

2010 DCA Qualified Allocation Plan  
General Questions & Answers  
Posting #8  
June 9, 2010

1. Please clarify bullet point 3 under Section III. A. 1 “Desirable Activities” specifically as to what DCA wants to avoid. Are we allowed to use multiple desirables within a commercial building that has a separate exterior entrance to each activity?

**Response: Some examples of situations DCA typically does not recognize as separate desirables include ATM machines within supermarkets and banks, restaurants, or other services located within a Wal-Mart. Typically, separate and distinct commercial businesses with separate entrances within a strip mall are considered separate desirables.**

2. Stream and Wetland Encroachment Penalty. The 2010 QAP informs that submitted projects with proposed development within 100 feet of streams and wetlands will be penalized one point.

Will this penalty apply to bridges or structures that provide egress over the streams and wetlands?

Will this penalty apply to existing tax credit projects, approved prior to 2010, that are applying for tax credit renewal and funding of rehabilitation?

**Response: The undesirable language reads: “developments that propose any new construction activities that place impervious surface including paving, sidewalks, or buildings within 100 feet of any floodplain, wetlands, perennial stream, or intermittent steam (in other words, State Waters that require a buffer according to GA EPD). Exception: stream crossings that that are covered under the USACE’s Nationwide Permit.”**

**If a bridge or structure that provides egress over streams and wetlands is covered under USACE’s Nationwide Permit program and evidence of this designation is included in the desirable/undesirable section of the application, it is not an undesirable.**

**As long as the application for rehabilitation clearly demonstrates that no new construction activities that place impervious surface including paving, sidewalks, or buildings are being contemplated within 100 feet of any floodplain, wetlands, perennial stream, or intermittent steam, there is no undesirable.**

3. The HOME/HUD Questionnaire was required for all projects in the 2009 funding round due to uncertainty regarding ARRA, Exchange, and TCAP programs.

For 2010, will projects applying for the Federal/State 9% tax credit require a HOME/HUD Questionnaire? Projects applying for the 4% Federal/State tax credit?

2010 DCA Qualified Allocation Plan  
General Questions & Answers  
Posting #8  
June 9, 2010

**Response: The HOME/HUD questionnaire will only be required if the project has HOME, PBRA or other HUD funds in the financing structure.**

4. In the case of a rehabilitation of an existing tax credit project in year 15, is the household data form still required or can the required information be provided from the current tenant file documents? Also, if the property has an existing, 15 year old, local PJ provided HOME loan does the additional HOME relocation documentation apply or is that only for new HOME loans? How about if the HOME loan will be paid off under the new structuring?

**Response: Household data sheets are still required on existing tax credit projects applying for DCA funding. DCA cannot answer the remainder of the question as it would require review of the relevant documents and project specific information.**

5. One of the documents to be submitted to score 3 points for a Resolution of Support is a letter from an elected official in the "DCA Format." Please tell me where to find the prescribed format for this letter?

**Response: The prescribed format may be found at <http://www.dca.ga.gov/housing/HousingDevelopment/programs/downloads/2010QAPDocs/2010%20OAH%20Manual/2010%20Manuals%20and%20Forms/J.%20Other/Forms/H-2010SampleLocalGovernmentSupportLtr.doc>**

6. We have a site in Atlanta with a building that would be considered historic in the section 106 Review. According to the 2010 QAP that will give us one point because we are preserving it for use in the project. We plan to put it on the National Register and will have the Historic Preservation Certification Application Part I and Part II approved when we submit our application. The QAP gives 3 points for sites with buildings that are on the National Register. Will we be able to apply for 3 points if we have Part I and Part II approval when we submit our QAP?

**Response: No. To get the 3 points, the building must be listed on the National Register of Historic Places.**

7. Is the Scope of Work form supposed to be filled out by the developer?

**Response: Although the Scope of Work form (required with all applications for rehabilitation) can be found with the Physical Needs Assessment forms as part of the Architectural Manual, it is recommended that the Scope of Work form be completed by the developer/owner in consultation with the project architect, a potential management company, a general contractor, the Physical Needs Assessment consultant, and the Phase I Environmental Site Assessment provider.**

2010 DCA Qualified Allocation Plan  
General Questions & Answers  
Posting #8  
June 9, 2010

8. At the HOME workshop on May 24, 2010, one of the Underwriting Policies slides said a HOME loan term can be 15 to 35 years, and that Urban deals are "required to fully amortize." Page 28 of 56 of the 2010 QAP also states that "permanent HOME Loans will be fully amortizing, with a maturity and amortization period ranging from 15 to 35 years." Is a 35-year amortizing loan with a 20-year term acceptable? Can a HOME Loan have a term shorter than its amortization period, assuming debt payments during the term are fully amortizing with a balloon payment at the end of the loan term?

**Response: For rural projects, the 35 year amortized payment with a balloon payment due in 20 years is acceptable. "Fully amortizing" means that the monthly payment is sufficient to repay principal and interest within the designated loan term without a balloon payment. Urban deals generally cannot be structured with a balloon payment.**

9. The 2010 QAP (Appendix 1, section 18, Threshold Criteria Experience and Capacity) states the "entities and/or principals that were deemed experienced for the 2008 and 2009 competitive round do not have to complete a new DCA Performance Workbook provided that there have been no changes in their organization structure since the initial experience determination and no significant changes in the compliance history for the participants".

Does an applicant still have to complete the Compliance History Summary and other required compliance sections of the workbook and application even if the entities and/or principals were deemed experienced in 2008 and 2009?

**Response: Yes. For purposes of meeting the experience requirement, the only document required to be submitted is the DCA letter deeming the entity experienced. However, the performance workbook will still need to be updated for purposes of obtaining a compliance score.**

10. Assuming that our organization meets the 2010 QAP's threshold experience requirements and we only need the consultant's compliance/performance history, will this arrangement count against the consultant's maximum award limitation?

**Response: The only exception to the Maximum Ownership Interest applies when an Owner partners or consults with an inexperienced unrelated entity for purposes of meeting experience. Therefore, the ownership interest of your project would be included in determining whether a partner/consultant had met the cap. (See Page 38 of 56 of the Core QAP). Also, you cannot use a partner or consultant's compliance score if you are experienced. You can only use that score if you are partnering or contracting with an entity for the purpose of meeting experience. (See page 25 of 29 of Appendix II)**