



October 10, 2012

Dear Potential Applicant:

RE: 2013 LOW INCOME HOUSING TAX CREDIT PROGRAM

On October 3, 2012, the VHDA Board of Commissioners approved revisions to the Qualified Allocation Plan and those changes have been forwarded to the Governor for final approval.

There were many useful comments and suggestions received during the QAP public comment period. Enclosed is a summary of the major changes made to the Plan in response to the comments. A copy of the Plan, as approved by the Board, is posted on the VHDA web site at www.vhda.com. Plan changes are highlighted by underlines and highlighted areas. The changes highlighted in yellow show items that were discussed at the focus group meeting that did not change. The schedule for 2013 is as follows:

Jan.	03	How-to-Apply @ Marriott - Norfolk Marriott Chesapeake
Jan.	04	How-to-Apply @ The Virginia Housing Center (4224 Cox Road-Innsbrook)
Jan.	04	How-to-Apply @ The Southwest Virginia Housing Center -Wytheville
Jan.	08	How-to-Apply @ Fairfax Marriott at Fair Oaks - Fairfax
Jan.	28	VHDA Locality CEO Notification Form Letter 2:00 PM Deadline
Mar.	15	Reservation Application & Market Study 2:00 PM deadline
May	14	Announce Preliminary Rankings, begin general comment period
May	21	Close general comment period, begin rebuttal comment period
May	28	Close rebuttal comment period
Jun.	05	Announce Final Rankings
Nov.	01	Application for Allocation Deadline

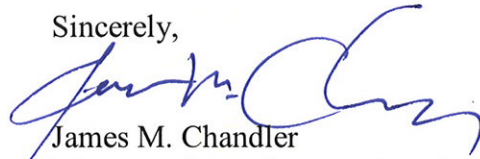
As shown above, the How-to-Apply workshops begin in the month of January. **The workshops will begin promptly at 8:30 AM and conclude at approximately 12:00 Noon.** The January 4, 2013 workshops will be a video conference between the Wytheville and Innsbrook Housing Centers. The workshops will include issues such as **the WEB based locality notification information submittal due January 28, 2013,** QAP and manual changes from last year, application requirements, scoring categories, Reservation documents, Allocation documents, tax-exempt bond credit requirements, completing the Excel spreadsheet application and identifying areas where common mistakes occur. Links to VHDA's Housing Centers and hotel web sites with directions to the Housing Centers and hotels can be found above. If you would like to attend any of the workshops, **please use our online [calendar](#) to register.** If you have any questions, please call me at (804) 343-5786. Please note that copies of the Application, Manual and Tab documents will not be provided at the workshop. If you prefer to have these items for your information at the workshop you will need to download them from the VHDA.com web site and bring the copies to the workshop. **We do not anticipate the 2013 application materials to be**

2013 Low Income Housing Tax Credit Program
October 10, 2012
Page 2

updated and available on to the web site until mid to late December 2012. An update email will be sent to you in December notifying you that the web site has been updated with the 2013 application materials.

We look forward to working with you next year. If you have any tax credit questions, please call me at (804) 343-5786 or email me at jim.chandler@vhda.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "James M. Chandler", is written over the typed name.

James M. Chandler
Director of Low Income Housing
Tax Credit Programs

JMC/rer
Enclosures

**SUMMARY OF CHANGES APPROVED BY
THE VHDA BOARD OF COMMISSIONERS FOR THE 2013
LOW INCOME HOUSING TAX CREDIT
QUALIFIED ALLOCATION PLAN**

1. Delete the VHDA Certified Property Management company 25-point category and make this a minimum requirement for all developments applying for tax credits. (Page 8 & 15)
2. Delete the unit size 100-point category. (Page 13)
3. Delete the geothermal heat pump 5-point category. (Page 14)
4. Delete the solar electric system 10-point category. (Page 14)
5. Clarification as to when penalties for non-compliance will be imposed. (Page 16)
6. Increase the points for the credit-per-unit calculation to 200 points. (Page 17)
7. Increase the points for the cost-per-unit calculation to 100 points and include negative points in the calculation. (Page 17)
8. Eliminate the QCT/Revitalization credit adjustment in the credit-per-unit calculation. (Page 17)
9. Change the minimum threshold score for all applications to 450 points. (Page 18)

PROGRAM CHANGES NOT REQUIRING CHANGES TO THE QAP

Cost limits for 2013 will be separated into two geographic areas: (1) Inner Northern Virginia (Arlington and Fairfax Counties and Alexandria, Fairfax and Falls Church Cities) and (2) the balance of the state. The balance of the state will use the HUD 221(d)3 loan limits adjusted with a 15% increase as a per unit cost limit. The Inner Northern Virginia limits will be separated into (1) new construction or adaptive reuse and (2) Acquisition/Rehabilitation. Those per unit cost limits will be \$315,000 for new construction plus an adjustment of up to \$35,000 for underground or structured parking and \$275,000 for Acquisition/Rehabilitation developments. Total development costs will be used in these calculations.