the estimated total cost for each line item in the first column, and any portion of that total into the eligible basis box(es). The 30% PV column is only for acquisition eligible basis items. The total of costs in 30% PV column and the 70% PV column amount of each line item cannot be larger than the initial estimated total cost for the same line item.

g) Soft Costs

Enter the estimated total cost for each line item in the first column, and any portion of that total into the eligible basis box(es). The 30% PV column is only for acquisition eligible basis items. The total of costs in 30% PV column and the 70% PV column amount of each line item cannot be larger than the initial estimated total cost for the same line item.

h) Syndication Costs

These costs are not eligible basis items.

i) Developer's Fees

- Enter the estimated total cost for each line item in the first column, and any portion of that total into the eligible basis box(es). The 30% PV column is only for acquisition eligible basis items. The total of costs in 30% PV column and the 70% PV column amount of each line item cannot be larger than the initial estimated total cost for the same line item.

j) Project Reserve

- These costs are not eligible basis items.
- Refer to QAP Section 4.3.1.

k) Credit Calculation Using Equity Gap

- Verify total project costs and all funding sources plus expected syndication equity match or within $3.

l) Credit Calculation

- The lower of the equity gap calculation or eligible basis calculation will be listed here.
- On the line “Federal Tax Credits at Estimated Rate”, there will be link that says “See credit request at fixed 9%”. Selecting this will bring up a pop-up window that will show the eligible basis calculation of tax credits at the 9% rate. (Updated 11-15-12)

m) Actual Credits Awarded to Date

- This will be $0 until tax credits have been awarded for the 2013 round.

n) Reasonably Expected Basis (Carryover Application)

- On the carryover application, users will see the software’s calculation of the reasonably expected basis which is auto-filled into the carryover agreement. To understand the calculation, there is a “hover” field over the number that will show the numbers included in the calculation of reasonably expected basis.

o) 10% of Reasonably Expected Basis (Carryover Application)

- This is 10% of the reasonably expected basis field and is shown as such in the cost/credit calculation tab.

p) Remarks concerning Project Costs and Credit Calculation

- Add remarks regarding this screen’s data as applicable.
- If an amount is listed under “other” in any category, provide an explanation on what is included.

14. Projected Operating Costs Tab

- Enter project operations amounts in Section I – IV for Year 1.
- Property taxes must be entered separately for years 2-15 and must be entered with some escalation.
- Total Operating Expenses, Total Units, and Per Unit Per Month (PUPM) will populate. Refer to QAP Section 4.2.1 and 4.2.2 for per unit per year operating cost requirements (not including taxes, reserves, or resident support services).
- Refer to QAP Section 4.3.2 for Replacement Reserve requirements.
- Enter any remarks concerning projected operating costs in the box provided.
- If Service Coordinator–Employee is selected in the Special Needs Tab, the expense must be entered separately from the Supportive Services line item. This is for informational purposes only and is not included in the operating costs in addition to the $150 per unit minimum. This cost is includable in the $150 per unit minimum. (Clarified 11-2-12)

- For Rose Programs, the minimum $50 per unit per month escrow will be shown as a monthly expenditure. Do not net the monthly/annual savings out of rents.
- If providing Monitored Video Security System and/or Medical Alert System, these expenses must be listed in the operating costs.

15. Projected Cash Flow Tab

- Income & Expense Inflator - Enter the Income Inflation, Expense Inflation, Review QAP Section 4.1.1 and 4.1.2 for the minimum requirements.
- Vacancy Rate – Enter the applicable rate.
- Operating Income - Enter any Operating Income that is separate from monthly rent. The Total Gross Income Potential, Vacancy Allowance, Net Rental/Other Income, Total Operating Expenses, and Net Operating Income will populate.
- Debt Service - Debt Service from funding sources will populate.
- Ratios – Net Cash Flow and the Debt Coverage Ratio will populate. Refer to QAP Section 4.1.3 for Debt Service Coverage Ratio requirements.
- If a project receives tax abatements, enter the amount of net amount of taxes which could be zero. The Debt Service Coverage Ratio requirement must still be met.
- Projects with 25 units or less must demonstrate a net cash flow of $150 per unit per year unless the project has Rural Development/USDA project-based rental assistance.

16. Financial Feasibility Tab

This Tab provides an overview of all financial feasibility factors. If operating expenses, operating reserves, replacement reserves, and/or a debt service coverage ratio are outside the prescribed ranges of IFA's current QAP requirements, project will be considered infeasible unless documentation is provided to support if permitted by the QAP.

- Unit cost caps apply to all projects regardless of income mix. Mixed Income projects must meet the unit cost cap.
- Rose Projects and Affordable Assisted Living Projects will be permitted to exceed the unit cost cap by 10%.
- Provide answers or explanations as appropriate.

For projects that have acq/rehab plus new construction, the online application will attribute all hard construction costs to the rehab portion except the amount in the new construction to figure the construction contingency minimum and maximum then allow up to amount for the new construction portion to be added to the construction contingency. (Updated 10-29-12).

17. Scoring Tab

Once all sections of the application have been entered, the Scoring Tab will list all preliminary points requested as a result of the application entries. Review this closely prior to submission as scoring points are not correctible deficiency items for 9% competitive applications. Again, the score shown at the time of the Applicant's submission of the application is not the final score as IFA will review the application and Exhibits to determine the final score for each project.

- After reviewing the Scoring Tab, if it is still unclear as to how points were calculated, please contact IFA **prior** to submission of the application. No further discussion can occur on scoring items once the application has been submitted.
- Must select box indicating you have reviewed the scoring tab and agree to the points requested.
- For Scoring Category, Other – Project Costs: If the project is both new construction and acq/rehab, both categories must be met to obtain the 5 points. (Updated 11-15-12)
- Some 9% scoring categories are not available to 4% applications.
- Review QAP Section 6 for all available scoring categories.
- Once IFA has determined a project has met threshold, scoring items will be reviewed and a final score determined. Projects that meet threshold will show a final score. Those projects that don't meet threshold will not receive a final score.

18. Exhibits Tab

Website link to all 2013 Exhibits:
http://www.iowafinanceauthority.gov/Home/DocumentSubCategory/61 (Updated 5-15-13)

In addition to entering all application fields, required IFA Exhibits are considered part of the application. There are Threshold Exhibits (T), Building Exhibits (B), Set-Aside Exhibits (SA), and Scoring Exhibits (S).

- Any IFA required form is listed on IFA's website. A link is being provided to each form in the on-line application. Only exception is Exhibit 1T which will be partially auto-filled and printable from the Exhibits Tab.
- Do not use previous year forms. All IFA forms for the current allocation round are available in the on-line application and on the IFA website. Prior year round forms are outdated and will not be accepted.
- The Exhibit Tab will show the required Exhibit Checklist. This is created based upon the applicant information entered. The list should make sense based upon the information entered. If not, review the application and make appropriate corrections prior to application submission.
- If Applicant has a document believed to be a required Exhibit and it's not listed on the Exhibit Checklist, review the application, Appendix K, and the QAP. If further questions, contact IFA prior to submission of the application.

IFA LIHTC 2013 Exhibits overview is provided below and a listing of Exhibits are provided in Appendix K.

a) **Threshold Exhibits (T)**

Exhibit 1T – Applicant Certification

(IFA Form – Revised 2013)

Computer-generated on Exhibit Tab once all project team members and project name have been entered correctly.

Architect & Developer/Co-Developer – Building Codes and Standards, Size and Cost of Land

- Add Project Name.
- Add Name of Architectural Firm & Name of Architect listed in the application
- Architect must check the box acknowledging the % of handicapped accessible units the Applicant has committed to in the LIHTC application.
- Architect must sign. (Must be same person listed in application).
- Add name of Developer and Co-Developer (if applicable).
- Add name and title of authorized signature for the Developer and Co-Developer in the spaces provided.
- Developer and Co-Developer must sign. The signature must be of an authorized person to sign on behalf of the Developer and Co-Developer and must be listed in the application as the authorized person.

Ownership Entity/Applicant – Capital Needs Assessment (Rehabilitation, Preservation, and Adaptive Reuse Projects Only)

- Add name of Ownership Entity/Applicant.
- Add name and title of authorized signature for the Ownership Entity/Applicant.
- Ownership Entity/Applicant must sign. The signature must be of an authorized person to sign on behalf of the Ownership Entity/Applicant.

Ownership Entity/Applicant – Public Housing Authority Notification

- Add name of Ownership Entity/Applicant.
- Add name and title of authorized signature for the Ownership Entity/Applicant.
- Ownership Entity/Applicant must sign. The signature must be of an authorized person to sign on behalf of the Ownership Entity/Applicant.

Ownership Entity/Applicant – Affirmative Fair Housing Marketing Plan

- Add name of Ownership Entity/Applicant.
- Add name and title of authorized signature for the Ownership Entity/Applicant.
- Ownership Entity/Applicant must sign. The signature must be of an authorized person to sign on behalf of the Ownership Entity/Applicant.

General Partner, Developer, Consultant, Management Company – Authorization to Verify Creditworthiness

- Same procedures as above for filling in names, titles, and obtaining signatures.
- Ownership Entity/Applicant and Developer – General Certifications.
- Same procedures as above for filling in names, titles, and obtaining signatures.

Exhibit 2T – IRS form 8821 (If Requested by IFA)

Section 1 – Taxpayer Information

- Add Developer Name (if Co-Developer, complete separate form as well). Must match application and Exhibits.
- Add address of Developer or Co-Developer as shown in the application.
- If an individual, list Social Security number; otherwise enter the Employer Identification Number (EIN) for the Developer or Co-Developer.
- Add telephone number.

Section 2 - Appointee

- Insert Iowa Finance Authority
- 2015 Grand Avenue
- Des Moines, IA 50312
- CAF No – leave blank
- IFA's telephone number is 515-725-4900
- IFA's fax number is 515-725-4901

Section 3 – Tax matters

- Type of Tax: List individually all types of tax returns filed that bears the name of the Developer(s) such as income, employment, LIHTC, etc.
- Tax Form Number: List any form filed with the Developer listed (1040, 1065, 941, etc.).
- Years or Period: List the previous 3 years.
- Specific Tax Matters: List lien information, balance due amounts, specific tax schedule, or a tax liability. Do not leave blank.

Section 4 – Specific use not recorded on CAF

- Select the box & skip Sections 5 & 6

Section 7 – Signature of taxpayer

- Authorized person to sign for the taxpayer must sign the form.

Exhibit 3T – Ownership Entity Documentation

- 3T (a): IRS F.E.I.N. letter for the Ownership Entity. Name and F.E.I.N. number must match application.

- 3T (b) and (c): If LP, LLP, or LLLP was entered for the Ownership Entity type in the application, provide the Certificate of Limited Partnership and a current, signed Limited Partnership Agreement.
- 3T (d) and (e): If LC, LLC, or LLLC was entered for the Ownership Entity type in the application, provide the file-stamped Article of Organization and a current, signed Operating Agreement.

Exhibit 4T – General Partner/Managing Member Documentation

- 4T (a) and (b): If LP, LLP, or LLLP was entered for the General Partner/Managing Member entity type in the application, provide the current Certificate of Limited Partnership and current, signed Partnership Agreement.
- 4T(c) and (d): LC, LLC, or LLLC was entered for the General Partner/Managing Member entity type in the application, provide the file-stamped Articles of Organization and a current, signed Operating Agreement.
- 4T(e), (f), and (g): If Corporation was entered for the General Partner/Managing Member entity type in the application, provide the file-stamped Articles of Incorporation, By-laws, and a Board Resolution approving actions of the Corporation concerning the proposed project.

Exhibit 5T – Letters of Intent

- Letter (on lending institution letterhead) from lending institutions for all private construction and permanent financing.

Exhibit 6T – Commitment Letters

- All funding sources except City or State HOME funds must provide commitment letters that include the commitment value, interest rate & term, permitted uses of the funds, and the time limitations related to the commitment.
- May not apply if there is only a permanent loan with no other sources of funds or when the remaining sources don't require a commitment (State or City HOME); however, the Exhibit Tab will show this as required. In this instance, upload a page stating Not Applicable with an explanation.

Exhibit 7T – Rental Assistance Contracts

- If federal rental assistance was selected in the application, provide a current, fully executed rental assistance contract that shows the total number of units in the project and the number of units being provided with rental assistance.
- If HUD or Rural Development Rental Assistance Contract, please provide documentation to show current rents and utility allowances approved by them.
- If the project-based rental assistance will be provided by a Public Housing Authority (PHA), provide a current commitment letter (on

PHA letterhead) that lists the total number of units in the project and the number of units being assisted with the project-based rental assistance vouchers.
- If HUD VASH VOUCHER project is selected on the Project Description Tab, then Applicant must provide commitment for the VASH Vouchers.

Exhibit 8T – Eligibility under IRC 42(d) (2) (B) (ii) Ten-Year Rule
(Not applicable to New Construction Projects)
(IFA Form)

- Add street address for each building.
- Enter the date last placed in service by the owner from whom the building was or will be acquired.
- Enter the Applicant's acquisition or planned acquisition date of each building.
- If the number of years for any building is less than 10 years, Applicant must provide an explanation under the Code and list the Code Section or Revenue Ruling which would make the building eligible for tax credits under Section 42 (d)(2)(B)(ii).
- If a waiver has been received, provide a copy of the waiver with the Exhibit at the time of application.

Exhibit 9T – Executed Consultant Agreement
- This is for development consultant(s) only. The agreement must reference the name of the development consultant as listed in the application – Project Team tab.
- Make sure it is signed and dated.
- Make sure the consultant fee is shown in the Cost/Credit Calc Tab of the application and the amount listed matches the consultant agreement.

Exhibit 10T – Documents for Syndication or Other Sale/Exchange of Tax Credit Interest to investor
- Must be commitment letter on letterhead showing the syndication price for the tax credits.

Exhibit 11T – Utility Documentation
- Only required if there is a utility allowance shown in the Building/Unit Tab of the Application for tenant-paid utilities unless the project has Rural Development (RD) or HUD Project-Based Rental Assistance Contract. RD and HUD projects must submit the most current HUD or RD Rent Schedule.
- PHA, HUD, Rural Development, or Utility Company utility allowance chart.
- Chart must have an effective date no older than one year from the date of application. If it is dated more than 13 months old from the date of application, a statement from the provider (on

letterhead) must be provided to confirm the utility information is still current.

- Make sure the chart provided is for the building type listed in the Project Description Tab of the application.
- Circle utility allowance amounts that will be paid by the tenant.
- Make sure the Application does not show utility allowances that are included in rent or a deficiency will be noted.
- Only mark range and/or refrigerator if the tenant is providing the appliances. This is not for utility usage.

Exhibit 12T – Market Study Documentation

- This is optional. Each Applicant may provide a previous market study or other information as applicable to the IFA-commissioned Market Study Provider.

Exhibit 13T – Relocation Plan

(IFA Form)

- Involuntary permanent displacement is strongly discouraged.
- IFA reserves the right to reject any application that fails to minimize permanent displacement of tenants and/or provides an adequate relocation plan.
- Make sure the budget provided will address all relocation needs.
- Make sure Exhibit is completed in full and the information matches the information provided in the Site Description Tab of the Application.
- Rehab projects must provide a relocation plan even if there is no intention to relocate or move tenants. This is required to show a contingency plan in the event of circumstances that an existing tenant must be relocated during the renovation process.
- If applying for HOME funds, the HOME an Exhibit H24 will be required for the LIHTC project relocation plan since HOME relocation requirements are more restrictive than the LIHTC requirements. Exhibit H24 is available on the IFA website under HOME Exhibits.

Exhibit 14T – Request for Exception to Minimum Unit Square Footage

(IFA Form Revised 2013)

- Must be provided to Tax Credit Manager at least ten (10) business prior to December 10, 2012. Late submissions will not be accepted or approved.
- Exception requests will only be permitted as stated in QAP, Appendix 1, G. 24.
- Submit floor plan for units subject to Exhibit 14T along with Exhibit 14T.

Exhibit 15T – Authorization of Release of Information & Project Listing

(IFA Form)

- Submit all Exhibit 15T(s) as applicable as 1 PDF file as Exhibit 15T.
- IFA Form must be used.
- Must be completed for each state in which LIHTC participation has occurred, including Iowa.
- Section 1 must be completed by the Developer/Co-Developer, General Partner/Managing Member and Ownership Interest.
- List Applicant Project name for 2013 allocation round in A.
- Fill in name and complete address for State Housing Finance Authority in B.
- C is the Certification Statement.
- Enter Organizational Information in D and the Authorized Representative must sign.
- In E, list all requested information for all LIHTC properties developed or managed by the Developer/Co-Developer, General Partner/Managing Member or Owner being referenced.
- In F, list all current and previous state agency programs in which participation has occurred in addition to the tax credit program.
- Applicant must mail original to each state agency along with Exhibits 16T and 17T.
- Upload copies of all Exhibit 15Ts sent to each state agency into the on-line application.
- Each state agency will be responsible for returning their completed Exhibit 15T to IFA.

Exhibit 16T – IRS 8823 and State Non-Compliance Details and Narrative (IFA Form)

- Submit all Exhibit 16T(s) as applicable as 1 PDF file as Exhibit 16T.
- Must be completed and signed by the Developer, General Partner/Co-General Partner/Managing Member, Ownership Interest and/or Management Company identified in the LIHTC application.
- Must list IRS form 8823's which have been issued against the property in the previous 12 months.
- Must list any "Out of Compliance" 8823 issues that have not been corrected in the last 36 months.
- Ensure all requested information is provided – Project Name, LIHTC Project Number, Organization/Entity Name Affiliated with the LIHTC Project, Out of Compliance Start and End Dates (if corrected), IRS Form 8823 Category which Non-Compliance was issued to IRS (i.e. 11a, 11c, etc.), State Requirement Non-Compliance Issued – Yes or No, and Brief description of out-of-compliance issues.
- Complete Sections 1 and 2, obtain required signatures, and date signed.
- Must be provided to each state agency with Exhibit 15T and 17T.
- Upload copies of each Exhibit 16T sent to each state agency into the on-line application as one PDF file for all states.

Exhibit 17T – State Agency Performance Questionnaire
(IFA Form)

- List Applicant Name on 2013 Iowa Tax Credit Application.
- Mail Exhibit 17T to each state agency along with Exhibits 15T and 16T.
- Each state agency will complete Sections 2 and 3, sign, date, and return to IFA along with Exhibit 15T and Exhibit 16T.
- IFA will upload the Exhibit 17T received from each state agency into the Exhibits Tab of the on-line application for each project.

Exhibit 18T – Financial Statements (Past Three (3) Years)
(New 2013)

- Applicable to New Developers in Iowa. Refer to QAP Section 3.2.1.
- May be requested for any Developer/Co-Developer per QAP Section 4.

Exhibit 19T – Documentation that all buildings in a Scattered Site Project are located within a 20-mile radius as shown on a Google map using driving directions. **(New 2013)**

- Applicable to Scattered Site Projects.
- Must provide for each address at each site to show the 20-mile radius using driving directions is met.

b) Building Exhibits (B)

Exhibit 1B – Ownership Entity Site Control Document(s)

- Executed Purchase Contract, Option, Recorded Warranty Deed, Executed Long
- Term land lease or an Option to Lease (term must not be less than the longer of the entire compliance period, 50 years, or the expected useful life of the buildings comprising the Project).
- Must be fully executed and complete.
- The purchase/lease amount must match the amount shown in the Site Control and Cost and Credit Calc Tabs of the application.
- Must break out purchase/option cost of land and buildings, if applicable.
- A complete and accurate legal description must be provided and match the legal description provided in Site Description Tab of the application.
- A purchase option agreement or other binding agreement must be valid for at least six (6) months following the Application deadline date.
- At the time of the Carryover 10% Test, an awarded Applicant must provide evidence of the site ownership (holding title).
- A site including any building located thereon or project acquired or used for rental activities must be held in fee simple title by the recipient upon the disbursement of HOME funds and throughout

the contract term with IFA. An installment contract or leasehold interest is not an acceptable recipient interest. Refer to QAP, Appendix 1, A(5).

Exhibit 2B – Appraisal

- Required for all HOME/LIHTC projects regardless of project type or identity of interest.
- Required for LIHTC projects when land/buildings are acquired from an entity or person with an identify of interest (Identity of Interest is defined in Appendix 2. Glossary of QAP).
- Must be prepared by an MAI Certified Appraiser who is not a related party or who has an identity of interest with any project team member.
- Date of appraisal must not be older than 6 months from the date of the LIHTC Application submission deadline.
- If the appraisal will not be available at the time the application is submitted, a page must still be uploaded as Exhibit 2B stating the appraisal will be provided within 30 days. Must be signed by Applicant.
- If applying for HOME and LIHTC, an appraisal is required for land and building acquisition regardless of an existing identity of interest.

Exhibit 3B – Color Photos of Project and Adjacent Property

- Submit all color photos as ONE PDF File**.**

  Acquisition/Rehab or Rehabilitation Projects
  - Eight (8) photos of each building required.
  - All Photos must include the street address, building number, and the direction photo was taken. The information can be included on the photo or in the electronic name of the photo.
  - A photo is required for each building looking at it from the North, South, East and West.
  - A photo is required for each building looking out from the building towards the North, South, East, and West.

  New Construction Projects
  - Eight (8) photos of each site location required.
  - All Photos must include the street address and the direction photo was taken. The information can be included on the photo or in the electronic name of the photo.
  - For each site, a photo is required looking towards the center of each site from the North, South, East, and West.
  - For each site, a photo is required looking out from the center of each site toward the North, South, East, and West.

Exhibit 4B – Official City map pinpointing the site location(s)

- A plat map or proposed re-platting map for each site location.
- Must be legible.
- Official city map must pinpoint the site location(s), the legal address of the property, the names of the surrounding streets, and any other information important for the site inspection.
- Both documents listed above must be submitted.

Exhibit 5B – Site plan

Must be clear and list the following items:

- Location and extent of proposed work
- Site dimensions
- Easements and set-backs
- All buildings (including a manager's and/or accessory buildings)
- Parking (including handicapped)
- Play area
- Pool
- Other items as applicable to the Project

Exhibit 6B – Detrimental Site Remediation Plan & Budget

- If the site or adjoining sites contain any detrimental site characteristics, provide the remediation plan and budget to make the site suitable.
- This Exhibit is required if "yes" was answered to any of the related questions on the Site Description Tab, or if the Applicant becomes aware of an issue after the Project has been awarded.

Exhibit 7B – Proper Zoning

(IFA Form)

- Prior to sending to the City/Municipality, project information and legal description must be included on the form.
- The City/Municipality must fully complete the Exhibit and return to the Applicant who will upload into the Application.
- In order to meet threshold requirements, Question 1 must be answered "yes".
- In questions 2-5, depending on the answer, additional information may be required.
- Please ensure if there is any action required by the City to obtain proper zoning, Applicant must provide a letter with Exhibit 7B certifying that proper zoning will be obtained by the Carryover 10% test.
- If there is an action required by the City indicated on Exhibit 7B, ensure this information is listed in the Zoning Tab of the Application.

Exhibit 8B – Plans and Specifications

(UP TO 2 PDF Files as 8B Permitted)

- Show location and extent of proposed work.
- Label the use of all rooms in the building.

- Label the square footage of each room in the building.
- Label the square footage of each unit in each building.
- Label all rooms in the units (i.e. bedroom, bathroom, kitchen, etc.)
- Label/show all handicapped accessible units (i). In new construction and rehabilitation construction, a minimum of 5% of all units must be fully handicapped accessible, on an accessible route that includes all floors if an elevator is provided. All units on accessible routes must be adaptable upon reasonable tenant request for special needs. A minimum of 2% of all units must be adapted for hearing and/or vision impairments. The 2% is in addition to the 5% for the accessible units.
- A project must meet the accessibility requirements as stated in QAP, Appendix 1, regardless of project type. For example, a single family home or townhome must meet the handicapped accessibility requirements. Example: IF a single family home with a basement and a second story, handicapped accessibility to each level of the home is required.
- If a ROSE project with a basement, the handicapped accessibility applies.
- If placing storage in the basement, the basement must be fully handicapped accessible per IFA's requirement.
- Label the square footage of each room in each building.
- Label the square footage of each unit.
- Must demonstrate that they have or will meet local, state, and federal standards that apply to the Project. Refer to QAP, Appendix 1.
- Must be outlined.
- Explain materials to be used.
- Elevation of the land and/or buildings is preferred, but not required.

Exhibit 9B – Scope of Work

- Required for Rehabilitation, Acquisition/Rehabilitation, and Adaptive Re-use projects and must show all proposed rehabilitation activities and at a minimum, must include the following:
- Activities to make common areas handicap accessible, creating or improving sidewalks, installing new roof shingles, adding gutters, sealing brick veneers, applying exterior paint or siding, and re-surfacing or re-paving parking areas.
- Activities to improve site and exterior dwelling lighting with Energy Star Qualified lighting fixtures, landscaping, fencing, and installation of high quality vinyl, hardiplank siding or brick.
- Use of energy efficient related Energy Star labeled products to replace inferior ones, including insulated windows.
- Activities to improve heating/cooling units, plumbing fixtures and water heaters, toilets, sinks, faucets, and tub/shower units to meet minimum efficiency standards for new construction.

- Activities to improve the quality of interior conditions and fixtures, including carpet, vinyl, interior doors, paint, drywall, cabinets, Energy Star appliances, Energy Star light fixtures, and window coverings to meet minimum efficiency standards for new construction.
- Refer to QAP, Appendix 1, Section I.

c) Non-Profit Set-Aside and Lead Service Provider Exhibits

Non-Profit Set-Aside
These Exhibits are available on IFA's website and in the on-line application. In order to become an IFA qualified Non-Profit, a user must log-in to the on-line system and answer a few questions on the Non-Profit entity and upload the requested Exhibits.

- Due to IFA on or about November 9, 2012. This is the deadline to submit: November 9, 2012. (Updated 2012)
- Once the Non-Profit Exhibits have been reviewed by IFA, they will send a deficiency notice if further information is required to determine eligibility.
- Once all information has been reviewed, IFA will either approve or deny the entity as a qualified Non-Profit. If approved, the Non-Profit approval will be retained in the on-line application.
- When submitting an Application with a Non-Profit, the Applicant will be able to select the Non-Profit name from a drop-down box.

Exhibit 1SA – IRS letter

- Letter from the IRS stating the Non-profit that will be materially involved in the project and listed in the LIHTC application is a qualified Non-profit under 501(c)(3) or 501 (c)(4).

Exhibit 2SA – Attorney's Opinion on Non-profit Status (IFA sample provided)

- Attorney Opinion letter must substantially conform with the IFA sample provided. Highly recommend using IFA sample.
- The attorney's opinion must state the proposed Non-profit is legally organized and is eligible to participate.
- The Non-profit's name must match name in application exactly.

Exhibit 3SA – File-stamped Articles of Incorporation or Other Documentation

- File-stamped Articles of Incorporation for the Non-profit must be provided to show the purpose of fostering of low-income housing.
- Name in the Articles of Incorporation must match the Non-profit entity and the LIHTC application exactly.
- If the Articles of Incorporation are less than two (2) years old, provide additional item(s) that can demonstrate satisfaction of the

two (2) year requirement of fostering low-income housing. Example might be copies of rental assistance contract.

- Provide any other items that demonstrate satisfaction of the two (2) year requirement for fostering of low-income housing.

Exhibit 4SA – Resume

- Must demonstrate the Non-profit's capacity to materially participate in the operation of the Project throughout the compliance period.
- Name of the Non-profit must match all other Non-profit Set-Aside documents and the LIHTC application exactly.

Exhibit 5SA – IRS documentation of continued Non-profit status under 501(c) (3) or 501 (c) (4) for previously approved Non-profits

- A print-out from www.irs.gov/app/pub-78/.
- Must show that the Non-profit is still a qualified Non-profit. If the Non-profit is not listed, Exhibits 1SA – 4SA must be provided.
- This exhibit is required to be submitted if the Non-profit has previously submitted an on-line application to IFA.
- This exhibit is required if a new non-profit that has an IRS letter that is older than 6 months old.

Lead Service Provider Non Profit Exhibits (New 2013)

Submit the approval request to IFA by uploading the required Exhibits. The system will notify us the Exhibits have been submitted and available for our review. Due to IFA 11-9-12. (Updated 11-2-12)

Exhibit 1SA-LSP – IRS Letter

- Letter from the IRS stating the Lead Service Provider Nonprofit is a qualified Nonprofit under 501(c)3 or 501(c)4

Exhibit 3SA-LSP- File-stamped Articles of Incorporation or Other Documentation

- File-stamped Articles of Incorporation that include as a purpose the provision of social services to improve the quality of life of low-income households or Resident Populations with Special Needs
- Other items that demonstrate satisfaction of the 2-yr. requirement for providing such services in the market area.

Exhibit 4SA-LSP – Resume

- Resume or other documentation that demonstrates the Lead Service Provider Nonprofit's capacity to materially participate in service delivery to tenants through the compliance period.

d) Scoring Exhibits (S)

Exhibit 1S – Resident Profile Category 3 – Resident Populations with Special Needs (IFA Form Revised 2013)

- Must submit IFA form – Exhibit 1S with all required attachments if points are being requested for a Special Needs Population. Must be ONE PDF File.

Exhibit 1S-AAL – Resident Profile Category 3 – Resident Populations with Special Needs & Affordable Assisted Living Facility/Project (New IFA Form 2013)

- Must submit IFA form – Exhibit 1S-AAL with all required attachments if points are being requested for a Special Needs Population & the project will be an Affordable Assisted Living Facility/Project.
- All specified document uploads required for this Exhibit must be provided as ONE PDF file.

Exhibit 2S – Provides an Opportunity for Homeownership

IFA form actually found in Appendix G – Exhibits A-C. (Revised 2013)

- For projects requesting points for providing Homeownership under the Iowa Rose program. A plan must be submitted incorporating an exit strategy including how units will be marketed and sold to the eventual resident owner as well as detailing the provision of services including home ownership education, training and down payment assistance. Please use Appendix G Exhibits A, B and C for guidance when formulating the plan.
- If HOME funds will be used, Exhibit H-27 must be provided to show the LURA for the tax credits will extend to the completion of the HOME affordability period, no portion of the LIHTC-funded project can be sold prior to the completion of the HOME affordability period, the pro-forma in the LIHTC application must show that the HOME mortgage shall be paid in full by the end of the HOME affordability period; however, no prepayment of the HOME mortgage will be allowed.
- All provisions of the ROSE Program shall be maintained and continued through the completion of the HOME compliance period.
- All of the items agreed to in this document shall be included as required provisions in the LURA and Covenants and Restrictions.

Exhibit 3S – Location Near Services

- Must provide Google map with the Project's Primary Address shown and the applicable Service name and address. www.Googlemaps.com.
- Distance between the Project's Primary Address and the applicable Service must be one (1) mile or less.
- If a scattered site project, both sites must meet the criteria to receive points. If one site does, but the other site doesn't, zero points will be awarded.

- If the Project's Primary Address is not shown in Google maps, prior to submission of the Application to IFA, email the Tax Credit Manager with each situation and provide documentation the address is not shown in Google maps. Provide an alternative map to show the distance is 1 mile or less.
- If IFA approved the alternative map, please provide the written approval with the Exhibit 3S in order to receive the points.
- Refer to Appendix 1 for definitions and QAP, Section 6 for more specific scoring information.
- Eligible Services for scoring points are:
- Full Service Grocery Store (5 points)
- Schools (family projects only) (5 points)
- Senior Center (Older Persons & Elderly projects only) (5 points)
- Medical Services (5 points)

Exhibit 4S – Great Places

(IFA Form Revised 2013)

Exhibit 5S – Local Government Contribution
(IFA Form Updated 11-2-12)

- Must be completed, signed, and dated by the City/County in which the project will be located.
- Must use IFA form.
- Value of the government entity or political subdivision contribution is the contribution minus the value of any consideration or accommodation received by the City/County in return for the contribution.
- Contributions can be derived from Federal Sources, Gift of Land, or a Below Market Interest Rate Loan.
- Non-Federal Source contributions can be Cash, Gift of Land, Tax Abatement (not tax exemption), Tax Increment Financing (TIF), Enterprise Zone Credit, Enterprise Zone Sales Tax Rebate, Waiver of Fees, and Below-Market Interest Rate Loan.
- Ensure the amount(s) shown in Exhibit 5S are listed in the Funding Source Tab of the Application.

Exhibit 6S – Projects with Historical Significance

- Documentation demonstrating the entire project is listed on the National Register of Historic Places or that it is determined eligible for the National Register by the State Historic Preservation Officer.
- If the entire project does not meet this requirement, points will not be received.

Exhibit 7S – Subsidized Project-Based Rental Assistance Contract

- Must provide the fully executed current Project-Based Rental Assistance Contract or Public Housing Authority Commitment Letter in order to receive the scoring points even if this document was already provided at Exhibit 7T. Submission of Exhibit 7T only will not generate scoring points under this category. Exhibit 7S is required.

- Exhibit must show the total number of units in the project and the number of units receiving rental assistance or the number of units in which HUD VASH Vouchers have been committed.
- Must be signed and current.
- Points awarded for 50%, 75%, and 100% of the Units being covered by a Project-Based Rental Assistance Contract.

Exhibit 8S – Capital Needs Assessment for Readiness to Proceed

- Must provide a complete Capital Needs Assessment at the time of Application that meets the requirements outlined in the QAP, Appendix I, Section J.

Exhibit 9S – Utilities for Readiness to Proceed
(IFA Form)

- Must be fully completed by the Provider for each utility required at the Project on the IFA form.
- Must show that the utilities are already available at the Project, adequately sized for the Project, and <u>no extensions are needed</u>.
- Scoring will only be requested if the box on the Project Description Tab is selected for each Readiness to Proceed item by the Applicant.

Exhibit 10S – Paved Road for Readiness to Proceed
(IFA Form)

- Must be fully completed by the Municipality on the IFA form.
- Must demonstrate that the Project has direct contiguous access to an existing paved road with <u>no extensions needed</u>.
- Scoring will only be requested if the box on the Project Description Tab is selected for each Readiness to Proceed item by the Applicant.
- In review of any Exhibits or from an IFA site visit, should it determine that direct contiguous access to an existing paved road does not exist yet the Municipality completed the form incorrectly, IFA reserves the right to not award points for this category.

Exhibit 11S – Zoning for Readiness to Proceed
(IFA Form)

- Must be fully completed by the Municipality on the IFA form.
- Must demonstrate that the Project site is properly zoned for its proposed use.

Exhibit 12S – Reserved

Exhibit 13S – Reserved

Exhibit 14S – Developer Third Party Equity Investment Closing Confirmation 2009-2012 (IFA Form Revised 2013)

- Must provide IFA required form fully completed and signed by the Syndicator or Equity Investor to confirm the project name, address, developer name, and equity investment closing date as well as the date of the tax credit award.
- Must show the closing was completed within 9 months of the tax credit award.

If requesting HOME funds, be sure to reference Appendix K and the Exhibit Tab of the Application for the required HOME exhibits.

19. <u>HOME Tab</u>

a) Summary Info – Information in this table pre-fills with data already entered into the on-line application. Verify this information is correct.

b) Projected Anticipated Timeline – Complete each area of this section with the expected action date.

c) Site – Acquisition date, Environmental review completion date.

d) Construction Financing – Conditional commitment date, Firm commitment date, Closing and disbursement date.

e) Permanent Financing – Conditional commitment date, Firm commitment date, Closing and disbursement date.

f) Local Permits – Conditional use permit date, Variance date, Site plan review date, Building permit date, Other (explanation and date) if needed.

g) Other – Final plans and specs date, Construction start date, Construction complete date, Place in service date.

h) Project Info
- Select correct drop down selection regarding Lead-safe housing regulations.
- Select correct drop down selection for the project type.
- If the project is located in a flood plain, select box.
- Enter the Plan for Affordability Retention after Rehabilitation in the appropriate box.
- Explain the intent of the Applicant of owning the property prior to the HOME award in the appropriate box.

- Explain the intent of the Applicant of using HOME funds to rehabilitate or construct freestanding structures, including detached garages and/or community centers in the appropriate box.
- Describe any accessory building and area included in the Project in the appropriate box.
- Describe any commercial facilities included in the Project in the applicable box.

i) Capacity

- List members of the Project Team's experience with submitting a HOME Application in the appropriate box.
- List members of the Project Team's experience with an award of HOME funds in the appropriate box.
- Describe each prior project or program that was previously awarded HOME funds within the last 5 years in the appropriate box. Also list each project team member for each of these project(s)/program(s).
- If this is your first HOME Application and you propose to simultaneously undertake another HOME project, describe the other HOME project in the appropriate box.
- Describe all other prior projects or programs that have successfully promoted low-income housing within the last 5 years in the appropriate box.
- List any team member that has worked with a housing project that resulted in the initiation or completion of a foreclosure or sheriff's sale proceedings in the appropriate box. Provide the team member name, name of the project/program, date, and an explanation of the outcome of the proceedings.
- List any team member that has worked with a housing project/program that had to repay or forfeit any funds awarded from a federal, state or local program in the appropriate box. Provide the team member name, name of the project/program, date, and an explanation of the outcome.
- List any team member that has worked with a housing project/program that had findings of noncompliance by a federal, state or local program in the appropriate box. Provide the team member name, name of the project/program, date, and an explanation of the outcome.
- List any team member that has worked with a housing project/program which submitted late reports to a federal, state or local program in the appropriate box. Provide the team member name, name of the project/program, date, and an explanation of the outcome.
- If your organization has experienced turnover of key personnel in the past two years, list the staff members, their expertise, and the actions taken to address the loss to your organization in the appropriate box.
- List prior Rental HOME funded activities in the appropriate box.

- Please read information on this tab, verify your project complies or will comply with all of these requirements and mark the box to agreement with these terms.

20. Fees Tab

- At the time of Application submission, all applicants must submit the applicable market study fee and Threshold LIHTC application fee.
- The Application fee, Change in Application Fee, Late Submission Fee for Carryover 10% Test and 8609 Applications, Market Study fees must be paid electronically through the on-line application system.
- The on-line system will accept credit cards or electronic checks for payment.
- The 8609 application fee will be invoiced to the Ownership Entity upon final allocation of credit determination.
- The initial compliance monitoring fee will be invoiced to the Ownership Entity prior to issuance of the 8609. The compliance monitoring fee must be paid before the IRS form 8609 will be issued.
- The LURA recording fee will be invoiced to the Ownership Entity for the exact recording fee amount. The LURA recording fee is a reimbursement to IFA for the recording fee and must be paid prior to IFA's issuance of IRS form 8609 to the Ownership Entity.
- Legal fees that will be charged to the Ownership Entity will be invoiced to the Ownership Entity. If more than five hours of legal work on a matter will be anticipated, IFA will notify the Ownership Entity prior to commencing work.

C. LIHTC CONSTRUCTION DESIGN AND PROCESS OVERVIEW

1. Buildings must be durable, attractive, modest, and energy efficient.
2. QAP does contain a construction cost cap for each type of unit. Refer to QAP Sections 4.9, 4.9.1, 10.8, and 10.8.1
3. Designs must be prepared by architects and engineers licensed to practice in the State of Iowa.
4. Designs must conform to prevailing local codes as well as IFA requirements.
5. New Construction must meet or exceed Energy Star 2.0 standards. HERS ratings must be done at completion.
6. Rehabs must meet or exceed IECC.
7. For Construction Items required during the Application Process, Refer to Building & Scoring Exhibits, Exhibits Tab, Construction Tab, or Appendix K.
    - Exhibit 3B
    - Exhibit 4B
    - Exhibit 5B
    - Exhibit 6B
    - Exhibit 7B
    - Exhibit 8B
    - Exhibit 9B
    - Exhibit 8S

- Exhibit 9S
- Exhibit 10S
- Exhibit 11S

8. Construction items required post reservation
    - Construction must begin within 18 months from the reservation date per QAP Section 8.1.
    - IFA may periodically request a status report on the Project's construction timeline per QAP Section 8.1.1
    - An IFA Construction sign that meets the specifications outlined in the Application and Appendices must be erected at the initiation of construction per QAP Section 8.1.2.
    - Final plans and specifications must be submitted to and approved by IFA before commencing site work and construction. Plans must meet all applicable building standards and codes, minimum development characteristics, and all construction related scoring criteria for which points were awarded. Final plans must incorporate any and all remediation plans to address detrimental site characteristics per QAP Section 8.1.3.
    - Applicant must promptly notify IFA of any changes or alterations which deviate from the final plans and specifications as approved by IFA as stated in QAP Section 8.1.4.
    - If the site was not zoned appropriately at the time of Application, prior to commencing construction, IFA shall receive a letter or other document from the City that states appropriate zoning has been approved. (QAP Section 8.1.5)
    - If required for the project in Appendix I, J., a Capital Needs Assessment must be submitted to and approved by IFA prior to commencing construction. (QAP Section 8.1.6)
    - For existing structures, prior to preparation of the final work rehabilitation order and start of rehabilitation, provide a copy of the energy audit conducted by a certified home energy rater to IFA. The rater, owner, and IFA will determine the feasibility of meeting the requirements of IECC. Appropriate specifications to meet IECC standards or alternate cost effective energy efficiency improvements must be included in the final work rehabilitation order. (QAP Section 8.1.7)
    - If the project meets the criteria set forth in Section 5.5, a copy of the final relocation plan and copy of the notices to existing tenants must be provided to IFA prior to the start of relocation. (QAP Section 8.1.8)
    - If a change in site is required and the new site is equal to or exceed the site characteristics of the site first described in the Application, submit a change in application and fee to IFA for review. A site change will be permitted only if in IFA's sole discretion the substituted site doesn't reduce the number of points awarded during the evaluation process, is within the same city, and the request is submitted sufficiently in advance to permit IFA time to approve the site change prior to December 31st of the calendar year in which the tax credit allocation is made. (QAP Section 8.2.3)

9. Design Submittal
    - Capital Needs Assessment (Rehab only)
    - Scope of Work (Rehab only)
    - Energy Assessment/Report
    - Plans and Specifications that includes completed civil, architectural, code reviews and specifications; and sprinkler, mechanical and electrical schematics that clearly show IFA requirements are met.

10. Inspections and Site Visits
    - IFA representative must attend the Pre-Construction/Kick-Off Meeting.
    - Purpose of inspection is to confirm IFA requirements are met.
    - IFA is NOT the inspector of record. Certificate or copies of inspections by local authority should be provided at time of final inspection.
    - Inspections are required as shown in chart below. Inspections will be combined at projects with both new construction and rehab work.

New Construction	Rehab
A. Foundations	A. Progress
B. Rough-In	B. Progress
C. Insulation or Progress	C. Progress
D. Final	D. Progress

D. TITLE GUARANTY

If the Ownership Entity received 10 points for committing to obtain a Final Title Guaranty Certificate on the project real estate prior to issuance of IRS form 8609, then the ownership entity will need to obtain a Title Guaranty Owner's Certificate showing the Ownership Entity as the guaranteed and showing the coverage amount equals the total value of the project's land and improvements upon completion.

- Title Guaranty provides a discount for multiple Certificates issued simultaneously.
- Title Guaranty has the financial strength and stability of Stewart Title Company, as a reinsurance partner.
- Services provided by Title Guaranty Division are:
    - ✓ Title Coverage and Endorsements for Ownership Entities, Investors, and Lenders
    - ✓ Escrow Services
    - ✓ Closing Services
    - ✓ Construction Disbursements

E. EVALUATION/SURVEY

IFA appreciates feedback on its training sessions in order to improve its delivery of service to its customers. Please complete the evaluation/survey at: http://www.surveymonkey.com/s/B2YM8W7.

A printable version of the survey is also being provided each training day. Please complete on-line or complete the survey on the training day.

F. QUESTIONS & ANSWERS

Prior to submitting an Application, questions may be submitted to the Tax Credit Manager on IFA's website under the 9% 2013 round. Only questions submitted through this website will be permitted. Refer to QAP Section 3.2. http://www.iowafinanceauthority.gov/index.cfm?nodeID=49692&audienceID=1.

G. RANKMASTER & AWARD OF CREDITS

The Iowa Finance Authority Board of Directors will make awards for the 2013 competitive tax credit allocation round at the March 2013 Board meeting. See QAP Section 1.

A rankmaster will be available the date of the March 2013 Board Meeting. The rankmaster will show the ranking based upon the final score of all applications and prioritization of review and award as identified in QAP Section 3.4.8.

- Community Housing Development Organization (CHDO) Set-Aside (1st[d])
- Non-Profit Set-Aside (2nd)
- Preservation Set-Aside (3rd)
- Rural Set-Aside for those in non-MSA cities or counties (4th)
- General Pool (5th)

H. NOTIFICATION OF AWARD OR NON-AWARD

The day of the March 2013 Board Meeting, a written notification of the award or non-award will be sent via email to each applicant.

1. Awarded
    - Will provide notification whether a 30% boost was permitted by IFA.
    - Will provide the reservation fee amount and the due date. Reservation fee must be paid by the due date to keep the reservation of credits.
    - Will provide the carryover application issuance date and the 10% Carryover Test date.
    - Will provide date by which the developer meeting must be completed.
    - Will provide other misc. items and due dates that need to be complied with.

2. Non-Awarded – Met Threshold, but No Offer
    - Will provide reason for non-award – no offer.
    - Will provide details on appeal rights and submission requirements.

3. Non-Awarded – Didn't Meet Threshold
    - Will provide reason for non-award
    - Will provide details on appeal rights and submission requirements.

IFA will send out each market study to each Applicant following the March 2013 Board Meeting. Market Studies will also be uploaded to each on-line application following the March 2013 Board Meeting.

I. PUBLIC INFORMATION REQUEST AFTER AWARDS OR FOR PRIOR YEAR REQUESTS

Contact Katie Kulisky by emailing Katie.Kulisky@iowa.gov or by calling 515-725-4895. (Updated 5-15-13)

- All applications are available after awards via the on-line application.

J. CARRYOVER AGREEMENT & CARRYOVER APPLICATION (INCLUDES 10% TEST) – 9% APPLICATIONS ONLY

1. Carryover Agreement
    - IFA will issue carryover allocation agreements in accordance with the timeline established in the current approved Qualified Allocation Plan (QAP). Typically this is within 60 calendar days of the award date.
2. Carryover Application & 10% Test
    - Applicants will submit the carryover application, including all required exhibits, by the due date established in the current approved Qualified Allocation Plan (QAP).
    - Late submission will result in a late fee = to LIHTC application fee as stated in the current approved QAP.
    - Documents will be posted on the IFA website. Links will be provided through the on-line system.
    - IFA will send a deficiency report through the on-line system requiring Applicant correction(s).
    - Applicant will make requested changes and submit deficiency response application to IFA.
    - Once final underwriting is completed, IFA will send a written notice to the Applicant that the 10% test was met or not met. If the 10% Test wasn't met, per IRS, the allocation is treated as if it was never made; however, IFA requires a return of credit document be executed.

K. LAND USE RESTRICTIVE COVENANTS ACKNOWLEDGEMENT (LURA)

- If an Applicant met the 10% Test, IFA will attempt to issue the Land Use Restrictive Covenants Acknowledgement (LURA) no later than 120 days after the 10% Test has been met.
- The LURA must be recorded no later than 12-31 of the calendar year in which credits will be taken.
- If a project has an existing LURA, the existing LURA will be combined with the prior LURA in order to apply the most restrictive agreement.
- IFA will send the LURA for recording at the county recorder's office and bill the Applicant for the exact LURA recording fee charged by the county recorder's office.

L. 8609 APPLICATION

- The Applicant must submit the 8609 application & required exhibits through the on-line system no later than November 1st of the calendar year in which credits will be requested. Earlier is acceptable and encouraged if an Applicant has a complete 8609 application package.
- A late fee will be applied for submissions after November 1st. The late fee is equal to the LIHTC application fee.
- The annual compliance fee will be billed in the on-line application. The 8609 fee are billed to the Applicant when the final 8609 application has been underwritten by IFA.
- IFA will send a notification to all Applicants of the final credit determination based upon the 8609 application. The Applicant must sign and return the document if the final credit amount is agreed upon.
- If the final underwritten credit amount is not agreed upon, notification to IFA is required.
- IFA must submit all 8609's to the IRS with its IRS form 8610 and 8610A no later than February 28th of each year.

M. REQUESTING A CHANGE IN APPLICATION

If after receiving an award of credits, if an Applicant must make an application change, please make the change request via the on-line system.

- Select Request a Change.
- Enter all information regarding payment and then select "Begin Change Request Process" at the bottom of the page.
- When selecting this, the most recent IFA approved application will be copied and an Applicant can make changes and submit. If changes are accepted, this will become the most recent approved application; otherwise if unapproved, the change request application will be maintained, but the most recent IFA approved application will be re-activated.
- A change in application fee will be charged and required to be paid at the time of submission. Fee amount is listed in QAP Section 3.4.7.
- For permitted changes, refer to the current approved QAP.

N. APPLYING FOR ADDITIONAL CREDITS

If the applicable QAP in which a project was awarded under permitted additional requests for tax credits, an Applicant must use the on-line application to apply for the additional credits.

- Select Apply Additional Credits
- Enter all information regarding payment and then select "Complete Application Submission for Additional Credits."
- Payment will be required at the time of submittal.

O. 2013 RESERVE SET-ASIDE

Based upon QAP Section 2.2.5.2, 15% of the State Housing per capita tax credit is set-aside for projects awarded 2013 tax credits that are able to utilize the fixed 9% tax credit rate due to Congress extending the fixed nine (9%) tax credit rate established under HERA or if a project has all buildings Placed in Service by December 30, 2013. <u>If Congress doesn't extend the fixed nine (9%) tax credit rate, applications will be underwritten by IFA at the floating tax credit rate in effect at the time of Application.</u>

Additional tax credits may be granted by the IFA Board if Congress does extend the fixed nine (9%) tax credit rate pursuant to HERA and IRC Section 42(b)(2)(A), or if a project has all buildings Placed-in-Service by December 30, 2013.

- No forward allocation of tax credits
- No additional Developer's fee or Consultant fee permitted or any increase in total project costs. The project will be underwritten with the 9% rate with the original total project costs. The increase in credits is based **<u>SOLELY</u>** on Congressional action extending the fixed nine (9%) tax credit rate.
- Not governed by the timetable established in QAP Section 1, Introduction.
- Credits under this section aren't available for the general pool; however, the IFA Board may transfer any portion of this set-aside to the General Pool if not awarded as additional tax credits under the 2013 Reserve Set-Aside.

To apply for the Reserve Set-Aside, select "Apply for Reserve Set-Aside."

- Next screen will ask Applicants to confirm application for the Reserve Set-Aside.
- May modify funding sources that were initially required to cover the gap due to the lower tax credit percentage. No changes to total project costs will be permitted.
- No additional application fee will apply.
- 15% boost will be removed when the 9% tax credit percentage is applied (if applicable).
- Project must show a need for the 9% tax credit percentage.

	Project 1	
	Initial	**Reserve Set-Aside**
	15% Boost & 7.38% credit rate	**No Boost & 9% credit rate**
Total Development Costs	$5,375,000	$5,375,000
Eligible Basis	$5,000,000	$5,000,000
Boost	1.15	1.00
Final Basis	$5,750,000	$5,000,000
Credit Rate	0.0738	0.09
Annual Tax Credit Per Eligible Basis	$424,350	$450,000
Annual Tax Credit Difference	$25,650	
Total 10-Year Credit Difference	$256,500	
Assumed Credit Price	0.80	
Funding Shortfall/Gap	$205,200.00	

	Project 2	
	Initial	**Reserve Set-Aside**

	30% Boost & 7.38% credit rate	30% Boost & 9% credit rate
Total Development Costs	$5,375,000	$5,375,000
Eligible Basis	$5,000,000	$5,000,000
Boost	1.30	1.30
Final Basis	$6,500,000	$6,500,000
Credit Rate	0.0738	0.09
Annual Tax Credit Per Eligible Basis	$479,700	$585,000
Annual Tax Credit Difference	$105,300	
Total 10-Year Credit Difference	$1,053,000	
Assumed Credit Price	0.80	
Funding Shortfall/Gap	$842,400.00	

P. 4% APPLICATIONS

To create a 4% application, select, “Create a 4% application.”

- A Bond Inducement is required prior to submission.
- Enter all costs on the cost/credit calculation tab in the 30% column.
- No boost in eligible basis is permitted on acquisition costs.
- The boost in eligible basis permitted by a QCT or DDA is the only boost eligible to a 4% tax-exempt bond financed project.
- Same process for entering information as for the 9% applications except the 4% applications have a minimum score of 160 points per QAP Section

Q. QUICK REFERENCE GUIDE

9% Applications

Set-Asides

- QAP 2.2
- Project Description Tab
- Exhibits Tab (Non-Profit Set-Aside Only)
- Appendix K

New Tax Credit Developer

- QAP 3.2.1
- Project Team Tab – Developer & Co-Developer

New Developer in Iowa

- QAP 3.2.2
- Project Team Tab – Developer & Co-Developer

Fees

- QAP 3.4.7
- Fee Tab
- Cost & Credit Calc. Tab

Income and Expense Escalator Requirements
- QAP 4.1.1
- Projected Cash Flow Tab

Required Vacancy Rates
- QAP 4.1.2
- Projected Cash Flow Tab

DSCR Requirements
- QAP 4.1.3
- Projected Cash Flow Tab
- Financial Feasibility Tab

Operating Expenses – Older Person Projects
- QAP 4.2.1
- Projected Operating Costs Tab
- Financial Feasibility Tab

Operating Expenses – Family Projects
- QAP 4.2.2
- Projected Operating Costs Tab
- Financial Feasibility Tab

Small Project Cash Flow
- QAP 4.1.4
- Projected Cash Flow Tab
- Financial Feasibility Tab

Operating Reserve Requirement
- QAP 4.3.1
- Cost and Credit Calc. Tab
- Financial Feasibility Tab

Replacement Reserve Requirement
- QAP 4.3.2
- Projected Operating Costs Tab
- Financial Feasibility Tab

Deferred Developer Fee
- QAP 4.4.1
- Funding Sources Tab
- Projected Cash Flow Tab

Developer and Builder Fees
- QAP 4.6
- Cost & Credit Calc. Tab
- Financial Feasibility Tab

Other Fees

- QAP 4.7
- Cost & Credit Calc. Tab

Unit Cost Cap (non-historic)
- QAP 4.9
- Cost & Credit Calc. Tab
- Financial Feasibility Tab

Unit Cost Cap (historic)
- QAP 4.9.1
- Cost & Credit Calc. Tab
- Financial Feasibility Tab

Readiness to Proceed
- QAP 5.4
- Project Description Tab
- Exhibits Tab (Exhibits 9S-11S)
- Scoring Tab
- Appendix K

Appraisals
- QAP 5.4.1
- Exhibits Tab (Appendix 2B)
- Appendix K

Qualified Development Team
- QAP 5.4.2
- Project Team Tab
- Exhibits Tab (Exhibits 15T-17T)
- Appendix K

Commitment to Notify Public Housing Authority of Vacancies
- QAP 5.4.4
- Ownership Entity Tab

10-Year Rule
- QAP 5.6
- Building Tab
- Exhibits Tab (Exhibit 8T)
- Appendix K

Scattered Sites
- QAP 5.9
- Exhibits Tab (Exhibit 19T)
- Appendix K

Scoring Criteria
- QAP Section 6
    - Resident Profile – Serves Lowest Income Residents

  - Building Tab – Units
  - Scoring Tab

- Resident Profile – Resident Population with Special Needs
  - Project Description Tab & Special Needs
  - Exhibits Tab (Exhibit 1S)
  - Scoring Tab
  - Appendix F
  - Appendix K

- Resident Profile – Resident Population with Special Needs & Affordable Assisted Living
  - Project Description Tab & Special Needs
  - Exhibits Tab (Exhibit 1S-AAL)
  - Scoring Tab
  - Appendix F
  - Appendix K

- Resident Profile – Provides an Opportunity for Homeownership
  - Project Description Tab
  - Exhibits Tab (Exhibit 2S)
  - Scoring Tab
  - Appendix G – Exhibits A, B, C

- Resident Profile – Rent Reasonableness
  - Project Description Tab
  - Scoring Tab

- Resident Profile – Waives Right to Qualified Contract
  - Project Description Tab
  - Scoring Tab

- Location – Location Near Services
  - Project Description Tab
  - Exhibits Tab (Exhibit 3S)
  - Scoring Tab
  - Appendix K

- Location – Great Places
  - Project Description Tab
  - Exhibits Tab (Exhibit 4S)
  - Scoring Tab
  - Appendix K

- Location – Local Government Contribution
  - Funding Sources Tab
  - Exhibit Tab
  - Scoring Tab
  - Appendix K

- Location – Underserved County
  - Building Tab
  - Scoring Tab

- Location – Developer or Owner Contribution
  - Funding Sources Tab
  - Scoring Tab

- Building Characteristics – Market Appeal
  - Project Amenities Tab
  - Scoring Tab

- Building Characteristics – Projects with Historical Significance
  - Project Description Tab
  - Exhibits Tab (Exhibit 6S)
  - Scoring Tab

- Building Characteristics – Construction/Unit Characteristics
  - Project Amenities Tab
  - Scoring Tab

- Building Characteristics – Olmstead Goals
  - Buildings Tab – Units
  - Scoring Tab
  - Exhibits Tab (Exhibit 1T)
  - Appendix K

- Building Characteristics – Readiness to Proceed
  - Project Description Tab
  - Exhibits Tab (Exhibits 9S-11S)

Scoring Tab

- Building Characteristics – Impact on the Environment
  - Project Description Tab
  - Scoring Tab

- Building Characteristics – Energy Efficiency
  - Project Description Tab
  - Scoring Tab

- Other – Title Guaranty
  - Ownership Entity Tab
  - Scoring Tab

- Other – Qualified Development Team Experience/Efficiency
  - Project Team Tab – Developer, General Partner/Managing Member
  - Exhibits Tab (Exhibit 14S & Exhibits 15T-17T)
  - Scoring Tab
  - Appendix K

- Other – Reduced Developer Fee
    - Cost & Credit Calc. Tab
    - Financial Feasibility Tab
    - Scoring Tab

- Other – Project Costs
    - Cost & Credit Calc. Tab
    - Scoring Tab

Eligible Basis Boost
- QAP Section 7.2.1
- QAP Section 7.2.2
- Cost & Credit Calc. Tab
- Building Tab

Minimum Development Characteristics
- QAP Appendix I, G.
- Construction Characteristics Tab
- Project Amenities Tab

Glossary of Terms
- QAP Appendix 2

4% Applications

Private Activity Bond Cap
- QAP 9.1

Market Study
- QAP 9.3

New Tax Credit Developer
- QAP 9.4.16
- Project Team Tab – Developer & Co-Developer

New Developer in Iowa
- QAP 9.4.15
- Project Team Tab – Developer & Co-Developer

Fees
- QAP 9.4.13
- Fee Tab
- Cost & Credit Calc. Tab

Income and Expense Escalator Requirements
- QAP 10.1.1
- Projected Cash Flow Tab

Required Vacancy Rates
- QAP 10.1.2
- Projected Cash Flow Tab

DSCR Requirements
- QAP 10.1.3
- Projected Cash Flow Tab
- Financial Feasibility Tab

Operating Expenses – Older Person Projects
- QAP 10.2.1
- Projected Operating Expense Tab
- Financial Feasibility Tab

Operating Expenses – Family Projects
- QAP 10.2.2
- Projected Operating Expense Tab
- Financial Feasibility Tab

Operating Reserve Requirement
- QAP 10.3.1
- Cost and Credit Calc. Tab

- Financial Feasibility Tab

Replacement Reserve Requirement
- QAP 10.3.2
- Projected Operating Costs Tab
- Financial Feasibility Tab

Deferred Developer Fee
- QAP 10.4.1
- Funding Sources Tab
- Projected Cash Flow Tab

Developer and Builder Fees
- QAP 10.6
- Cost & Credit Calc. Tab
- Financial Feasibility Tab

Other Fees
- QAP 10.7
- Cost & Credit Calc. Tab

Unit Cost Cap (non-historic)
- QAP 10.8
- Cost & Credit Calc. Tab
- Financial Feasibility Tab

Unit Cost Cap (historic)
- QAP 10.8.1
- Cost & Credit Calc. Tab
- Financial Feasibility Tab

Readiness to Proceed
- QAP 11.4
- Project Description Tab
- Exhibits Tab (Exhibits 9S-11S)
- Scoring Tab
- Appendix K

Appraisals
- QAP 11.4.1
- Exhibits Tab (Appendix 2B)
- Appendix K

Qualified Development Team
- QAP 11.4.2
- Project Team Tab
- Exhibits Tab (Exhibits 15T-17T)
- Appendix K

Commitment to Notify Public Housing Authority of Vacancies
- QAP 11.4.4
- Ownership Entity Tab

10-Year Rule
- QAP 11.4.8
- Building Tab
- Exhibits Tab (Exhibit 8T)
- Appendix K

Scattered Sites
- QAP 11.4.11 (Add Link)
- Exhibits Tab (Exhibit 19T)
- Appendix K

Minimum Score
- QAP 11.4.14
- Scoring Tab

Scoring Criteria
- QAP Section 6
  - Resident Profile – Serves Lowest Income Residents
    - Building Tab – Units
    - Scoring Tab

  - Resident Profile – Resident Population with Special Needs
    - Project Description Tab & Special Needs
    - Exhibits Tab (Exhibit 1S)
    - Scoring Tab
    - Appendix F
    - Appendix K

  - Resident Profile – Resident Population with Special Needs & Affordable Assisted Living
    - Project Description Tab & Special Needs
    - Exhibits Tab (Exhibit 1S-AAL)
    - Scoring Tab
    - Appendix F
    - Appendix K

  - Resident Profile – Provides an Opportunity for Homeownership
    - Project Description Tab
    - Exhibits Tab (Exhibit 2S)
    - Scoring Tab
    - Appendix G, Exhibits A, B, C

  - Resident Profile – Rent Reasonableness

- Project Description Tab
- Building Tab – Units
- Scoring Tab

- Resident Profile – Waives Right to Qualified Contract
  - Project Description Tab
  - Scoring Tab

- Location – Location Near Services
  - Project Description Tab
  - Exhibits Tab (Exhibit 3S)
  - Scoring Tab
  - Appendix K

- Location – Great Places
  - Project Description Tab
  - Exhibits Tab (Exhibit 4S)
  - Scoring Tab
  - Appendix K

- Building Characteristics – Market Appeal
  - Project Amenities Tab
  - Scoring Tab

- Location – Local Government Contribution
  - Funding Sources Tab
  - Exhibit Tab
  - Scoring Tab
  - Appendix K

- Location – Underserved County
  - Building Tab
  - Scoring Tab

- Location – Developer or Owner Contribution
  - Funding Sources Tab
  - Scoring Tab

- Building Characteristics – Projects with Historical Significance
  - Project Description Tab
  - Exhibits Tab (Exhibit 6S)
  - Scoring Tab

- Building Characteristics – Construction/Unit Characteristics
  - Project Amenities Tab
  - Scoring Tab

- Building Characteristics – Olmstead Goals

- Buildings Tab – Units
- Scoring Tab
- Exhibits Tab (Exhibit 1T)

- Building Characteristics – Readiness to Proceed
  - Project Description Tab
  - Exhibits Tab (Exhibits 9S-11S)
  - Scoring Tab

- Building Characteristics – Impact on the Environment
  - Project Description Tab
  - Scoring Tab

- Building Characteristics – Energy Efficiency
  - Project Description Tab
  - Scoring Tab

- Other – Title Guaranty
  - Ownership Entity Tab
  - Scoring Tab

- Other – Qualified Development Team Experience/Efficiency
  - Project Team Tab – Developer, General Partner/Managing Member
  - Exhibits Tab (Exhibit 14S & Exhibits 15T-17T)
  - Appendix K
  - Scoring Tab

- Other – Reduced Developer Fee
  - Cost & Credit Calc. Tab
  - Financial Feasibility Tab
  - Scoring Tab

- Other – Project Costs
  - Cost & Credit Calc. Tab
  - Scoring Tab

Eligible Basis Boost

- QAP 9.4.10
- Cost & Credit Calc. Tab
- Building Tab (check zip code to ensure correct)

Minimum Development Characteristics

- QAP Appendix I, G.
- Construction Characteristics Tab
- Project Amenities Tab

Glossary of Terms

- QAP Appendix 2

THANK YOU FOR YOUR ATTENDANCE AND INTERST IN DEVELOPING AND PROMOTING AFFORDABLE HOUSING IN IOWA. THE IOWA FINANCE AUTHORITY STAFF LOOKS FORWARD TO WORKING WITH YOU!

This training manual is intended to assist Applicants in submitting the on-line application. It is not intended to be all-inclusive of all requirements. Updates will be made available as the On-Line Application is updated. Please check the website and/or or the On-line Application for updates to this document. Should an inconsistency be noted between the QAP and this document, the QAP will prevail.