



LIHTC Application FAQs and Clarifications - 2021

Please Review the LIHTC Manual first. Submit any questions to
TaxCreditApps@VirginiaHousing.com

All answers are subject to change and further interpretation upon application review

Q: My deal is coming back for a credit refresh; do I need to submit new copies of attachments?

A: If there has been no material change to the deal that would require the form information to be updated, the original attachments and dates are acceptable.

Q: If the pool my deal was funded from is a forward-allocation, what year do the credits count toward the 15% credit cap?

A: The credit cap is based on the year credits are reserved.

Q: Can the value of infrastructure improvements provided by the project's locality, such as roads or utilities, be counted as subsidized funding commitments (7.7.3)?

A: Appendix D of the LIHTC Manual provides guidance regarding Subsidized Funding Commitments.

Q: Would RAD for PRAC conversions qualify for points under Existing Subsidy (7.7.2), New project based subsidy (7.7.5), or both?

A: Applicants may select the point category they think is most applicable, but should not "double count". Supporting documentation must be provided regardless of selection.

Q: If there is an Identity of Interest with the current owner and the project is subject to an Existing Subsidy program (7.7.2), how does the waiver of developer fee associated with the acquisition impact the calculation of Max Developer Fee?

A: The applicant must submit a [Change Request](#) in advance of the application deadline, and include the approved Change Request with their application. Applicants will need to manually back-out the portion of the developer fee associated with acquisition by zeroing out the acquisition and acquisition basis, note the max allowable developer fee that the application calculates, then add back the acquisition costs and basis but use the lower developer fee. If the developer does not do this or does it incorrectly, we will manually back it out in application review without a penalty.

Clarification

- Due to current COVID restraints the required Physical Needs Assessment(PNA), as outlined below in the QAP and Manual, will not be a mandatory item at this time. As such, those competing in the upcoming 9% competitive round will also NOT be required to produce a PNA at the time of reservation application. This also includes the “unit by unit condition survey not older than 6 months prior to submission” as referenced in the MDCRs.

Per the QAP

Each application shall include plans and specifications in such form and from such person satisfactory to the executive director as to the completion of such plans or specifications. In the case of rehabilitation, the application must include a physical needs assessment in such form and substance and prepared by such person satisfactory to the executive director pursuant to the Authority’s requirements as set forth on the application form, instructions or other communication available to the public.

Per the manual

7.5.17 Physical Needs Assessment - A Physical Needs Assessment must be submitted with the reservation application for all 4% deals.

Tab U for Plans and specs the following

9. All 9% and 4% developments must include a unit-by-unit work write-up. This is in addition to the Physical Needs Assessment.