

FREQUENTLY ASKED QUESTIONS 2010 FUNDING ROUND #2

Selection Criteria

- 1) **Q. In order to receive points for "Substantial Rehabilitation" and "Rehab of Historic Property" does the project have to be 100% "Substantial Rehabilitation," and "Historic" or can it also have a mix of new construction and still get the points for "Substantial Rehabilitation" and "Rehab of Historic Property?"**
 - A. The project may contain a mix of Substantial Rehab/Historic and New Construction. Note that a maximum of one (1) criterion may be selected and the application submission as required by the QAP.

- 2) **Q. We have purchased blighted and abandoned vacant lots from the municipality...If the municipality confirms that they were purchased through their program to dispose their blighted and abandoned property can one receive points for "Abandoned Project" and "High Vacancy Project" or do they have to be existing residential units?**
 - A. Vacant lots are not applicable under the definition of either abandoned unit or vacant unit. There are No points for "blighted and abandoned lots"

- 3) **Q. Neighborhood Characteristics: Can you count more than one type of service twice, such as two grocery stores within one mile of the project count as 2 points or just one?**
 - A. Only one.

- 4) **Q. Community Service Facility: In this section for points, is the facility for just residents or does it have to serve the community population as well to get the points?**
 - A. It must also serve the community population. See Glossary in QAP for details

QAP

- 5) **Q. Please confirm that if a project is both "Historic" and "Scattered Site" that the higher TDC per unit limit applies.**
 - A. If the property meets the requirements of Historic Property, the TDC relative to the Historic Rehab would apply.

- 6) **Q. The QAP states that the public notice shall be published 7 calendar days prior to application deadline and must run for 3 consecutive days. Does this mean the 3rd consecutive day must be on the 7th day prior to application deadline or is the intent to**

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have the public notice run 3 consecutive days at least 7 days prior to application deadline?

A. It is the latter. The notice is to run for 3 consecutive days at least 7 days prior to the application deadline and meet all of the requirements as stated in the QAP.

7) Q. Concerning the RD Pool - page 3 of QAP, do I understand that all funds available to this pool are 1602? If so, I would assume that we must apply in this pool for credits, with awareness that they would be exchanged with the exception that at least \$10K must be syndicated at \$.65?

A. Yes.

B. Your Application must reflect a request for the amount of credits needed. Concurrently, the sources and uses should reflect the credit equivalent of 1602 funds based on .80 cents per credit dollar exchange rate and syndication proceeds from at least \$65,000 from at least \$10,000 of LIHTC to be awarded at not less than .65 per credit dollar.

Application Submission

8) Q. A Housing Authority is submitting applications on two sites totaling 54 units. Both will be submitted as a Redevelopment project for those points. (Selection criteria I-C) Both sites are in two different census tracts, but both are in the Lake Charles DDA. Both sites will be developed as single-family structures, so our project type of construction is new construction-scattered site. (\$203,000 TDC limit) Each site will have its own community facility. My question is this-is there any reason we cannot submit as a single application?

A. While the two parcels **may** be treated as a single scattered site project under both the Code and the 2010 QAP, the only question that arises relates to the “area to be served” and whether the comprehensive market study treat each separate site as within separate market areas. The market study will ultimately determine whether or not the two sites serve the same area.

9) Q. What is needed at Application regarding plans? Is all that is required on a rehab is the Architect Certificate at application?

A. See Section H – Project Site Information.

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10) **Q. Is a Phase I needed for the application or with (will) the environmental checklist be the only requirement? Do we have to do a lead based paint and asbestos report if the property was constructed after 1978?**

A. An environmental checklist must be completed with each application. If federal funds are provided as a source of financing (including but not limited to HOME or CDBG dollars), all applicable environmental requirements and Davis Bacon requirements will apply.

11) **Q. Do you have to provide Cat 5 internet cable to all bedrooms and living rooms connected to a central point for rehabs? Or will providing internet service to all the rooms thru a phone line ability be sufficient to meet this threshold?**

A. See number 6 under *Project Threshold Requirement*.

12) **Q. On Page 18 - Construction and Design must meet Exhibit A requirements. Is that suppose to be Exhibit B as well, if not then what design features do we have to do for a rehab?**

A. The applicable exhibit is *Exhibit B - Construction and Design Standards*.

Application

13) **Q. Does our underwriting model need to reflect a syndication rate for all the credits? Will we know a rate for the exchange or will it be the amount needed to fill the gap?**

A. Yes, the syndication rate should be .80 cents per credit equivalent for 1602 funds and the pricing rate of not less than \$0.65 per credit dollar of requested credits.

30% Bump Up Request

14) **Q. What was the deadline for applying for the 30% basis boost? Can an applicant still apply?**

A. The deadline was Thursday August 26th therefore no further requests will be accepted.

Market Study

15) **Q. Market Study: How, since we do not order the study, are we to determine the positive and negative points for neighborhood Characters when we will not see the study until after we have submitted the application?**

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- A. It is assumed that the developer will be familiar with the area prior to submitting the application; however, Staff will review and confirm the information upon receipt of the Market Study. However, developers may choose to complete this section of the application's selection criteria.