




March 5, 2019
Issue 19-2

MEMORANDUM

TO: All Interested Persons

FROM: Michelle L. Wilshere, CPA, MBA 
Senior Manager of the Low-
Income Housing Tax Credit Program

DATE: March 5, 2019

SUBJECT: **West Virginia's Low-Income Housing Tax Credit Program**

Thank you for your interest in West Virginia's Low-Income Housing Tax Credit Program ("Program"). In relation to the Program, attached is the following information:

West Virginia's Low-Income Housing Tax Credit Program 2019 and 2020 Allocation Plan (the "Plan") was approved by the Governor of the State of West Virginia on February 25, 2019. The West Virginia Housing Development Fund (the "Fund") will accept Reservation Requests for the Low-Income Housing Tax Credit Program from May 1 to May 31, 2019 for pre-registered regular (non-tax-exempt bond financed) properties, and from May 1 to September 30, 2019 for pre-registered tax-exempt bond financed properties.

West Virginia's (the "State's") 2019 State Housing Credit Ceiling has not yet been determined as the 2019 Calendar Year Resident Population Figure has not yet been released. However, based upon the 2018 population figure, the 2019 State Housing Credit Ceiling is estimated to be approximately \$5,220,000. This includes the estimated 2019 Population Component of \$5,004,900 as well as Credits which were returned at the end of 2018 and a reduction for a 2018 Binding Agreement for 2019 Credit.

Following are limited highlights of the Plan and some general program information:

- ◆ A summary of the Set-Aside Categories that comprise the 2019 State Housing Credit Ceiling is provided on page 17 of the Plan. Once available, the document entitled State Housing Credit Ceiling – Set-Aside Categories and Amounts for the 2019 Calendar Year will be sent to the mailing list and posted to the Fund's website.

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Reminder: The maximum credit a property can request in 2019 is detailed on pages 35 and 36 of the 2019 and 2020 Tax Credit Manual.

- ◆ The Fund, as the allocating agency for the State, is responsible for administering the Program, and for developing and adopting a “qualified allocation plan”, pursuant to which properties will be selected to receive allocations of low-income housing tax credits. The statutory definition of a qualified allocation plan is provided on pages 5 through 7 of the Plan.
- ◆ Three significant components of the Plan are as follows:
 - ◇ Setting forth certain required selection criteria that are used to determine housing priorities that are appropriate to local conditions.
 - ◇ Providing preference in allocating housing credit dollar amounts to properties with certain service obligations or commitments.
 - ◇ Providing procedures that the Fund will follow in monitoring properties for noncompliance with the provisions of Section 42 of the Internal Revenue Code, in notifying the Internal Revenue Service of such noncompliance, to the extent that the Fund becomes aware of any such matters of noncompliance, and in monitoring for noncompliance with habitability standards through regular site visits.
- ◆ In relation to the first and second components described above, a summary of the Selection and Preference Criteria is provided on page 15 of the Plan. A total of 1,000 selection and reference criteria points is available.
- ◆ In relation to the third component described above, a Compliance Monitoring Procedure is provided on pages 69 through 79 of the Plan. We charge a property owner a reasonable monitoring fee, the amount of which is provided on page 78 of the Plan.
- ◆ Under the provisions of the Plan (see pages 65 through 69 of the Plan), for the application period, proposed properties will be ranked and selected in descending order, according to the total selection and preference criteria points awarded, based upon an evaluation of each property against the selection and preference criteria.

In addition, the 2019 and 2020 Tax Credit Manual is attached. **This document is integral to your submitting an acceptable Reservation Request, Carryover Allocation Request, or Allocation Request.**

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If you have any questions, please do not hesitate to contact me at 304-391-8664 or mwilshere@wvhdf.com, or contact one of the Fund's LIHTCP staff – Rachael Shawhan at 304-391-8675 or rshawhan@wvhdf.com and Stacey Young at 304-391-8639 or syoung@wvhdf.com.

MLW:mlw

Attachments