

2014 DCA Qualified Allocation Plan  
General Questions & Answers  
Posting #3  
March 26, 2014

**QAP Threshold - 25 Required Legal Opinions**

1. The QAP states that:

D. A legal opinion is required for those projects involving scattered site developments. The legal opinion should address the proposed site plan and must be included as part of the opinion.

For Scattered Site Projects, the non-contiguous parcel for which this criterion is applicable must meet the legal opinion requirements.

What does the legal opinion need to state? Is the DCA asking for a legal opinion that the developer is indeed submitting a scattered site? What type of attestation can an attorney provide?

*Response: As not all scattered site developments are eligible for LIHTCs, the legal opinion should address whether the proposed scattered site development meets all applicable federal and DCA requirements to be eligible for LIHTC based on the review of the financing plan, income and rent restrictions of the residential units, site plan, etc. See QAP Core Section 12.H.1 for DCA requirements.*

**QAP Scoring - 5 Brownfield**

1. This email is to request clarification on the required documentation as it pertains to the scoring for Brownfield, as found in Appendix II, Competitive Scoring Criteria, Section V., of the 2014 State of Georgia Core Qualified Allocation Plan. The item needing clarification is the documentation bullet item: "Evidence of designation as a Brownfield site." The questions that arise are 1) is this "evidence of designation" meaning that the site must receive the "acceptance letter" into the Brownfield program from Ga EPD, or 2) can the "evidence of designation" be an acknowledgment letter from the Brownfield program stating that the site and the prospective purchaser meet the criteria for being in the Brownfield program?

With the approaching deadline for submittal, the second option provides a better option for the developers if the acknowledgment letter will meet the criteria. In a conversation regarding Brownfield designation with Mrs. Shannon Ridley, with the GA EPD's Brownfield program, she stated that EPD could issue an acknowledgment letter, after reviewing the properties release notification package (to either HSRA or UST programs, etc.) and the submittal of the Brownfield Eligibility form (completed, except for the \$3,000 application fee). The letter would provide EPD's opinion whether the site and the prospective

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purchaser meet the criteria to be considered for the Brownfield program. This would save time/money in a few ways: 1) the process for obtaining the documentation would only require one EPD department, whereas completing the Brownfield process (which requires a non-refundable \$3,000 application fee and submittal of a corrective action plan) could involve two to three different divisions within EPD (HSRA, UST, etc..) or agencies (EPD, EPA, HUD, etc..). Each agency works with different timelines/deadlines, so the process can become time consuming when waiting on a response or action from the different agencies. 2) The Corrective Action Plan would not have to be completed at the time of receiving the acknowledgment letter. This would allow the developer to wait until they have received funding before financing the additional work needed to complete this process. Plus, from a time aspect, the Brownfield program's process would be quicker by reviewing the release notification versus a CAP.

*Response: No, particularly because it is a point category, you must meet the definition of Brownfield in the QAP p. 7-8 of 30.*

**QAP Scoring - 9 Phased Development/Previous Projects**

1. In the Phase Development/Previous Projects scoring section, points are awarded to an Application if the proposed development site is within a Local Government Boundary which has not received an award of 9% credits within the last five funding cycles. If a proposed development site is located within the City limits of a municipality which has not had an award of 9% credits in the last 5 years, however there was an award of credits allocated to a development located nearby but outside of the city limits (but within the same County) would the application receive the 3 points for Previous Projects. For example: Applicant submits an application for a development located in the City of Toccoa which has not had a development funded in the previous 5 cycles, however a development was funded in 2010 outside of the City Limits of Toccoa in unincorporated Stephens County. Would this application receive the 3 points for Previous Projects?

*Response: Yes, if the property is located in the city limit where there have not been any 9% tax credit properties in the previous 5 DCA funding cycles the application is eligible for 3 points. However, note that points in this category do not overcome market issues that may arise during the application review or final selection.*

2. According to Scoring Criteria, an application is eligible for points if the proposed development site is within a Local Government boundary which has not received an award of 9% Credits within the last four or five DCA funding cycles OR is located in a non-Rural area outside of a 2-mile radius from such a funded

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project. What is the definition of "Local Government Boundary"? If a previous award was made within the city limits but the current application is in an unincorporated area of a non-rural area, does the same 2 mile limit apply? What about rural areas? If a previous award was made within the city limits of a non-rural area but the current application is for a property not within the city limits, is that considered a different Local Government boundary? Does the same 2 mile limit apply in this instance?

*Response: First you need to determine whether the proposed development is located within any city limits. If it is located within the city limits, then the city boundary is the Local Government boundary; if the proposed development is located outside any city limits, then the proposed development is considered to be located within the county. Using the previous question as an example, if a proposed development is located within the city limits of Toccoa, the applicable Local Government boundary will be the city boundary of Toccoa. If the proposed development is located outside the city limits of Toccoa but within unincorporated Stephen County, then Stephen County is the applicable Local Government. An application proposed within a local government boundary which received an 9% award within the last four to five funding rounds may also receive points in this category, if the proposed site is in a non-rural area and there are no recently funded (4-5 funding cycles) developments within a 2-mile radius.*

**QAP Scoring - 15 Leveraging Of Public Resources**

1. If there are two Applications in close proximity to one another, but one is in the Rural Pool and one is in the Flexible Pool, which would be selected for funding if both received competitive scores in their respective pools? Is it based on total score, or does one pool get priority over the other?

*Response: The 2014 QAP (Core, p.11-12) establishes that the 35% Rural Pool will be determined first, with remaining credits available in the Flexible Pool. Therefore, in the event that a Rural Pool Application and Flexible Pool Application share the same market area AND each receives a score within the funding range for their respective pools, then the Rural Pool Application would receive priority over the Flexible Pool Application.*

**QAP Scoring - 17 Integrated Supportive Housing**

1. The Integrated Supportive Housing points category requires that the Application include a MOU with a service provider. As this is a new requirement, can DCA offer any more guidance for what the MOU should include?

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*Response: The 2014 QAP describes the three components that the MOU must include in Appendix II, pg. 21. The QAP also requires that the behavioral health agency/service provider be responsible for community placements for the target population, which includes individuals with mental illness as defined in the Settlement Agreement and individuals eligible to participate in the Money Follows the Person program. Applicants seeking these points should note that despite the agreement with a single agency/service provider at the time of Application, individuals receiving services from different service providers may be referred to the property during the implementation of the Section 811 rental assistance program.*

**Electronic Core Application - 5 Utility Allowances**

1. For the application are we to use the utility allowances provided by DCA according to the proper region or are we to contact local PHA to get the utility allowance?

*Response: First you will need to determine whether the USDA or HUD utility allowance is applicable. Assuming that neither USDA nor HUD utility allowance is applicable, you should use the current utility allowance from the PHA that administers the Sec. 8 program for the area where the proposed development is located; if DCA administers Sec. 8 program for the area, then you should use the appropriate DCA utility allowance. Please refer to Appendix I.I.A.6, p. 4 of 58.*