

QUESTIONS REGARDING THE 2016 QAP – SECTION 6.4 #8 & #9

IHFA has had several questions concerning Section 6.4 #8 and #9. In an effort to provide clarification to all interested parties, we are posting the following:

8. Developments which utilize the following state or federal housing programs: CDBG, USDA Rural Development 515, FHLB Affordable Housing Program, HUD Section 202, HUD Section 811, HUD Section 8.....5

Clarification:

This category gives points to those developments that utilize only the specific programs that are listed above. No other state or federal programs will be eligible to qualify for points.

NOTE: HOME funds, tax exempt bond financing, historic, energy and/or solar tax credits will not be considered in this category.

9. Developments that receive non-related private party, Section 501(c)3, or government assistance (i.e., land donations, cash, or tax increment financing). Documentation regarding proposed conditions and terms of the funding must accompany the tax credit application. For more detail see NOTE below:

- Greater or equal to 5.00% of Total Development Cost*10
- Greater or equal to 3.00% of Total Development Cost6
- Greater or equal to 1.50% of Total Development Cost3

*Total Development Cost does not include Developer Fee or Development Reserves.

NOTE: Non-monetary contributions must be supported by a third-party independent appraisal at the time of application. Percentage calculation will be based on cumulative sources that are eligible in the category

Clarification:

In this category, “government assistance” refers to local government assistance and does not include HOME funds allocated by a local jurisdiction, historic, energy, and/or solar tax credits, or any governmental, nonprofit, or private-party loan product.

Funding sources mentioned in category #8 will not be considered in #9 as “government assistance”. No double counting of funding sources is allowed for points.

Local government in-kind contributions may be considered in this category provided adequate documentation is received that lists contribution requirements and quantifies the dollar amount of the contribution. However, in-kind contributions for professional services (i.e., legal services, architectural, accounting, etc.) will not be considered in this category.