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## **2010 APPLICATION SUBMISSION PROCEDURES MANUAL (“ASPM”)**

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## I. INTRODUCTION

The Texas Department of Housing and Community Affairs' (the "Department") Application Submission Procedures Manual ("ASPM") sets forth the basic information needed for filing a Pre-Application for the Competitive Housing Tax Credit Program or an Application for the Housing Tax Credit and Tax-Exempt Bond programs. All portions of this ASPM must be followed when filing a Pre-Application or an Application for any program. This document is meant to serve only as a complementary guide on how to complete an Application. Applicants are encouraged to familiarize themselves with all of the applicable state and federal rules that govern the programs they are applying for.

### **Competitive Housing Tax Credits ("Competitive HTC"):**

The Department's estimated available tax credit authority for Competitive HTC Applications is approximately \$51 million. The Pre-Application and Application are based on the 2010 Qualified Allocation Plan and Rules ("QAP"), which were approved by the Board at the November 9, 2009 Board Meeting, and subject to approval by the Governor. For the 2010 Competitive HTC Application Round, a complete Pre-Application and/or Application must be submitted to the Department on or before January 8, 2010 and March 1, 2010, respectively.

### **Tax Credits for Tax-Exempt Bond Developments:**

For Applications involving Tax-Exempt Bonds, regardless of the entity serving as the issuer, an Application may be submitted for the 4% Housing Tax Credits ("4% HTC"). There is not a cumulative Housing Tax Credit ceiling for these types of Applications; however, to the extent that there is a Bond Ceiling governed by the Texas Bond Review Board, the quantity of corresponding 4% HTC Applications is limited. Application submission deadlines relating to this program are dictated by the dates of the Department's Board meetings. The complete list of these deadlines can be found under the 4% Noncompetitive Housing Tax Credits section of our website at <http://www.tdhca.state.tx.us/multifamily/htc/index.htm>.

**Please note that forms which indicate "HTC Only" should also be included in the 4% HTC or Tax-Exempt Bond Application.**

### **HOME Investment Partnerships Program ("HOME"):**

Applications involving the Department's HOME funds may be submitted to the Department when a Notice of Funding Availability ("NOFA") has been approved by the Department's Board and published to the Department website. This ASPM does not include the requirements exclusive to the submission of HOME Applications to the Department; the NOFA will detail the funding amount available for allocation and the specific application deadlines and submission procedures.

## II. INELIGIBILITY

The following section is presented as a guide to ineligibility under the 2010 Qualified Allocation Plan and Rules ("QAP") which can be found at <http://www.tdhca.state.tx.us/multifamily/htc/index.htm>, and is titled "2010 Final QAP Signed by Governor (PDF)." Please read this section prior to completing an application to ensure that the proposed Development is eligible for funding under Department guidelines. Please note that this list is a guide, and is not comprehensive; Applicants are encouraged to familiarize themselves with all of the applicable state and federal rules that govern the programs they are applying for as well as to read the sections of the 2010 QAP cited below (§§50.1-23 and the Real Estate Analysis Rules ("**REA Rules**")).

## DEPARTMENT DEADLINES

1. Administrative Deficiencies for Competitive HTC

If Administrative Deficiencies are not resolved within five business days, five points will be deducted from the Selection Criteria score for each additional day the Administrative Deficiency remains outstanding. If Administrative Deficiencies are not resolved by the end of the 7<sup>th</sup> business day, the Application will be terminated. The Administrative Deficiency process may not be used by an Applicant or the Department to change the initial application proposal -- §50.9(d)(4).

2. Third party reports Competitive Applications (HTC and HOME)

If third party reports are not received by 5:00 pm CST on April 1, 2010, the Application will be terminated -- §50.9(h)(14)(G)(i) and (ii).

3. Administrative Deficiencies for Tax-Exempt Bond Developments

If Administrative Deficiencies are not resolved within five business days, a penalty of \$500 will be incurred for each additional business day the Administrative Deficiency remains outstanding. If Administrative Deficiencies are not resolved by the end of the 10<sup>th</sup> business day, the Application will be terminated (and the Applicant will owe all penalties regardless). The Administrative Deficiency process may not be used by an Applicant or the Department to change the initial application proposal. -- §50.9(e)(2).

4. Application Submission Deadlines for Tax-Exempt Bond Developments

Applications for the 2010 Private Activity Bond Program waiting list will be accepted on a monthly basis with deadlines for submission outlined under the 4% Noncompetitive Housing Tax Credits section of our website at <http://www.tdhca.state.tx.us/multifamily/htc/index.htm>. All applications must be submitted before 5:00 p.m. CST on the submission date.

## DEVELOPMENT LOCATION

The following locations are ineligible:

1. Two times per capita rule

Development is located in a municipality, or ETJ of a municipality, or if completely outside a municipality, in a county that has more than twice the state average of Units per capita supported by HTC or private activity bonds at the time the Application Round begins (or at time of reservation for Tax-Exempt Bond Developments) -- §50.5(a)(7). (Applies to HTC and Bond Applications)

*Exceptions:* Approval and written statement of support from the Governing Body of the municipality or county received by Department by 5:00 p.m. CST on April 1, 2010 (for Competitive HTC Developments) or 14 days prior to the Board meeting (for Tax-Exempt Bond Developments) -- §50.5(a)(7)(A), (B) and (C).

2. One-mile three-year rule

Development proposes New Construction or Adaptive Reuse (excluding New Construction of non-residential buildings) and is located in Dallas, Tarrant, Bexar or Harris Counties within one linear mile (measured by a straight line on a map) or less of a Development that received HTC for New Construction during three years preceding the date the Application Round begins (or for Tax-Exempt Bond Developments, the date the Volume 1 is submitted) and serves the same type of household as the new development (Intergenerational is not a type of household as it relates to this restriction) §50.5(a)(8). (Applies to HTC and Bond Applications)

*Exceptions:* Development is using HOPE VI funds; locally approved funds; funds provided to the state under the Cranston-Gonzalez National Affordable Housing Act (§§12701 et seq.); is in a county with a population less than one million; is located outside a metropolitan statistical area; or local government has approved the Development's construction within one linear mile or less of the previously funded Development. Local government approval must be received by 5:00 p.m. CST on April 1, 2010 (or for Tax-Exempt Bond Developments, no later than 14 days before the Board meeting where the credits will be committed) and must not be older than one year. -- §50.5(a)(8)(D).

3. One-mile one-year rule

Development is within one linear mile of one another Development. Application will not be recommended and credits will not be allocated by the Board in the same calendar year. If the Board forward commits credits from the following year's State Housing Credit Ceiling, the Development is considered to be in the calendar year in which the Board votes.(Competitive HTC ONLY) -- §50.6(f).

4. Floodplain

Development proposes New Construction or reconstruction and is located within a FEMA 100-year floodplain. Application will not be recommended unless all finished ground floor elevations are at least one foot above the flood plain and parking and drive areas are no lower than six inches below the floodplain. Proposed Rehabilitation or Adaptive Reuse Developments may not be built within a FEMA 100-year floodplain unless they meet the exception below, or meet the requirements established for New Construction.

*Exceptions:* Rehabilitation or Adaptive Reuse receives funding from HUD or TX USDA-RHS and New Construction is built to the specification outlined in the QAP or if the local political subdivision has undertaken mitigation efforts and can establish that the property is no longer within the 100 year floodplain -- §50.6(a).

5. Census Tracts

Development is New Construction or Adaptive Reuse and is located in a census tract that has more than 30% HTC per total households -- §50.6(g).

*Exceptions:* Development located in area with population less than 100,000, proposes only reconstruction or Rehabilitation, or the Governing Body of the municipality has approved the Development in a resolution (resolution must be received by 5:00 p.m. CST on April 1, 2010 for competitive HTC and no later than 14 days before the Board Meeting for Tax-Exempt Bonds) -- §50.6(g)(1), (2) and (3).

6. 30% Increase for certain Qualified Census Tracts (QCT)

Development is located in a QCT with more than 40% HTC Units per household, and/or Development is located in Hurricane Rita Gulf Opportunity Zones but unable to place in service by December 31, 2010. Application will not receive a 30% increase in Eligible Basis -- §50.6(h).

*Exception:* Development proposes only reconstruction or Rehabilitation -- §50.6(h)(2).

## DESIGN ISSUES

1. Ineligible Building Types:

- a. Hospitals, nursing homes, trailer parks, dormitories, or transient housing -- §50.3(58)(A).
- b. Any Qualified Elderly Developments or age restricted buildings within Intergenerational Developments of two stories or more without elevators service for two stories or more -- §50.3(58)(B).
- c. Any Qualified Elderly Developments or age restricted buildings within Intergenerational Developments with more than two bedrooms -- §50.3(58)(C).
- d. Any Development with any buildings with four or more stories that does not include an elevator -- §50.3(58)(D).
- e. Any Qualified Elderly Developments or age restricted buildings in Intergenerational Developments proposing more than 70% two-bedroom units -- §50.3(58)(E).
- f. Any Development that violates the Department's Integrated Housing Rule, §1.15 of this title -- §50.3(58)(F).
- g. Any Urban Development proposing New Construction of additional residential Units but that is not a Qualified Elderly Development; is not composed entirely of single family dwellings; is not one of the certain specific types of transitional housing for the homeless or are Single Room Occupancy units as provided in the Code, §42(i)(3)(B)(iii) and (iv) in which prohibited designs are proposed -- §50.3(58)(G).
- h. Any Development that contains age restricted units not consistent with the definitions or policies for Intergenerational Housing or Qualified Elderly Developments -- §50.3(58)(H).
- i. Any Development that contains residential units that violates the general public use requirement under Treasury Regulation §1.42-9.

2. Unit Mix:

For Applications involving a combination of single family detached dwellings and multifamily dwellings, the percentages in this subparagraph do not apply to the single family detached dwellings, but they do apply to the multifamily dwellings. For Intergenerational Housing Applications, the percentages in this subparagraph do not apply to buildings that are restricted by the age requirements of a Qualified Elderly Development (except that such building may have no more than 70% of the units as two-bedroom units), but they do apply to the other multifamily buildings. An Application may reflect a total of Units for a given bedroom size greater than the percentages below to the extent that the increase is only to reach the next highest number divisible by four

- a. One bedroom – No more than 30% of the total Units -- §50.3(58)(G)(i).
- b. Two bedroom – No more than 55% of the total Units -- §50.3(58)(G)(ii).
- c. Three bedroom – No more than 40% of the total Units -- §50.3(58)(G)(iii).
- d. Four or more bedrooms – No more than 5% of the total Units -- §50.3(58)(G)(iv).

3. Development Size:

- a. HTC minimum – 16 Units -- §50.6(e)(1). The minimum Development size will be 4 Units if the funding source only involves the Housing Trust Fund or HOME Program.
- b. Rural maximum – 80 units for New Construction or Adaptive Reuse, no limit on Rehabilitation (ALL Programs) -- §50.6(e)(2).
- c. Urban maximum - New Construction or Adaptive Reuse maximum for Competitive Housing Tax Credit Units is 252 total Units only 200 of which can be Department administered Units. Tax-Exempt Bond Developments are limited to 252 total Units with no limit on Department administered units. Only Developments that consist solely of acquisition/Rehabilitation or Rehabilitation may exceed the limit -- §50.6(e)(3).
- d. Additional phase adjacent to existing development, or proposed Development on a contiguous site to another Application awarded in the same program year maximum – combined Unit total for the existing and proposed Developments may not exceed the max allowable Development -- §50.6(e)(4).

*Exceptions:* The first phase of the Development has been completed and has attained Sustaining Occupancy (as defined in §1.31 of the **REA Rules**) for at least six months; or a resolution from the Governing Body of the city or county in which the proposed Development is located, dated on or before the date the Application is submitted, is submitted with the Application. Such resolution must state that there is a need for additional Units and that the Governing Body has reviewed a market study, the conclusion of which supports the need for additional Units; or the proposed Development is intended to provide replacement of previously existing affordable Units on the Development Site or that were originally located within a one mile radius from the Development Site; provided, however, the combined number of Units in the proposed Development may not exceed the number of Units being replaced. Documentation of such replacement units must be provided -- §50.6(e)(4)(A), (B), and (C).

## **INELIGIBILITY – GENERAL**

1. Ineligibility, etc.

Debarment, suspension, or termination from procurement in a state or federal program, or presence on List of Parties Excluded from Federal Procurement or Non-Procurement Programs; subject to an enforcement or disciplinary action under state or federal securities law or by the NASD, subject to a federal tax lien, or subject to any enforcement proceeding with any Governmental Entity – applies to Applicant, Development Owner, Developer or Guarantor -- §50.5(a)(1) and (3).

2. Conviction in past 15 years

Conviction of fraud, bribery, theft, misrepresentation of material fact, misappropriation of funds within 15 years preceding Application deadline – applies to Applicant, Development Owner, Developer or Guarantor -- §50.5(a)(2).

3. Unresolved issues with Department  
Unresolved audit findings or questioned or disallowed costs – applies to Applicant, Development Owner, Developer or Guarantor -- §50.5(a)(4).
4. Two-year rule  
Applicant or Related Party has been a member of the Board, Executive Director, Deputy Executive Director, Director of Multifamily Finance Production, Director of Portfolio Management and Compliance, Director of Real Estate or manager over housing tax credits employed with the Department at the time of Application or during the 2-year period preceding the date the Application Round begins -- §50.5(a)(5). Not applicable to HOME Applications.
5. Replacement of Bond financing  
Applicant proposes to replace in less than 15 years any private activity bond financing -- §50.5(a)(6). Not applicable to HOME Applications.  
*Exceptions:* 100% of Units supported by HTC will be restricted at 50% AMGI for 30 years and at least 1/3 of all Units in Development are public housing or Section 8 Development-based Units; or the applicable private activity bonds will be redeemed only in an amount consistent with their proportionate amortization; or if the redemption of the private activity bonds will occur in the first five years of the operation of the development and complies with Section 429(h)(4), Internal Revenue Code of 1986: (i) on the date the certificate of reservation is issued, the Texas Bond Review Board determines that there is not a waiting list for private activity bonds in the same priority level established under §1372.0321 or, if applicable, in the same uniform state service region, as referenced in §1372.0231, that is served by the proposed development; and, (ii) the applicable private activity bonds will be redeemed according to underwriting, if any, established by the Department. (2306.6703) -- §50.5(a)(6)(A), (B), (C) and (D).
6. Quality of Application  
The Application is submitted after the Application submission deadline (time or date); includes an electronic submission that is unreadable by the Department’s computer system; has an entire Volume missing; or has a Material Deficiency as defined under §50.3(65) of the 2010 QAP. Such Application will be terminated without further consideration and the Applicant will be notified. To the extent that a review was able to be performed, specific reasons for the Department's determination of ineligibly will be included in the termination letter to the Applicant. -- §50.5(a)(10).
7. Housing Tax Credit Annual Limit  
No more than \$2 million in annual competitive housing tax credits may be requested for a single Application --§50.5(a)(11). In addition, no Applicant, Developer, Related Party or Guarantor may receive more than \$2 million in annual competitive housing tax credits.
8. Contract with certain Developers  
Development Owner has or will contract with Developer that is on the Department’s debarred list, has an uncorrected breach of contract with a public agency or has made misrepresentations to subcontractors -- §50.5(c)(4).
9. Material Noncompliance  
The Applicant, Development Owner, Developer or Guarantor or anyone that has Controlling ownership interest in the Development Owner, Developer or Guarantor that is active in the ownership or Control of one or more other rent restricted rental housing properties in the state of Texas administered by the Department is in Material Noncompliance with the LURA -- §50.5(b)(2).
10. Previous Funding with the Department  
Previous funding contracts or commitments have been partially or fully deobligated due to a failure to meet contractual obligations during the 12 months prior to the submission of the applications and through the date

of final allocation pursuant to §50.5(b)(8), or a pre-development award from the Department has not been repaid for the Development at the time of Carryover Allocation or bond closing pursuant to §50.5(b)(9).

11. Real Estate Analysis Rules

Refer to the 2010 **REA Rules** §1.32(i)(1-7) for the guidelines identifying infeasible Developments.

## **ADHERENCE TO OBLIGATIONS**

Effective December 1, 2006, if a Development Owner does not produce the Development as represented in the Application and in any amendments approved by the Department subsequent to the Application, or does not provide the necessary evidence for any points received by the required deadline, the Board will opt either to terminate the Application and rescind the Commitment Notice, Determination Notice or Carryover Allocation Agreement as applicable or the Department must -- §50.9(c):

- a. Reduce the score for Applications for tax credits that are submitted by an Applicant or Affiliate related to the Development Owner of the non-conforming Development up to ten points for the two Application Rounds concurrent to, or following, the date that the non-conforming aspect, or lack of financing, was recognized by the Department; and
- b. Prohibit eligibility to apply for tax credits for a Tax-Exempt Bond Development that are submitted by an Applicant or Affiliate related to the Development Owner of the non-conforming Development for up to 24 months from the date that the non-conforming aspect, or lack of financing, was recognized by the Department; the placed in service date; or the date the amendment is accepted by the Board, less any time delay caused by the Department.
- c. The Board may, in addition to the penalty in subparagraph a. or b. of this paragraph, assess a penalty fee of up to \$1,000 per day for each violation.

**Repeat: Please note that this list is a guide, and is not comprehensive; Applicants are encouraged to familiarize themselves with all of the applicable state and federal rules that govern the programs they are applying for as well as to read the sections of the 2010 QAP in its entirety.**

### III. COMPETITIVE HOUSING TAX CREDITS: PRE-APPLICATION AND APPLICATION SUBMISSION

A Pre-Application for a Housing Credit Allocation from the State Housing Credit Ceiling may be filed at any time during the Pre-Application Acceptance Period. An Application for a Housing Credit Allocation from the State Housing Credit Ceiling may be filed at any time during the Application Acceptance Period. For the 2010 Competitive Housing Tax Credit Application Round the dates are:

Electronic Filing Agreement Submission	December 23, 2009
FTP Account Setup Deadline for Pre-Application:	December 30, 2009
Application Cycles Open:	December 8, 2009
Pre-Application Acceptance Period Closes:	January 8, 2010
Electronic Filing Agreement Submission	February 17, 2010 (Applicants that did not file Pre-App)
FTP Account Setup Deadline for Full Application:	February 22, 2010 (Applicants that did not file Pre-App)
Application Acceptance Period Closes:	March 1, 2010

Applications received after 5:00 P.M. CST on the last day of the Acceptance Period(s) **will not be accepted**. The deadline is **strictly** adhered to; therefore, the Department strongly encourages you to consider traffic and travel delays as well as potential delays with the FTP file server when planning your submission.

### IV. COMPETITIVE HOUSING TAX CREDITS: FORMAT FOR SUBMITTING PRE-APPLICATION

The Pre-Application for Competitive HTC has been converted into one Excel file and consists of **two separate parts**: unbound items and electronic submission. The complete Pre-Application for each proposed development must be submitted as described in this section. **Incomplete Pre-Applications or improperly formatted Pre-Applications will not be accepted.**

Please note that Applicants are not required to submit a Pre-Application. However, pursuant to §§50.7(b)(2) and (b)(3) of the 2010 QAP, Applicants who apply for Competitive HTCs under the At-Risk Set-Aside or TDRO-USDA Set-Aside must either submit a Pre-Application or file a *2010 Intent to Request Housing Tax Credits* form by 5:00 p.m. CST on January 8, 2010 to be considered for the 2010 Application Round. This form will be made available on the Department's website along with all 2010 Application Materials.

Exhibits shown in *italics* are forms, templates or reference material included on the Department's website and in the Pre-Application. The forms, templates or reference material required to complete the Pre-Application are:

1. "2010 Competitive Housing Tax Credit Pre-Application" – Will be referred to as "***Pre-Application Exhibits***" in the ASPM. Link found at <http://www.tdhca.state.us/multifamily/htc/applications.htm>. Please note that all 2010 Templates will be included within the 2010 Pre-Application file.
2. "2010 Reference Manual Items" – Will be referred to as "***Reference Manual***" in the ASPM. All items are provided in the link found at <http://www.tdhca.state.us/multifamily/applications.htm>.
3. "2010 Final QAP Signed by Governor (PDF)" – Will be referred to as "***2010 QAP***" in the ASPM. Link found at <http://www.tdhca.state.tx.us/multifamily/htc/index.htm>
4. "2010 *Electronic Application Filing Agreement*" – Will be referred to as "***the Filing Agreement***" in the ASPM. Link found at <http://www.tdhca.state.tx.us/multifamily/applications.htm>



## SUBMISSION FORMAT:

**Identifying Labels** – Any documentation submitted to the Department with the Pre-Application must be clearly labeled with the following:

1. Development Name
2. Owner Name
3. Contact Name(s)
4. Contact Address(es)
5. Contact Phone and Fax Number(s)
6. Contact Email Address(es)

### A. **Electronic submission:**

The Pre-Application consists of two separate files, one in EXCEL format and one in PDF format. These will be submitted to the Department via the FTP file server, in person or by mail, on or before 5:00 P.M. (CST) January 8, 2010 in the following required formats:

- ❖ The file in EXCEL **and** PDF format
- ❖ There is an “Instructions” tab within the workbook that will provide general instructions on how to fill out the electronic Application and how to convert the Excel file to PDF format. Please read these instructions carefully and in conjunction with this ASPM.
- ❖ For the PDF formatted file:
  - The volume’s tabs must be correctly bookmarked
  - Files should average less than 100 Kilobytes per page
  - Files must be readable with free PDF file viewers including Adobe Reader and be compatible with Adobe Reader 5.0 and above
  - Files should be saved so that “Fast Web View” (or page at a time downloading) is enabled
  - Text within the PDF file should be searchable using the “Find” command in the PDF viewer
  - The PDF file should be named in the following format -- <file\_name>.pdf (i.e. Greens\_Crossing.pdf)

**Please note that the PDF format is an open technology and not proprietary to Adobe, therefore other PDF format applications are available to the public. Questions about electronic submission should be directed to Jason Burr at [jason.burr@tdhca.state.tx.us](mailto:jason.burr@tdhca.state.tx.us).**

## IMPORTANT INFORMATION REGARDING ELECTRONIC SUBMISSIONS

- ❖ **Each Application must be setup and assigned a separate user name and a password.** Information regarding the Department’s File Transfer Protocol (FTP) Procedures to submit subsequent application documentation will be provided on the Department’s website.
- ❖ All Application documentation required subsequent to the Pre-Application will be submitted using the FTP service.
- ❖ **Each Applicant is required to complete and submit the *Electronic Application Filing Agreement* prior to receiving a user name and password for the FTP service. The agreement can be found at <http://www.tdhca.state.tx.us/multifamily/applications.htm>.**
- ❖ **Applicants not submitting a Pre-Application MUST submit the *Electronic Application Filing Agreement* to the Department prior to issuance of a user name and password for access to the Department’s File Transfer Protocol for submission of the full Application and subsequent documentation.**

All required forms may be found on the Department's website at the links provided above; the names of these forms are presented in *italics*. Each form must be completed; all questions must be answered and spaces completed. If a question does not pertain to the Development, mark "N/A." If you have difficulty downloading the files from the website, contact Jason Burr at (512) 475-3986, or [jason.burr@tdhca.state.tx.us](mailto:jason.burr@tdhca.state.tx.us).

❖ **Tab 1:** All forms included in the *Pre-Application Exhibits* under *Tab 1*

1. *Part A: 9% HTC Pre-Application Submission Form*

- Only cells highlighted in yellow require data entry. Note: the worksheet is protected and will enable you to tab directly to the highlighted cells that require your data entry.
- Form must be signed by the representative or person with authority to execute documents on the Applicant's behalf.
- Entire form must be completed
- Annual amount of tax credits requested cannot exceed \$2,000,000.
- Information for a second contact person must be provided

2. *Part B: 9% HTC Pre-Application Self-Scoring Form*

- Only areas highlighted in yellow require data entry. This exhibit will sum all values entered in the yellow cells for a total Self Score.
- **Note: Pursuant to §50.9(h)(15) of the 2010 QAP, an Applicant may not adjust the Self-Scoring Form in an Administrative Deficiency without a specific request from the Department. Therefore, it is important that care is taken when requesting points.**

❖ **Tab 2:** Evidence of Site Control -- §50.9(h)(7)(A)

- Site control must be valid through March 1, 2010
- Evidence must be in one of the following forms:
  - a. A recorded warranty deed with a corresponding executed settlement statement (unless an identity of interest)
  - b. A contract for lease (45 yr minimum term)
  - c. A contract for sale or purchase option (for the entire Tax Credit consideration period)
- Evidence must be in the name of a member of the Development Owner. If not in the name of the Development Owner, then the documentation must reflect an expressed ability to transfer the rights to the Development Owner.
- If a contract is provided as evidence of site control, the closing date must be highlighted or flagged. If the date is not explicitly stated, but rather is triggered by other dates or periods, submit on outline of the dates that must be used to derive the closing date.

❖ **Tab 3:** All forms included in the *Pre-Application Exhibits* under *Tab 3*

1. *Relevant Development Information Form Parts I and II*

- Only cells highlighted in yellow require data entry. Note: the worksheet is protected and will enable you to tab directly to the highlighted cells that require your data entry.
- Entire form must be completed
- **IMPORTANT:** If there is a change from Pre-Application to Application that results in a total unit increase of greater than 10%, an increase of greater than 10% for any given level of AMGI, a change in the target population, or an elected official, you must re-notify as required by §50.9(h)(8)(A) of the 2010 QAP.
- Note: The Department is not responsible for notifying Applicants if information contained herein is inaccurate. It is each Applicant's sole responsibility to ensure all information contained in this form is accurate and that any errors identified are corrected and proper re-notifications are made.

2. *Public Notifications Information, -- §50.8(d)(3)*

- Only cells highlighted in yellow require data entry. Note: the worksheet is protected and will enable you to tab directly to the highlighted cells that require your data entry.

- Single Member District – If the city council and/or county commission is a single-member district body, check the box to indicate this and list the single district representative in the space provided; you do not have to list the other members.
- Both Single Member and At-large District – If the city council or county commission has both district-based and at-large members, indicate so on the form and list the single district representative in the space provided and all at-large members in the spaces provided for all representatives.
- At-large District – List all representatives in the spaces provided
- Additional copies of this form have been provided in a separate tab titled “Extra Public Notif Form” should additional spaces be required.

**Note:** The Department is not responsible for notifying Applicants if information contained herein is inaccurate. It is each Applicant’s sole responsibility to ensure all information contained in this form is accurate and that any errors identified are corrected and proper re-notifications are made.

3. *Certification of Notifications at Pre-Application Form -- §50.8(d)(3)*

- Only areas highlighted in yellow require data entry. Note: the worksheet is protected and will enable you to tab directly to the highlighted cells that require your data entry.
- All four main boxes on the form must be checked
- The form must be signed, dated and notarized. The fully executed and notarized version of this form should be included within the PDF formatted version of the Pre-Application file.
- While copies of notifications are not required to be submitted with the Pre-Application, Applicants should maintain evidence of all notifications made, including proof of delivery. This evidence may be requested by the Department at any time during the application review.
- Please note the following:
  - a. Sample *Neighborhood Organization Request Format* and *Public Notification Format (Written)* available within the Pre-Application Excel file, *see Tabs titled “T1, T2, T3, etc..*
  - b. Request for a list of Neighborhood Organizations must be made by December 8, 2009 -- §50.8(d)(3)(A)(i).
  - c. Notifications must be made no later than the date the Pre-Application is submitted to the Department.
  - d. Notifications should be made using a form of delivery that can be tracked. While it is not required to be submitted behind this tab, Applicants must keep evidence of all notifications made and provide this evidence to the Department upon request at any time during the Application review.
  - e. Developments located in Extra Territorial Jurisdictions (ETJ) of a city are not required to notify city officials.
- Notifications must be made using the language outlined in the *Neighborhood Organization Request Format* and *Public Notifications Format (Written)* available within the Pre-Application Excel file.

**B. Unbound Items:**

The following items must be submitted with the Pre-Application, but must not be included within the electronic Pre-Application submission:

- ❖ *2010 Payment Receipt*
- ❖ Pre-Application Fee – The Department will not accept a Pre-Application without the corresponding fee of \$10.00 per unit. (Non-Profit organizations may receive a 10% reduction of fees if 501(c)(3) form is submitted with payment receipt).
- ❖ *2010 Electronic Application Filing Agreement* – can be faxed or emailed

## V. FORMAT FOR PRE-CERTIFICATION AND ACKNOWLEDGEMENT (EXPERIENCE CERTIFICATE)

All Applicants are required to submit an Experience Certificate as part of their Application.

### **Process:**

The individual that will be utilizing their experience to meet the experience threshold requirement must submit evidence of experience to the Department to the attention of Multifamily Finance Production Division. After staff review of the documents, a Certificate of Experience will be issued by the Multifamily Finance Production Division and mailed back to the individual that requested the certificate. For Competitive HTCs, the request for an Experience Certificate must be submitted by 5:00 p.m. CST on Monday, February 15, 2010. For Tax-Exempt Bond Developments, the request must be included with the Application submission.

### **Eligibility of Previously Issued Experience Certificates:**

Experience Certificates issued under the 2004 through 2009 QAPs issued in the name of an individual for rural developments are eligible for 2010; requests for recertification are not necessary. **All others must apply for the 2010 Experience Certificate.**

### **Required Documentation:**

The required documentation is explained in detail in §50.9(g) of the 2010 QAP.

1. The form titled *2010 Experience Certification Request Form* will need to be submitted and is available on the Department's website at <http://www.tdhca.state.tx.us/multifamily/applications.htm>.
2. If a Texas HTC development is being used as prior experience, only a copy of one IRS Form 8609 is required to be submitted.
3. For all other developments, submit the partnership or development agreement and the Certificates of Occupancy or AIA Document G704 – Certificate of Substantial Completion. Refer to §50.9(g) of the 2010 QAP for a list of other documentation that may be acceptable to the Department.

## VI. FORMAT FOR SUBMITTING THE APPLICATION (Applies to all programs unless specifically mentioned in this section)

The Application consists of two parts: electronic submission and unbound items. A complete Application for each proposed Development must be submitted as described in this section. Applications must be presented in the order provided below.

**Incomplete Applications or improperly formatted Applications will not be accepted.** Per §50.5(a)(10) of the 2010 QAP, an Application is ineligible if “The Application is submitted after the Application submission deadline (time or date); includes an electronic submission that is unreadable by the Department’s computer system; has an entire Volume of the Application missing; or has a Material Deficiency as defined under §50.3(65) of the 2010 QAP. If an Application is determined ineligible pursuant to this subsection, the Application will be terminated without further consideration and the Applicant will be notified of such termination. To the extent that a review was able to be performed, specific reasons for the Department's determination of ineligibility will be included in the termination letter to the Applicant.”

Exhibits shown in *italics* are forms, templates or reference material included on the Department’s website and in the Application. The forms, templates and reference materials required to complete the Application are:

1. “2010 Uniform Application” – Will be referred to as “*Uniform Application*” in the ASPM. Link found at <http://www.tdhca.state.tx.us/multifamily/applications.htm>. Please note that all 2010 Templates will be included within the 2010 Application file.

2. “2010 Reference Manual Items” – Will be referred to as “*Reference Manual*” in this ASPM. Link found at <http://www.tdhca.state.tx.us/multifamily/applications.htm>.
3. “2010 Final QAP Signed by Governor (PDF)” – Will be referred to as “*2010 QAP*” in the ASPM. Link found at <http://www.tdhca.state.tx.us/multifamily/hc/index.htm>.
4. “2010 Real Estate Analysis Rules and Guidelines (PDF)” – Will be referred to as “*REA Rules*” in the ASPM. Link found at <http://www.tdhca.state.tx.us/rea/>.
5. “2010 Electronic Application Filing Agreement” – Will be referred to as “*the Filing Agreement*” in the ASPM. Link found at <http://www.tdhca.state.tx.us/multifamily/applications.htm>

## **SUBMISSION FORMAT:**

**Identifying Labels** – Any documentation submitted to the Department with the Full Application must be clearly labeled with the following:

1. Development Name
2. If a Pre-Application was submitted, include the assigned TDHCA Development Number
3. Owner Name
4. Contact Name(s)
5. Contact Address(es)
6. Contact Phone and Fax Number(s)
7. Contact Email Address(es)

### **A. Electronic Submission:**

Two formats will be required for electronic submission of the complete Application (Volumes 1-4). A bookmarked, electronic copy of the complete Application and Third Party Reports must be submitted as one PDF file on a recordable compact disk (CD-R) **AND** must also be submitted in the original Excel format. The disk should NOT be rewritable to protect the integrity of the data on the disk. This electronic copy must be submitted on or before 5:00 PM CST on March 1, 2010 in the following required format:

**Any Social Security numbers appearing in any portion of the Application submission must be removed from the PDF copy prior to submission to the Department. The file will be posted to the Department’s website and the Department will not be responsible for editing.**

- ❖ For the PDF formatted file:
  - Each volume’s tabs must be correctly bookmarked
  - Files should average less than 100 Kilobytes per page
  - Files must be readable with free PDF file viewers including Adobe Reader and be compatible with Adobe Reader 5.0 and above
  - Files should be saved so that “Fast Web View” (or page at a time downloading) is enabled
  - The PDF file should be named in the following format -- <file\_name>.pdf (i.e. Greens\_Crossing.pdf)

**Please note that the PDF format is an open technology and not proprietary to Adobe, therefore other PDF format applications are available to the public. Questions about electronic submission should be directed to Jason Burr at [jason.burr@tdhca.state.tx.us](mailto:jason.burr@tdhca.state.tx.us).**

## **IMPORTANT INFORMATION REGARDING ELECTRONIC SUBMISSIONS**

- ❖ Applicants will be assigned a user name and a password for each Application submitted. Information regarding the Department’s File Transfer Protocol (FTP) Procedures to submit subsequent application documentation will be provided on the Department’s website.

- ❖ **Each Applicant is required to complete and submit the *Electronic Application Filing Agreement* prior to receiving a user name and password for the FTP service. The agreement can be found at <http://www.tdhca.state.tx.us/multifamily/applications.htm>.**

The Application consists of Volumes 1 through 4. The volumes listed below are required for each funding program unless otherwise noted.

All required forms may be found on the Department's website at the links provided above; the names of these forms are presented in *italics*. The forms submitted to the Department must be the current version available on the Department website; the Department will not accept Application materials from previous years, and will terminate Applications for this reason. Each form must be completed; all questions must be answered and spaces completed.

If you have difficulty downloading the files from the website, contact Jason Burr at (512) 475-3986, or [Jason.burr@tdhca.state.tx.us](mailto:Jason.burr@tdhca.state.tx.us).

**Volume 1** – Priority/Eligibility Review and Threshold Documentation

**Volume 2** - Site Packet

**Volume 3** - Supplemental Threshold Documentation

**Volume 4** - Selection Documentation for Competitive Housing Tax Credit Program (applies ONLY to Competitive Housing Tax Credit Developments)

The Applicant will receive a User ID and Password from the Department for each Application submitted to allow the Applicant the ability to submit other documents and Application materials throughout the Application process. This includes submission of third party reports that are received separate from the Application.

**Third Party Reports** – Must be received by the Department no later than 5:00 p.m. CST on April 1, 2010 for Competitive Housing Tax Credit Applications; or 60 days prior to the Board meeting at which the decision to issue the Determination Notice would be made for Tax-Exempt Bond Applications; or as required by the NOFA for HOME and Housing Trust Fund Applications.

1. *Appraisal* - A bookmarked electronic copy in the format of a single file containing all information and exhibits on a CD-R clearly labeled with the report type, Development name, and Development location are required -- §50.9(h)(14)(G)(iii). Must include a statement that report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice and the Department's Appraisal Rules and Guidelines, §1.34 of the 2010 **REA Rules**.
  - Must be prepared by a qualified Third Party.
  - Appraisal must be dated after June 8, 2009 for Competitive HTC, or for Tax-Exempt Bond Development dated no more than 6 months prior to Volume 1 submission. If appraisal is older, an updated appraisal from the Person that prepared the initial report must be provided; however any appraisal which is more than 12 months old as of the first day of the Application Acceptance Period will not be accepted. If Development is TRDO-USDA, the appraisal may be more than six months old as of the date of the Volume 1 submission for Tax-Exempt Bond Development, or the beginning of the Application Acceptance Period for Competitive HTC if TRDO-USDA confirms that the existing appraisal is acceptable.
  - Must be addressed to the Department, or must include a transmittal letter from the provider stating that the Department may rely on the report.
  - Values stated must include the as-vacant value of the land and the value of any improvements must be stated separately (remember that acquisition credits may only be requested for buildings that have value and the eligible basis for the credits in *Volume 1, Tab 3 Part A. Development Cost Schedule* must be consistent with the appraisal, just as the land must be).
2. *Market Study* – A bookmarked electronic copy in the format of a single file containing all information and exhibits on a CD-R clearly labeled with the report type, Development name, and Development location are

required -- §50.9(h)(14)(G)(iii). Must include a statement that it was prepared in accordance with the Department's Market Study Rules and Guidelines, §1.33 of the 2010 **REA Rules**.

- Must be prepared by a Third Party Market Analyst approved by the Department as indicated in the Department's Market Analysis Rules and Guidelines.
- Must be dated within six months of the first day of the Application Acceptance Period (no older than June 8, 2009 for Competitive HTC or 6 months prior to the date of Volume 1 submission for Tax-Exempt Bond Developments) or the Person that prepared the initial report must supply an updated Market Analysis; however, if the Market Analysis is more than 12 months old (older than December 8, 2008 for Competitive HTC or 12 months prior to the date of Volume 1 submission for Tax-Exempt Bond Developments), it will not be accepted.
- Must be addressed to the Department or must include a transmittal letter from the provider stating that the Department may rely on the report.
- Must include a map, including scale, showing primary market area -- §50.9(h)(14)(G)(ii)
- Must include a map, with scale, showing secondary market area -- §50.9(h)(14)(G)(ii)
- Report must conform with all other Market Analysis Rules and Guidelines specified in §1.33 of the 2010 **REA Rules**.
- For the TRDO-USDA Set-Aside or acquisition and Rehabilitation of residential structures at or above 80% occupancy at the time of Application, the appraisal, required under §50.9(h)(7), (12), or (14)(D) prepared in compliance with the Department's Appraisal Rules and Guidelines, §1.34, will satisfy the requirement for a Market Analysis; however, the Department may request additional information as needed -- §2306.67055, §42(m)(1)(A)(iii)

3. *Phase I Environmental Site Assessment* - A bookmarked electronic copy in the format of a single file containing all information and exhibits on a CD-R clearly labeled with the report type, Development name, and Development location are required -- §50.9(h)(14)(G)(iii). Must include a statement that report was prepared in accordance with the Department's Environmental Site Assessment Rules and Guidelines, §1.35 of the 2010 **REA Rules**.

- TRDO-USDA Developments are not required to supply an ESA.
- Must be prepared by a qualified Third Party.
- Must be dated within 12 months of the first day of the Application Acceptance Period, (no older than December 8, 2008 for Competitive HTC or 12 months prior to the date of Volume 1 submission for Tax-Exempt Bond Developments) or must include an update letter or updated report from the original provider, dated within three months of the first day of the Application Acceptance Period, (no older than September 8, 2009 for Competitive HTC or 3 months prior to the date of Volume 1 submission for Tax-Exempt Bond Developments) confirming that the site has been re-inspected and reaffirming the initial conclusions or identifying any changes.
- Must be addressed to the Department or include a transmittal letter from the provider stating that the Department may rely on the report.
- Statement from the provider that the report fee is his sole benefit and findings are not contingent on compensation from the client or its affiliates.
- Applicant must certify that appropriate action has been or will be undertaken if the ESA indicates that either abatement or further investigation of any environmental issue is warranted.
- Noise study must be expressly stated to be recommended or not recommended.
- FEMA map panel, including panel number, of the subject area with the outline of the subject site superimposed (or otherwise unmistakably identified). (NOTE: find out if the ESA provider intends to include a FEMA map – if not, use another provider or submit it, yourself. Remember to identify the site on the map and to show the panel number).
- All other items specified in §1.35 of the 2010 **REA Rules**.

4. *Property Condition Assessment* - A bookmarked electronic copy in the format of a single file containing all information and exhibits on a CD-R clearly labeled with the report type, Development name, Development location are required -- §50.9(h)(14)(G)(iii). Must include a statement that it was prepared in accordance with the Department's Property Condition Assessment Rules and Guidelines, §1.36 of the 2010 **REA Rules**.

- Must be prepared by a qualified Third Party.
- Must be dated within six months prior to the first day of the Application Acceptance Period (no older than June 8, 2009 for Competitive HTC or 6 months prior to the date of Volume 1 submission for Tax-Exempt Bond Developments). The Department will not accept any PCA report that is more than six months old as of the first day of the Application Acceptance Period.
- Must be addressed to the Department or include a transmittal letter from the provider stating that the Department may rely on the report.
- Must be prepared in accordance with all other requirements of §1.36.
- For Developments which require a capital needs assessment from TRDO-USDA, the capital needs assessment may be substituted and may be more than six months old (older than June 8, 2009 for Competitive HTC or 6 months prior to the date of Volume 1 submission for Tax-Exempt Bond Developments), as long as TRDO-USDA has confirmed in writing that the existing capital needs assessment is still acceptable.

Questions regarding the Market Study, Appraisal, ESA and PCA should be directed to Pamela Cloyde in the Real Estate Analysis Division at (512) 475-4573.

#### **B. Confidential Documentation:**

The following documents are a part of the Application, but must not be included within the application electronic submission. These documents may be submitted in hardcopy format or electronic format but must NOT be included on the same disk as the Volumes 1-4.

- ❖ *Part A.2: Applicant Unique Identifier Number*, form included in a separate link at <http://www.tdhca.state.tx.us/multifamily/applications.htm>.

- **Do not include in Application Electronic Submission**

- The shaded area in the form is provided as an example of how to complete the form.
- All references to the “Development Owner” mean the Development Owner excluding the investor limited partner position that will typically be filled by a third party syndicator. Any limited partner or special limited partner that is not the syndicator must be included in the form.
- Note that the first entry on the form will be the Development Owner. The Development Owner will only appear on the form once. Therefore, the middle column of the Development Owner’s line must be left blank so that the identification number of the Development Owner may be entered in the right-hand column.
- Every organization that is listed in the middle column as a Principal of the Development Owner will later be listed again in the left-hand column with its own Principals listed in the middle column starting in the line below it. For simplicity, do not make entries in both the left-hand column and middle column of the same line. If an organization is named in the left-hand column of a line, leave the middle column blank and begin the list of “Principals” on the next line below.
- The Principals of nonprofit organizations will be the board members and executive officers, with the ownership percentage of each being stated as “0%.”
- In general, every organization will be listed at least once in the middle column of the form and, generally, only once in the left-hand column of the form. Exceptions in which the same organization might be listed twice in the left-hand column include cases wherein the same organization is both an owner and a developer, and other such “special cases” as explained below.
- **Special Cases:** The Developer, Guarantor and entity that will receive more than 10% of the developer fee must also be listed on the form, even if they do not have any ownership. Therefore, after listing owners, list the applicable entities that have no ownership, including any Developers, Guarantors and organizations or Persons that will receive more than 10% of the developer fee. Where there is no ownership, be sure to state the percentage of ownership as “0%.”
- Use additional pages of the form as necessary to completely list all applicable participants.

- ❖ *Authorization to Release Credit Information Form*



- You must use the form available as a Template within the Application Excel file (see tab “T10”).
- Must be completed and signed for every General Partner, Developer or Guarantor and any Person that has a 10%, or greater, ownership interest in the Development Owner, General Partner, Developer or Guarantor.
- Nonprofit entities, public housing authorities and publicly traded corporations are only required to submit documentation for the entities involved; documentation for individual board members and executive directors is not required.
- Special case where a to-be-formed organization is a member of the General Partner, Developer or Guarantor or is a special limited partner of the Development Owner: If the to-be-formed organization is an instrumentality of another organization such as, for example, a public housing authority, then full documentation must be submitted for the other organization (e.g., the public housing authority).

**C. Other Unbound Documents:**

The following documents are part of the Application, but must not be included within the electronic submission.

❖ *2010 Payment Receipt*

❖ Application Fee – \$30.00 per unit unless a Pre-Application was submitted in which the fee would be \$20.00 per unit. **The Department will not accept an Application without the corresponding fee.**

❖ 2010 *Electronic Application Filing Agreement* **if Pre-Application was not submitted.**

## VII. LIST OF REQUIRED EXHIBITS FOR THE APPLICATION

This section describes the specific documents required for the Application. The Application consists of one complete Excel file. **Throughout the Application only those cells highlighted in yellow will require data entry of the Applicant.** All other areas highlighted in gray or not highlighted at all will either auto-fill or auto-calculate from data entered throughout the Application. **You must compile the Application based on the order provided in this document.** Note that this order does not necessarily follow the order that is used in the QAP!

Exhibits shown in *italics* are forms, templates, and reference material included on the Department's website and in the Application. The forms, templates, and reference materials required to complete the Application are:

1. "2010 Uniform Application" – Will be referred to as "***Uniform Application***" in the ASPM. Link found at <http://www.tdhca.state.tx.us/multifamily/applications.htm>. Please note that all 2010 Templates will be included within the 2010 Uniform Application file.
2. "2010 Reference Manual Items" – Will be referred to as "***Reference Manual***" in this ASPM. Link found at <http://www.tdhca.state.tx.us/multifamily/applications.htm>.
3. "2010 Final QAP Signed by Governor (PDF)" – Will be referred to as "***2010 QAP***" in the ASPM. Link found at <http://www.tdhca.state.tx.us/multifamily/htc/index.htm>.
4. "2010 Real Estate Analysis Rules and Guidelines (PDF)" – Will be referred to as "***REA Rules***" in the ASPM. Link found at <http://www.tdhca.state.tx.us/rea/>.

### Volume 1. Priority/Eligibility Review and Threshold Documentation

Include all of the following documents:

❖ **Volume 1, Tab 1:**All forms included in the ***Uniform Application*** under *Volume 1, Tab 1 Parts A-C*

1. *Part A. Activity Overview*
  - All cells highlighted in yellow require data entry by the Applicant.
  - This form must be signed by the representative or person with authority to execute documents on the Applicant's behalf.
2. *Part B. Applicant Information*
  - All cells highlighted in yellow must be completed.
  - Information for a second contact must be provided.
  - Name and contact information for Consultant must be entered.
3. *Part C. Funding Request*
  - Correctly select the appropriate items.
  - If applying for TDHCA HOME funds, indicate if there is a "Persons with Disabilities" set-aside.
  - If applying for TDHCA HOME CHDO funds, select the HOME CHDO box.
  - Maximum annual amount of Housing Tax Credit per Development is \$2,000,000 -- §50.6(d)
  - If applying for the TDHCA HOME funds, the maximum award is \$3 million per application. The minimum amount of HOME funds that should be invested is \$1,000 per HOME assisted unit and the maximum cannot exceed the 221 (d)(3) limits.
4. Development Narrative which Describes the Development Plan:
  - This worksheet serves only as a placeholder and will not allow you to enter data.
  - For **New Construction Developments**, include the target population, the number of Units, the number of residential and non-residential buildings, and the size of the Development Site.

- For **Adaptive Reuse Developments**, the narrative must include a description of the development, as it exists prior to any renovation, and a description of the proposed development.
  - a. Pre-renovation description:
    - The number of existing buildings, and description of buildings' pre-renovation use
    - The size of the existing Development Site
  - b. Proposed development description:
    - The number Units proposed in each building
    - The number of Units by Unit type (i.e. 1 bedroom, 1 bathroom)
    - The target population for the proposed Development
- For proposed **Rehabilitation** of Existing Residential Developments, **which includes reconstruction**, the narrative must include a description of the Existing Residential Development, including:
  - a. The number of existing residential and non-residential buildings
  - b. The number of Units by Unit type (i.e. 1 bedroom, 1 bathroom)
  - c. The size of the existing Development Site
  - d. The target population for the proposed Development
  - e. Describe any demolition of residential buildings and reconstruction of buildings for residential use
  - f. The number of proposed residential and non-residential buildings
  - g. The number of proposed Units by Unit type (i.e. 1 bedroom, 1 bathroom)
  - h. The size of the proposed Development Site

❖ **Volume 1, Tab 2:** All forms included in the *Uniform Application* under *Volume 1, Tab 2*

1. *Part A. Populations Served*

- All cells highlighted in yellow require data entry by the Applicant. Note that cells highlighted in gray will auto-calculate based on data entered here and in *Part B, Rent Schedule*. Therefore, a “**DIV/0!**” will appear upon entry of the “# of Designated Units” in this worksheet. The worksheet is protected and will not allow you to manipulate the cells that are gray. Once data is entered into Volume 1, Tab 2, Pt B the cells will calculate the correct percentage.
- Note that the “Type of Unit” categories are not mutually exclusive. For instance: for a 200 Unit Qualified Elderly Development with 10% of the Units set-aside for a Persons with Disabilities, the table would read 200 Elderly Units and 20 Units for Persons with Disabilities with corresponding percentages of total Units.
- Note that pursuant to the Integrated Housing Definition as defined in the Department’s Compliance Rules, the number of units designated for Persons with Disabilities must not exceed 18% for developments with 50 or more units; and must not exceed 36% for developments with 36 or fewer units.

2. *Part B. Rent Schedule*

- **Note that this is a two-page form.**
- Drop-down lists have been added to this exhibit and data entry is required in only the cells highlighted in yellow.
- If the Development includes loft/efficiency Units, label these Units as “efficiency” bedrooms as provided in the drop-down list.
- Note that validations have been added to this exhibit to assist the Applicant in adhering to the Department’s rules related specifically to minimum unit sizes. These validations work based off of information entered here and in other exhibits of the Application.
- Additional rows are hidden should more rows be required. To do this select Rows 45 and 63, right click on mouse and select “Unhide.”
- If any non-rental income is included, describe the source(s) of the income. “Misc” income not an acceptable description.

- If applying for 4% Housing Tax Credits and Tax-Exempt Bonds, the bond priority must be designated, regardless of Bond Issuer.

**NOTE: If applying for local or TDHCA HOME funds, staff recommends that the Applicant consult with the Department prior to Application submission to ensure compliance with Department and IRC Rules.**

3. *Part C. Utility Allowances*

- All cells highlighted in yellow require data entry.
- Form must be completed; if the form is not applicable, indicate such and submit the form. If the Development is all bills paid, indicate such and indicate the utilities and energy source.
- Support documentation must be included (i.e., Current PHA utility allowances sheet or local utility provider estimate specific to development) that clearly identifies the utility costs included in the estimate and the effective date of the documentation.

4. *Part D. Annual Operating Expenses*

- All cells highlighted in yellow require data entry by the Applicant.
- You must describe any “Other” cost included in any of the expense categories. “Misc” expense is not an acceptable description.

5. *Part E. 30 Year Rental Housing Operating Pro Forma*

- All cells highlighted in yellow require data entry by the Applicant.
- Note: the Applicant must complete this form for all 30 years; however, no applicant will be determined by the Real Estate Analysis Division as “infeasible” based on any information relating to years 16-30 contained within this document.
- HOME Application pro forma must maintain a positive cash flow for years 1-15. Any deferred developer’s fee must be shown to be fully repaid by year 15. The initial year one operating expenses divided by effective gross income must be less than 65%.

6. *Part F. Building/Unit Type Configuration*

- All cells highlighted in yellow require data entry by the Applicant.
- Units and square footage must be consistent with *Part B. Rent Schedule*. Note that validations have been included in this exhibit in order to check for consistency between these two exhibits.
- Unit configuration per building must conform to building floor plans and site plan matrix.
- Number of buildings must conform to the site plan.
- If an elderly development with air conditioned, elevator-served corridors, provide the square footage of these corridors where requested.
- If a Single Room Occupancy development, provide the square footage of air conditioned, elevator served corridors and square footage of common areas where requested.

❖ **Volume 1, Tab 3:**

1. *Part A. Development Cost Schedule*

- All cells highlighted in yellow require data entry by the Applicant.
- Must be signed by Development Owner and Contractor.
- Owner’s Requested Credits must match *Volume 1, Tab 1 Part C. Section 3. Funding Request*. Note that validations have been added to this worksheet to check for consistency in funding request.
- IMPORTANT: If projected site work costs include unusual or extraordinary items or exceed \$9,000 per Unit, then the Applicant must provide the documentation described under *Part C. Site Work Costs* form below -- §50.9(h)(6)(G)

2. *Part B. Offsite Costs Breakdown*

- This form is only applicable if offsite costs are included in *Part A. Development Cost Schedule*.

- All cells highlighted in yellow require data entry by the Applicant. The total Offsite Costs entered in this exhibit must match the amount reflected in *Part A. Development Cost Schedule*.
- If more rows are needed for additional costs than provided, highlight Rows 21 and 36, right click on mouse and select “Unhide” to provide more rows.
- Must be signed by registered engineer or architect.

3. *Part C. Site Work Costs*

- This form is only applicable if the subtotal site work cost from *Part A. Development Cost Schedule* is above \$9,000 per unit.
- All cells highlighted in yellow require data entry by the Applicant. The total Site Work Costs entered in this exhibit must match the amount reflected in *Part A. Development Cost Schedule*.
- If more rows are needed for additional costs than provided, highlight Rows 25 and 36, right click on mouse and select “Unhide” to provide more rows.
- In addition, the following documentation must be provided:
  - a. A detailed cost breakdown prepared by a Third Party engineer or architect, and
  - b. A letter from a certified public accountant allocating which portions of those site costs should be included in Eligible Basis and which ones may be ineligible.

❖ **Volume 1, Tab 4:** All forms included in the *Uniform Application* under *Volume 1, Tab 4*

1. *Part A. Summary Sources and Uses of Funds*

- All cells highlighted in yellow require data entry by the Applicant.
- Financing participants must be listed in the right-hand column. This column has been formatted to allow for size adjustment if necessary.
- Must include interim and permanent financing.
- Total sources of funds must equal the total uses of funds reflected in *Volume 1, Tab 3 Part A. Development Cost Schedule* Total Development Cost.
- Amounts listed must match amounts listed in *Part B. Financing Participants*, the Financing Narrative, Commitment Letters and Syndicator Letters.

2. *Part B. Financing Participants*

- All cells highlighted in yellow require data entry by the Applicant.
- The sources and amounts of funds indicated on this form must match those indicated on *Part A. Summary Sources and Uses of Funds*. Complete all information requested on the form for each participant.

3. Financing Narrative -- §50.9(h)(6)(A)

- This worksheet serves only as a placeholder and will not allow you to enter data.
- Sources and amounts of funds referenced in this narrative must match *Part A. Summary Sources and Uses of Funds*.

4. Commitment Letters -- §50.9(h)(7)(C)

- This worksheet serves only as a placeholder and will not allow you to enter data.
- Must include evidence of interim and permanent financing
- Evidence must be consistent with *Part A. Summary Sources and Uses of Funds*
- Evidence must be provided in one or more of the following forms:
  - a. Valid and binding loan agreement or deed of trust in the name of a member of the Development Owner and/or that allows transfer to the Development Owner, and, for TRDO-USDA 515 Developments, an executed letter indicating that TRDO-USDA has received a Consent Request or Primary Submittal and a copy of the original loan documents; or
  - b. Commitment or term sheet:
    - Must be addressed to a member of the Development Owner
    - Must refer to the development by name

- Must be executed by lender
  - Must indicate a principal amount, loan term, stated interest rate, amortization term and expiration date
  - c. For any soft debt or subsidized gap financing:
    - a letter from the funding entity indicating that funds for which the Applicant intends to apply will become available after March 1, 2010 along, with a statement from the Applicant with respect to the loan amount to be applied for and the specific terms requested or to be requested
    - Term sheet that indicates terms and amount of funding and date funding determination will be made and a commitment issued
  - d. If Development is financed through more than 5% Development Owner contributions:
    - Third Party CPA letter verifying the capacity of the Development Owner to provide the proposed funding with funds not otherwise committed, and
    - Letter from Development Owner's bank confirming that sufficient funds are available to the Development Owner
5. Syndicator Letters -- §50.9(h)(6)(C)
- Evidence must be consistent with *Part A. Summary Sources and Uses of Funds*
  - Letter of commitment from a syndicator that, at a minimum, provides the per-credit price offered, an estimate of the amount of equity dollars expected to be raised for the Development in conjunction with the amount of housing tax credits requested for allocation to the Development Owner, including pay-in schedules, syndicator consulting fees and other syndication costs.
  - No syndication costs should be included in the Eligible Basis.

❖ **Volume 1, Tab 5:** All forms included in the *Uniform Application* under *Volume 1, Tab 5 Parts A-E*.

**Note: Do not include Part A.2 in Electronic Submission.**

1. *Part A.1 Applicant and Developer Ownership Chart* (use form as template) -- §50.9(h)(9)(A).
- This worksheet serves only as a placeholder and will not allow you to enter data.
  - At minimum, two charts must be provided: A separate chart must be provided for the Applicant and Developer; the charts must not be combined.
  - If a Guarantor that is not an owner exists, a separate chart must be provided.
  - Chart must show the following:
    - a. Name and ownership percentage of each entity and Person with an ownership interest in the Development Owner, General Partner, Special Limited Partner, Guarantor and Developer.
    - b. State the percentage of ownership of each entity and Person in the chart in terms of the entity's or Person's direct ownership of the organization that the entity or Person owns, not in terms of the Development Owner as a whole (See examples of ownership percentage in the example chart of the Uniform Application).
    - c. Trusts must list all beneficiaries that have the legal ability to control or direct activities of the trust and are not just financial beneficiaries.
    - d. Nonprofit entities, public housing authorities and publicly traded corporations must show name of organization, president, vice president and secretary (executive officers) and each member of the board of directors (directors or commissioners, as applicable). For to-be-formed instrumentalities of PHAs, where the executive director and board remain to be determined, include the PHA, itself, and its members.
    - e. Any person receiving 10% or more of the Developer Fee must also be included in the chart.

**Note: A.2 Applicant Unique Identifier Number is not included here.**

2. *Part B. List of Organizations with an Ownership or Special Interest in the Applicant*
- All cells highlighted in yellow require data entry by the Applicant.

- Typically, only organizations are listed on this form.
  - Every organization listed on the organizational chart must be included.
  - This exhibit currently allows for up to eleven separate organizations. Should additional fields be required the Applicant can make a copy of the exhibit contained within the 2010 Uniform Application file and paste the copy to a separate sheet in a separate Excel file. (See Instructions for making additional spaces at .....)
  - Natural persons will only be reported on this form if they directly own an interest in the Development Owner rather than owning an interest as members of an organization with an ownership interest.
  - Submit as many pages of the form as necessary to report all applicable organizations (and all natural persons with direct interests as owners, developers, guarantors or recipients of more than 10% of the developer fee).
3. *Part C. List of Principals of Organizations with an Ownership or Special Interest in the Applicant.*
- All cells highlighted in yellow require data entry by the Applicant.
  - Every natural person listed on the organizational chart and the executive director and all board members of nonprofit organizations and PHAs must be included.
  - To complete this form, refer to the instructions for *Part A.2 Applicant Unique Identifier Number* (found in the “Unbound Items” portion of section VI. Format for Submitting the Application).
    - a. Be sure to list all organizations and natural persons that are “Special Cases.”
    - b. Be sure that every entity listed in the left-hand column does not have a “Principal” listed by it on the same line (i.e. each line should contain the name of only one organization or if it is a “special case,” one natural person).
    - c. Be sure to indicate any previous participation with funding from TDHCA.
4. *Part D. Certification of Principal*
- This exhibit currently allows for up to twenty separate certifications, but only three certifications are within view. If you require more than the three separate certifications that are in view currently, select Rows 177 and 1180, right click on your mouse and select “Unhide.” You may have to reset your print area to include the number of certifications required. Should more than 20 certification pages be required the worksheet is unprotected to allow copies to be made.
  - Must be completed by all natural persons that appear on the organization chart.
  - This certification must be signed and filed by all natural persons who, either directly or through ownership of an intermediary organization, will have an ownership interest in the Development Owner, Developer, Guarantor or any organization that will receive more than 10% of the developer fee, or who, directly, will receive more than 10% of the developer fee.
  - For publicly traded corporations, the chief executive officer and members of the board must each sign.
  - For nonprofit corporations and governmental or quasi-governmental organizations, such as public housing authorities, the executive director and each board member must sign.
5. *Part E. Previous Participation and Background Certification -- §50.9(h)(9)(C)*
- All cells highlighted in yellow require data entry by the Applicant.
  - The worksheet currently allows for up to 15 separate certifications. However, only one complete certification appears on the form. If additional certifications are required (up to 15) you can unhide the hidden certification forms by selecting Rows 100 and 1514, right click on your mouse and select “Unhide.” If more than 15 certifications are needed you can get extra copies in the tab titled “Extra Prev Part & Back Cert” which is located at the end of the workbook after the Templates. If you do not require all 15 certification pages within this tab, simply hide those rows that are not needed.
  - Must be completed for each entity and natural person shown on the organizational chart and in *Part C: List of Principals of Organizations with an Ownership or Special Interest in the Applicant* that has any previous participation with funding from TDHCA. This form is not required for Persons/entities with no previous participation.

- For nonprofit entities, public housing authorities and publicly traded corporations, exhibit must be completed for the entity, individual board members and executive director.
- Must be completed for any Person receiving more than 10% of the Developer fee.

❖ **Volume 1, Tab 6:** The form included in the *Uniform Application* under *Volume 1, Tab 6*

*Development Team Members*

IMPORTANT: If there is a direct or indirect, financial or other interest with the Applicant or other team members, provide an attachment behind Volume 3, Tab 3 of the Application that explains the relationship.

❖ **Volume 1, Tab 7:** All forms included in the *Uniform Application* under *Volume 1, Tab 7*

1. *Part A. HTC Application Supplement*

IMPORTANT: Section 1 – Once a set-aside election is made, it is irrevocable. Be advised that if you select the option where at least 20% or more of the residential units in the development must be both rent restricted and occupied by individuals whose income is 50% or less of the area median gross income, adjusted for family size, then you are not allowed to have Units above that threshold. However, if you select the option where at least 40% or more of the residential units in the development are both rent restricted and occupied by individuals whose income is 60% or less of the area median gross income, adjusted for family size, then you can have Units at the 20% and 50% thresholds and retain the option of including Units at the 40% and 60% thresholds at a later time.

- All cells highlighted in yellow require data entry by the Applicant.

2. *Part B. 9% HTC Confirmation of Set-Aside and Allocation Eligibility (Competitive HTC Developments ONLY)*

If documentation is required for any set-aside selected, the documentation must be provided behind this tab unless already required elsewhere within the application.

**IMPORTANT! Nonprofit Applicants for Tax-Exempt Bond Developments need not complete this form, but must provide the documentation required in Volume 1, Tab 7.**

3. **Nonprofit Set-Aside Documentation (Competitive HTC Developments applying under the Nonprofit Set-Aside ONLY)**

Must meet the definition of a Qualified Nonprofit Organization pursuant to §50.3(83) of the 2010 QAP, Qualified Nonprofit Development pursuant to §50.3(84) of the 2010 QAP, and the requirements of §50.7(b)(1) of the 2010 QAP.

4. **At-Risk Set-Aside Documentation (Competitive HTC Developments applying under the At-Risk Set-Aside ONLY)** Rehabilitation Developments (including reconstruction) may qualify if the Applicant has filed a Pre-Application or an *2010 Intent to Request Housing Tax Credits* form by the Pre-Application submission deadline -- §50.3(14)

- Development must be at risk of losing all affordability from all of the financial benefits available on the Development
- Evidence that the development has received a subsidy or benefit from at least one of the following must be submitted (Note: if more than one is received as a subsidy on the Development, they must be checked on the form):
  - a. Sections 221(d)(3) and (5), National Housing Act (12 U.S.C. §17151);
  - b. Section 236, National Housing Act (12 U.S.C. §1715z-1);
  - c. Section 202, Housing Act of 1959 (12 U.S.C. §1701q);
  - d. Section 101, Housing and Urban Development Act of 1965 (12 U.S.C. §1701s);
  - e. Section 8 Additional Assistance Program for housing Developments with HUD-Insured and HUD-Held Mortgages administered by the United States Department of Housing and Urban Development;



- f. Section 8 Housing Assistance Program for the Disposition of HUD-Owned Projects administered by the United States Department of Housing and Urban Development;
  - g. Sections 514, 515. and 516, Housing act of 1949 (§42 U.S.C. §§1484, 1485 and 1486); and/or
  - h. Section 42 of the Internal Revenue Code of 1986 (26 U.S.C. §42)
  - Evidence must show that all subsidies or benefits expire (provided such benefit constitutes a subsidy) no later than July 31, 2012, is eligible for prepayment to that the Development and is eligible to request a qualified contract under Section 42, of the Internal Revenue Code of 1986; **this information must be flagged within the documentation submitted.**
  - Evidence for a qualified contract must be provided in the form of a copy of the recorded LURA, the first year's IRS Forms 8609 for all buildings showing Part II completed and, if applicable, documentation from the original application regarding the right of first refusal.
  - An Application for a Development that includes the demolition of the existing Units will not qualify as an At-Risk Development unless the redevelopment will include the same site.
  - Certification that states that all possible financial benefit will be retained or renewed.
5. USDA Set-Aside documentation (**Competitive Housing Tax Credit Developments applying under the USDA Set- Aside ONLY**) Rural Rehabilitation Developments (including reconstruction) that are financed through existing TRDO-USDA 515 funds from USDA that retain the 515 loan and restrictions may qualify if the Applicant has filed a Pre-Application or a *2010 Intent to Request Housing Tax Credits* form by the Pre-Application submission deadline.
- Evidence required for Rehabilitation (including reconstruction) Developments financed under existing 515 loans: an application must have evidence from the state office of RHS of its financing or intent to finance.
6. *Part C. Development Owner Certification*  
Refer to QAP definition of Development Owner
7. *Part D. Consultant Certification*  
Refer to QAP definition of Development Consultant
8. *Part E. 9% Applicant Credit Limit Documentation and Certification*
- Refer to QAP definitions when completing this two-part form. In general, each Person and entity listed on the Development Owner's and the Developer's organizational charts should be listed on Part I.
  - All cells highlighted in yellow require data entry by the Applicant.
  - For each person or entity listed in Part I, you must submit a separate Part II for that Person or entity.
  - Must be provided for all Executive Directors and Board Members of Nonprofits.
  - Note that this form allows for up to 25 separate persons or entities to be listed in Part I; however, only 15 spaces currently appear on the form. If the additional ten spaces are required, highlight Rows 50 and 70, right click on your mouse and select "Unhide." This will unhide the additional spaces available in Part I.
  - For every person or entity listed in Part I, a Part II will be created by auto-fill. Currently only five Part II forms appear; however, if any additional Part II forms are required (up to 25), select Rows 391 and 1651, right click on your mouse and select "Unhide." This will unhide the additional spaces available for Part II.
  - **If the Application involves a joint venture, you must indicate percentages of ownership and developer fee.**

❖ **Volume 1, Tab 8:** All forms included in the *Uniform Application* under *Volume 1, Tab 8*

1. *Relevant Development Information Form (Parts I and II)*
  - All cells highlighted in yellow require data entry by the Applicant. Cells highlighted in gray or white will auto-fill or auto-calculate based on data entered previously in other exhibits of the Application.

- If a Pre-Application was submitted and no information has changed since Pre-Application, check the two boxes that indicate no change from Pre-Application; no other information is required to be submitted.
  - If a Pre-Application was not submitted, if any of the information has changed, or if re-notification were necessary, submit the form with updated information indicated. Note: The Department is not responsible for notifying Applicants if information contained herein is inaccurate. It is each Applicant's sole responsibility to ensure all information contained in this form is accurate and that any errors identified are corrected and proper re-notifications are made.
2. *Public Notification Information and Certification Form -- §50.9(h)(8)(A).*
- All cells highlighted in yellow require data entry by the Applicant.
  - Each applicable page of the form must be initialed in the lower right corner. Page four of the form must be signed and dated.
  - If additional pages are required go to the "Extra Public Notif" tab.
  - If a Pre-Application was submitted and no information has changed since Pre-Application, check the box that indicates no change and sign and date the last page. Note: in this case, although only boxes are required to be checked, these forms are required at Application, even if a Pre-Application was submitted.
  - If a Pre-Application was not submitted, if any of the information was changed, or if re-notifications were necessary, submit the signed and dated form with updated information indicated.
  - Single-member district – If the city council and/or county commission is a single-member district body, check the box to indicate this and list the single district representative in the space provided; you do not have to list the other members.
  - Both single member and at-large district – If the city council or county commission has both district-based and at-large members, indicate so on the form and list the single district representative in the space provided and all at-large members in the spaces provided for all representatives.
  - At-large district – List all representatives in the spaces provided.

❖ **Volume 2, Tab 1:**

1. Site Packet Information Form
  - Development name & Current site address
  - State whether the project is existing or proposed
  - Indicate construction type (New Construction, Rehab with/without reconstruction, Adaptive Reuse, Single Room Occupancy)
  - Current Owner name (**the Seller if the sale is not closed**), contact name and phone number
2. *2010 Existing Residential Development Certification Form* (refer to the Rehabilitation definition pursuant to §50.3(86) of the QAP, which includes reconstruction)
  - For Rehabilitation of an Existing Residential Development that **does not** include reconstruction, submit a signed certification stating:
    - a. Proposed Units are solely located within building(s) from an Existing Residential Development which are being rehabilitated
    - b. Existing residential Units are being rehabilitated within the walls of an existing residential building(s)
    - c. No Units proposed will be located within New Construction building(s) or Adaptive Reuse of non-residential building(s)
  - For Rehabilitation of an Existing Residential Developments that **does** include reconstruction, submit a signed certification stating:
    - a. Applicant is proposing demolition of a building(s) in an Existing Residential Development. The Units being replaced were residential (non-transient or Single Room Occupancy)
    - b. Applicant is not proposing Adaptive Reuse, pursuant to §50.3(1).

- c. All Units being reconstructed will be located on the Development Site currently under control of the Applicant (scattered sites acceptable, but must build at least one building on each site under control.
  - d. Total Units proposed are equal to or less than the total number of residential Units in the Existing Residential Development being demolished.
3. A full, legible legal description of the site should be included behind this tab.
  4. Include a city map or a copy of a map clearly indicating the location of the development in relation to the entire city or town in which it is located. The map must be clearly legible and must include a street level depiction that includes the census tract. The map should also indicate the location of the following facilities within 2 miles of the site:
    - Existing HTC or other affordable housing projects
    - Retail centers
    - Medical complexes
    - Recreational facilities
    - Educational facilities (elementary, secondary, high school, college or vocational) and libraries
    - Large scale employment centers
    - Public transportation stop closest to the site (if it falls within the two mile radius)
  5. A copy of the site plan. The site plan must indicate adjacent street names, existing/proposed buildings, parking, ingress, egress, and encroachments. A copy of the site plan must also be provided behind *Volume 3, Tab 2*.
  6. Photographs of site features (street signs, billboards, existing structures, etc.) that will help staff correctly identify the site during the site inspection.
  7. Written directions to the site from the nearest state or interstate highway.

### **VOLUME 3. THRESHOLD DOCUMENTATION**

Include all of the following documentation:

- ❖ **Volume 3, Tab 1 – Development Certification:** All forms included in the *Uniform Application* under *Volume 2, Tab 2 Parts A-D*

1. *Part A.1. Development Certification Form*
  - The first page certification form must be initialed in the lower right corner where indicated by yellow highlighted cell.
  - Must be signed and dated; signature does not have to be an original.
  - Required for all Development types (i.e. New Construction, Rehabilitation, etc.); no exceptions.
  - If “Scattered Site is checked, submit evidence that the Application is a scattered site application pursuant to the definition of “Development” in the QAP. The Development must be 100% rent restricted. Evidence of scattered site must include:
    - a. Evidence that the Application Development Site is comprised of non-contiguous sites; and
    - b. At least one building will be constructed on each site in the Development Site.
2. *Part A.2. Architect Certification Form*
  - Must be signed and dated; signature does not have to be original.
  - Required for all Development types (i.e. New Construction, Rehabilitation, etc.); no exceptions.
3. *Part B. Specifications and Amenities*  
Required for all Development types (i.e. New Construction, Rehabilitation, etc.); no exceptions.

- All cells highlighted in yellow require data entry by the Applicant. Other areas not highlighted will auto-fill or auto-calculate based on data entered in other areas of the Application.

4. *Part C. Common Amenities (Part 1 & 2) -- §50.9(h)(4)(A)*

- Only cells highlighted in yellow require data entry by the Applicant. NOTE: the Points Selected column will auto-calculate based on the amenities selected by the Applicant. The Applicant will be required to comply with all elections made even if more items are selected than necessary.
- This worksheet currently only shows one full form to be completed. However, the worksheet allows for up to ten different scattered site location forms to be filled in. To unhide the hidden forms, select Rows 134 and 1052, right click on mouse and select “Unhide.” You will have to reset the print area if these additional forms will be used. To do so, go to File → Print Preview → Page Break View. Once in Page Break View you should be able to see the page breaks and re-set each page break to match those of the first page.
- If your application includes more than three scattered sites you can get additional copies of this exhibit in the “Extra Common Amenity Pages” tab located at the end of the workbook next to the Templates.
- Required for all Development types (i.e. New Construction, Rehabilitation, etc.); no exceptions
- Note: Developments proposing Rehabilitation (excluding Reconstruction) or Single Room Occupancy will receive 1.5 times the point value for any selected amenity (do not round). Developments involving non-contiguous scattered sites must include a separate onsite amenities form for each separate site. Each separate form must have the address of the site clearly indicated.

5. *Part D: Unit Amenities*

- Only cells highlighted in yellow require data entry by the Applicant. NOTE: the Points Selected column will auto-calculate based on the amenities selected by the Applicant. The Applicant will be required to comply with all elections made even if more items are selected than necessary.
- This worksheet currently only shows one full form to be completed. However, the worksheet allows for up to ten different scattered site location forms to be filled in. To unhide the hidden forms, select Rows 44 and 440, right click on mouse and select “Unhide.” You will have to reset the print area if these additional forms will be used. To do so, go to File → Print Preview → Page Break View. Once in Page Break View you should be able to see the page breaks and re-set each page break to match those of the first page.
- If your application includes more than three scattered sites you can get additional copies of this exhibit in the “Extra Unity Amenity Pages” tab located at the end of the workbook next to the Templates.
- Note: Developments proposing Rehabilitation (excluding Reconstruction) or Single Room Occupancy will receive 1.5 times the point value for any selected amenity (do not round). Developments involving non-contiguous scattered sites must include a separate onsite amenities form for each separate site. Each separate form must have the address of the site clearly indicated.

**Note: For Competitive HTC Applications, a copy of this form must be submitted behind Volume 4, Tab 4.**

❖ **Volume 3, Tab 2 – Development Design Items:**

1. Architectural drawings -- §50.9(h)(5)(A)(i) through (iii).

- Site plan
  - a. Must include an accurate scale and/or dimensions, and be legible to the unaided eye.
  - b. Must include a table that shows the number of units and the unit mix consistent with *Volume 1, Tab 2 Part B. Rent Schedule*.
  - c. Number of residential and non residential buildings shown must be consistent with *Volume 3, Tab 1 Part B. Specifications and Amenities*.
  - d. Must identify all residential and common buildings with building labels consistent with *Volume 1, Tab 2, Part F. Building/Unit Configuration*.

- e. For **scattered sites**, a site plan for each site must be provided. Each one must meet the requirements listed above. Each must clearly have the address identified and be consistent with the *Scattered Site Information Form* behind Volume 3, Tab 3 (i.e. if the Development consists of 3 parcels of land, 3 separate site plans must be provided).
  - **Building floor plans (NOT required for Developments involving Rehabilitation in which the Unit configurations are not being altered)**
    - a. Must include an accurate scale and/or dimensions, and be legible to the unaided eye.
    - b. Must be submitted for each residential building type and all common buildings.
    - c. **Adaptive Reuse Developments** must provide building plans delineating each unit by number, type and quantity (number of units of each type) must be consistent with those identified in *Volume 1, Tab 2 Part B. Rent Schedule* and the *Volume 1, Tab 2 Part F Building/Unit Type Configuration Form*.
    - d. For **scattered sites**, building floor plans for each site must be provided. Each one must meet the requirements listed above. Each must clearly have the address and legal description stated and be consistent with the *Scattered Site Information Form* behind Volume 3, Tab 2 (i.e. if the Development consists of 3 parcels of land, 3 separate sets of plans should be provided).
  - **Building Elevations (NOT required for Developments involving Rehabilitation in which the Unit configurations are not being altered)**
    - a. Must include an accurate scale and/or dimensions, and be legible to the unaided eye.
    - b. Must be submitted for each residential building type and all common buildings.
    - c. Must include a percentage estimate of the exterior composition materials used.
    - d. **Adaptive Reuse Developments** must submit pictures of each elevation of the existing building depicting the height of each floor and estimated percentage of the exterior composition materials.
    - e. For **scattered sites**, building elevations for each site must be provided. Each one must meet the requirements listed above. Each must have the address and legal description stated and be consistent with the *Scattered Site Information Form* behind Volume 3, Tab 2 (i.e. If the Development consists of 3 parcels of land, 3 separate sets of elevations should be provided).
  - **Unit floor plans**
    - a. Must include an accurate scale and/or dimensions, and be legible to the unaided eye.
    - b. Must be submitted for each unit type.
    - c. Net Rentable Area must be indicated and must be consistent with *Volume 1, Tab 2 Part B. Rent Schedule* and the *Volume 1, Tab 2 Part F Building/Unit Type Configuration Form*.
    - d. **Adaptive Reuse Developments** must provide Unit floor plans for each distinct typical Unit type (i.e. one-bedroom, two-bedroom) and for all Unit types that vary in Net Rentable Area by 10% from the typical Unit.
    - e. For **scattered sites**, unit floor plans for each site must be provided. Each one must meet the requirements listed above. Each must clearly have the address and legal description stated and be consistent with the *Scattered Site Information Form* behind Volume 3, Tab 2 (i.e. If the Development consists of 3 parcels of land, 3 separate sets of unit floor plans should be provided).
2. Boundary Survey -- §50.9(h)(5)(B)
- Must clearly delineate the floodplain boundaries and show all easements (if applicable).
  - If the tract of land being purchased is larger than the portion being used for the Development; the survey must depict the larger tract (including acreage), and identify the site to be developed within the larger tract (including acreage).
  - For scattered sites, a boundary survey for each site with the site address clearly identified must be submitted. Each one must be consistent with the site control document submitted for the same piece of property as well as the *Scattered Site Information Form* behind Volume 3, Tab 2 (i.e. if the Development consists of 3 parcels of land, 3 separate labeled surveys must be provided).

❖ **Volume 3, Tab 3:** The forms included in the *Uniform Application* under *Volume 3, Tab 3*

1. *Site Information*

You must identify all of the sellers of the proposed Property for the 36 months prior to the first day of the Application Acceptance Period and their relationship, if any, to members of the Development team behind this form. Only areas highlighted in yellow require data entry by the Applicant.

2. *Scattered Site Information*

Must be completed if the Development consists of more than one site. List every site individually as a separate line item. Use the corresponding line number as an identifier in later exhibits. Only cells highlighted in yellow require data entry by the Applicant. This worksheet currently allows for up to 60 scattered sites but rows are hidden. If you need additional rows select Rows 120 and 142, right click on your mouse and select "Unhide."

3. Tax Assessment (not required if site is located on land that is not subject to federal, state or local property taxes -- §50.9(h)(7)(D)(ii))

- Provide the most current tax assessment valuation from the applicable county tax appraisal district.
- Must indicate tax rates for each taxing jurisdiction.
- For scattered sites, a tax assessment for each separate site must be submitted. Each assessment must have the site address clearly identified. It must be consistent with the site control document submitted for the same piece of property as well as the *Scattered Site Information Form* behind Volume 3, Tab 2 (i.e. if the Development consists of 3 parcels of land, 3 separate labeled tax assessments must be provided).

4. Evidence of Site Control -- §50.9(h)(7)(A)

- Site control must be valid for the entire period the Development is under consideration, which is:
  - a. July 30, 2010 for Competitive HTC Developments.
  - b. For Tax Exempt Bond Developments, site control must be through the scheduled inducement Board meeting for Pre-Applications, and at full Application must be 90 days from the date of the bond reservation with the option to extend through the scheduled TDHCA Board meeting. The potential expiration of site control does not warrant the application being presented to the TDHCA Board prior to the scheduled meeting.
- Evidence must be in one of the following forms:
  - a. A recorded warranty deed (with a corresponding executed settlement-unless identity of interest transaction)
  - b. A contract for lease (45-year minimum term)
  - c. A contract for sale or an exclusive option to purchase or lease
- Evidence must be in the name of a member of the Development Owner. If not in the name of a member of the Development Owner, then the documentation must reflect an expressed ability to transfer the rights to the Development Owner.
- If a contract is provided as evidence of site control, the closing date must be highlighted or flagged. If the date is not explicitly stated, but rather is triggered by other dates or periods, submit an outline of the dates that must be used to derive the closing date.
- If the contract expires prior to the date the Board will consider for an award, there must be an exclusive option to extend in the contract.
- For **scattered sites**, if you are submitting multiple contracts, deeds, etc. each one must meet all of the requirements listed above. Each must clearly have the address identified and be consistent with the *Scattered Site Information Form* behind Volume 3, Tab 2 (i.e. If the Development consists of 3 parcels of land, 3 contracts/deeds, etc. must be provided or one form of site control must clearly identify and cover all 3 parcels).
- **Note: Do not include documentation required under §50.9(h)(7)(A)(iv) for identity of interest transactions; this documentation must be provided in Volume 3, Tab 7.**

5. Evidence of zoning -- §50.9(h)(7)(B)

- Zoning must match representation made in *Volume 3, Tab 3 Site Information* form.

- Evidence must have been prepared and executed not more than six months prior to the close of the Application Acceptance Period.
- Evidence must include official description or definition of the zoning claimed or proposed.
- Evidence must be in one of the following forms:
  - a. For **New Construction, Adaptive Reuse, or reconstruction** Developments, a signed certification stating that the Development is located in an Extra Territorial Jurisdictions (ETJ) of a city, is not within the boundaries of any local political subdivision, and is not subject to any zoning ordinance; or
  - b. For **New Construction, Adaptive Reuse, or reconstruction** Developments, a letter from the CEO of the political subdivision or another local official with appropriate jurisdiction stating the Development is located in a political subdivision which does not have a zoning ordinance **and** that the Development is consistent with a local consolidated plan, comprehensive plan or other local planning document that addresses affordable housing. If no such planning document exists, the letter must attest to this and state that there is a need for affordable housing; or
  - c. For **New Construction, Adaptive Reuse, or reconstruction** Developments, a letter from the CEO of the political subdivision or another local official with appropriate jurisdiction stating that the Development is permitted under the provisions of the zoning ordinance that applies to the location of the Development; or
  - d. For **New Construction, Adaptive Reuse, or reconstruction** Developments, a letter stating the Applicant is in the process of seeking the appropriate zoning and has signed and provided to the political subdivision a release agreeing to hold the political subdivision and all other parties harmless in the event the appropriate zoning is denied; and a time schedule for completion of appropriate zoning. Submit a copy of the application for change in zoning and the hold harmless letter as well as proof of delivery of both in the form of a signed certified or overnight mail receipt, or confirmation from said official.
  - e. For Developments involving **Rehabilitation, documentation of current zoning required**. If the property is **not** a non-conforming use as presently zoned, or if no zoning is required, a letter from the CEO of the political subdivision or another local official with appropriate jurisdiction which states such.

If the property is currently a non-conforming use as presently zoned, a letter from the CEO of the political subdivision or another local official with appropriate jurisdiction which addresses the following items must be submitted:

- Nature of non-conformance; detailed narrative must be provided.
- Applicable destruction threshold
- Owner's right to reconstruct in the event of damage.
- Penalties for noncompliance.

6. Legal Description and Title Commitment, Policy, or Status Report -- §50.9(h)(7)(D)(i)-(iii)

- Copy of the full legal description
- Title commitment, policy, or status report if on Tribal Land.
  - a. Must be less than six months old as of the date the Application Acceptance Period closes. If the documentation is older than six months, a letter from the title company/Bureau of Indian Affairs indicating that nothing further has transpired on the policy, commitment, or status report must be provided.
  - b. Evidence must be one of the following:
    - Current title policy which shows that the ownership (or leasehold) of the Development Site is vested in the name of a member of the Development Owner; or
    - Current title commitment with the proposed insured matching the name of a member of the Development Owner and the title of the Development Site vested in the exact name of the seller or leaser as indicated on the sales contract, option or lease; or
    - Current title status report which shows that the Development Site is located on the land of the Tribal Applicant.

- c. For **scattered sites**, a title for each separate site must be submitted. Each must have the site clearly identified. It must be consistent with the site control document submitted for the same piece of property as well as the Scattered Site Information Form behind Volume 3, Tab 2 (i.e. if the Development consists of 3 parcels of land, 3 separate labeled titles must be provided).
7. Census Tract Map (**Required for all Developments**) -- §§50.6(g), (h) and 50.9(h)(6)(D):
- Must clearly show that the proposed Development is located within the Census tract.
  - Census tract 11digit numbers must be clearly marked on the map.
  - As a resource, a map can be printed from <http://www.ffiec.gov/Geocode/default.aspx> .
  - Census tract number must be identical to the census tract number stated in the Department's 2010 *Housing Tax Credit Site Demographic Characteristics* and *Volume 3, Tab 3 Site Information* form.

❖ **Volume 3, Tab 4 – Evidence of Notifications:** The form included in the *Uniform Application* under *Volume 3, Tab 4*

1. *Certification of Notifications (Sections A-D)* -- §50.9(h)(8)(A)
- The form must be signed, dated and notarized. **Signature must not be older than January 20, 2010; Notifications must not be older than February 22, 2010.**
  - **Section A** of the form must be completed by all Applicants:
    - a. If a Pre-Application was submitted and all notifications and/or appropriate re-notifications have been made, check the box in *Section 1 (Competitive HTC Developments ONLY)*.
    - b. If a Pre-Application for Competitive HTC was not submitted, or if the submission did not satisfy the Department's review, all three boxes in *Section 2* must be checked.
  - **Section B** of the form must only be completed if mailings were completed in lieu of posting signage on the property.
  - **Section C** of the form must only be completed if the Application is for Rehabilitation of an existing property that was occupied at the time of Application submission.
  - **Section D** of the form must be completed for all Competitive and 4% HTC Applications (regardless of the Bond Issuer)
  - While copies of notifications are not required to be submitted with the Application, please note the following:
    - a. Sample *Request for Neighborhood Organizations* and *Public Notification Format* in **Templates** on the Department's website.
    - b. Request for a list of Neighborhood Organizations must be made by:
      - January 20, 2010 for Competitive HTC Developments that did not submit a Pre-Application
      - Not later than 14 days prior to submission of the Volume 2 for Tax-Exempt Bond Developments
    - c. Notifications must be made no later than the date the Application is submitted to the Department.
    - d. Notifications cannot be older than 3 months from the first day of the application acceptance period for 9% HTC applications, or not older than 3 months prior to the date the Volume 3 submission of the Tax-Exempt Bond Development application as required by §50.9(h)(8)(A)
    - e. Notifications should be made using a form of delivery that can be tracked in order to retain proof of delivery of the notifications to the prescribed entities.
    - f. Developments located in Extra Territorial Jurisdictions (ETJ) of a city are not required to notify city officials.
2. Evidence of signage or alternative -- §50.9(h)(8)(B)
- *Public Notifications Format (Signage)* and alternative *Public Notifications Format (Written)* are available in the **Templates** tabs located within the 2010 Uniform Application file.
  - Must submit either evidence of signage or evidence of signage alternative
    - a. Signage:
      - Submit a photo of sign; content of the sign must be legible and must show the relative location of the sign on the Development Site.



- Sign must be four feet by eight feet.
  - Sign must be located within 20 feet of and facing the main road adjacent to the site.
  - Sign must be continuously maintained on the Development Site until the day the Board takes final action on the Application.
  - The sign must include the following:
    - i. Applicant name
    - ii. Name of Development
    - iii. Complete address/location (address, city, state, zip)
    - iv. Number of units
    - v. Number of acres
    - vi. Applicant/Contact/Address/Phone
  - Non-contiguous scattered sites must have a sign on each separate site.
  - For Competitive HTC Developments, date, time, and location of the public hearing closest to the site, as published by the Department, must be included on the sign.
  - Sign must be installed:
    - i. For Competitive HTC Applications, on or before the date the Application is submitted to the Department, or
    - ii. Scattered site Developments must install a sign on each Development site.
    - iii. For Tax-Exempt Bond Developments, regardless of the priority of the application or the issuer, the sign must be installed within thirty (30) days of the Department's receipt of Volume I and II. The date, time and location of the bond Tax Exempt Fiscal Responsibility Act (TEFRA) public hearing must be included on the sign no later than thirty (30) days prior to the scheduled public hearing.
- b. Alternative – mailed notifications: **(This option is only available for areas where Public Notification Sign is prohibited by local ordinance, code, or restrictive covenant)**
- Submit a map of the proposed Development site that marks the distance required by local zoning, or if no zoning, 1,000 feet, and indicates street names and addressed.
  - Submit a list of all addresses the notice was mailed to.
  - Submit an exact copy of the notice that was mailed.
  - Submit evidence of local zoning notification requirements or evidence of no zoning.
  - *Certification of Notifications, Section B* must be completed.
  - Must contain the same information required to be posted on the Public Notification Sign
  - Evidence of the applicable ordinance or code must be submitted.

❖ **Volume 3, Tab 5 – Organization Documents -- §50.9(h)(9)(B)**

Each entity shown on the organizational chart provided in *Volume 1, Tab 5* must provide the following documentation as applicable:

- For entities that are not yet formed but are to be formed either inside or outside the state of Texas, a certificate of reservation of the entity name from the Texas Secretary of State must be submitted.
- For existing entities whether formed inside or outside of the State of Texas, evidence from the Texas Secretary of State that the entity has the authority to do business in Texas or has applied for such authority must be submitted.

❖ **Volume 3, Tab 6 – Pre-Certification Documents, Experience Certificate -- §50.9(g)**

1. Refer to Section V of this ASPM “Format for Pre-Certification and Acknowledgement (Experience Certificate) for detailed requirements.

❖ **Volume 3, Tab 7 – Acquisition, Rehabilitation and Identity of Interest:** The form included in the *Uniform Application* under *Volume 3, Tab 7 Acquisition Rehabilitation (form) Parts A-C*

1. *Volume 3, Tab 7 Acquisition and/or Rehabilitation* (form) (only cells highlighted in yellow require data entry by Applicant)  
Required for Developments proposing acquisition and/or Rehabilitation
  
2. Rehabilitation Developments
  - *Volume 3, Tab 7 Acquisition and/or Rehabilitation* (form) *Part B.* must be completed
  - Property Condition Assessment must be submitted in electronic format. See ASPM Section VI. Format for Submitting the Application, A. Electronic Submission.
  - If rental assistance, an operating subsidy, an annuity, or an interest rate reduction payment is proposed to exist or continue for the Development -- §50.9(h)(10)(B):  
Any related contract or other agreement securing those funds or proof of Application must be provided, which at a minimum:
    - Identifies the source of funds
    - Identifies the annual amount of funds
    - Identifies the number of Units receiving the funds, and
    - Identifies the term and expiration date of the contract or other agreement
  - Occupied Developments involving Rehabilitation -- §50.9(h)(10)(D)
    - a. At least one of the following must be submitted, unless the current property owner is unwilling to provide the required documentation; in that case, submit a signed statement from the current property owner either refusing to provide the information or stating an inability to provide the information:
      - Monthly operating statements for 12 consecutive months ending not more than three months from the first day of the Application Acceptance Period;
      - The two most recent consecutive annual operating statement summaries;
      - The most recent consecutive six months of operating statements and the most recent available annual operating summary; or
      - All monthly or annual operating summaries available **AND** a written statement from the seller refusing to supply any other summaries or expressing the inability to supply any other summaries. Any other supporting documentation used to generate projections may be provided.
    - b. A rent roll not more than six months old as of the first day the Application Acceptance Period must be provided
      - Must disclose the terms and rate of the lease;
      - Must disclose rental rates offered at the date of the rent roll;
      - Must disclose Unit mix;
      - Must disclose tenant names or vacancy; and
      - Must disclose the dates of first occupancy and expiration of lease;
      - **OR**, if all of the documentation required is not available, provide all foregoing information as possible **AND** a written statement from the seller expressing refusal or inability to supply any other information. Submit any other supporting documentation used to generate pro forma projections of revenue.
    - c. Written explanation of the process used to notify and consult with the tenants in preparing the Application must be submitted.
    - d. For Intergenerational Application or Qualified Elderly Developments, the number of existing tenants qualified under the target population elected must be identified.
    - e. Relocation plan outlining relocation requirements and a budget with an identified funding source must be submitted.
    - f. Evidence that the relocation plan has been submitted to the appropriate legal or governmental agency must be submitted, if applicable.
  
3. For Applications requesting acquisition credits
  - *Volume 3, Tab 7 Acquisition and/or Rehabilitation, Part C.* must be completed
  - Appraisal must be submitted in electronic format. See ASPM Section VI. Format for Submitting the Application, A. Electronic Submission.

- a. Applications requesting acquisition credits requires an appraisal (see §50.9(h)(12)(A) and §50.9(h)(14)(D)) that must separately state the value of land and buildings. (Note that acquisition credits are only given for buildings, not land. Furthermore, demolishing a building would disqualify it from receiving acquisition credits.)
  - b. The separately appraised values of land and buildings must be consistent with the values that are stated in *Volume 1, Tab 3 Part A. Development Cost Schedule* of the Application and with the settlement statement or audited financial statements related to the acquisition. Although a lower value (for land and/or buildings) than the documented acquisition cost may be stated in *Volume 1, Tab 3 Part A. Development Cost Schedule*, any increase above the verified acquisition cost must be supported by documenting the costs associated with purchasing, owning, holding and /or improving the property. For transactions which include existing buildings that will be preserved (not demolished), the acquisition cost claimed may include capitalized costs of improvements to the Property, a calculated return on equity at a rate consistent with the historical returns of similar risks, and the cost of exit taxes not to exceed an amount necessary to allow the sellers to avoid foreclosure and be made whole in the original and subsequent investment in the Property. The costs and expenses allowable are detailed in §50.9(h)(7)(A)(iv) of the 2010 QAP.
4. Identity of Interest -- §50.9(h)(7)(A)(iv)
- Documentation of the original acquisition cost must be submitted:
    - a. Documentation must be in the form of a settlement statement, or
    - b. If a settlement statement is not available, the seller's most recent audited financial statement, **clearly** indicating the asset value for the proposed Property.
  - If the original acquisition cost is less than the acquisition cost claimed in *Volume 1, Tab 3 Part A. Development Cost Schedule*, the following must be submitted:
    - a. An Appraisal must be submitted in electronic format. See ASPM Section VI. Format for Submitting the Application, A. Electronic Submission.
      - The appraisal must indicate the as-is value of the property at the time of acquisition considering only restrictions or conditions that were applicable at that time.
      - The appraised value must be consistent with the value that is stated in *Volume 1, Tab 3 Part A. Development Cost Schedule* of the Application and with the settlement statement or audited financial statements related to the acquisition. Although a lower value than the documented acquisition cost may be stated in *Volume 1, Tab 3 Part A. Development Cost Schedule*, any increase above the verified acquisition cost must be supported by documenting the costs associated with purchasing, owning, holding and/or improving the property. For transactions which include existing buildings that will be preserved (not demolished), the acquisition cost claimed may include capitalized costs of improvements to the Property, a calculated return on equity at a rate consistent with the historical returns of similar risks, and allow the cost of exit taxes not to exceed an amount necessary to allow the sellers to be made whole in the original and subsequent investment in the Property and avoid foreclosure. The costs and expenses allowable are detailed in §50.9(h)(7)(A)(iv) of the 2010 QAP.
    - b. Evidence of any other verifiable costs of owning, holding, or improving the Property that when added to the original acquisition cost justifies the Applicant's proposed acquisition amount.
      - For land-only transactions, documentation of owning, holding or improving costs since the original acquisition date may include Property taxes, interest expense, a calculated return on equity at a rate consistent with the historical returns of similar risks, the cost of any physical improvements made to the Property, the cost of rezoning, re-platting or developing the Property, or any costs to provide or improve access to the Property.
      - For transactions which include existing buildings that will be rehabilitated or otherwise maintained as part of the Development, documentation of owning, holding, or improving costs since the original acquisition date may include capitalized costs of improvements to the Property, a calculated return on equity at a rate consistent with the historical returns of similar risks, and allow the cost of exit taxes not to exceed an amount necessary to allow the

sellers to be made whole in the original and subsequent investment in the Property and avoid foreclosure.

- ❖ **Volume 3, Tab 8 – Nonprofit Documentation:** The form included in the *Uniform Application* under *Volume 3, Tab 8 Evidence of Nonprofit Organization and CHDO Participation, Parts A-B*

**Note: This section must only be completed if the Applicant includes a Qualified Nonprofit Organization.**

1. Documents required for **all** Applications involving a nonprofit General Partner -- §50.9(h)(11)(A).
  - *Volume 3, Tab 8 Evidence of Nonprofit Organization and CHDO Participation, Parts A-B*
  - All cells highlighted in yellow require data entry by the Applicant.
  - This worksheet currently allows for up to 24 members to be listed. However, should additional spaces be required go to the “Extra Non-Profit Members Pages” tab which is located at the end of the workbook next to the Templates.
  - IRS determination letter which states that the nonprofit organization is a 501(c)(3) or (4) entity. If the organization is a Qualified Nonprofit Organization as defined in the tax code, notwithstanding any apparent limitations in the QAP about the particular parts of the code under which a nonprofit may qualify, submit an IRS determination letter.
2. All Applications involving a nonprofit General Partner, regardless of the Set-Aside applied under, in which the Development will receive some financial or tax benefit for the involvement of the nonprofit General Partner, must submit all of the documents described in clauses (i) and (ii) of the subparagraph and indicate the nonprofit status on the carryover documentation and IRS Forms 8609 (§2306.6706).
3. Additional documents required for Competitive Housing Tax Credit Developments applying under the nonprofit Set-Aside -- §50.9(h)(11)(B):
  - Only 501(c)(3) and (4) organizations that are exempt under 501(a) are eligible under the Non-Profit Set-Aside.
  - Third Party legal opinion – Note: A sample *Legal Opinion Letter for Nonprofit Set-Aside Applicants* is available in **Templates** on the Department’s website.
    - a. Must state that the nonprofit is not affiliated with, or Controlled by, a for-profit.
    - b. Must state that the nonprofit is eligible under the QAP to apply in the Nonprofit Set-Aside. In a typical ownership structure, **eligibility as defined by §50.7(b)(1) of the 2010 QAP requires the nonprofit to be the Managing General Partner of the Development Owner** and, also, to meet the requirements of the IRS Code, §42(h)(5).
    - c. Must state that one of the exempt purposes of the nonprofit must be to provide low-income housing, and
    - d. Must state that the nonprofit prohibits any member of its board, except a member that is also the executive director, from receiving compensation for participation.
    - e. Must state that the Qualified Nonprofit Development will have the nonprofit or its nonprofit affiliate be the Developer or co-Developer as evidenced in the development agreement.
  - The nonprofit’s most recent audited financial statement
  - A certification that a majority of the board resides:
    - a. Within this state if the Development is in a Rural Area, or
    - b. Within 90 miles of the Development if it is not in a Rural Area.

- ❖ **Volume 3, Tab 9 – Third Party Reports Engagement Letters (Competitive HTC)**

Competitive Housing Tax Credit Developments (includes Applications layered with TDHCA HOME funds)

- Engagement letters – Upon Application submission, March 1, 2010, Applicants must provide an executed engagement letter from the party performing the ESA, Market Study, Appraisal, and PCA as applicable. The letter must clearly indicate that the required report has been ordered and will be delivered no later than 5:00 PM CST on April 1, 2010.

- Map that reflects the Market Analyst’s intended primary market area is due upon Application submission, due no later than 5:00 PM CST on March 1, 2010.
- Third Party Reports (see section VI. Format for Submitting the Application, A. Electronic Submission for detailed submission requirements) – The required third party reports, as described in §50.9(h)(14), (12)(A), (7)(A)(iv)(II)(-a-), and (6)(E) of the 2010 QAP, respectively, must be received by the Department not later than 5:00 P.M. CST, April 1, 2010. If each entire report is not received by that time, the Application will be terminated and will be removed from consideration. If the full report is provided with the Application, then no documentation is needed behind the Tab.

#### **VOLUME 4. SELECTION DOCUMENTATION FOR COMPETITIVE HOUSING TAX CREDIT PROGRAM**

**Note:** If you do not wish to claim points for an item, then no documentation is needed.

**Note:** For information regarding Quantifiable Community Participation (“QCP”) and Level of Community Support from State Elected Officials, please access the Department’s website <http://www.tdhca.state.tx.us/multifamily/htc/applications.htm>. Letters for points for these items should **NOT** be provided in Volume 4, and QCP submissions should not be submitted with the Application at all. QCP submissions made by Applicants will **NOT** be reviewed for points. QCP submissions must be made by the Neighborhood Organization.

**Note:** All forms have either a box to select or a field to enter data into. Remember that only the cells highlighted in yellow will require data entry by the Applicant. All forms have been protected so that the Applicant is able to navigate only to those cells that require a response or entry. Also note that some of the forms may have validations included for consistency checks with other forms in the application. However, not all forms have validations included and the Applicant should become familiar with the QAP, ASPM and all other applicable rules for any selections made in this section of the application.

❖ **Volume 4 - Certification**

**NOTE:** All Applicants must sign the certification form for all items selected under Volume 4 of the Application.

❖ **Volume 4, Tab 1 – Applicant Self Score:**

*Volume 4, Tab 1 Applicant Self Score form*

- Total self score will auto-calculate based on data entered for each point category.
- All Applications, with the exception of TRDO-USDA Applications, must receive a final score totaling a minimum of 118, not including any points awarded or deducted pursuant to §§50.9(i)(2), (i)(6), and (i)(18).

**NOTE:** Points other than points under §§50.9(i)(2), (i)(6) and (i)(18) will only be awarded if requested on the *Applicant Self Score* form. If points are not requested, but documentation is provided to substantiate points for a particular scoring item, points will not be awarded.

**NOTE:** An Applicant may not adjust the *Applicant Self Score* form in an Administrative Deficiency without a specific request from the Department. Therefore, it is important that care is taken when requesting points -- §50.9(h)(15).

❖ **Volume 4, Tab 2 – Financial Feasibility of the Development -- §50.9(i)(1)**

1. Fifteen year pro forma prepared by the permanent or construction lender that must:
  - a. Identify the first five years and every fifth year thereafter.
  - b. Identify underlying assumptions including general growth factor applied to income and expense.
  - c. Indicate that the Development maintains a minimum 1.15 debt coverage ratio for the entire 15 years for all third party lenders that require scheduled repayment.

**NOTE:** If the lender uses the Department's form for the pro forma, the lender must sign and date the pro forma.

2. Commitment letter or other form deemed acceptable by the Department, that includes a statement that the lender's assessment finds that the Development will be feasible for 15 years.
3. For Developments receiving financing from TRDO-USDA, submit one of the following:
  - a. The form entitled "Sources and Uses Comprehensive Evaluation for Multi-Family Housing Loans" that has been signed by a representative of TRDO-USDA. The form must indicate that the development will be feasible for fifteen years.
  - b. A letter from TRDO-USDA stating that the Development will be feasible for 15 years.

❖ **Volume 4, Tab 3 – Income Levels of Tenants:** -- §50.9(i)(3).

*Volume 4, Tab 3 Income Levels of Tenants form*

**NOTE: If the Development includes Units that are not Low Income Units (i.e. market rate units), at least 10% of all the Units that are not Low Income Units must be set aside with incomes at or below 80% of AMGI in order for the Application to qualify for these points.**

- Only cells highlighted in yellow require data entry by Applicant.
- Note that validations have been included in this worksheet to check for eligibility of points requested based on information entered previously in the application.
- The election should be consistent with *Volume 1, Tab 2, Part B. Rent Schedule*.
- Do not count employee Units in Low Income Units.
- **Note:** If a new *Volume 1, Tab 2 Part B. Rent Schedule* is submitted in response to a deficiency notice at any time in the Department's review of the Application, the points will be re-evaluated.

❖ **Volume 4, Tab 4 – Size and Quality of Units:** -- §50.9(i)(4).

*Volume 4, Tab 4 Size and Quality of the Units (Parts A and B) forms*

1. Part A: Size of Units
  - a. The box for Part A must be checked.
  - b. Applicants must meet the minimum size requirements under §50.9(i)(4)(A) of the 2010 QAP.
  - c. The size of the Units should be consistent with the *Volume 1, Tab 2 Part B. Rent Schedule* and *Volume 3, Tab 2 Unit Plans*. **Note:** if a new *Volume 1, Tab 2, Part B. Rent Schedule* is submitted in response to a deficiency notice at any time in the Department's review of the Application, the points will be re-evaluated.
  - d. Applications involving Rehabilitation (excluding reconstruction), Developments receiving funding from TRDO-USDA, or Developments proposing Single Room Occupancy will be automatically awarded points **only if the points are requested in the Self Scoring Form.**
2. Part B: Quality of the Units
  - a. At least one of the three boxes under Part B must be checked.
  - b. Applicants must include a copy of the form, *Volume 3, Tab 1, Part D. Unit Amenities*, behind this tab. DO NOT round the points.
  - c. The Applicant will be required to comply with all elections made even if more items are selected than necessary to score the maximum number of points.
  - d. Scattered site Developments must provide an amenity for all Units in order for the amenity to count for points.

❖ **Volume 4, Tab 5 – Commitment of Funding by Local Political Subdivision:** -- §50.9(i)(5).

*Volume 4, Tab 5 Commitment of Development Funding by Local Political Subdivisions form*

1. An Applicant may submit enough sources to substantiate the point request. For example, if the Applicant is requesting 18 points, five sources may be submitted only if each is for an amount equal to 1% of the Total Housing Development Cost.
  - There is no rounding.
  - Local political Subdivisions or Governmental Instrumentalities (as defined in the 2010 QAP) eligible for these points include:
    - a. Cities
    - b. Counties
    - c. Entities on the Previously Approved Local Political Subdivisions (Governmental Instrumentalities) list located in the Reference Manual found on the Department’s website.
    - d. Governmental Instrumentalities – In order to qualify as a Governmental Instrumentality, the entity must provide evidence that the entity was created by a Local Political Subdivision under statutory authority and that the entity is authorized to transact business for the Local Political Subdivision. Evidence may be in the form of a certification from the entity.
  - All funding, including in-kind contributions (except Development Based Rental Subsidies), must be reflected in the *Volume 1, Tab 4, Part A. Summary Sources and Uses of Funds* form, the *Volume 1, Tab 4, Part B. Financing Participants* form, and the Volume 1, Tab 4, Financing Narrative
  - Federal funds are acceptable as long as the funds are being received directly from the Local Political Subdivision.
  
2. Eligible Funding Sources include:
  - Loans and Grants
    - a. Loans must have a minimum term of the later of one year and Placed in Service Date, and the interest rate must be at or below the Applicable Federal Rate (AFR) at the time of loan closing.
    - b. Must reduce Total Development Costs and be reflected on *Volume 1, Tab 4, Part A. Summary Sources and Uses of Funds* form, *Volume 1, Tab 4, Part B. Financing Participants* form and Volume 1, Tab 4, Financing Narrative.
  - TDHCA HOME Funds
    - a. Only eligible if a NOFA is released and HOME funds are available.
    - b. A resolution, dated on or before March 1, 2010, from the LPS must be submitted that authorizes the Applicant to act on behalf of the LPS in applying for HOME funds from TDHCA for the particular Application (sample Resolution in **Templates**).
    - c. Must reduce Total Development Costs and be reflected on *Volume 1, Tab 4, Part A. Summary Sources and Uses of Funds* form, *Volume 1, Tab 4, Part B. Financing Participants* form, and Volume 1, Tab 4, Financing Narrative.
    - d. TDHCA HOME funds may only be used as a substitute source if the funds are from a NOFA that is released on or after March 1, 2010, and a resolution is provided from the Governing Body of the LPS that authorizes the Applicant to act on behalf of the Governing Body of the LPS in applying for HOME funds from TDHCA.
  - In-kind Contributions (donation of land, tax exemptions, or waivers of fees such as building permits, water and sewer tap fees, or similar contributions)
    - a. Must provide a tangible economic benefit that results in a quantifiable reduction in the Total Housing Development Cost, and evidence from the LPS that substantiates the value must be provided. For example, a letter from the city stating that “consistent with the attached [tax assessment, city estimate, third party estimate paid for by the Applicant, etc.], the value of this contribution is [\_\_\_\_\_].”
    - b. The value of the in-kind contribution may only include the time period between award, or August 2, 2010 and the Development’s Placed in Service date, with the exception of land contributions, and may only include the value during the period or waiver is received and/or assessed.

- c. Must reduce Total Development Costs and be reflected on *Volume 1, Tab 4, Part A. Summary Sources and Uses of Funds* form, *Volume 1, Tab 4, Part B. Financing Participants* form, and *Volume 1, Tab 4, Financing Narrative*.
  - d. Specific requirements for certain in-kind contributions include:
    - Tax Abatements or Exemptions – Evidence must be provided that the exemption or abatement is in addition to any exemptions or abatements required by statute.
    - Donations of Land – For land contributions, the entire value of the land may be included; an appraisal must be provided to substantiate the value of the land; evidence of the value of the contribution from the Local Political Subdivision must reference the appraisal; and the land must be under the control of the Applicant.
  - Development Based Rental Subsidies
    - a. The Development Based Rental Subsidy must be administered by an LPS; contracts directly from HUD will not qualify.
    - b. Evidence of the remaining value of the contract is provided from the LPS. If a signed contract is submitted, the remaining value of the subsidies must be evident. It must also be evident that the contract does not include past subsidies.
    - c. Only the value of the contract between August 2, 2010 and the expiration of the current contract will be eligible.
3. One of the following must be submitted:
- Commitment of funds: The commitment must include a statement that any funds committed were not first provided to the Local Political Subdivision by the Applicant, the Developer, Consultant, Related Party or any individual or entity acting on behalf of the proposed Application unless the Applicant itself is a Local Political Subdivision or subsidiary.
  - Application for funding and a letter from the funding entity indicating that the application was received; or
  - A letter from the funding entity indicating that funds for which the Applicant intends to apply for, will become available after March 1, 2010, along with a statement from the Applicant with respect to the loan amount to be applied for and the specific terms requested or to be requested.

❖ **Volume 4, Tab 6 – Rent Levels of Units:** The– 50.9(i)(7).

**In order for Applications to qualify for points under this item, the Application MUST have qualified for points under subsection (i)(3) of this section (Volume 3, Tab 3 Income Levels of Tenants of the Development).** Applications may qualify to receive up to 12 points for qualifying under either Part A or Part B of this exhibit by providing additional Low Income Units at or below 50% AMGI.

*Volume 4, Tab 6 Rent Levels of Units* form

- The selection should be consistent with *Volume 1, Tab 2 Part B. Rent Schedule*. **Note:** if a new *Volume 1, Tab 2 Part B. Rent Schedule* is submitted in response to a deficiency notice at any time in the Department’s review of the Application, the points will be reevaluated.
- Only areas highlighted in yellow require data entry by the Applicant. NOTE: all other areas shaded in gray will auto-calculate based on data entered in this and other previous exhibits.
- Do not count employee Units in Low Income Units.
- **You must round up to the next whole Unit, not less than one Unit.**

❖ **Volume 4, Tab 7 – Cost of the Development by Square Foot:** -- §50.9(i)(8).

*Volume 4, Tab 7 Cost of the Development by Square Foot* form

- Calculation of Cost per Square Foot:
  - a. Use the following line items from *Volume 1, Tab 3 Part A. Development Cost Schedule* to calculate this item: Subtotal Site Work Costs, Subtotal Direct Hard Costs, and Subtotal Direct Construction Costs. **Note:** if a new *Volume 1, Tab 3 Part A. Development Cost Schedule* is submitted in response to a deficiency notice at any time in the Department’s review of the Application, the points will be reevaluated.



- b. The Net Rentable Area should be taken from the *Volume 1, Tab 2 Part B. Rent Schedule*. **Note:** if a new *Volume 1, Tab 2 Part B. Rent Schedule* is submitted in response to a deficiency response at any time in the Department's review of the Application, the points will be reevaluated.
- *Exception* – for the purposes of these points only, if the proposed Development is an elevator building serving the elderly or a high rise building serving any population, the NRA may include elevator served interior corridors. As it relates to this paragraph, an interior corridor is a corridor that is enclosed, heated and/or cooled and otherwise finished space.
- *Exception* – for the purpose of these points only, if the proposed Development is a Single Room Occupancy Development, the NRA may include elevator served interior corridors and may include up to 50 square feet of common area per efficiency unit. As it relates to this paragraph, an interior corridor is a corridor that is enclosed, heated and/or cooled and otherwise finished space.
- DO NOT round for total cost per square foot calculation.
- There are specifically designated First Tier communities within Harris County that are east of State Highway 146 (Pasadena, Morgan's Point, Shoreacres, Seabrook and LaPorte). In order to qualify for the increased cost per square foot allowance in these communities, **a map must be submitted clearly showing that the Development Site is within the community.**
- The Department will determine if points will be awarded for Intergenerational Developments by multiplying the NRA for elderly Units by the applicable square footage limit for the elderly Units and adding that total to the result of the multiplication of the NRA for family Units by the applicable non-elderly square footage limit. If this maximum cost is equal to, or greater than, the total costs identified above, 10 points will be awarded.

❖ **Volume 4, Tab 8 – Services to be Provided to Tenants:** -- §50.9(i)(9).

*Volume 4, Tab 8 Tenant Supportive Services Certification form*

1. Part I, Provision of Supportive Services - select the main box and each supportive service that applies for this development .
2. Part II, Notary Public Services
  - Check the box to indicate the service for the point.

❖ **Volume 4, Tab 9 – Declared Disaster Areas:** -- §50.9(i)(10)

*Volume 4, Tab 9 Declared Disaster Areas form*

- If development is located in an area that is listed on the List of Eligible Disaster Areas located in the Reference Manual found on the Department's website, no further documentation is required.
- If development is NOT located in an area that is listed on the List of Eligible Disaster Areas located in the Reference Manual found on the Department's website, the following must be provided:
  - a. Evidence that shows that the area was declared a Disaster Area pursuant to §418.014 of Texas Government Code; and
  - b. Evidence that the declaration was made within the two-year period preceding the date the Application was submitted.

❖ **Volume 4, Tab 10 – Rehabilitation, Reconstruction, or Adaptive Reuse:** -- §50.9(i)(11)

*Volume 4, Tab 10, Rehabilitation, Reconstruction, or Adaptive Reuse form*

- One of the two boxes must be checked and the form must be executed.
- Selection made in *Volume 1, Tab 1, Part C. Section 2. Program Eligible Activities* must match selection in *Volume 4, Tab 10, Rehabilitation, Reconstruction, or Adaptive Reuse*
- Construction type indicated in Volume 1, Tab 1, Development Narrative must match selection in *Volume 4, Tab 10, Rehabilitation, Reconstruction, or Adaptive Reuse*

- If Rehabilitation or reconstruction, *Volume 2, Tab 1, 2010 Existing Residential Development Certification* must reflect the appropriate selection.

❖ **Volume 4, Tab 11 – Housing Needs Characteristics:** -- §50.9(i)(12).

*Volume 4 Tab 11 Housing Needs Characteristics Certification* form

1. If the Development Site is located in an incorporated place or Census Designated Place: Submit a map that shows the boundaries of the incorporated place, or Census Designated Place in which the Development Site is located, with the Development Site location identified. The map must identify the most recent boundaries of the place. As a resource, an acceptable map with information provided by the U.S. Census Bureau for place boundaries can be printed from following site:  
[http://factfinder.census.gov/jsp/saff/SAFFInfo.jsp?\\_pageId=referencemaps&\\_submenuId=ma](http://factfinder.census.gov/jsp/saff/SAFFInfo.jsp?_pageId=referencemaps&_submenuId=ma)
2. If the Development Site is NOT located in an incorporated place, or Census Designated Place: Submit a map that identifies the location of the Development Site and the boundaries of the nearest incorporated place or Census Designated Place. The map must indicate the distance from the Development Site to the boundaries of the nearest incorporated place or Census Designated Place. The map must identify the most recent boundaries of the nearest incorporated place or Census Designated Place. As a resource, an acceptable map with information provided by the U.S. Census Bureau for place boundaries can be printed from following site:  
[http://factfinder.census.gov/jsp/saff/SAFFInfo.jsp?\\_pageId=referencemaps&\\_submenuId=ma](http://factfinder.census.gov/jsp/saff/SAFFInfo.jsp?_pageId=referencemaps&_submenuId=ma)

❖ **Volume 4, Tab 12 – Community Revitalization or Historic Preservation:** -- §50.9(i)(13)

*Volume 4, Tab 12 Community Revitalization or Historic Preservation* form

1. *Volume 2, Tab 1, 2010 Existing Residential Development Certification Form* must be present in Volume 2, and must be fully executed.
2. Part A. Community Revitalization
  - a. A copy, or excerpts, of the Community Revitalization Plan, as defined in §50.3(23) of the QAP. If the Community Revitalization Plan references any other documents or plans, the referenced documents must also be provided, and an outline describing how the individual plans combine to target a specific geographic area for revitalization and development of residential developments must be provided. Flag or highlight each section of the submitted documents which target specific geographic areas for revitalization and development of residential developments.
  - b. Submit evidence that the Community Revitalization Plan has been adopted by the local Governing Body by ordinance, resolution or specific vote.
  - c. Submit a letter from the Governing Body stating that the Development Site is located within the targeted development areas outlined in the Community Revitalization Plan.
3. Part B. Historic Preservation
 

If the intention is to rehabilitate a historical structure, you must provide the Texas Historical Commission (THC) with a letter of intent, photos of the proposed site, and architectural plans for approval. The THC will in turn provide a response indicating the effect of the proposed plans. A copy of this letter from the THC must be submitted with the Application. For more information, select “How the THC Reviews Projects” from the drop-down menu of the Cultural Resource Management link on the THC website (<http://www.thc.state.tx.us/index.shtml>).

  - a. **The Development building itself must have the historic designation; points in this subparagraph are not available for Developments simply located within historic districts or**

**areas that do not have a designation on the building. The Development must include the historic building.**

- b. Submit proof of the historic designation from the appropriate Governmental Body. As a resource, information regarding state and federal historic designations can be printed from the following site: <http://atlas.thc.state.tx.us/index.asp>.
- c. If rehabilitating a historic building, submit a letter from the THC which indicates the effect of the rehabilitation.

❖ **Volume 4, Tab 13 – Pre-Application Incentive Points:** -- §50.9(i)(14)

*Volume 4, Tab 13 Pre-Application Certification form*

- To be eligible for Pre-Application Incentive Points the Applicant must be able to affirm the following:
  - a. The site under control is identical to or is a reduced portion of the site as proposed in the Pre-Application; and
  - b. The Application has met the Pre-Application Threshold Criteria as determined by the Department; and
  - c. The Development must be serving the same target population (family, elderly or Intergenerational Housing) as indicated in the Pre-Application; and
  - d. The Development is in the same Set-Asides as indicated in the Pre-Application (Set-Asides can be dropped between Pre-Application and Application, but none may be added).

❖ **Volume 4, Tab 14 – Economic Development Initiatives:** -- §50.9(i)(15).

*Volume 4, Tab 14 Economic Development Initiatives form*

1. (A) – Designated State or Federal Empowerment/Enterprise Zone, Urban Enterprise Community, or Urban Enhanced Enterprise Community
  - Submit a letter and a map of the zoned area from a city/county official that is not older than June 8, 2009. The letter must meet section a. and section b.:
    - a. Verify that the proposed Development is located within such a designated zone; and
    - b. Verify that the city/county currently has state or federal economic development grants or loans available and that the **Development** is eligible to receive the state or federal economic development grants or loans.
  - The appropriate designation should be noted on the *Volume 3, Tab 3 Site Information*.
2. (B) – An area that has received an award within the past three years (as of November 1, 2009) from state or federally funded economic development initiatives approved by the Department. Examples of acceptable initiatives are the Texas Capital Fund, Texas or Federal Enterprise Zone Fund, Texas Leverage Fund, Industrial Revenue Bond Program, Rural Business Enterprise Grants, or Certified Development Company Loans or Grants.

In order to qualify for the points, the Application must include evidence of the award, provided by the funding entity, including receipt of funds to the area by evidence of a map of the designated area for such funding and documentation of the recipient of the award of funds or a letter from the entity granting such funds stating that funds were awarded in the designated area.

**Note:** Points under these subparagraphs will not be granted if more than 3 tax credit Developments have been awarded in the “area” in the last 7 years, as of December 8, 2009.

❖ **Volume 4, Tab 15 – Development Location:** The form included in the *Competitive HTC Supplement* under *Volume 3, Tab 15* -- §50.9(i)(16).

*Volume 4, Tab 15, Development Location form*

Evidence to substantiate points requested must be dated no earlier than June 8, 2009.

- Selection A): Refer to the list in the **Reference Manual**. No further evidence is needed. The appropriate designation should be noted on *Volume 3, Tab 3, Site Information*
- Selection B): Refer to the list in the **Reference Manual**. No further evidence is needed.
- Selection C): Refer to the *2010 Housing Tax Credit Site Demographic Characteristics Report* in the **Reference Manual**; information regarding eligibility of a particular census tract in the *2010 Housing Tax Credit Site Demographic Characteristics Report* shall meet the requirement for documentation of median income for both the census tract and the county, pursuant to §50.9(i)(16)(C) of the QAP. Provide a census tract map with the location of the Development Site identified; the map must indicate the complete 11-digit census tract number.
- Selection D): Provide the name of the elementary school and an attendance zone map of the school with the Development Site identified or a letter from the school stating that the Development Site is in the school's attendance zone.
- Selection E): Refer to the *2010 Housing Tax Credit Site Demographic Characteristics Report* in the **Reference Manual**. Provide a census tract map with the location of the Development Site identified; the map must indicate the complete 11-digit census tract number.
- Selection F): Provide evidence that the proposed Development is located in an Urban Core on a site where the proposed use is not prohibited by the Local Political Subdivision via ordinance or regulation.

❖ **Volume, Tab 16 – Green Building Initiatives:** -- §50.9(i)(17).

*Volume 4, Tab 16, Green Building Initiatives* form

- Only cells highlighted in yellow require data entry by the Applicant. NOTE: the Points Selected column will auto-calculate based on the amenities selected by the Applicant.
- This worksheet currently only shows one full form to be completed. However, the worksheet allows for up to ten different scattered site location forms to be filled in if needed. To unhide the hidden forms, select Rows 69 and 690, right click on mouse and select "Unhide." You will have to reset the print area if these additional forms will be used. To do so, go to File → Print Preview → Page Break View. Once in Page Break View you should be able to see the page breaks and re-set each page break to match those of the first page.

**Points for this section may not be requested for the same items utilized for points under Threshold Amenities.**

❖ **Volume 4, Tab 17 – Demonstration of Community Input other than Quantifiable Community Participation:** -- §50.9(i)(18).

*Volume 4, Tab 17 Demonstration of Community Input other than Quantifiable Community Participation (QCP)* form

**Applicants may qualify for up to 6 points under this exhibit for letters that qualify for points under subparagraphs (A), (B), or (C). All letters must be received by March 1, 2010 for the Application to receive these points. At no time will the Application receive a score lower than zero for this item.**

1. (A) An Application may receive two points (maximum of 6 points) for each letter of support submitted from a community or civic organization that serves the community in which the site is located.
  - The community or civic organization must provide some documentation of its existence in the community in which the Development is located to include, but not be limited to, listing of services and/or members, brochures, annual reports, etc. Letters of support from organizations that are not active in the area that includes the location of the Development will not be counted.

- For purposes of this subparagraph, community and civic organizations do not include neighborhood organizations, governmental entities (excluding Special Management Districts), taxing entities or educational activities. Organizations that were created by a governmental entity or derive their source of creation from a governmental entity do not qualify under this item.
- Letters from Special Management Districts must include a description of the boundaries of the district.
- For purposes of this item, educational activities include school districts, trade and vocational schools, charter schools and depending on how characterized could include day care centers; it would not include a PTA or PTO as that is a service organization even though it supports an educational activity.
- Should an Applicant elect this option and the Application receives letters in opposition by March 1, 2010, then two points will be subtracted from the score for each letter in opposition, provided that the letter is from an organization serving the community.

**OR**

2. **(B)** An Application may receive 6 points for a letter of support, from a property owners association created for a master planned community whose boundaries include the development site that does not meet the requirements of a Neighborhood Organization for points under paragraph (2) of this subsection.

**OR**

3. **(C)** An Application may receive 6 points for a letter of support from a Special Management District, whose boundaries, as of March 1, 2010, include the Development Site and for which there is not a Neighborhood Organization on record with the county or state.

❖ **Volume 4, Tab 18 – Developments in Census Tracts with No Other Existing Same Type Developments Supported by Tax Credits -- §50.9(i)(19)**

Provide a census tract map, indicating the full 11-digit census tract number, with the location of the Development Site identified.

- A Development is eligible if there are no other existing housing tax credit Developments in the census tract that serve the same population as the proposed Development. For Intergenerational Developments, the Development is eligible if there are no other existing housing tax credit Developments that serve either family or elderly populations.
- Refer to the *2010 Housing Tax Credit Site Demographic Characteristics Report* in the **Reference Manual** to determine the eligibility of a census tract, based on the population the proposed Development will serve.

❖ **Volume 4, Tab 19 – Affirmative Marketing for Veterans: 4 --§50.9(i)(20)**

*Volume 4, Tab 19 Affirmative Marketing for Veterans form*

❖ **Volume 4, Tab 20 – Tenant Populations with Special Needs: -- §50.9(i)(21).**

*Volume 4, Tab 19 Tenant Populations with Special Needs form*

❖ **Volume 4, Tab 21 – Length of Affordability Period: - §50.9(i)(22).**

*Volume 4, Tab 20 Length of Affordability Period Selection form*

❖ **Volume 4, Tab 22 – Site Characteristics: -- §50.9(i)(23)(A) and(B).**

1. *Volume 4, Tab 22, Part A. Proximity of Site to Amenities form*

A map must be submitted that includes the following information:

- a. The location of the Development Site;

- b. A scale or a radius. If a radius is used, the map must identify a one mile radius for Urban Developments and a two mile radius for Rural Developments. If a Development has scattered sites, at least three services must be located within the appropriate distance of each site;
- c. Services identified by name. Points will not be awarded if services are not identified by name;
- d. If electing points for public transportation, the location of the public transportation stop and a one-quarter mile radius around the Development Site.

2. *Volume 4, Tab 22, Part B. Negative Site Features form*

❖ **Volume 4, Tab 23 – Qualified Census Tracts with Revitalization:** -- §50.9(i)(25).

*Volume 4, Tab 23 Qualified Census Tract with Community Revitalization form*

1. A copy, or excerpts, of the Community Revitalization Plan, as defined in §50.3(23) of the QAP. If the Community Revitalization Plan references any other documents or plans, the referenced documents must also be provided, and an outline describing how the individual plans combine to target a specific geographic area for revitalization and development of residential developments must be provided. Flag or highlight each section of the submitted documents which target specific geographic areas for revitalization and development of residential developments.
2. Evidence that the Community Revitalization Plan has been adopted by the local Governing Body by ordinance, resolution or specific vote.
3. A letter from the chief executive officer of other local official with appropriate jurisdiction over the local Governing Body stating that the Development Site is located within the targeted development areas outlined in the Community Revitalization Plan.
4. A census tract map with the location of the Development Site identified; the map must indicate the complete 11-digit census tract number.

❖ **Volume 4, Tab 24 – Sponsor Characteristics:** -- §50.9(i)(26).

*Volume 4, Tab 24 Sponsor Characteristics Certification Form Parts A and B forms*

- *Part A* – Attach a plan to use Historically Underutilized Businesses (HUB) in the development process consistent with the HUB Guidelines for contracting with the State of Texas.
- *Part B* – Submit a HUB certification from the Texas Comptroller of Public Accounts. The HUB must be shown on the Volume 1, Tab 5 organizational chart as having at least a **51% interest in the General Partner.**

❖ **Volume 4, Tab 25 – Developments Intended for Eventual Tenant Ownership – Right of First Refusal:** -- §50.9(i)(27).

*Volume 4, Tab 25 Agreement to the Provision of the Right of First Refusal form*

❖ **Volume 4, Tab 26 – Leveraging of Private, State, and Federal Resources:** - §50.9(i)(28).

*Volume 4, Tab 26 Leveraging of Private, State, and Federal Resources form*

1. Applicants may submit enough sources to substantiate the point request. For example, two sources may be submitted if each is for an amount equal to 1% of the Total Housing Development Cost (do not round).
  - Funding sources used for points under §50.9(i)(5) may not be used for this point item.
  - The funding must be a loan, grant, in-kind contribution, or development based rental subsidy from a federal, state or private source in addition to the primary funding (construction and permanent loans) that is proposed to be utilized and cannot be from the same source or an affiliated source.

Qualifying funds awarded through local entities may qualify points if the original source of the funds is from a private, state, or federal source and a statement from the local entity is provided that attests that the original source of funds is from a private, state, or federal source and identifies the original source of funds.

- Funding must be equal to or greater than 2% (do not round) of the Total Housing Development Costs reflected in *Volume 1, Tab 3 Part A. Development Cost Schedule*.
- *Volume 1, Tab 2 Part B. Rent Schedule* must show that at least 3% (do not round) of all low-income Units are designated to serve individuals or families with incomes at or below 30% of AMGI.
- All funding, including in-kind contributions (except Development Based Rental Subsidies), must be reflected in the *Volume 1, Tab 4, Part A. Summary Sources and Uses* form, the *Volume 1, Tab 4, Part B. Financing Participants* form, and Volume 1, Tab 4, Financing Narrative.

2. Eligible Funding Sources include:

- Loans and Grants (including Capital Grant Funds and HOPE VI funds)
  - a. Must be reflected on *Volume 1, Tab 4, Part A. Summary Sources and Uses of Funds* form, *Volume 1, Tab 4, Part B. Financing Participants* form, and Volume 1, Tab 4, Financing Narrative.
  - b. Must be in addition to the primary funding and can not be issued from the same primary funding source, or an affiliated source, as the primary funding.
- TDHCA HOME or Housing Trust Fund
  - a. Only eligible if a NOFA is released and HOME or HTF funds are available.
  - b. Must be reflected on *Volume 1, Tab 4, Part A. Summary Sources and Uses of Funds* form, *Volume 1, Tab 4, Part B. Financing Participants* form, and Volume 1, Tab 4, Financing Narrative.
- In-kind Contributions
  - a. Evidence from the funding entity that substantiates the value of the contribution must be provided.
  - b. Must be reflected on *Volume 1, Tab 4, Part A. Summary Sources and Uses of Funds* form, *Volume 1, Tab 4, Part B. Financing Participants* form, and Volume 1, Tab 4, Financing Narrative.
- Development Based Rental Subsidies
  - a. The Development Based Rental Subsidy must be received directly from HUD.
  - b. Evidence of the remaining value of the contract, from the funding source, must be submitted. If a signed contract is submitted, the remaining value of the subsidies must be evident. It must also be evident that the contract does not include past subsidies.

3. One of the following must be submitted:

- Commitment of funds. The commitment must include a statement that the provider of funds is not the Applicant, the Developer, Consultant, Related Party or any individual or entity acting on behalf of the proposed Application and that none of the funds committed were first provided to the entity by the Applicant, the Developer, Consultant, Related Party or any individual or entity acting on behalf of the proposed Application, unless the Applicant itself is a Local Political Subdivision.
- Application for funding and letter from the funding entity indicating that the application was received. The application should include the amount and terms of the proposed funding.

❖ **Volume 4, Tab 27– Third –Party Funding Commitment Outside of Qualified Census Tracts: -- §50.9(i)(29)**

1. *Volume 4, Tab 27 Third-Party Funding Commitment Outside of Qualified Census Tracts*

- Funding must be equal to or greater than 2% (do not round) of the Total Development Costs reflected in the *Volume 1, Tab 3 Part A. Development Cost Schedule*.
- All sources must be included on *Volume 1, Tab 4, Part A. Summary Sources and Uses of Funds* form, *Volume 1, Tab 4, Part B. Financing Participants*, and Volume 1, Tab 4, Financing Narrative.

- Funds from the Department’s HOME and HTF sources do not qualify under this category.
  - The third party source cannot be a loan from a commercial lender.
2. Commitment of funds must be attached
    - Commitment must include a statement that the provider of funds is not the Applicant, the Developer, Consultant, Related Party or any individual or entity acting on behalf of the proposed Application and that none of the funds committed were first provided to the entity by the Applicant, the Developer, Consultant, Related Party or any individual or entity acting on behalf of the proposed Application.
  3. A census tract map identifying the location of the Development must be included and show that the Development is located outside of a Qualified Census Tract.

❖ **Volume 4 – Scoring Criteria Imposing Penalties -- §50.9(i)(30).**

1. §50.9(i)(30)(A) – Applicants that request extensions for submitting the Carryover Allocation Agreement and/or 10% Test packages will have five points deducted from their Application scores for each extension request made.
  - A five-point deduction will be made for each Carryover Allocation extension and a five-point deduction will be made for each 10% Test extension requested. The penalty will be calculated and assessed based on the 2009 Application Round. Penalties will NOT be imposed for extensions that were requested on Developments that involved Rehabilitation when the Department is the primary lender, or for Developments that involve TRDO-USDA as a lender if TRDO-USDA or the Department is the cause for the Applicant not meeting the deadline.
  - No documentation is required behind the tab for this penalty item.
2. §50.9(i)(30)(B) – All Applicants and Developers must include an affidavit certifying either that, as described in §50.9(i)(30)(B) of the 2010 QAP, they have or have not been removed by the lender, equity provider, or limited partners in the past five years for failing to perform as required by the loan documents or partnership agreement. If removal has occurred, the affidavit must disclose each instance of removal with a detailed description of the circumstances. Failure to make the required disclosure will result in termination of the application and/or rescission of the allocation. Principals of the Applicant or Developer that are engaged in court proceedings at the time of Application must disclose the information to be evaluated on the basis of its individual circumstances. Three points will be deducted from the Application score for each instance of removal.
3. §50.9(i)(30)(C) – Penalties will be imposed on an Application if a Developer or Principal of the Applicant violates §50.9(c), Adherence to Obligations.

**VIII. PUBLIC VIEWING OF PRE-APPLICATIONS AND APPLICATIONS**

The Department will allow the public to view any Pre-Applications or Applications that have been submitted to the Department in an electronic format. These electronic versions will be available within approximately two weeks of the close of the Pre-Application Acceptance Period and within approximately two weeks of the close of the Application Acceptance Period. An Applicant may request a copy of an electronic copy between the hours of 8:00 A.M. and 5:00 P.M. Monday through Friday. There may be an associated cost with requesting this information.