



Virginia Housing Development Authority

Our Mission is to help low and moderate-income Virginians attain quality, affordable housing.

877-VHDA-123 | vhda.com



Virginia Housing Development Authority



This PowerPoint presentation will be posted at vhda.com/LIHTC Programs after workshops are completed.



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Up next...

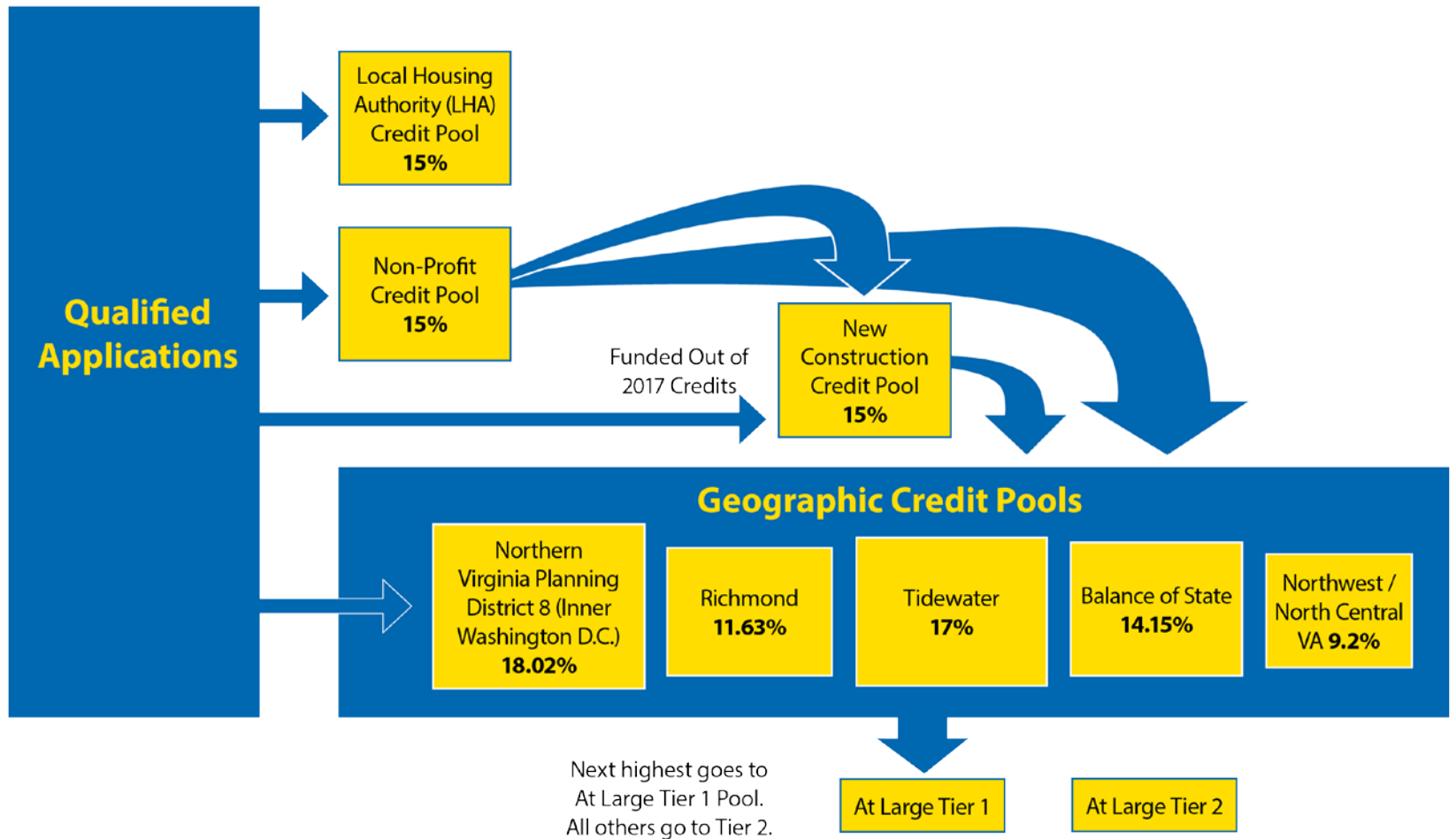
1. Pool Percentages
2. Available Credits
3. 2018 QAP Changes



2018 Pool Percentages

Non-Profit	15.00%
LHA	15.00%
New Construction •15% of the following year's credits	15.00%
Northern VA/Planning District 8 (Inner Wash.)	18.02%
Northwest/North Central VA	9.20%
Richmond	11.63%
Tidewater	17.00%
Balance of State	14.15%

Low-Income Housing Tax Credit Pools: Rules of Ranking



2018 Estimated Available Credits

• Per Capita Credits \$2.35 per person*	\$19,904,547
• 10% of 2019 Credits:	\$1,990,454
• Returned Credits	\$0
• National Pool:	\$90,000
• Previous Allocations:	(\$7,289,510)
• Accessible Supportive Housing Pool:	(\$1,426,333)
• Estimated 2018 Credits:	± \$13,269,158

*Population Estimate = 8,470,020

(U.S. Census Bureau 7/1/17)

2018 QAP Updates/Changes

Opportunity Areas - incorporate a new sliding point scale:

- if less than 12% poverty, 20 points,
- if less than 10% poverty, 25 points
- if less than 3% poverty, 30 points

Elderly Restriction - remove 20% restriction for elderly developments

[\[Map\]](#)

2018 QAP Updates/Changes, cont'd

Energy Star Bath Fans – New Construction only

Each full bathroom is provided either:

- An EPA Energy Star qualified bath vent fan with duct size per manufacturer requirements or
- Continuous exhaust as part of a dedicated outdoor air system with humidity control (2 points)

2018 QAP Updates/Changes, cont'd

Community Rooms

- **If a community/meeting room with a minimum of 749 square feet is provided. (5 points)**

Community rooms receiving points under this paragraph may not be used for commercial purposes. Provided that the cost of the community room is not included in eligible basis, the owner may conduct (or contract with a non-profit provider to conduct) programs or classes for tenants and members of the community in the community room, so long as: (i) tenants compose at least one-third of participants, with first preference given to tenants above the one-third minimum; (ii) no program or class may be offered more than five days per week, (iii) no individual program or class may last more than eight hours per day and all programs and class sessions may not last more than ten hours per day in the aggregate; (iv) cost of attendance of the program or class must be below market rate with no profit from the operation of the class or program being generated for the owner (owner may also collect an amount for reimbursement of supplies and clean-up costs), (v) the community room must be available for use for tenants when programs and classes are not offered, subject to reasonable "quite hours" established by owner, and (vi) any owner offering programs or classes must provide an annual certification to the Authority that it is in compliance with such requirements, with failure to comply with these requirements resulting in a 10 point penalty for three years from the date of such noncompliance for principals in the owner.

DD Guidelines

- Guidelines for 504 Disability and Developmental Disability (DD) Units [[Link](#)]
- New Language
- Explains:
 - LIHTC points
 - Marketing plan requirements
 - Marketing preference
 - Hold Vacant for 60 days
 - Referrals
 - Vacancy Loss Reimbursement
 - Compliance

2018 Cost Limits

INNER NORTHERN VA		
New Construction	Acquisition / Rehab	Structured Parking
\$448,656	\$391,684	\$49,851

OUTER NORTHERN VA		
New Construction	Acquisition / Rehab	Structured Parking
\$333,288	\$235,011	\$49,851

BALANCE OF STATE		
New Construction	Acquisition / Rehab	Structured Parking
\$249,254	\$192,281	\$49,851

Up Next...

1. 2018 Minimum Design & Construction Requirement Highlights
2. Benchmarking
3. New Final Inspection Process
4. Waiver Process

Minimum Design & Construction Requirement

- Minimum Design & Construction Requirements and Minimum Cabinet Requirements are unchanged
- Pre-construction meeting required 30-45 days before construction begins
 - Review amenity point items and Design & Construction Requirements
- On-site, ongoing inspections through completion by VHDA's Construction Control Officers (CCO)

Benchmarking

- Only available with EarthCraft Certification or EarthCraft Gold
- Follow Benchmarking Guidelines on VHDA.com
 - ID units to meet sample set
 - Collect data for 24 months, 36 months to comply
 - Demonstrate compliance at 100% full lease up

Final Inspection Process

- Final inspection will only be scheduled after all Certificates of Substantial completion have been received (this includes New Construction)
- Owner/Developer emails their assigned VHDA allocation officer when the property is ready for its final inspection
 - VHDA notifies CCO of final inspection request
- CCO schedules final inspection with Owner and/or General Contractor
- If at the end of the inspection it is determined that all items are completed satisfactorily, then the final inspection is complete.

Final Inspection Process, cont'd

- If there are items remaining to be completed, CCO will email interested parties, including TC department, stating which items are outstanding
- When addressed, the owner/developer emails Allocation Officer with 2nd final inspection request
 - Allocation Officer notifies CCO
 - CCO schedules 2nd final inspection
- If all items are completed satisfactorily then final inspection is complete.

Final Inspection Process, cont'd

If additional items are found needed to be completed but were not included in the initial report from the CCO the next inspection will be treated as a first inspection.

Change Request Process

VHDA LIHTC Change Request Form

Please submit document, via email, to taxcreditapps@vhda.com **Please submit this document in Word format.*

Property Information (Required)

Development Name:

Street:

City:

Requester Information (Required)

Name:

Email:

Date:

VHDA Information (Required)

Request Date:

Request Number:

Regulation Year:

Waiver Request Information (Required)

Define Requirement **Please define the requirement requesting to be waived/changed as well as the regulation year and type of construction.*

Request Explanation **Please give a brief explanation of why this waiver should be considered.*

**Please attach any supporting documentation and submit to VHDA. Submittal of this form to VHDA does not guarantee exemption from requirements. Requests will be approved, approved with conditions, or rejected in writing by the VHDA TC Allocation Department.*

Up next...

- Locality Notification Information (LNI)
- Market Analyst Reservation



LNI Link @ VHDA.org

VHDA Home

January 8, 2015
9:28 AM Eastern Time

Navigation

ExtraNet Home
Applications
Outlook Web Access
Tax Credit Applications
Locality Notification
Information
Edit Profile
Go To VHDA.com
Contact Us
Terms of Use
Logoff

Welcome to Business Partner Services

User Menu

To the left you will find links to the VHDA applications for which you are authorized. If you fail to see the application you require please contact us.



The Virginia Housing Development Authority does not discriminate on the basis of race, color, religion, national origin, sex, elderliness, familial status or disability. By using this website you agree to the **terms and conditions** as described herein.

Equal Housing Opportunity



LNI Tutorial now available on VHDA.com under LIHTC Programs in Applications and Forms

Locality Notification Information

- Required by IRS
- Web-based
- Owner/Developer provides info about the locality CEO & the development- Tutorial available at VHDA.com
- Used (1) to prepare the Locality CEO Notice Letter, which (2) informs localities about and (3) allows localities to comment on prospective LIHTC developments
- Due January 26, 2018 at 2 p.m. (**except** Accessible Supportive Housing and TEB apps)
- **50-point penalty** if received after deadline
- **Not compatible** with Mozilla/Firefox or Google Chrome

Market Study Reservation Process

- Required by the IRS
- VHDA has an Approved Analysts' list
- Market Study Reservations will now be contained in LNI system (demonstration later by Alena)

Market Analyst Reservation Process:

1. Selection of the Market Study Analyst must be made by **January 26, 2018 by 2:00 p.m.** (same as LNI due date).
2. The owner/developer accesses the LNI system via vhda.org.

Market Study

Reservation Process, cont'd

3. Select 'New Notification' or 'Existing Notification'
4. Select Notice Type (top of form)
5. Type in name of project
6. In the section titled 'Market Analyst', click *Request Market Analyst* button
7. Select analyst
8. Click 'Request Approval'

NOTE: While this concludes the market reservation process, you are still required to submit a completed LNI form for every application submitted for LIHTC consideration. Submitting the Market Analyst request does not submit your LNI.

10-minute Break

Upcoming Training and Classes:

EarthCraft Building Professional Training

January 10, 2018 | 9 a.m. - 4 p.m. | Cost: \$175 (Includes Lunch & Training Materials)

VHDA's Virginia Housing Center, 4224 Cox Rd., Glen Allen, VA 23060

Universal Design Seminar

Jan. 25, 2018 | 8:30 a.m. - 12:30 p.m. | Cost: \$60 (Includes Lunch & Training Materials)

VHDA's Virginia Housing Center, 4224 Cox Rd., Glen Allen, VA 23060

Architect Certification and Universal Design Plans Submission Requirements

Jan. 25, 2018 | 1 - 3 p.m. | Cost: Free

VHDA's Virginia Housing Center, 4224 Cox Rd., Glen Allen, VA 23060

How to Complete a LIHTC Application

February 6, 2018 | 1 - 4 p.m. | Cost: Free

VHDA's Virginia Housing Center, 4224 Cox Rd., Glen Allen, VA 230600

Additional Resources:

[LNI Tutorial](#)

[How to Complete a Virginia LIHTC Application](#)

Demos

- Market Analyst Reservation Process
- New Excel Application highlights
- New Manual



Up next...

- Payment Options
- Procorem (submitting documents)



Payment Options

- Application Fee
- Reservation Fee
- All other fees

Payment Options

VHDA accepts checks, wire transfers and Automated Clearing House (ACH) deposits

Checks can be mailed or delivered to:

VHDA
Attn: Tax Credit Allocation
601 S. Belvidere Street
Richmond VA 23220

Checks are 'received' when they arrive in the LIHTC department!

Payment Options:

ACH/Wire Payments

To make an ACH or wire payment:

1. Email Pamela Freeth, pamela.freeth@vhda.com, the following:
 - The name of the development
 - The type of fee
 - The date that you will be making the transaction
 - How much you will be sending (to the cent)
 - You can make one payment for multiple applications

Payment Options: ACH/Wire Payments, cont'd

2. Subsequently, you will be given instructions for making your payment.
3. IMMEDIATELY AFTER completing the transaction, you **MUST** forward a remittance advice slip (i.e. confirmation that your transaction has been completed).

Payment is 'received' when it arrives in VHDA's account!

Procorem.com

- Email Hope Coleman Rutter (hope.rutter@vhda.com) to create a WorkCentre for each deal
 - Before the deadline date
- Your log in will give you access to all your deals
- Upload all documents, make sure to mark them as “final”. Must all be uploaded before time deadline
- After all documents are loaded, email Hope separately to tell her you are ready to submit
 - **Your application isn't submitted until you have sent Hope this email**

2018 SCHEDULE

1/26/18	Locality Notification Information and Market Study Analyst selection due – enter online
3/16/18	App for Reservation, Market Study, CEO Letter due, Revitalization Area Documentation (w/\$1,000 application fee)
by 3/23/17	Apps posted to web (can view with Business Partner password)
5/02/18	Announce prelim. rankings; begin comment period
5/9/2018	Close general comment period; begin rebuttal period
5/16/2018	Close rebuttal comment period
5/30/2018	Announce final rankings
6/13/2018	Review final rankings with VHDA Board

2018 SCHEDULE, cont'd

Early to mid-July	VHDA sends Reservation documents to developers
September	VHDA sends Allocation Apps to developers
11/1/18	App for Allocation due to VHDA
12/19/18	Finalize allocations – mail Carryover Allocation documents or issue Form(s) 8609 for regular allocation
1/2019	Carryover Agreements due to VHDA
10% Test – due within 12 Months from <u>Allocation Date</u>	

Jobs Opportunities to Low-Income Residents

VHDA encourages developers to provide job training, employment and/or contracting opportunities to low/very low-income residents in communities where LIHTC developments are rehabbed/constructed.

2019-2020 QAP Schedule

1/3-1/8 & 1/18	QAP Discussions in multiple locations
2/15/2018	QAP Discussion Forum – Westin Hotel, Richmond
4/10/2018	Present possible QAP Changes to Board
5/22/2018	2019 QAP Changes released for Public Comment
7/16/2018	2019 QAP Focus Group
7/18/2018	2019 QAP Public Hearing/Close Comment Period
8/8/2018	VHDA Board of Commissioners approve 2019 QAP

2019-2020 QAP Discussion Items

- Green Certification and Building Changes
- Cost limits
- Timing
- Open Discussion

VHDA Green Focus Group

- Purpose is to give recommendation on Green building requirements and bonus items for 2019 QAP
- 14 Members to include General Contractors, engineers, property management, and Developers
- Meet once a month since October for 4 hours each time
- Have had presenters from 6 Green Certification programs
 - EarthCraft Homes, LEED, EnergyStar, Passive House and National Green Building Standard (NGBS), Enterprise Green Communities

Possible Green and Amenity Items Change

- Add baseline energy performance requirement
 - Ex. HERS rating or EnergyStar certified
 - Both are low cost for verification
- Add more options for Additional Green Certification, lower points on existing
 - Ex. Add NGBS and Passive House
- Alter Amenities based on requirements
 - Ex. No “double dipping” ex. Points for Energy Star appliances if EnergyStar certified is required
- Purpose is to ensure healthy and sustainable building

Cost Limits

- Assign a square footage cost based on construction class (A,B,C,D)
- Adjust for select amenities (i.e. elevators)
- Localize with Marshall & Swift multipliers
- Potentially remove certain development costs from TDC calculation (land, reserves)?

Cost limits would be deal specific.



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