

**2017
HOUSING CREDIT
APPLICATION
WORKSHOP**



March 2, 2017

Welcome

- ▣ Agenda
- ▣ New Staff Introductions
- ▣ Key Dates
 - ▣ Pre-application – March 9
 - ▣ Application Intake – May 25

Q&A

Give written questions to a DCA staff person
OR
Email HFDRound@dca.ga.gov
RE: 2017 Workshop Question

Fair Housing Update

- New Screening Requirements for Re-Entering Citizens
- DOJ Accessibility Review
- Limited English Proficiency
- Affirmatively Furthering Fair Housing
- DCA 811 Program Update
- Section 8 Vouchers/Georgia Vouchers

New Programs

- National Housing Trust Fund
 - CHDO, CHDO Predevelopment
- Kresge Initiative
 - HOME Portfolio Approach

Tax Reform – 2016 Deals

- DCA is not treating this as a blip or a pause
 - DCA underwriters reaching out for regular updates
 - As we assess situation, flexibility on non-statutory deadlines
- Expectation that development community, working with investors, are primary responders
- DCA **will not** set aside new credits to fill gaps
- DCA is considering 4%/9% hybrid in developments with unclaimed basis

Tax Reform – 2017 Applications

- Applicants interested in 9%/4% hybrid should contact DCA staff early
- Maintaining \$950,000 and \$850,000 limits
- As we assess situation, will consider flexibility on non-statutory deadlines
- Credit Pricing will still receive scrutiny

Credit Pricing

- “No less than 90%” allows for a higher price
- “Combined Federal and State Equity” (Thresh p. 52)
- Expectation that State Credit pricing will hold
 - “Reasonable fair market price” (Thresh p. 53)
- Right to adjust price, with consideration for:
 - Significant Changes in Market Conditions
 - Significant Changes in Industry Standards
- Any DCA change in equity price will be posted

Administrative Amendment to 2017 QAP

- III. Desirable Activities/Undesirable (Bonus Desirable Point):

Distance to desirable activities in Rural Pool now 1 mile **walking**/driving.

Administrative Amendment to 2017 QAP *(continued)*

□ VIII. Transformational Communities

- “An Applicant is ineligible to claim points in this section **if eligible for** two (2) or more points ~~are claimed~~—under Scoring Section VII. Stable Communities.”
- Clerical correction: removed need to fill out DCA Neighborhood Redevelopment Certification if creating Transformation Plan

Administrative Amendment to 2017 QAP *(continued)*


□ XIV. DCA Community Initiatives:

Removed Item 5 (“Has not received a tax credit award in the last three years”) from the list of items to be included in a letter provided by an eligible GICH team.

Property Tax Assessments

- The Georgia Supreme Court recently ruled that the FMV of tax credits “may” be considered in assessing the FMV of LIHTC properties
- Property tax estimates – DCA will closely evaluate the reasonableness of projected operating expenses

2017 QAP Core



Drew Swope, Wesley Brooks, and Andre Carmack

DCA Housing Strategic Goals:		
Increasing access to thriving communities through outreach and development in areas of opportunity	Partnering across Georgia to grow and achieve local visions for strong communities	Fostering inclusive communities free of barriers to individuals underserved by existing housing programs
Access to quality schools, quality jobs, diverse neighborhoods, affordable and reliable transportation	Concerted community development and measurable outcomes	Overcoming barriers to access for people with disabilities, returning citizens, extremely low-income households, and individuals experiencing homelessness
Financing affordable housing and undertaking outreach to landlords	Capitalizing on existing local momentum and supporting new community development	Increasing access to housing support and encouraging outreach to landlords
Education: Demonstrating to communities the value of affordable housing	Education: Capacity building, technical assistance, and targeted financing	Education: Increasing knowledge of housing options

QAP State Priorities - Changes

- ▣ Health Outcomes for Residents: DCA has added an additional priority for the allocation of resources promoting better health outcomes for residents through site selection, site design, community partnerships, and focused services
- ▣ Innovation: The priority of innovation for resource allocation now includes re-entering citizens

Financing Resources – HOME/TCAP Loans

Significant Notifications & Changes:

- ▣ HOME and TCAP matching construction loans that will mirror the DCA HOME construction loan terms
- ▣ 30% of HOME resources may be available to Applications in Participating Jurisdictions

Financing Resources – HOME/TCAP Loans (continued)

Significant Notifications & Changes:

- ▣ At least 60% of available HOME funds will be provided to the rural pool. 50% of this 60% will be reserved for senior tenancy developments
- ▣ Only CHDO Applications are eligible for HOME money if located in a QCT or DDA

Selection Criteria for HOME Consent

- ▣ Changes to selection criteria:
 - ▣ DCA removed HOME selection preference for geographic distribution
 - ▣ DCA removed QCT related selection preference

Selection Criteria for HOME Consent *(continued)*

Competitive Selection Criteria

- Experience
- Payment and Performance Bond
- Rural Pool: no other debt
- Flexible Pool: Amortization

Selection Criteria for HOME Consent *(continued)*

Tie Breaker

- Flexible Pool
Developments working to further DCA's fair housing goals evaluated with Stable Communities criteria
- Rural Pool
Applicants that exhibit a strong record of DCA HOME performance over the past 36 months as of Application Submission date.

Definitions

- Please take note of new and updated definitions found in Core Section 2:
 - Capital Expenditures or Improvements
 - Credit(s)
 - Identity of Interest
 - Principal
 - Paved Pedestrian Walkway
 - General Partner

Definitions *(continued)*

▣ The following definitions have been removed:

- ▣ Certified Entity
- ▣ CHDO Predevelopment Loan Program
- ▣ Exchange

Definitions *(continued)*

▣ **“Paved Pedestrian Walkway”** is a paved path reserved for non-motorized vehicles. Roads are not considered a Paved Pedestrian Walkway except for that portion of the road designated as a crosswalk that has a traffic control device such as a stop sign or traffic signal in place at the time of Application. In Rural places only, where a minimum 4’ wide paved shoulder demarcated from the roadway for pedestrians and cyclists is acceptable.

Eligibility of Certain Project Configurations

▣ Significant Change

- ▣ All Architectural Standard waivers must now be submitted at pre-application
- ▣ DCA will not consider 9% Credit Applications for the preservation of existing Housing Credit developments with a placed-in-service date that is within 18 years of Applicant Submission

DCA Pre-Application Fee & Deadline Schedule			
	Fees	9% Deadline	4% Deadline
Architectural Standards & Design Options	\$1,500 per waiver	3/9/2017	No later than 30 days prior to submittal of the Georgia housing credit application
Optional Amenity Request	\$ 1,500.00 per request	3/9/2017	No later than 30 days prior to submittal of the Georgia housing credit application
DCA HOME Consent Loan Application fee	\$1,000 For Profits \$500 Non-profits	3/9/2017	N/A
Qualification Determination	\$1,000	3/9/2017	No later than 30 days prior to submittal of the Georgia housing credit application
Operating Expense Waiver	\$1,500 per waiver	3/9/2017	No later than 30 days prior to submittal of the Georgia housing credit application
State-Basis Boost request under Section 8.D ("extraordinary circumstances")	NONE	3/9/2017	N/A
Sustainable Communities Site Analysis Packet or Feasibility study	NONE	5/25/2017	N/A

Submission Requirements and Award Limitations

Significant Change

DCA will not fund any Application with an Owner and/or Developer that has a DCA property funded in the 2015 round or earlier that has not closed their financing and started construction on that property as of Application Submission date

Evaluation of Competitive Applications

Tie-Breaker (In Order)

- HOME Consent
- High priority letter from DCA Portfolio Management
- First selected Application for the Project Team
- Least amount of tax credits per low-income unit
- PHA-sponsored developments that utilize Replacement Factor Funds and reduce public housing waiting lists

Monitoring and Compliance

Screening Criteria

All properties funded under Georgia multifamily affordable housing programs must have a clearly defined screening policy that establishes criteria for renting to prospective tenants that is not a violation of the Fair Housing Act

THRESHOLD
SECTIONS



Project Feasibility

Project Feasibility

□ **Clarifications**

All Application materials must have been in existence prior to Application Submission Day.

□ **Credit Pricing**

DCA will underwrite 9% Applications at no less than 90% of the median price for urban and rural pools.

Project Feasibility *(continued)*

□ **Reasonableness of Operating Costs**

DCA may publish additional guidance on real estate taxes and valuation of the credit resulting from the recent Supreme Court decision.

□ **Subsidy Layering Analysis**

DCA reserves the right to publish additional requirements to meet subsidy layering standards.

Project Feasibility *(continued)*

□ **Rent Limits**

□ In effect as of January 1, 2017

□ Applications without HOME funding which are located in qualified USDA-designated rural areas may utilize National Non-metropolitan Area Median Income Rents, if applicable.

Project Feasibility *(continued)*


- Utility Allowance Standards
 - DCA Utility Allowance designated as Northern or Southern Region by unit type
 - For all HOME funded properties, a project specific utility allowance must be determined using the HUD Utility Schedule Model, or other model(s) approved by HUD

Project Feasibility *(continued)*

- Utility Allowance Standards *(continued)*
 - Tax Credit buildings with no HOME, the applicant may use the UA established by PHA that administers Section 8, HUD Utility Schedule Model, Utility Company Estimate or Energy Consumption Model that must be approved by DCA

Project Feasibility

- HUD Published Rents



DATA SETS

FY 2016 Income Limits

Effective 03/28/2016

Access Individual Income Limits Areas

- FY 2016 Income Limits Documentation

CBO CPI Forecast https://www.cbo.gov/about/products/budget_economic_data#4

Project Feasibility

- DCA Rents

Housing Finance and Development Division
2016 Program Maximum Gross Rents for LIHTC and HOME Programs

calculated using 2016 HUD Multifamily Tax Subsidy (MTSP) Income Limits effective 3/28/2016. For projects with DCA HOME, there are two types of rents associated with the HOME Program: Low HOME rent taken directly from the 2016 HUD HOME Rents schedule effective 6/6/2016. DCA policy is High HOME rent to the lesser of the LIHTC 60% rent or the published High HOME rent for the area or 50% rent or the published Low HOME rent for the area.

Georgia Department of Community Affairs
- DCA UAs

UTILITY ALLOWANCES
Effective 1/1/2017

NORTHERN Region					
Type	0 BR	1 BR	2 BR	3 BR	4 BR

Cost Limits

Cost Limits

- Significant Changes
 - New Geographic MSA: Athens, GA
 - No longer an MSA: Brunswick, GA
 - 110% of cost limits for Historic and Transit-Oriented Development, if Application qualifies for:
 - Historic Preservation Points
 - 6 points under Community Transportation Options

Cost Limits (2015 vs. 2016)						
	2015			2016		
	Number of Bedrooms			Number of Bedrooms		
	1	2	3	1	2	3
Atlanta						
Walkup	144,835	183,605	239,593	150,379	190,725	249,057
Elevator	155,793	200,306	267,074	157,897	203,010	270,681
Macon						
Walkup	129,832	164,538	214,614	131,315	166,465	217,213
Elevator	140,251	180,323	240,430	138,950	178,650	238,200
Valdosta						
Walkup	123,948	157,056	204,805	125,895	159,553	208,108
Elevator	134,203	172,546	230,062	133,769	171,988	229,318

Cost Limits				
% Change	Number of Bedrooms			70 Units (35 2bds / 35 3bds)
	1	2	3	
Atlanta				
Walkup	3.8%	3.9%	4.0%	\$15,392,370
Elevator	1.4%	1.3%	1.4%	\$16,579,185
Macon				
Walkup	1.1%	1.2%	1.2%	\$13,428,730
Elevator	-0.9%	-0.9%	-0.9%	\$14,589,750
Valdosta				
Walkup	1.6%	1.6%	1.6%	\$12,868,135
Elevator	-0.3%	-0.3%	-0.3%	\$14,045,710

Cost Limits
Cost Limit Waivers
<ul style="list-style-type: none"> <input type="checkbox"/> Under certain circumstances, DCA will entertain waiver requests for cost limits at Pre-Application <ul style="list-style-type: none"> <input type="checkbox"/> Environmental Remediation <input type="checkbox"/> Podium Parking <input type="checkbox"/> Post Award – DCA will consider cost waivers for unforeseen cost increases

Appraisal

Appraisal

- No changes to QAP
- Appraisal Manual updated, required valuations now include:
 - As Is Market Value (must include a separate value for land if the As Is Value reflects an improved property)
 - Prospective Market Value upon Stabilization - Restricted Rents
 - Prospective Market Value upon Stabilization – Market Rents
 - Prospective Market Value at Loan Maturity – Market Rents
 - Analysis of Ground Lease, if applicable

Required Services

Required Services

- Number of required services each month unchanged
- Goal of diversity across services types:
 - Social and recreational programs (e.g. dinners, movie nights)
 - On-site enrichment programs (e.g. computer tutoring, budgeting)
 - On-site health programs (e.g. nutrition, healthy cooking, yoga)
 - Other services as approved by DCA (e.g. alternate services for USDA Rural properties with limited community space).

Required Services

□ Number of required services for Seniors, each month should include four(4)services from three(3) different categories provided.

IV. REQUIRED SERVICES A. Family/Senior Properties 2016	IV. REQUIRED SERVICES A. Family/Senior Properties 2017
Each month every Family Property must include at least two (2) services from at least two (2) of the following categories. Each month every Senior Property must include at least four (4) services from two (2) of the following categories:	Each month every Family Property must include at least two (2) services from at least two (2) of the following categories—for a total of two (2) services. Each month every Senior Property must include at least four (4) services from three (3) of the following categories—for a total of four (4) services.
1. Social and recreational programs planned and overseen by the project manager (e.g. semi-monthly birthday parties/holiday dinners or parties/potluck dinners, movie nights, bingo). 2. On-site enrichment classes (e.g. arts and crafts, computer tutoring, gardening, safety classes such as CPR and household safety). 3. On-site health classes (e.g. nutrition, healthy cooking, asthma management classes and smoking cessation classes, exercise classes such as yoga, Pilates, strength training, group-led aerobic classes, and/or personal fitness). 4. Other services as approved by DCA (e.g. alternate services for USDA Rural properties with limited community space).	1. Social and recreational programs (e.g. semi-monthly birthday parties/holiday dinners or parties/potluck dinners, movie nights, bingo). 2. On-site enrichment classes (e.g. budgeting, avoiding identity theft, arts and crafts, computer tutoring, gardening, safety classes such as CPR and household safety). 3. On-site health classes (e.g. nutrition, healthy cooking, asthma management classes and smoking cessation classes, exercise classes such as yoga, Pilates, strength training, group-led aerobic classes, and/or personal fitness). 4. Other services as approved by DCA (e.g. alternate services for USDA Rural properties with limited community space).

Underwriting Policies

Underwriting Policies

Developer Fee Limitation

Maximum Developer Fee for:

- 9% credits: \$1,800,000
- 4% credits: \$2,500,000
- (No waiver request)

Underwriting Policies

**Funding of DCA HOME Loans
HOME Draws & TCAP**

- HOME and TCAP funds drawn in equal amounts during the period of construction.
- TCAP construction loan terms will mirror DCA HOME construction loan terms
- TCAP repaid in full at conversion.

Underwriting Policies

Payment and Performance Bonds

- Where an Identity of Interest exists, a letter of credit or construction loan in lieu of the payment and performance bond waiver must be submitted at Application.
- No longer required at Pre Application

Underwriting Policies

Payment and Performance Waivers - Considered if:

- ❑ Owner provides a construction completion guaranty and payment guarantee
- ❑ Secured by a letter of credit
 - ❑ Value of at least 50% of the total construction cost, including profit and overhead.
- ❑ Private financing no longer an option

Construction Related Threshold Changes

Construction Related Threshold Changes

- ❑ Public Water/Sanitary Sewer/Storm Sewer
- ❑ Required Amenities
- ❑ Rehab Standards
- ❑ Site Info & Conceptual Plan
- ❑ Building Sustainability
- ❑ Accessibility Standards
- ❑ Architectural Design & Quality Standards

Public Water/Sanitary Sewer/Storm Sewer

Significant Change - Minimum Documentation:

- Letter must include project name and location and confirms that utilities will be available
- Letter must be dated within 6 months of Application Submission

Required Amenities

Significant Change

Additional Requirements and Amenities for Senior Projects (Elderly and Housing for Older Persons)

- Buildings with multi-story construction must have interior conditioned and furnished gathering areas located throughout the complex including but not limited to areas near elevators

Rehabilitation Standards

Significant Change

Rehabilitation Construction Hard Costs

- A minimum “dwelling unit” per unit hard cost budget of \$25,000. See 2017 Architectural Manual Rehabilitation Guide for further guidance.

Rehabilitation Standards (continued)

Energy Audit Section Added

- ❑ For all rehabs, Applicants must submit an Energy Audit Report.
- ❑ Energy Audit Reports must identify energy conservation measures (ECM) that would result in an overall energy savings of 20% or greater over pre-retrofit levels or have a Savings to Investment Ratio (SIR) of 2.0 or greater. The Energy Audit Report must be performed on at least one unit per floor and a minimum of 1.5% of affordable units (duct leakage testing is not required). The energy audit must be completed by a RESNET Rater, qualified Building Performance Institute (BPI) Building Analyst, or similarly qualified professional with an equivalent energy audit certification.

Site Info and Conceptual Site Development Plan

- ❑ Significant Changes to Conceptual Site Development Plan
 - ❑ "Finished floor and building elevations of each building" removed
 - ❑ "Indication of any other items physical or otherwise, that would affect the development of the subject property" removed
 - ❑ Use of all adjacent properties and structures within 100' of the subject property boundary clearly defined both graphically and in written form
 - ❑ Indication of the all driving and walking entrance access to the property and a layout of all buildings, roads, Paved Pedestrian Walkways and parking areas

Site Info and Conceptual Site Development Plan

- ❑ Minimum Documents Required Include:
 - ❑ Conceptual Site Development Plan
 - ❑ Location/Vicinity Map
 - ❑ Site Map and Color Photographs
 - ❑ Aerial Photos of Proposed Site

Building Sustainability

- ▣ Measured duct and building envelope leakage.
 - ▣ ACH 50 of 5 to ACH 50 of 7
 - ▣ ELR30 to ELR35(for units < 1200 sq. ft.)
- ▣ All projects must complete pre-rehab duct leakage and dwelling air infiltration test to determine a baseline
- ▣ LED lights now allowed

Accessibility Standards

All proposed projects (including HOME) must include:

- ▣ Mobility units with more than one bathroom must have at least one bathroom with a roll-in shower

Architectural Design & Quality Standards

- ▣ Constructed & Rehabilitation Construction Hard Costs
 - ▣ A review of project financial feasibility and economic viability may be conducted for all Applications proposing new construction to ensure that each project's construction hard costs will produce high quality, cost effective housing for the targeted tenant market
 - ▣ All cost waivers submitted after award will require a third-party cost review" has been **DELETED**

Architectural Design & Quality Standards *(continued)*

▣ Significant Change:

Standard Design Options for All Projects

- ▣ Natural or manufactured stone now allowed to meet minimum exterior wall finish requirement
- ▣ 40% calculation is NOT applicable to the interior wall faces of open breezeways

Environmental Requirements

Environmental Requirements

▣ 2017 Changes: Wetlands

- ▣ Developments with HOME funding and UNDISTURBED wetlands on site are not required to undergo the 8 step process

Qualification for Project Teams

Qualified Project Teams

Required Documents – Experience Confirmation

- ▣ Successful Project Experience must be submitted with Pre-App
- ▣ Certifying Entity – GP and Developer
 - ▣ 8609 forms or Certificate of Occupancy for all successful projects
 - ▣ Letter from Syndicator (preference) or clearly notated Partnership Agreement certifying role and interest for each project
- ▣ For QD Waiver requests and HOME Consents, all documents supporting Experience must be submitted at Pre-Application

Qualified Project Teams

Required Documents – Capacity

- ▣ Must provide **detailed** explanation demonstrating capacity to perform proposed project
 - ▣ Project Narrative Tab of Performance Workbook
- ▣ Include supporting documentation, as needed

Qualified Project Teams

Be Sure to Note Changes to the Following Categories

- Grandfathering Determinations
- Certifying Entity
- Not Qualified – Partnering with a Certifying Entity
- Not Qualified – Capacity Building for Industry Professionals (Probationary Participation)

Qualified Project Teams

Grandfathering Determination - Certifying Entity

- Submitted documentation of experience in 2016
- Not required to submit experience documents for 2017
- All other sections** of the Performance Workbook must be completed
- Select Grandfathering status in Performance Questionnaire

Qualified Project Teams

Certifying Entity

- The designated GP and/or Developer or Principal thereof with majority interest meets all Threshold requirements
 - Required 20% minimum interest in GP and Developer for 5 successful project (10 if Significant Adverse Event waiver)
 - Participation from Allocation to present since 1/1/05
 - Minimum 90% occupancy

Qualified Project Teams

Not Qualified - Partnering with a Certifying Entity

- ❑ Entities with insufficient technical expertise and/or experience
 - ❑ Lack at least two (2) successful tax credit projects where Applicant is owner and developer
 - ❑ Have Material Participation in at least three (3) tax credit projects
- ❑ Must partner with an experienced GP and developer
- ❑ Limited to one housing credit project per year in Georgia
- ❑ May be subject to additional conditions or restrictions

Qualified Project Teams

Not Qualified - Capacity Building for Industry Professionals (Probationary Participation)

- ❑ Entities with material participation in at least three (3) tax credit projects but not requisite ownership or development experience
 - ❑ Ownership or development experience in more than two (2) but less than five (5) tax credit projects
- ❑ Additional documentation required
 - ❑ Include detailed narrative of proposed project and organizational structure
 - ❑ Business plan no longer required (narrative is key)

Qualified Project Teams

Not Qualified - Capacity Building for Industry Professionals (Probationary Participation) cont.

- ❑ May be subject to additional restrictions or requirements
 - ❑ Generally not required to partner
 - ❑ Subject to rigorous capacity review
 - ❑ Conditions imposed depend on status of pending projects
 - ❑ Limited to one or two housing credit projects per year in Georgia

Qualified Project Teams

Performance Workbook Changes

- ❑ Questionnaire Removed from the Electronic Performance Workbook
 - ❑ Sections aligned with the adverse events chart, disclosures, and includes examples of adverse circumstances and compliance scoring criteria
 - ❑ Link to Questionnaire is found on DCA website with other pre-app forms
 - ❑ The Format of all Other Tabs is **Unchanged**

2017 Performance Questionnaire



Qualified Project Teams

Performance Questionnaire & Performance Workbook

- ❑ If you are Participating in more than one (1) Project, Include the Following in the Performance Workbook for **Each** Application:
 - ❑ Project Narrative
 - ❑ Organizational Charts

Qualified Project Teams

Performance Questionnaire Attachments

- Attach Explanations & Other PDF Documents
 - Thorough explanations for each question requiring explanation
 - Credit & Criminal release form
 - Additional org chart for complex Project Team structures

Qualified Project Teams

Performance Questionnaire Attachments

- Attach the Signature Page
- Attach the Excel Copy of the Completed Workbook
 - Only the Certifying Entity is required to complete the Capacity & Experience information
 - Grandfathering Certifying Entity, only the Capacity form is required each year

Qualified Project Teams

Performance Questionnaire – Attachments

Attach Explanations and other Docs * Browse

Attach Signature Page Browse


Attach Excel Performance Workbook * Browse

Qualified Project Teams

Performance Workbook Changes

- ▣ DCA may request the following documents:
 - ▣ Multi-state release form
 - ▣ Financial reports

SCORING
SECTIONS



Application Completeness

Application Completeness

- ❑ Electronic applications required
- ❑ Missing applicant comments for claimed points
- ❑ (1) point deduction for the following:
 - ❑ Two (2) Incomplete Documents
 - ❑ "Missing document" - includes documents that do not have signatures and dates

Deeper Targeting

Deeper Targeting/Rent/Income Restrictions

B. Deeper Targeting Through New PBRA Contracts
(3 Points)

- ❑ Additional Point for New PBRA in a Stable Communities
- ❑ Need at least (3) points under Stable Communities
 - ❑ Low poverty / High income
 - ❑ High public health rating
 - ❑ Mixed Income (*Flexible pool*)

Leveraging

Leveraging

Qualifying Sources
(4 Points)

- ▣ New Qualifying Sources
 - ▣ TCAP acquisition loans passed through a Qualified CDFI revolving loan fund
- ▣ USDA 538 and HUD 221(d)(4)
- ▣ Non-qualifying Sources
 - ▣ Conventional loans
 - ▣ Freddie or Fannie insured loans

Leveraging Continued

- ▣ Long-Term Ground Lease
 - ▣ No longer eligible for points in this section, see "Transformational Communities"
- ▣ Off Site Improvement, Amenity and Facility Investment
 - ▣ These points are available as "Third-Party Capital Investment" under "Transformational Communities"

Desirable Activities/Undesirable

Desirables/Undesirables
<ul style="list-style-type: none">▣ Significant Changes - Desirable Activities<ul style="list-style-type: none">▣ Paved Pedestrian Walkways off site must be in existence at Application Submission, with the exception a Walkway immediately adjacent to the Applicant site, such as on site easements▣ A building under 5a or 5d (*National Big Box or Grocery Store) which may count for up to three (3) categories▣ Applicants will not be eligible for points for an amenity if the Applicant does not provide a mapped route from the site to the relevant building/entity (i.e. driving route map)

Desirables/Undesirables
<ul style="list-style-type: none">▣ Bonus (1) Desirable Point<ul style="list-style-type: none">▣ Applicants that can show at least three desirables<ul style="list-style-type: none">▣ In rural areas a 2-point desirable can count as two desirable activities for this bonus point▣ 0.5-mile walking distance in the Flexible Pool▣ 1.0-mile walking/driving distance in the Rural Pool

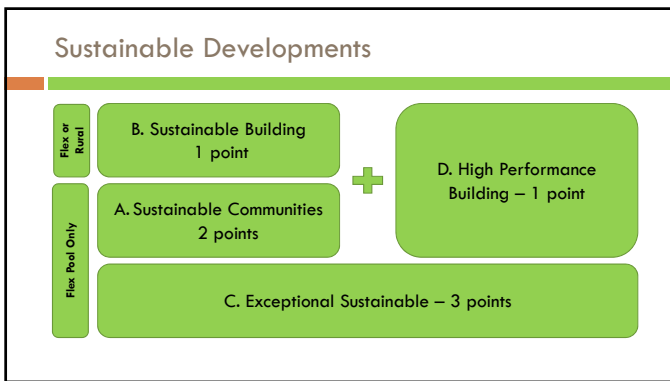
Undesirable/Inefficient Site Activities/Characteristics

- Significant Change
- Added to Undesirable/Inefficient Site Activities:
 - Property falls within a food desert, defined as a low-income census tract where a significant number or share of residents is more than 2 miles (USDA urban) or 20 miles (USDA rural) from the nearest supermarket.

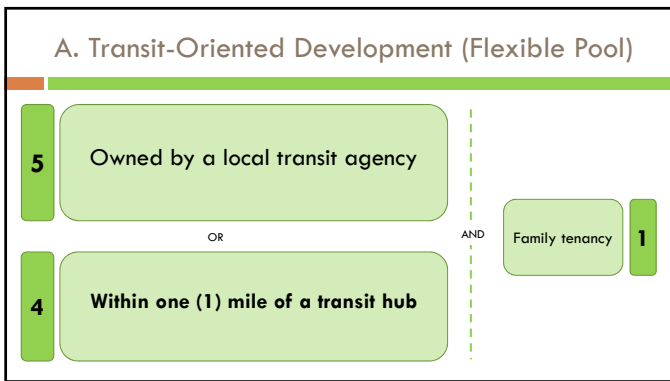
Desirables/Undesirables

- Note Changes to Minimum Documentation
- Added to Site map(s):
 - All desirable and undesirable activities/characteristics
 - Walking route for each claimed desirable that qualifies for the bonus point
 - Driving route for each claimed desirable

Sustainable Developments



IV. Community Transportation Options



Community Transportation Options

- Best Practices
 - Highlighting clearly the presence of the transit stop, any Paved Pedestrian Walkway (PPW) route, and pedestrian site entrance on a map
 - Showing the calculation of the distance between the transit stop and the site entrance

Community Transportation Options

- Common Mistakes
 - Not providing sufficient documentation to demonstrate the presence, distance, and availability of PPWs in relation to the transit stop.
 - Ensuring that the PPWs and pedestrian site entrances are highlighted in all required documents
 - Photograph of transit stop
 - Site plan (if applicable)
 - Map

IX. Phased Developments / Previous Projects

IX. Phased Developments / Previous Projects

- ▣ Phased Developments
 - ▣ Flexible pool only
 - ▣ Points are only available to the second or third phase of a multi-phase effort

VII. Stable Communities

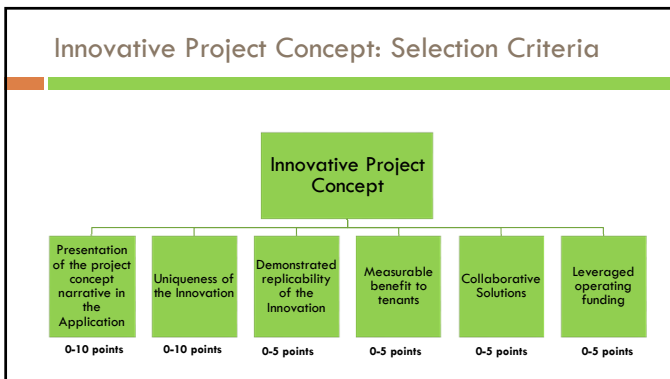
VII. Stable Communities

- ▣ Applicants can only claim up to two (2) points under the Georgia Department of Public Health Stable Communities subsection:
 - ▣ Two (2) points in sub-clusters A1, A2, A3, B1, B2, or C1
 - ▣ One (1) point in sub-clusters B3 or C2

XVI. Innovative Project Concept

XVI. Innovative Project Concept

- DCA has eliminated the previous three (3) categories (Integration of Health and Housing, Emerging Sustainable Design or Techniques, and Community-driven Housing Strategies) in this section
- Section now focuses solely on innovative concept/design that addresses barriers to quality education outcomes



XVI. Innovative Project Concept Best Practices

- Include needs, logic behind implementation, methodology, details on replicability in the narrative
- Provide clear measurement tools such as logic models, survey designs, or other evidence-based models
- Leverage funds from multiple sources such as federal grants, other DCA funds, donations, or local government funds
- Provide evidence of partnerships (MOUs, partnership agreements) with at least two (2) organizations from two (2) different sectors (one (1) university/one (1) local government)

XVII. Integrated Supportive Housing

XVII. Integrated Supportive Housing

- DCA has added new language clarifying the utilization of the 10% set-aside units
 - Applicants must be ready to set aside a full 10% of units to provide integrated housing to Persons with Disabilities.

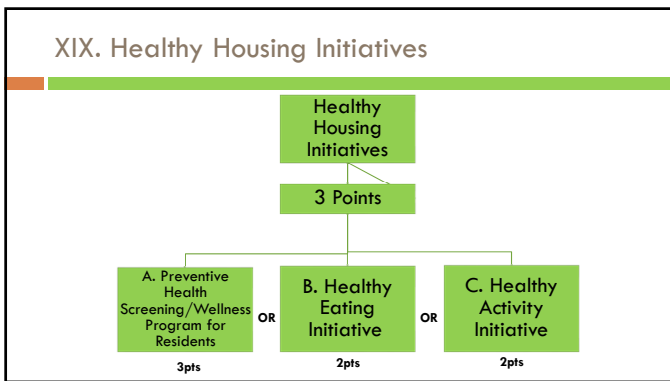
XIX. Healthy Housing Initiatives

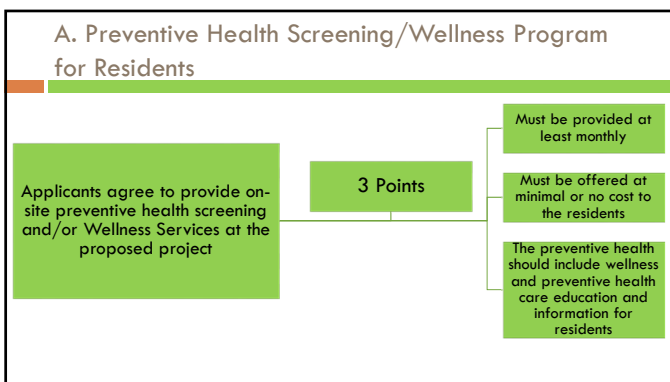
XIX. Healthy Housing Initiatives

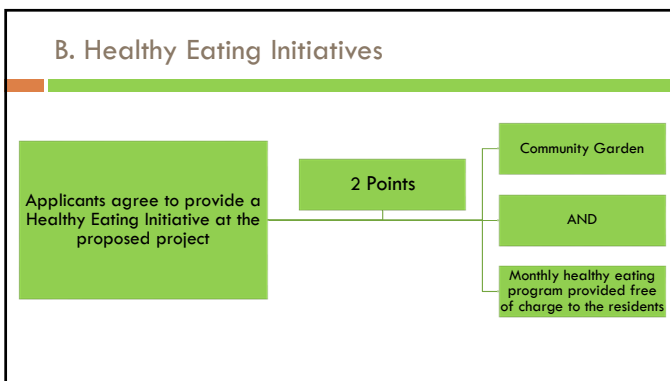
- This section replaces the Preservation Priority section
- Applicants that claim points under this category are expressing a commitment to work with DCA in encouraging and measuring healthy outcomes for Georgia residents that live in a completed DCA funded property

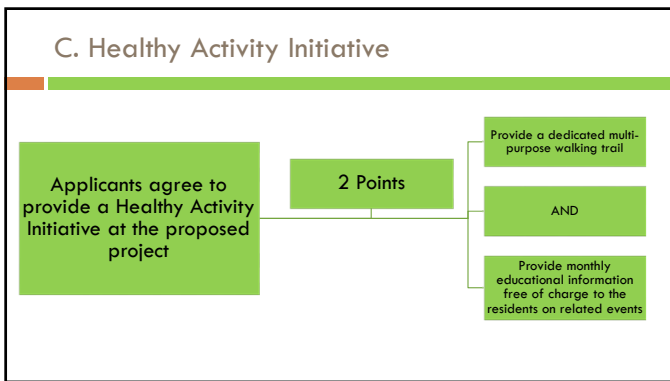
XIX. Healthy Housing Initiatives

- Applicants are encouraged to target healthy initiatives to local community needs by using the following data sources to more efficiently target the proposed initiative for a proposed property:
 - A local Community Health Needs Assessment (CHNA)
 - The "County Health Rankings & Reports" website
 - The Center for Disease Control and Prevention – Community Health Status Indicators (CHSI)









Compliance Performance Scoring

- ### Compliance/Performance Scoring
- All Project Teams begin with 10 Points
 - Any deductions for any member of the Project Team will be deducted from the total
 - Approved waiver requests may still result in point deductions

Compliance/Performance Scoring

DCA Admin Noncompliance Point Deductions

- ▣ One (1) point for **each instance** of Uncured audit findings by Application day
 - ▣ Properties not updated in MITAS
 - ▣ Properties not listed in GA Housing Search
 - ▣ Annual Owner's Certification not submitted
 - 2016 AOC report due March 31, 2017
 - ▣ Failure to notify DCA of Management Agent change or GP change

Compliance/Performance Scoring

Program Review Changes

- ▣ Added NSP and Rural Housing (RHS) Proper Deductions
- ▣ Mitas & Georgia Housing Search in Scoring
- ▣ Point Deductions – GP Failure QAP Correction
 - ▣ 2 points deducted for GP removal of LIHTC property within the last 5 years, instead of 3 years.

Compliance/Performance Scoring

Point Deductions

- ▣ 3 Point Deductions – Failure to Operate Tax Credit Property
 - Changed from 2 years to 3 years preceding the Application date

Compliance/Performance Scoring

- ▣ Five (5) Point Deductions
 - ▢ Foreclosure of federally assisted or LIHTC property, even if affordability is maintained
 - ▢ Recapture of Credits with the loss of affordability
 - ▢ Closure or Abandonment of property

Compliance/Performance Scoring

- ▣ Point Additions
 - ▢ Point additions for properties outside of GA, requires documentation from HFA confirming the compliance status, development and ownership.
 - ▢ Required Documents must be provided at Application Submission

Compliance/Performance Scoring

- ▣ Point Additions - Change
 - ▢ The minimum number of successful projects for Point Additions increased from 5 to 7 projects

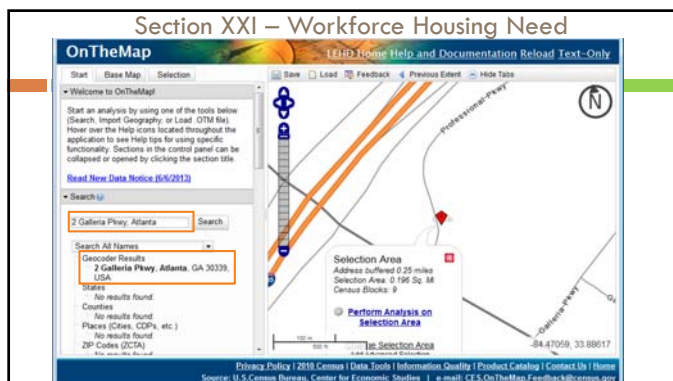
Quality Education Areas

Section XX – Quality Education Areas

- Changes
 - Average score for 3-consecutive years between 2013-2016 will be considered
 - Added a category
 - 3 Points for all schools have an above average score
 - 2 Points if 2 out of 3 schools have an above average score
 - 1 Point if at least 1 school has an above average score
 - Senior tenancy allowed for 1 and 2 point categories

Section XX – Quality Education Areas

- Changes
 - Only the average scores in the 2013-2016 data will be considered
 - Will also accept the average of available scores for this period if the scores are not consecutive
- Best Applications:
 - Document clearly identifying address of subject property is in the schools' attendance zone and confirmed by school district employee




Q&A

Give written questions to a DCA staff person
OR
Email HFDRound@dca.ga.gov
RE: 2017 Workshop Question

Lunch

The logo for the City of Atlanta Community Affairs department is located in the bottom right corner of the slide. It features a stylized city skyline above the text 'City of Atlanta' and 'Community Affairs'.


Q&A



Community Affairs

3/2/17 Grace Baranowski

Policy Updates



Community Affairs

3/2/17 Grace Baranowski

FAIR HOUSING

Fair Housing Act & Re-Entering Citizens

- “Although a criminal record is not a protected characteristic under the Fair Housing Act, criminal history-based restrictions on housing opportunities violate the Act if, without justification, their burden falls more often on renters or other housing market participants of one race or national origin over another” (Core, p. 39 of 45).

DCA Approach to Serving Re-Entering Citizens

- DCA’s 5th State Priority (Innovation) now lists “re-entering citizens who may need more individualized tenant screening criteria” as an example of individuals who “face difficulties in obtaining safe, quality affordable housing” for whom “innovations can...work to mitigate barriers” (Core, p. 14 of 45).
- Sub-Section L. “Screening Criteria” added to Sec. 21 “Monitoring and Compliance” (Core)
 - “All properties funded under Georgia multifamily affordable housing programs must have a clearly defined screening policy that establishes criteria for renting to prospective tenants that is not in violation of the Fair Housing Act.”
 - “This criterion includes reasonable and non-discriminatory policies around applicant income, employment requirements, and background checks.”

Each property’s screening policy should at a minimum contain:

1. Arrest records are not a valid reason to deny an applicant housing.
2. Applicants with a criminal conviction may be denied housing only if the reason for their convictions clearly demonstrates that the safety of residents and/or property is at risk.
3. Blanket terms in screening criteria that say “Any criminal convictions will be denied” are now considered discriminatory and in violation of the Fair Housing Act.
4. The annual Owner’s certification will monitor each property’s compliance with this provision.

Limited English Proficient (LEP) Individuals

- LEP individuals are those who:
 - Do not speak English as their primary language as a result of national origin
 - Have a limited ability to speak, read, write, or understand English
- XXV. "Affirmatively Furthering Fair Housing" now requires that the Affirmatively Furthering Fair Housing Marketing Plan also include "Outreach to Limited English Proficiency groups for languages identified as being prevalent in the surrounding market area."

Map: "Limited English Proficiency by Jurisdiction"

- Contains U.S. Census data for LEP populations and prevalent languages (Spanish, Korean, Vietnamese, Chinese)
- Initial view shows county- and city-level data. User is able to zoom into their specific area and see the U.S. Census language data mapped by Census tract
- Following a "Safe Harbor Threshold" identified by HUD, this map shows when either 1,000 people or 5% or more of the population in a delineated area are LEP

Find it on DCA's "Interactive Maps Home Page"

Click the right-facing arrow on the home page until the map entitled "Limited English Proficiency by Jurisdiction" appears.



<http://georgia-dca.maps.arcgis.com/home/index.html>

Map Example: Assessing LEP Population of Canton

In this example, we've selected the city of Canton.

- Zooming in to allow us to click it, a text box opens up to identify:
 - which languages meet the LEP Threshold (Spanish/Spanish Creole)
 - how many people live in Canton (21,862), and
 - what percent of these individuals are LEP (14.3%).
- Hovering over the pie chart allows us to see that Canton is home to 2,853 Spanish LEP individuals.



TRANSFORMATIONAL COMMUNITIES

Summary of scoring structure

- Community Revitalization Plan (up to 2 pts)
- Community Transformation Plan (up to 6 pts)
- Community Investment (up to 4 pts)
- Community Designations (10 pts)

“Transformational Communities”: Important Takeaways

- ❑ Ineligible to claim points for VIII. Transformational Communities if eligible for 2+ points under VII. Stable Communities
- ❑ DCA will not “infer” or “search” for required elements
- ❑ Being awarded points in previous rounds for this scoring section does not mean that points will be awarded this year
- ❑ DCA will be publishing more detailed “scoring guidance” for this section
- ❑ An Applicant who applies for points under “Community Transformation Plan” is not eligible for points under “Community Revitalization Plan” in the event that CTP points are not awarded

Necessary elements of a Community Revitalization Plan

- ❑ Clearly delineate a targeted area that includes proposed site but does not encompass the entire surrounding city/municipality/county
- ❑ Include public input and engagement during the planning stages
- ❑ Call for the rehabilitation or production of affordable rental housing
- ❑ Designate implementation measures along with specific timeframe
- ❑ Include a discussion of resources that will be utilized to implement plan
- ❑ Be officially adopted by the Local Government

Changes to Community Revitalization Plan

- ❑ Physical assessment is no longer required
- ❑ Size of Targeted Area
 - ❑ **Must not encompass entire surrounding city, municipality, or county**
- ❑ Current and Ongoing
 - ❑ Within the CRP, the implementation measures and timeframes must be current and ongoing, **as evidenced by a list included in the DCA Neighborhood Redevelopment Certification of specific actions taken in furtherance of the plan within 1 year of Applicant submission**
 - ❑ The limit for a CRP being outdated is **now 3 years** (not 4)

Criteria for Meeting Required Components

- Public input and engagement during planning, prior to Plan adoption
 - Documentation of how the public was made aware of opportunity for input
 - Documentation that the meeting was held and public input considered
 - An Opening meeting for public comments immediately prior to adoption is not sufficient
 - Public meeting must be more than a presentation of the proposed CRP
- Must call for **affordable rental housing** as a policy goal
 - Goal must state "affordable rental housing" or properties with rents targeting people with incomes at or below 60% of AMI
 - DCA will not "infer" a goal of affordable housing from general language in the Plan

What if the CRP was adopted before 5/25/14?

- Provide evidence of re-adoption or renewal by Local Government
 - Amending an "older" plan to include the proposed project site without seeking further public input and engagement is not sufficient
- Applicant must also include a letter from an official community representative certifying that the plan is current and ongoing
 - Must include an updated list of funding sources, implementation measures, and timeframes**

Considerations in Renewing/Re-adopting a CRP

- The Plan must reflect "current neighborhood conditions"
 - If an assessment of existing physical structures/infrastructure is included, ensure that it is updated
- Modifications or substantial changes in an existing CRP require renewed community input and engagement prior to renewal or re-adoption

Community Transformation Plan: Point Structure

- Project Team entity certifies as a Community-Based Developer or Applicant partners with a Community Quarterback (up to 2 pts)
- Quality Community Transformation Plan (up to 4 pts)
 - "A Community Transformation Plan builds on an existing Community Revitalization Plan or similar analysis and represents a community's deepened commitment to investing in its most valuable asset: its residents."
 - A Community Transformation Plan **cannot** be inconsistent with an existing Community Revitalization Plan

Required Components of a Quality Community Transformation Plan

- Delineate a Defined Neighborhood
- Certify as a Community-Based Developer and/or partner with a Community Quarterback
- Fulfill Community Outreach and Engagement requirements
- Assess existing revitalization strategies and priorities of the local government
- Use data/input from Community Outreach and Engagement to make measurable, collaborative goals increasing access to community resources for future residents' and residents of the Defined Neighborhood

"Transformation Team" (up to 2 pts)

Community-Based Developer (1 pt) A member of the Project Team

- Two of the following:
 - Successful partnership with at least 2 community organizations
 - Led or participated in philanthropic activity
 - Local Government selected to develop proposed site
- OR:
 - Received HOME consent and designated as CHDO


Community Quarterback (1 pt) Not a member of the Project Team

- Drives the revitalization effort to make sure all components are successful and sustainable
- Ensures Defined Neighborhood residents are engaged, included, served
- Single point of accountability for partners/funders


Community Engagement and Outreach

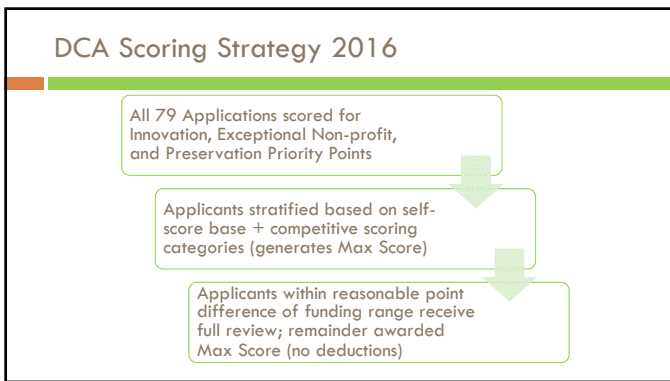
<p>Public and Private Engagement</p> <ul style="list-style-type: none"> □ At least one public meeting between Transformation Partners to identify challenges to transformation □ Transformation Partners: <ul style="list-style-type: none"> □ Service providers in education, health, employment, transportation □ Family Applicants must engage with at least two Transformation Partners while Senior Applicants must engage at least one 	<p>Citizen Outreach</p> <ul style="list-style-type: none"> □ 1 survey to low-income Defined Neighborhood residents OR □ 2 public meetings <ul style="list-style-type: none"> □ Required public meeting between Transformation Partners may satisfy one of these meetings
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Need to Know

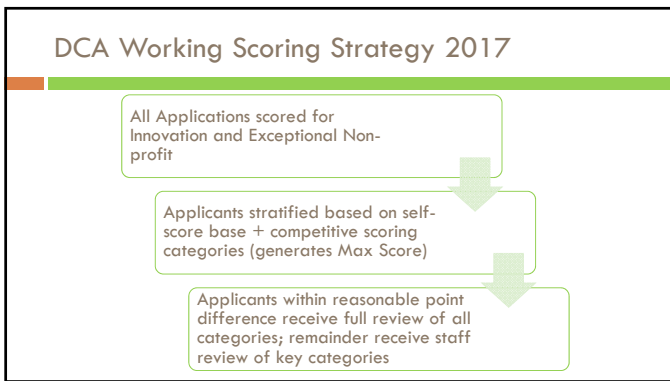


Scoring Strategy - Overall





- ### DCA Scoring Strategy 2016 (cont.)
- Pros
 - Efficient use of DCA resources
 - Initial scores delivered earlier
 - Cons
 - Applicants awarded Max Score do not receive specific quality review feedback
 - Potential incentive for applicant to inflate score



Scoring Justification

- Scoring Comment changed to Scoring Justification
- Opportunity to walk DCA through scoring logic
 - Similar to scoring section narrative
- **Examples of unacceptable justifications include but are not limited to:**
 - "Please see attached documents/accompanying folder."
 - "Applicant is eligible for points claimed."

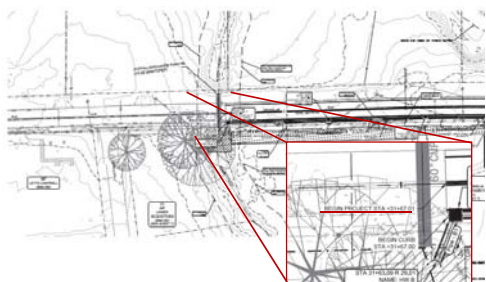
Scoring Justification Case Study

- In this example, the applicant incorrectly lost points because the off-site improvement was deemed not adjacent based off an extra map
- Documentation was available to correct this mistake, but was missed in the focus on the extra map
- A scoring justification that guided the reviewer through the different pieces of documentation could have avoided outcome

Required Documentation - Map



Additional Documentation



Additional Evidence Provided

The offsite improvements are schedule to be completed by December 31, 2017. See timeline below:

- May 16, 2016 Pre-Bid Meeting
- May 31, 2016 Bids/Proposals are due to the City of Cornelia
- July 31, 2016 Selection of Contractor / Work to Commence
- December 31, 2016 Phase I to be completed
- December 31, 2017 Full project completion

INVITATION TO BID
City of Cornelia
 181 Larkin Street
 Cornelia, GA 30531

This is an invitation to submit a bid or proposal to supply the City of Cornelia (hereinafter referred to as the "City") with equipment, supplies and/or services as indicated herein. Sealed bids or proposals will be received at Cornelia City Hall located at 181 Larkin Street, Cornelia, GA 30531, up to Tuesday, May 21, 2016, 4:00 PM local time at which time they will be opened and publicly read. The City reserves the right to reject any and all bids and to waive irregularities.

The work to be bid shall consist of furnishing all materials, labor and equipment for:
 CS-870 Level Orange Rd FM CS-870 from St to SR-15 US-411 BYP Streetscape Project



Appeals and Standards

Appeal Review

- If DCA upholds decision after Applicant's Request for Reconsideration
- Issue – whether Applicant met requirements of the QAP
- Burden of proof on Applicant
- Only consider documents submitted with the Application

Scoring Review Standard

- Both Threshold and Scoring section reviews pertain only to corresponding funding round
- Reviews have **NO** effect on subsequent or future funding round scoring decisions

Wrap Up



Things to Note

- Please pay attention to the Exhibit A in the Core App, and sensitive timelines and fees
- Review updated manuals
- Review the updated Architectural Submittal Instructions for more information

Closing

- Final Q&A
- Closing Remarks