



# 2012 PRE-APP WORKSHOP

GEORGIA DEPARTMENT  
OF COMMUNITY AFFAIRS

Office of Affordable Housing



# Welcome

Marie Palena

# Pre-Application Day

Stephen Barrett

## Pre- App Submission Instructions

ALL Pre-Applications and Pre-Determinations must be:

- Submitted by: March 15, 2012  
4:00 pm
- Addressed to: Georgia Dept of Community Affairs  
60 Executive Park South, NE  
Atlanta, GA 30329  
Attention: Andria Williams

## Pre-Application Going Green



- **REFER TO Pre- APPLICATION INSTRUCTIONS!**
- One Original Paper Copy in Binder
- One Electronic Copy on USB Flash Drive
  - in a small, protective re-sealable container (bag, clasp envelope, sleeve, etc.)
  - only one project per flash drive is permitted
  - everything in paper binder must also be on USB
- **Both copies must be arranged according to the Pre-application Checklist**

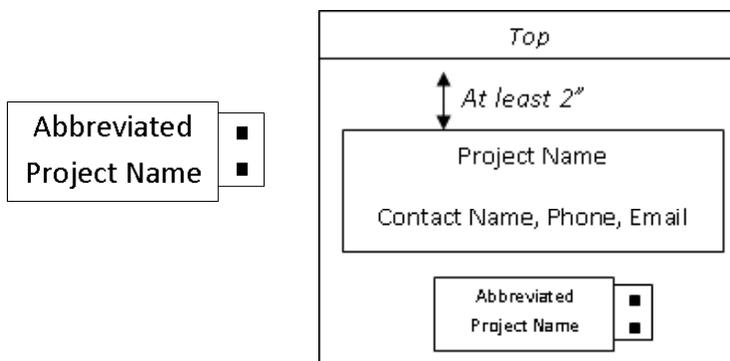
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## Pre-Application Going Green



- USB Flash Drive Labeling



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# Pre-Application



## Going Green

- Electronic Copy on USB Flash Drive
  - PDFs must be created from original electronic text docs, **not** from scan of a paper copy, so Search function works
    - Market Studies, Environmentals, Appraisals, PNAs
  - Save and submit DCA Excel files in Excel, not as PDFs (Signed)
  - Use CondensedTitleCaseFormat (no spaces) for electronic names on folders and files to reduce filepath length
  - Abbreviate electronic file names sensibly
  - Do not use special characters (&, #, +, /, \) in file names
  - Start file names w/nbrs (01, 02, 03...) to keep Tab order

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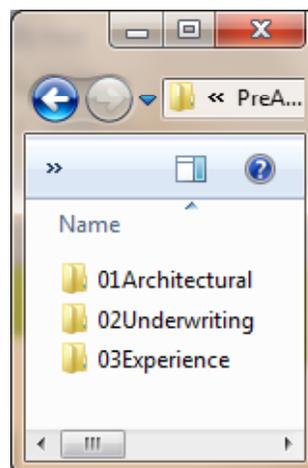
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# Pre-Application



Required Organization and Naming of Main Folders on USB Flash Drive →

- Include “NA” at end of folder names for empty folders.



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# Waiver Request

- Operating Expenses
- Payment & Performance Bond
- Architectural Standards
- Noise

# Operating Expenses Payment & Performance Bond

Johari Brown

## Operating Expenses Waiver



- Form must be completed and submitted by 4 p.m. on March 15<sup>th</sup>  
<http://www.dca.ga.gov/housing/HousingDevelopment/programs/QAP2012docs.asp> (in the LIHTC Folder)
- If a rehabilitation property, please submit 3 years of operating statements with form.
- Likelihood of approval

## Payment and Performance Bonds Waivers



- 100% Bond required, cost is not included in 6% General Requirements limit
- If identity of interest exists:
  - Borrower may receive waiver (fee required) if letter of credit or private construction loan is utilized in lieu of bond
  - Letter of credit must be  $\geq 50\%$  of total construction cost
  - Max disbursement of \$10,000 per draw from HOME funds

# Architectural Standards & Noise

Jennifer Adams

## Architectural Standards Waiver & Design Options Pre-Approval

Why?

To request waiver of DCA policy in Threshold or Manuals

Such as:

### **XIII.REQUIRED AMENITIES**

- Standard site amenities
- Additional site amenities
- Unit amenities
- Senior amenities

# Architectural Waivers (cont.)



## XVI. BUILDING SUSTAINABILITY

Compliance with 2009 International Energy Conservation Code (IECC)

## XVIII. ARCHITECTURAL DESIGN & QUALITY STANDARDS

exterior wall finish

major building component materials & upgrades

### Architectural Manual

Unit sizes

Room sizes

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# Architectural Waivers (cont.)



## XIV. REHABILITATION STANDARDS & Rehabilitation Manual

- Substantial gut rehabilitation aka replacement of **all** systems that Remaining Useful Life at the end of 15 years or less
- The replacement of existing exterior stairs, breezeways, and handrails that have no roof cover with covered vertical circulation
- Compliance with the Georgia State Minimum Standard Codes and Life Safety Code for new construction regarding stairs, handrails, guardrails, smoke detectors, fire alarms, & unit fire separation
- Materially the same scope of work in all units
- \$25,000 per unit hard cost minimum investment

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# Architectural Waiver Submissions



Architectural Standards Waiver Design Options  
Pre-Approval Form

Waiver Fee

Supporting documentation  
such as:

Unit plans  
Cost estimates

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# Noise Waivers



Why?

Threshold Requirement  
75 dB or less  
(before mitigation)

**Submissions:**

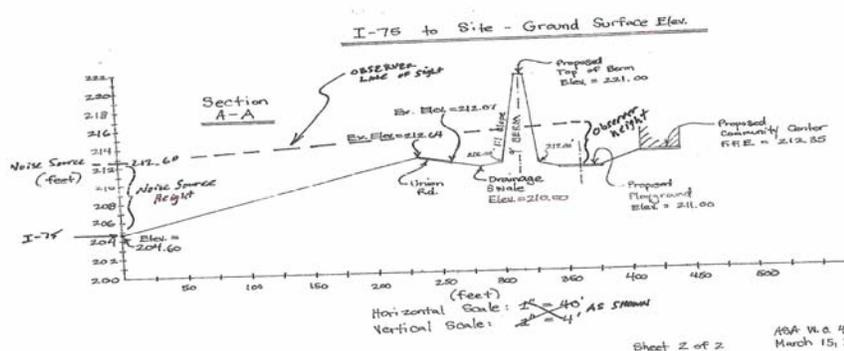
- No form, no fee
- Letter detailing overriding policy factors and/or extenuating circumstances such as:
  - Preservation of rental assistance
  - Feasibility of noise mitigation
- Noise assessment
- Noise mitigation plan



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# Barrier Calculations



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# Pre-Approvals



- Amenities
- Sustainable Communities
- Neighborhood Stabilization
- Special Needs / Assisted Living

# Amenities & Sustainable Communities

Jennifer Adams

## Amenities Pre-Approval

Why?

To propose alternatives to the Amenities Guidebook

### Guidebook Amenities

- Fenced Community Garden
- Equipped Walking Path
- Equipped Playground
- Covered Pavilion with Picnic/barbecue Facilities
- Furnished Arts & Craft /Activity Center
- Equipped Computer Center
- Furnished Exercise / Fitness Center
- Wellness Center

### Submissions

Optional Amenities Pre-Approval form

Fee

Supporting documentation  
such as:

- Product data/cut sheets
- Costs
- Explanation of benefit to tenant base

# SUSTAINABLE COMMUNITIES



Why?

Sustainable Communities

address low-impact development, site selection, land disturbance, water quality and quantity management, energy, transportation infrastructure, community design, green space preservation

in addition to

building energy efficiency, water management, IAQ, waste management

Submission

- EarthCraft Communities: Site Analysis Packet
- LEED ND: Feasibility Study by LEED AP ND

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# Sustainable Communities (Cont.)

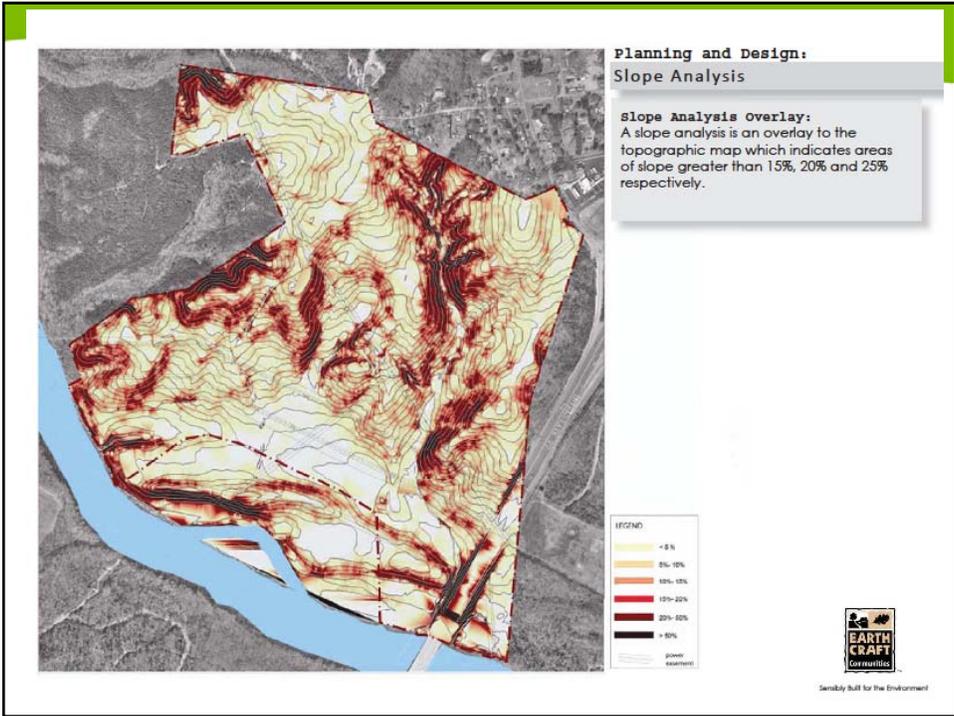


## SITE ANALYSIS PACKET

- **Identifies sustainable opportunities across the community through a detailed analysis of environmental elements at the beginning of the design process in order to improve the prospects for implementation of sustainable measures**
- Aerial & Description of Land Uses
- Historic, Cultural and Archaeological Resources
- Hydrology Report
- Tree Survey
- Vegetative Coverage Survey
- Soil Series
- Sensitive Wildlife Habitat Mapping
- Viewshed Analysis
- Solar Access Analysis
- Prevailing Wind Patterns

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**Georgia**  
Department of  
Community Affairs

# Neighborhood Stabilization Scattered Site

Joe Collums

# Neighborhood Stabilization



- Purpose
- Pre-Application Materials:
  - see CORE p.17 of 56
- Pre-Application Q&A, Analysis Matrix
- Submission Requirements



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## NS Pre-Application must include:



1. Detailed Project Narrative
2. Documentation of eligibility criteria
3. Community Revitalization Plan and evidence of financial support
4. Capacity of Project Team
5. Site control plan

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## NS Pre-Application must include:

6. Property Management Plan
7. Marketing Plan
8. Rehabilitation Plan
9. Disposition Plan
10. Preliminary CORE application (I-VII only)
11. Other



## Neighborhood Stabilization, Con't

- Using Scattered Site Analysis Matrix
- Questions & Answers



# Special Needs Set-aside

Fenice Taylor

## Special Needs Set-aside

- Set-aside up to \$1M credits for supported housing/assisted living
- Request by March 15, 4 pm
- DCA designation by April 27
- Full app due June 14, 4 pm

## Special Needs Set-aside: Factors for Consideration



- Georgia credit experience of the Project Team
- Population served
- Financial and Market Feasibility
- Service commitments
- Type, amount, and duration of rental assistance
- Experience of the assisted living operator or Service Manager

## Assisted Living



- Residential rental property to be eligible for LIHTC
- Payment for supportive services optional or included in gross rent
- Demand and supply of ALFs must be included in Market Study at full app
- Legal opinion at full app
- Funding commitment or funding source for ALF support services at full app

## Submission Requirements

(by March 15)



- Detailed project narrative, including any verifiable special needs or ALF experience by Project Team
- Completed performance workbook for Project Team
- Demand and supply analysis of the target population
- Special needs or ALF Service commitment
- Rental assistance commitment letter (type, amount, duration, and conditions)

## Submission Requirements

(by March 15)



- Funding commitment for support services or narrative of funding source for such services
- Completed performance workbook for ALF operator or Service Manager; or Narrative, resumes/qualifications, and list of ALFs or special needs projects by ALF operator or Service Manager
- Contact info for References of ALF operator or Service Mgr.

## Submission Requirements

(by March 15)



- Core app with Part I (Project info) through Part VII completed (Proforma) for **LIHTC with Special Needs/assisted living component**
- Core app with Part I (Project info) through Part VII completed (Proforma) for **LIHTC without Special Needs/assisted living component**
- Staffing needs (including costs) analysis of Special Needs services or assisted living services

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## Submission Requirements

(by March 15)



- Copy of an actual Service Agreement for a similar project (special needs or assisted living) operated by the ALF operator or Service Manager

***The required documents must be submitted in the same order of the above list.***

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# Qualifying Project Teams

Laurel Hart  
Nan Maddux

## Qualifying Project Teams

Each Project Team must demonstrate the qualifications necessary to successfully own, develop and operate the proposed tax credit project.

## Qualifying Project Teams



- Past Experience
- Successes
- Failures
- Capacity
- Role in Proposed Project

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## Qualifying Project Teams



### Basic

- Project Teams are qualified on a Project Basis
- Determinations could be different for same project team for different projects
- Sufficient documentation must be submitted with request for Determination for DCA to analyze the proposed structure

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## Qualifying Project Teams



- Qualified Without Conditions
- Qualified With Conditions
- Not Qualified
- Options for Non-qualified Entities (Eligible under a Probationary Designation )

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## Qualifying Project Teams



### **Qualified W/O Conditions – Option One**

- Developed, Own and Operate Five Successful Projects
- Minimum 20% Interest
- No Previous Adverse Conditions
- All 90% occupied
- Start to finish (Material Involvement)

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## Qualifying Project Teams



### Qualified W/O Conditions – Option Two

- Developed, Own and Operate Two Successful Projects
- Minimum 20% Interest
- No Previous Adverse Conditions
- All 90% occupied
- Start to finish (Material Involvement)
- Guarantees, recent ability to close deals

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## Qualifying Project Teams



### Qualified with Conditions

- Material changes to team members that were formerly qualified or technical inability to meet Qualified w/o

### Examples

- Sale of properties
- Change in Company – key personnel
- Adverse Conditions

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# Qualifying Project Teams



## Options for Non Qualified Entities

### Option 1

Partnering with a Qualified Without Conditions entity

### Option 2

Capacity building for industry professionals

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# Qualifying Project Teams



- Successful Projects
- Adverse Conditions
- Examples of Qualified with Condition

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## Qualifying Project Teams



### Management Qualifications

- Four Tax Credit multifamily projects of similar size
- 2 years and include lease up and stabilization
- Stabilization is 90% occupancy
- Experience met only by company or principal
- Must maintain a regional office in GA or one of the contiguous states

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## Qualifying Project Teams



### DCA's analysis

1. Who is in the Project Team?
2. What have they been involved in before?
3. What was their role in previous projects?
4. What kinds of projects have they done?
5. What does DCA know about them?
6. How does the proposed project compare with the team's previous project experience?
7. Have they had any problems?

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# Qualifying Project Teams



## EXAMPLES

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*Thank you for coming!*