

2013 DCA Qualified Allocation Plan
General Questions & Answers
Posting #4
April 18, 2013

QAP Threshold - 1 Project Feasibility, Viability Analysis, and Conformance With Plan

1. For a project that submitted an AHP application that plans to show it as a source in our LIHTC application: we understand FHLBA AHP awards will be announced in July 2013 but are unsure if AHP awards will be made by July 12th, DCA's deadline for delayed financing awards. If FHLBA does not award by July 12th, could DCA allow for an extension until AHP awards are granted?

Response: For the purpose of determining feasibility, the QAP allows the applicant to submit an alternate financing source by 7/26/2013, if the notification for AHP funds is not received by DCA by 7/12/2013. If the notification of AHP award is received by DCA by the alternate financing deadline of 7/26/2013, it will be used for feasibility purposes, but will not be considered for Scoring. To be considered for Scoring under Leveraging of Resources, DCA must receive notification documentation by 7/12/2013.

QAP Threshold - 7 Environmental Requirements

1. I do not see a 2013 HOME/HUD Questionnaire document available for download. Is one pending, or do we use the 2012 format? Please advise.

Response: It had been inadvertently left out. Please see the following link under Environmental/Forms:

<http://www.dca.ga.gov/housing/HousingDevelopment/programs/QAP2013docs.asp>

QAP Threshold - 20 Qualifications For Project Participants (Performance)

1. XX.A.1.g of the QAP states that “DCA will review the amount of consulting fee to determine if a consultant is a real party in interest to either the General Partner and/or Developer entities.” Is there any additional guidance available as to what that amount might be? Please give examples where the consultant's activities and/or the amount of consultant fee would cause DCA to determine the consultant has an indirect interest in the General Partner or Developer and would, therefore, be subject to the Maximum Ownership/Development Interests in Section 13.D.2?

Response: Please refer to the definition of “Consultant” in the Core, page 3 of 36 for guidance on what types of activities may be considered. Each Application will be evaluated on a case-by-case basis, as the QAP does not specify an amount that would trigger a review. The amount of fee would be reviewed in the context of the size of the project, the total amount of the developer fee, the extent of services to be provided and other factors. One example of a Consultant having an indirect interest would be a Consultant who puts up a guarantee on behalf of the General Partner/Developer.

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QAP Scoring - 11 Nonprofit

1. The requirements for the nonprofit setaside relating to a nonprofit general partner's share of the developer fee assume that the nonprofit general partner is also a developer of the project. Will a nonprofit "ownership-only" scenario (where the nonprofit will expressly NOT be a developer, but rather hiring a third-party/turnkey/fee developer) be allowed and still be eligible for the setaside? Or must the nonprofit still receive a share of the developer fee proportionate to its ownership interest, regardless?

Response: A non profit entity which only participates as the Owner without materially participating in the development of the project is not eligible for the Non Profit Set Aside. The non-profit owner must receive a percentage of the Developer Fee greater than or equal to its percentage of ownership interest, which can be no less than 51% in order to qualify for the set aside (QAP Threshold, p. 32 of 52).

QAP Scoring - 12 Rural

1. We identified a rural site suitable for a 2013 Housing Tax Credit application. We used the 2013 QAP link to confirm that the site is eligible.

<http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>

Now our USDA lender says there is a new link on the USDA that rules our site is "future ineligible" after September 30, 2013.

Should we use the 2013 QAP methodology or instead use the USDA web site?

Response: For the purposes of determining Rural areas for the 2013 round, areas designated as Rural by USDA on the Application deadline date will be considered Rural by DCA, in addition to the counties listed on Exhibit A to Appendix II.