

UPDATED FINAL 2017 LIHTC QAP – Online Application Q & A



2017 QAP

2.2.1 Nonprofit Set-Aside

If a Project is awarded under the Nonprofit set-aside with 2 Co-General Partners, of which one is the qualified Nonprofit, could these 2 Co-General Partners be combined at a later date into 1 entity with each having 50% interest?

No, this would not be allowed since you are requesting the Nonprofit Set-aside.

2.2.2 Housing for the Homeless Set-Aside

For the Homeless Set Aside, I believe we are exempt from having to fill out the targeting plan from how the QAP reads? However it shows up on the application as a requirement. Please advise.

You need to fill in the Affirmative Fair Housing Marketing Plan contact information on the Targeting Plan Tab. The Homeless Set-Aside Applicants are exempt from the Targeting Plan requirements.

Can the homeless set aside application be submitted to the general pool if not selected as the 1 homeless set aside project?

No, the homeless set-aside applicant cannot apply to the general pool, see section 2.2 – Set-Asides.

2.2.3 Preservation Set-Aside

We are trying to assess if the project would qualify within the preservation set-aside and cannot find Iowa's definition on your website. Could you please direct me to where I could obtain that information and/or the appropriate staff person to discuss a potential application with?

Please see the preservation description within Section 2.2.3 of the 2017 QAP.

2.3 Tax Credit Cap for Single Developer/Project

How will the QAP Section 2.3, Tax Credit Cap for Single Developer/Project be applied if I structure my project as follows: The Developer is receiving 100% of the Developer fee, but has only 50% of the ownership entity/GP/MM. The other 50% owner qualifies for the experience points in Iowa in QAP Section 6.4.2.

IFA will assign 100% of the awarded tax credits for this project to the Developer and 50% of the award to the other 50% owner entity who qualified for the points.

3.2.1.1 Mandatory Training

We have a client that attended a mandatory training session in 2013 and has been a member of the general partner in 2014 and 2016 submitted applications. The 2014 application was funded and has received an 8609. The 2016 application was not awarded. The client was not in the developer entity, only the ownership entity in both of these earlier deals. In this application, our

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client will be in both the ownership and developer entities. Can you confirm that this client is not required to attend the mandatory developer training?

If your client was not the Developer who has submitted an Application to IFA in the three previous nine percent (9%) LIHTC rounds, then attendance at the Mandatory Developer Training held September 20, 2016 would have been required. Refer to QAP Section 3.2.1.1.

3.3.6 Authorization Forms

The QAP states in section 3.3.6 that “IFA may request an executed IRS Form 8821, Tax Information Authorization Form, for each Developer for sharing of information between IFA and the IRS.” When during the application process does IFA determine that it needs these forms? Do we submit the application without the 8821s and provide when/if IFA requests them?

Yes, submit the application without the IRS Form 8821. If IFA deems it necessary, we will request this form during the deficiency period.

4 Underwriting

Can projects use Workforce Housing Tax Credits as a source of funding?
Yes, this will be added to the Funding Sources Tab in the online application. A commitment letter is required.

4.6.2 Builder and Contractor Fees

What makes up the 12% fee amount for the builder and contractor fees? I assume profit; does it also include either General Conditions/Requirements and/or Overhead?

General Requirements, Builder Overhead and Profit

4.9 Cost Caps

If a portion of the developer fee is deferred, does the calculation of total project cost get reduced by that amount that is being deferred?

Refer to QAP Section 4.9.

4.11 National Housing Trust Fund

Will National Housing Trust Fund funding be available for the 2017 9% LIHTC Round?

No, NHTF funding will not be available in time for the 2017 9% LIHTC Round.

5.4.1.1 Land/Acquisition with an Identity of Interest

This section requires an appraisal for land and buildings which are acquired from a party with an Identity of Interest. If there is to be no acquisition cost for the project, is an appraisal still required?

For threshold purposes, an appraisal would not be required if there were not any acquisition costs entered into the Cost and Credit Calc Tab in the online application.

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For scoring purposes, an appraisal would be required for a gift of land under QAP Section 6.2.4.1.

5.14 Targeting Plan

Can you clarify what exactly is needed for the targeting plan section of the application? The QAP states that a signed targeting plan agreement is not submitted to IFA until we submit the carryover package. Similarly, the QAP states that the targeting plan itself is not needed until at least 120 days prior to the first unit being placed in service. The online application form does not seem to require anything but the contact information for our local lead agency partner, but we are wondering if a draft of the agreement is required somewhere.

Also, is there a template for a targeting plan agreement somewhere, like there is for the targeting plan in Appendix F?

To meet the Targeting Plan requirements for the Threshold Application, the applicant must complete all of the required information under the Targeting Plan tab in the online application. A draft Targeting Plan Agreement is not needed with the Threshold Application. As stated in section 5.14 of the QAP, a Targeting Plan Agreement executed by all parties must be submitted to IFA with the Carryover Package and the complete draft Targeting Plan must be submitted to IFA no later than 120 days prior to the first Unit being Placed-in-Service.

The Targeting Plan Template, including a sample Targeting Plan Agreement (see Section 4, Certification and Memorandum of Understanding), can be found on IFA's web site here: Appendix F - Targeting Plan Template.

Section 6 – Scoring

With the IFA MF Construction loan scoring section being removed from the Final QAP, are IFA MF Construction loans available?

Yes, contact Tim.Morlan@iowa.gov

6.2.1 Great Places

Where do I find the Great Places Community list from the Dept. of Cultural Affairs?

IFA shall consult with the Department of Cultural Affairs to determine if a Project is within a project identified in an Iowa Great Places agreement that has been designated by the Iowa Great Places Board for participation in the program within the last three years, pursuant to Section 303.3C, subsection 4 of the Iowa Code.

6.2.2 Density

Thank you posting an updated Appendix L, unfortunately TAC replies with the following error message although the election of 3 points for the census tract per the updated Appendix L is correct. "Project must be located in a census tract that has between 10.00% and 20.00% of LIHTC Units per household in order to elect Density points."

The online application (TAC) has been corrected.

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QAP section 6.2.2 and Appendix L do not state the same density requirement for 3 points. Understanding the QAP prevails is such matters, when will a new Appendix L be available and when will TAC reflect the correction?

Appendix L has been corrected to match QAP Section 6.2.2. The online application (TAC) coding and language already matched QAP Section 6.2.2, therefore no update was necessary.

6.2.4.1 Local Government Contribution

This section requires an appraisal for land and buildings which are acquired from a party with an Identity of Interest. If there is to be no acquisition cost for the project, is an appraisal still required?

For threshold purposes, an appraisal would not be required if there were not any acquisition costs entered into the Cost and Credit Calc Tab in the online application.

For scoring purposes, an appraisal would be required for a gift of land under QAP Section 6.2.4.1.

How will you calculate the imputed savings value for a below market interest rate loan that has an annual interest only payment and a balloon payment in year 20?

The imputed value savings will be calculated based on the actual loan terms in comparison to a fully amortized loan with a maximum amortization period of 30 years and a maximum loan term of 20 years at 6%. Example:

	<i>Actual Loan</i>	<i>Fully Amortized Loan</i>	<i>Imputed Savings Value</i>
<i>Loan Amount</i>	<i>\$100,000</i>	<i>\$100,000</i>	
<i>Interest Rate</i>	<i>1%</i>	<i>6%</i>	
<i>Loan Term</i>	<i>20 years</i>	<i>20 years</i>	
<i>Amort Period</i>	<i>NA</i>	<i>30 years</i>	
<i>Annual Payment</i>	<i>\$1,000 (interest only)</i>	<i>\$7,265</i>	
<i>Total Loan interest</i>	<i>\$20,000</i>	<i>\$98,768</i>	<i>\$78,768</i>

Will a commitment of City HOME funds structured as a below-market interest rate be scored as the value of the principal amount or as the difference in the interest to be repaid amount? For example, will a HOME loan of \$250,000 be scored as \$250,000 or scored as the value of the imputed savings from 1% interested rate vs. a market rate of 6%? Should both boxes be checked and completed on Exhibit 5S?

Points are calculated based on the City HOME loan amount. This funding source will be marked as a City HOME loan and not as a below market rate loan in the online application.

Will IFA accept a signed Tax Increment Financing Commitment Letter from a city community development department? The subject property is located within a City Council approved TIF district?

No, a project specific city council resolution is required.

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We are acquiring land from the city and making a down payment on the land and the city is providing a below market interest rate loan; would this be marked as a gift of land or a below market interest rate loan? Also, would an appraisal be necessary?

The land purchase would be a separate transaction with the city and the below market interest rate loan would be listed as a separate funding source. We may require an appraisal if reasonable cause exists to question the fair market value of the land and/or buildings acquired.

6.2.4.2 Local Community Contribution

A local utility is willing to contribute in-kind contribution of fiber costs and electric meter costs to the project--direct costs that our project would have had to pay for. Would the initial intent for Local Community Contribution include such items? Seeking clarification

Local Community Contribution must be cash or land only.

Would a discounted sale of land or a building count towards the community contribution, assuming the seller of the real estate is a local entity/person?

The discounted price of land will be determined from the appraised value of the land. Provide an appraisal prepared by a MAI certified appraiser who is not a related party with the application. Local Community Contribution must be cash or land only.

Would the following count as a local company/ entity? There is a nonprofit which does business throughout the state of Iowa. Their mission is to further affordable housing. In this pursuit, they provide grants to affordable housing projects to enable them to get completed. While the nonprofit's headquarters is not in the town receiving the award, it is local in the sense that the nonprofit group is present in different Iowa towns and funds local projects.

No, a local entity may include a local economic development board, community foundation, civic organizations, and businesses with a physical location within the city limits or private individuals who are residents of the city in which the Project is located. Refer to QAP Section 6.2.4.2

Do you consider a LHTF a “local entity” under 6.2.4.2 for the 4pts of Community Contribution?
A LHTF would be considered a Government Entity, per QAP Section 6.2.4.1, and not a local entity for Community Contribution under Section 6.2.4.2.

6.3.1 Market Appeal

The QAP requires a storage unit to be at least 20 square feet. Would a one-car garage meet this requirement?

No, the storage space must be dedicated, see Appendix 2 – Glossary – Storage Units

If the storage space will be located within a housing unit, does it have to be lockable?

Yes, see Appendix 2 – Glossary – Storage Units

6.3.2 Project with Historical Significance

If a project includes adaptive reuse of a historic structure, but also includes new construction on the same site, would the project be eligible to receive points under Section 6.3.2 of the 2017 Qualified Allocation Plan if evidence is submitted that the historic structure is eligible for listing on the National Register?

You will have to receive confirmation with the State Historic Preservation Office (SHPO) that all buildings in the Project meet the requirements as listed in QAP Section 6.3.2.

Will the SHPO approved Site Inventory form be sufficient to meet QAP Section 6.3.2 scoring requirements or is a Part 1 approval required?

Per SHPO, a completed Iowa Site Inventory Form will not be sufficient for you to be considered a State (or Federal) HPTC applicant. Therefore a completed Iowa Site Inventory Form will not meet the QAP requirements for Section 6.3.2.

We're looking at a beautiful historic school and only part of the building has an accessible route. There is no elevator. We would like to confirm the accessibility requirements per the QAP require 10% of the units be accessible but they are not required to be "visitable" unless we are taking points for visitability.

Also, is there a requirement to have all the common areas be accessible with an adaptive reuse project?

IFA would need to see your site and building plans in order to adequately address your questions. For threshold requirements, please refer to Appendix 1-G21, Accessible Units and Appendix 2, Glossary - Accessible Units. IFA does require all common areas to be accessible. Consult with your Project architect.

6.3.3 PBRA, HUD-VASH & PHA Voucher Assistance

We will be submitting a project in the 9% Round that has the potential for the local PHA to provide vouchers for 25% of the total units of the project. Once we choose vouchers as a scoring option, we will also need to have the Public Housing Authority sign an Authorization to Release Information.

Is there anything else that we need to provide, such as a letter from the PHA granting those vouchers?

At threshold application submission only Exhibit 7T/7S - Authorization of Release is required.

Do we wait to execute the HAP contract until after construction is complete and the project is placed in service and leasing has begun?

Please consult your local PHA. A copy of the executed HAP contract will be required at IRS Form 8609 application submission.

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6.3.4 Construction Characteristics

Universal Design-

In order to qualify for the universal design point do all units have to be installed with vertical grab bars in the shower/bathtub or only those units that are fully accessible?

Yes, all units must have the applicable universal design feature in which points are requested.

In Section 6.3.4 under the Universal Design Features, I'm assuming this would ONLY apply to units with patio doors; however is there a minimum number of units that must have patio doors in order to qualify for this 1 point? Currently only our 1st level units include patio doors.

Yes, all units must have the applicable universal design feature in which points are requested.

The QAP includes 1 point for "Maximum ¾" threshold at secondary patio doors". In a standard three story apartment building with secondary patio doors but without patios or decks (decorative iron fence on outside blocks exit); will IFA still award the 1 point if the maximum threshold of ¾" is met?

No, a universal design secondary patio door must permit accessible passage to an accessible patio, balcony or deck.

6.3.6 Impact on the Environment

Is it possible to obtain the 2 points for having water heaters with a min. EF of .61 for tank gas, .93 for tank electric, or .96 for tankless AND also obtain the 1 point for having a Central Water Heater with 85% thermal efficiency rating? This almost seems like an either/or situation depending on which you pick however the online application is allowing all 3 points to be considered. It is common to have a central water heating system used in conjunction with a central boiler and the results are very efficient, however I don't know if we can pick up the 2-point category for water heaters with minimum EF's of those amounts listed.

These points are mutually exclusive and the online application (TAC) has been corrected.

6.4.2 Developer or GP/managing member Experience

How will the QAP Section 2.3, Tax Credit Cap for Single Developer/Project be applied if I structure my project as follows: The Developer is receiving 100% of the Developer fee, but has only 50% of the ownership entity/GP/MM. The other 50% owner qualifies for the experience points in Iowa in QAP Section 6.4.2.

IFA will assign 100% of the awarded tax credits for this project to the Developer and 50% of the award to the other 50% owner entity who qualified for the points.

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Under Section 6.4.2, to get the five (5) points listed under the “Developer or General Partner / managing member of this Project shall have completed two LIHTC projects in Iowa...” is it required that the said Developer or General Partner / managing member receive half (50%) the developer fee? If not, is there an expected level that they should be receiving, knowing that said level is to be de Minimis? If there is an expected level, what is it?”

To receive points under this section, as a GP/managing member, the qualifying party must have a minimum of 50% interest in the GP/managing member.

Is there an ownership percentage requirement for a Co-GP/managing member?

The intent of QAP Section 6.4.2 is to award points for the participation of a LIHTC experienced GP/managing member in the Project’s Qualified Development Team. This participation shall be on a regular, continuous and substantial basis.

A de minimis ownership percentage by an experienced GP/managing member would not qualify under this scoring category. To receive points under this section, as a GP/managing member, the qualifying party must have a minimum of 50% interest in the GP/managing member.

If the “experienced partner” is the part of the ownership structure, do they have to own 51% or more of the general partner to qualify for the experience points?

The intent of QAP Section 6.4.2 is to award points for the participation of a LIHTC experienced GP/managing member in the Project’s Qualified Development Team. This participation shall be on a regular, continuous and substantial basis.

A de minimis ownership percentage by an experienced GP/managing member would not qualify under this scoring category. To receive points under this section, as a GP/managing member, the qualifying party must have a minimum of 50% interest in the GP/managing member.

In regards to Section 6.4.2 of the QAP, in order to receive points for this category, the developer or qualifying GP/MM need to have had experience as a developer or GP/MM. Would a consultant with the required experience, now the developer or GP/MM, be eligible for the points?

Per Section 6.4.2, “The Developer or General Partner/managing member of this Project shall have completed two LIHTC Projects in Iowa which have received an IRS Form 8609 between the dates of July 1, 2010 and July 1, 2016 in such role.”

If my Project receives points under 6.4.2 because of the GP/MM of the Project, is it possible to change the GP/MM after an award of Tax Credits, as long as that GP/MM also meets the scoring requirement?

No, the GP/managing member that qualified for the points under QAP Section 6.4.2 must remain as such throughout the Compliance Period.

If the “experienced partner” is part of the ownership structure but does not have any other role in the development; does any part of the awarded credits go towards their credit cap?

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The intent of QAP Section 6.4.2 is to award points for the participation of a LIHTC experienced GP/managing member in the Project’s Qualified Development Team. This participation shall be on a regular, continuous and substantial basis.

IFA will assess the ownership percentage to the credit cap if it is determined that provisions in QAP Section 2.3.1 apply.

If the “experienced partner” is part of the ownership structure and also serves as the Consultant on the Qualified Development Team, does any part of the awarded credits go towards their credit cap?

The intent of QAP Section 6.4.2 is to award points for the participation of a LIHTC experienced GP/managing member in the Project’s Qualified Development Team. This participation shall be on a regular, continuous and substantial basis.

IFA will assess the ownership percentage to the credit cap if it is determined that provisions in QAP Section 2.3.1 apply.

6.4.4 Construction Costs

In regards to how the percentage is calculated for scoring in the QAP section 6.4.4, the QAP for 2017 states: “The Construction cost is a line item/category in the online Application. The amount listed in this section will be used to calculate the percentage to Total Development Costs.” This leads to the assumption that the on items considered toward this percentage are in ‘III. Construction’ in the Costs and Credit Calculation tab; does IFA not consider any items from ‘II. Site Work’ towards this percentage?

No, construction costs are the construction section subtotal within the Cost and Credit Calc tab in the online application.

On the Project Description Tab, under Other Elections (and also in the QAP section 6.4.4), you ask about applicants scoring points for QAP Section 6.4.4. What is your definition of Total Development Costs?

Total Development Costs are the total costs reflected in the Application. See Appendix 2 – Glossary – Total Project Costs.

We know that the construction costs number will come from the construction section subtotal w/in the Cost and Credit Calc tab in the online app, but how are the Total Development Costs determined?

Total Development Costs are determined by the applicant’s costs entered in the online Application - Cost and Credit Calc Tab.

Please clarify costs included in “construction costs”.

Construction costs are the construction section subtotal within the Cost and Credit Calc tab in the online application.

6.4.5 CNA

If a building has a portion that would be acquisition rehab and a portion that would be adaptive reuse, are the C.N.A. points ineligible or could a portion of the total 8 points be awarded based on the pro-rated portion of the building that is acquisition rehab?

In order to receive points for the CNA, the project must be 100% rehab or acquisition rehab.

The project we are working on will adapt what is currently an office building. Just wanted to be sure a capital needs assessment won't be needed.

Points for a CNA are only available for an acq/rehab or rehab project – not new construction or adaptive reuse.

7.2 Basis Boost

The 2017 published QCTS and DDA's are effective January 1, 2017. Will IFA use these or the 2016 QCT and DDA's for the 2017 9% applications due by November 17, 2016?

Yes, the online application reflects 2017 QCT's and DDA's. A new Appendix B is posted on the IFA website.

Do all non-MSA projects receive the boost?

Projects will receive the non-MSA basis boost if qualified, however if the Project is also located in a QCT, the QCT boost will be applied to a maximum of 30%. Projects may not get both.

Second, section 7.2.3 states that you must elect points in section 6.1.1 to qualify for a basis boost for serving low income residents, but section 6.1.1 is not available to applicants that have selected points for project based rental assistance. Can projects with federal project based assistance still qualify for the boost for serving lower AMIs?

Applicants that elected points under Section 6.1.1 shall qualify for the basis boost under Section 7.2.3. If a Project has Project-Based Rental Assistance, election of points for this scoring category, is made under Other Elections on the Project Description Tab and by entering the PBRA information. If points are not elected for this scoring category, then an Applicant may elect points under QAP Section 6.1.1 and qualify for the increase in eligible basis per QAP Section 7.2.3.1 or 7.2.3.2 as applicable.

We need a basis boost described in 7.2.2 for our project. Can you please let me know what I will need to do in order to receive consideration for a basis boost?

If applicable, the Non-MSA basis boost will automatically be added to the Cost and Credit Tab once you complete the online application. Review the Training Guide and Appendix B. In order for the basis boost to populate, you must enter information into the Project Name & Location tab and the Building tab of the online application.

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If we qualify for the 15% boost in section 7.2.3.1 by having 30% of our units at 40% or less AND we qualify for section 7.2.3.2 by including an additional 10% of the units at 30% AMI, would we qualify for ANOTHER 15% boost for a maximum 30% boost?

Yes. Per QAP Section 7.2 - No Project may receive more than a thirty percent (30%) increase in Eligible Basis.

Appendix 1 – Threshold Construction Requirements

A. Site Control

Appendix 1A states that as part of that requirement we need to show all existing and proposed easements to the site. From talking to our surveyor and to Iowa Title Guaranty, the only way to get that information is to pull the title, have it updated, have an attorney render an opinion, and then have the surveyor perform an ALTA Survey. Is that what IFA is intending here?

No, applicants need to show any known existing and proposed easements to the site. The title work can be performed with the closing transaction.

C. Zoning

In prior years there was a guideline on the number of parking spaces for Seniors that are required however I don't see that language in the 2017 QAP. Are we to follow what the city guidelines would be governing parking spaces?

Yes, follow the local jurisdiction guidelines.

Appendix 2 – Glossary

I see the State of Iowa HERS Raters list; is there a list available of IFA approved Energy Consultants?

IFA does not have a list of approved Energy Consultants.

Is a service provider considered to have an identity of interest with a project? What about the seller?

A service provider or the seller may have an Identity of Interest; see Appendix 2 – Glossary Identity of Interest. This information must be disclosed within the online Application.

Exhibits

2T Current Real Estate Tax Assessment Documentation

Exhibit 2T requires current real estate tax assessment documentation to be submitted. What are examples of the documentation IFA is looking for?

Applicants should supply documents from the local county assessor's office or website.

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7T & 7S Authorizations of Release

If our project will be utilizing RD rental assistance, what form do we include in the application? Forms 7T & 7S only include HUD and PHA's.

Exhibit 7T & 7S RD-Authorization of Release has been added to the list of exhibits on the IFA website.

15T – Authorization of Release of Information

The answer posted in the 10/28 Q&A says that the required number is the “LIHTC number” on the project. This is a little ambiguous. Are you referring to the BIN (Building Identification Number), which is the number the state assigns to all LIHTC buildings and the number the IRS associates with the building?

Use the LIHTC Project number that was given to the applicable LIHTC Project from the state who allocated the tax credits.

On Exhibit 15T a project number is required. What project number are you looking for? Each project could have several. Please clarify.

The Project numbers that are required on Exhibit 15T Part 1, Section 2-E should be the LIHTC Project numbers of the LIHTC properties developed or managed by the individual/entity listed on the applicable Exhibit 15T Part 1, Section 1-D.

Do you know if Part 1 of the 15T Form is changing in any significant way? If it is not, I should be able to simply add to the forms I compiled last year rather than copy and paste that same information into a new form.

IFA exhibits & appendices for the 2017 allocation round are available on the LIHTC website. Do not use a prior year exhibit.

1SA-5SA Nonprofit Set-Aside Documents

We will have a non-profit partner in our organizational chart, but we are not applying for the Non-Profit Set Aside. There are certain exhibits that are required for the Non-Profit Set Aside. Can you confirm that these exhibits (1SA-5SA) are required only for projects applying for the Non-Profit Set Aside and not by entities that simply have a non-profit partner?

Entities seeking an award of Tax Credits from the Nonprofit Set-Aside shall submit the Nonprofit Set-Aside exhibits through the on-line Application, no later than October 21, 2016. Entities that are not seeking an award of Tax Credits from the Nonprofit Set-Aside but will have a nonprofit partner that is a GP or managing member shall submit the applicable 4T exhibits with the online application.

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9B – Preliminary Costs and Scope of Work

I believe last year you had requested that, if the contractor putting together the budget summary was not the owner/developer but had an identity of interest, we were required to get the Construction Analysts approval to use them. Is this the case?

If an applicant has a question whether their contractor has an identity of interest, the applicant should contact the Construction Analyst prior to submitting the application.

Online Application (TAC)

If an application has been submitted last year and is being submitted this year through the online system, can a copy of the application be made or does it have to be initiated as a new application?

No, you cannot copy a prior year's application.

Project Name and Location Tab

On the Project Name and Location tab of the online tax credit app, we are asked to fill in the political jurisdiction. There is a link next to the email address that you have said will tell us what jurisdiction we need to enter into the form. When I look up the city in which our project is located using the reference link, I see the city listed, with the number of a Senate District, House District, and US Congressional District. Are these the districts that you are looking for in this tab for Jurisdiction 1, Jurisdiction 2, and Jurisdiction 3, or are you looking simply for the city jurisdiction in which the project is located? The reference link does not make this clear.

The reference link is to the League of Cities website; the political jurisdiction will be the city your Project is located. You may have more than one political jurisdiction if you have a scattered site Project.

On the Project Name and Location tab, what is meant by Political Jurisdiction? Is this a county name or something else – such as simply specifying city or town? Also, what is the address that is required for the political jurisdiction? Are you looking for the address of the city hall, town hall, or county courthouse?

See blue reference link within the online Application - Project Name and Location Tab.

Project Description Tab

Our site plan includes two duplex buildings and two triplex buildings in addition to an elevator building. Should the triplexes considered “Row/Townhouse” or “Duplex” on the Project Description and Buildings tabs?

Triplexes should be considered a Row/Townhouse.

In the Project Description tab, under the Rental Assistance section, the first question is whether or not the project will use federal assistance. There are then other questions about specific types

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of federal assistance. What is meant by the general question regarding federal assistance – whether or not it will have a HAP contract or payment vouchers, answered in the below questions, or does this refer to something else?

If you are receiving federal assistance, answer yes. Answer the other questions in reference to the rental assistance type. Please refer to the online Application Training Guide.

Appendix K states that a “Letter Notifying the CEO of Local Jurisdiction about the Project” must be submitted for all projects. It also indicates that this letter is “system generated”, but I cannot find anything within the online application that would generate such a letter. Is this something we are allowed to draft on our own, or is there a specific IFA template we should be using
The online application will generate the letter based upon information entered in the Project Name and Location Tab.

Nonprofit Set Aside Tab

For the Nonprofit Set-Aside tab, do we need to fill out this information if we are not completing in the set-aside but will have a nonprofit partner as part of our org chart?

No, only fill out the Nonprofit Tab if you are applying for the Nonprofit Set-Aside.

Site Control Tab

In the Online Application training guide for the 2017 tax credit application, under section 7, the Site Control tab, we are told to upload Exhibit 8T, the tax attorney opinion letter, to the Ten Year Rule section of the Site Control tab. I do not see a ten-year rule section of this tab.

We are an acquisition/rehab project. If I do not see the ten-year rule section of the Site Control tab or a place to upload Exhibit 8T, do you require it for this project? How shall we provide this to you?

All acq/rehab projects must upload an Exhibit 8T on the Exhibit Tab. If the Project meets one of the federal exceptions to the ten-year rule, the Code reference is required to be entered in the Ten-Year Rule section of the Site Control Tab.

On the Site Control section of the 2017 online tax credit app there are a series of questions, beginning with “Does the owner have sole fee simple ownership of the property (site/buildings)?”, that refer to the owner. Does the use of “owner “in these questions refer to the current owner of the property or the entity that is in the process of purchasing the property and is applying for the tax credits?

“Owner” refers to the Ownership Entity listed on the Ownership Entity Tab in the Project Application.

Ownership Entity Tab

May be a typo from last year under ownership entity acknowledgements (homeless set aside):

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Ownership Entity understands that IFA has set-aside \$800,000 in tax credits for this set-aside and shall award tax credits to only one (1) Project. Should this be \$820,000 for the Homeless Set aside?

The online application (TAC) has been updated.

Ownership Entity Tab

On the Ownership we do not have a confirmed equity investor/syndicator for our project yet and have an LP entity in the ownership org chart that will be removed once we finalize our equity investor LP. How do you want us to reflect that this LP entity is a placeholder? The GP entity will remain unchanged, but the LP will change.

The limited partner listed in the application must match the initial Limited Partnership Agreement. Upon closing, the application will be updated with the replacement limited partnership information and an updated limited partnership agreement will be uploaded.

ODT Tab

The members of our previous development company formed a new development company with a new name. The key principals in this new development company are the same as the former. We have not closed on a project (LIHTC or otherwise) with this new development company, but under the previous development company we closed numerous. How do we reflect this? How do we get our membership participation and previous experience points? Do we answer the questions within the Developer section on the Qualified Development Team tab based on the principals in the development company?

Provide a narrative on the QDT Tab and answer the questions based on the parent company and the key principals. Provide an organizational chart with the relationship of these principals within the Exhibit 3Tf on the Exhibits Tab.

The Qualified Development Team tab of the online application asks us to enter the date we attended the Mandatory Developer training and the person who attended. We were not required to attend since we have submitted applications during each of the last three LIHTC rounds. Do we simply leave that section blank, or do we need to make a note within the online application that this training was not required for us?

If you answered “Yes” that you have submitted an Application to IFA in the three previous nine percent (9%) LIHTC rounds, no entry is required in the Mandatory Developer Training section.

Project Amenities Tab

Our development plan includes patios on ground floor units. If some units will have patio space, are all units required to have a patio or balcony space?

All units must have similar amenities.

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Can you confirm that the following is an either/or choice? From the QAP it looks like you have to do both but on the application only one button can be highlighted at a time:

- () Unit Main entrance to interior shall be designed with a foyer and equipped with a remote security system and intercom system to each unit to control entry to common areas.
- () Unit main entrance to exterior shall have a storm door and a covered entry with a minimum depth and width coverage of 4 feet by 4 feet.
- () None of the above.

The options for Main entrance areas stated in QAP Section 6.3.4 are one or the other for a Project with one building type. If the Project has more than one building type requiring different main entrance areas, both would have to be checked to request points for this scoring category. If a Project does not wish to request points for this category, check the “none” box.

Funding Sources Tab

On the \$100 contribution from the Developer / GP, do we just upload a copy of the check with our letter of contribution?

Provide a commitment letter as Exhibit 6T for the \$100 contribution. Do not upload a copy of a check.

Construction Characteristics Tab

Under the Construction Characteristics section of the online application, the section for Heating/Air conditioning/Water Heating states: “Electric resistance heating is not allowed as the primary heating source.” We are looking at doing an acq/rehab on a building built in 1977. This building is all concrete cinder block and precast slab. It utilizes electric base board heating currently. If the application as stated above is a true stipulation then the base board heating would not be acceptable. We would update the systems as best as possible. However, the cost required to switch heating systems in a concrete/cinder block building would be far beyond what could be afforded with LIHTC funding. Can an exception be made for situations such as this? Is this a valid stipulation in the online application?

Projects must meet the requirements stated in the QAP.

The Construction Characteristics screen requires model numbers for appliances. Will IFA allow the developer to make equivalent substitutions for appliances if necessary?

Yes, if necessary you can substitute equal or better appliances.

Financial Feasibility Tab

How are hard construction costs being calculated?

Hard Construction Costs are defined in Appendix 2 – Glossary of Terms.

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Project Timeline Tab

Do I have to enter a date for every activity to get the green checkmark?

Hit submit and see what the error are received. There are some activities that need updated in accordance with your projected development schedule. The pre-filled dates are the established in accordance with the QAP and cannot be changed (for example – executing the carryover agreement). Items like construction start, PIS, etc., need to be updated to reflect your projected development schedule.