

2013 DCA Qualified Allocation Plan  
General Questions & Answers  
Posting #6  
May 16, 2013

**QAP Threshold – 1 Project Feasibility, Viability Analysis, and Conformance with Plan**

1. My question is actually in regards to the Project Overview. Under Tab 00, Item 06, where can I find the Waiting List Document for the Tie-Breaker?

*Response: Please see QAP Core, p. 26 of 36. The tie-breaker priority labeled (e) states “Projects that have demonstrated need by providing documentation that established tax credit properties in the same market area have a significant number of tenants on their waiting list.” Applicants may submit documentation if applicable, but there is no standard form to complete.*

2. The QAP states that “A reasonable rent-up reserve (excluding marketing costs) is required for all projects based on the estimated projected lease up deficit.”

For an application for a rehab of an existing occupied project that will remain occupied during the rehab, can the rent-up reserve be less than three months of operating expenses if our projections show that less than three months is sufficient?

*Response: The Applicant in this case must submit a relocation plan as required to support the rent-up reserve amount. DCA will also closely review the market study to determine the reasonableness of the reserve amount.*

**QAP Threshold - 7 Environmental Requirements**

1. We are working on a transit-oriented site (less than 1/4 from transit stop). The Noise Study indicates NAG is more than 75 dB before mitigation. The DCA architectural session indicated that this would not pass Threshold. Here is the excerpt from the QAP Appendix II Scoring:

d) Noise that is 72 decibels or more prior to mitigation and barrier adjustments as calculated in the Phase I Environmental Assessment, unless the proposed site is within standard walking distance (1/4 mile or less) to an established public transportation stop along paved roads, sidewalks, established pedestrian walkways or bike trails.

The above Scoring section seems to indicate that transit sites can pass Threshold with 75dB+. Is that a correct reading?

*Response: No. The Scoring section’s reference to Noise states that Applicants will not lose a point in the Undesirables category for noise at or above 72 dB prior to mitigation if the site is within walking distance (1/4 mile or less) to public transit.*

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*However, the 2013 Environmental Manual requires that any project with a noise level exceeding 75 dB before mitigation will not pass Threshold unless a waiver is granted during the Pre-Application process (see Environmental Manual, pg 21-22).*

**QAP Threshold - 13 Local Government Support and Community Engagement**

1. Page 19 of 52 of the threshold section of the QAP details the Local Government Support and Community Engagement requirement. WE know that a resolution of support is not required. We would like to confirm that an adopted resolution of support, along with minutes from the governing body's meeting confirming the development was discussed during the normal course of the meeting, and that the public had the opportunity to comment, would satisfy the Community Engagement threshold requirement? Or is the requirement in this section of the QAP for the development team to hold public, neighborhood meetings, specifically for our proposed development?

*Response: Applications which include an adopted resolution of support along with evidence that the project was discussed at public meetings will satisfy the Threshold requirement.*

**QAP Threshold - 14 Required Amenities**

1. The 2013 requires a certain set of site amenities as a Threshold requirement. For a rehab, will the existing site amenities count towards that requirement if they meet the current requirements in the Amenities Guidebook?

*Response: Yes.*

**QAP Threshold - 17 Building Sustainability**

1. C. Bathroom fans

The draft calls for the fan to be both switched with a light AND controlled with an automatic device (humidistat or timer) that will run the fan a minimum of 10 minutes after being switched off with the light. The previous requirement in the 2012 QAP included automatic controls OR being switched with a light. Concerns with the new wording include:

- Most multi-family developments require bath exhaust fans to be fire rated. We are not aware of a product on the market that is Energy Star rated, has humidity sensing controls and is able to receive a radiation damper for fire rating. The proper installation of an Energy Star fan with humidity sensing controls requires the inclusion of a fire rated enclosure within the fire rated assembly that the fan can be located in. This is a code compliant option, but it does add additional cost to construction.

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- A humidistat set point is related to humidity levels and would not guarantee a 10 minute run time once the light is turned off.
- A timer would control the run time as prescribed, but this would also mean the fan would run an additional 10 minutes when the bathroom is being used for purposes other than bathing which seems counter-productive to energy conservation. It seems the most efficient use of a timer would be for it to operate independently of the light fixtures. Proper use, however, would be dependent on tenant education so that individuals would know when and how to use the controls.

Is this the intended wording for bath fans or can the controls be separated into being switched with a light OR being controlled by an automatic device such as a humidistat?

*Response: The 2013 QAP requires that bathroom fans (1) be wired with a light AND (2) equipped with a timer ensuring the fan will operate for 10 minutes after the light is switched off OR a humidistat (Threshold p. 24 of 52).*

**QAP Threshold - 19 Architectural Design & Quality Standards**

1. The Architectural Standards Manual frequently notes when a requirements is applicable to both new construction and rehabilitations, but all of the requirements do not have such a notation. If a requirement does not have such an indication, how can we tell if the requirement applies to a rehab project?

*Response: Applicants should assume that all requirements in the Architectural Standards Manual apply to both new construction and rehabilitation unless otherwise stated.*

**QAP Threshold - 25 Additional HUD Requirements**

1. Under Tab 22, Item 01, please clarify what you mean by the "established agreements with HUD regarding different standards of review"? Provide an example if possible.

*Response: This section is referring to Applicants who submit projects with sources of federal funding that is not being provided by DCA. In some cases the HUD may have already completed a review of the proposed project and waived regulatory requirements. If this is the case, then DCA will accept copies of the documentation provided by HUD to the Applicant relieving them of the responsibility of meeting the regulatory requirements.*

**QAP Scoring - 14 Leveraging Of Resources**

1. Can you please clarify the required nature of proposed off-site improvement? The asterisk identifies that 3rd party investments that are 'community wide in scope' will not be eligible. However, examples of 3rd party improvement, amenity and facility investment include "YMCA, youth [and] senior center" are community wide

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investments/amenities/facilities by their very nature and they serve the entire community and not an explicit tenant/resident group or project within the community. If an off-site improvement will serve both the community at large and the project's tenants (i.e. sidewalks along the perimeter of the property serve both tenants and community members walking along the public street) will this be eligible for points under this category?

*Response: The offsite improvement, amenity, and/or facility may be used by any member of the community and still be eligible for the points. However, improvements that are not adjacent to the project site, but instead are "community wide in scope" are not eligible for the points. Note that the QAP also establishes that improvements that will be developed regardless of the development of the proposed project will not be eligible for points.*

2. A request for Beltline Affordable Housing Trust Funds and Housing Opportunity Bond financing is being reviewed for a development by Invest Atlanta. The review committee will meet on June 5th and if favorable will submit to their Board for approval on June 20th. We have seen that in the QAP that under Exhibit A there is an extended period until July 12th that allows for "Notification of Delayed Financing awards". Would these economic development funds be allowed to be considered as Delayed Funding Awards and hence allow the developer to benefit from the leveraged funding points?

*Response: Yes, the funding may be submitted in the Application if documentation showing the project is under final consideration is included in the Application. If DCA receives documentation of the funding award by 7/12/2013, the Application may be eligible for Leveraging of Resources points.*

### **QAP Scoring - 18 Preservation Priority Points**

1. Under Preservation Priority Points in the QAP (XVIII), point 3) HUD Properties item c) it says "Existing HUD 236 projects. The Interest Reduction Payment (IRP) must be decoupled from the Section 236 agreement if housing credits are awarded (exceptions permitted on case-by-case basis)." What do we need to submit at the time of application to qualify for these points? Is anything required to show the intent to decouple if tax credits are awarded?

*Response: Applicants should submit the financing commitment showing that the Section 236 financing will be decoupled.*

### **DCA Manual - Architectural Standards**

1. The Architectural Standards Manual frequently notes the requirements are for both new construction and rehabilitations but not always. For a rehab project how do we know if requirements apply in those cases?

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*Response: Applicants should assume that all requirements in the Architectural Standards Manual apply to both new construction and rehabilitation unless otherwise stated.*

**Electronic Core Application - 5 Utility Allowances**

1. Is it allowable to both master meter and sub-meter a new construction development and then the owner pay for the water and sewer charges instead of the tenant and exclude water and sewer from the utility allowance calculation?

*Response: Yes, according to HOME and LIHTC regulations a property can pay for all tenant utilities but the property must also abide by all other Federal and State regulations.*

**Other**

1. Does your General Contractor have to be licensed at the application date or can it be licensed by the time construction documents are approved? Can you change your General Contractor after application but before the project commences?

*Response: The GC referenced in the Application must be licensed at the time of Application submission. Applicants must disclose whether there will be an identity of interest between Developer and the contractor in the Application. Applicants may change the GC after Application. If using DCA HOME funds and awarded tax credits, the GC must be approved prior to HOME closing.*

2. We are working on a development for 2013 LIHTC competitive round, and after a pre-application package was submitted to DCA the city informed us that our proposed name could not be used because of a similarly named subdivision in the same community. How should we label or document the name change in our final application binder to limit confusion since we are required to change the property name from what was shown at pre-application.

*Response: Please note the name change after the new project name and reference the Pre-Application number at the top of the Project Information tab on the Core Application.*

3. For expiring tax credit projects, will the existing LURC be replaced by a new LURC upon allocation of new credits?

*Response: The existing LURC will be replaced by a new LURC upon recordation.*