

September 27, 2010

On September 23, all development teams invited to apply for the Loussac Manor redevelopment were contacted via telephone by AHFC staff to identify questions that remained outstanding and / or points of clarification that needed to be addressed prior to the final submission of application materials.

AHFC has provided the following clarification points and answers to questions raised in the space below:

- Threshold item T-#15: How does AHFC distinguish between Floor Plans for All Building Types and Community facilities and Unit Plans for All units types? In the threshold requirements, these are noted as separate items (iii and iv, respectively).
 - AHFC Response: In the event that floor plans do not provide sufficient detail regarding the unit plans themselves, applicants should provide separate unit plans for all unit types. The purpose of this requirement is to communicate to AHFC and the review committee members what the floor plans for the buildings will look like and what the floor plans for the actual units will look like. If this information is specified in separate documents, the applicant should provide AHFC with all necessary documentation for this information to be effectively communicated.
- What should be included in the unit square footage column in the Loussac Manor Rental Development Workbook (Column C of the “Project Income and Expense Worksheet”)?
 - AHFC Response: Floor space associated with the residential unit should be documented in Column C of the Project Income and Expense worksheet. If square footage is being added in Column C beyond the livable square footage associated with the unit (i.e. attached garage or storage unit), the additional square footage may be included but should be documented using the comment function.

An example of a comment in the SF / Unit cells (see column C) would be “X square feet / unit + Y square feet for attached garage = Z.” Provided that $X+Y = Z$, the value for “Z” would be appropriately entered in the SF / Unit cell for the corresponding unit(s). AHFC would use the information provided through the associated comment to distinguish

If garages or storage space are not attached to the unit, their square footage would need to be represented in the Common Area section of the “Summary” worksheet.

- What do we mean by “Portfolio” in line #24 of the online system (text from line item #24 provided below)?

Supplemental Development Team Information

Please attach resumes, or portfolios, for the developer (**resumes should only be provided for the key point(s) of contact to AHFC during the development phase**), the anticipated contractor and architect, and engineer (if known) to be used for this project. For the development staff, please specify who the key point(s) of contact will be with AHFC during the development phase (limit the resumes provided to no more than three persons).

Please also attach portfolios (not resumes) of the projects under management by the property management firm that will manage Loussac Manor once the development is complete.

- AHFC Response: Please regard portfolio as a list of properties under management. Details regarding the projects within the portfolio of properties managed are welcome (i.e. location, # of units, funding sources, tenant set-asides, etc.)
- If the Section 8 contract goes away, will AHFC amend the LURA to account for a “post-Section 8” rent structure?
 - AHFC Response: Applicants should anticipate honoring the set-aside commitments they make in their application for the affordability period. In the event that Section 8 assistance goes away during the affordability period, project owners would have the opportunity to submit a request to AHFC for reconsideration of the minimum set-asides. AHFC will not comment on, or otherwise commit to, a particular response in the event that Section 8 assistance is eliminated in the future.
- Can a homeless preference be implemented while maintaining management standards consistent with other HUD housing projects?
 - AHFC Response: Yes. Tenant selection and screening criteria are within the purview of the property manager. Satisfying the requirements for points under the Homeless Preference category does not otherwise impose tenant selection criteria beyond the preference and the conditions associated with the written agreement with the service provider.
- Three Questions on the Development Schedule:
 - Does the “Code Review” mean a review by the architects or by the Municipality?

- AHFC Response: The “Code Review” milestone specified in the development schedule form pertains to the completion of the Local Building Code Review.
 - Can the same entity be both the developer and general partner?
 - AHFC Response: Yes.
 - General question on the disposition date. Why is it there, and isn’t it AHFC’s responsibility to perform the disposition?
 - AHFC Response: The disposition process will impact the timeline for the selected developer to close with their investor. Although AHFC will submit the disposition application to HUD, AHFC will need to work closely with the selected development team to obtain all requisite information for the environmental review, etc..
- Does the Deferred Developer Fee need to be included in the DCR for all hard and soft debt?
 - AHFC Response: Yes. Any amounts identified as Deferred Developer Fee must be documented in the Project Income and Expense Worksheet as a debt instrument. Consequently, the amounts anticipated to repay the Deferred Developer Fee must be specified in the “Annual DOT Service Expense” cell.
 - Please note: Deferred Developer Fee payments will not count as “must pay debt” and will therefore not be included in the DCR for hard / must-pay debt. However, Deferred Developer Fee payment amounts will factor into the total DCR for **the combined** (hard +soft) **debt**.
- If workforce housing units are rented at Fair Market Rent (FMR), can an applicant earn points under the Public Housing Division Waitlist category?
 - AHFC Response: No. To earn points under this section, gross rents must be below the FMR. Consequently, if workforce housing units are included in the project and an applicant wishes to receive points under the Public Housing Division Waitlist category, the applicant will need to propose gross rents for the workforce housing units at least \$1 below the fair market rent.

- Do AHFC Corporate Receipts requested as Loans have to be subtracted from Eligible Basis?

- AHFC Response: The “Tax Credit” Worksheet includes a dropdown in Cell B6 that is not applicable to AHFC Corporate Receipts requested as loans. The purpose of this drop-down is to identify the impact to the project’s eligible basis calculation if AHFC Soft 2nd loan funds are being requested.

Please note: AHFC Soft 2nd loans are different from the AHFC Corporate Receipts available as soft loans with scheduled service and soft loans with deferred payment.

AHFC Corporate Receipts available as soft loans with scheduled service and soft loans with deferred payment (available for award through this NOFA / RFP) were appropriated and are state funds. These AHFC Corporate Receipts are not related to any tax exempt bond issuance or federal funding. If applicants have questions regarding the classifications of the AHFC Corporate Receipts available as soft loans with scheduled service, or as soft loans with deferred payment, applicants are encouraged to direct their questions to tax counsel and / or their accountants.