



2016-2017 Qualified Allocation Plan (QAP) Frequently Asked Questions (FAQs) – 2017 Edition

Updated: October 21, 2016

THRESHOLD

- **How should I account for Section 8 vouchers within the tax credit application?**
On pages 38-40 of the RHTC application, you will see line items denoted as “Other Income Source.” Please use this space to record the voucher dollars. Using this space will tie the vouchers to the pro forma on Page 42 of the application and will provide IHCDA with a clearer snapshot financial feasibility, in light of the vouchers.
- **If I have multiple properties in a project, can I do a combined Phase I Environmental Assessment?**
Doing a combined Phase I on multiple properties would be acceptable as long as all of the required components listed in the QAP are provided for each property.
- **Can you provide clarification on the difference between an accessible unit and an adaptable unit?**
An “accessible unit” under the QAP must be constructed as a “*Type A Unit*” as defined in the International Code Council’s Accessible and Usable Buildings and Facilities Standard (ICC A117.1-2009 Section 1003).
An “adaptable unit” under the QAP must be constructed as a “*Type B Unit*” as defined in the International Code Council’s Accessible and Usable Buildings and Facilities Standard (ICC A117.1-2009 Section 1004).
- **After the deadline for the structural conditions report, can I add a new building if something changes?**
You will need to send an updated structural conditions report. However, this would be listed as a technical correction during the application review since it would not meet the deadline listed in the QAP.
- **What is the deadline to submit threshold waiver requests?**
IHCDA must receive all waiver requests by 5:00 PM on Friday, October 7th.
- **Can a project apply for TCAP and IHCDA’s Permanent Loan Product as part of the initial application?**
No, these resources are only available after a project has a 9% credit reservation. This means that the project must already be able to pass the minimum threshold requirements in the QAP without this financing. These resources are designed to enhance development strength after a reservation is made.

EVALUATION CRITERIA

- **If a service provider has a national office, state office, and local office, which one should sign Form L within the Tenant Investment Plan?**
The QAP does not specify, so any of these would be acceptable.
- **For Tenant Investment Plans, what if a service provider is hesitant to commit to providing services for the entire compliance period?**
In order to qualify, agreements must cover the duration of the compliance period. If a service provider is no longer able to provide the service after the agreement is reached, it will be the responsibility of the applicant to ensure that the service continues to be offered.
- **If a development is proposed next to railroad tracks, will it lose points for being next to an undesirable facility/activity?**
It may lose points if it's determined to have a high volume of train traffic. If interested in seeing exactly how many trains go by, the U.S. Department of Transportation provides data on frequency of use at crossings. First you figure out the [official number](#) and then generate an [inventory report](#).
- **Under Certified Tax Credit Compliance Specialist, one of the certifications is Tax Credit Specialist (TCS) and (eTCS). Will IHCD accept just the TCS credential or do you need both?**
Yes, just the TCS is acceptable, as that should read TCS or eTCS.
- **Regarding development amenities, can a scattered site development in lieu of constructing a stand-alone building provide memberships to nearby community facilities that contain the same amenities listed in the QAP and still qualify for points?**
No, amenities must be part of the proposed development to qualify for points.
- **For a phased development, would an agreement between the phases that permits phase II to utilize the community space in conjunction with phase I that contains development amenities be eligible to earn these points?**
Yes, this would be eligible for points.
- **For Lease Purchase points, is there a minimum number of units that must be built?**
No, there is not a minimum under the current QAP. **However, please note that developments competing in the Elderly set-aside are not eligible for these points.**
- **To qualify for the additional one point in Lease Purchase, does 50% and 75% apply to the total number of units in the development?**
No, these percentages apply to the total number of lease purchase units.
- **For the Water Conservation category, do you have specific requirements in the capture and integration of rain water beyond what is described in the QAP?**
For additional guidance, please refer to the requirements in the building certification program (i.e. LEED, NGBS, Enterprise) the project is selecting.

- Page 35 of Form A (Section T.3) asks for letters from the local governing jurisdiction which state that the development supports neighborhood preservation and other organized community improvement, etc. Are these letters still required?**

No, these letters are in reference to Community Revitalization Preservation, which was removed as a scoring category in the 2016-2017 QAP.
- When considering Previous Funding within a Local Government, where can I find a list of recently approved bond deals?**

Bond deals will be listed on the Existing Properties Report, found on the website under “Applications & Awards”: <http://www.in.gov/myihcda/rhtc.htm>

You can also find the current applicant list and awardee list on the website under “Bonds”:
<http://www.in.gov/myihcda/2454.htm>
- If my project will be in two or more cities or towns, how will “Previous Funding within a Local Government” and “Census Tracts without Active Tax Credit Development” be calculated?**

These will be calculated by taking the average.
- Can area-wide Declared Disaster Emergencies qualify for bonus points under Infill and Vacant Structure?**

Yes, as long as the documentation is specific to the site. Falling within the geographic boundaries of a declared disaster area by itself would not qualify.
- What if the property was already in disrepair before the disaster?**

Under Vacant Structure and Infill New Construction, developments seeking disaster bonus points must demonstrate that the site was deemed unsafe for occupancy **as a result of the disaster** by the appropriate authority.
- Can a project competing in the Preservation set-aside claim infill new construction points if it has a site that qualifies?**

Claiming infill new construction points will prevent you from being able to claim preservation points, but not from competing in the Preservation set-aside.
- Under Federally Assisted Revitalization Award, what is the required documentation for Blight Elimination Program (BEP) properties? Items ii and iii don’t appear to apply.**

You must submit evidence that the City received a BEP award and that the proposed land was part of it.
- Do HOME and CDBG awards qualify for Federally Assisted Revitalization Awards?**

No, these awards by themselves do not meet the required criteria.
- Can multiple Redevelopment Plans for the same community be submitted in order to meet all required items i-v listed on p. 60 of the QAP?**

No, one plan must meet all of required items i-v in order to qualify for points.

- If it's a scattered site development in different cities, what happens if only one of the communities have a qualifying Local Redevelopment Plan?**
 The points will be calculated by taking the average. For example, if the development covers two cities and one city has a qualifying plan with evidence of local unit of government adoption, 4.5 points will be awarded.
- For Transit Oriented Development for rural and small cities, does the transit service (i.e. point to point) need to be publicly funded?**
 No, it just has to be an established service that is available to the tenants.
- What's the most current link to find grades for schools under Opportunity Index?**
<http://www.doe.in.gov/accountability/find-school-and-corporation-data-reports>
- Under Certified Tax Credit Compliance Specialist, some of the certifications require annual renewals. Will a certificate with an annual expiration date that has passed count for these points?**
 No, the certificate must be active at the time of application submission to demonstrate that the recipient is getting continuing education.
- If the owner is a not-for-profit without principals, who would qualify under Certified Tax Credit Compliance Specialist?**
 For a not-for-profit without principals, the owner contact would be the signatory.
- If my project qualifies for both infill and adaptive reuse, how do I select which points to claim?**
 You are able to choose which points you'd like to claim. This is also the case for other mutually exclusive categories where you qualify for more than one.
- For Tax Credit Per Unit and Tax Credit Per Bedroom, which construction type (i.e. new construction, rehabilitation, adaptive reuse) will a project compete in if it has two construction types and there's an exact split in the number of units?**
 The project will compete in the category that has a greater square footage.
- What were the ranges for the above categories in the 2016 tax credit round?**
 A summary can be found in [RED Notice 16-24](#).
- If a development contains sites in multiple counties, how will points be calculated in the opportunity index?**
 For each of the five categories, IHCD will take the average and add them together, for total points not to exceed 5.
- If a development is adjacent to a bus stop, but the walk score is not at least 50, can I obtain points under Transit Oriented?**
 In order to demonstrate that the walk-shed is a viable option and not obstructed by freeways, street grid, topography, and other obstacles, the walk score for the address would need to be at least 50.

- Under Desirable Sites for schools, what does “assigned to your location mean”? Is it any school (public, parochial, private, charter) in the county or within driving distance?**
It means located within the school district where the project is located, where families would have the option of sending their children. It must be public or charter.
- For a scattered site project, how is the ¼ mile radius taken into account for Offsite Improvements?**
Each individual site must be within a ¼ mile of a qualifying offsite improvement.
- Energy Efficiency talks about points awarded for increasing insulation. What value will be measured for the energy efficiency high insulation points to demonstrate an insulation improvement percentage?**
It’s not necessarily an increase in insulation, but an increase in the R-value. For example, if IECC establishes a minimum of R-38, you would need to achieve an R-44 (15% increase) to obtain 3 points.
- If doing an adaptive reuse on a building that would not have an applicable code, how will improvements above the required code be measured for energy efficiency?**
You need to determine what the current energy code requirements are (same as you would for new construction), and go the % above for points.
- If my development has two or more buildings and I commit to different building certifications for each, how will the points be calculated?**
The score will be based on the lowest standard met, not the highest or the average.
- When the QAP requires a Green Professional to sign-off on all building certifications, when and where should this be submitted?**
The sign-off must come as part of the initial application. It should be included within the Green Professional’s affidavit or as a separate document or letter.
- In the category “Census Tract without Active Tax Credit Developments”, if the application is for an existing tax credit property and it’s the only tax credit property in the census tract, can it qualify for these points?**
No, the project would not qualify for these points.
- For Community Participation, who is considered the owner when a not-for-profit is the owner?**
For the purposes of this category, it would be the primary contact listed for the organization in the application.
- For Community Participation, if the applicant contracts with a 3rd party and that person serves as the applicant contact, would they qualify for these points if that person serves on a qualified Board?**
For anyone listed as the contact for the applicant, owner, or developer, they would need to be employed by the entity that is fulfilling that role.
- For MBE/WBE/DBE/VOSB/SDVOSB, can multiple contracts from different entities be used within the same category to meet the 1%-5% TDC threshold?**
You can still qualify for the points if the aggregate contract amount meets the threshold. However, they must fall in the same firm/entity classification.

HOME & DEVELOPMENT FUND

- **If applying for HOME funding, am I required to include the Affirmative Fair Housing Marketing Plan?**
Yes, the applicant must submit form HUD-935.2A to create its Affirmative Fair Housing Marketing Plan.
- **How is debt service calculated on a Development Fund loan?**
The Development Fund debt service calculation is based on annual payments, not monthly payments multiplied by 12. For example, a \$500,000 Development Fund loan at 3% interest, 15-yr term and 30-yr amortization, would result in annual payments of \$25,510. Please note, this is also how IHCDCA calculates debt service on HOME loans.
- **Is a Historic Review required for Development Fund if the project will be new construction and the land is currently vacant?**
In this instance, please submit proof that the site is not part of a district listed on the national register. Please also include a print-out of the listed properties and districts for that county. You can find the database here: <http://www.nps.gov/nr/research/>
- **When requesting Development Fund, can you explain how to determine how many units must be Development Fund assisted and how many units must be income and rent restricted at or below 50% AMI?**

Development Fund calculation example:

- 100 unit project, \$10 million total development cost, \$500,000 Development Fund Loan

What % of units are considered Development Fund assisted?

- Dev Fund= 5% of TDC (\$500,000 / \$10M)
- 5% of units must be Development Fund assisted = 5 units

How many units must be income and rent restricted at or below 50% AMI?

- If 50 or more units, the greater of 50% of assisted units or 10 units
- Rule applies because project is greater than 50 units (100 units)
- 50% of assisted units = 50% of 5 assisted units = 2.5 round up = 3 units
- Use the greater of rule, so 10 units will be at 50% AMI

CLARIFICATIONS, GENERAL UPDATES & REMINDERS

- **How many Forms Cs did IHCDCA receive by the 10/7 deadline?**
We received 66.
- **If I didn't submit copy of Form C to IHCDCA, will the project fail threshold?**
If IHCDCA did not receive a copy by the deadline, a technical correction will be issued as part of the threshold review. However, please send a copy of Form C to rhtc@ihcda.in.gov so we have record of it. This by itself won't cause the project to fail threshold, but it will count against the project for "2 or less technical correction bonus points" as described on page 81 of the QAP.

- Under the Accessible Units point category (page 50 of the QAP), the chart should read “Accessible or Adaptable Units.” Additionally, the numerator in the calculation should also read “accessible or adaptable units.”
- Regarding the link to school grades on page 70 of the QAP, here is an updated link. Scoring will be based on the most recent grades available at the time the initial application is due.
<http://www.doe.in.gov/accountability/find-school-and-corporation-data-reports>
- IHEDA has changed the per unit subsidy limitations in its HOME policy; new limits are listed below. These supersede the limits listed in Schedule E.

Bedroom Size	Per Unit Subsidy Limit
0	\$60,000
1	\$68,000
2	\$83,000
3	\$106,000
4+	\$116,000

- Capital Needs Assessments and Structural Conditions Reports are due to IHEDA by **Friday, October 7th**. Please send those to Alan Rakowski at arakowski@iheda.in.gov. A hard copy is not required.
- Under Vacant Structure (p. 53), the QAP should read “Developments eligible for points in this category are NOT also eligible for points under category h. Infill New Construction or category g. Preservation.”
- Section 5.f of the QAP (p. 81) should read: “Applicants that do not pass threshold because of four (4) or more technical errors . . .”
- On page 11 of the QAP, j. Special Threshold Considerations should reference **Section F.2(r)**, which starts on page 29 of the QAP.