
2025 — 9% APPLICATION TRAINING GUIDE

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A. DISCLAIMER

This document provides an overview of the LIHTC online Application and is not all-inclusive or a complete re-iteration of all QAP requirements. Updates to this guide will be available on the current funding round's webpage. Should an inconsistency exist between the QAP and this document, the QAP shall prevail.

B. PUBLIC INFORMATION AND CONFIDENTIAL REQUESTS

- a. **Public Information Request.** Public information requests should be emailed to publicrecords@iowafinance.com following IFA Board approval of the 9% award or after issuance of a Section 42M letter for 4% tax-exempt bond financed LIHTC Projects. Refer to Public Records Policy on the IFA website.
 - It is IFA's standard practice to provide records reviewer access only to the application itself and not to any of the associated exhibits. If the requestor would like to see specific exhibits listed in the Exhibits Checklist on the Exhibits Tab, a subsequent email shall be sent to the email listed above specifying the exhibits.
- b. **Confidentiality Request.** An Applicant wishing to request confidential treatment of any information in the Application must contact Tim Greenwood, Legal Counsel, at 515-452-0435 to discuss the request and then email Exhibit 15T to Tim.Greenwood@iowafinance.com at **least 15 business days prior to February 19, 2025**. A request made earlier will be accepted. Please refer to QAP Part A, Section 2.7 A – Confidential Request.
- c. For a confidentiality request, check the box at the top of the Exhibits Tab in the application and upload Exhibit 15T submitted to Tim Greenwood as well as the applicable IFA-approved redacted exhibit(s).

C. QUALIFIED SERVICE PROVIDER REQUEST

1. On the Qualified Development Team Tab, add new team member – Qualified Service Provider.
2. Enter all required information and upload completed Exhibit 1HSA on the Exhibits Tab.
3. On the QDT Tab – Qualified Service Provider, select “submit” on the bottom of the tab to request approval. **Submission period is February 1, 2025 through February 12, 2025.**

D. COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (“CHDO”) Certification

Nonprofit entities requesting CHDO certification, please refer to HOME Appendix P. Questions may be submitted to the housingtaxcredits@iowafinance.com email address or by contacting Carol.Wells@iowafinance.com.

- Answer the question on the Project Description if requesting CHDO certification, add team member type – CHDO on the QDT Tab and complete. Upload H-26 and H-27 on the Exhibits Tab.
- Please be advised if the nonprofit is not approved for CHDO certifications, the Project may not meet threshold due to the different requirements for HOME CHDO and HOME.

Examples:

- ✓ If the Project is located in a HOME PJ that received HOME funds, a CHDO is not required to have City HOME funds listed in the application as a funding source; however, a non-CHDO requesting State HOME is required to. An Exhibit 6Ta is required for the City HOME funds.
- ✓ A nonprofit requesting certification as a CHDO may request more than \$500,000 in State HOME; however, a non-CHDO may not. If the CHDO certification is not approved, a funding gap may exist.

E. AUTHORIZED USERS

1. **Username.** All users must have their own username. Username requests shall be submitted through the online Application by selecting “request one” for IFA approval.
 - Username and passwords are not to be shared.

- Enter the name of the political jurisdiction, address, city, zip code, and phone number of the political jurisdiction(s) and CEO's contact information where the project will be located. Ensure the email address is correct. More than one jurisdiction can be entered for a Scattered Site project if applicable.
- This information allows IFA to email the notification to the Chief Executive Officer of the local jurisdiction as required by the Code.

2. Project Description.

Project Type. Select New Construction, Rehab, Acquisition/Rehab, or Adaptive Reuse or a combination thereof.

Scattered Site. Answer the question.

- All sites must be located within the same county and have the same occupancy type.

National Housing Trust Fund. Check the box if NHTF funding is requested. Be sure to add this as a funding source on the Funding Sources Tab as well. When entering units on the Buildings Tab, check the box for NHTF to designate the unit as a NHTF unit at 30% AMI (NHTF rent limit). Refer to NHTF Appendix A for the requirements.

State HOME. Check the box for State HOME funding request.

- If the Project is in a city that is a HOME participating jurisdiction, to be eligible for State HOME, the city must provide city HOME funds to the project as well, except for projects that will have an IFA-certified CHDO. Enter City HOME as a funding source type on the Funding Sources Tab.
- Projects who obtain an IFA-certified CHDO as part of their project application are not restricted to \$500,000 for State HOME; all other projects are restricted to the \$500,000 maximum State HOME.
- All HOME exhibits are required to be uploaded on the Exhibits Tab and all HOME related tabs completed in the application.

CHDO Certification. If requesting CHDO Certification, check the box and upload Exhibits H-25 and H-26 on the Exhibits Tab and enter CHDO as a team member on the QDT Tab. Please refer to D. Community Housing Development Organization above.

Set-Asides.

- Check the box for each set-aside request.
- If Nonprofit Set-Aside is requested, complete the Nonprofit Set-Aside Tab and upload Exhibits 1SA-5SA. Refer to Appendix N – Exhibits Checklist.

Credit Percentage. This will auto-fill based upon the project type entered.

Minimum Set-Aside Election.

- Select one of the three options. (Average Income Test is not available to Scattered Site Projects.)
- If Average Income Test is selected and Applicant wants to elect the tax credit underwriting to the Tax Credit Cap be based on 6%, check the box. Refer to Financial Feasibility Test and Costs and Credit Calc. Tab.
- If points requested for 30% of the units at 40% AMI or less, points are calculated by the Application based on the number of units entered on the buildings tab and the AMI%

Occupancy Type. Select the occupancy type from the drop down.

ROSE Program.

(Not available if Project elects points for Permanent Supportive Housing)

- Check the box if the project be a Renter to Ownership Savings Equity (ROSE) Program Project. Refer to Appendix M – Iowa Rose Program.
- Upload Exhibit 19T on the Exhibits Tab.

Transitional Housing.

(Not Available if Project is providing permanent supportive services)

- Answer the question. If yes, upload Exhibit 13T on the Exhibits Tab. Exhibit 13T must include information on how a non-profit or governmental entity will work to transition tenants to permanent housing within 24 months and provide details on the supportive service programs.
 - ✓ A transitional housing unit shall contain sleeping accommodations, kitchen and bathroom facilities and be in a building that is: 1) Used exclusively to facilitate the transition of homeless individuals to independent living within 24 months (within the meaning of section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302). 2) In which a governmental entity or qualified nonprofit organization provides such individuals with temporary housing and supportive services designed to assist such individuals in locating and retaining permanent housing. 3) A transitional housing unit can be rented on a month-to-month basis and not be considered transient.

Permanent Supportive Housing. Answer question as to whether the Project will be providing permanent supportive housing (homeless). A “yes” will indicate requesting points under QAP Section 6.1.(C) Projects Providing Permanent Supportive Housing.

- Only Applicants that have an approved Qualified Service Provider (“QSP”) can make this election. A QSP is project-specific and approval must be made through the Application. An approval for a QSP for one application does not automatically qualify that QSP for any other project.
- To qualify for the Basis Boost under Section 5.3 Projects Providing Permanent Supportive Housing, at least 10% of the Units must be permanent supportive housing under Section 6.1 (C) or 15% of the Units must be permanent supportive housing under Section 6.1 (C) for a 15% boost.

Projects providing permanent supportive housing:

- Each project must submit a qualified service provider request as this is project specific and an approval for one project does not count as an approval for any other project.
- Enter the qualified service provider information on the Qualified Development Team Tab, upload Exhibit 1HSA on the Exhibits Tab and submit the request for approval of the qualified service provider between February 1 – February 12, 2025. The request submission button is on the Qualified Development Team Tab – Qualified Service Provider.
- When entering Units, indicate the number of Units that will be set-aside for persons experiencing homelessness.
- If project-based vouchers or the permanent supportive housing provider will be providing rental assistance for these units, enter a rent amount; otherwise, \$0.
- Once IFA has approved a project’s qualified service provider, select the approved qualified service provider name in the drop down on the qualified service provider tab and save.
- Refer to Appendix D – Permanent Supportive Housing.

Rental Assistance.

- Federal Project Based Rental Assistance Contract.** To qualify for points under this scoring category, the following must apply:
 - Project with a Federal project-based rental assistance contract with HUD or RD must be a non-profit organization.
 - Upload Exhibit 7T/7S (Release of Information).

- Answer yes and complete the required information. Points will not appear on Scoring Tab until all units are entered on the Buildings Tab.
 - Enter the number of units covered under the contract, the subsidy source and check the box for the applicable type of rental assistance contract the project is funded under. If Rural Development (RD), enter the loan number.
 - If a HUD contract, enter the contract number(s) on the Buildings Tab and if the current federal project-based rent exceeds the LIHTC Rent limit, check the box on the Buildings Tab to exceed the rent limit. The rent and utility allowance entry on the Buildings Tab must match the current HUD or RD rent schedule.
- b. Project-based voucher from local Public Housing Authority (PHA).** To request points, answer yes, complete the required information, upload Exhibit 2S on the Exhibits Tab.
- Answer yes if the local PHA has committed project-based vouchers to the project for at least a period of 10-years.
 - Enter the number of project-based vouchers and the number of years the PHA has committed to providing these vouchers to the project.

Transfer of Physical Assets. Answer questions on Transfer of Physical Assets as applicable.

Great Places.

Check the box if Project qualifies for Great Places. This is not a scoring category, but a tie-breaker criteria.

Community Service Facility.

- Answer yes or no as to whether the project will include a Community Service Facility.
- If yes, enter explanation about the services.
- Answer question regarding fees and enter amount, if applicable.
- Enter costs on the Costs and Credit Calc. Tab and identify the building that contains this facility.
- Upload Exhibit 18T on the Exhibits Tab.

3. Nonprofit Set-Aside.

- Enter information into the tab and save. Information on this tab must be consistent with information entered on the Qualified Development Team Tab for the nonprofit and/or its wholly owned subsidiary.
- Upload Exhibits 1SA, 2SA, 3SA, 4SA, and 5SA on the Exhibits Tab. If State HOME funds requested, upload Exhibit H-9 on the Exhibits Tab.

4. Site Description.

- a. Current Property Use Description.** Enter detailed description of the current use of the property, all adjacent property land uses, and surrounding neighborhoods in the description box provided at the top of the page.
- The description will auto-fill into the Exhibit 7B when generated on the Exhibits Tab.
- b. Prior Building(s) Use.** (*Adaptive Reuse Projects*)
Adaptive Reuse Projects must enter the current and prior use of the building.
- c. Site Requirements.**
Answer the question on whether the entire Project is in an incorporated city as of the date of Application submission.
- d. Access to Utilities.**
- Check the boxes identifying the utilities available at the site and with adequate capacity. Note – if any utilities require upgrades do not check the box, but rather enter the explanation and then “yes” on the upgrade box.

- Enter explanation if all utilities are not available at the site(s) and with adequate capacity.
- Answer the question whether extensions beyond normal connections required.
- Answer question on whether utility upgrades required to serve the project.
- If upgrades are required, answer question on whether the upgrade costs are included in the Scope of Work for this project.

e. Access to Paved Roads.

- Answer question on whether project has direct contiguous access to a public paved road.
 - ✓ If no, enter explanation and information on road extension.
 - ✓ If yes, answer question on whether an extension of a public paved road is required. If yes, answer the following questions:
 - a) Is the extension de minimis or more than de minimis?
 - b) Will the cost of this extension be included in the Project Costs? (Only de minimis extension costs may be included in Project Costs).
 - c) Enter explanation if costs are not included in Project Costs.

f. Demolition. If demolition of any building is required or planned, answer yes, and enter a description of the demolition plan.

g. Relocation. (Projects with Existing Buildings)

- Answer the question. If yes, enter relocation information and save.
- Relocation budget amount entered must match the amount entered on the Costs and Credit Calc. Tab.
- If State Home requested, upload Exhibit H-17 on the Exhibits Tab.

h. Site Characteristics.

- Check all boxes that are true for any portion of the project site(s) and adjoining sites, enter explanation(s), and upload Exhibits 6B(a), 6(B)(b) and 6(B)(c) on the Exhibits Tab.
- If State HOME funds requested, answer the Noise Sensitive Condition questions and upload Exhibit H-22 Noise Abatement and Control, H-34 Site Neighborhood Standards, and Exhibit H-24 – FEMA FIRMETTE map of each site on the Exhibits Tab.

i. Zoning.

- Answer the question. Information shall match the city's completed Exhibit 7B, as well as any other exhibit submitted.

j. Legal Description. This field is required in the Carryover-Ten Percent (10%) Application. Enter the complete legal description of the real estate encompassing the proposed project. The legal description entered shall match the legal description in the warranty deed/recorded long term lease and Iowa Title Guaranty documents.

5. Site Control.

- Answer the question yes or no for Identity of Interest between seller of the real estate for the Project and the Applicant. If yes, an appraisal is required; however, if there's a valid reason why an appraisal is not necessary (\$1 selling price or donated land), email housingtaxcredits@iowafinance.com to request a waiver. If the waiver is approved, upload the email as Exhibit 2B; otherwise, an appraisal is required and uploaded as Exhibit 2B on the Exhibits Tab.
- Enter the entity name that has site control for the project (may be the Ownership Entity if already formed, the Developer, General Partner, or Affiliate (must be listed on the Qualified Development Team Tab).

- Answer the questions on whether the Ownership Entity has sole fee simple title to the property.
- If no to sole fee simple title, answer the questions regarding option to lease or executed lease and if there are more than one.
- Answer the questions on the city parking requirements.
- Upload Exhibit 1B on the Exhibits Tab.

a. Options to Purchase/Purchase Contract and/or Options to Lease/Executed Lease.

The option or purchase contract must not include more acreage than required for the proposed Project. Excess land/acreage is not permitted.

- The Applicant must have an executed and exclusive purchase option or contract with the fee simple owner of the property, not with a third party that holds a purchase option or contract with the fee simple owner. Same applies to lease or option on a lease.

If the Ownership Entity does not have sole fee simple title and there is an Option to Purchase or Purchase Contract, select “Add Option to Purchase or Purchase Contract” and complete the following:

Name of Seller(s)/Optionor(s):

Date Seller/Optionor obtained ownership of the real estate:

Will or has an Identity of Interest with the Applicant?

If yes to Identity of Interest, explain relationship:

Purchase Price:

Option/Contract End Date (valid to date)

Acreage

b. Leasehold Interest - Option to Lease. If the Ownership Entity does not have sole fee simple title for the entire property and there is an Option to Lease, check the box Leasehold Interest – Option(s) to Lease. Select “Add an Option to Lease” and complete the following:

Name of Optionor:

Date Optionor obtained ownership of the real estate:

Will or has an Identity of Interest with the Applicant?

If yes to Identity of Interest, explain relationship:

Is Option for parking spaces or land for parking spaces?

If Optionor is a city, has city approved action by the City to enter into the Option to Lease through City Resolution?

Option End Date:

Acreage

c. Leasehold Interest – Executed Lease(s). If the Ownership Entity does not have sole fee simple title for the entire property and has an executed lease for all or a portion of the property, check the box Leasehold Interest – Executed Lease(s). Select “Add an Executed Lease” and complete the following:

Name of Lessor:

Date Lessor obtained ownership of the real estate:

Will or has an Identity of Interest with the Applicant?

If yes to Identity of Interest, explain relationship:

Lease Start Date:

Lease End Date:

Acreage

d. Low-Income Housing Credit for Existing Building.

(Required when acquisition credits are requested)

- Answer the question as to whether the building(s) has been previously placed in service by the Ownership Entity listed in the Application. If answer is yes, the project does not qualify for acquisition credits.
- Answer the following question: Will or has the Applicant acquired the real estate from a seller who is/was a related person.
- If yes, enter the percent of ownership interest (direct or indirect) in the Ownership Entity and the percent of ownership interest (direct or indirect) in the seller. Please consult with tax attorney on eligibility for acquisition credits if the transaction involves related parties.
- Upload Exhibit 8T to the Exhibits Tab.

e. Existing Buildings – Section 42(d)(2)(8) “TEN-YEAR RULE”.

This section will appear based on entries in the Application for Projects requesting acquisition credits. If the number of years between the date the Ownership Entity (taxpayer) of the LIHTC Project and the date the current owner placed-in-service is less than ten years, enter explanation supported by the Internal Revenue Code explaining why taxpayer is eligible for tax credits. Enter the Code reference.

- Upload Exhibit 8T to the Exhibits Tab if acquisition credits are requested. Exhibit 8T must not be modified from IFA’s template.

f. Reserves.

- Answer the question on whether cash from project reserve accounts will be transferred to the Ownership Entity with the acquisition of the project.
- If yes, enter amount and check the certification box.

g. Easements (Ingress/Egress).

- Answer the questions for ingress/egress access easements.

h. Vacation of a Public Right to Use. For each yes answer, enter an explanation.

6. Ownership Entity.

- Complete entire tab and upload all applicable 3T exhibits and HOME exhibits on the Exhibits Tab.
 - ✓ The entity type and status selected should match the applicable Ownership Entity’s 3T Exhibits.
 - ✓ The tax identification number entered for the Ownership Entity must match Exhibit 3Ta and Ownership Entity Components.
- a. Single-Asset Entity.** Answer the question on whether the Ownership Entity is a single-asset entity.
- b. Ownership Entity Components. (Required for all)**
 - Select, “Add Ownership Entity Component” and enter information on the General Partner/Managing Member and a limited partner and the percent of ownership. The percent of ownership will be shown on the Costs and Credit Calc Tab and used in the calculation of tax credits.
 - ✓ Entity names and the ownership percentages must match the Ownership Entity’s 3T exhibits and the General Partner(s)/Managing Member’s limited partnership agreement or operating agreement.
 - ✓ The tax Identification Number (“TIN”) for the General Partner(s)/Managing Member(s) must match entries made on the Qualified Development Team Tab for these entities.
 - ✓ The special limited partner must be added after closing with the syndicator or direct investor, if applicable, and the % of ownership interest.

c. **Authorized Signor(s).**

- Answer the question about the number of authorized signor(s) and enter information.
- The organizational documents should list authorized signors as listed in the application and the title should be reflected in the application as is in the operating agreement or partnership agreement.

8. **Qualified Development Team.**

- **Before generating Exhibit 1T on the Exhibits Tab, complete the entry of the entity names for the Developer, Ownership Entity (if already formed), the General Partner/Managing Member, Architect, development consultant (if applicable), and management company. The Application will pre-fill these entities into the Exhibit 1T form.**
 - Enter all team members by selecting, “Add New Team Member” and enter information into each team member tab. Refer to QAP Part A., Section 3.2 – Qualified Development Team.
 - If an entity will be in more than one team member role, enter the entity and save. Then select “Add New Team Member” and select “Copy From an Existing Team Member.”
 - If requesting CHDO certification, enter the CHDO as a separate team member and upload Exhibits H-26 and H-27 on the Exhibits Tab. IFA shall make the determination on the CHDO certification as part of the application review.
 - If one of the team member “titles” does not match the type of team member, list the entity as “other” and explain the role.
 - If State HOME funds requested, additional mandatory team members may be required (i.e., HOME Relocation Consultant, HOME Lead Safe Renovator).
- a. **Due Diligence Certification and Release.** The Tax Identification is required and the date entity formed is required is listed on the team member tab.
- b. **Experience Narrative.** Enter explanation regarding the experience when required for a team member (Developer/GP/MM, Member, Manager, 100% Shareholder).
- c. **Qualifying Entity.** The GP/MM of the Ownership Entity or the Developer, or affiliates thereof (only one) may be the qualifying entity.
- Answer the question yes or no to designate the qualifying entity.
 - Answer the questions, enter the required information, and upload the IRS Forms 8609 under LIHTC Experience and Performance.
- d. **Federal Housing Tax Credit Experience (non-qualifying entities).**
Answer the questions for LIHTC experience in Iowa and any state.
If receipt of a federal tax credit award in a state other than Iowa, provide the state information and whether an IRS Form 8609 has been issued in any of the states.
- e. **Performance (Developer and GP/MM).**
Answer the question on requesting and receiving a material change to a Tax Credit project after January 1, 2024, in Iowa.
- f. **Material Participation of a Qualified Nonprofit.**
Before making this election in the application, review the requirements set forth in QAP Part A, Section 1.2B Nonprofit Set-Aside.
Developer and/or General Partner/Managing Member or 100% shareholder of the GP/MM of the Ownership Entity:
- This section will appear if requesting the Nonprofit Set-Aside.
 - ✓ The type of ownership interest entered should match the Nonprofit Set-Aside Tab and as shown in Exhibit 3TF - Ownership Entity Organizational Chart.

- Site: Enter the type of parking and the number, and whether rent will be charged under the correct category – off-site and/or on-site (as applicable). If rent is charged, enter the amount.
- Project: Check the applicable amenities provided. Use “other” to list an amenity not listed. If the project has market rate units, enter the differences in the LIHTC and Market Rate Unit Amenities. If no market rate units, leave blank.

d. On-site Supportive Services.

If points are requested for Permanent Supportive Housing (homeless), enter the number of designated rooms/offices to provide supportive services and the net square footage(s). An on-site leasing office does not qualify as a room/office for on-site supportive services.

10. Scope of Work (Acquisition Rehabilitation, Rehab Projects Only).

Enter information for the Scope of Work.

11. Buildings.

a. Historic.

- Answer question on whether the building is on or eligible for the National Register of Historic Places. Documentation to support a “yes” answer must be provided.
- If yes, enter state and federal historic tax credits on the Funding Sources Tab and upload Exhibit 6Ta on the Exhibits Tab. Make sure no taxpayer identification number is included (remove prior to uploading).
- Make an election for the historic site appeal points on the Site Appeal Tab. Upload Exhibit 1S-16a if requesting points for having a National Park Service approved Part 2 application for the project.
- If the project has multiple buildings, enter which buildings are eligible for the National Register of Historic Places if not all buildings are eligible.

b. State Home. Answer the question on fixed or floating Units for HOME.

c. Tenant-Paid Utilities.

Select “Add New Tenant Paid Utility”, name the utility allowance, and make an election in the drop down for the source (HUSM, PHA, RD, or HUD (if Section 8)). Enter amounts by bedroom size for each tenant paid utility.

- ✓ The utility allowance must be assigned to each building on the Buildings Tab.
- ✓ If there are multiple building types or buildings and have different utility allowances, the assignment will be made by the name entered for the applicable tenant paid utility.
- ✓ Upload Exhibit 11T on the Exhibits Tab.
- ✓ Refer to Appendix N for acceptable documentation for tenant paid utility allowance.

d. Entry of Community Building.

- Select “Add New Building.”
- If a building will have no residential units but will be used for all residents in the project, check the first box on the Buildings Tab. Check if Building is Common Space only. This eliminates questions not required unless the building has residential units.

e. Entry of Residential Buildings.

For residential buildings, select “Add New Building.”

1) Address Information.

NOTE: If the project is located in Des Moines or West Des Moines and located within the boundaries identified in Appendix Q for thriving communities, Applicant must check the box on the Scoring Tab to request points, the Application will not automatically give points based on the project address being in Des Moines or West Des Moines since both cities have a specific targeted area for thriving communities.

- Try to use an approximate address. If not a current valid address the census tract will not populate into the application. The look-up verification for census tracts and congressional district requires a valid address. Type in the correct census tract in the census tract field and save if it does not automatically populate after entry of address. Do not use (0) for a census tract.
- Check the box “Primary Address” on the building in which you want to use for the primary address.
- Enter the address number, street name, city, and the correct nine-digit zip code. The “blue” zip code reference is a link to the United States Postal Service that will provide the complete nine-digit zip code. If a site does not have an assigned address number and/or street name, email IFA staff: housingtaxcredits@iowafinance.com, for approval to use an alternate primary address for the Google maps for the applicable Site Appeal scores.
- Upload Exhibit 16T to the Exhibits Tab if the entire project is in a QCT or DDA.

2) **Other Information.**

- Enter the number of stories.
- Enter the building type.
- Enter anticipated placed-in-service date.
- If existing building, enter date constructed.
- Enter the number of Units Accessible for Mobility Impairments and the number of Units with Accessible Communication Features in each building. The number must match the number of units entered as each accessibility type.
- For Type of Control, select correct type of control in the drop down and it should match the Site Control Tab and Exhibit 1B. Select the options/contracts that applies to the building. In cases where there are more than one option/contract, be sure to select the correct one for each building.

3) **Acquisition Information.** (If applicable)

- Enter the acquisition date, acquisition cost, rehabilitation cost, and date placed in service by previous owner.
- If the project has buildings that have been part of a prior or existing LIHTC Project, answer the questions and enter the Building Identification Number (BIN) previously assigned to the building.
- Enter information on the LURA and the minimum set-aside election shown in the LURA.
- If any building is part of an exhibit federal housing tax credit project, enter information about the start of the initial 15-year Compliance Period and whether the building has completed the 20th year of the Extended Use Period.

4) **Utilities Included in Rent.**

- Check the box for each utility included in rent.
- If the Project will be an Iowa Rose Program Project, all utilities must be paid by the tenant.

5) **Assignment of Heating, Cooling, and Water Heating to Building.**

Select the applicable name from the elections made on the Project Amenities Tab

6) **Tenant Paid Utilities.**

- In the drop-down, select the name of the tenant-paid utility that is to be assigned to the building. A PHA utility allowance should be shown as PHA and not HUD.
- Answer the question on additional charges that are mandatory charges required for tenancy. If yes, enter the amount and explanation of the mandatory charge. Mandatory charges shall be reflected in the gross rents.

- Answer the question on sub-metering and if yes, check the box to certify that in each sub-metered rent-restricted unit, utility costs will be billed and paid by tenants based on actual consumption and treated as paid directly by the tenant for purposes of Section 42(g)(2)(B)(ii) of the Internal Revenue Code.
- If HUSM is source for utility allowance, provide documentation to support the calculation in the Exhibit 11T. Refer to Appendix N.

7) Laundry

Enter the laundry type for the building. Note: NC and Adaptive Reuse must select In-Unit Laundry. If the building is acquired as part of an Acq/Rehab and in-unit laundry is not elected under Market Appeal, select common laundry and enter the number of washers and dryers per building.

8) Building Includes.

- If the building will have a Community Service Facility and is in a Qualified Census Tract (“QCT”), check the box and upload Exhibit 18T on the Exhibits Tab. (If yes, make sure the information on the community service facility has been completed on the Project Description Tab.)
- If the building will be an accessory building, check the box. If an accessory building, enter the cost on the applicable line on the Costs and Credit Calc Tab.
- If the building will have commercial space/facilities, check the box. Be sure the commercial space net square footage is entered under Square Footage.
- If there are other facilities, check the box.
- Check the box if the building has or will have an elevator and enter the number of elevators.

9) Main Entrance Area.

Select the applicable option for the building type.

10) Square Footage Information. Enter the net square footage for the common areas and any commercial space (if applicable) for each building and the gross square footage of the building.

- The residential square footage and the total net floor square footage will populate. (A Manager’s Unit is common space and not a residential unit).
- Plans shall show the net square footages of all units and rooms in each building and provide the overall gross square footage of each building.
- Net square footage entered must match the net square footage shown in the uploaded Exhibits 5B and 8B (plans).

11) Units.

- Select Add New Unit(s)
- Enter the number of units for the building by bedroom size, net square footage, AMI %, accessibility type, rent, new or rehab, etc. The utility allowance amount will auto-populate if a tenant-paid utility allowance has been entered and assigned to the building.
- Make sure the county and the census tract are showing at the top of the building tap otherwise you will not be able to enter rents and have a maximum gross LITHC rent to populate.

Example:

Number of Units:

of Bedrooms:

Baths:

Net Sq. Ft.:

AMI%:

Monthly Rent

Check if Unit is for Rent Reduction

Permanent Supportive Housing (Yes or No):

Accessibility Type

New Construction or Rehab (if applicable)

Check if a State HOME Unit.

Check if NHTF Unit (NHTF-30% AMI NHTF not LIHTC 30%)

- If awarded, the Application will require unit numbers in the 8609 Application. The unit summary from threshold and carryover will automatically be individual unit listings in the 8609 Application.
- Plans must match application entries for all units and buildings.

12. Funding Sources.

a. Tax Credit Price.

- Enter the estimated price on the sale of federal tax credits. The equity price must match Exhibit 10T.
 - ✓ The equity price may not be changed during the threshold deficiency period unless requested by IFA.
 - ✓ For awarded projects, do not change equity pricing for any reason in the IRS Form 8609 Application (for example: adjusters).

b. Federal Financing. Answer yes or no and select each applicable type of federal financing in the project.

c. Funding Sources.

- Select "Add New Funding Source" and enter the information for each funding source.
- Existing assumed debt will be included in total funding sources on the Costs and Credit Calc. Tab unless the box is checked to exclude it.
- If requesting State HOME funds an alternative source of funds must be entered and a financing commitment provided. DSCR requirements must be met for alternative funding sources entered for State HOME.
- If State Home and the Project is in a city that is a participating jurisdiction, the City must provide City Home funds in order to be eligible for State Home unless the Project has an IFA-certified CHDO listed as a qualified development team member.
- If requesting National Housing Trust Funds, enter as a Funding Source, 0% interest, and 30-year term with minimum of \$1,000 year repayment.
- Rehab projects requesting state HOME that will have a HOME compliance period of 15 years may enter the term of the HOME loan as 20-years.

13. Costs and Credit Calc.

a. Costs. Enter the cost in the first column.

b. Eligible Basis.

Enter amounts in the applicable 30% PV (4%) or 70% PV (9%) column(s).

- If there is an existing field, do not enter the cost under "Other."
- "Other" amounts entered require a cost break-down and explanation.
- If a large amount will be spent on site work, provide a cost breakdown in the comment box at the bottom of the page.
- Off Site Work for Utility: If de minimis, the costs may be included in Projects Costs. If the amount is listed, the answer on utilities on the Site Description Tab must reflect de minimis.
- Off Site Paved Road: If a de minimis extension is required, the cost may be included in Project Costs. If an amount is listed, the answer on the extension must be de minimis on the Site Description Tab.

- If fees will be charged for garages or parking, the cost must be entered separately and not included in the construction or rehabilitation line item. List in II. Site Work – Garages (not included in rent) and/or Parking (not included in rent).
 - If Accessory Building was selected on the Buildings Tab, enter the cost on the Accessory Building line item.
 - If the entire project is in a Qualified Census Tract (“QCT”) and has selected Community Service Facility, enter the amount for such facility.
 - If Garages, Surface Parking, or Underground Parking is marked on the Project Amenities Tab and will be part of the LIHTC rent, enter the applicable cost. Do not include with construction or rehabilitation costs or an error will result.
 - Note certain energy credits will not reduce eligible basis. Please consult your tax accountant.
 - Enter the applicable application and 8609 fee.
 - ✓ IFA construction monitoring fee is automatically included.
 - ✓ Tax Credit Reservation fee should be based on the lesser credit amount from the Eligible Basis and Equity Gap Credit Calculation.
- c. Increase in Eligible Basis.** An increase in Eligible Basis shall be listed on the line items titled “Increase in Eligible Basis”. To view the calculation, “hover” over the amount shown in the 70% Eligible Basis column. Maximum increase is 30%. The Financial Feasibility Tab will show the % of increase based on Application entries.
- For transitional housing, the supportive housing space used solely for providing supportive services to the homeless can include an increase in eligible basis, the eligible basis amount entered on the Buildings Tab will be added to the eligible basis. Per the IRS, the permitted amount allowable in qualified basis is the lesser of the following: So much of the eligible basis of such building (the space for providing the supportive services); or 20% of the qualified basis of such building (calculated prior to any basis boost).
- d. Project’s Applicable Fraction.** The Project’s Applicable Fraction is the lesser of the Unit fraction or the floor space fraction as set forth in IRS Code Section 42(c)(1).
- Each building’s applicable fraction is listed on the Buildings Tab.
 - Applicable Fraction will be part of the LURA.
- e. Tax Credit Calculation.**
Tax Credits are calculated based on the lower of the Eligible Basis and the Equity Gap calculations up to the Project’s Tax Credit Cap, Project Cap, or AI Tax Credit Cap, if applicable.
- Equity Gap calculation cannot exceed the Eligible Basis calculation or there is a funding gap.
 - Total Project Costs and all funding sources plus expected syndication equity must be within \$5.

Projected Operating Costs.

- Sections I-IV. Enter amounts.
- Section II. Enter taxes and insurance. Property taxes must be entered separately for years 1-15 with escalation.
- If the replacement reserves will be a “flat” amount, check the box so the application will not escalate the amount on the Projected Cash Flow Tab.
- Include video security operating expense.
- If providing permanent supportive housing, enter expense for Supportive Services as applicable.

14. Projected Cash Flow.

- The Tax Credit Cap per LIHTC Unit will be increased by the same percentage as the basis boost amount increase requested. If the boost increases credits beyond the Project Cap, the Project Cap will be applied.
 - If AI is elected and the 6% Tax Credit Cap for points, the AI Cap will appear. This will be applied on the Costs and Credit Calc. Tab and the lesser of EB, Equity Gap, or one of the caps will determine the credits.
- f. **Developer Fee.** Lists the requirement as set forth in the QAP.
- g. **Builder and General Contractor Fees.**
Lists the builder and general contractor fee requirement and calculation as set forth in the QAP. (Max. of 15%)
- h. **Construction Contingency.** Lists the construction contingency requirement as set forth in the QAP.
- Projects that have acq/rehab plus new construction - The Application shall attribute all hard construction costs to the rehab portion except the amount in the new construction to figure the construction contingency minimum and maximum then allow up to amount for the new construction portion to be added to the construction contingency.
- i. **Soft Cost Contingency.** The maximum soft costs contingency is the lesser of \$20,000 or 6% of the subtotals of the Interim Costs, Financing Fees and Expenses, and Soft Cost minus the soft cost contingency.
- j. **Rehabilitation Standards.** Provides the rehabilitation expenditures requirement as set forth in the QAP and the Project's rehabilitation expenditures. Be sure the adjusted building basis and rehabilitation expenditures are entered correctly.
- k. **Minimum Number of HOME Units.** Provides the minimum number of HOME units required for and the Project shows the actual number of HOME Units entered in the Application.
- l. **Maximum HOME funds for Project.** Provides the maximum HOME funds that can be requested and shows the actual HOME request from the Funding Sources Tab.
- m. **Maximum HOME Funds per Unit.** Lists the total HOME funds per unit. HOME funds per unit cannot exceed the pro rata or fair share of the total project costs when compared to a similar unit.
- n. **Accessible Units.** Provides the actual percentage of Accessible Units (mobility impairment) and Units with Accessible Communication Features entered in the Buildings Tab for HOME.
- o. **Minimum Number of NHTF Units.**
Same as k. above but for NHTF.
- p. **Minimum NHTF for Project.**
Same as l. above but for NHTF.
- q. **Maximum NHTF Funds per Unit.**
Same as m. above but for NHTF.

16. Home Requirements.

Review requirements and check the box agreeing to follow all the requirements.

- Refer to the HOME Appendices Package and HOME Exhibit Checklist. IFA-HOME exhibit templates are available on the Exhibits Tab in the application.

17. HOME.

- Check the box if all units have similar amenities.
- Enter the total Hard costs of construction/rehab for the HOME-assisted Units (not the per-unit cost).
- Enter the total Hard costs of construction/rehab for the non-HOME-assisted Units (not per unit)
- Check the box(es) if any of the HOME Units will be designated for any of the listed populations.
- Enter the description and explanation fields, as applicable.
- Complete the Capacity section.
- Complete the Project Timeline.
- Enter additional match that is not listed in the Funding Sources Tab.

18. Home Overview.

- No entry. Provides a summary of information entered in the online Application.

19. Site Appeal.

The category scores are averaged and rounded to the nearest whole number (0 to 5) to determine the Site Appeal score for the Application. Misrepresentations in the preliminary scoring that are intentional or blatant as deemed by IFA may result in zero total points for the entire Site Appeal scoring section. Individual site scores are averaged to determine the Site Appeal score for Scattered Site Projects.

- For each category, check the applicable box for which points are requested. Upload all applicable Exhibits on the Exhibits Tab. Refer to Appendix N – Exhibit Checklist for guidance.
- Enter a description for each category.
- Exhibit 1S-4 required for Category 4 – Neighborhood Location to Services.
- Exhibit 1S-5 required for Category 5 – Location to Grocery Store.
- Exhibit 1S-6 required for Category 6 – Location to Licensed Daycare Center, K-12 Public School or Senior Center.
- Exhibit 1S-7 required for Category 7 – Location to Public Transportation.
- Exhibit 1S-16 required for Category 13 if the 1 point is requested for QCT and CCRP.
- Exhibit 1S-16a required for Category 13 if 5 points requested for having a National Park Service Part 2 application approve for the project,

20. Scoring.

- Review the instructions for requesting preliminary scoring points.
- For exhibit details, refer to the Exhibit Checklist on the Exhibits Tab and Appendix N – Exhibits Checklist.
- To request points for Thriving Community points in West Des Moines or City of Des Moines, check the box as these two cities have specific designated areas.
- To request points for Iowa Title Guaranty check the box.
- Review the certification statements and check the boxes to accept the Application's preliminary score and to understanding the QAP requirements.
- Contact IFA prior to Application submission with any questions on the preliminary score.
 - ✓ The preliminary score is not a guarantee of the final score.
 - ✓ Scoring exhibits must uploaded to the application prior to submission due date of February 19, 2025.
- A NHTF Unit will not count towards scoring for any Rent Affordability category except for Federal Project-Based Rental Assistance.

21. Exhibits.

- All exhibits are part of the Application.
- The exhibit checklist on the Exhibits Tab provides a listing of required exhibits based upon information entered in the Application.
- Each exhibit that is an IFA-required form or template is available on the Exhibits Tab in the Exhibit Checklist. This is based on application entries and may change as the application is updated/changed.
- **Exhibit 7B must be generated on the exhibit checklist on the Exhibits Tab after entering information on the Project Name and Location, Site Control, Qualified Development Team, Buildings, and Site Description Tabs.** Applicant shall send the Exhibit with the site plan to the city for completion and signature. **Applicant shall not pre-fill in Section B. prior to sending to the city.** The uploaded Exhibit 7B must also include the site plan submitted to the city.

22. Overview.

(No entry required – auto-fills specific information from each Tab)

- Basic project information.
- Carryover Allocation Agreement and LURA available for awarded Projects.
- Documents such as the IRS Form 8609, Carryover Allocation Agreement and the LURA are not available for public information reviewers unless the document is specifically requested and may require redaction.

23. Permanent Supportive Housing. (homeless)

- Complete Sections 1-4.
- The Qualified Service Provider and Exhibit 1HSA must be submitted to IFA between February 1-12, 2025 4:30 P.M. C.T.
- Upload Exhibit 2HSA on the Exhibits Tab prior to application submission.
- Refer to Appendix D – Permanent Supportive Housing.
- N/A for NHTF Units.

24. National Housing Trust Fund Requirements

- Review the requirements and check the box at the bottom of the tab.

25. NHTF.

- Enter the Hard Construction Costs (can get total on Financial Feasibility Tab) for all units except NHTF units in first field.
- Enter the Hard Construction Costs for just the NHTF units in the second field,

26. NHTF Unit Analysis.

27. Award Of Credits.

The Iowa Finance Authority Board of Directors shall make awards for the current funding round at the May 2025 Board meeting. A rank master shall be available at that time. The rank master is a ranking of all Applicants based upon the final score determined by IFA in accordance with the QAP.

- The rank master shall account for tiebreakers as set forth in the QAP.
- A written notification of a Tax Credit award or non-award shall be emailed to each Applicant after the IFA Board Meeting.

28. Post Award.

a. Assignments Tab.

The Project's team will receive assignments from Reservation through 8609.

- A red flag will indicate an assignment.
- Assignments may be viewed for all Projects or for just a specific project for Developers with multiple awarded Projects.

- If IFA determines the change request is a Material Change, the Material Change in Application Fee will be billed to the Ownership Entity and one point will be deducted for any application submitted in the next tax credit funding round.
- f. Prior to Placed-in-Service Documents.**
Required documents will be listed on the Prior to Placed in Service (PIS) Tab for awarded projects. Submit no later than 120 days prior to the 1st unit being placed in service and before leasing begins. Contact Bernadette.Beck@iowafinance.com with any questions.
- g. IRS Form 8609 Application.**
The IRS 8609 Application Package Checklist shall be posted on the IFA website annually. Exhibits are available on the Exhibits Tab.
- An assignment will appear for submission of the IRS Form 8609 Application Package. A red flag will appear under “Assignments.”
 - A due diligence review will be performed and must be satisfactory prior to issuance of an IRS Form 8609.
 - Awarded Applicants shall submit the IRS Form 8609 Application Package through the online Application no later than the date set forth in the QAP unless an extension has been requested and approved. An earlier submission is acceptable and encouraged if an Applicant has a complete IRS Form 8609 Application Package.
 - The 8609 Application and Compliance Monitoring Fees are billed at submission.
 - Request an extension through the online Application by selecting Request Extension.
 - Qualified Certified Basis Tab. Entries will be used to create the IRS Form(s) 8609.
 - IFA will send a deficiency notification through the online Application requiring correction(s) or clarifications/responses. Applicant must make requested changes and submit the deficiency response through the online Application.
 - ✓ IFA will send a written notification showing the final Tax Credit determination based upon the final 8609 underwritten Application.
 - The Ownership Entity must sign and return the notice of the final underwritten Tax Credit amount.
 - ✓ IFA shall issue the IRS Form 8609 after all required Application Package documents have been submitted and reviewed, and payments for all applicable fees have been received.