

**IOWA FINANCE AUTHORITY  
SPECIAL BOARD MEETING AGENDA**

**1963 Bell Ave. Des Moines, IA 50315  
Helmick Conference Room**

**Wednesday, August 31, 2022  
3:00 p.m.**

**\*Public Attendee Web Conference Registration: <https://akaiowa.us/ifaboard>**

- I. Board Chair** *Michel Nelson*
- A. Roll Call and Introductions
- II. Public Comment Period**  
A public comment period for the full meeting will be held at this time to accommodate visitors.  
This period is limited to 5 minutes per person.
- III. Housing Programs**
- A. HI 22-08, 2022 9% LIHTC Awards *Derek Folden – Action*
- B. HI 22-09, 2023 Draft QAP *Derek Folden – Action*
- C. HI 22-10, Refund of Reservation Fee – Reserves of Hawkeye *Derek Folden – Action*
- D. HI 22-11, Refund of Reservation Fee – Stella Ridge *Derek Folden – Action*
- IV. Legal – Notice of Intended Action, Amend 265 Chapter 12 Low-Income Housing Tax Credits** *Kristin Hanks-Bents - Action*
- V. Other Business**  
Next IFA Board Meeting – Wednesday, September 7, 2022 at the HousingIowa Conference
- VI. Adjournment** Action

**RESOLUTION**  
**HI 22-09**

WHEREAS, the Iowa Finance Authority (the “Authority”) is the housing credit agency for the State of Iowa in connection with the Low-Income Housing Tax Credit (“LIHTC”) Program administered under Section 42 of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, pursuant to Section 42 of the Code and Iowa Code section 16.35, the Authority must draft one or more qualified allocation plans (each a “QAP”) which governs the allocation of tax credits under Section 42 of the Code; and

WHEREAS, the Board’s proposed 2023 Low Income Housing Tax Credit Qualified Allocation Plan for nine percent tax credits (“2023 QAP”) is attached as Exhibit A hereto; and

WHEREAS, the Authority now proposes to adopt the 2023 QAP to be applicable to all of the LIHTC awards which will be made in 2023; and

WHEREAS, the Authority proposes that the 2022-2023 Low Income Housing Tax Credit Qualified Allocation Plan for nine percent tax credits (“2022-2023 QAP”) shall no longer apply to the LIHTC Awards which will be made in 2023.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board hereby approves and adopts the 2023 QAP set forth as Exhibit A hereto.

SECTION 2. The 2023 QAP shall apply to all LIHTC Awards which will be made in 2023.

SECTION 3. The 2022-2023 QAP shall no longer apply to the LIHTC Awards which will be made in 2023.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase, line item, or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, line items, and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED this \_\_\_ Day of August, 2022.

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Michael Nelson, Board Chairman

ATTEST:

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Deborah Durham, Secretary

# 2023 QUALIFIED ALLOCATION PLAN (QAP)

This Qualified Allocation Plan (QAP) governs the 2023 Low-Income Housing Tax Credit (LIHTC) allocation year. The Iowa Finance Authority (IFA) administers this program in Iowa, as specified in Iowa Code Section 16.35.



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# INTRODUCTION

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This Qualified Allocation Plan (QAP) governs the 2023 Low-Income Housing Tax Credit (LIHTC) allocation year. The Iowa Finance Authority (IFA) administers this program in Iowa, as specified in Iowa Code Section 16.35.

The mission of the State of Iowa LIHTC Program is to enhance the lives of Iowans by partnering with developers who share our mission of preserving and expanding affordable housing. The QAP, online application, and policies and procedures were developed to meet this mission, as well as all requirements of Section 42 of the Internal Revenue Code (Code).

The Code requires each Allocating Agency to develop a QAP for use in determining those developments that will receive an allocation of Tax Credits. If the relevant IRS Code or IRS regulations that govern this program are amended, the IFA Board may amend this QAP to ensure it conforms.

The Code requires that the QAP include three statutory preferences: developments serving the lowest-income tenants, developments affordable for the longest periods of time, and developments located in qualified census tracts (QCTs) designated by the U.S. Department of Housing and Urban Development (HUD) that contribute to a concerted community revitalization plan. The Code also requires the QAP to consider ten statutory selection criteria: project location; housing needs characteristics; project characteristics; sponsor characteristics; tenant populations with special housing needs; public housing waiting lists; tenant populations of individuals with children; projects intended for eventual tenant ownership; energy efficiency of the project; and historic nature of the project.

In addition to federal requirements, IFA has developed three goals for this QAP:

- Build durable rental units that will remain quality assets in communities,
- Build rental units in communities and sites that have high opportunity for residents, and
- Build rental units that are affordable for rent-burdened residents.

In the process of administering the LIHTC program, IFA will make decisions and interpretations regarding this QAP, Applications, and Projects. Unless otherwise stated, IFA is entitled to full discretion in making such decisions.

IFA shall become the owner of the Applications. IFA is not responsible for any costs incurred by Applicants.

In all instances in which federal, state, or local requirements apply to the Project, the most restrictive requirements shall apply.

**PART A –  
THRESHOLD  
APPLICATION  
REQUIREMENTS**

## **SECTION 1. SET-ASIDES AND TAX CREDIT LIMITS.**

**1.1 AMOUNT OF TAX CREDITS TO BE ALLOCATED.** The amount of annual Tax Credits allocated to Iowa by the federal government for the LIHTC program is based on a per-capita amount derived from population estimates released by the Internal Revenue Service (IRS). IFA intends to award all credits allocated in the current year along with any returned Tax Credits from previous years.

**1.2 SET-ASIDES.** The funding round will include the following set-asides. Projects competing in a set-aside may compete in the General Set-Aside.

- **Nonprofit Set-Aside.** Under this set-aside, Qualified Nonprofit Organizations shall receive at least ten percent (10%) of all available Tax Credits. Not more than 90% of the available Tax Credits shall be allocated to projects other than to Projects qualifying for this set-aside. IFA will determine whether an Entity is a Qualified Nonprofit Organization.

To qualify for the Nonprofit Set-Aside:

- A Qualified Nonprofit Organization must be the Developer or Co-Developer.
- The Nonprofit shall have a designation under Internal Revenue Code (IRC) Section 501(c)(3) or 501(c)(4), is tax exempt from tax under Section 501(a), and be qualified to do business in Iowa.
- The Nonprofit shall not be formed for the principal purpose of being included in the Nonprofit Set-Aside.
- The Nonprofit shall not be affiliated with or controlled by a for-profit organization. IFA, in its sole discretion, shall make a determination that the Nonprofit is not affiliated with or controlled by a for-profit organization. Control means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of any person or Affiliate thereof, whether through the ownership of voting securities, by contract or otherwise, including specifically, ownership of more than fifty percent (50%) of the General Partner interest in a limited partnership, or designation as General Partner/Managing Member of a limited liability company.
- The Nonprofit and/or parent Nonprofit organization shall have, as one of its tax exempt purposes, the fostering of low-income housing and shall have been so engaged for the two years prior to the Application submission date. The Applicant shall demonstrate that the Nonprofit's programs include a low-income housing component. Consistent with Rev. Proc. 96-32, 1996-1 C.B. 717, the Applicant shall explain how the Nonprofit is pursuing a charitable purpose by fostering low-income housing.
- The Nonprofit shall be an Owner Representative, either directly as a General Partner or through a wholly-owned subsidiary as defined in IRC Section 42(h)(5)(d)(i) and (ii) throughout the Compliance Period. If there are two or more Owner Representatives, each must be Nonprofit, but only one must meet the requirements in Section 1.2.1(e) of this QAP.
- The Nonprofit shall materially participate in the development and operation of the Project throughout the Compliance Period. Nonprofit material participation is defined in IRC Section 469(h) and Treasury Regulation 1.469-5T.
- The Nonprofit shall receive no less than fifty percent (50%) of the combined total of the Developer and Consultant Fee.



- **Derecho Disaster Set-Aside (if available disaster credits).** Based on the Consolidated Appropriations Act of 2021, IFA received disaster tax credits for Projects located in the following 12 counties: Benton, Boone, Cedar, Clinton, Jasper, Linn, Marshall, Polk, Poweshiek, Scott, Story, and Tama. If a balance remains in the Derecho Disaster Set-Aside, IFA may exceed the set-aside amount to award the next qualifying Project within the Derecho Disaster Set-Aside. The excess funds needed to complete the Derecho Disaster Set-Aside award will be drawn from the General Set-Aside.
- **Rural Set-Aside.** IFA will award at least \$1,600,000 in Tax Credits to Applications in Rural counties. Refer to Appendix A – QCT’s, DDA’s, Rural Counties, and Major Disaster Counties of the Application Package.
- **General Set-Aside.** IFA will award the remaining Tax Credits to Applications in a general competition.

### 1.3 PROJECT LIMITATIONS.

- **9% Tax Credit Cap per LIHTC Unit.**
  - **Family Projects.**
    - \$25,000 per LIHTC Unit – Projects shall not include more than 20% 1BR or smaller Units, and the average bedroom size shall be at least 2.2 bedrooms.
    - \$27,500 per LIHTC Unit – Projects shall not include more than 20% 1BR or smaller Units, shall include at least 10% 4BR Units, and the average bedroom size shall be at least 2.5 bedrooms.
  - **Senior Projects.**
    - \$22,500 per LIHTC Unit – Projects shall not include more than 20% Studio Units, and the average bedroom size shall be at least 1.1 bedrooms.
  - **Acquisition/Rehabilitation.**
    - \$17,500 per LIHTC Unit.
- **Project Cap.** The maximum Tax Credit amount that will be awarded to any one Project is \$1,600,000.
- **Developer, General Partner/Managing Member Cap.** IFA will not award Tax Credits to any project in which the Developer, General Partner/Managing Member, or Affiliate is controlled by an individual or entity that is involved with other awarded projects in the same round that, in the aggregate, have been awarded 2 projects or \$1,600,000. Whether an individual’s or entity’s involvement in a project counts towards the calculation of the 2 projects or \$1,600,000 limit is in IFA’s sole discretion.
- **Open Projects Limitation.** A single individual, entity or entities controlled by such individuals, or entities involved as a Developer, General Partner/Managing Member or Affiliate that has a total of 4 or more open LIHTC Projects (4% and 9%) in Iowa shall be eligible for only 1 award in the current funding round, regardless of team member role that the entity is listed as in the LIHTC Application(s). A Project is considered open once it receives a Tax Credit Reservation and closed upon IRS Form 8609 issuance.
- **Community Cap.** A city in a rural county shall receive no more than 1 Tax Credit award, and a rural county shall receive no more than 2 Tax Credit awards. A city in other counties shall receive no more than 2 Tax Credit awards, and other counties shall receive no more than 3 awards. Refer to Appendix A – QCT’s, DDA’s, Rural Cities, and Major Disaster Counties of the Application Package.

## SECTION 2. APPLICATION PROCESS OVERVIEW.

**2.1 TAX CREDIT RESERVATION SCHEDULE.** To the extent possible, the following schedules apply to the Tax Credit Reservation Application process for 9% Tax Credits:

Process Step	Date
Application Package Available	December 2022
Application Package due to IFA	April 2023
Application Deficiency Period	June 2023
IFA Tax Credit Reservation recommendations presented to Board	July 2023 IFA Board of Directors meeting
Issuance of 2023 Carryover Agreements	On or about September 1, 2023
Carryover-Ten Percent (10%) Test Application Package due to IFA	On or about July 1, 2024 (10 months following date of Carryover Agreement)
IRS Form 8609 Application Package due to IFA	No later than November 1 of the first year credit period

Any revisions to the schedule will be published on the IFA website at [www.iowafinance.com](http://www.iowafinance.com).

**2.2 FEES.** Electronic payment of the fees is required. All fees are nonrefundable. IFA shall collect the fees described below for the LIHTC Program.

Fee Type	All Applicants
Application Submission Fee	\$2,000 Due at Application submission.
Application Review Fee	\$1,500 Due within 5 business days of the Application submission due date.
Reservation Fee	One percent (1%) of the total 10-year Tax Credit amount due within 30 calendar days of the Tax Credit Reservation Date.
Material Change in Application Fee	\$7,500 for material change requests.
Late Submission of the Carryover-Ten Percent (10%) Test Application	If a late submission of the Carryover-Ten Percent (10%) Test Application is allowed by IFA, the Applicant will be billed \$5,000. Does not apply to extension exceptions allowed by IRS.
IRS Form 8609 Application Fee	\$10,000 for all projects or \$5,000 for projects awarded under the Nonprofit Set-Aside.
Amended IRS Form 8609 Fee	\$1,000.

Fee Type	All Applicants
Legal Fees	<p>Legal fees of IFA's in-house counsel and related to the Project may be billed at the rate of \$150 per hour. Legal fees of outside counsel and related to this Project will be billed at the rate charged to IFA.</p> <p>Fees and expenses in cases of unsuccessful appeals may be assessed and billed to the Applicant.</p>
Construction Monitoring Fees	<p>A \$2,900 construction monitoring fee will be due with the Carryover-Ten Percent (10%) Test Application.</p>
Fees for Failed and Missed Inspections	<p>IFA charges an additional \$500 fee when conditions at the site warrant a return visit or any missed inspection or preconstruction meetings when IFA's construction analyst is not given 10 days advance notice.</p>
Compliance Monitoring Fee	<p>\$32 per Unit x number of total Project Units, submitted annually on or before January 31 for each year of the Compliance Period and the Extended Use Period (if applicable). (Example: \$32 per Unit x 24-Unit Project = \$768.00 paid annually for 30 years.)</p> <p>Additional fees may apply if the Ownership Entity does not successfully elect to treat a Project as a multiple-building Project on the IRS Form 8609, if eligible to do so.</p> <p>Annual rate increases may apply. Other fees as provided in the IFA compliance manual.</p> <p>The first annual payment shall be submitted with the IRS Form 8609 Application. The Ownership Entity has the option of paying the compliance monitoring fee in advance for the entire Compliance Period and the Extended Use Period (if applicable); however, additional fees may be assessed to the Property during the Compliance Period and Extended Use Period if annual rate increases are applied during that time.</p>

## 2.3 CONTACT WITH IFA.

- **Prior to Application Submittal.** Prior to the submittal of the Application, Applicants may submit questions regarding an interpretation or clarification of the QAP, IFA policies, procedures, or rules relating to the LIHTC Program to [housingtaxcredits@iowafinance.com](mailto:housingtaxcredits@iowafinance.com). IFA shall not be bound by any oral or written representation made in connection with the Application or award of Tax Credit Reservations other than those provided on its website.
- **After Application Submittal.** Applicants shall not contact IFA staff or Board members regarding their Application until after award. Once the Application has been submitted, IFA will only discuss supplemental or clarifying data during the Application Deficiency Review Period.

**2.4 APPLICATION SUBMITTAL.** Applicants shall pay the Application Submission Fee when submitting the Application prior to the Submission Due Date. Within 1 business day of the submission deadline, preliminary scoring for all submitted applications shall be posted on the IFA website, [www.iowafinance.com](http://www.iowafinance.com). Within 5 days of the Submission Due Date, Applicants must pay the Application Review Fee if they want their application submitted for full Threshold Application Review.

**2.5 MARKET STUDY.** All applications shall include a comprehensive market analysis with a full narrative report following IFA's current market study guidelines. The study must be prepared by an independent third-party National Council of Housing Market Analysts member unaffiliated with the developer. The Market Study Provider shall acknowledge the study is being completed for IFA's use and benefit. IFA may contact the Market Study Provider at any time.

- **Market Study Timing.** The Market Study is due no later than 30 calendar days after the application submission due date. The Market Study and field survey must have been completed no more than 6 months prior to the application due date. The Applicant is solely responsible for providing a Market Study for a Project within these timeframes; failure to do so will result in IFA rejecting the Application.
- **IFA Market Study Review.** The Market Study must reflect the Application submitted, including but not limited to: unit mix, income targeting, rent levels, minimum set-aside, and other property attributes and amenities. IFA may permit or require Applicants to comply with recommendations made by the Market Study Provider during the threshold deficiency period. IFA may reject an Application if the Market Study submitted does not meet the IFA Market Study guidelines.

**2.6 COMPLETE APPLICATION.** In order for IFA to review an Application fairly and accurately, it shall be complete. If there is not adequate information provided to review the Application, IFA shall reject the Application.

- **Application Package.** Applicants shall use the forms contained in the Application Package and include all information required by the QAP or as otherwise required. Applicants shall submit the Application and exhibits through the online Application.
- **Prior Years.** Threshold determinations made in prior years are not binding on IFA for the current funding round.
- **Site Plans and Site Visits.** Applications shall include a preliminary site plan, floor plans, and elevations of all sides of all buildings. Applicants shall provide IFA building access for inspection upon request.

- **Authorization Forms.** IFA may request an executed IRS Form 8821, Tax Information Authorization.
- **Document Timeliness.** No required supporting documentation shall be more than 180 days old, unless otherwise noted, on the date the Application is submitted. Exceptions include documents not specifically produced for the Application, such as a valid purchase agreement, deed, land title document, Articles of Incorporation, and IRS letters to a Nonprofit stating it is an exempt organization.
- **Opinions and Certifications.** All certifications, professional opinions, and related documents must be based on an independent investigation into the facts and circumstances regarding the proposed Project, in the form specified by IFA, and made under penalty of perjury.
- **Local Jurisdiction Notification.** The Applicant shall supply the contact information of the Chief Executive Officer of the Local Jurisdiction.
- **Application Deficiency Period.** During the Application deficiency review, IFA may request additional information on the Application via email through the online Application. The Applicant will have a period of time determined solely by IFA (Application Deficiency Period) to remedy all deficiency items. Changes made by the Applicant that were not recommended by IFA and changes that improve the score shall not be allowed. If applicable, IFA may adjust underwriting and/or scoring. IFA may contact the Applicant in other ways to clarify information contained in the Application.
- **Scoring Determination.** IFA shall make the final determination of the Applicant's score.
- **Joint Review.** IFA may conduct joint reviews with any other party. IFA may contact other sources to obtain information regarding the materials contained in the Application.
- **Public Information.** At the conclusion of the selection process, the contents of all Applications will be in the public domain and be public records available for review by interested parties, unless, at the time of submitting the application, the Applicant properly requests that specific parts of the Application be treated as confidential AND the information is confidential under Iowa or other applicable law. IFA's release of public records is governed by Iowa Code Chapter 22. Applicants are encouraged to familiarize themselves with Chapter 22 before submitting an Application. IFA will make records available as required to comply with Chapter 22 or other applicable law.
  - **Confidential Request.** An applicant who desires confidential treatment of information must complete a confidential treatment request exhibit and upload it with the application. For each confidentiality request, the Applicant must (1) enumerate the specific grounds in Iowa Code Chapter 22 or other applicable law that supports treatment of the material as confidential, (2) provide adequate justification as to why the material should be maintained in confidence, (3) explain why disclosure of the material would not be in the best interest of the public, and (4) set forth the name, address, telephone, and e-mail for the person authorized by applicant to respond to inquiries by IFA concerning the confidential status of such material. Requests to maintain an entire application as confidential will be rejected as non-responsive. An applicant's request for confidentiality that does not comply with this section or an applicant's request for confidentiality on information or material that cannot be held in confidence as set forth herein are grounds for rejecting an application as non-responsive.

- **Redacting.** Any Application submitted which contains information for which Applicant is requesting confidential treatment must be conspicuously marked by the Applicant as containing confidential information, and each page upon which confidential information appears must be conspicuously marked as containing confidential information. If the Contractor designates any portion of its Application as confidential, the Applicant must submit a copy labeled as “Public Copy” from which the confidential information has been excised. The confidential material must be excised in such a way as to allow the public to determine the general nature of the material removed and to retain as much of the Application as possible. Failure to properly identify specific information as confidential or to provide a Public Copy shall relieve IFA or State personnel from any responsibility if confidential information is viewed by the public or a competitor, or is in any way released. If the Applicant identifies its entire Application as confidential, IFA will reject the Application.
- **Release.** If IFA receives a request for information that includes information Applicant has marked as confidential and IFA intends to release such information, IFA will give written notice to the Applicant at least seven calendar days prior to the release of the information to allow the Applicant to seek injunctive relief pursuant to Iowa Code Section 22.8. After seven calendar days, IFA will release the information marked confidential unless a court of competent jurisdiction determines the information is confidential under Iowa Code Chapter 22 or other applicable law. If Applicant fails to comply with the request process set forth herein, if Applicant’s request for confidentiality is unreasonable, or if Applicant rescinds its request for confidential treatment, IFA may release such information or material with or without providing advance notice to Applicant and with or without affording Applicant the opportunity to obtain an order restraining its release from a court possessing competent jurisdiction.
- **Waiver.** The Applicant’s failure to request confidential treatment of material will be deemed a waiver of any right to confidentiality the Applicant may have had.



## SECTION 3. ELIGIBILITY.

**3.1 LEGAL OWNERSHIP ENTITY.** The Ownership Entity shall be formed and submitted within 30 days after the date of the Tax Credit Reservation Date. This entity shall be a single-asset entity to which Tax Credits will be or have been awarded. All members, managers, partners, and officers of all entities of the Ownership Entity shall be disclosed in an organizational chart. The proposed structure identified within this chart may not be changed after Application submittal until closing with the investor, and only the limited partner and special limited partner, if applicable, may be added. Failure to submit the required Ownership Entity documents within 30 days after the date of the Tax Credit Reservation Date may result in the revocation of Tax Credit award.

The Ownership Entity shall waive the right to a qualified contract in accordance with Section 42(h)(6)(F).

**3.2 QUALIFIED DEVELOPMENT TEAM.** The Application shall identify all members of the Qualified Development Team (QDT) and Affiliates. The Developer/Co-Developer (Developer), General Partner/Managing Member (GP/MM), and Affiliates thereof may not change between Tax Credit reservation and issuance of the IRS Form 8609.

- **Qualifying Entity.** Only the Developer or General Partner/Managing Member of the Ownership Entity shall be eligible for experience points as a qualifying entity and may not be changed after Application submission. Qualifying entity requirements are as follows:
  - **Developer.** The Developer shall have been listed in an awarded LIHTC application as a Developer (may be a joint venture), and is currently serving as a Managing Member/General Partner or sole shareholder/member of the General Partner/Managing Member of the legal ownership entity for at least one LIHTC project that has received an IRS Form 8609 in the 10 years prior to the Application submission due date. As the qualifying entity, the Developer shall receive a combined total of at least fifty percent (50%) of the total Developer and consultant fee for the Project.
  - **General Partner/Managing Member.** The General Partner/Managing Member of the Ownership Entity shall have been listed in an awarded LIHTC application as a GP/MM, Affiliate thereof, or member/manager thereof, and currently serving as a General Partner/Managing Member or sole shareholder/member of the GP/MM of the legal ownership entity for at least one LIHTC project that has received an IRS Form 8609 in the 10 years prior to the Application submission due date. As the qualifying entity, the GP/MM shall have at least fifty percent (50%) ownership of the GP/MM of the Project.
- **Qualified Development Team Members.** The Application must identify the following QDT Members, if applicable:

— Developer/Co-Developer	— Energy Consultant
— General Partner/Managing Member	— Tax Attorney
— Syndicator or Direct Investor	— Tax Accountant
— Special Limited Partner	— Contractor
— Management Company	— Engineer
— Architect	— Development Consultant

- **New Developer and General Partner/Managing Member.** If the Developer or GP/MM has never received an IRS Form 8609 in Iowa, they shall have no more than 1 LIHTC award in this round. If the Developer or GP/MM has never received an IRS Form 8609, they shall have no more than 1 LIHTC award, and they shall not be eligible for a second award in any team member role until an IRS Form 8609 has been received.
- **Direct Investor.** A direct investor shall have a LIHTC asset management department with at least 3 years' experience.
- **Management Company.** The management company shall have at least 3 years of LIHTC management experience and is currently managing at least 3 LIHTC Properties.
- **Architect.** The Architect, and not just the architectural firm, must be duly licensed to do business in Iowa.
- **Energy Consultant.** The Energy Consultant shall be a RESNET certified energy rater in Iowa.
- **Development Consultant.** A copy of the executed Development Consultant Agreement shall be submitted in the threshold Application.

**3.4 INELIGIBILITY.** Any QDT member or Affiliates thereof may be deemed ineligible to participate in the LIHTC Program for the following:

- Evidence of involvement in a financial crime or crime related to dishonesty.
- Making misrepresentation or providing materially false information in an application.
- Allowing an affordable rental housing property to enter into foreclosure.
- Being removed from an LIHTC ownership entity by an equity investor or voluntarily.
- Being suspended, debarred, or otherwise excluded from doing business with any federal housing program.
- Not being in good standing with any affordable rental housing program administrator.
- Having been issued an IRS Form 8823 or the equivalent State-Issued uncorrected notice of noncompliance.
- A history of repeated or numerous Tax Credit compliance issues in Iowa, even if such issues have not resulted in an uncorrected IRS Form 8823.
- Has returned a full credit Allocation or has failed to comply with a Carryover allocation.



**3.5 SITE REQUIREMENTS.** The proposed Project shall be located in an incorporated city at Application submission. Applications shall not contain or propose alternate sites. The Applicant shall be ready to proceed with the Project by documenting site control and site suitability.

- **Zoning.** The Applicant shall provide confirmation from the city of the current zoning, including special or conditional-use permits and any other discretionary land use for each site on which the Project will be located. The city zoning department shall verify whether the official plat is properly zoned. The Applicant shall provide site plans to the city that show the Project will have:
  - The proper number of parking stalls;
  - Direct contiguous access to a publicly dedicated paved road;
  - Any legal easement(s) necessary to not be landlocked; and
  - Right of ways, if applicable.
- **Scattered Sites.** The Applicant shall submit an Application reflecting the total of all sites as well as separate site-specific exhibits for each site included in the Project. A Scattered Site is a Project where multiple buildings with similar Units are not located in proximity to one another, but are owned by the same Ownership Entity and financed under the same agreement(s), and are located within a 30-mile radius, as determined by Google Maps. For Scattered Site Projects, all Units shall be qualified LIHTC Units. Scattered Sites cannot elect the average income test.
- **Submission of Site Characteristics.** The site shall be suitable for the proposed Project and shall not include excess acreage unnecessary for the construction and use of the Project.

The Applicant shall provide:

- A narrative of the current use of the Property, all adjacent Property land uses, and the surrounding neighborhood;
- Labeled colored photographs (or color copies) of the proposed Property and all adjacent properties;
- A clear map identifying the exact location of the Project site; and
- A plat map of the site or proposed replat of the site.

The Applicant shall not change the site location. If the site(s) includes any detrimental characteristics, the Applicant shall provide a remediation plan and budget, subject to IFA's approval, to make the site suitable for the Project.

IFA may reject sites:

- Located within one-half mile of storage areas for hazardous or noxious materials, sewage treatment plants or other solid waste facilities, businesses or equipment producing foul odors or excessive noise or the site is a prior storage area for hazardous or noxious materials, sewage, or other solid or liquid waste;

- Where the slope/terrain is not suitable for a Project based on extensive earth removal/replacement required for development;
  - Where there are obvious physical barriers to the Project;
  - Located within one-half mile of a sanitary landfill or sites that were previously used as a sanitary landfill;
  - Located within a flood hazard area, or a 500-year flood zone as determined by the Iowa Department of Natural Resources, a FEMA map, or a FIRM map. Sites that are located within a 100-year flood zone are not permitted;
  - Located within 500 feet of an airport runway clear zone or accident potential zone;
  - That are landlocked;
  - That are native prairie land or designated wetlands;
  - Within 300 feet of an electrical power substation, natural gas substation, or similar substation; or
  - that are otherwise unsuitable as a home for LIHTC households as determined by IFA.
- **Site Control.** The Application must demonstrate the Applicant has site control by providing executed documents described below.

— **Evidence of Site Control.**

- The Applicant holds sole fee simple title to the Property on which the Project will be located by a properly executed and recorded warranty deed; or
- The Applicant has an executed and exclusive purchase option or contract that is valid for nine months following the date of the Application due date; or
- The Applicant has an executed lease or an option on a lease, which has a term not less than 35 years. If the Applicant is purchasing or leasing parking space from a unit of local government, a project specific resolution would suffice.

The evidence shown above must be binding on the contractor/lessor/optionor of the Property (i.e. there must be no conditions for the termination within the sole discretion of the contractor/lessor/optionor, and the evidence must provide that the contractor/lessor/optionor cannot unilaterally withdraw, revoke, or rescind the obligation to the sale or lease of the Property to the Applicant unless the Applicant is in default under the contract).

— **Requirements for Site Control.**

- There shall be a common ownership between all Units and buildings within a single Project for the duration of the Compliance Period and the Extended Use Period.
- The Applicant shall provide the location of existing and proposed easements on the site, the most current real estate tax assessment, and documentation that the Project meets or exceeds the City requirements for parking (unless subject to an exemption).

### 3.6 PROJECT REQUIREMENTS.

- **Qualified Residential Rental Property.** The Applicant shall certify that the Project as proposed is a Qualified Residential Rental Property. IFA may require the Applicant to supply a legal opinion.
- **Community Service Facility.** A Community Service Facility is a facility meeting the requirements of IRC Section 42(d)(4)(C)(iii) and Revenue Ruling 2003-77.
- **Minimum Set-Aside Elections.** The Applicant shall make a minimum set-aside election of income and rent levels of those listed below. Any Owner election made in regard to the minimum set-aside election requirement for a qualified low-income housing project under IRC Section 42(g) cannot be changed once made in the Threshold Application.
  - **20-50 Test.** At a minimum, twenty percent (20%) or more of the residential Units in a Project are both rent-restricted and occupied by individuals whose income is fifty percent (50%) or less of AMI; or
  - **40-60 Test.** At a minimum, forty percent (40%) or more of the residential Units in a Project are both rent-restricted and occupied by individuals whose income is sixty percent (60%) or less of AMI; or
  - **Average Income Test (Income Averaging).** At a minimum, forty percent (40%) or more of the residential Units in a Project serve households earning as much as eighty percent (80%) AMI, as long as the average income/rent limit in the Property is sixty percent (60%) or less of AMI. The average income test is not available for Scattered Site Projects.
- **Senior Projects Standards.** Senior Projects are not allowed anything greater than 2 bedrooms per Unit. If layered with an existing Federal Program, the federal occupancy restrictions shall apply.
- **Units.** All LIHTC Units shall be evenly distributed in terms of location and number of bedrooms throughout the Project, be of comparable quality, and offer a range of sizes and number of bedrooms to any unrestricted Units.
- **Market Rate Standards.** Market-rate single-family homes shall not be allowed.
- **Acquisition/Rehab.**
  - **Prohibition of Applying Within the Compliance Period.** Once a Project has been issued an IRS Form 8609, the Project is prohibited from applying for Tax Credits until after the 15th year has been completed (the initial 15-year Compliance Period).
  - **Rehabilitation Expenditures.** The Applicant shall provide information regarding rehabilitation expenditures for each building. The information shall address how the Applicant will meet all of the building standards and minimum development characteristics. The Applicant shall identify, with respect to each building as required by the Application, the rehabilitation expenditures as defined in IRC Section 42(e)(2) that shall be allocable to or substantially benefit the Low-Income Units in such building. Each building in the Project must meet the greater of the IRS minimum expenditures requirement set forth in Section 42(e)(3) or a \$35,000 rehabilitation expenditure limited to hard construction costs per Low-Income Unit.

**3.7 DISPLACEMENT OF RESIDENTIAL TENANTS.** IFA may reject any Application that fails to minimize permanent displacement of tenants and/or provide an adequate relocation plan. The Application must include a formal relocation plan if the Project scope requires any form of temporary or permanent relocation of existing tenants. The plan shall provide an overview of the need for relocation, a proposed timeline, an estimated budget, and other information as requested in the Application. If the project has a federal funding source, the most restrictive relocation plan requirements shall apply.

## **SECTION 4. THRESHOLD APPLICATION UNDERWRITING STANDARDS.**

IFA may adjust the amount of Tax Credits based upon the underwriting. All Projects shall meet underwriting requirements to pass threshold review.

### **4.1 PROJECT DEVELOPMENT COSTS.**

- **Developer Fees.** The total Developer fees, including Developer overhead/profit and development consultant fees, shall not exceed the amounts described below. The Developer fee is calculated as a percentage of Total Project Costs minus land, existing structures, Developer fee, Developer overhead and profit, Consultant fees, and Project reserves. Projects with Developer Fees greater than \$1,600,000 shall defer at least 20%.

<b>All Projects</b>	<b>Fee Limit</b>
First 24 Units	Not to exceed eighteen percent (18%)
Remaining Units within the Project above 24	Not to exceed fifteen percent (15%)

- **Builder and General Contractor Fees.** Builder and general contractor fees shall be limited to a total of twelve percent (12%) of the hard construction costs (site improvements or work, new construction, rehabilitation, accessory buildings, garages, general requirements, construction contingency, asbestos abatement, lead-based paint measures, builder's overhead, builder's profit, builder bond fee, architect's fees, engineering fees, and other fees).
- **Professional and Other Fees.** IFA may limit professional fees and other fees related to services rendered to the Project.
- **Construction Contingency Funding.** Construction contingency shall be used to cover costs for unknown conditions discovered and cost overruns incurred during construction. Applicants shall obtain IFA approval for the use of construction contingency funds for items that were not part of the initial scope of work. The following are the allowed construction contingency amounts:

<b>Project Type</b>	<b>Percentage of Hard Construction Costs less Construction Contingency</b>
New Construction	5% - 6%
Acquisition/Rehab or Rehab Projects	8% - 15%
Adaptive Reuse	12% - 16%

- **Soft-Cost Contingency.** Soft-cost contingencies are restricted to the lesser of \$20,000 or six percent (6%) of the subtotals of the interim costs, financing fees and expenses, and soft costs minus the soft-cost contingency.
- **Operating Reserve.** The operating reserve will be at least 6 months of debt service, operating expenses, and real estate taxes. The operating reserve shall be fully funded within 6 months from the date IFA sent the IRS Form 8609 to the Ownership Entity.
- **Appraisals.** An appraisal by an active Member Appraisal Institute (MAI)-certified appraiser who is not a related party at the Applicant's expense is required for the following reasons unless waived by IFA:
  - For land or buildings that are acquired from a party with an Identity of Interest.
  - For Acquisition/Rehab Projects requesting acquisition credits.
  - During the Application review, if IFA may determine that cause exists to question the fair market value of the land and/or buildings being acquired and require an appraisal.
- **Projects Costs Not Allowed In Eligible Basis.** The following project costs are not allowed in Eligible Basis:
  - **Existing Reserve Accounts.** Cash from Project reserve accounts transferred to the Ownership Entity with the acquisition of a Project.
  - **Construction and Permanent Lender Fees.** Construction fees if the construction and permanent lender are the same.
  - **Paved Roads.** The cost of construction of a de minimis paved road on public property may be included in the Project costs, as determined by IFA. The cost of construction of an extensive paved road on public property shall not be included in the Project costs.
  - **Off-Site Utilities.** Costs that are not normal connections or extensions to existing utilities shall not be included in the Project costs.
  - **Tenant Paid Amenities.** Garages, storage units, or other amenities where the Ownership Entity is charging tenants for use, except when part of normal rent for all of Units.

#### 4.2 PROJECT FUNDING SOURCES.

- **Tax Credit Investor Letter of Intent.** Applicant shall provide a letter of intent from the investor for the LIHTCs on the company letterhead with the price, approximate equity amount, recommended minimum project operating expense for the Project, and investor-approved market analyst firm.
- **Financing Letters of Intent.** Applicant shall provide a letter of intent from each funding source for construction and permanent financing on the institution's letterhead. The letter for loans shall state the amount of the loan, interest rate, term, amortization period (minimum 30 years required for first mortgage debt), fees, prepayment penalties, anticipated security interest in the Property, and lien position. The letter for all other sources (including any existing debt to be assumed, grants, loans, tax credits, etc.) shall state the value of the funding, the purpose the funds may be used for, and any time limitations.
- **Deferred Developer Fees.** Deferred Developer fees cannot exceed 50% of the total Developer fee, and the Application must demonstrate the full amount being paid within 15 years. The deferred Developer fee shall be paid from the net cash flow and not be calculated into the minimum Debt Service Coverage Ratio (DSCR).

- **Federal and State Historic Tax Credits.** Projects with historic significance shall use equity invested for the maximum amount of state and federal historic tax credits as proposed or awarded by the appropriate allocating agency as a funding source. Applicants shall not create a subrecipient of the Federal Historic Tax Credits in order to become eligible for more Tax Credits.
- **Senior Living Revolving Loan.** Refer to Appendix B – Senior Living Revolving Loan Program of the Application Package.
- **HOME Funds.** Refer to Appendix C - HOME Appendices package.
- **Multiple Funding Scenarios.** IFA shall not consider multiple funding scenarios except as listed in Sections 5.2 – Senior Living Revolving Loan and 5.2 – HOME Funds.

#### 4.3 PROJECT OPERATING COSTS AND CASH FLOW.

- **Operating Expenses.** Operating expenses are based on thresholds provided by the LIHTC equity investor partner and subject to IFA review.
- **Escalators.** IFA will underwrite Projects with income escalating at 2% and operating expenses escalating at 3%. Management fees will escalate at the same rate as income.
- **Vacancy Rate Standards.** IFA will underwrite Projects at a 7% vacancy rate unless otherwise recommended by a lender or investor.
- **Debt Service Coverage Ratio (DSCR) Standards.** The Application may not show DSCR as less than 1.15 in any year. IFA will evaluate high DSCR and cash flow to determine if the requested resources are necessary for sustainability.
- **Replacement Reserve.** All Family Projects shall budget replacement reserves of \$350 per Unit per year, escalating at the same rate as operating expenses. All Older Persons Projects shall budget replacement reserves of \$300 per Unit per year, escalating at the same rate as operating expenses.
- **Subsidy Layering Review.** IFA shall complete a subsidy layering review for each Project that receives HUD housing assistance (other than HOME and CDBG).

## **SECTION 5. BASIS BOOST.**

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A Project may receive up to a thirty percent (30%) increase in Eligible Basis and Tax Credit Cap per LIHTC Unit.

**5.1 PROJECTS LOCATED IN QUALIFIED CENSUS TRACTS (QCT) AND DIFFICULT DEVELOPMENT AREAS (DDA).** IFA allows up to a 10% increase in Eligible Basis for Projects where all buildings are located in QCTs and DDAs. Refer to Appendix A – QCTs, DDAs, Rural and Major Disaster Counties of the Application Package.

**5.2 PROJECTS LOCATED IN A RURAL COUNTY.** IFA allows up to a 10% increase in Eligible Basis for Projects in a Rural county as designated by IFA. Refer to Appendix A – QCTs, DDAs, Rural and Major Disaster Counties of the Application Package.

**5.3 PROJECTS PROVIDING PERMANENT SUPPORTIVE HOUSING.** IFA allows up to a 10% increase in Eligible Basis for Projects providing at least 10% of the Units as permanent supportive housing under Section 6.1.4 – Projects Providing Permanent Supportive Housing. Refer to Appendix D – Projects Providing Permanent Supportive Housing.

**5.4 PROJECTS WITH MARKET RATE UNITS.** IFA allows up to a 10% increase in Eligible Basis for Projects that elect at least 25% of the Units as market-rate units.



## SECTION 6. SCORING CRITERIA.

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IFA shall make the final determination of the Applicant's score. IFA will award points based on the evidence provided in the Application and exhibits. All sites and buildings within the Project must qualify to be eligible to receive points. The online Application provides a tentative non-binding score based on the submitted information. Scoring determinations made in prior years are not binding on IFA for the current funding round.

If a project has an existing LIHTC Land Use Restriction Agreement (LURA), the Applicant shall not elect scoring points if it would be less restrictive than the existing LURA.

### 6.1 AFFORDABILITY FOR RESIDENTS.

*30 points Maximum*

The following categories may be stacked or mixed to achieve points. The Affordability for Resident categories are not available to an Applicant that elects the Average Income Test. All points in the Affordability for Resident category are independent of each other and cannot overlap, except for Projects Providing Permanent Supportive Housing and project-based vouchers from a local PHA. For the purposes of determining the number of Units, fractional Units will be increased to the next whole Unit.

- **Serving 30% AMI LIHTC Residents.** Projects that provide Units that are set-aside and occupied by tenants with incomes at 30% Area Median Income (AMI) or less and are rent-restricted. Annual recertifications shall be required, and tenant incomes may increase up to 140% of the 30% AMI and still be considered a 30% AMI resident.
  - For each 3.0% of the LIHTC Units *5 points*
  
- **Serving 40% AMI LIHTC Residents.** Projects that provide Units that are set-aside and occupied by tenants with incomes at 40% AMI or less and are rent-restricted. Annual recertifications shall be required, and tenant incomes may increase up to 140% of the 40% AMI and still be considered a 40% AMI resident.
  - For each 4.0% of the LIHTC Units *5 points*
  
- **Rent Reduction.** Projects that provide LIHTC rents for the 60% or 50% AMI units at 40% AMI rent levels. Tenant income eligibility will remain at 60% and 50% AMI, respectively. This category is not available to Projects with a Federal project-based rental assistance contract.
  - For each 4.5% of the LIHTC Units *5 points*
  
- **Projects Providing Permanent Supportive Housing.** Projects that provide Units for persons experiencing homelessness. These Units shall be leased only to qualified persons experiencing homelessness. Partnership with an IFA approved qualified service provider that provides supportive services to persons experiencing homelessness in the proposed Project's market area is required. Refer to Appendix D – Projects Providing Permanent Supportive Housing.
  - For each 2.5% of the LIHTC Units *5 points*



- **Project-Based Rental Assistance.**
  - **Projects with a Federal project-based rental assistance contract.**
    - 50% of the total Project Units *20 points*
    - 75% of the total Project Units *30 points*
  - **Projects with project-based vouchers from a local PHA with a commitment for at least 10 years.**
    - 10% of the total Project Units *10 points*

**6.2 LOCATION.** All building addresses in a Project, including Scattered Site Projects, shall meet the Location scoring requirements to be eligible for points. IFA will award the lesser points within each scoring category based on building locations.

- **Underserved Cities.** *1 point*  
Projects located in an underserved city and have a low vacancy rate as shown in Appendix E – Projects located in Underserved Cities in the Application Package.
- **Rent Burdened Households.** *1 point*  
Projects located in a city shown in Appendix F – Rent-Burdened Households in the Application Package.
- **Density.** *0 to 2 points*  
Projects that are located in a census tract that has a low percentage of LIHTC Units Placed-In-Service compared to the total number of households as shown in Appendix G – Density in the Application Package.
- **Active Development Communities.** *1 point*  
Projects located in communities that have received IFA and IEDA housing and economic development awards and in the past 2 years as shown in Appendix H - Active Development Communities.
- **Disaster Recovery.** *0 to 5 points*  
Projects that are located in a county that has been state or federally declared a major disaster and individuals that are eligible for federal individual assistance may be eligible for points. Refer to Appendix A – QCTs, DDAs, Rural Cities, and Major Disaster Counties.
- **High Quality Jobs Award.** *0 to 2 points*  
Projects located in communities that have received IEDA High Quality Job awards in the past 2 years as shown in Appendix I - High Quality Job Awards.
- **Iowa Opportunity Index Community.** *1 point*  
Projects located in a county identified as shown in Appendix J – Iowa Opportunity Index in the Application Package.

• **Site Appeal.**

*5 points maximum*

Scoring for Site Appeal is based on the average points achieved for all of the below categories rounded to the nearest whole number. For example, if the project scores an average of 3.7 points, the scoring would be rounded up to 4 points. The Applicant will provide the preliminary scoring and supporting information for each of the items in this category, but IFA will verify the final scoring. Misrepresentations in self-scoring as deemed by IFA may result in zero total points for Site Appeal.

<b>Zoning</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Proper zoning in place prior to Application due date.			
<b>Community Support</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
TIF, tax abatement, community grant or loan, or waived fees totaling at least \$5,000 per unit. Or Land is free and donated by the community.	TIF, tax abatement, community grant or loan, or waived fees totaling at least \$2,500 per unit.	TIF, tax abatement, community grant or loan, or waived fees totaling at least \$500 per unit.	
<b>Site Neighborhood</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
The area within a 1 mile radius has experienced significant new construction or renovation in the past 5 years. Or Site is in a QCT where affordable housing is part of a Concerted Community Revitalization Plan.	The area within a 1 mile radius has experienced some new construction or renovation in the past 5 years.		
<b>Neighborhood Location to Services</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Located within 1 mile of at least 3 of the following services: park, food bank or pantry, bank or credit union, police or fire station, convenience store or dollar store, pharmacy, or public library.	Located within 2 miles of at least 4 of the following services: park, food bank or pantry, bank or credit union, police or fire station, convenience store or dollar store, pharmacy, or public library	Located within 2 miles of at least 2 of the following services: park, food bank or pantry, bank or credit union, convenience store or dollar store, pharmacy, or public library	

<b>Location to Grocery Store</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Located within 1 mile of a grocery store.	Located within 2 miles of a grocery store.		
<b>Location to Daycare or Senior Center</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Located within 1 mile of a licensed daycare (family only) or senior center (senior only).	Located within 2 miles licensed daycare (family only) or senior center (senior only).		
<b>Location to Public Transportation.</b>			
Fixed-route is a system of transport for passengers by group travel available for use by the general public, typically managed on a schedule. In cities without fixed route service, dial-a-ride or on-demand services will be eligible for points if they serve the general public. Taxis, Uber, or Lyft-type services are not eligible for points.			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Site is ¼ mile from a bus stop for a fixed-route service. or Any city that does not have a fixed-route service and dial-a-ride is available M-F.	Site is 1/2 mile from a bus stop for a fixed-route service.		
<b>Site Location</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Site is adjacent to existing developments on at least 3 sides.	Site is adjacent to existing developments on at least 2 sides.		
<b>Adjacent Properties</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Surrounded on at least 3 sides by a mixture of single-family, duplex, triplex residential properties.	Surrounded on at least 3 sides by a mixture of single-family, duplex, triplex residential properties and/or multifamily properties.	Surrounded by a mixture of both residential/multi-family and commercial properties. Commercial does not include manufacturing or industrial facilities.	

<b>Noise from Adjacent Uses</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
All other sites			Sites close to train tracks, airports, industrial, interstate, or other sources of excessive noise as determined by IFA.
<b>Site Frontage</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Access to the site from local or collector road that has 2 lanes, a sidewalk, and speed limit not greater than 35 mph.	Access to the site from local or collector road that has more than 2 lanes or no sidewalk, but speed limit not greater than 45 mph.		
<b>Public Paved Road Complete With Storm Drainage</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Publicly paved road is already in place and appropriately sized.	Publicly paved road is at the edge of the site but an extension or road widening is needed that is only a de minimus extension.		
<b>Offsite Utilities</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Offsite utilities are appropriately sized and do not require an extension beyond normal connections.	Offsite utilities are at the edge of the site but only a de minimus extension is necessary.		
<b>Parking</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Project offers free on-site parking with at least 1 space per unit for senior projects and 1.5 spaces per Unit for family projects.	About 1 free offsite street parking space available per Unit.	Free offsite street parking spaces available equal to at least 25% of the Units.	

<b>Ease of Site Development (slope, demolition, extent of work needed) – New Construction</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Site is open, clear, and ready for construction.	Minimal tree clearing, minor demolition, and moderate slopes on site.		Steep slopes, potential site drainage problems, extensive retaining walls needed, extensive tree clearing demolition, or site needs contamination cleanup.
<b>Condition of Buildings (rehab/adaptive re-use)</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Good	Fair		Poor
<b>Projects with Historical Significance</b>			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
All buildings within the Project are on the National Register of Historic Places at time of Application submission.			

**6.3 MARKET APPEAL.**

*5 points maximum*

The amenities shall be provided at no cost to the tenants.

- **Ceiling Fans:** *1 point*  
The Project will provide ceiling fan/light combination units, minimum 2 per 1 or more bedroom Units and 1 per studio Unit.
- **Kitchen Pantry:** *1 point*  
2 ft. wide full-height cabinet or closet with minimum 5 shelves in every Unit.
- **Trash and Recycling:** *1 point*  
Trash chutes or a dedicated onsite recycling area.
- **Walk-In Closets:** *1 point*  
Available in at least 1 bedroom of every Unit including studio Units.
- **Patio/Balcony** *2 points*
- **Multipurpose Room:** *1 point*  
Multipurpose room must at least 400 square feet and made available exclusively to all tenants and guests of the Project, either in a stand-alone building or incorporated within a residential structure, located entirely on the Property.

- **Free Heating:** *2 points*  
Owner-paid heat for each Unit.
- **Fenced Dog Walking Area:** *2 points*  
Minimum 1,000 square feet with waste area.
- **Fitness Center:** *1 point*  
An exercise room available 24 hours a day, with commercial-grade cardiovascular health, strength training, and flexibility equipment.
- **Storage Units:** A dedicated and lockable (if outside the Unit) structurally strong and secure, floor-to-ceiling room that is at least 20 square feet. The storage unit shall be in addition to the required bedroom, linen, and coat closets and maintained in compliance with the requirements for fire safety and Uniform Fire Code. Prefabricated steel mesh enclosures designed as storage units are acceptable.
  - Storage In Project; or *1 point*
  - Storage In-Unit *2 points*
- **Laundry:** Acquisition/Rehab projects without in-unit laundry that provide tenants unlimited access to the community laundry facility at no charge, or Acquisition/Rehab projects that add in-unit washers and dryers to all units during the rehabilitation.
  - Free Resident/Community Laundry; or *3 points*
  - In-Unit washers and dryers (added to Acquisition/Rehab) *4 points*
- **Olmstead Goals:** *5 points*  
Projects that provide at least an additional ten percent (10%) of the Units as fully accessible. For the purposes of determining the number of Units, fractional Units will be increased to the next whole Unit.
- **Single Family, Duplex, or Rowhouse:** *5 points*  
At least twenty percent (20%) of the Project are single-family, duplex, or rowhouses where each Unit extends from foundation to roof and may be 1 to 3 stories. Each unit has separate exterior entrances in both the front and rear of the Unit and some open space in a rear yard with a suitable patio that may be used by the occupants.
- **Exterior Materials:** *5 points*  
Minimum of 30% of the gross exterior (excluding window and door areas), of 4" nominal brick, 4" nominal stone, stucco over masonry, architectural CMU block, or pre-cast concrete wall panels. The remaining 60% shall be constructed of 100% fiber cement board siding or engineered wood siding with quality standards similar to Smartside. The buildings' soffit and fascia shall be pre-finished aluminum, fiber cement board, or engineered wood siding with quality standards similar to Smartside. Soffits shall be vented.

## 6.4 QUALIFYING DEVELOPMENT TEAM.

- **Qualifying Entity LIHTC Experience.** *2 points maximum*

Prior to Application submission, the qualifying entity of this Project shall have completed 2 LIHTC Projects that have received an IRS Form 8609 as a Developer or General Partner/Managing Member not more than 5 years before the Application due date. *1 point*

Prior to Application submission, the qualifying entity of this Project shall have completed 3 LIHTC Projects that have received an IRS Form 8609 as a Developer or General Partner/Managing Member not more than 5 years before the Application due date. *2 points*
  
- **Nonprofit Organization Experience.** *2 points maximum*

Sole Developer is the sole General Partner/Managing Member or the sole shareholder/owner of the General Partner/Managing Member and shall apply under the Nonprofit set-aside. *1 point*

Community Housing Development Organizations (CHDO) that apply under the Nonprofit set-aside for State HOME funds. *2 points*
  
- **Developer, General Partner, or Managing Member Performance.** *2 points maximum*

The qualifying entity of this Project received a reservation of 9% Tax Credits in Iowa in 2019 and has received an IRS Form 8609 for that project on or before February 28, 2022, or received a reservation in 2020 and IRS Form 8609 on or before February 28, 2023. *1 point*

The qualifying entity of this Project met all of the following:

  - Received a reservation of 9% Tax Credits in Iowa in the past 4 award years.
  - Received an IRS Form 8609 for that project.
  - Met the submission deadlines for final plans and specifications to be approved.

Met the submission deadlines for a complete prior to placed in service document package. *1 point*

The Developer or General Partner/Managing Member of this Project has requested and received approval for a material change to a Tax Credit project in the past 24 months in Iowa. *-1 point*
  
- **Iowa Title Guaranty.** *5 points*

The Applicant shall obtain a Final Title Guaranty Owner Certificate on the real estate of the Project from IFA's Iowa Title Guaranty Division prior to submitting the IRS Form 8609 package. The Ownership Entity shall obtain, at a minimum, a Final Title Guaranty Certificate with an amount of coverage that is not less than the value of the land and pre-existing improvements, if any, combined with the total hard construction costs of the Project.

## **SECTION 7. SELECTION CRITERIA AND AWARD PROCESS.**

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**7.1 TAX CREDIT CALCULATION.** IFA shall determine the amount of Tax Credits necessary for the financial feasibility of the Project through the information received during the Application. IFA allocates the Tax Credit amount to the Ownership Entity based on the credit price obtained from the Tax Credit investor(s) and applies this price to one hundred percent (100%) of the Tax Credit amount. IFA does not adjust the Tax Credit Allocation based on the components of the Ownership Entity.

**7.2 SELECTION CRITERIA.** IFA shall evaluate applications using the set-aside and scoring criteria. IFA may decline to reserve Tax Credits to any Project, regardless of the score.

**7.3 PRIORITIZATION OF REVIEW.** Applications will be scored and ranked within each of the set-asides in the order listed below. If an Applicant is not awarded within a set-aside, the Applicant will be considered in the next set-aside that they applied for and then the General Set-Aside. In the event there are not enough qualified Projects to fill the Rural Set-Aside, the remaining balance will be transferred to the General Set-Aside.

1. Nonprofit Set-Aside.
2. Derecho Disaster Set-Aside (if available credits)
3. Rural Set-Aside.
4. General Set-Aside.

**7.4 TIEBREAKERS.** In the event that the final scores of more than one Application are identical, IFA will use the following tiebreakers:

1. Project is within a project identified in an Iowa Great Places agreement that has been designated by the Iowa Great Places Board for participation in the program within the last 3 years, pursuant to Section 303.3C, subsection 4 of the Iowa Code.
2. Projects that provide an opportunity for homeownership through the Iowa Renter to Ownership Savings Equity (ROSE) Program.
3. Project in a community that has not received a reservation of housing tax credits for the longest period of time.
4. Application requesting the least amount of Tax Credits per LIHTC Unit.
5. Board Discretion.

**7.5 DISCRETION BY THE BOARD.** The Board may accept, reject, or make changes to the award recommendations.

**7.6 ACCEPTANCE OF TAX CREDIT RESERVATION.** The acceptance of the reservation and reservation fee shall be due no later than the date stated in the award letter.

**7.7 WAITING LIST.** The Board, in its discretion, may establish a waiting list and adjust the order on the waiting list for any reason. The waiting list shall expire no earlier than 75 days after the date of the Board approval.



**7.8 UNRESERVED TAX CREDITS.** Unreserved Tax Credits are Tax Credits that were not awarded by IFA during its most recent round of allocation or are returned to IFA during the current year. If Unreserved Tax Credits become available within 45 days after the date of the Notice of Tax Credit Reservation, IFA shall review all Applications placed on the waiting list to determine if there are sufficient Tax Credits to fund one or more new Projects on the waiting list. The award of Tax Credits to a project on the waitlist requires Board approval. If Unreserved Tax Credits become available more than 45 days after the date of the Notice of Tax Credit Reservation, the unreserved Tax Credits will be available in the next funding round, and the waiting list shall expire.

### **7.9 INFORMAL APPEALS.**

- **Notice of Appeal.** Any Applicant requesting an appeal shall submit written notice of appeal to [housingtaxcredits@iowafinance.com](mailto:housingtaxcredits@iowafinance.com) within 7 days of the Tax Credit Reservation Date. The notice of appeal shall state the grounds upon which the Applicant challenges IFA's LIHTC awards.
- **Procedures for Appeal.** Within 21 days of the Tax Credit Reservation Date, the Applicant shall file its appeal by submitting a written document to [housingtaxcredits@iowafinance.com](mailto:housingtaxcredits@iowafinance.com) stating the relevant facts supporting its position. IFA staff may submit to the Executive Director a written document in response to the Applicant's appeal ("IFA response"). IFA staff will provide a copy of the IFA response to the Applicant.
- **Decision.** Within 30 days of the filing of the appeal as set forth in above in Procedures for Appeal, the Executive Director shall consider and rule on the appeal and will notify the Applicant in writing of the decision.
- **Final Agency Action.** The decision is final except as provided for in Iowa Code sections 17A.19 to 17A.20.

### **7.10 REMEDIES ON APPEAL.**

- If an Applicant passed the threshold requirements and is successful in demonstrating that the Applicant should have been awarded Tax Credits based on the score the Project should have received and taking into account Section 7.5 – Discretion by the Board, the Executive Director may place the Project on a waiting list for Unreserved or returned Tax Credits.
- If an Applicant is successful in demonstrating that a Project was improperly determined by IFA to have not met the threshold requirements, the Executive Director shall cause the Project to be scored. If the Project receives a score equal to or greater than the lowest score of any Project receiving credits from the General Set-Aside in the same round for one hundred percent (100%) of such Project's underwritten Tax Credit amount (as opposed to Projects awarded under Section 7.5 – Discretion by the Board), prior to any skipping of Projects pursuant to Section 7.5 – Discretion by the Board, the Executive Director may place the Project on a waiting list for Unreserved or returned Tax Credits.
- Once the waiting list has expired, a Project that has been placed on the waiting list per Section 7.7 – Waiting List due to a successful appeal shall be awarded 5 points in the next nine percent (9%) Tax Credit Round. To receive the additional points during the next nine percent (9%) Tax Credit Round, the Project shall be the same Project that was the subject of the successful appeal.

**PART B –  
POST RESERVATION  
REQUIREMENTS**

Failure to comply with any provision of this section may result in the revocation of the Tax Credit Reservation, denial of the Carryover Allocation, withholding of the IRS Form 8609, or the issuance of an IRS Form 8823.

## **SECTION 8. CHANGES TO THE APPLICATION AFTER AWARD.**

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Ownership Entities must submit any proposed Project change after Tax Credit Reservation through the online Application. IFA may approve, subject to conditions (including fee payment and future negative points), or deny. Material changes that cause the Project to not be substantially the same as when awarded will be considered, but shall result in an additional fee and future scoring penalty if approved.

The following changes are not allowed:

- Changes to the Ownership Entity named in after Tax Credit Reservation;
- Transfers of the Tax Credit Reservation or Carryover Allocation;
- Change in the qualifying entity on the Qualified Development Team;
- Changes that increase the housing credit amount;
- Changes in Unit mix;
- Changes that lowers the final scoring of the Project;
- Change to the minimum set-aside election; or
- Change that decreases the applicable fraction per building.

## **SECTION 9. CARRYOVER ALLOCATION-TEN PERCENT (10%) TEST APPLICATION.**

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To qualify for a carryover allocation, the requirements set forth in Section 42(h)(1) and Treasury Regulation 1.42-6 must be met, The Ownership Entity must submit a complete Carryover Allocation-Ten Percent Application (10% Application) package through the online Application unless all buildings are placed-in-service and the IRS forms 8609s issued in the same year as the Tax Credit award.

**9.1 SITE CONTROL.** The Ownership Entity shall provide evidence of site ownership or lease term of at least 35 years, including all parking, as part of the 10% Application package, and this ownership shall be continuous and uninterrupted through the issuance of an IRS Form 8609.

**9.2 ZONING.** The site must be zoned appropriately to allow construction of the Project by submission of the 10% Application.

## **SECTION 10. PRIOR TO PLACED-IN-SERVICE DOCUMENTS.**

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As a precondition to receiving IRS Form 8609, the Ownership Entity shall submit the following documents at least 120 days prior to the first Unit placing in service:

- Affirmative Fair Housing Marketing Plan Package.
- Confirmation the Project is listed on Iowa's free rental housing locator at [www.IowaHousingSearch.org](http://www.IowaHousingSearch.org).
- A commitment to notify the local public housing authority of all vacancies.
- Compliance certification for all on-site property management.
- A Certificate of Mental Health First Aid Training for all on-site property management staff.
- A tenant selection plan that includes the following: descriptions of the eligibility requirements, income limits, elderly restrictions or preferences in the admission of tenants (if applicable), and a preference for persons with a disability. The restrictions or preferences must cite the supporting documentation to ensure nondiscrimination in the selection of tenants. The plan also shall be consistent with the purpose of improving housing opportunities and be reasonably related to program eligibility and the rental applicant's ability to perform the obligations of the lease.

## **SECTION 11. APPLICATION FOR IRS FORM 8609.**

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After all buildings in a Project have been placed-in-service, a complete IRS Form 8609 Application (8609 Application) package shall be submitted through the online Application. At the time the 8609 Application is submitted, the Project shall have completed construction and all other requirements of the 8609 Application package have been met.

**11.1 MARKETABLE TITLE REQUIREMENT.** The Ownership Entity shall provide adequate evidence that it has marketable title as determined by IFA in IFA's sole discretion. Adequate evidence of marketable title is demonstrated by either: (1) a title opinion of an attorney authorized to practice law in Iowa showing marketable title in the Ownership Entity; or (2) a Title Guaranty Certificate issued by the Iowa Title Guaranty Division of IFA showing the Ownership Entity as the guaranteed. In the case of leased land, a copy of the recorded lease shall be provided.

**11.2 IRS FORM 8609.** Upon approval of the 8609 Application by IFA, IFA shall complete Part A of IRS Form 8609 and send it to the Ownership Entity. The Ownership Entity shall complete Part B and return a copy of the fully executed IRS Form 8609 to IFA within 60 days of IFA sending the IFA executed IRS Form 8609. The Owner's completed IRS Form 8609 shall match the terms agreed upon in the LURA.

## **SECTION 12. CASUALTY LOSS AND COMPLIANCE.**

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**12.1 DESTRUCTION OF A PROJECT PRIOR TO PLACEMENT-IN-SERVICE.** If a Project cannot be placed-in-service by the applicable federal deadline due to a casualty loss, IFA may allow the Ownership Entity to return the Tax Credits in exchange for a binding commitment by IFA to allocate a future year's Tax Credits in an amount not to exceed the original allocation. This section only covers casualty losses not addressed under Revenue Procedure 2014-49.

**12.2 COMPLIANCE.** IFA has established procedures for monitoring compliance. Refer to the Iowa LIHTC Compliance manual and supporting documentation.

**12.3 COMPLIANCE PERIOD (INITIAL 15-YEAR COMPLIANCE PERIOD).** The Compliance Period is the 10-year credit period and additional 5-year period for a total of 15 taxable years, beginning with the first taxable year of the credit period. During this period the federal minimum set-aside selected by the applicant and the rent affordability requirements in Section 6.1 of this QAP apply, with the more restrictive of the set-asides applying to the LIHTC units. Any other rent and income restrictions required by other programs, including HOME, shall still apply as applicable.

**12.4 EXTENDED USE PERIOD (LONG TERM COMPLIANCE PERIOD).** The time frame that begins the first day of the Initial 15-Year Compliance Period, in which the building is a part of a qualified low-income housing Project and ends 15 years after the close of the Initial 15-Year Compliance Period, or the date specified by IFA in the LURA. During the Extended Use Period, the rent affordability requirements identified in Section 6.1 of this QAP cease applying, but the federal minimum set-asides set forth in the Code and selected by the applicant shall continue to apply. However, the rent affordability requirements identified in Section 6.1 of this QAP do not cease applying to a unit until the tenant currently in said unit and benefiting from the rent affordability requirements in Section 6.1 of this QAP vacates the unit. A tenant cannot be evicted just to cause the rent affordability requirements set forth in Section 6.1 of this QAP to terminate as to that tenant's unit. Any other rent and income restrictions required by other programs, including HOME, shall still apply as applicable.

## **SECTION 13. TERMS AND CONDITIONS.**

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The following terms and conditions apply to all Applicants and Projects that receive a reservation of 9% Tax Credits, Carryover Allocation and IRS Form 8609 allocation.

IFA will rely on the following when interpreting the requirements of the QAP: (1) the QAP, including the Tax Credit Application, appendices, exhibits, instructions, and any incorporated materials; (2) IFA's questions and answers for the QAP; (3) IFA's training guide; and (4) IFA's past practice. IFA may, at its discretion, conduct due diligence to verify information provided by the Applicant. An Applicant's interpretation of the QAP and its requirements is immaterial.

**13.1 DOCUMENTS INCORPORATED BY REFERENCE.** The items described in this Section are incorporated by reference in the QAP.

- 26 USC Section 42 as amended and the related Treasury regulations in effect as of the date this QAP is adopted by the Board.
- Iowa Code Section 16.35 and the rules promulgated by IFA to govern the LIHTC Program in effect as of the effective date hereof.
- In the case of any inconsistency or conflict between the items listed in this Section, conflicts shall be resolved as follows:
  1. First by IRC Section 42 and the related Treasury regulations;
  2. Second by Iowa Code Sections 16.4, 16.35, and the rules governing the QAP; and
  3. Third by the QAP.

**13.2 BINDING OBLIGATIONS.** The representations made in the Application bind the Applicant and shall become a contractual obligation of the Developer and the Ownership Entity and any Entity the Developer or the Ownership Entity is representing in the presentation of the Application or a successor in interest in the event Tax Credits are awarded to a proposed Project. The contractual obligation constitutes the agreement between the parties, as represented by the Developer or Ownership Entity, within the following documents: the QAP, Application (with any permitted amendments), and any other agreements executed between IFA and the Ownership Entity.

**13.3 LAND USE RESTRICTION AGREEMENT (LURA).** The Project shall be subject to the LURA, which is an agreement between IFA and the Ownership Entity and all of its successors in interest. The LURA shall conform to the requirements of IRC Section 42(h), Iowa Code Section 16.35 and the QAP.

**13.4 NO REPRESENTATION OR WARRANTY REGARDING THE QAP.** IFA makes no representation or warranty to any Person or Entity as to compliance issues or the feasibility or viability of any Project.

**13.5 IFA POLICY ON CIVIL RIGHTS COMPLIANCE.** The Applicant and any of its employees, agents, or sub-contractors doing business with IFA understand and agree that it is the responsibility of the Developer and Ownership Entity to adhere to and comply with all federal civil rights legislation, including the Fair Housing Laws, the Americans With Disabilities Act, as well as any state and local civil rights legislation. The Developer and Ownership Entity are responsible for being aware of and complying with all non-discrimination provisions of federal, state, or local law.

**13.6 VIOLENCE AGAINST WOMEN ACT (VAWA).** The Applicant and any of its employees, agents, or sub-contractors doing business with IFA understand and agree that it is the responsibility of the Developer and Ownership Entity to adhere to and comply with the Violence Against Women Act, including adding the VAWA lease terms provided by the authority to its leases.

**PART C –  
CONSTRUCTION  
REQUIREMENTS**

## **SECTION 14. PRIOR TO INITIATION OF CONSTRUCTION.**

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**14.1 CHANGES IN SCOPE.** The Ownership Entity shall not make any changes or alterations to the Project (including the site layout, floor plan, elevations, or amenities) from Reservation without IFA's written authorization. This includes changes required by local governments to receive building permits.

**14.2 IFA PLAN REVIEW.** The Ownership Entity shall submit final plans, specifications, the energy audit or analysis and, if applicable, CNAs to IFA upon completion but no later than submission of the 10% Application. IFA shall give written approval before the Ownership Entity commences site work or construction.

**14.3 ENERGY.** For Acquisition/Rehab Projects, the Ownership Entity must provide:

- A complete Capital Needs Assessment (CNA),
- A copy of the energy audit conducted by a certified home energy rater, and
- Appropriate specifications to meet IECC standards or alternate cost-effective energy improvements with the final construction documents.

IFA requires an engineer or architect to certify that the architect has met and coordinated the design with the energy consultant and Ownership Entity and that the design meets the applicable International Energy Conservation Code (IECC) as shown in Section 15 – Building Standards. The contract for the determination of the energy audit shall be between the certified rater and the Ownership Entity. This section does not apply to Historic projects.

**14.4 CAPITAL NEEDS ASSESSMENT (CNA).** Acquisition/Rehab or Rehab Projects shall submit a complete Capital Needs Assessment with the design documents that are submitted for review and approval prior to the start of construction. The CNA shall be prepared by a third party that regularly provides CNAs as a basic or core service. The third party may be a member of the Qualified Development Team with prior approval by IFA, but may not be the Ownership Entity or Developer. The CNA shall assess the rehabilitation needs of each existing structure, including:

- A site visit and physical inspection of the interior and exterior of Units and structures;
- An interview with on-site property management and maintenance personnel to inquire about past repairs/improvements, pending repairs, and existing or chronic physical deficiencies;
- The presence of hazardous materials;
- A detailed opinion as to the proposed budget for recommended improvements;
- Identify critical building systems or components that have reached or exceeded their expected useful lives;
- A projection of recurring probable expenditures for significant systems and components impacting use and tenancy, which are not considered operation or maintenance expenses, to determine the appropriate replacement reserve deposits on a per Unit per annual basis;
- Site, including topography, drainage, pavement, curbing, sidewalks, parking, landscaping, amenities, water, sewer, storm drainage, and gas and electric utilities and lines;
- Structural systems, both substructure and superstructure, including exterior walls and balconies, exterior doors and windows, roofing system, stairs, and drainage;



- Interiors, including Unit and common area finishes (carpeting, vinyl tile, plaster walls, paint conditions, etc.), Unit kitchen finishes, cabinets and appliances, Unit bathroom finishes and fixtures, and common area lobbies and corridors; and
- Mechanical and electrical systems, including plumbing and domestic hot water, HVAC, electrical, lighting fixtures, fire protection, security, low voltage systems, and elevators.

The CNA shall conform to standards outlined in ASTM E 2018-08, Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process. An assessment done for and accepted by USDA Rural Development is acceptable.

**14.5 PRECONSTRUCTION MEETING.** An IFA representative shall attend a contractor/developer construction meeting at or near the initiation of construction. The Ownership Entity must provide a copy of the contractor's initial pay application with a schedule of values when executed.

**14.6 MINIMUM DEVELOPMENT CHARACTERISTICS – ALL PROJECTS.** All construction will use the following minimum development characteristics:

- **General.**
  - **Construction Warranty.** Provide an enforceable minimum 1 year blanket construction warranty stipulating that the general contractor is responsible to do or have done any and all required warranty repair work, including consequential damages, at its own expense.
  - **Accessibility.** All Projects shall have at least 10% percent of the Units, or at least 1 (whichever is greater) Unit accessible for persons with mobility disabilities constructed in accordance with the Uniform Federal Accessibility Standards (UFAS) or a standard that is equivalent or stricter. An additional 2% percent of the Units, or at least 1 (whichever is greater) must be accessible for persons with hearing or visual disabilities (Units with Accessible Communication Features). For the purposes of determining the number of Units, fractional Units will be increased to the next whole Unit. Refer to Section 15 – Building Standards.
  - **No Smoking Policy.** Implement and enforce a “no smoking” policy in all Units and common areas, not including public areas of the exterior grounds.
  - **Community Room.** For senior Projects only, community room must be 20 square feet per unit up to the first 40 units made available exclusively to all tenants and guests of the Project, either in a stand-alone building or incorporated within a residential structure, located entirely on the Property.
  - **Playground.** For family Projects only, an outdoor area provided for children to play in containing 5 to 7 commercial-grade play components (an element intended to generate specific opportunities for play, socialization, or learning) that does not include wood. At least 2 must be elevated. Swings, spring riders, water tables, playhouses, slides, and climbers are acceptable; ramps, transfer systems, steps, decks, and roofs are not. IFA may approve a sport court. The playground must comply with the requirements of the Department of Justice 2010 ADA Standards for Accessible Design.

- **Sidewalks.** Concrete sidewalks providing access to a city public way from each entrance door.
- **Trash Enclosures.** Screened trash removal areas.
- **Internet Access.** High-speed internet wiring for broadband, wireless, or digital subscriber line for all Units.
- **Radon System.** A passive radon system, including a drain tile loop below the building slab along with vertical vent pipes and junction boxes for new construction. Acquisition/Rehab Projects shall have a radon test, and a passive radon system is required, or an active system if the radon test exceeds permissible thresholds. Refer to Appendix F – “Radon Control Methods” in the 2012 International Residential Code.
- **Video Security System.** The security system shall record activity at the site as follows: Parts of the site to be covered include parking areas and all levels of stairways. Cameras in corridors shall be placed in such a way that all unit entrances are covered. The recordings shall be maintained for a minimum of 30 days. To be eligible for points, single family or each building in Scattered Site Projects are required to have the Video Security System.
- **Exterior Construction.**
  - **Exterior Design.** The Project shall have a building design that is appealing and appropriate for the community and neighborhood, including varied facades, rooflines, and exterior materials.
  - **Exterior Siding.** Exterior siding shall be durable and impact-resistant. Vinyl does not qualify as durable. Exterior siding shall be a mix of 2 or more of the following (no single material shall constitute more than 70% of the siding): brick, fiber cement board siding, or engineered wood siding with quality standards similar to Smartside, and/or nominal, 2” nominal thickness manufactured stone over ¾” stucco, nail on stone panels or metal siding approved by IFA. The soffit and fascia shall be pre-finished aluminum, fiber cement board, or engineered wood siding with quality standards similar to Smartside. Soffits shall be vented.
  - **Main Entrance Areas.** Apartment building main entrances to interior shall have a foyer and be equipped with a remote security and intercom system to each Unit to control entry to common areas. Single-family, duplex, and rowhouse Unit main entrances to exterior shall have a storm door and a covered entry with a minimum depth and width of coverage of 4 feet by 4 feet.
  - **Roofs shall have a 30 year full warranty.** Flat roofs shall have a minimum 60 mil TPO or EPDM thickness and a 10 year full warranty. Full warranty includes: all labor and materials for the entire roofing system and insurance rider for consequential damage. All reroofing applications shall include the removal of the existing roofing system down to the roof deck.
  - **Unit Doors.** Any Unit primary entry door may be solid core wood or solid wood panel type, insulated metal, or fiberglass panel type with optional glass insert, 180-degree peephole, lockset and deadbolt lock with 1 inch throw. Primary entry doors shall have steel frames. Metal frames at exterior doors shall be thermally broken or metal clad wood frames are acceptable at Unit entries leading to the exterior.

- **Interior Construction.**

- **Appliances.** The kitchen shall have a cooktop, an oven, a microwave, a cooling/freezing unit, a built-in dishwasher, and a sink. Single-bowl sinks shall be minimum 20" x 30". Appliances shall be Energy Star. These requirements do not apply to Single Room Occupancy units.
- **Water Conserving Measures.** Toilets are high efficiency WaterSense toilets that use 1.28 gallons per flush or less; faucet aerators use 1.5 gallons per minute (gpm) or less in kitchens and 1.0 gpm or less in bathrooms; showerheads use 1.5 gpm or less. Dual flush toilets do not qualify.
- **Cabinetry.** Cabinetry and woodwork shall meet ANSI/AWI standards for Custom Grade Cabinetry and have the KCMA A161.1 Quality Certification Seal.
- **Closet Rods and Shelves.** Closet rods and shelves are required in each bedroom closet in each Unit.

For Accessible Units only, the closet shelves and hanger bars shall be easy to adjust to different heights with no tools required with adjustable standards and brackets. Hanger rods shall attach to the shelving and provide continuous slide for hangers between supports. Shelves shall be 12" deep minimum and material vinyl coated steel or similar.

- **Paints and Primers, Adhesives, Caulks, and Sealants.** Paints, primers, adhesives, caulks, and sealants shall comply with Federal regulations applicable to low VOC requirements.
- **Minimum Bathroom Accessories:**
  - Towel bar(s) within reach of lavatory and tub/shower.
  - Toilet paper holder.
  - Shower curtain rod (if applicable).
  - Mirror.
  - Cabinet with drawers, shelf space, or medicine storage cabinet.
- **Carpeting.** Carpets shall be 100% nylon or nylon/olefin blend.
- **Resilient Flooring.** 1/8-inch vinyl composition tile with color and pattern full thickness, LVT, sheet vinyl, linoleum flooring, tile flooring, bamboo, wood, or polished concrete.
- **Resilient Flooring for Bathrooms.** LVT, sheet vinyl, linoleum flooring, or tile flooring.
- **Durable Window Sills.** All window sills/ledges shall be composed of moisture-resistant materials, such as plastic laminate, molded plastic, cultured marble, etc. Projects with Historic tax credits may provide wood sills if they are specifically required by the State Historic Preservation Office (SHPO).
- **Window Covering.** Window coverings are required. A spring-loaded type window shade is not an approved covering.

- **Energy Requirements.**

- **Heating and Air Conditioning.** All Units shall be heated and air conditioned. Air conditioning equipment shall be at least 13 SEER (14.5 SEER and 9.50 HSPF for electric heat pumps) and use R-410a refrigerant that is charged according to manufacturer specifications. Thru-wall A/C units, when used in conjunction with fluid based radiant heat systems, shall be at least 9.8 EER or 9.7 CEER, otherwise they shall be 10.7 EER or 10.6 CEER. Heating equipment shall be at least 95 AFUE for furnaces and 90 AFUE for boilers. Window units are not allowed. Electric resistance heating is not allowed as the primary heating source for new construction or adaptive reuse and must be approved at time of application if proposed for an Acquisition/Rehab or rehab project. AC sleeves shall be provided with a tight-fitting, insulated cover for thru wall AC units. Winter covers shall be provided for each AC unit.

IFA may approve existing projects with electric resistance heating prior to Application submittal.

- **Water Heaters.**

- In-unit water heaters that have a minimum energy factor (EF) of 0.61 for tank-type gas, 0.93 for tank-type electric, or 0.96 for tankless water heaters.
- Central water heaters (serving entire building) – with a 90% Thermal Efficiency rating or minimum 95% efficient thermal water storage tanks coupled to a better than 90 AFUE boiler.

### 14.3 MINIMUM DEVELOPMENT CHARACTERISTICS – NEW CONSTRUCTION AND ADAPTIVE REUSE.

New Construction and Adaptive Reuse Construction must use the following additional minimum development characteristics:

- **Closets.** Each bedroom shall have a closet (2 foot x 5 foot minimum) with a door. The minimum complement of closets per Unit include: 1 linen closet or cabinet 1.5 foot x 2 foot minimum and 1 coat closet 2 foot x 3 foot minimum.
- **Laundry.** Each Unit must have an enclosed washer and dryer (accessible if applicable), and the dryer vented to the building exterior.
- **Unit Bathrooms.** Three or more bedroom Units in new construction and Adaptive Reuse Projects shall have at least 1 full bathroom and 1 three-quarter bathroom.
- **Minimum Unit Net Square Footage.**

Unit Type	Minimum Unit Net Square Footage
Efficiency	450
1 Bedroom	625
2 Bedroom	800
3 Bedroom	1,000
4 Bedroom	1,175

Unit net square footage for each room is measured face-to-face of the outside wall. IFA may approve smaller Units in Adaptive Reuse Projects prior to Application.

- **Energy Requirements.** In addition to meeting Iowa State Code and the IECC, the Project shall meet or exceed prescriptive standards for Multi Family New Construction (MFNC) or prescriptive standards for Energy Star Certified Homes (except where those requirements have been reduced herein) and receive a Home Energy Rating Systems (HERS) Index of 70 or less from a certified rater in Iowa. A home energy rating performed by a certified HERS rater is required on each building after it is completed to verify that actual construction meets the above listed requirements. Five Units with different floor plans and orientations for complexes of less than 50 Units and 10% of Units, up to a maximum of 10 Units in complexes of 50 or more Units shall be rated. The contract for the determination of the HERS index shall be between the certified rater and the Ownership Entity.

**14.4 MINIMUM DEVELOPMENT CHARACTERISTICS – ACQUISITION/REHAB.** Rehabilitation Construction shall use the following additional minimum development characteristics:

- **Scope of Work.** The Scope of Work shall, at a minimum, include work on the following as indicated in the CNA:
  - Making common areas accessible, creating or improving sidewalks, installing new roof shingles, adding gutters, sealing brick veneers, applying exterior paint or siding, and re-surfacing or re-paving parking areas.
  - Improving site and exterior dwelling lighting with Energy Star qualified lighting fixtures, landscaping/fencing, and durable siding.
  - Using energy-efficient related Energy Star labeled products to replace inferior ones, including insulated windows.
  - Improving heating and cooling Units, plumbing fixtures and water heaters, toilets, sinks, faucets, and tub/shower Units to meet minimum efficiency standards for new construction.
  - Improving quality of interior conditions and fixtures, including carpet, vinyl, interior doors, painting, drywall repairs, cabinets, Energy Star appliances, Energy Star light fixtures, and window coverings to meet minimum efficiency standards for new construction.
  - Upgrading electrical circuits to have GFCI outlets at kitchens, baths, laundries, and other applicable locations.
  - Upgrading all interior lighting to compact fluorescent and/or LED.
- **Resident/Community Laundry.** A common laundry room facility located on site with a minimum of 1 washer/dryer to serve each 12 Units. An Applicant may provide a washer and dryer in each Unit in lieu of a common laundry room facility.
- **Smoke Detectors.** Replace all smoke detectors, and these shall have a 10 year battery if not hard wired.

## **SECTION 15. BUILDING STANDARDS.**

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Preliminary site plan and floor plans are to be submitted with the Application to IFA. The Applicant shall meet local, state, and federal standards that apply to the Project.

- 2015 International Building Code adopted and published by the International Code Council.
- 2015 International Existing Building Code adopted and published by the International Code Council.
- 2015 International Residential Code adopted and published by the International Code Council (excepting paragraphs R313.1 and R313.2; sprinklers are not required in single family or townhomes separated by 2 hr. fire walls).
- 2015 International Fire Code adopted and published by the International Code Council.
- 2015 International Mechanical Code adopted and published by the International Code Council.
- 2012 Uniform Plumbing Code adopted by the International Association of Plumbing and Mechanical Officials.
- 2014 National Electric Code adopted by the National Electrical Code Committee and published by the National Fire Protection Association, Inc.
- 2015 International Energy Conservation Code adopted by the International Code Council.
- Iowa Administrative Code, including but not limited to the following Chapters: 300 (Administration), 301 (General Provisions), 302 (Accessibility of Building), 303 (Energy Conservation), 350 (State Historic Building), and 25 (State Plumbing Code).
- Uniform Federal Accessibility Standards provided in 24 CFR Part 8 and delineated in the American National Standards Institute Standard 2007 A117.1.
- The Americans with Disabilities Act 1990 provided by the Federal Department of Justice. All publicly accessible areas must meet the accessibility requirements of this Act. ADA design requirements do not apply to residential units, but do apply to public accommodations.
- The Federal Fair Housing Act of 1988 – all buildings with 4 or more units must comply with this Act and the Fair Housing Design Standards. Applies to ground floor Units or all Units in an elevator building.
- The Federal Fair Housing Act of 1988 Title VI of the Civil Rights Act of 1964, Section 109 of the Housing and Community Development Act of 1974, Title VIII of the Civil Rights Act of 1968, Section 3 of the Housing and Urban Development Act of 1968, and Executive Order 11063.
- For Adaptive Reuse/Rehabilitation, the Lead Base Paint Poisoning Prevention Act, the Department of Housing and Urban Development (HUD) Guidelines for the Evaluation and Control of Lead Based Paint Hazards, Environmental Protection Administration (EPA) and Occupational Safety and Health Act (OSHA) provisions shall apply when applicable.
- For Adaptive Reuse/Rehabilitation, if applicable, State Historic Preservation Office (SHPO) clearance Section 106 of the National Historic Preservation Act, 36 CFR Part 800 for Projects receiving any direct federal funding (HOME or categorical grant) or affecting properties listed in the National Register of Historic Places, or in a designated historic preservation district or zone.

**PART D –  
GLOSSARY OF  
TERMS**



The following capitalized terms shall have the meanings set forth herein unless context clearly requires a different meaning.

**Affiliates:** Any Person or Entity who (i) directly or indirectly through one or more intermediaries controls, is controlled by, or is under common control with the Applicant; or (ii) owns or controls any outstanding voting securities, partnership interests, membership interests, or other ownership interests of the Applicant; or (iii) is an officer, director, guarantor, employee, agent, partner, member, manager, or shareholder of the Applicant; or (iv) has an officer, director, member, manager, guarantor, employee, agent, partner, or shareholder who is also an officer, director, member, manager, employee, agent, partner, or shareholder of the Applicant; or (v) is a consultant of the Applicant.

**Applicant:** The Ownership Entity, Developer, General Partner, or Affiliate as shown in the Application.

**Area Median Gross Income (AMI):** The most current tenant income requirements published by HUD pursuant to the qualified Low-Income Housing Project requirements of IRC Section 42(g).

**Carryover Allocation Agreement:** The document that contains the Ownership Entity's election statements for an allocation of Tax Credit Reservations by IFA pursuant to IRC Section 42(h)(1)(E) and Treasury Regulations, Section 1.42-6.

**Disability:** At least one of the following criteria: (1) has a physical, mental, or emotional impairment that is expected to be of long-continued and indefinite duration, substantially impedes the person's ability to live independently, and is of a nature that such ability could be improved by more suitable housing conditions; or (2) has a developmental disability, defined as a severe chronic disability that is attributable to a mental or physical impairment or combination of mental and physical impairments, is manifested before the person attains age 22, is likely to continue indefinitely, results in substantial functional limitation in 3 or more of the following areas of major life activity: self-care, receptive and expressive language, learning, mobility, self-direction, capacity for independent living, and economic self-sufficiency; and that reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are of lifelong or extended duration and are individually planned and coordinated.

**Eligible Basis:** The Project costs allowable under Section 42(d) that are used to calculate the maximum Tax Credits.

**Entity:** Any general partnership, limited partnership, corporation, joint venture, trust, limited liability company, limited liability partnership, business trust, cooperative, or other business association.

**Family Project:** General occupancy project with no age restrictions.

**Identity of Interest:** A financial, familial, or business relationship that permits less than an arm's-length transaction. No matter how many transactions are made subsequently between persons, corporations, or trusts controlled by the Ownership Entity/Developer, these subsequent transactions shall not be considered "arm's-length". Identity of Interest includes but is not limited to the following: the existence of a reimbursement program or exchange of funds; common financial interests; common officers, directors, or stockholders; family relationships among the officers, directors, or stockholders; the Entity is controlled by the same group of corporations; a partnership and each of its partners; a limited liability company and each of its members; or an S Corporation and each of its shareholders. Failure to disclose an Identity of Interest is an unsatisfactory performance issue with IFA and may deem the party ineligible for future rounds.

**Low-Income Unit:** Any residential rental Unit that is rent-restricted and the occupant's income meets the limitations applicable as required for a qualified low-income housing Project.

**Older Persons/Senior Housing:** Housing that meets the Fair Housing Act definition of housing for older persons and is exempt from the law's familial status requirements provided that: (1) HUD has determined that the dwelling is specifically designed for and occupied by elderly persons under a federal or state government program; (2) it is occupied solely by persons who are 62 or older; or (3) it houses at least 1 person who is 55 years or older in at least eighty percent (80%) of the occupied Units, and adheres to a policy that demonstrates intent to house persons who are 55 years old or older.

**Owner Representative:** The General Partner(s)/Managing Member(s) of the Ownership Entity.

**Project:** A low-income rental housing Property the Applicant of which represents that it is or will be a qualified low-income housing Project within the meaning of IRC Section 42(g). With regard to this definition, the Project is that Property which is the basis for the Application.

**Property:** The real estate and all improvements thereon which are the subject of the Application, including all items of personal Property affixed or related thereto, whether currently existing or proposed to be built thereon in connection with the Application.

**Radon System (Sub-Slab Depressurization System):** Radon-resistant features below the building slab along with vertical vent pipe(s) with junction box(es) following requirements in ASTM E2121-13 Standard Practice for Installing Radon Mitigation Systems in Existing Low Rise Residential Buildings and ASTM E1465 – 08a Standard Practice for Radon Control Options for the Design and Construction of New Low-Rise Residential Buildings. Find other technical guidance at [www.epa.gov/iaq/radon/pubs/index.html](http://www.epa.gov/iaq/radon/pubs/index.html).

**ROSE Program:** A Renter to Ownership Savings Equity (ROSE) Program. For further explanation, refer to Appendix K – ROSE Requirements – Exhibit A.

**Rural:** Any city or county located in this state, except those located wholly within 1 or more of the 11 most populous counties in the state, as determined by the most recent population estimates issued by the United States Census Bureau. Iowa Data Center - Population Estimates

**Senior Center:** A community-based, federally funded program that provides a variety of services that may include social activities, nutrition, and educational and recreational opportunities for older adults.

**Single-Room Occupancy (SRO) Housing:** Housing consisting of single-room dwelling Units that is the primary residence of its occupant or occupants. Per Iowa Code 42(i)(3)(B)(iii), all SRO Units shall have kitchen and bathroom facilities within the Unit and used other than on a transient basis.

**State Issued Notice of Noncompliance:** A notice that identifies noncompliance issues (that existed at the Property during a physical inspection or file review) with the LURA, the Carryover Agreement, the Application, etc. that are not reported to the IRS via IRS Form 8823, throughout the Compliance Period and the Extended Use Period.

**Tax Credits:** The Low-Income Housing Tax Credits issued pursuant to the program, IRC Section 42 and Iowa Code Section 16.35.

**Tax Credit Reservation:** With respect to a Project or a building within a Project, the amount of Tax Credits IFA awards to an Ownership Entity.

**Tax Credit Reservation Date:** The date that the notice of Tax Credit Reservation was emailed to an approved Applicant.

**Unit:** A room or a group of related rooms designed for use as a dwelling for which rent is paid. A Unit contains sleeping accommodations, a kitchen, and a bathroom.

Gas, electricity, water, and sewer service.



IOWA FINANCE  
AUTHORITY

**Iowa Finance Authority**

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[housingtaxcredits@iowafinance.com](mailto:housingtaxcredits@iowafinance.com)

To: Iowa Finance Authority Board of Directors

From: Derek Folden, LIHTC Manager

Date: August 31, 2022

Re: 21-33 The Reserves at Hawkeye - Waiver of Nonrefundable Fee

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**Background:** The Reserves at Hawkeye was awarded a reservation of housing tax credits in 2021 and paid the \$84,000 reservation fee. The developer decided not to proceed with the project and has returned the 9% credits.

Section 3.8 of the 2021 9% QAP states that all fees are nonrefundable.

**Recommendation:** Staff recommends waiving the nonrefundable fee requirement and refunding the \$84,000 reservation fee.

**RESOLUTION  
HI 22-10**

WHEREAS, the Iowa Finance Authority (the “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, as amended, works to create, protect and preserve affordable housing for low and moderate income families in the State of Iowa; and

WHEREAS, in 2021, the Authority awarded 9% low-income housing tax credits to OPG Hawkeye Partners, LLC (the “Owner”) for the new construction of affordable housing in Boone, Iowa known as The Reserves at Hawkeye (21-33) (the “Project”); and

WHEREAS, the Owner has agreed to return the 9% low income housing tax credits due to funding and timing issues; and

WHEREAS, the 2020-2021 Low Income Housing Tax Credit Qualified Allocation Plan for nine percent tax credits states that all fees are nonrefundable; and

WHEREAS, The Owner desires to have its reservation fee of \$84,000.00 returned.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Authority to return the reservation fee of \$84,000.00 to the Owner.

SECTION 2. The provisions of this Resolution are declared to be separable, and if any section, phrase, line item, or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, line items, and provisions.

SECTION 3. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED this \_\_\_\_\_ day of August 2023.

\_\_\_\_\_  
Michel Nelson, Board Chair

(Seal)

ATTEST:

\_\_\_\_\_  
Deborah Durham, Secretary

To: Iowa Finance Authority Board of Directors

From: Derek Folden, LIHTC Manager

Date: August 31, 2022

Re: 21-06 Stella Ridge - Waiver of Nonrefundable Fee

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**Background:** Stella Ridge was awarded a reservation of housing tax credits in 2021 and paid the \$84,000 reservation fee. The developer decided not to proceed with the project and has returned the 9% credits.

Section 3.8 of the 2021 9% QAP states that all fees are nonrefundable.

**Recommendation:** Staff recommends waiving the nonrefundable fee requirement and refunding the \$84,000 reservation fee.



**RESOLUTION  
HI 22-11**

WHEREAS, the Iowa Finance Authority (the “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, as amended, works to create, protect and preserve affordable housing for low and moderate income families in the State of Iowa; and

WHEREAS, in 2021, the Authority awarded 9% low-income housing tax credits to 11<sup>th</sup> Avenue Apartments I, LLLP (the “Owner”) for the new construction of affordable housing in Grinnell, Iowa known as Stella Ridge (21-06) (the “Project”); and

WHEREAS, the Owner has agreed to return the 9% low income housing tax credits due to funding and timing issues; and

WHEREAS, the 2020-2021 Low Income Housing Tax Credit Qualified Allocation Plan for nine percent tax credits states that all fees are nonrefundable; and

WHEREAS, The Owner desires to have its reservation fee of \$84,000.00 returned.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Authority to return the reservation fee of \$84,000.00 to the Owner.

SECTION 2. The provisions of this Resolution are declared to be separable, and if any section, phrase, line item, or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, line items, and provisions.

SECTION 3. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED this \_\_\_\_\_ day of August 2023.

\_\_\_\_\_  
Michel Nelson, Board Chair

(Seal)

ATTEST:

\_\_\_\_\_  
Deborah Durham, Secretary

To: Iowa Finance Authority Board of Directors

From: Kristin Hanks-Bents, Legislative Liaison and Counsel

Date: August 23, 2022

Re: Notice of Intended Action to Amend 265—Chapters 12

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**Reason for the rule making:** Pursuant to Iowa Code section 16.35, IFA has adopted rules which govern the allocation process and applications for the award of tax credits. These rules function by incorporating the QAP by reference. Over the summer, IFA staff has worked with stakeholders to draft a new 9% Qualified Allocation Plan for 2023 (2023 QAP). In order to ensure the rules properly incorporate the 2023 QAP, the Board of Directors must amend 265 Iowa Administrative Code chapter 12.

**Summary of proposed amendments to rules:** Staff proposes amending subrule 265-12.1(2) by changing the year of the QAP and the date and removing references to the first amended 9% QAP that was in effect as of February 2021. Staff proposes amending subrule 265-12.2(2) by changing the dates referenced in the rules and removing references to the first amended QAP.

**Staff recommendation:** Staff recommends the Board approve the filing of a Notice of Intended Action to amend chapter 265-12 as set forth in the attached rule making.

**Proposed Motion:** Move to approve the filing of a Notice of Intended Action to amend chapter 265-12 as proposed.

CHAPTER 12  
LOW-INCOME HOUSING TAX CREDITS

**265—12.1(16) Qualified allocation plans.**

**12.1(2) *Nine percent qualified allocation plan.*** The qualified allocation plan titled Iowa Finance Authority Low-Income Housing Tax Credit Program 2023 9% Qualified Allocation Plan (“9% QAP”) shall be the qualified allocation plan for the allocation of 9 percent low-income housing tax credits consistent with IRC Section 42 and the applicable Treasury regulations and Iowa Code section 16.35. The 9% QAP is incorporated by reference pursuant to Iowa Code section 17A.6 and 265—subrules 17.4(2) and 17.12(2). The 9% QAP does not include any amendments or editions created subsequent to August 31, 2022.

**265—12.2(16) Location of copies of the plans.**

**12.2(2) *9% QAP.*** The 9% QAP can be reviewed and copied in its entirety on the authority’s website at [www.iowafinance.com](http://www.iowafinance.com). Copies of the 9% QAP, the application, and all related attachments and exhibits shall be deposited with the administrative rules coordinator and at the state law library and shall be available on the authority’s website. The 9% QAP incorporates by reference IRC Section 42 and the regulations in effect as of August 31, 2022. Additionally, the 9% QAP incorporates by reference Iowa Code section 16.35. These documents are available from the state law library, and information about these statutes, regulations and rules is on the authority’s website.