# PRIVATE ACTIVITY VOLUME CAP

Each year the State receives an allocation of volume cap (the "State Ceiling") to be allocated to certain private activity bonds set forth in Section 146 of the Internal Revenue Code of 1986, as amended. Section 7C of the Iowa Code distributes the State Ceiling among these types of bonds.

The Iowa Finance Authority allocates the State Ceiling for projects qualifying as manufacturing, agricultural processing, solid waste, multifamily housing or private activity bonds issued by political subdivisions. Applications are received on a continuous basis.

An Application (Form A) must be completed and submitted to the Governor's Designee by the Borrower, or an agent acting on behalf of the Borrower in order to request a portion of the State Ceiling. Applications may be submitted at any time **after an inducement resolution for the project has been adopted by the issuer**. The amount of volume cap requested cannot exceed the amount of in the adopted inducement resolution. Application forms can be obtained from the Authority's website at: [www.IowaFinance.com](http://www.IowaFinance.com)

Applications for affordable multifamily housing must be accompanied by a 42m letter. The maximum amount of private activity cap allocated to an affordable multifamily housing project is 55% of the aggregate basis for their project or $25 million, whichever is more.

A fee of two basis points is required at the time of application. Completed applications should be submitted to:

## Governor's Designee Iowa Finance Authority

**1963 Bell Avenue, Suite 200 Des Moines, Iowa 50315**

## Attn: Chief Bond Programs Director

A completed Certification of Allocation (Form B) will be sent to the applicant when an allocation is made. After an allocation is made, the project has 120 days to close the bonds or the allocation will expire. An additional 30-day extension is possible if there is an agreement to purchase the bonds.

If the bonds are issued prior to the expiration date set forth in Form B, the Notice of Issuance and Delivery of Bonds (Form C) must be completed and returned within ten (10) days of the delivery date for the bonds. If the actual principal amount of the bonds is less than the amount of the allocation, the allocation is automatically reduced to the principal amount of the bonds.

Debi Durham, Executive Director FOR IFA USE ONLY

1963 Bell Avenue, Suite 200 Project No.

Des Moines, Iowa 50315 Application Received

(515) 725-4900 - (515) 725-4901 Application Fee Received? [ ]

# PRIVATE ACTIVITY VOLUME CAP APPLICATION

**(FORM A)**

1. The undersigned requests a portion of the State Ceiling to be used for the following purpose:

 [ ]  The manufacturing, processing or assembly of agricultural or manufactured products
[ ]  Private activity bonds which are to be used by the issuing political subdivision
[ ]  Affordable multifamily housing (attach 42m letter)
[ ]  Solid waste facility
[ ]  Other – please describe

1. Amount of State Ceiling Requested:
2. Name of Project:
3. Issuer:

Address:

City/State/Zip Code:

1. Chief Elected or Appointed Executive Officer of the Issuer:

Name:

Title:

1. Contact Person/Title of Owner, Beneficiary and or Operator of the Project: Name:

Title:

Address:

City/State/Zip Code:

Telephone:

E-mail:

1. Bond Counsel, if known:

Name:

Firm Name:       Address:       City/State/Zip Code:       Telephone:

E-mail:

1. General Project Description:
2. Address/Location of Project:

Address:       City       County:

* 1. Number of permanent or part-time jobs created by the Project:
	2. Explain how the Project will benefit the community:

Date of adoption by the governing body of the Issuer of an inducement resolution or other preliminary resolution taking "official action" for the Project:

(Required before application is submitted)

Name/Address of Person Submitting Application:

Name:

Title:

Address:

City/State/Zip Code:

Telephone:

 E-mail:

Dated this      day of       , 20

By:

Title:

Application Fee

**A fee of two basis points (.02%) of the amount of the state ceiling for which an application is made shall be paid by the applicant upon filing the application.**