

MEMORANDUM

From: J. Benjamin Van Kleef, Vice President of Housing
To: Tax Credit Partners
Date: February 2, 2016

Please be reminded the Arkansas Development Finance Authority (“ADFA”) Guidelines for 2016 can be found on ADFA’s website under [2015-2016 Multi-Family Housing Application Guidelines](#). Due to circumstances which occur annually, the following changes and clarifications will be in effect:

I. APPLICATION DEFINITIONS, PROCEDURES, REQUIREMENTS, AND REVIEW.

A. DEFINITIONS

- The language “or Co-Applicant” has been removed from the definition of “**Arkansas Based Developer.**”

B. APPLICATION PROCESS

- Initial Review Period will be extended until April 22. The five day response period will be from April 22 until April 29 at 4:30 p.m.

C. THRESHOLD REQUIREMENTS

- Section 3 **Financial Commitment Letters**: The language “Please see template as attachment” has been stricken on Page 8, Section c (IV).
- Section 5 **Site Control Information**: The applicant must also provide a separate *written statement signed by the applicant* for verification of an arm’s length transaction. **Please note:** A statement in the appraisal or market study asserting that the value of the property is based on an arm’s length agreement WILL NOT suffice.
- Section 10 **Capital Needs Assessment**: The capital needs assessment MUST be signed and dated by the approved capital needs assessment firm.
- Section 11 **Rural Development-funded developments**: The language “capital outlay reserve” has been replaced with “initial operating capital.”
- Section 13 **Rental Assistance Contract**: The language “**and if applicable Form RD 3560-7**” is stricken and replaced with “**and, if applicable, Form RD 3560-7 or HUD-92458.**”

D. ADDITIONAL REQUIREMENTS FOR A COMPLETE APPLICATIONS

- Section 12 **Plans**: Per Section 12, Paragraph 3, “when plans conflict with the Multi-Family Housing Minimum Design Standards Checklist, Attachment G of the MFHA, the certification by the architect or licensed engineer reflected on Attachment G *shall control and applicant shall be held to the representations set forth in Attachment G* (emphasis added).” Therefore, *only* the amenities and energy features listed on Attachment G are allocated points.

II. PROCEDURES FOR AWARDING POINTS AND RANKING APPLICATIONS.

A. POINTS CRITERIA

- Section 2 **Location**: The language of Subsection (a) has been removed and replaced with the following: Development is located in the following low-income counties designated in the most recent State Consolidated Plan: Bradley, Chicot, Crittenden, Desha, Fulton, Jackson, Lafayette, Lawrence, Lee, Miller, Monroe, Newton, Phillips, St. Francis, Searcy and Woodruff.
- Section 2 **Location**: The language of Subsection (c) has been removed and replaced with the following: Development is located in one of the following counties in which a tax credit award has not been made in the past three (3) years: Arkansas, Carroll, Cleburne, Cleveland, Cross, Dallas, Garland, Grant, Hot Spring, Howard, Independence, Izard, Jefferson, Lincoln, Logan, Mississippi, Montgomery, Nevada, Newton, Perry, Pike, Poinsett, Polk, Pope, Prairie, Saline, Scott, Sebastian, Sevier, Sharp, Stone, Van Buren, Washington, and Yell.
- Section 5 **Public Housing**: Evidence of a public housing waiting list's need for affordable housing shall be in the form of a letter from the respective public housing authority.
- Section 12 **Site Selection**: Distances for site amenities are measured by driving distance. Distances for incompatible uses that result in a deduction of points are measured using a linear measurement.
- Section 16 **Community Revitalization Plan**: The community revitalization plan shall be approved by the appropriate community planning authority to be awarded points under this section.