

2013 Questions & Answers

General

1

When and where are the Q & A's posted? (Added 11.16.12)

The Q&A's are posted every Friday on the Iowa Finance Authority web site. The Final Q&A's will be posted on Friday, December 7th. New questions are marked.

Section 2.2.1: Non Profit Set-Aside

1

We are submitting an application that will qualify for the non-profit set-aside. The tax advisors for our syndicator are telling us that the Developer and General Partner cannot be the same entity. This is nothing new. The solution for tax purposes is to have the General Partner be the Non-Profit and the Developer or Co-Developer be a wholly owned subsidiary of the Non-Profit. How do we show this in the application so that IFA understands that the non-profit will be receiving 50% or more of the developer fees through its subsidiary and still qualify for the Non-Profit Set-Aside? In the past prior to electronic applications, when this issue has come up we have simply stated in the application that a wholly owned subsidiary WILL be formed if necessary. (Added 12.7.12)

Identity of Interest would have to be marked in the Application for the Co-Developer and the General Partner with an explanation provided and an organizational chart.

2

We are applying for the non-profit set aside – we have submitted the documents. Will this non-profit option come up in the application if we are approved as a non-profit? The On Line Application Training Guide also stated that we had to answer questions on the non-profit entity in the on-line system. Where do we submit these? (Added 11.16.12)

In the project team tab there will be a question as to whether the entity is a materially participating non-profit (ex. Developer). The set-aside election are on the project description tab of the application. To request approval of the entity you are going to list in the application as a non-profit for the set-aside, then Exhibits 1SA-5SA(as applicable) needed to be uploaded to the application and then on the project team tab there is a button at the bottom of the page when applicants submit request non-profit approval.

If Resident Populations with Special Needs is elected in the application, then the 1SA-LSP, 3SA-LSP, and 4SA-LSP Exhibits are to be uploaded into the online application as well. These Exhibits were due by November 9th.

Make sure you are also reviewing the posted Q & A's on the website.

Section 2.2.5.1: RD Preservation Set-Aside

1

It is our understanding that the RD set-aside was not funded this year. (Added 11.9.12)

The remaining RD set-aside funds will carry forward into 2013 for the projects that were included in the initial RFP.

2

Does the 130% Basis Boost still apply to RD Projects? (Added 11.9.12)

Refer to the 2013 QAP Section 7.2.2 for details.

3

Is it required to have a submitted transfer application to USDA complete? (Added 11.9.12)

You must have submitted information to the local USDA office and receive preliminary approval from USDA which notes that the project is eligible for transfer.

4

Do we “Create a New Rural Development Application” or do we “Create a New 9% Application”?
(Added 11.9.12)

Create a New Rural Development Application in the 2013 online application system. Only the initial invitees of the Rural Development Preservation Demonstration Set-Side are eligible for this set-aside. A project may not apply for the 9% Competitive round and this set-aside.

Section 2.2.5.2: Reserved Set-Aside

1

Are we to underwrite the credits at the applicable rate and assume a 15% boost? (Added 11.30.12)

The online application will automatically use the applicable rate and apply the 15% boost to eligible projects.

2

How does one “apply” for the reserved set-aside as detailed in section 2.2.5.2? (Added 11.9.12)

The Reserved Set Aside is not available until after the Award and IFA will advise when the Set-Aside is available. Refer to Section O in the On Line Application Guide & 2013 QAP Section 2.2.5.2.

3

If the 9% rate locks after application, will projects in the Rural Set-aside (which will be underwritten at the floating rate plus the boost for the application) be able to come back and request additional credits up to 9%? The QAP and On-Line Training Guide is clear that projects under the Reserve Set-Aside will be able to do so, but it is unclear about projects receiving the boost under the QCT and Rural Boost categories. (Added 11.9.12)

Yes.

4

If you know you will be placed in service before Dec 30, 2013, can you be underwritten at the 9% rate?

No, all 2013 projects will be underwritten at the floating rate regardless of anticipated Placed-in-Service date. If all buildings in your project should be Placed-in-Service before Dec. 30, 2013, then the Ownership Entity can apply for the 9% rate through the Reserved Set -Aside.

5

What if you are in a QCT or Rural area that qualifies for the 30% Boost?

Refer to the On-line Application Guide Section O and 2013 QAP Sections 7.2.1, 7.2.2 & 7.2.3.

6

Do we show what funding sources are “supplemental” (to be used in case 9% rate is not extended)?

No, we will allow changes in funding sources as long as the project did not receive points for that funding source.

7

Does IFA have enough tax credits in the Reserved Set-Aside to fund the gap in all awarded 2013 projects?

IFA believes we have established sufficient funds in the Reserved Set-Aside.

8

Is the 15% reserved set-aside being spread across the other set-asides?

Projects awarded in the 2013 9% Tax Credit Round are given the 15% Boost, except for those in a QCT or in a non-MSA city or county.

9

What if you have a scattered site and some buildings are Placed-in-Service by Dec 30, 2013 and some are not? Do the buildings placed in service get to use the 9%?

All building must be Placed-in-Service by December 30, 2013.

10

Do you still have to meet the DSCR under the Reserved Set-Aside?

The DSCR requirement must be met at all stages of the Application.

Section 2.3: Tax Credit Cap for Single Dev/Project

1

If a project is under the credit cap of 800k at the time of submission and the tax credit rate becomes fixed, would the credit cap remain at 800k, or could a project exceed 800k due to the additional credits generated should feasibility warrant such an increase? This project would no longer require a State HOME request, and thus utilize the additional credit for feasibility. For example, a project with 775k in credit request before a 9% fixed rate would qualify for just under 950k in annual credit. Would the new credit award increase to 800k or some other amount greater than 800k should IFA underwrite such an increase according to feasibility? (Added 11.21.12)

You cannot exceed the \$800,000 Project Cap or the \$1,200,000 Developer Cap.

Section 3.2.1: New Developer in Iowa

1

What if a developer has only been in existence for less than a year? What financial statements would be required? Will this affect a threshold requirement? Please clarify eligibility to meet the requirements of Section 3.2.1 of the QAP and Exhibit 18T's requirements in this regard.

Refer to 2013 QAP Section 5.4.2. IFA may require 3 years of financial statements from other members of the Qualified Development Team.

Section 3.2.3: Mandatory Developer Training

1

Does a consultant satisfy the Mandatory Developer Training attendance requirement?

Yes, if deemed eligible.

Section 3.4.1.3: Market Study and Analysis

1

If the market study suggests that a different unit mix would be warranted for the development, can we make those changes provided there are no changes to the scoring? (Added 11.9.12)

According to Section 3.4.1.3 of the 2013 QAP, after review of the market study, IFA may specify elements of the application that must be changed in order for the project to be feasible. Changes in the unit mix or unit rents are sometimes suggested by the market study analyst and you will have 14 days to make these changes following IFA's written deficiency request (or a shorter time as IFA may reasonably require). Scoring related items may not be changed.

Section 3.4.7: Fees

1

We would like to pay the application fees in advance; how do we do so? (Added 11.30.12)

You will have to pay the application and market study fee at the time of application submission and the online system will walk you through the payment, but you absolutely want to make sure you have everything entered in your application and are ready to submit your final application before you hit submit and proceed to the payment information.

2

What do we need to do to set up electronic fees? (Added 11.30.12)

You will have to pay the application and market study fee at the time of application submission and the online system will walk you through the payment, but you absolutely want to make sure you have everything entered in your application and are ready to submit your final application before you hit submit and proceed to the payment information.

Section 4: Underwriting

1

The developer acquires land and sells it to the ownership entity (LLLP) for a reduced amount. The land valuation is supported by an independent appraisal. It is outside of the TDC and not a cash donation as it relates to a development fund source. How do you count that donation? (Added 12.7.12)

If you want to count the donation as a funding source, you would have to count the full land price in the TDC. The donation would not be eligible for scoring points. However, as an alternative, you may include the reduced value of the land in the TDC without the donation as a funding source.

2

On the state HOME fund request, it must be 50% or below of total developer fee and doesn't take into account fee already deferred. For instance, if there is a developer fee of \$800k and we are planning on deferring \$150k, we can still ask for \$400k in state HOME, correct? (Added 11.30.12)
The HOME fund request is not restricted to 50% or below the developer fee. If eligible you may apply for up to 1 million in HOME funds. Please refer to 2013 QAP Section 4.3.1 under writing Introduction.

Section 4.3.1: Operating Reserve

1

What is included in the operating reserve?

Refer to 2013 QAP Section 4.3.1.

Section 4.4: Deferred Developer Fee

1

Do you need a deferred developer fee in 9% projects?

A Deferred Developer Fee is a gap filler but not a requirement. Refer to 2013 QAP Section 4.4.1.

Section 4.5: Financing Commitment

1

When entering the funding sources on a project requesting HOME funds do you enter an amount for a bank financed mortgage for years 16-20 if the bank loan will be refinanced at that time? (Added 12.7.12)

Yes, if new construction.

2

In the 2013 QAP we accept a resolution adopted by the City council as an acceptable commitment for providing TIF. What do we typically receive for a commitment when there are other sources from the City? (Added 12.7.12)

We receive a commitment letter as referenced in the 2013 QAP Section 4.5.2.

3

We have been awarded EZ credits related to a couple of different projects. It was approved at local and state level. The state has said they are not the correct entity to sign the Exhibit 5S. Can Exhibit 5S, with respect to the enterprise zone credit contribution, be signed by the city or the county? Is either acceptable? We have one county where the city prefers to sign and another

where the county agency prefers to sign. Is either ok? Or does IFA require City to sign? (Added 11.30.12)

Refer to the top of Exhibit 5S. It depends on what entity is giving you the contribution. If both the city and county are providing contributions, IFA will need an Exhibit 5S from each.

4

Is the value of the TIF donation determined using 3% real estate expense inflator? (Added 11.16.12)

You will need a commitment letter and resolution from the City that shows the financial commitment for the TIF funds, and the City will need to complete the Exhibit 5S that also verifies the amount of the TIF funds for the project. The TIF donation does not escalate

5

In order to determine the overall assistance of TIF financing, over the 15 year compliance period, we are escalating real estate taxes at 3% a year, per IFA's underwriting requirements. Is this correct? (Added 11.16.12)

You will need a commitment letter and resolution from the City that shows the financial commitment for the TIF funds, and the City will need to complete the Exhibit 5S that also verifies the amount of the TIF funds for the project. The TIF donation does not escalate.

6

I saw the recent Q & A that states that IFA will only underwrite 15 years of TIF in terms of local contribution. Is this true even for projects that waive the qualified occupancy and intend to keep the property affordable for 30 years?(Added 11.16.12)

Yes, IFA will only underwrite TIF financing for 15 years.

7

Does the Federal Historic Tax Credit application need to be approved before it can be used as a funding source at the time of application?(Added 11.16.12)

You must have documentation from SHPO indicating you are eligible for these credits, and a commitment letter from the syndicator/investor of the Federal Historic Tax Credits.

8

Does IFA require the developer to submit the state historic tax credit application with the LIHTC application?(Added 11.16.12)

No, the State Historic Tax Credit Application is not a requirement however you must represent this funding source in your application. State Historic Tax Credit equity cannot be listed as a source at the time of application; however you must show a Developer loan or contribution for these anticipated funds.

9

If the developer plans on using Enterprise Zone Tax Credits to finance the project, will IFA require that an approved Enterprise Zone Tax Credit application be submitted with the LIHTC application?(Added 11.16.12)

Please note the Enterprise Zone Tax Credits as a funding source in your Application and supply documentation that you have applied through the Iowa Economic Development Authority.

10

Part of our financing strategy is to assume a portion of the current debt on the property. Is there additional documentation that IFA would like provided for this or is the Purchase Agreement sufficient? (Added 11.9.12)

Refer to the 2013 QAP Section 4.5. A letter of intent is required.

Section 4.5.2: Financing Commitments

1

When a City is proposing Tax Increment Financing in conjunction with a proposed project and the term of the TIF is 20 years, do we calculate the contribution based on the full 20 years of the contribution or through the 15 year compliance period? (Added 11.9.12)

IFA generally analyzes the project for financial feasibility over a 15 year period, so you may use up to a 15 year period for the TIF contribution by the City.

Section 4.6: Developer and Builder Fees

1

How should you calculate the maximum developer fee allowed if you have a project that is acq/rehab & new construction? (Revised 11.16.12)

The On-Line Application has been updated.

Section 5.4.1: Appraisals

1

When is an appraisal needed? (Added 11.2.12)

Refer to the 2013 QAP, Section 5.4.1.

Section 5.5: Displacement of Tenants

1

We are working on an application in which the building being purchased currently has two commercial tenants on month to month leases. The tenants are aware of the potential plans and the owner has agreed to deliver the building without tenants at the time of sale. We are under the impression that because we are NOT using HOME or federal funds in the project, a relocation plan is not required. However, the application is requesting Exhibit 13T. Can you confirm we do not need a relocation plan? (added 12.7.12)

Please upload a 13T that explains your arrangement with the 2 commercial tenants. Should IFA have further questions about the relocation plan or notice given to the commercial tenants, we will request this information after your application is submitted.

Resident Profile 1: Serves Low Income Residents

1

Can a project receive points under Category 1 40% units and Category 2 Mixed Income utilizing the same units? (Added 12.7.12)

No, if you have 30% units in Category 1 to meet that requirement, you may not use these same units to receive points under Category 2.

2

If you are going for points by including 20% of units at 40% AMI or below in Category 1 and market rate and 30% AMI units in Category 2, must the 30% AMI units be in addition to the 20% of units at 40% AMI, or can the 30% AMI units be included in that overall 20%? i.e., there is a 32 unit building, with 2 market rate units, 1 unit at 30% AMI and 6 units at 40% AMI. Will you get the 20 points for having 20% of units at or below 40% AMI, 6 points for having 6% of units at market rate, and 3 points for having 3% of units at 30% AMI? (Added 11.21.12)

The 30% AMI units cannot be used in the overall 40% AMI units. The On-line Application will calculate the points based upon the AMI percentages entered in the units.

Resident Profile 3: Special Needs

1

Do you have to have a letter from HUD/RD which indicates they allow the selected special needs population? I have emailed and tried to obtain this letter but have not gotten a response. This is allowed in the handbook regulations. (added 12.7.12)

Communication sent to HUD should be submitted and a copy of the regulation which allows special needs population should be provided with the application.

2

Our LSP is a battered women/abused kids nonprofit. They are very concerned about privacy issues with their clients. They would prefer not to have their staff in the client's homes or at the development site for fear of their clients whereabouts being detected by the abusers. I have gone through the Q & A and note that you want the LSP staff at the site. How do you propose we resolve this issue? (Added 12.7.12)

Refer to 2013 QAP Section 6-Resident Profile-Category 3: Resident Populations with Special Needs.

Commitment to provide a minimum number of hours per week of on-site service coordination to tenants through a qualified Service Coordinator employee, who cannot also be serving as the property manager or a written contractual arrangement with a Lead Service Provider.

In housing targeted to survivors of domestic violence and their families, appropriate security measures should be incorporated in the project's design.

3

I understand that if you obtain points for creating visitable units you then are not allowed points under the handicapped accessible item, but would you still be allowed points for creating 2,3, and 4 bedroom units that are at least 50% fully handicapped accessible (Added 12.7.12)

No, refer to 2013 QAP Section 6-Building Characteristics-Category 5: Onstead Goals.

4

According to the QAP you have to have 25% of your total units for Special Needs to get the full 20pts, but you cannot exceed the 25% for special needs either. Basically, unless you have a project with a unit number that can divide perfectly to get a whole unit amount to reach 25% it is impossible to get the full 20pts. Example: 20 unit project with 5 units (exactly 25%) gets 20pts. A 21 unit project with 5 units (23.8%) gets 15pts, but 6 units (28.5%) exceeds the maximum allowable. I do not think it was IFA's intention to penalize project based on their divisible factor. We are wondering if we should go above the 25% to get the full points or be at the max under the 25% to get the full points. (Added 12.7.12)

Related to Resident Populations with Special Needs scoring, the applicant should round up to the next whole unit number in situations where 25% of the total project units yields a fraction. Coding in TAC should allow you to enter a number of Project Units Giving Preference to Special Needs Target Population" slightly higher than 25% (such as 6 units, in your 21-unit project example) on the Special Needs tab in order to obtain the maximum 20 possible points in a case where the 25% calculation returns a fractional value.

5

Do we get a response back as to whether our Lead Service Provider has been approved? (Added 11.30.12)

Yes, it is a similar process as the non-profit reviews. All applicants who have requested LSP approval have been contacted.

6

We are not receiving the 25 points for providing 25% of our units being held for residents for special needs. (Added 11.30.12)

The On-line Application coding has been corrected.

7

Is the salary for the Lead Service Provider/Coordinator considered "resident support services" and therefore not included in the minimum operating cost per unit? (Added 11.21.12)

Refer to previously posted Q & A.

8

Are there a minimum number of activity/office hours per week that must be available to residents of all units? (Added 11.21.12)

The Lead Service Provider must make the services available for the minimum hours selected.

9

If we propose to develop seven units of service-enriched housing for a target population, do all members of each unit have to be from the target population? For example, if one of our service-enriched units is a three bedroom unit with services for people with developmental disabilities, does it need to have three people with developmental disabilities living there, or could it be a family where one person has a developmental disability?(Added 11.16.12)

At least one household member must be qualified under the selected Resident Populations with Special Needs category.

10

What sort of documentation, if any, is needed to verify communication with Iowa USDA Rural Development and/or Iowa HUD Office staff, as applicable, of the our intent to seek Resident Populations with Special Needs points?(Added 11.16.12)

If USDA Rural Development or HUD will play a role in overseeing the Project through enforcement of compliance monitoring requirements, the applicant's Exhibit 1S submission must include a letter from Iowa USDA Rural Development or Iowa HUD Office staff, as applicable, meeting the following: (1) the letter must be specific to the proposed Project, (2) the letter must state that the Project's proposed plan to comply with Resident Populations with Special Needs scoring requirements is acceptable to USDA Rural Development or HUD, as applicable, and (3) the Project's Resident Populations with Special Needs plan, as reviewed and approved by USDA Rural Development or HUD, must be attached to the letter as Exhibit A.

11

We did not request Lead Service Provider approval on or before November 9, 2012 by submitting Exhibit SA-LSP documents. Can we still seek Resident Populations with Special Needs scoring points in our final application submission? (Added 11.16.12)

No, only applicants who requested Lead Service Provider approval on or before November 9, 2012 can request Resident Populations with Special Needs scoring consideration. No points will be awarded to applicants who did not meet the November 9, 2012 deadline to request Lead Service Provider approval.

12

Since submitting a request for Lead Service Provider approval prior to the November 9, 2012 deadline, we have since identified an alternate Lead Service Provider that really wants to work with us on the Project. Can we change the Lead Service Provider now? What if our Lead Service Provider is denied by IFA – can we substitute a new Lead Service Provider at the time of application?(Added 11.16.12)

An applicant may voluntarily decide to substitute an alternate Lead Service Provider. An applicant also may be required to substitute a new Lead Service Provider as the result of IFA's denial of the applicant's initial request for Lead Service Provider approval. However, IFA's pre-approval of a substitute Lead Service Provider will not be available to either: voluntary or required substitutions. Only Lead Service Provider approval requests received by IFA on or before the November 9, 2012 deadline will be reviewed for pre-approval. Therefore, if an applicant decides to make a voluntary substitution or is required to make a substitution in Lead Service Provider, the applicant may submit a new Lead Service Provider for approval at the time of application submission on or before December 10, 2012 but the application's Exhibit 1S submission must include all required Exhibit 1SA-LSP, 3SA-LSP and 4SA-LSP documents along with all other required Exhibit 1S documentation so that IFA can at that time make a determination regarding the substitute Lead Service Provider's eligibility status. IFA may determine the substitute Lead Service Provider is ineligible based upon the Exhibit 1SA-LSP, 3SA-LSP and 4SA-LSP documentation submitted at the time of application.

13

We have a question regarding the staffing requirements for supportive services. We understand the requirement that 10 hrs < or = to 36 LIHTC units and 20 hrs > LIHTC 36 units for staffing purposes, however, what happens with projects that are co – located? For instance, if we have 60 LIHTC units senior (55 and older) in one application and 36 LIHTC family units + a community center in another application and finally an application with 72 LIHTC family units and each application is seeking 20 points for Resident Populations for Special Needs and, for the sake of discussion, assume all three are funded in the same year. Is there any consideration if these proposed projects are across the parking lot from one another or would the requirement be as written be in place? In other words, would we need to staff 50 hrs of supportive services (20 + 10 + 20) or could we combine the family projects together for example and satisfy the staffing requirement with 40 hours of supportive services? (Added 11.9.12)

For scoring purposes, IFA has to review each LIHTC application submission independently, which means that as a stand-alone application, the proposed Project must meet all requirements of the QAP and the online application system (including the Exhibit 1S or Exhibit 1S-AAL, as applicable). We cannot "assume" facts not in evidence at the time of application.

14

For each Service/Activity do we need to list the Provider? For example, if they list ‘Summer Food Service Program’ do they need to list who provides that service? (Added 11.9.12)

The actual Service Provider entity for each Service/Activity listed in the application must complete the required Service Provider Form. One Service Provider entity cannot complete a form on behalf of a separate Service Provider that will actually be providing the service to tenants.

15

Do we need to have signed Service provider forms for each service activity the Lead brings to the project (and listed on the Lead Service Provider’s Service Provider form)? This form seems to be geared to the Lead Service Provider rather than the services and activities they arrange to be brought in by others. (Added 11.9.12)

The Lead Service Provider will complete a Service Provider Form listing each service or activity that the Lead Service Provider itself as an entity will be making available to tenants. If additional services will be offered through other local service providers, then the actual service provider committing to make available that service or activity must complete a separate Service Provider Form.

16

In the event we propose to use a LSP for Supportive Services at our property, as well as a second NP to provide a unique program, are we required to have all NP service providers pre-approved as LSPs or just the main provider? (Added 11.9.12)

Only the entity designated as the "Lead Service Provider" in the Project Team Tab must be pre-approved through the SA-LSP Exhibit submissions, which must be received by IFA on or before November 9.

17

If a Lead Service Provider can demonstrate at least two years of experience in providing services in Iowa, will IFA consider that sufficient to meet the experience requirement specified in the Lead Service Provider definition in the QAP - even if that service delivery experience is outside the community in which the project will be located? (Added 11.9.12)

IFA will consider a Lead Service Provider's relevant service delivery experience anywhere in the state of Iowa toward meeting the requirement that the Lead Service Provider must demonstrate a minimum of two years of experience in providing services in the market area. Make sure your Lead Service Provider is approved by IFA prior to submitting your Application on Dec.10, 2012.

18

Do you have to fully comply with the “Held for Occupancy” rule by the Placed in Service date? (Added 11.2.12)

If you have existing tenants who are qualified under the selected Resident Population with Special Needs, those tenants may be counted toward compliance. The project must comply with IFA's Held for Occupancy policy as turnover occurs and throughout the 15 year compliance period.

19

Is the number of hours relative to the number of units? (Added 11.2.12)

Refer to 2013 QAP Section 6-Resident Profile-Category3 -Resident Populations with Special Needs.

20

Where do I find the details about grants for supportive services as mentioned in the Developer Training session? (Added 11.2.12)

This was in reference to HUD Service Coordinator Grant Funding. Contact your local HUD Office.

21

Our lead service provider will be doing all of the on-site work with the tenants that our supportive services director refers to them. Since our director will not be on-site 10 hours per week should I list the lead service agency as the coordinator? (Added 11.2.12)

The entity listed in the Application as providing Service Coordination must meet the Service Coordination definition as set forth in the Exhibit 1S-Service Provider form.

22

If we do not end up utilizing the full 20% of accessible units for tenants needing those services, does the lead service provider still need to provide 10 hours a week on site, if we end up not having any tenants at that point in time who can utilize them? (Added 11.2.12)

The project must comply with all the Resident Population with Special Needs commitments throughout the 15 year compliance period.

23

We will have 48 units and a clubhouse already in place on our previous Phase I deal. We plan to have 32 units on our phase II deal. Can the "on-site" service coordination take place at the clubhouse located on Phase I? Or, does the "on-site" service coordination have to take place ON the Phase II land and site itself? (Added 11.2.12)

IFA will consider "on-site" service coordination on a case by case basis. Service Coordination meetings could also be held in the tenant's apartment as another on-site delivery option. The Applicant must address in the Application how the onsite location of service delivery will be accessible and feasible for tenant participation for the 15 year compliance period.

24

The service budget states a minimum of \$150/unit based upon the total number of project units. The Application added a new line item for the service coordinator in the projected operating costs. Is this to be a separate cost from the minimum \$150/unit or will the combined supportive services expense and the service coordinator expense be a minimum of \$150/unit?

If the Project will employ a service coordinator, the service coordinator expense is a separate line item but is included in the minimum \$150 per total project unit for supportive services.

25

Since only a maximum of 25% of the total Project Units may give preference in tenant selection to Resident Populations with Special Needs, does that mean a Project exclusively designed to serve Older Persons 62 and Older is excluded from seeking Resident Populations with Special Needs scoring consideration?

The 25% maximum referenced applies only to the Resident Populations with Special Needs scoring category. The change was made to better align IFA's LIHTC scoring policy with proposed changes in the Federal definition of community-based housing as relates to the Medicaid program. The Project's Resident Populations with Special Needs scoring commitments will be specified in the LURA as a maximum of 25% of the total Project Units as required to give preference in tenant selection to the elected target special needs population. The Project may serve additional Resident Populations with Special Needs households, including making a commitment that 100% of the units will serve Older Persons 62 and Older, but the LURA will require only up to the 25% maximum as a required commitment throughout the Compliance Period as specifically relates to the Resident Populations with Special Needs scoring category.

26

Can Resident Populations with Special Needs points be sought on a Section 8 property? What about a USDA Rural Development property?

IFA strongly advises any LIHTC applicant seeking scoring consideration under the Resident Populations with Special Needs category to discuss the applicant's intent directly with Iowa HUD, USDA Rural

Development, or any other funding agency staff that would be involved in the proposed Project for long-term compliance monitoring purposes. Concerns have been raised in particular as relates to tenant preference and Held for Occupancy requirements under the Resident Populations with Special Needs scoring category. The applicant is responsible for ensuring the Project can fulfill any scoring commitments made in the approved application, including those made under the Resident Populations with Special Needs category.

Resident Profile 4: Homeownership ROSE Program

1

What if you want to contribute more than \$50.00?

If you would like to contribute more, contact [Stacy Cunningham](#).

Resident Profile 5: Rent Reasonableness

1

Will IFA be using the 2013 Fair Market Rents as published on Hudus or the 2012 Fair Market Rents? (Added 11.30.12)

We will be using the 2013 FMR's as they were effective October 1st, 2012.

2

What if you have a Project Based Rental Assistant Contract but do not want to use it?

If you have a Project Based Rental Assistance Contract, you are not eligible for this category. If you have a Project Based Rental Assistance Contract, you must list in the On-line Application.

Location 3: Local Government Contribution

1

In the first paragraph under Local Contribution, the QAP allows 5 points for contributing 1% of project costs "derived from federal or LOCAL RESOURCES....." and goes on to specifically name enterprise zone credits. The application on the Funding tab for the section regarding funds from federal resources does not allow for EZ credit for the 5 points. The QAP and the application do not seem to agree. In the second paragraph of the QAP also recognizes EZ credits for the section not derived from Federal Sources that allows up to 45 points. Can we claim the 5 points under the first paragraph as well as up to 45 points in the second paragraph, and if so, how do we show it in the application? (Added 11.7.12)

You may claim up to 50 points under local contribution even if all of the points are derived from non-federal sources. (If some of the funds are derived from Federal Sources, then only 5 pts are available for the Federal Source amount, and then any remaining non-federal source funds may be available for up to an additional 45 pts). Please see the On-line Application Guide, B.12. Funding Sources Tab, for non-Federal, Local Contributions (item d, page 58) for the application data input.

2

What rate should we use to calculate the present value of the below market interest loan from Storm Lake? The rate is 0% 30 years deferred and the amount is 200,000. Using the AFR of 2.4%, the present value is calculated at 102,579 on this spreadsheet. Is this the correct way to calculate this? Market rate on long term debt is higher than 2.4%, more like 6-7%, should I use that number instead? (Added 12.7.12)

You may use a market rate between 6% and 7% to calculate the imputed savings. Provide an amortization schedule for both loans and calculate the total difference in the payment amounts over the loan period for the imputed savings.

3

When calculating contribution with a low interest loan, how do you determine the market rate? (Added 11.2.12)

Refer to a local syndicator or banker.

4

Do Grayfield or Brownfield tax credits (equity contribution) qualify as “local government contribution?”

No, refer to 2013 QAP Section 6-Location-Category 3 and Appendix 2.

5

How do you calculate the local gov’t contribution for a low interest rate mortgage?

You count the value of the imputed savings in interest. Support with an amortization schedule. See specific requirements in 2013 QAP Section 6-Location-Category 3.

6

If you have a scattered site project located on 2 political jurisdictions, how do you get/show points for local gov’t contribution?

Use 2 Exhibit 5S’s, indicate the contribution of the 2 cities in the Funding Sources Tab in the On-line Application.

7

Can you have federal sources for local government contribution?

Yes, this is limited to 5 points. Refer to 2013 QAP Section 6-Location-Category 3 and Appendix 2.

8

How do you show a gift of land?

The value must be supported with an appraisal. Refer to 2013 QAP Section 6-Location-Category 3 and Appendix 2.

9

Does the city contributing sewer hook-ups count as local government contribution?

Waiver of sewer hook-up fees is a local government contribution, however sewer extension costs are not eligible.

10

What if the utilities extend across property lines?

Waiver of sewer hook-up fees is a local government contribution however sewer extension costs are not eligible.

11

Do local housing trusts and loans count for local government contribution?

You count the value of the imputed savings in interest. Support with an amortization schedule. See specific requirements in 2013 QAP Section 6-Location-Category 3.

Building Characteristics 1: Market Appeal

1

For a scattered site ROSE project would a security system service like ADT or a Security Alarm monitoring company that monitors the property for break-in’s qualify? (Added 12.7.12)

It depends on the service provided by the third party. Refer to 2013 QAP Section 6-Building Characteristics-Category 1: Market Appeal.

2

Can you explain how I can receive the full 15 points for the security monitoring system? (Added 11.2.12)

You must select the Monitored Video Security System to receive points and you must be either an elderly project or a project that serves a Resident Population with Special Needs with a Medical Alert System.

3

Are there additional points for putting washers and dryers in the units in addition to the 5 points for washer / dryer hookups? (Added 11.2.12)

No.

4

It is stated “the security system must record the activity at all doors that access each unit, does this mean all sliding glass doors as well?

Yes. Refer to 2013 QAP Section 6-Building Characteristics-Category 1.

5

How many computers are required in a computer learning center?

1 per 24 units. Refer to 2013 QAP Appendix 1-G19.

6

Does garage income get added to cash flow?

If the garage costs are included in eligible basis then the garage costs are included as part of rent and additional fees cannot be charged. If garage costs are not included in eligible basis, income derived from the garages must be included in the cash flow.

Building Characteristics 2: Historic Significance

1

Is a letter from the state sufficient? (Added 11.2.12)

You must provide a letter and the application submitted to SHPO, indicating eligibility for the federal historic tax credits.

2

Can you receive points if you do not apply historic credits? (Added 11.2.12)

If you are eligible for historic credits, you will have to apply for them in order to be considered for points.

3

What happens if you have a syndicator that will not let you use state historic tax credits? (Added 11.2.12)

You are still required to apply for the state historic tax credits, if you are eligible. A developer loan is often listed in the Threshold Application to temporarily cover this amount.

4

If the project is currently not on the national register but is determined eligible by SHPO, what type of information does the need from SHPO to verify the property is eligible? Will a letter from SHPO suffice?

No, Provide a copy of the application and an indication of approval from SHPO.

Building Characteristics 3: Project-Based/VASH

1

Can a project qualify for the full points if 100% if the LIHTC units are covered by multiple Project - Based subsidies? (Added 12.7.12)

Yes, as long as appropriate documentation has been provided.

Building Characteristics 4: Construction/Unit Char

1

We would like to use cement board siding with 20% brick on our plans. Is this acceptable and if so, would we check the 100% cement board box on the application? (Added 11.30.12)

Yes, you would check 100% cement board in the scoring item for the exterior durability.

Building Characteristics 5: Olmstead Goals

1

Suppose a project has 100 units, and 25 of them are fully Accessible. That would be worth 5 points. If 25 of the remaining 75 units were Visitable, would that be worth an additional 2 points? (Added 11.16.12)

Refer to Section 6 Building Characteristics Category 5. Points for creating visitable units are not available to an applicant electing points under the handicap accessible section of this category.

2

If your property manager is not onsite but they go to the property for training (Mental Health Training) does that count? (Added 11.2.12)

Yes, the property management staff who will work with the tenants onsite and complete the required training will be eligible for points.

3

If you have a 2 level townhome what are the requirements for being handicap accessible threshold and points and requirements for being visitable? (Added 11.2.12)

Refer to the 2013 QAP Appendix 2-Glossary.

4

Do you need a chair lift, elevator etc in a single family home? (Added 11.2.12)

Yes, if it is multi-level and designated as one of the 5% HC units.

5

Are the requirements for handicap accessibility the same for the ROSE program? (Added 11.2.12)

Yes.

6

To be visitable, do all bedrooms need to be wider? (Added 11.2.12)

Refer to the 2013 QAP, Appendix 2-Glossary.

7

If a project is single family homes and does not have an on-site office may you have your property management staff attend the Mental Health First Aid or the Olmstead Consumer disability awareness trainings to receive the 2 points? They will be on-site when they are working with the tenants.

Yes, all Property Management staff who will work with tenants on-site, whether in a single-family or a multi-family property, must complete the required training.

Building Characteristics 8: Energy Efficiency

1

If a project is both acq/rehab and new construction, can an Applicant receive points for both energy efficiency areas for the acq/rehabilitation buildings and the new construction building(s)? (Added 11.2.12)

Both the new construction and rehab portions of the project would have to meet the corresponding points requirement, i.e., to get 10 points the new construction would have to meet a HERS rating of 74 and the rehab portion would have to exceed IECC by 10%.

Other 3: Qualified Development Team

1

The applicant for 2013 tax credits is developer of a project that had originally received an allocation of tax credits which was turned back for 1602 funding. The timing from the 1602 award to the project closing was less than 9 months. Can we claim points under QAP Part A, Section 6,

Category 3 for this project? If so should the Confirmation Form – Exhibit 14S be submitted to the housing finance agency that issued the 1602 funding award for certification with the certification being amended to reflect the project circumstances? (Added 11.9.12)

No. A project that used 1602 funds versus LIHTC does not qualify.

Other 5: Project Costs

1

If we are proposing an acquisition/rehabilitation project with a new construction of a residential building as well, how will you calculate points for the scoring category, “Other”, Project Costs since it is broken out for new construction and acq/rehabilitation projects? (Revised 11.16.12)

The percentage of new construction costs and rehab costs is applied to total projects costs respectively. Both requirements of new construction and rehab must be met to receive the maximum of 5 points.

For specific details, contact [Dave Vaske](#).

Section 7: Notice of Tax Credit Award

1

Will the rankmaster reflect the floating rate plus the 15% boost?

Yes it will be reflected in the Credit amount of the projects eligible for the 15% boost.

Section 7.2: Basis Boost

1

Will the projects located in the Qualified Census tracts be given the 30% boost like before?

Refer to 2013 QAP Section 7.2.1.

2

Do the Rural projects get a boost as well?

Refer to 2013 QAP Section 7.2.2.

3

Would IFA consider allowing a higher Basis boost if the project needs it to be feasible using the current floating rate.”

No, Refer to 2013 QAP Section 7.2.5.2.

Section 8.7: Form 8609

1

How do I secure certificate of completion of compliance training for our 8609.

Refer to 2013 QAP Section 8.7 and the most recent IFA Compliance Manual Section 2.2 (J).

Appendix F: Resident Populations with Special Need

1

In Appendix F, on the bottom of page 1, it says list of all services made available to tenants at no cost must be documented through Tenant Service Form. Is this Tenant Service form to be part of the application? If so, where exactly is it (Exhibit #?)? (Added 11.30.12)

The "Tenant Service Form" referenced at the bottom of page 1 in Appendix F has been corrected to reference the "Service Provider Form" requirement in the application, as noted in Exhibit 1S.

Appendix 1 F: Rehabilitation Standards

1

Our project is a rehabilitation of a property we already own. Our general contractor is interpreting item F13 on page 73 and paragraph J on page 78 of Appendix 1 of the QAP as requiring a Phase I Environmental Study for application submittal. Is a completed Phase 1 study required to be submitted with the application?(Added 11.16.12)

The Low Income Housing Tax Credit Program requires you to meet state and local standards as stated in 2013 QAP Appendix 1F. Generally a Phase I is not required at application; however, other federal, state or local entities may require other rehabilitation provisions/requirements.

Appendix 1 G: Minimum Development Characteristics

1

I am not seeing anything in the appendices that defines the Construction/Unit characteristics for Category 4.

Refer to the On-line Application. If the specific unit characteristic box is checked the requirement is specified in the description box.

Appendix 1 G19: Computer Learning Center

1

For single family homes would this requirement be met by providing an internet capable tablet computer?

No.

Appendix 1 H5: Submission of Site Characteristics

1

Will sites that flooded in 2008 (outside the 100 year flood plain) be considered as having detrimental site characteristics and be rejected at application? (Added 11.16.12)

Refer to 2013 QAP Appendix 1 H. If the site has had prior flooding issues, a mitigation plan is required.

Appendix 2: Glossary

1

Does Iowa have a held for occupancy policy?(Added 11.16.12)

Refer to 2013 QAP Appendix 2 – Glossary of Term – "Held for Occupancy" policy.

2

The terms "builder" and "developer" appear to be used somewhat interchangeably in the program's documents. Is this intentional or should the two always be considered separate and distinct? Specific examples pertain to fees and overhead and the correct calculation by each party if indeed the terms are to be considered separate and discrete. (Added 11.2.12)

These terms are separate and distinct. Refer to 2013 QAP Section 4.6.1 & 4.6.2.

3

What constitutes the definition of Rural?

A non-MSA city or county. Refer to IFA website for Appendix B for listing of MSA areas.

4

What constitutes a special needs unit?

Special Needs is determined by the resident population not by the unit. Refer to the definition of "Resident Population with Special Needs" in the 2013 QAP, Appendix 2-Glossary.

5

Do units targeting the hearing impaired/deaf special needs population qualify in the lowa program?

Yes, all Project Units must be designed and suitable for occupancy by the targeted Resident Populations with Special Needs. Minimum handicapped accessibility requirements must be met as stated in 2013 QAP Appendix 1-G17. Contact [Terri Rosonke](#) before Application due date for further guidance.

6

In regards to storage units, do you want a separate area in the garage? Would unfinished basements count as storage areas?

A separate area must be defined as stated in 2013 QAP Appendix 2.

7

What is IFA's definition of "service coordination?"

The definition of "Service Coordination" is provided in Exhibit 1S on the Service Provider Form as follows: Service Coordination: The activities carried out by a Service Coordinator position to provide information and referrals to tenants who need supportive services to maintain self-sufficiency and achieve greater economic security. Service Coordinators typically have social work or human services education and experience. Service Coordinators provide assistance and access to community-based supports, skills training, and resources for tenants to achieve self-sufficiency and economic independence. Service Coordinators also assist in identifying, locating, and acquiring the services necessary for Older Persons, Frail Older Persons, or Persons with Disabilities to maintain their independence and remain in their own homes, helping to avoid admission to more costly institutionalized care.

8

What does Visitable mean?

Refer to 2013 QAP Appendix 2.

9

Do garages get calculated in eligible basis?

Refer to 2013 QAP Appendix 2.

Online Application

1

As far as electronic signature – in previous applications we have cut and paste our CEO's signature – is this sufficient? (Added 11.30.12)

We need an original signature with the document scanned and provided to IFA.

2

Is the scattered site still just one box? (Added 11.2.12)

Yes, there is one box for all legal descriptions.

3

Do you know who at IFA I should contact for problems with accessing the On-line Tax Credit Application?

Refer to 2013 On- line Application Guide Section A.

4

How do you know what errors you have on the on line application?

Refer to 2013 On- line Application Guide Section A4.

5

Can you add text to boxes?

Description boxes are not editable unless specified. Refer to On-line Application Guide A9.

6

If documents that are supposed to be executed by a certain time frame, will the system alert you?

In some cases but not all.

Online Application: Ownership Entity Tab

1

For the mandatory Developer Training information – there is only one line for the attendee. It also references attendee agency and attendance date. There is no place for entering relationship to the developer and the person responsible for the data input. (Added 11.2.12)

Enter the relationship on the Project Team Tab for the Developer.

Online Application: Project Name and Location Tab

1

We have parcel numbers only that have not been assigned addresses. What shall we use as the address? (Added 12.7.12)

You can use coordinates or the nearest street intersections.

2

In the on-line application tab: “Project Name and Location” >the address box does not pull-up or down for primary address. (Added 11.16.12)

The primary address won't fill in from the Buildings Tab until the building address has been entered and marked as primary address.

Online Application: Project Description Tab

1

What must we do to seek IFA's recognition of HUD's age waivers? (Added 11.21.12)

IFA will recognize an age waiver from HUD that is in effect at the time of move in of tenants under the age of 62. An age waiver is not required for a tenant under the age of 62 with mobility impairment if this is designated in the HUD Regulatory Agreement.

2

Can a project elect “older persons 55” as Occupancy Type on the Project Description tab for targeting purposes but then also “Older Persons 62 and older” as the Special Needs type? (Added 11.9.12)

If a project is going to have an Occupancy type of Older Persons 55 and older, the project cannot have a Resident Populations with Special Needs of Older Persons 62 and older. However, a project selecting Older Person 55 and Older as an Occupancy type would be able to select a Resident Population with Special Needs of frail elderly.

3

Can a family project select the Older Persons 62 and Older as their target population? We know that HUD allows a set-aside for 62 and older from a fair housing perspective but I just wanted to make sure that IFA will accept that. In this scenario, there is a 32-unit development, of which 8 units will be set aside for older persons 62 and older. The rest of the development will not be age restricted. (Added 11.9.12)

No, a family project cannot select "Older Persons 62 and Older" as a Resident Populations with Special Needs target population.

4

What if you are located on more than 1 political jurisdiction?

Refer to On-line Application Guide B1b.

5

What do you do if you have adaptive/reuse and new units?

Mark both on the Project Description Tab on the On-line Application.

6

What are the requirements for laundry facilities for threshold and the requirements laundry facilities for points?

For minimum requirements refer to 2013 QAP Appendix 1-G15. For scoring requirements refer to 2013 QAP Section 6- Building Characteristics- Category 1.

Online Application: Special Needs Tab

1

What, exactly, is required to be submitted for Special Needs projects by the November 9 deadline? What can wait to be submitted by the December 10 application deadline?

Refer to On Line Application Guide B3 and B18c and 2013 QAP Section 1.

Online Application: Project Team Tab

1

Does the owner entity need to be filled out under the Project Team tab? If so, what is the “Team Member Type” in the drop down box? (Added 11.30.12)

No. The ownership entity is only entered in the Ownership Entity Tab.

2

We have a general Attorney providing real estate and organizational development support. Do they need to be listed as a team member and if so, what is the “Team Member Type” in the drop down box? (Added 11.30.12)

The attorney that should be listed in the Project Team Member tab is the Tax Attorney.

3

What is the role of the Energy Consultant? I saw that it was mandatory in the QAP. (Added 11.30.12)

This was defined in the Developer Training and is referenced in the 2013 QAP Appendix 1.

4

Are we required to include the phone number and e-mail addresses for our Board Members and officers? We are a large organization and have 5 board members. I noticed that these did not have the red *. (Added 11.30.12)

That information is not required of Stakeholders but it is required of Team Members.

5

In regards to the Team Member section on the Project Team tab: If the team member is an S-Corporation, should “Corp. S/Inc.” be chosen as the business type or should “Other?” (Added 11.2.12)

Use Corporation.

6

I can't seem to find anywhere to select that our property management staff will take the Olmstead training for 2 points. (Added 11.2.12)

Project Team Tab – Management Company. The question is at the bottom of this page. Check the onsite staff box and enter the number of property management staff who will work with the tenants and will complete the required training.

7

On the stakeholder section of the developer information it will not let me enter any stakeholders. I enter the data for a stakeholder but when I click save changes or save changes and close I get this error message: **Procedure or function CommonTACStakeholder Insert has too many arguments specified. I only have one box checked when this occurs.**

On-line Application coding has been fixed.

Online Application: Project Amenities Tab

1

Our question is related to our project which contains 96 units. 64 of those units are spread across three traditional 3-story apartments' buildings that are virtually 100% brick. The other 32 units are spread across eight townhome-style buildings that are traditional siding with no brick. Does having 64 of the 96 units (66.6%) located in a brick structure qualify us to receive points under this category? (Added 12.7.12)

Each individual building has to meet the 60 % requirement. You would have to add 60% gross exterior (excluding window and door areas), of brick, stone, stucco over masonry, architectural CMU block, pre-cast concrete wall panels to the townhouses to meet the requirement.

2

Are there specific requirements, in terms of what is needed, in a fitness center? (Added 11.2.12)

Yes, this scoring related item is in the Online Application under Project Amenities.

3

Are storage units required in each unit or just in the LIHTC units? (Added 11.2.12)

If the Applicant makes this scoring selection, storage units are required for all units.

4

Per the Glossary of Terms, on page 81 of the QAP, are points awarded for having a "Community Room" located on the project and of certain size (at least 20 s.f. per unit in size)? If so, how many points? I see the box to check for "Community Room" in the online application. I just don't see that we get any points for providing a "Community Room" that is at least 20 s.f. per unit in size.

There are no points for having a Community Room. It is an optional amenity.

5

Building Characteristics – Bike Racks – worth 2 points. We must "Provide bike racks that are adjacent to the primary entrance of each building. The area must be lighted and in close proximity to a paved path that leads to a recreation trail or safe entrance to a public street." We have no 'primary entrances' or common hall entrances to our buildings. Where/how should we place the bike racks? How many bike racks? If we have 16 units per building, do we need 16 bike rack spaces?

Provide a bike rack in front of each building.

6

If you don't say you are going to have, i.e. garbage disposals, are you allowed to add them at a later date?

Yes.

Online Application: Building Tab

1

How do we find the most recent utility allowances for our county? (Added 11.30.12)

Contact the local Public Housing Authority that covers your county.

2

We plan to renovate a former elementary school (adaptive reuse) into 18 apartment units. On the former playground, we plan to develop additional 28 units in a new building. The two structures will be physically connected by a short hallway. Should two (2) buildings be created in the Buildings Tab; one building being "Acquired" and the other building "New"? (Added 11.16.12)

A building can contain new construction and rehab costs. If this is your intent, your project will be considered a single building and you must provide the appropriate breakdown in the application for the new construction and rehab costs.

3

When entering a 4 bedroom unit with the correct utility allowance it shows up as being below the FMR. However if I try to show this unit as a HOME unit it says it is over the FMR even though the numbers on the screen show it to be below the FMR as well as below the HOME rent (including the utility allowance). I am not having this problem on the 3 bedroom units, only the 4. (Revised 11.16.12)

The On-line Application coding has been updated.

4

Our project has a HAP contract which includes IFA approved utility allowances that differ from the most recent utility allowance worksheet obtained from the local housing authority. Can you please advise me as to which utility allowance figures we should use as part of fulfilling Exhibit 11T? (Added 11.2.12)

The HUD rent schedule does only show the total amount; however, the current owner of the project would have the information submitted to HUD or IFA Section 8 to get the utility allowance approved.

5

The income limits and utility allowances change on or about December 1st each year. Is it necessary to have the most updated income limits and utility allowances for 12/12/12 application purposes? Or can we use the income limits and utility allowances that are dated prior to 12/1/2012?

Refer to the Online Application Guide B18a for utility documentation (Exhibit 11T).

6

Rural Development does not break down the utility allowance, you get a lump sum. Where do you enter this?

Provide USDA Form RD 3560-7 Multiple Family Housing project budget/utility allowance part IVC.

7

When the utility allowance is updated Dec 1st, how will IFA handle this?

It will be acceptable if it is within 30 days of the Application submission date and a letter has been provided from the utility allowance provider stating the form provided with the application is still current.

8

Can you count Visitable units in the handicap accessible units?

No, these are in addition to the handicap units. Refer to 2013 QAP Section 6-Building Characteristics-Category 5.

9

If you have a 100% handicap accessible projects, can you get visitable unit points?

No, refer to 2013 QAP Section 6-Building Characteristics-Category 5.

10

What do you put as an acquisition date if you are doing a rehab only project?

When the owner originally acquired it.

Online Application: Projected Cash Flow Tab

1

Where do you show if someone is contributing the money for the service coordinator?

In the Projected Cash Flow Tab→Other→Explain we may want paperwork to back this up in the deficiency phase.

Online Application: Costs and Credits Tab

1

Is a waiver of fees put in the cost/calc? (Added 11.2.12)

It is not a cost, so it is not listed.

Online Application: Projected Operating Cost Tab

1

We are planning on having a 20/hour a week service coordinator for the project. The estimated cost exceeds the minimum requirement of \$150/unit for the service budget. Per your requirements we will show the additional cost in the operating expense line item of service coordinator – employee. This additional cost will not be included in the operating expense per your model. In our financial model we have sufficient net cash flow to pay these additional costs as well as the developer fee during the compliance period. Is this sufficient that the source to pay for the additional costs will come from net cash flow? In addition how do you want us to document this? (Added 11.21.12)

It must be shown as a supportive services line item in operating expenses. An option would be to include the supportive services 15 year annual operating expenses in a reserve account in the project cost in the Cost and Credit Calc tab.

Exhibits

1

We noticed that the training manual guide was updated – revised to 10.30.12 and some exhibits were also updated. Will there be more updates to the training manual and the exhibits or are these now final? (Added 11.2.12)

The On-Line Application Guide is updated on a continual basis. IFA will note the revisions.

All Exhibits are final as of 11.2.2013.

2

Can you use 2012 or prior Exhibits?

No, you can ONLY use 2013 Exhibits. Refer to the Online Application Guide B18.

Exhibit 2T

1

I have exhibit 2T but I can not see it on the site as an exhibit that can be uploaded. How can we upload? (Added 11.30.12)

Refer to the Online Application Training Guide Section B18 2T. This exhibit is only required if it is requested by IFA.

Exhibit 8T: Eligibility Under 10 Year Rule

1

What do you do if you are rural development project and you have an exemption from the ten-year rule?

There is a place on Exhibit 8T to explain any exemptions.

Exhibit 14T: Waiver of Square Footage Minimum

1

When is the 14T due? (Added 11.2.12)

Final due date is November 26th.

2

Can we submit “as built” 14T? (Added 11.2.12)

Submit "as built" and any planned revisions to floor plans. We want to see a before and after.

3

What happens if you are doing a rehab, but one unit does not meet sq ftg? (Added 11.2.12)

If you qualify for any of the exemptions as noted in Appendix 1-G23, you must submit an Exhibit 14T.

Exhibits 15T, 16T & 17T: Auth. of Release & 8823

1

On Paragraph F where you state..."List all current and previous state agency programs which you have participated in addition to the LIHTC Program", are you referring to that state that we are submitting the Exhibit? Example if I have the Exhibit 15T for projects in Tennessee, would this question pertain to Tennessee only. (Added 12.7.12)

If you are sending a 15T & 16T to a state you have tax credits in, you must disclose if you have been involved in other programs within that state.

2

We are seeking clarification on what is meant on the tax credit application exhibit 16T by the following column heading with the yes/no question. State Non-Compliance Requirement Issued Yes or No? (Added 11.30.12)

Refer to Exhibit 15-17T Question 2 in the Q & A. States may be more restrictive than the IRS and issue a state non-compliance.

3

Do you want shown all 8823s that have been corrected in the last 12 months AND non-corrected in the last 36 months? (Added 11.16.12)

Yes. The last twelve months for both: inspections or annual reports. Not all properties will have had an inspection in the last 12 months.

4

On the exhibit 16T there is a column that says "state requirement non-compliance issued yes or no". Does that mean a violation with a state imposed rule and not an IRS one? (Added 11.16.12)

Yes, this means if Iowa or another state has notified you of non-compliance other than an IRS 8823.

5

The instructions state that Section 1 "Must be completed by Developer/Co-Developer, General Partner, Managing Member and Ownership Interest. A strict reading would indicate that all of the listed entities need to complete the form because of the word "and," but we think that isn't the case because there is only room on the form for one entity's information in Section D. Are we correct that only one of the entities needs to complete the form? (Added 11.2.12)

For any project Team Member that has an ownership interest, an Exhibit 15 T & 16T must be completed for each state.

6

We own and/or manage numerous LIHTC properties, but have never developed one. On our LIHTC application, the Developer, Managing Member, and Ownership entity are all newly created entities which have not conducted any business as of yet. A strict reading of Section E, "List all LIHTC properties developed or managed by the above-referenced Developer/Co-developer, General Partner & Managing Member or Owner" would have us leaving the section blank because our newly created Developer, Managing Member, and Ownership Entity did not develop and do not manage any LIHTC properties. (Added 11.2.12)

If any Ownership Interest of the Ownership Entity has been awarded tax credits, they must complete the form.

7

If we are required to complete Section E, would we leave the Association column blank? Our thinking here is that neither the Developer/Co-developer, General Partner & Managing Member or

Owner that is listed in our LIHTC application was the Developer, Co-developer, General Partner, Managing Member, or owner of the various LIHTC projects that we own and/or manage. (Added 11.2.12)

See above.

8

Do we have to disclose all 8823s?

You must disclose all 8823s from last 12 months and any non-corrected 8823as for the past 3 years.

Exhibit 18T: 3 Years Financial Statements

1

When in the process would these be requested?

At IFA's discretion.

Exhibit 19T: 20 Mile Radius Confirmation

1

How is this calculated?

If unsure on how to calculate the 20 mile radius, show all building addresses on a Google map and submit to IFA prior to Application Submission.

SA-LSP Exhibits

1

Do we need to upload Exhibit 5SA if we uploaded Exhibit 1-4SA and the Nonprofit has been approved? (Added 11.30.12)

Exhibit 5SA is required only for non-profits who were previously approved from prior allocation rounds. Refer to Appendix K and Online Application Guide – Exhibits.

2

Is November 9th a hard deadline to submit SA-LSP? (Added 11.9.12)

As noted in the 2013 QAP and as mentioned in the Developer Training Sessions held at IFA the week of October 15, 2012, the Lead Service Provider exhibits are due to IFA by November 9, 2012. No extensions are allowed.

3

When are the lead service provider forms, marketing plan, and MOU due? (Added 11.9.12)

Exhibits 1SA-LSP, 3SA-LSP and 4SA-LSP must be submitted by November 9. Exhibit 1S or Exhibit 1S-AAL, as applicable, must be submitted by December 10 as part of the complete application submission.

4

What are the required uploads for Exhibit 1S and how should they be uploaded? (Added 11.9.12)

The Service Provider Form(s), Marketing Plan and Supportive Services MOU should be submitted in this order as a single PDF file. Please refer to the Special Needs Tab of the online application to review the additional required applicant commitments for scoring purposes.

5

Do we have to submit a "Comprehensive Supportive Services Plan" as part of our Exhibit 1S submittal? (Added 11.9.12)

No, please refer to the Exhibit 1S upload requirements.

6

Can we submit our Exhibit 1S to Terri Rosonke of IFA for a preliminary review again this year? If we can do this, by when do we need to do so? (Added 11.9.12)

In the past, IFA has reviewed and offered feedback on Comprehensive Supportive Services Plan submissions prior to an established deadline. Since this document is no longer a requirement under Exhibit 1S, no preliminary reviews are necessary. Specific questions regarding Exhibit 1S requirements may be submitted through the Q&A prior to 4:30pm Wednesday December 5, 2012.

7

Is it acceptable to IFA to submit two sets of non-profit documents? We are working with two agencies, and have not yet worked out which agency will be a better fit with the project, so we want to submit documentation for both agencies, as one agency will be selected to be the lead service provider for the final application. (Added 11.9.12)

Yes, approval may be requested for a maximum of two Lead Service Provider entities on or prior to November 9, 2012.

8

We uploaded the three required LSP exhibits, and added the LSP Team Member, and then hit "Request NP Approval" button. When I do this, I get error messages requesting the 1SA-4SA Exhibits. Is there another way to submit it other than this button? (Added 11.9.12)

Upload the SA-LSP documents on the Exhibits Tab. This will trigger an email notification to IFA staff for review.

9

When are they due, and how do you submit them? (Added 11.2.12)

Upload all of the required non-profit exhibits in the Exhibits tab of the application and then go to the Project Team Tab and select the box "Request Non-Profit Approval". This must be done before November 9, 2012.

10

Do you have to provide LSP Exhibits if you are not going for the nonprofit set aside? (Added 11.2.12)

Yes, if you are going to seek points for the Resident Populations with Special Needs.

11

We will have a lead service provider and will try for the 20 points for serving resident populations with special needs. We will not pursue a Non-Profit set-aside. Additionally, the non-profit we hope to partner with is a previously approved nonprofit entity (they have been approved as a lead service provider and NP for previous IFA deals – but not OUR previous IFA deals). Regarding Exhibits 1SA through 5SA, will we then only need to fill out Exhibit 5SA here? Exhibit 5SA states: "This is the only SA Exhibit a previously approved NP entity must submit to IFA to continue its approval as a NP entity." Do we need to fill out Exhibit 1SA through 5SA. Also, Exhibit 1SA and 1SA-LSP, as well as Exhibits 3SA and 3SA-LSP, and Exhibits 4SA and 4SA-LSP seem repetitive of one another. Do we need to submit both a 4SA and a 4SA-LSP exhibit? Same goes for 1SA and 1SA-LSP (both of them?), as well as 3SA and 3SA-LSP (both of them?) (Added 11.2.12)

To apply for the Non-Profit Set Aside you need to provide Exhibits 1-SA thru 5SA. To apply for points for the Resident Populations with Special Needs you must submit Exhibits 1SA-LSP thru 4SA-LSP.

12

What does "file-stamped" mean?

"File stamped" Articles of Incorporation means the stamped document verifying that the Articles of Incorporation have been recorded with the Iowa Secretary of State's office. You can usually access the filed Articles of Incorporation online through a Business Entities search on the Secretary of State's web site or the LSP will have to provide this document for you.

13

What are examples of "Other items that demonstrate satisfaction of the 2-yr. requirement for providing such services in the market area"?

Other items demonstrating satisfaction of the 2-year requirement for providing such services in the market area may include, but are not necessarily limited to the following: by-laws, annual reports or brochures.

14

What are examples of “other documentation that demonstrates the Lead Service Provider Nonprofit’s capacity to materially participate in service delivery to tenants through the compliance period”?

Please submit a resume for the LSP as an agency or other written narrative describing the LSP’s service delivery history, capacity and experience. Your goal with this submission is to demonstrate to IFA that the LSP has the capacity to participate in service delivery to tenants throughout the 15-year LIHTC compliance period.

15

Do we need to submit the 1SA-LSP, 3SA-LSP, and 4SA-LSP Exhibits only if we are also applying for Nonprofit Set-Aside?

No, the SA-LSP Exhibits are not related to the Nonprofit Set-Aside. Any applicant seeking scoring consideration under the Resident Populations with Special Needs category must specify a Lead Service Provider as a mandatory Project Team member and, therefore, must submit the required 1SA-LSP, 3SA-LSP, and 4SA-LSP Exhibits by on or about November 9, 2012. If the applicant is not seeking points for Resident Populations with Special Needs, then no SA-LSP submission is required.

16

How do we submit the 1SA-LSP, 3SA-LSP, and 4SA-LSP Exhibits and request IFA approval of the Lead Service Provider?

Submit the Lead Service Provider Approval Request through the Project Team Tab after uploading the required Exhibits in the Exhibits Tab.

Exhibits: Scoring 1S - Residents with Special Needs

1

In the case of one of our LSPs, there is an interim CEO and she prefers to wait to sign MOU until there is a permanent CEO. This is too late for the Dec 30 deadline. We plan to go the route of employee rather than LSP. Is this acceptable? (Added 12.7.12)

The applicant’s Exhibit 1S submission must include a Supportive Services MOU executed by the Ownership Entity or Developer, Lead Service Provider, and Management Company to be eligible for scoring consideration. Having a Service Coordinator Employee does not negate the MOU requirement. Rather, only the required language in the MOU relating to the Lead Service Provider’s commitment to provide Service Coordination under “Scope of Services” as noted in the Exhibit 1S would no longer be applicable.

2

Exhibit 1S specifies that Tenant Services Certification forms must be obtained at least annually signed by service providers documenting services made available to tenants and the number of tenants participating in the services. Is this form the same as the Service Provider Form? If not, is there an example of the Tenant Services Certification form available and how is it accessed? (Added 11.21.12)

The Tenant Services Certification form will be provided at a later date. This form is not the same as the Services Provider Form.

3

Can you select more than one Resident Population?

Yes, but it must make sense for the proposed service-enriched housing project. If you are considering selecting more than one Resident Population with Special Needs, please consider discussing with [Terri Rosonke](#) prior to application submission.

4

Does 10-20 hours include case management or service coordination?

“Service Coordination” is defined in Exhibit - 1S on the Service Provider Form and requires only service coordination as defined – not case management.

Exhibits: Scoring 3S - Location Near Services

1

Is the deciding criteria is that it is on a Google map? (Added 11.2.12)

Refer to 2013 QAP Section 6-Location-Category 1.

2

What if your street is not yet built? (Added 11.2.12)

Provide a request for the use of an alternative method to Dave.Vaske@iowa.gov, prior to submission of the Application.

Exhibits: Scoring 5S-Local Government Contribution

1

Can you please confirm that a completed and signed Exhibit 5S is sufficient for the local contribution? I don't see any other material that is required to be submitted. Please advise if there is additional information that must be submitted at time of application. (Added 12.7.12)

The 5S form must be signed by either the City or County. You may submit more than one 5S – e.g. if you are receiving funds from both a City and a County, then each jurisdiction will need to sign one to verify the funding.

2

We have been awarded EZ credits related to a couple of different projects. It was approved at local and state level. The state has said they are not the correct entity to sign the Exhibit 5S. Can Exhibit 5S, with respect to the enterprise zone credit contribution, be signed by the city or the county? Is either acceptable? We have one county where the city prefers to sign and another where the county agency prefers to sign. Is either ok? Or does IFA require City to sign? (Added 12.7.12)

The 5S form must be signed by either the City or County. You may submit more than one 5S – e.g. if you are receiving funds from both a City and a County, then each jurisdiction will need to sign one to verify the funding.

3

It states on 5S that the 50 point section is only for federal contribution but the QAP and online application say it can be federal or local. I had asked Dave about this section when we met and he said that if you had a donation that was large enough to cover the percentages for both parts that it would count for the full 50 points. It was a local contribution. Does the form need updated? (Revised 11.16.12)

Exhibit 5S has been updated.

Exhibits: Building 5B - Site Plans

1

If one side of the project is an alleyway, how do you want the site pictures from that side? (Added 11.2.12)

Take the pictures from an angle.

2

For new construction projects of single family homes that will be built on raw land with no discernible lot lines or addresses assigned yet are 8 photos of the land from the appropriate directions sufficient? (Added 11.2.12)

Yes, the 8 photos are sufficient.

Exhibits: Building - 8B Plans & Specifications

1

What do you want to see on the plans? (Added 11.2.12)

Anything promised for points or as amenities in the application needs to be indicated in the plans or the outline specifications. In addition, the plans should be at a schematic design level of completion with all the items listed in the Exhibit description in the application.

2

Do you have to show handicap and Visitable units?

Yes, Refer to the On-line Application Guide B11

3

Do you want the whole building in the floor plan?

Yes, schematic level. If any questions contact [John Kerss](#).

Exhibits: Scoring - 14S Equity Invest Confirmation

1

How do you claim points for closing on a 2012 project within 9 months? We have uploaded Exhibit 14S but we are not getting points. (Added 11.30.12)

Please refer to the Online Application Guide, Section A.5 (d). The applicable questions are listed in the Project Team Tab under Developer/Co-Developer and General Partner/Managing Member.

Expired