



IOWA FINANCE
AUTHORITY

2018 ONLINE APPLICATION TRAINING GUIDE

September 14, 2017

- Updated November 13, 2017
- Updated November 2, 2017
- Updated October 11, 2017
- Updated September 29, 2017

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UPDATES

November 13, 2017

1. Section E – Creating a 9T Threshold Application
 - Deleted the following statement from Section E.12(c) - Enter existing debt to be assumed also as a Funding Source in the amount of \$1.00; however, enter the payment amounts to ensure debt is included in the DSCR.

November 2, 2017

1. Section E – Creating a 9% Threshold Application
 - Added statement that Applicants should submit Below Market Interest Rate Loan interest savings calculation questions to the IFA Q & A.
 - Clarified that scoring points for this category would not show on the Scoring Tab until the Below Market Interest Rate Loan was entered as a Funding Source AND under QAP Section 6.4.7.2 Below Market Interest Rate Loan on the Funding Sources Tab and the total project costs have been entered on the Costs and Credit Calc. tab.

October 11, 2017

1. Section M – Requesting a Change in Application or Pre-Closing Review.
 - Clarified that a Pre-Closing Review and a Change in Application Request are separate requests/submissions.
 - Clarified that a Pre-Closing Review fee of \$500 does apply to Projects awarded in the 2018 round. Refer to 2018 QAP Section 3.3.7.
2. Moved prior existing Section N to Section O. Section N is now Prior to Placed-in-Service Requirements. Prior to Placed-in-Service Checklists are available on the IFA LIHTC webpage. Refer to 2018 QAP Section 8.9.
3. Mandatory certification box added on the Funding Sources Tab for the General Partner/Managing Member's commitment to provide the minimum contribution of \$100 to the project.
 - Section D – Overview of Online Application Changes, Subsection 10. Funding Sources Tab
 - Section E – Creating a 9% Threshold Application, Subsection 12(f). Funding Sources

September 29, 2017

1. For QAP Sections 6.4.4, 6.4.7.1, and 6.4.7.2, the calculation for the preliminary score will display when the cursor is placed and held (“hover”) on each category's preliminary score.
 - Section A – User Information, Subsection 4. Available Resources, d. Scoring and Financial Feasibility Tabs Calculations

- Section B – Online Application Design Subsection 4. Scoring
 - Section D – 2018 Overview of Online Application Changes, Subsection 13. Scoring Tab
 - Section E – Creating a 9% Threshold Application, Subsection 17. Scoring Tab
2. Coming soon - On the Financial Feasibility Tab, the threshold calculation will display when the cursor is placed and held (“hover”) on the calculated amount for the following: a) Unit Cost Cap; b) Tax Credit Cap per LI Unit; c) Developer Fees; d) Builder and General Contractor Fees; and e) Construction Contingency
- Section A – User Information, Subsection 4. Available Resources, d. Scoring and Financial Feasibility Tab Calculations
 - Section D – 2018 Overview of Online Application Changes, Subsection 12. Financial Feasibility Tab
 - Section E – Creating a 9% Threshold Application, Subsection 16. Financial Feasibility Tab

A. USER INFORMATION

1. Requesting an Online Application User Name
 - <http://www.iowafinanceauthority.gov/Home/DocumentSubCategory/223> - select the Application heading, enter information and be sure to indicate type of access needed – create/edit, review only, upload construction documents only or upload prior to placed-in-service docs only.
 - An approval email shall be sent to the e-mail address provided within 24-48 hours from receipt of the request.
 - Each user name shall have an individual role assigned by IFA based upon information submitted in the request.
 - A user name with 18 continuous months of inactivity shall have access removed.
 - For problems or questions, contact Stacy.Cunningham@iowa.gov.
2. Accessing the Online Application
 - The Online Application is located on the IFA website at the link provided in A.1 above.
 - Log in to create/edit an application or view existing applications.
 - Select “Create a “New 9% Application”.
 - Select “Create a “New Supportive Housing for Families Application”.
 - Select “Create a “New 4% Application” (4% Application not covered in training).
 - Prior year awarded LIHTC Projects can be viewed by clicking the arrow on the left of View on Search Results.
3. Granting Application Access to Additional Users
 - The Application creator may grant application access to additional authorized users under View, MYIFA Account, and Add New Authorized User.

- ✓ Instructions are at the top of the page. Before granting access to a user name, select the radio buttons next to each authorization level. A description of each is provided.
- ✓ Select the radio button next to the appropriate authorization level to be granted to the user name. Select “Continue”.
 - If an authorization level is selected that doesn’t correspond to the assigned “role” to the user name, an error will be generated with guidance on how to correct.
- ✓ Select the Application(s) from the list and select “Add Authorized User”.
- Each user who creates an Application is responsible for all users for whom they grant Application access.
- IFA recommends that a regular review of users granted access to each Application be conducted by Applicants.
- Each person accessing the Online Application shall have his/her own user name and password. Do not share user names and passwords.
- More than one user can access the Application at the same time as long as the same fields aren’t being updated simultaneously.

4. Resources Available

a) Help Tab

- Located at the top of the Application screen.

b) Error Identification

- **Red x’s** are listed next to each tab until all information has been entered correctly and saved. If a **red x** remains after entering all Application information, select “Submit” to generate an error listing. If no errors are listed, but a **red x** remains on a tab, go back to that tab and select “Save”.
- If a Project is awarded, the Carryover InWork Application will list **red x’s**. These are due to the 10%-Carryover Application requirements.
 - ✓ Update Project Timeline
 - ✓ Local Lead Agency (N/A for Supportive Housing for Families Set-Aside Projects)
 - ✓ Site Control
 - ✓ Exhibits

c) IFA LIHTC Website Postings

<http://www.iowafinanceauthority.gov/Home/DocumentSubCategory/223>

Notices

Qualified Allocation Plan

- QAP
- Overview of Changes

Application

- Online Application (TAC)

Q & A

Applicants

- Applicant Listing

Award Information

- ✓ Awards Presentation
- ✓ Award Listing
- ✓ Rankmaster
- ✓ Scoring Breakdown

Appendices
Exhibits

Prior to Placed-in-Service
Documents

Training

- Online Application Training Guide
- Training Documents

Pre-Closing Review Information

Carryover-10% Application Package (updated annually)

IRS Form 8609 Application Package (updated annually)

d) Scoring and Financial Feasibility Tabs Calculations (New 9-29-17)

- The calculation used to determine the percent of Construction Costs to Total Project Costs for QAP Section 6.4.4 will display by hovering on the category's preliminary score on the Scoring Tab.
- The calculation used to determine the preliminary scoring points for QAP Section 6.4.7.1 Land and/or Cash Contribution and QAP Section 6.4.7.2 Below Market Interest Rate Loan will display by hovering on the category's preliminary score on the Scoring Tab.
- (Coming Soon) The calculations for the QAP required threshold amounts for Unit Cost Cap, Tax Credit Cap per LI Unit, Developer Fees, Builder and General Contractor Fees, and Construction Contingency will display by hovering on the calculated number.

e) 2018 LIHTC Appendix Listing

2018 LIHTC Appendix Listing	
Appendix	Title
A	Application Instructions (Updated)
B	Qualified Census Tracts ("QCTs")/Difficult Development Areas ("DDAs") & Metropolitan Statistical Areas ("MSAs") (Updated)
C	Useful Links (Updated)
D	Iowa Opportunity Index Census Tracts
E	IFA Construction Sign (Updated)
F	Reserved
G	Requirements of Iowa Rose Program (Updated)
H	Energy Efficiency (Updated)
I	Authorized Signors
J	Senior Living Revolving Loan Program Information
K	Exhibits & Scoring Checklist (Updated)
L	Density
M	Supportive Housing for Families Set-Aside Requirements (Updated)

f) IFA Staff & Email

Chief Programs Officer: Carolann.Jensen@iowa.gov

LIHTC Manager: Dave.Vaske@iowa.gov

HousingIowa Development Specialist: Terri.Rosonke@iowa.gov

Construction Analyst: John.Kerss@iowa.gov

Underwriting Analyst: Karen.Kulisky@iowa.gov

Underwriters: Tim.Morlan@iowa.gov
Derek.Folden@iowa.gov

LIHTC Analysts: Stacy.Cunningham@iowa.gov
Nancy.Peterson@iowa.gov

LIHTC Administrative Assistant: Katie.Kulisky@iowa.gov

Prior to the submittal of the Application, submit questions to the IFA 2018 Q & A on the 2018 LIHTC webpage.

After Application submission, an Applicant shall not contact any IFA staff or Board member, nor shall anyone contact staff or Board members on the Applicant's behalf, in order to unduly influence IFA's determination related to the award of Tax Credits. Refer to QAP Sections 3.2.2 and 5.1. After 2018 Awards, direct questions to the following IFA staff:

<ul style="list-style-type: none"> ▪ LIHTC questions ▪ Proposed changes to the Application, as permitted by the QAP 	Dave Vaske
<ul style="list-style-type: none"> ▪ Online Application 	Stacy Cunningham
<ul style="list-style-type: none"> ▪ Affirmative Fair Housing Marketing Plan Package ▪ Prior to Placed-in-Service Documents ▪ Market Studies 	Nancy Peterson
<ul style="list-style-type: none"> ▪ Local Lead Agency 	Terri Rosonke
<ul style="list-style-type: none"> ▪ Qualified Service Provider for Supportive Housing for Families Set-Aside 	Terri Rosonke Amber Lewis
<ul style="list-style-type: none"> ▪ Construction ▪ Scheduling Inspections 	John Kerss
<ul style="list-style-type: none"> ▪ Carryover-Ten Percent (10%) Test Application & 8609 Application Package ▪ Underwriting 	Karen Kulisky
<ul style="list-style-type: none"> ▪ Underwriting ▪ Construction Loans ▪ Multifamily Loans ▪ Senior Living Revolving Loan 	Tim Morlan and Derek Folden
<ul style="list-style-type: none"> ▪ National Housing Trust Fund 	Carolann Jensen Jerry Floyd
Public Information Requests	Katie Kulisky

B. ONLINE APPLICATION DESIGN

The Online Application incorporates the QAP, IRS and Treasury regulations. Should IFA discover errors that affect the operation of the Online Application, IFA shall resolve the errors on a case-by-case basis.

1. Application Tabs

- Overview
- Project Name and Location
- Project Description
- Project Timeline
- Site Description
- Site Control
- Ownership Entity
- Nonprofit Set-Aside
- Qualified Development Team
- Project Amenities
- Construction Characteristics
- Buildings
- Funding Sources
- Costs and Credit Calc.
- Projected Operating Costs
- Projected Cash Flow
- Financial Feasibility
- Appendix 2HSA – Supplemental Scoring to Supportive Housing for Families Set-Aside
- Scoring
- Exhibits
 - ✓ Exhibit Checklist provides a listing of all required exhibits based on information entered in the Application. A link is provided after the name of each IFA Required Form or Template. Only use current funding round exhibits.
 - ✓ Review the exhibit checklist carefully. If an exhibit isn't listed that should be, select "Submit" to see if an error is shown. If no error is listed, review Appendix K of the 2018 Application Package and/or this training guide. If an exhibit is listed that does not make sense, based upon the proposed Project, it is likely incorrect information has been entered.
 - ✓ Upload exhibits and ensure the correct exhibit name is selected for each exhibit upload.
- Fees
 - ✓ Only electronic check (ACH) payments are accepted for payment of fees in the Online Application.

2. Grey Tool Bar Tabs

- Print
 - ✓ Select to print the entire application.
 - ✓ To print just one Tab – right click on the Tab, Select all, File and Print.
- Save

- Save & Exit
- Cancel
- Submit
- Apply for Additional Credit (Post Award) – Refer to Section O.
- Request a Change and/or Pre-closing Review (Post Award) – Refer to Section M.
- Construction (Post Award) - Contains the upload feature for all required construction documents.
 - ✓ Each Applicant can upload to this tab; however, if someone other than the Applicant will be uploading documents, the user must have own user name and a special role assigned by IFA.
- Prior to Placed-in-Service Docs (Post Award) – Contains the upload feature for all required Prior to Placed-in-Service documents
 - ✓ All required documents shall receive IFA approval before the IRS Form 8609 Application may be submitted.
 - ✓ Each Applicant can upload to this tab; however, if someone other than the Applicant will be uploading documents, the Applicant shall notify IFA to ensure that person has a user name and the appropriate role assigned by IFA. Each Applicant is responsible for granting Application access after IFA’s assigns a user a role.

3. Tab Symbols

- Each Application tab has a **red x** initially. Each **red x** will clear after information on a tab is entered correctly and saved. The following tabs (subject to change) have coding that will prevent a green check mark on tabs with related information that (1) hasn’t been entered; or (2) has been entered incorrectly. A green check mark will appear when all information has been entered and saved correctly.
- If a **red x** remains on a tab after all Application information has been saved and no errors are listed when “Submit” is selected, return to the tab(s) with the red x and select “Save”.
- A **red asterisk (*)** indicates a required field.
- Shaded fields and boxes are locked and are QAP requirements.

4. Scoring

- Scoring determinations made in prior years are not binding on IFA for the current funding round. Refer to QAP Section 6.
- Each Applicant is responsible for reviewing and certifying that the preliminary scoring points listed on the Scoring Tab are accurate before submitting the Threshold Application.
- No preliminary scoring points will be shown in the Scoring Tab if just the scoring exhibit is uploaded to the Application. The applicable box must also be checked in the Application and/or information entered in the Application.
- The preliminary scoring points requested at Threshold Application submission shall not be a guarantee of the final score.
- IFA awards final scoring points in accordance with QAP Section 6 – Scoring Criteria - to projects that pass threshold.

- Scoring exhibits are due at Threshold Application submission. Scoring is evaluated as of the date of Threshold Application submission.
- The market study report(s) shall be used solely for determining market feasibility. Refer to QAP Sections 3.3 through 3.3.1.4.
- [The calculation used to determine the preliminary points for QAP Sections 6.4.4, 6.4.7.1, and 6.4.7.2 will display by placing and holding the cursor \(“hovering”\) on the category’s preliminary score on the Scoring Tab. \(9-29-17\)](#)
- For scoring criteria in QAP Section 6, preliminary scoring points are initially requested in the Application based on the Applicant: (i) answering applicable scoring questions correctly and/or selecting applicable check boxes or radio buttons appropriately; and (ii) uploading applicable scoring exhibits to the Exhibits Tab. The table below lists the QAP scoring criteria, QAP Reference, Application reference(s), Exhibit (if applicable) and guidance on requesting preliminary scoring points in the Application. Preliminary scoring points shall be shown in the Scoring Tab as scoring information is elected in the Application. Also refer to Appendix K of the 2018 Application Package, the Scoring Tab, and the QAP.

QAP Section 6.1 Resident Profile				
QAP	Title	Exhibit	Application	Requesting Preliminary Scoring Points
6.1.1	Serves Lowest Income Residents		Project Description & Buildings	Check the box(es) and enter the number of LIHTC Units with the applicable AMI% in the Buildings Tab.
6.1.2	Market Rate Incentive		Project Description & Buildings	Check the box and enter the number of market rate Units in the Buildings Tab.
6.1.3	Serves Tenant Population of Individuals with Children		Project Description & Buildings	Enter at least 20% of the Units in the Buildings Tab as 3 or more bedroom LIHTC Units with at least 2 full bathrooms and check the box on the Project Description Tab. Plans and specifications should show all scoring elections.
6.1.4	Provides an Opportunity for Homeownership	2S	Project Description & Exhibits Tab	Check the box and upload Exhibit 2S, including the Owner’s Project’s Plan. Refer to Appendix G of the 2018 Application Package.
QAP Section 6.2 Location				
6.2.1	Great Places		Project Description & Buildings	Check the Great Places box. Enter the correct complete building address(es) in the Buildings Tab.
6.2.2	Density		Project Description & Buildings	Check the box if the entire Project is located in one of the qualifying census tracts. Enter the correct complete building address(es) in the Buildings Tab. Refer to Appendix L of

				the 2018 Application Package.
6.2.3	Iowa Opportunity Index Census Tract		Project Description	Check the applicable box if the Project is located in a very high or high opportunity area. Enter the correct complete building address(es) in the Buildings Tab. Refer to Appendix D of the 2018 Application Package.
QAP Section 6.3 Building Characteristics				
QAP	Title	Exhibit	Application	Requesting Preliminary Points
6.3.1	Market Appeal		Project Amenities	For each amenity to be provided, at no cost to tenants, check the applicable box and enter specifications (as applicable). Plans and specifications should show all scoring elections.
QAP	Title	Exhibit	Application	Requesting Preliminary Points
6.3.2	Projects with Historical Significance	6S	Project Description, Buildings, Funding Sources & Exhibits	Check the box, upload Exhibit 6S, enter each building as historic on the Buildings Tab, and enter state and federal historic tax credits as funding sources. If no commitment for State Historic Tax Credits, enter a General Partner/Managing Member Loan anticipating State Historic Tax Credits.
6.3.3	Projects that have Federal Project-Based Rental Assistance HUD-VASH Voucher Assistance, or Local Project-Based PHA Voucher Assistance	7S	Project Description, Buildings & Exhibits	Check the applicable box under Rental Assistance, complete the applicable information, and upload Exhibit 7S.
6.3.4	Construction / Unit Characteristics		Project Amenities & Construction Characteristics	Check each box and/or select the radio button for each construction/unit characteristic to be provided and points requested for. Plans and specifications should show all scoring elections.
6.3.5	Olmstead Goals		Buildings	Enter the number of Fully Accessible, Units with Communication Features, and Additional Accessible Type A Units for each building in the

				<p>Buildings Tab. Select the applicable Accessibility type for each Unit.</p> <p>If at least 50% of the Fully Accessible and Additional Accessible Type A LIHTC Units entered are 2, 3, or 4 bedroom Units, the Application shall automatically calculate preliminary scoring points.</p> <p>Plans and specifications should show all scoring elections.</p>
6.3.6	Impact on the Environment		Project Description	<p>Check the applicable boxes. The QAP requirement will populate in the description box for each selected item.</p> <p>Plans and specifications should show all scoring elections.</p>
6.3.7	Energy Efficiency		Project Description & Construction Characteristics	<p>Check the applicable box (es) for the energy efficiency election.</p> <p>If more than one category applies to the Project, check all applicable boxes; however, no additional points shall be provided by selecting both boxes.</p> <p>Plans and specifications should show all scoring elections.</p>
QAP Section 6.4 Other				
QAP	Title	Exhibit	Application	Requesting Preliminary Points
6.4.1	Iowa Title Guaranty		Project Description	Check the box.
QAP	Title	Exhibit	Application	Requesting Preliminary Points
6.4.2	Developer or General Partner/ Managing Member Experience		Qualified Development Team – Developer and/or GP/MM	Answer the questions for the Developer, General Partner/Managing Member (GP/MM) on the Qualified Development Team Tab.
6.4.3	Waives Right to Qualified Contract		Project Description	Check the box.
6.4.4	Construction Costs		Project Description & Costs and Credit Calc.	Check the applicable box.

6.4.5	Capital Needs Assessment	1S	Project Description & Exhibits	Check the box and upload Exhibit 1S (Applicable to Acq./Rehab and Preservation Projects Only)
6.4.6	Environmental Site Assessment	4S	Project Description	Check the box and upload Exhibit 4S.
6.4.7.1	Land and/or Cash Contribution	5S	Funding Sources & Exhibits	Enter the contribution information on the Funding Sources Tab and upload an Exhibit 5S, along with any required supporting documentation, completed by each contributor.
6.4.7.2	Below Market Interest Rate Loan	5Sb	Funding Sources & Exhibits	Enter the loan information on the Funding Sources Tab and upload an Exhibit 5Sb and a commitment letter. TAC will calculate the interest savings.

C. APPLICATION SUBMISSION PROCESS

1. Threshold Application Submission Due Date

A LIHTC Application may be submitted between November 14, 2017 and 4:30 p.m. C.S.T. on November 16, 2017.

2. Threshold Application Submission and Review

- The Application should prevent submission if the answers provided don't meet QAP threshold requirements.
- Should IFA update the Application, any Application saved in the system, at the time of the update, shall automatically update as of the next business day.
✓ Check IFA's website periodically for any amendments or modifications to the Application Package.
- During the Application review process, IFA will resolve any errors that affect the operation of the Online Application on a case-by-case basis. Refer to QAP Section 3.
- The Application is unavailable to an Applicant after Threshold Application submission until the deficiency period and then until after the March 2018 Board meeting.
- An Applicant shall not contact any IFA Staff or Board Member, nor shall anyone contact staff or Board on the Applicant's behalf, in order to unduly influence IFA's determination related to the award of Tax Credits. Refer to QAP Section 3.2.2.
- IFA will provide written notification to Applicants of threshold deficiency items in accordance with QAP Section 5.1.
- During the deficiency period, an Applicant may contact the IFA LIHTC Manager or other Tax Credit staff to request clarification on any deficiency item noted in the deficiency report.
- Each Applicant shall have 14 calendar days (deficiency period) to respond to all items in the initial written deficiency notification and make the requested Application changes.

- During the deficiency period, Application changes are permitted to income targeting, decreased rents and the addition of amenities only if recommended by the IFA-commissioned market study analyst. Changes made by the Applicant not recommended or listed in the deficiency report shall not be allowed. Refer to QAP Sections 3.3.1.3 and 5.1
- A change in funding sources, including equity pricing, will not be allowed during the deficiency period unless specifically requested by IFA. Refer to QAP Section 5.1.

3. General Comments

- Select “Save” after entering information in a Tab.
- Provide exhibits in a PDF format unless the QAP or Appendix K specifies otherwise.
- Label all photos and combine into one (1) pdf before uploading.
- Exhibit 8B uploads shall be limited to four (4).
- Unless requested by IFA, Applicants shall not mail IFA any document with an original signature(s).
- Prior to submitting Online Application questions, enter all information into the Application Tabs and review the Online Application Training Guide for assistance. Many times working through each tab clears any remaining red x's.
- Prior to submitting questions to the Q & A, please search the QAP for the topic of your question to see if the answer is provided within it.
- Applicants that will be requesting the Nonprofit or the Supportive Housing for Families Set-Aside, must submit the required information through the Online Application no later than October 20, 2017 at 4:30 P.M. C.S.T. This is the only time IFA will review the Nonprofit entity information and the Qualified Service Provider exhibits for either set-aside.
- Applications entered, but not submitted, during the allocation round shall be deleted following the award of Tax Credits at the March 2018 IFA Board meeting.
- Project Applications that did not receive an award of tax credits will be deleted from the Online Application after three (3) years.

D. 2018 OVERVIEW OF ONLINE APPLICATION CHANGES

The Online Application has been updated in accordance with the QAP. The information within this section of the training guide is a general overview of changes.

1. Project Description Tab

Minimum Set-Aside Requirements - Removed checkbox to elect deep rent skewing.

Other Elections

- Listed in order of QAP reference.
- Updated and added language per QAP.
- Removed checkbox for Projects with Project-Based Rental Assistance (Federal or Local PHA or VASH Voucher Assistance). To request points,

enter the information under the Rental Assistance heading. Applicants automatically receive the points when the required information is entered under Rental Assistance.

- Moved 6.3.6 Impact on the Environment and 6.3.7 Energy Efficiency from individual headings to Other Elections.
- For 6.3.7 Energy Efficiency - An ASHRAE option for New Construction Projects 4 stories or more without each Unit having its own heating, A/C, and water heating was added.

Ownership Type - Removed.

2. Targeting Plan Tab – Deleted

3. Site Description Tab

- Updated language.
- Added Zoning.

4. Site Control Tab

- Updated appraisal language.
- Revised questions pertaining to Identity of Interest and acquisition and “related party”.
- Revised Easement questions.
- Deleted under Existing Buildings – Section 42(d)(2)(B) “Ten-Year Rue” - If the building has received a waiver, a copy of the waiver must be submitted as Exhibit 8T with the Threshold Application...

5. Ownership Entity Tab

- Updated language.
- Moved Iowa Title Guaranty to Other Elections on the Project Description Tab.

6. Qualified Development Team Tab

- Updated language for scoring election under QAP Section 6.4.2 Developer or General Partner/Managing Member Experience.
- Updated years referenced in the ineligibility-related questions.
- For the Developer and General Partner/Managing Member, a heading for Materially Participating qualified Nonprofit has been added and language revised
- Syndicator must be listed as a team member.
- General Contractor must be listed if there is an Identity of Interest.

7. Project Amenities Tab

- Updated Market Appeal Characteristics.
- Updated Construction/Unit Characteristics.
- Updated options under Other Interior Apartment Amenities.

8. Construction Characteristics Tab

- Redesigned and related scoring elections populate within the Application will populate to this tab.

- Mandatory checkboxes added to certify that all minimum development characteristics will be met and removed the explanation fields.

9. Buildings Tab

- Eliminated Visitable Type C.

10. Funding Sources Tab

- Updated language.
- Local Government Contribution & Local Community Contribution – Deleted.
- Added Leverage - Land and/or Cash Contribution and Below Market Interest Rate Loan
- Added a mandatory certification check box for the General Partner/Managing Member's commitment to provide the \$100 minimum contribution to the Project. (10-11-17)

11. Costs and Credit Calc. Tab

- Added the \$500 Pre-Closing Review Fee.
- Added Environmental Consultant Fee and Historical Consultant Fee.

12. Financial Feasibility Tab

- Updated language per QAP.
- Operating Reserves – added question on Line of Credit.
- Calculations can be viewed by “hovering” on the amount. (Coming Soon)

13. Scoring Tab

- Updated per QAP Section 6.
- The calculation used to determine scoring points for QAP Sections 6.4.4, 6.4.7.1, and 6.4.7.2 can be viewed by “hovering” on the preliminary score for the applicable category. (9-29-17)

14. Fees Tab

- Added \$500 pre-closing review fee.
- Updated compliance monitoring fee to \$28.

15. Prior to Placed-in-Service Docs Tab

- Deleted building exhibits.

16. Supportive Housing for Families Set-Aside Application

- Qualified Service Provider exhibit shall be submitted through the Supportive Housing for Families Set-Aside Application no later than October 20, 2017, 4:30 P.M. C.S.T.
- Applicants are eligible to receive points under 6.3.7 Energy Efficiency – IECC, if Project/Owner will not be utilizing Federal Historic Tax Credits.
- A Project for this set-aside shall be located in a city with a population of 25,000 or more per the 2010 U.S. Census.
- Refer to Appendix M of the 2018 Application Package.

E. CREATING A 9% THRESHOLD APPLICATION

Before creating and entering an Application, review QAP Part B - Terms and Conditions. Section 9.2 states, "The representations made in the Application shall bind the Applicant and become a contractual obligation of the Developer and the Ownership Entity and any Entity the Developer or 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."

1. Creating an Application

Select create a New 9% Application or select create a New Supportive Housing for Families Set-Aside Application (if applying for that Set-Aside).

2. Project Name and Location Tab

a) Project Name - Enter Project Name

- ✓ If requesting IFA's review of a Nonprofit entity for the Nonprofit Set-Aside, enter the Project Name prior to submitting the request through the Nonprofit Set-Aside Tab. (Same for the Supportive Housing for Families Set-Aside)

b) Jurisdiction

- Enter the name, address, city, zip code, and phone number of the political jurisdiction(s) where the Project shall be located.
- More than one jurisdiction can be entered for a Scattered Site Project.
- Enter the email address of the CEO of the political jurisdiction.
 - ✓ The blue (REFERENCE) is a link to a website containing city information to look up names and/or contact information.
- Enter the CEO First Name, Last Name, and Title (typically Mayor).
 - ✓ Ensure the email entered is correct. This information is required in order for IFA to provide notification to the Chief Executive Officer of the local jurisdiction as required by the IRC.
- Review information for typographical or data entry errors and save.

3. Project Description Tab



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

- ✓ Applicants applying for the Supportive Housing for Families Set-Aside may only be New Construction or Adaptive Reuse.

b) Credit Request - Check the box if requesting funds from the IFA administered Senior Living Revolving Loan Program (QAP Section 4.5.4)

c) Set-Asides - Check the boxes for each Set-Aside requested.

- ✓ Four Set-Asides established in QAP Section 2.2. and QAP Section 2.5 has the priority list for review and award of Tax Credits in order of prioritization after the Supportive Housing for Families Set-Aside allocation:

-  Nonprofit (10% of all available credits)
-  Preservation (10% of all available credits)

✚ Rural (10% of all available credits)

- d) Credit Percentage
The Application auto-fills the credit percentage based upon the Project type entered.
- e) Federal Financing - Select yes or no as to whether the Project has federal financing.
✓ If yes, select the type of federal financing.
✓ If other is selected, enter an explanation.
- f) Minimum Set-Aside Requirements - Select 20/50 or 40/60 for the IRS required Minimum Set-Aside election.
- g) Occupancy Type - Select the occupancy type (Older Persons 55, Older Persons 62, or Family) from the drop down.
✓ Once the occupancy type has been established and submitted to IFA, it shall not be changed.
✓ Projects requesting the Supportive Housing for Families Set-Aside shall be Family without age restrictions.
- h) Building Type - Select the appropriate building type(s). A Project may consist of more than one building type.
✓ Exhibit 11T shall list the correct building type as selected in the Application.
✓ The type selected shall match the type entered on the Buildings Tab.
- i) Other Elections
QAP Section 6.1.1 Serves Lowest Income Residents - Check the applicable boxes and enter the number of Low-Income Units at each applicable AMI level to request preliminary scoring points. In the Buildings Tab, enter 40% AMI for each applicable Low-Income Unit and enter 30% AMI for each applicable Low-Income Unit for which points are sought.
✓ If the special consideration for Projects serving lower AMI's (15% increase in Eligible Basis) shall be needed per QAP Sections 4.10.3 & 4.10.3.1, request the increase by entering an additional 15% of 40% or less AMI Units for a total of 30% of Units at 40% AMI or less.
✓ If the special consideration for Projects serving lower AMI's (15% increase in Eligible Basis) shall be needed per QAP Sections 4.10.3 & 4.10.3.2, request the increase by entering an additional 5% of 30% or less AMI Units (these Units shall be in addition to any Units selected for the 40% AMI or less) for a total of 10% of the Units at 30% AMI or less.
✓ No Project shall receive more than a 30% increase in Eligible Basis.
➤ The adjustment in Eligible Basis shall be shown on the Costs and Credit Calc. Tab, if applicable.
✓ No Project shall receive more than an \$820,000 Tax Credit award and no single Developer developing Projects shall receive an award of Tax Credits more than \$1,230,000 per QAP Sections 2.3.1 and 2.3.2.

- ✓ This category is not available to an Applicant that requests points under Section 6.1.4 – Provides an Opportunity for Homeownership or has Federal Project-Based Rental Assistance, HUD-VASH Voucher Assistance or Local Project-Based PHA Voucher Assistance.
- ✓ Supportive Housing for Families Set-Aside Applicants may only request scoring points for serving 40% AMI or less.
- ✓ For each election, once all Units are entered, along with the applicable AMI %, the preliminary scoring points shall be shown on the Scoring Tab.

QAP Section 6.1.2 Market Rate Incentive – Request points by checking the box and entering the number of Market Rate Units on the Buildings Tab.

- ✓ When entering buildings with residential rental units, all residential buildings must have at least 1 Low-Income Unit.
- ✓ The LIHTC Available Unit Rule (AUR) or sometimes referred to as the Next Available Unit Rule (NAUR) shall apply to all buildings in the Project.
- ✓ Market rate single family homes will not be allowed.
- ✓ This category is not available to an Applicant electing points under QAP Section 6.1.4 - Provides an Opportunity for Homeownership or has Federal Project-Based Rental Assistance, HUD-VASH Voucher Assistance or Local Project-Based PHA Voucher Assistance.
- ✓ The Scoring Tab shall list the preliminary scoring points once required information has been entered and the Project is eligible for the scoring category.

QAP Section 6.1.3 Serves Tenant Population of Individuals with Children - Check the box if 20% of the Units will be 3 or more bedroom LIHTC Units and have at least two full bathrooms.

- ✓ If the box is checked, but 20% of the Units entered aren't 3 or more bedroom LIHTC Units and have at least two full bathrooms, an error will be generated and preliminary scoring points will not be shown until the scoring requirements are met.
- ✓ This category is not available to Supportive Housing for Families Set-Aside Applicants.
- ✓ If the box is checked and the correct percentage of Units (LIHTC Units), meeting the scoring requirement have been entered, the Scoring Tab shall list the preliminary scoring points for this category.

QAP Section 6.1.4 Provides an Opportunity for Homeownership – If the proposed Project will be an Iowa Rose Program Project, check the box and upload Exhibit 2S, including the Owner's Plan, if the Project will provide an opportunity for homeownership and points are sought.

- ✓ Enter the building type as single family detached.
- ✓ Enter 100% of the Project Units as LIHTC Units.
- ✓ Enter 100% of the Project Units as 60% AMI LIHTC Units.
- ✓ Select the 40/60 Minimum Set-Aside.
- ✓ Refer to Appendix G of the 2018 Application Package for specific Iowa Rose Program information.
- ✓ If the box is checked and all information provided, the Scoring Tab shall show the preliminary points for this category.

QAP Section 6.2.1 Great Places – Check the box if the entire 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 three years, pursuant to Section 303.3C, subsection 4 of the Iowa Code.

- ✓ IFA shall verify information with the Department of Cultural Affairs.
- ✓ If a Scattered Site Project, all building addresses shall meet the Great Places requirements.
- ✓ Preliminary scoring points shall be listed on the Scoring Tab if the box is checked.

QAP Section 6.2.2 Density – Check the box if the entire Project is located in one of the applicable census tracts as identified in Appendix L of the 2018 Application Package.

- ✓ If one of the boxes is checked, but the address(es) entered in the Buildings Tab don't support the election or if the Project qualifies for the points, but the box isn't checked, an error will be generated and preliminary scoring points will not be shown unless the scoring requirements are met.
- ✓ The preliminary scoring points for this category shall be listed on the Scoring Tab if the box is checked and the entire Project's buildings' information has been entered and supports the scoring election.
- ✓ If a Scattered Site Project, all building addresses shall be listed in a qualifying census tract to be eligible for points. If buildings are in different categories of qualifying census tracts, the lesser points shall be awarded.

QAP Section 6.2.3 Iowa Opportunity Index Census Tracts – Check the applicable box if the entire Project is located in a census tract that is identified as a very high or high opportunity area as shown in Appendix D of the 2018 Application Package.

- ✓ If one of the boxes is checked, but the address(es) entered in the Buildings Tab doesn't support the election or if the Project qualifies for the points, but the box isn't checked, an error will be generated and preliminary scoring points will not be shown unless the scoring requirements are met.
- ✓ If a Scattered Site Project, all building addresses shall be listed in a qualifying census opportunity area to be eligible for points. If buildings are in different categories of qualifying opportunity areas, the lesser points shall be awarded.
- ✓ Preliminary scoring points shall be listed on the Scoring Tab if the Project meets the categorical requirements and the box is checked.

QAP Section 6.3.1 Market Appeal - Enter scoring elections on the Project Amenities Tab.

- ✓ For each election entered, the preliminary scoring points shall be shown on the Scoring Tab (up to the maximum points).

QAP Section 6.3.2 Historic Project - Check the box if all buildings in the Project are on the National Register of Historic Places or determined eligible for the National Register by the State Historic Preservation Officer, answer the related question for each building in the Buildings Tab, provide Exhibit 6S, and enter state and federal historic tax credits as funding sources in the Funding Sources Tab.

- ✓ If a commitment for State Historic Tax Credits hasn't been received, provide a General Partner/managing member loan commitment for Exhibit 6T.
- ✓ Enter the residential portion of the Federal Historic Tax Credit in the Costs and Credit Calc. Tab.
- ✓ If a Project is historic and contains market rate Units, the LIHTC Units shall be disbursed throughout all of the buildings.
- ✓ A sub recipient of the federal historic tax credits cannot be created in order to become eligible for more LIHTC.
- ✓ An Applicant requesting points in this category shall use the full amount of state and federal historic tax credits in which the applicable funding sources deemed the Project eligible to receive.
- ✓ If the box is checked, all information is entered correctly, and the Exhibit 6S uploaded, the Scoring Tab shall list the preliminary scoring points for this category.

QAP Section 6.3.3 Projects that have Federal Project-Based Rental Assistance, HUD-VASH Voucher Assistance or Local Project-Based PHA Voucher Assistance - Enter the applicable information under Rental Assistance on the Project Description Tab. (N/A for Applicants applying under the Supportive Housing for Families Set-Aside)

- ✓ Once all Project Units have been entered and the applicable rental assistance type is entered, the preliminary scoring points shall be shown on the Scoring Tab.

QAP Section 6.3.4 Construction/Unit Characteristics – Enter scoring elections on the Project Amenities Tab.

- ✓ For each scoring election entered, preliminary scoring points shall be shown on the Scoring Tab.

QAP Section 6.3.5 Olmstead Goals – Enter the Accessible Unit Types for this scoring category on the Buildings Tab and for each Unit.

- ✓ When the total Project Units have been entered, along with the Accessible Unit Type, the preliminary scoring points shall be shown on the Scoring Tab.

QAP Section 6.3.6 Impact on the Environment – Check the applicable boxes to request preliminary scoring points.

- ✓ For each box checked, preliminary scoring points shall be listed on the Scoring Tab (up to the maximum points).

QAP Section 6.3.7 Energy Efficiency – Check the applicable box(es) to request preliminary scoring points.

- ✓ If more than one box is checked, the maximum of 8 preliminary scoring points shall be shown on the Scoring Tab.

QAP Section 6.4.1 Iowa Title Guaranty - Check the box to request preliminary scoring points.

- ✓ If the box is checked, preliminary scoring points shall be listed on the Scoring Tab.

QAP Section 6.4.2 Developer or General Partner/Managing Member Experience – Enter the information on the Qualified Development Team Tab for the Developer or General Partner/Managing Member to request preliminary scoring points.

- ✓ When information is entered correctly, preliminary scoring points shall be listed on the Scoring Tab.

QAP Section 6.4.3 Waives Right to Qualified Contract – Check the box to request preliminary scoring points.

- ✓ An Applicant electing points under Section 6.1.4 - Provides an Opportunity for Homeownership is not eligible for this scoring category.
- ✓ The Scoring Tab shall list the preliminary scoring points if the box is checked and the Project is eligible for the points in this category.

QAP Section 6.4.4 Construction Costs – Check the applicable box if committing to maintaining construction costs to 70% or more of Total Development Costs (New Construction/Adaptive Reuse) or 55% of Total Development Costs (Acq./Rehab) from Threshold Application submission throughout the issuance of the IRS Form 8609.

- ✓ If the box is checked and the scoring criterion has been met, the Scoring Tab will list the preliminary points for this category.

QAP Section 6.4.5 Capital Needs Assessment (CNA) – For Acq./Rehab or Rehab Projects, if requesting points for this scoring category, select the box and upload Exhibit 1S. (N/A for Applicants applying under the Supportive Housing for Families Set-Aside)

- ✓ If Project is Acq./Rehab or Rehab and Applicant checks the box, the Scoring Tab shall list the preliminary scoring points for this category.

QAP Section 6.4.6 Environmental Site Assessment – If a Phase I Environmental Site Assessment (ESA) has been performed and was conducted consistent with the procedures included in ASTM E 1527-13, Standard for Environmental Site Assessments: Phase I Environmental Site Assessment Process with the Application, check the box and upload as Exhibit 4S.

- ✓ If the box is checked, the preliminary scoring points shall be listed on the Scoring Tab.

QAP Section 6.4.7.1 Land and/or Cash Contribution – Enter the contribution information on the Funding Sources Tab and provide an Exhibit 5S with the required supporting documentation for each contribution.

- ✓ The preliminary scoring points shall be shown on the Scoring Tab once all Project Costs and each contribution for this scoring category have been entered.

QAP Section 6.4.6.2 Below Market Interest Rate Loan – Enter the Below Market Interest Rate Loan (“Loan”) information on the Funding Sources Tab under Funding Sources 1st and then under QAP Section 6.4.7.2 and upload an Exhibit 5S(b) and a commitment letter for each contribution provided under this section.

- ✓ The Application will calculate the interest savings and the Scoring Tab will show the preliminary scoring points after entry of the loan information in **both sections** and the total project costs. **Submit questions on the calculation to the Q & A. Updated 11-3-17**

j) Rental Assistance

Federal Assistance - Select yes if the Project will receive federal assistance.

HUD-VASH Voucher - If the Project has HUD-VASH Voucher Assistance, select yes and provide Exhibit 7T. Exhibit 7S is required if an Applicant is requesting scoring points for this category.

- Enter source providing the HUD-VASH Vouchers.
- Enter the number of Units covered by a written commitment for HUD-VASH Voucher Assistance.

Federal Project-Based Rental Assistance - If the Project has Federal Project-Based Rental Assistance, select yes and provide Exhibit 7T. Exhibit 7S is required if an Applicant is requesting scoring points for this category.

- Enter the subsidy source and the number of Units.
- Enter the contract number(s) for the federal project-based rental assistance.
 - ✓ If the federal project-based rent exceeds the LIHTC Rent limit, check the box on the Buildings Tab to exceed the rent limit.
- Enter loan number if Project has a Rural Development Section 515 mortgage.
 - ✓ The four percent (4%) limit on rent increases stated in QAP Section 4.1.7 does not apply to a Project that has an executed Federal Project-Based Rental Assistance Contract.

Local Project-Based PHA Voucher Assistance - If the Project has Local Project-Based PHA Voucher Assistance, select yes from the drop down and provide Exhibit 7T. *Exhibit 7S is required if an Applicant is requesting scoring points for this category.*

- Enter name of the local PHA and the number of Project-based vouchers committed by the PHA as well as contact information for the PHA.

Preliminary scoring points shall be listed in the Scoring Tab if all information has been entered correctly and the Project is eligible for this scoring category.

k) Transfer of Physical Asset

- If HUD approval for the transfer of physical asset is required, select yes.
- If RD approval for the transfer of the physical asset is required, select yes.
- If IFA approval for the transfer of the physical asset is required, select yes.

4. Nonprofit Set-Aside Tab

- Enter the Nonprofit entity name, tax id number, address, and select yes or no from the drop down field for type of Nonprofit exemption.
- Enter explanation for the type of tax exemption the Nonprofit is organized and operated exclusively for.
- Select either 501(c)(3) or 501(c)(4).
- Answer remaining questions in Section A and provide requested explanations.
- In Sections B-C, answer all of the questions and provide explanations.
- In Section D, enter the person's name and contact information and answer the remaining questions.
- Upload Exhibits 1SA-5SA on the Exhibits Tab.
- Submit the request to IFA for review no later than October 20, 2017, 4:30 P.M. C.S.T.
 - ✓ Ensure the Nonprofit entity name is also listed in the Qualified Development Team Tab as a General Partner/Managing Member.
 - ✓ Ensure the Project Name and Location Tab is completed prior to submitting the request.
 - ✓ At Threshold Application submission, if the Nonprofit Entity was approved, the Nonprofit Set-Aside may be checked; otherwise, an error will be generated
 - ✓ The structure of the GP/MM in the Qualified Development Team Tab in the submitted Threshold Application shall not be different than initially submitted in the Nonprofit Set-Aside Tab if IFA approved the Nonprofit entity.

5. Site Description Tab

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. Refer to QAP Appendix 1-H.

Site Acreage - Enter total site acreage.

- ✓ Site acreage shall match purchase agreement/option to purchase (Exhibit 1B) and any related exhibit provided.
- ✓ Do not include excess land or acreage not required for the proposed Project. Refer to QAP Appendix 1-H.

Scattered Site Project (QAP Section 5.9) - Check the box and upload Exhibit 19T.

- ✓ All Units must be LIHTC Units.

Additional Primary Market Areas (QAP Section 3.3.7) - Enter the number of additional primary market areas, if applicable.

- ✓ A higher market study fee shall be charged for additional primary market areas.

Readiness to Proceed – (QAP Section 5.4 and Appendix 1) – Check the applicable certification box regarding the availability and capacity of utilities.

- Check the boxes identifying the utilities and infrastructure.
- Enter description, if needed.

Demolition - Answer the question, “Is the demolition of any buildings required or planned?”

- If yes, enter an explanation.

Relocation/Existing Buildings on the Site(s) Occupied (QAP Sections 5.5 and 8.7) - Answer the question, “Are existing buildings on the site currently occupied?”

- If yes, enter relocation information and save.
 - ✓ Make sure the relocation budget amount entered matches the amount entered in the Costs and Credit Calc. Tab.

Site Characteristics (QAP Appendix 1-H) - Answer all the questions and enter an explanation for any question answered “yes”.

- ✓ Exhibits 6Ba – 6Bc required when any question is answered yes.

Legal Description - Enter the complete legal description.

- ✓ The legal description shall match the legal description in all exhibits.

Zoning - Enter the present zoning classification of the site(s) and provide the required information.

- ✓ Information entered shall match zoning information completed by the city in Exhibit 7B, as well as, any other exhibit submitted with the Application. Refer to QAP Appendix 1-C.

6. Site Control Tab

- Check the box agreeing to comply with the QAP site control requirements.
- Enter the entity name that has site control for the Project.
 - ✓ The Ownership Entity of the proposed Project shall have site control.
 - ✓ Refer to QAP Appendix 1-A.

a) Identity of Interest – Answer the question as to whether there is an Identity of Interest.

- If yes, enter a relationship explanation.
- If yes, provide an appraisal by an MAI certified appraiser who is not a related party and is currently in good standing (Exhibit 2B).
 - ✓ The appraisal shall not be more than 180 days old from the Application due date.
 - ✓ Appraisal shall be evaluated to determine whether the purchase/option price can be substantiated. Refer to QAP Section 5.4.1.1.
 - ✓ Appraisal shall provide separate values for land and building(s).

- ✓ IFA reserves the right to acquire an appraisal, at the Applicant's expense, if reasonable cause exists to question the fair market value of the land and/or buildings acquired.
 - ✓ An appraisal is required for a gift of land or land with improvements. Refer to QAP Section 6.4.7.1.
 - ✓ An appraisal is required if the seller of the property is contributing cash to the Project. Refer to QAP Section 6.4.7.1.
 - .Enter date seller has owned the real estate since.
- b) Sole Fee Simple Title - Answer the questions.
- If sole fee simple title, enter purchase date.
 - If Option to purchase, answer yes and enter the related information.
 - ✓ The current expiration date of the exclusive executed option/contract shall be valid for nine (9) months following the date of the Application due date.
- c) Leasehold Interest
- Answer yes and enter the number of years if Ownership Entity has an executed lease for the Property in which the Project will be located.
 - If Option to lease, answer yes and enter the related information.
- d) Low-income Housing Credit for Existing Building
- Answer the questions to determine eligibility for acquisition credits.
 - Answer the question on cash from Project reserve accounts.
- e) Easements – Answer the questions for site access easements and vacation of a public right to use. For each “yes” answer, enter an explanation.
- Check the boxes stating understanding of the site access and site control requirements.
 - ✓ Ensure easements are addressed in Exhibit 1B and shown in the site plans.
- f) Acquisition or Rehabilitation Projects Only – Enter the Rehabilitation Expenditure(s) amount allocable to the low-income Units, the adjusted basis amount and the number of buildings acquired for the development.
- Answer the question as to whether all of the buildings are currently under site control for the development. If no, an error will be generated.
- g) Ten-Year Rule (Applicable to Acquisition/Rehabilitation and Adaptive Reuse requesting Acquisition Credits)
- ✓ The Application will generate this section based on the information entered for the prior to placed-in-service date and placed-in-service date and the 30% PV column on the Costs and Credit Calc. Tab.
 - ✓ Exhibit 8T – Tax Attorney Opinion As to Project Acquisition Tax Credit Qualification is required for all Projects requesting acquisition credits.

7. Ownership Entity Tab

- a) Ownership Entity - Enter the Ownership Entity information and contact information.
- ✓ The Ownership Entity name listed on Site Control Tab and in exhibits shall match the name entered in the Ownership Entity Tab.
 - ✓ Ensure the entity type and status selected are correct as this determines the required 3T Exhibits in the Exhibit Checklist on the Exhibits Tab.
 - ✓ Tax identification number entered must be for the Ownership Entity and match Exhibit 3Ta and Ownership Entity Components.
 - ✓ If the Ownership Entity status is not “already formed” by the date of application due date, threshold has not been met. Refer to QAP Section 5.2.
 - ✓ Answer the question on whether the Ownership Entity is a single-asset entity.
- b) Acknowledgements - Review the Acknowledgements and check any unchecked box that applies to the Project.
- c) Identity of Interest (QAP Section 4.6.2) - Answer the question regarding whether there is an Identity of Interest between the Ownership Entity and the general contractor and builder.
- ✓ If yes, the Builder and General Contractor Fees shall be limited to 10% of Hard Construction Costs on the Financial Feasibility Tab and the General Contractor information must be entered on the Qualified Development Team Tab.
 - ✓ If yes, the General Contractor must be listed in the Qualified Development Team Tab and the Identity of Interest disclosed.
- d) Ownership Entity Components - Select, “Add Ownership Entity Component” and enter information on the General Partner/Managing Member, Limited Partner, and any other member of the Ownership Entity.
- ✓ Ensure the entity names and the ownership percentages match the Ownership Entity exhibits (3T’s) and the General Partner(s)/Managing Member exhibits (4T’s).
 - ✓ The Tax Identification Number (TIN) for the General Partner(s)/Managing Member(s) must match the TIN entered on the General Partner/Managing Member tab.
 - ✓ If awarded Tax Credits, update to match the final LP Agreement or Operating Agreement.
- e) Ineligibility/Significant Parties (QAP Sections 5.4.6.1 – 5.4.6.3.6) – Answer all questions. If yes is answered to any question, threshold will not be met.
- Ineligibility/Significant Parties (QAP Sections 5.4.6.4.1 – 5.4.6.4.5) - Answer all questions. If yes is answered to any question, enter explanation.
- f) Authorized Signor(s) - Answer the question about the number of authorized signor(s) and enter information.

- ✓ Authorized Signor Exhibits aren't required until a Project has received an award of Tax Credits; however, ensure organizational documents support information entered in the Threshold Application.

8. Qualified Development Team ("QDT") Tab

- Enter all team members by selecting, "Add New Team Member" and enter information into each team member tab.
 - ✓ All team members shall be disclosed and listed in the Application, along with any Identity of Interest and fees.
 - ✓ If one of the team member "titles" doesn't match the type of team member, list the entity as "other" and explain in the narrative box.
 - ✓ For each GP/MM, enter the entity name in the field titled GP/MM of. Information should be consistent with Exhibit 3F.
 - ✓ If applying for the Supportive Housing for Families Set-Aside, complete the qualified service provider information in the QDT Tab, upload the exhibit, and select Submit Qualified Service Provider Request on or before 4:30 P.M. C.S.T. on October 20, 2017.

- a) Experience Narrative (QAP Section 5.4.2) - Enter detailed explanation in the narrative box regarding the experience of each team member.

- b) Identity of Interest - If yes, select "Add New Identity of Interest" and enter Identity of Interest information, along with fee information.
 - ✓ Review the Identity of Interest Summary on the Qualified Development Team ("QDT") Tab after all QDT members have been entered to ensure all Identity of Interest information has been disclosed and entered accurately.

- c) Organizational Structure - Select "Add" and enter information.
 - ✓ Must enter the officers/directors/stockholders or partners if an entity has 100% ownership. These are entered after saving the entity information.
 - ✓ If more than one entity has ownership of the GP/MM, repeat entry.

- d) Maximum LIHTC Allocation - Answer the question.
 - ✓ If the Developer, General Partner/Managing Member have four or more open 9% LIHTC Projects in Iowa, only one Application may be submitted in the 2018 round.
 - If unclear if this applies to your Project's Developer, General Partner or Development Consultant (see below), contact IFA's Tax Credit Manager.
 - ✓ A Development Consultant who is the sole qualifying development team member in member in four or more open 9% LIHTC Projects in Iowa shall be limited to one Application submission in the 2018 round.
 - ✓ Refer to QAP Section 2.3.3.

- e) Mandatory Developer Training (Developer Tab)
 - ✓ If the Developer hasn't submitted an Application to IFA in the 3 previous 9% LIHTC rounds and did not attend the mandatory training session, the Application doesn't meet threshold. Refer to QAP Section 3.2.1.1.

- ✓ Only one Developer per Application is required to meet this requirement. Refer to QAP Section 3.2.1.1.
- f) LIHTC Application and Award and Project Information - Answer all questions.
- ✓ If no is answered that the team member has not submitted an Application to IFA in the previous three (3) 9% LIHTC rounds, the Developer shall have attended the mandatory training session. Enter the date and names of the individuals who attended.
 - ✓ If yes is answered for having received an award of LIHTC from IFA or any other state, but no is answered to that the team member has completed at least 1 LIHTC Project in which all LIHTC Units have been leased at least once and has received an IRS Form 8609 for the Project in any state, threshold is not met. Refer to QAP Section 5.4.2.1.
 - Received means the awarding state agency has issued the IRS Form 8609 and the Ownership Entity has received it.
 - ✓ If at least 1 LIHTC Project in which all LIHTC units have been leased at least once in Iowa or any other state and has received an IRS Form 8609 for that Project, enter the Project name and address.
 - ✓ Make sure all states in which each member has prior LIHTC experience is entered, along with the allocating agency name, contact name, and email address. An Exhibit 15T shall be provided for each state and for each applicable entity/individual.
- g) On the Developer, General Partner/Managing Member Tab, answer the questions under the Materially Participating Qualified Nonprofit heading. (Applicable only if requesting the Nonprofit Set-Aside)
- Select the approved qualified Nonprofit from the IFA-approved list in the drop-down.
 - ✓ Review the Nonprofit Set-Aside Tab, if applicable, and make sure the organizational structure represented in the initial request to IFA of the Nonprofit entity matches the Ownership Entity and GP/MM Tabs.
- h) Qualified Development Team - Answer the questions and enter explanations, as applicable.
- ✓ If the Developer, Managing Member, General Partner or development consultant has participated as a Developer, Managing Member, General Partner, or development consultant in the development of a LIHTC Project has received an IRS Form 8609 from any state within the past 7 years, answer the participation in the Project through 2 years after the issuance of the IRS Form 8609 question and enter an explanation.
 - ✓ If yes, select "Add Project" and enter the Project Name, Address, City, Ownership Entity Name, Developer Name, GP/mm name, Development Consultant Name (if applicable), Role, and the date of the IRS Form 8609 Issuance and enter explanation.
- i) Developer or General Partner/managing Member Experience - Answer the questions for the Developer, General Partner/Managing Member of this Project.

- Enter the LIHTC project information into the chart. If the 8609 Issuance Date isn't within the permitted timeframe, an error will be generated.
 - Answer the question on whether the Developer or General Partner/Managing Member of this Project has submitted and met IFA's Carryover-Ten Percent (10%) Test and/or IRS Form 8609 Application due dates between the dates of November 1, 2016 and November 1, 2017 without an extension.
 - Enter the percentage of the Developer Fee and Consultant Fee the Developer shall receive and/or the percentage of interest in the GP/MM.
 - If all information has been entered accurately, preliminary scoring points shall be listed for this category on the Scoring Tab.
- j) Ineligibility/Significant Parties (QAP Sections 5.4.6.1 – 5.4.6.3.6) - Answer all questions.
- ✓ If yes is answered to any question, threshold will not be met. Applicant shall be unable to submit.

Ineligibility/Significant Parties (QAP Sections 5.4.6.4.1 – 5.4.6.4.5) - Answer all questions.

- ✓ If yes is answered to any question, enter explanation.

k) Authorized Signors

- Enter the number of persons the organizational documents require to execute legal documents.
- Select, "Add New Authorized Signor" to enter names, title, and entity name.

9. Project Amenities Tab

a) Market Appeal Characteristics (QAP Section 6.3.1) - Check applicable boxes to request preliminary scoring points.

- Enter expenses for Free Internet Connectivity and Video Security System in the Projected Operating Costs Tab if points have been requested.
- If an item has a specification box, enter the requested specification (Storage Units).
 - ✓ Once a box is checked, a description populates with the QAP requirement and the preliminary scoring points elected for this category shall be listed on the Scoring Tab for each checked box.
 - ✓ All selected items shall be provided at no cost to tenants and maintained by the Project throughout the Compliance Period and Extended Use Period.
 - ✓ Each scoring election made in the Application shall be shown in the plans and specifications.
 - ✓ If a Project is a historic Project, points can be requested for In-Unit Laundry space with washer and dryer; however, the Applicant will have needed to contact SHPO on providing the necessary dryer exhaust ducts to allow for new exterior wall penetrations. The Description Box will contain the following additional statement, "Applicant has performed due diligence regarding the historic/SHPO requirements."

Before electing points in the Application, be sure to have completed your due diligence with SHPO.

- b) Construction/Unit Characteristics (QAP Section 6.3.4) - Check applicable boxes or radio buttons to request preliminary scoring points.
- ✓ Once a box is checked, a description populates with the QAP requirement and the preliminary scoring points for this category shall be listed on the Scoring Tab for each election.
 - ✓ All selected items shall be provided at no cost to tenants and maintained by the Project throughout the Compliance Period and the Extended Use Period.
 - ✓ Each scoring election made in the Application shall be shown in the plans and specifications.
 - ✓ If a Project is a historic Project and requests points for Steel Frame Door, the Description Box will contain an additional statement, "Applicant has performed due diligence regarding the historic/SHPO requirements." Make sure before electing points in the Application, the due diligence with SHPO has been completed.
- c) Other Site Amenities (check all that apply)
- Community Building
 - Community Room – Enter the square footage, if applicable.
 - ✓ If a Senior Project and points were elected, the square footage is entered under Market Appeal.
 - Garages - Answer whether rent shall be charged, amount charged, and the number of garages.
 - ✓ Income shall be reflected in the Cash Flow Tab.
 - ✓ If no charge, costs may be included in Eligible Basis.
 - Surface Parking - Answer whether rent shall be charged, amount charged, and the number of parking spaces provided.
 - ✓ Income should be reflected in the Projected Cash Flow Tab.
 - ✓ If no charge, costs may be included in Eligible Basis.
 - Underground Parking - Answer whether rent shall be charged, amount charged, and the number of parking spaces provided.
 - ✓ Income should be reflected in the Projected Cash Flow Tab.
 - ✓ If no charge, costs may be included in Eligible Basis.
 - Mandatory amenities have already been checked and are greyed out to prevent editing. Answer the question specific to On-Site Resident Manager's Unit and then select amenities:
 - ✓ Site Lighting (*mandatory)
 - ✓ High Speed Internet Access per Unit (*mandatory)
 - ✓ Other - Enter an amenity being provided not listed as an option.
 - ✓ Description – Enter a description of the difference(s) between Low-Income & Market-rate Unit Amenities.
 - If no market rate Units, no description is necessary.
- d) Other Interior Apartment Amenities (check all that apply)

- Check the box indicating all the amenities selected shall be provided to all Units.
- Check all boxes for amenities provided by the Owner. Mandatory amenities are already checked and greyed out so these may not be changed:
 - ✓ Range (*mandatory)
 - ✓ Refrigerator (*mandatory)
 - ✓ Microwave (*mandatory)
 - ✓ Heating Type (*mandatory) (Populates to the Construction Characteristics Tab)
 - ✓ Cooling Type (*mandatory) (Populates to the Construction Characteristics Tab)
 - ✓ Water Heating Type: (*mandatory)(Populates to the Construction Characteristics Tab)
 - ✓ Window Covering Type (*mandatory)(Populates to the Construction Characteristics Tab)

10. Construction Characteristics Tab

- Read and check the first two boxes under Minimum Development Construction Characteristics Acknowledgements.
- Review instructions.
- Enter the information for each category by selecting the applicable check boxes and/or entering material or model information as requested.
 - ✓ If a scoring election is made on another application tab that relates to a specific minimum construction characteristic, it will be shown on this tab.
 - ✓ Plans and specifications should be consistent with the information entered in the Application.

11. Buildings Tab

- a) General Building Information – Select “Add New Building” and continue to add buildings until all buildings in the Project are entered.
 - ✓ If a Project is located in a Qualified Census Tract (“QCT”) and will include a community service facility, as defined by the IRC, select, “community service facility.”
- b) Address Information - Enter all address information, including the correct 9-digit zip code.
 - Check Primary Address box for the building that is the “Primary Address” (PA) for the Project.
 - ✓ The “blue” zip code reference is a link to the United States Postal Service that will provide the complete 9 digit zip code.
 - ✓ Census Tract information is generated by the Online Application based upon the address entered for each building. However, Exhibit 16T is required if a Project is located in a QCT or DDA.
 - Each Owner must maintain documentation of the eligible Project’s QCT or DDA status in its records and provide a copy with each submitted application. Print the documentation from the HUD website. (Link on Appendix C of the 2018 Application Package).

c) Prior LIHTC Project

- If the Project is Acq/Rehab or Rehab, with buildings that have been part of a LIHTC Project in a prior year, select “yes” and enter the Building Identification Number (BIN) previously assigned to each building.
- Check the box acknowledging the understanding of existing LIHTC BIN(s) and Land Use Restrictive Agreements (LURA).
- Answer the question as to whether the building is part of a prior LIHTC project that requested a Qualified Contract through IFA and has had a partial LURA released.
- Answer the question as to whether the Project is subject to an existing LURA
- If yes, enter the Minimum Set-Aside election for the existing LURA.
 - ✓ If a prior LIHTC Project with existing LURA is awarded, the maximum restriction between the existing LURA and the new LURA shall be enforced.
 - ✓ If an existing LIHTC Project is in the initial 15-year Compliance Period, the Project is ineligible. A Project must’ve completed the 15th year of the Compliance Period. Refer to QAP Section 2.4.
 - ✓ If combining prior LIHTC Projects into one Project, contact IFA for assistance on how to proceed based on the LURA restrictions for each LIHTC Project.

d) Other Information

- Select new or acquired for the building.
- Enter the number of stories.
- Enter the building type.
 - ✓ If a building type is entered that wasn’t selected on the Project Description Tab, an error will result.
- Enter the acquisition date, acquisition cost and rehabilitation cost, as applicable.
- Enter the date constructed (if applicable) and date placed in service by previous owner (if applicable).
- Enter the estimated Placed-in-Service (PIS) Date.
 - ✓ This date shall be listed in a Carryover Allocation Agreement for an awarded Project.
 - ✓ PIS date is required to be updated in the IRS Form 8609 Application.
- Enter the Number of Fully Accessible Units in the building.
 - ✓ 10% of all Project Units are required to be Fully Accessible.
 - ✓ Refer to QAP Appendix 1-G.21 for minimum threshold requirements for Accessible Units.
- If electing points under the Olmstead Goals scoring category, enter the number of Additional Accessible Type A Units.
- At unit level, enter the Accessibility type for each Unit.
 - ✓ The number of Units with Accessibility features must match the number of each Accessibility type entered at the Building level.
- Enter the number of Units with Accessible Communication Features.

- ✓ A minimum of 2% of all Units is required and shall be in addition to the 10% Fully Accessible Units.
 - ✓ Refer to QAP, Appendix 1-G.21 for minimum threshold requirements for Accessible Units.
 - ✓ Accessibility shall be met regardless of the building type including single family or duplex designs. Refer to QAP Appendix 1.
- e) Units having own A/C, heating, and water heating – answer the question.
- ✓ Answer is tied to eligibility for specific scoring categories under QAP Section 6.3.7 Energy Efficiency.
- f) Type of Control
- Answer the questions regarding the type of control and provide the applicable dates.
 1. Should match Site Control Tab.
 2. If not sole fee simple title at Threshold, if awarded, type of control must be ownership for the Carryover-Ten Percent (10%) Application or lease.
- g) Historic
- Answer question as to whether the building has been determined or is eligible for the National Register of Historic Places.
 - If answered no, but historic is selected on the Project Description Tab, preliminary scoring points will not be generated on the Scoring Tab.
 - If any building is selected as historic, but federal and state historic tax credits or loan for anticipated state historic tax credits are not entered as a funding source, an error will be generated.
- h) Misc.
- Unit occupied by Owner - Answer question, “If any building in the Project consists of 4 or fewer units, will any unit in such building be occupied by the owner of such building or any person who is related to such owner?”
 - Common Space Building - If building is common space only, check the box.
 - If Project has a Project-based rental assistance contract and the rents exceed the LIHTC rent, check the extend rent limit box and enter the contract number.
 - ✓ If the box isn’t selected and the gross rents exceed the LIHTC maximum rents, an error message shall be generated.
- i) Qualified Basis
- Enter acquisition costs and new/rehab costs, as applicable.
- j) Utilities Included in Rents
- Check all boxes for the utilities paid by the Owner.

- ✓ If all utilities are paid by the Owner, then a \$0 utility allowance shall auto-fill into the Units; otherwise, the total of the amounts entered here shall carry over into Units.
- ✓ Ensure Exhibit 11T is uploaded to the Exhibits Tab as applicable. Refer to Appendix K of the 2018 Application Package.

k) Tenant Paid Utilities

- Enter the amounts for each utility type and bedroom size paid by the tenant to be included in the utility allowance calculation.
 - ✓ Ensure the amounts for each utility type match Exhibit 11T.
 - ✓ If the Project will be an Iowa Rose Program Project, enter all utilities as paid by the tenant.
 - ✓ Utility allowances populates per building type per Unit.
 - ✓ Rural Development Projects can refer to RD form 3560-7, Multiple Family Housing Project Budget/Utility Allowance, Part IV (C), for the breakdown of the utility allowance that shall be entered.
 - ✓ HUD Project-based Section 8 Projects may refer to the Owner for utility documentation (breakdown of the utilities) submitted to HUD or IFA Section 8 Contract Administration for the most recent approved utility allowance.
 - ✓ If geo-thermal is the heating source, use electric heat on the PHA utility allowance chart when geo-thermal is not shown and the tenant is paying for heating.

l) Mandatory Charges – Answer question as to whether there are other mandatory charges required for tenancy and the amount.

- If yes, enter amount.
 - ✓ Mandatory charges shall be reflected in the gross rents.

m) Building Includes – Check the boxes to indicate whether the building includes elevators (and enter the number of elevators), is an accessory building or includes a commercial facility, community service facility, or other facilities.

n) Square Footage Information

- Enter Common Area and/or Commercial Square Footage, if applicable.
- Enter any concerns or provide additional information concerning the building.
 - ✓ The residential square footage and the gross floor square footage will populate.
 - ✓ A Manager's Unit is common space and not a residential Unit.

o) Units – Select “Add New Unit” and continue to add until all Units in the building have been entered.

- To add multiple Units with the exact same characteristics (sf, bedrooms size, baths, net square footage., AMI%, monthly rent, accessibility features, enter the number in the Number of Units to Add box prior to selecting save changes to the building.
- Select “Save Changes” and “Add New Unit” until all Units have been entered or if finished, select “Save Changes and return to Building.”

- Select type of Unit.
- Select the number of bedrooms and bathrooms.
 - ✓ The minimum number of bathrooms per QAP Appendix 1 - G.28 shall be met.
- Enter the net unit square footage.
 - ✓ Do not include garage space in the square footage of the Unit.
 - ✓ Net square footage is the usable unit space from the inside face of the walls and not the structure.
- Unit numbers aren't required at the time of Threshold Application submission.
- Select the AMI % of the Unit.
 - ✓ If the Project is an Iowa Rose Program Project, the AMI% shall be 60% for all Units.
 - ✓ The percent of Units shall be calculated for QAP Section 6.1.1 - Serves Lowest Income Residents and Section 6.1.2 - Market Rate Incentive based upon the type and AMI level entered for all Units in the Project.
- Enter the Monthly Rent.
 - ✓ The Total Housing Expense populates and cannot exceed the Rent Limit unless the Project has a project-based rental assistance contract and the exceed rent limit box was checked and the contract number entered.
 - ✓ IFA shall not permit rent increases of more than four percent (4%) between the Threshold and the IRS Form 8609 Application unless the Project has an executed Federal Project-Based Rental Assistance Contract. Refer to QAP Section 4.1.7.
- If applying for the Supportive Housing for Families Set-Aside, select "Yes" for each unit designated and set-aside for the set-aside.
- Select "yes" or "no" regarding Fully Accessible, Accessible Type A, and Accessible Communication Features.
 - ✓ The Accessibility type will populate to the Unit Summary on the Buildings Tab.
 - ✓ If the building type is such that it is a multi-level Unit (such as duplex, townhome, single family detached home), each floor shall be Accessible if it is marked as a Fully Accessible Unit. Refer to QAP Appendix 1.
- If the Project is both New Construction or Adaptive Reuse and Acq/Rehab enter the number of LIHTC Rehab Units and the number of LIHTC New Construction Units.

12. Funding Sources Tab

- Check the two boxes confirming understanding of the referenced QAP requirements.
 - Check boxes under QAP Section 6.4.7.1 and under Pre-Closing Review.
- a) Equity Price - Enter the estimated equity pricing on the sale of the tax credits.
- ✓ Pricing entered shall match Exhibit 10T.
 - ✓ The equity price can't be changed during the deficiency period unless requested by IFA. Refer to QAP Section 5.1.

- ✓ Do not change equity pricing for any reason in the Threshold Application.
 - ✓ Do not change equity pricing for any reason in the IRS Form 8609 Application (for example: adjusters or percent of ownership).
- b) Current State HOME debt - Answer question regarding current State HOME debt and if yes, enter the amount.
- c) Existing Debt to be assumed by the Ownership Entity (QAP Section 4)
- Enter all debt to be assumed by the Ownership Entity.
 - ✓ Commitment letter shall be provided for existing debt to be assumed.
 - Enter any comments.
- d) Leverage (QAP Section 6.4.7) - QAP Section 6.4.7.1 Land and/or Cash Contribution - Select “Add new Land and/or Cash Contribution” and enter contribution type, source and amount from each Exhibit 5S. Select save changes and close.
- ✓ Ensure the type and amount entered in the Application matches Exhibit 5S and any additional supporting documentation is provided with the Exhibit 5S. A description field is provided showing required submissions for each contribution type.
- e) Leverage (QAP Section 6.4.7) - QAP Section 6.4.7.2 For Below Market Interest Rate Loan - Enter the Below Market Interest Rate Loan in the Funding Sources **FIRST** and then add it to this section. The On-line Application will calculate the interest savings and preliminary scoring points. A description field is provided showing required submissions.
- Enter the information from Exhibit 5S(b) – source, amount, below-market interest rate, payment type, term and amortization period, and annual debt service. Select Save Changes.
 - Upload Exhibit 5S(b) and commitment letter.
- f) Funding Sources - Select “Add New Funding Source” and enter the information for each funding source.
- Check the mandatory check box for the GP/MM’s commitment to provide the \$100 minimum GP/MM contribution to the Project. (10-11-17)
 - ✓ A developer loan shall be entered for anticipated State Historic Credits if a commitment hasn’t been received, but the Project is eligible to receive.
 - ✓ A developer loan may be used to meet the DSCR requirements, but the debt shall be foreclosable (legal note with valid, recorded mortgage). Flexibility is allowed concerning the amortization.
 - ✓ Minimum General Partner/managing member contribution of \$100 must be listed.
 - ✓ If National Housing Trust Fund is listed, an alternative source is required to be entered. Refer to QAP Section 4.5.4.
 - ✓ If a Senior Living Revolving Loan is listed, Applicant may list an alternative source for the construction and/or permanent loan(s). Refer to QAP Section 4.5.4.

13. Costs and Credit Calc. Tab

Enter the estimated total cost in the first column. Enter Eligible Basis amounts in the applicable columns - 30% PV (4%) and 70% PV (9%).

- ✓ If there is an existing field, don't enter the cost under "Other".
- ✓ For any amount listed under "Other" enter a cost break-down and explanation.
- ✓ Projects shall be underwritten using a 9% rate and a 4% rate of 3.20%.
- ✓ Amounts entered in the eligible basis columns can't exceed the total cost entered for any line item.
- ✓ IFA reserves the right to limit professional and other fees related to services rendered to the Project. Refer to QAP Section 4.6.5.
- ✓ Fees paid to parties who have an Identity of Interest will be included in the allowable Developer Fee at IFA's discretion. Refer to QAP Sections 4.6.1 and 4.6.5.
- ✓ If an amount is listed in "Other", enter a detailed explanation and breakout of costs as applicable.
- ✓ The cost of construction of a paved road shall not be included in the Project Costs. Refer to QAP Appendix 1-D.
- ✓ Extension of utility services that are not normal extensions may not be included in Eligible Basis, but can be listed as a Project Cost. Refer to QAP Appendix 1-E.
- ✓ If a large amount will be spent on site work, provide a cost breakdown of in the comment box at the bottom of the page.
- ✓ If fees will be charged for garages or parking, the cost shall 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).
- ✓ Construction costs shall be based on the gross square feet which includes the walls.
- ✓ If Accessory Building was selected on the Buildings Tab, enter an amount.
- ✓ If the entire Project is located in a Qualified Census Tract and has selected Community Service Facility, enter amount for such facility. Refer to QAP Section 4.10.1.1.
- ✓ If Garages, Surface Parking, or Underground Parking was marked in the Project Amenities Tab and will be part of the LIHTC rent, enter the applicable cost on the applicable line. Do not include with construction or rehabilitation costs or an error message will be generated when selecting "Submit".
- ✓ Any amount of Workforce Housing sales tax rebates, Enterprise Zone sales tax rebates and Utility company rebates shall be included in the calculation of Total Project Costs.
- ✓ Temporary Relocation Expenses can't be included in eligible basis.
- ✓ If a Project is eligible, the increase in Eligible Basis will calculate automatically based on information entered in the application. Refer to QAP Sections 4.10.1 – 4.10.3.2.
- ✓ Project's Applicable Fraction is based on information entered in the Application and is the lesser of the Unit fraction or the floor space fraction as defined in IRC Section 42(c)(1). At submission of the IRS Form 8609 application, each building's applicable fraction shall be determined.

- ✓ Tax credits are awarded based on the lower of the Eligible Basis and the Equity Gap calculations.
- ✓ Total Project Costs and all funding sources plus expected syndication equity be within \$3.
- ✓ Equity Gap Calculation can't exceed the Eligible Basis Calculation or there is a funding gap.
- ✓ The maximum Tax Credit amount to be awarded to any one Project is \$820,000. Refer to QAP Section 2.3.2.
- ✓ IFA shall not allocate more than \$1,230,000 in Tax Credits to Projects being developed by a single Developer. Refer to QAP Section 2.3.1.

14. Projected Operating Costs Tab

- Enter Project operations amounts in Section I – IV.
- Enter property taxes with some escalation separately for years 2-15.
 - ✓ If a Project receives tax abatement or TIF funds, enter the net real estate tax amount. The DSCR requirement shall still be met.
 - ✓ If providing Video Security System or Free Internet Connectivity, enter expenses.
 - ✓ Refer to QAP Sections 4.2.1- 4.2.2 for Operating Expense requirements.
 - ✓ For existing housing Projects, IFA reserves the right to request the last three years of financial statements which shall include a balance sheet and income statement. Refer to QAP Section 4.2.3.
- Enter any remarks.

15. Projected Cash Flow Tab

- a) Income & Expense Escalators
 - Enter the income and expense inflation rates. Refer to QAP Section 4.1.1.
 - ✓ Income minimum of 2% and operating expenses minimum of 3% with a minimum spread of 1%.
 - ✓ Management fees shall escalate at the same rate as income.
- b) Vacancy Rate
 - If the Project requested the Preservation Set-Aside (qualified under QAP Section 2.2.3) and meets the two requirements, check the boxes at the top. Both requirements must be met.
 - Enter the applicable rate. Refer to QAP Section 4.1.2.
 - ✓ 7% for Projects with more than 25 Units.
 - ✓ 10% for Projects with 25 Units or less.
 - ✓ 5% permitted for Projects qualified Preservation Projects (QAP Section 2.2.3) and the Project has maintained a 95% or higher annual occupancy rate for the previous three (3) years and is currently occupied at a minimum of 95%.
- c) Operating Income
 - Enter any Parking, Stores/Commercial, Laundry/Vending and Other Income.
 - ✓ Total Gross Income Potential at 100% Occupancy, Vacancy Allowance, Net Rental/Other Income populates automatically.

- ✓ Income from a Manager's Unit is included in Total Gross Income, but is excluded from the Vacancy Allowance Calculation.
- ✓ Total Operating Expenses, Net Operating Income, Net Cash Flow, Debt Coverage Ratio and the 15-Year Average Debt Coverage Ratio populates automatically.
- ✓ If the Project has Project-Based Rental Assistance limited to less than 15 years and will not escalate or a similar funding situation, enter in the "Other" under Net Rental/Other Income and provide explanation below. Supportive Housing for Families Set-Aside line item is called PBRA. This shall be included in the Cash Flow, without escalation, based on information entered for the set-aside.

d) 15 or 20-Year Cash Flow

- ✓ Populates based on information from entries on the Funding Sources, Projected Operating Expenses, and Projected Cash Flow Tabs.
- ✓ All Projects shall have an average Debt Service Coverage Ratio (DSCR) between 1.20 and 1.40 DSCR and any one year can't go below 1.15 DSCR or above 1.60 DSCR for the first fifteen (15) years. Refer to QAP Section 4.1.3.
- ✓ Projects with 25 Units or less may exceed the DSCR in order to achieve a maximum of \$250 per unit per year of net cash flow for the first 15 years. Refer to QAP Section 4.1.3.1.
- ✓ Net Cash Flow/Unit/Year is listed in the table.

16. Financial Feasibility Tab

(Coming Soon) The QAP-required threshold calculations for the following categories will display by "hovering" on the calculated amount:

- Unit Cost Cap
- Tax Credit Cap per LI Unit
- Developer Fees
- Builder and General Contractor Fees
- Construction Contingency

a) Operating Expenses

- ✓ States the QAP minimum threshold operating expenses requirement for Older Person Projects (QAP Section 4.2.1) of \$3,400 per Unit per year not including taxes and reserves and Family Projects (4.2.2) of \$3,600 per Unit per year not including taxes and reserves.
- ✓ Lists the Project's actual Operating Expenses (not including taxes and reserves) and Operating Expenses per unit per year.

b) Debt Coverage Ratio

- ✓ States QAP Sections 4.1.3 and 4.1.3.1 Debt Service Coverage Ratio (DSCR) requirement of 1.20 and 1.40 DSCR with any one year not below 1.15 DSCR or above 1.60 DSCR for the first 15 years. A Project with 25 Units or less may exceed the DSCR in order to achieve up to \$250 per unit per year of net cash flow for the first 15 years.
- ✓ Lists the Project's 15-Year Average Debt Service Coverage Ratio and the DSCR by year.

- c) Operating Reserve
- Answer question on Line of Credit. If yes, enter the amount and provide an explanation on how the operating reserve will be established. If the minimum requirement amount is not met, Application may not be submitted.
 - ✓ States the QAP threshold operating reserve requirement from QAP Section 4.3.1 of greater of (1) \$1,500 per Unit; or (2) six months of debt service, operating expenses and real estate taxes and can't exceed 8-months of debt service, operating expenses, and real estate taxes at the time of the issuance of the IRS Form 8609, shall be in place for the first 15 years and be used solely to cover operating deficits.
 - ✓ Shall be fully funded within 6 months from the date IFA sends the IRS Form 8609 to the Owner.
 - ✓ Lists the amounts for each based on information entered in the application.
 - ✓ Lists the Project's Operating Reserve from the Costs and Credit Calc. Tab.
- d) Annual Per-Unit Replacement Reserves
- Enter explanation stating how the replacement reserves will be escrowed and used only for the replacement of capital components of the Project.
 - ✓ States the QAP threshold replacement reserve requirement from QAP Section 4.3.2 for Family Projects - \$400 per Unit per year escalating at the same rate as operating expenses and Older Person Projects - \$300 per Unit per year escalating at the same rate as operating expenses.
- e) Unit Cost Cap
- ✓ States QAP Section 4.9 Unit Cost Cap requirements and will list the Unit Cost Cap calculated amount, along with the Project's Total Development Costs from the Costs and Credit Calc. Tab and the Adjusted Total Development Costs (TDC-Land-Operating Reserve-Federal Historic Tax Credits residential portion-Fees outlined in QAP Section 3.3.7)
 - ✓ A Project shall not exceed Unit Cost Cap.
- f) Tax Credit Cap per LIHTC Unit
- ✓ States QAP Section 4.9.1 maximum tax credit cap per LIHTC Unit requirement and lists the calculated amount.
 - ✓ Projects eligible for a basis boost are allowed to exceed the Tax Credit Cap per LIHTC Unit as defined in QAP Section 4.10. This increase shall be included in the amount listed on line: LIHTC Credit Cap per LIHTC Unit shall be less than or equal to \$.
 - ✓ Supportive Housing for Families Set-Aside Applicants shall receive a 30% increase in Eligible Basis per QAP Section 2.2.2.
 - ✓ Projects that have Federal Project-Based Rental Assistance, HUD-VASH Voucher Assistance, or Local PHA Project-Based Rental Assistance are not eligible for QAP Section 4.10.3 – 4.10.3.2.

- ✓ No Project shall be awarded tax credits greater than \$820,000 in applying an applicable increase. Refer to QAP Section 2.3.2.
- g) Developer Fee
- ✓ States QAP Section 4.6.1 Developer fee requirements.
 - ✓ Developer Fee is calculated based on a percentage of Total Project Costs minus land, Developer's fee, Developer's overhead and profit, Consultant Fees and Project reserves.
 - ✓ Lists the maximum calculated Developer Fee amount.
 - ✓ Lists the Developer Fee total from the Costs and Credit Calc. Tab.
- h) Builder and General Contractor Fees
- ✓ States QAP Section 4.6.2 requirements for builder and general contractor fees. These fees are limited to a total of 12% of the Hard Construction Costs or 10% of Hard Construction Costs when an Identity of Interest exists between the Owner, the builder, and general contractor.
 - ✓ Lists the calculated amount of hard construction costs and 12% of hard construction costs and 10% of hard construction costs.
 - ✓ Lists the Builder and General Contractor Fees total from the Costs and Credit Calc. Tab.
- i) Construction Contingency
- ✓ States QAP Section 4.7.2 construction contingency requirements for New Construction Projects – 4% to 6% of total Hard Construction Costs minus Construction Contingency, Acq/Rehab or preservation Projects – no less than 7% and no more than 12% of total Hard Construction Costs minus Construction Contingency, and Adaptive Reuse Projects – no less than 11% and no more than 14% of total Hard Construction Costs minus Construction Contingency.
 - ✓ Lists the threshold calculated amount based upon information entered on the Costs and Credit Calc. Tab.
 - ✓ 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.
 - ✓ Lists the actual Construction Contingency amount from the Costs and Credit Calc. Tab.

17. Scoring Tab

Preliminary scoring points are shown on the Scoring Tab and are based upon Applicant entries in the Application.

- Review the [certification](#) statements.
- [To review the calculation used to determine the preliminary score for QAP Sections 6.4.4, 6.4.7.1, and 6.4.7.2, place and hold cursor \(“hover”\) on the each category’s preliminary score. \(Updated 9-29-17\)](#)
- Check the boxes to accept the Application’s preliminary score and understanding of QAP requirements.

- Review all preliminary scoring points prior to checking the box. Make sure score is correct prior to checking the box. Contact IFA prior to submission with any questions on any preliminary score in your application.
- ✓ In the event a Project from the prior year' allocation round was placed on the waiting list due to a successful appeal, the Project will be awarded 5 points if the Project is the exact same Project that was the subject of the successful appeal. This will not be shown in the preliminary score. Refer to QAP Section 7.8.3.

18. Exhibits Tab

IFA Exhibits are considered part of the Application:

- Threshold Exhibits (T)
- Building Exhibits (B)
- Set-Aside Exhibits (SA)
- Scoring Exhibits (S)
- Supportive Housing for Families Set-Aside (HSA)
- ✓ The Exhibit Checklist lists required exhibits based upon information entered in the Application.
- ✓ Each exhibit that is an IFA Required Form shall have a link to the 2018 website. Exhibit 7B must be generated from the Exhibit Checklist.
- ✓ Do not use a prior year exhibit.
- ✓ All IFA required forms and templates for the current allocation round are available on the LIHTC website with a link to the website on the Exhibits Tab – Exhibit Checklist.
- ✓ Appendix K of the 2018 Application Package provides all exhibit information and is available on the IFA website.

19. Overview Tab

Basic Project information is listed.

- ✓ Provides a link to the market study report which will be available after the March 2018 Board meeting.
- ✓ Carryover Agreement and LURA available.

20. Project Timeline Tab

- Enter dates for each item that represents the proposed Project Development Timeline. IFA has pre-filled its required submission dates. Update any pre-filled information that is incorrect.
- ✓ Required to be updated in the Carryover-Ten Percent (10%) Test Application and IRS Form 8609 Application.

F. QUESTIONS & ANSWERS

Questions shall be submitted on IFA's 2018 LIHTC webpage at:

<http://www.iowafinanceauthority.gov/Home/DocumentSubCategory/223>. Questions and Answers (Q & A) shall be posted on the IFA website weekly until a week prior to Threshold Application submission due date

G. AWARD OF CREDITS

The Iowa Finance Authority Board of Directors shall make awards for the current funding round at the March 2018 Board meeting. A rankmaster and scoring breakdown report shall be available at that time.

- ✓ The rankmaster is a ranking of all Applicants based upon the final score determined by IFA and the order of prioritization of review and award of credits listed in QAP Section 2.5.
- ✓ Rankmaster shall account for tiebreakers listed in QAP Section 7.2.

H. NOTIFICATION OF AWARD OR NON-AWARD

A written notification of a Tax Credit award or non-award shall be emailed to each Applicant after the March 2018 IFA Board Meeting.

1. Award Letter

- ✓ Indicates whether the Project received an eligible basis boost.
- ✓ Lists the reservation fee amount and the payment due date.
- ✓ Reservation fee shall be paid by the due date to maintain the reservation of credits.
- ✓ Lists the submission due date for the Ownership Entity and the General Partner/managing member(s)' authorized signor(s) documentation (Exhibits 14Ta and 14Tb).
- ✓ Provides the approximate Carryover Agreement issuance date and the Carryover-Ten Percent (10%) Application submission due date.
- ✓ Provides the date by which the developer meeting shall be completed.
- ✓ Provides miscellaneous items and due dates to be complied with.

2. Non-Awarded – Met Threshold No Offer Letter

- ✓ Provides the reason(s) for the non-award – no offer.
- ✓ Provides appeal rights language.

3. Non-Awarded – Didn't Meet Threshold Letter

- ✓ Provides the reason(s) for the non-award – didn't meet threshold.
- ✓ Provides appeal rights language.

I. PUBLIC INFORMATION REQUEST AFTER AWARDS OR FOR PRIOR YEAR REQUESTS

- Email Katie Kulisky at Katie.Kulisky@iowa.gov or by calling 515-725-4895.
 - ✓ All Applications are available for review in the Online Application after the award of Tax Credits. Refer to QAP Section 3.

J. CARRYOVER ALLOCATION AGREEMENT & CARRYOVER-TEN PERCENT (10%) APPLICATION

1. Carryover Allocation Agreement - The Carryover Allocation Agreement for awarded Projects shall be issued in accordance with the timeline established in the QAP.
2. Carryover-Ten Percent (10%) Test Application
Awarded Applicants shall submit the Carryover-Ten Percent (10%) Application, including all required exhibits, through the Online Application by the due date listed in the QAP – 10 months following the date of the Carryover Agreement.
 - ✓ Request an extension request through the Online Application Request Extension Tab. The late submission fee invoice is created and payable in the Fees Tab at the submission of the extension request. Refer to QAP Section 3.3.7.
 - ✓ IFA shall send a deficiency report through the Online Application requiring correction(s) or clarifications/responses.
 - ✓ Applicant shall make requested changes and submit the deficiency response through the Online Application.
 - ✓ Once final underwriting is complete, a written notice to the Ownership Entity is provided stating whether the 10% test was met or not met.
 - ✓ The \$2,500 Construction Monitoring Fee payment is due at submission. Refer to QAP Section 3.3.7.
 - ✓ Application Package shall be posted on the IFA website.
 - ✓ Links to each Exhibit/sample forms are provided on the Application's Exhibits Tab.

K. LAND USE RESTRICTIVE COVENANTS ACKNOWLEDGEMENT (LURA)

If an Applicant met the 10% Test, IFA will issue the Land Use Restrictive Covenants Acknowledgement (LURA) 60-90 days after the 10% Test letter has been sent to the Ownership Entity. Upon receipt of the signed LURA from the Ownership Entity, IFA will execute and send the LURA for recording at the county recorder's office and bill the Applicant for reimbursement of the LURA recording fee charged by the county recorder's office. Electronic payment shall be made through the Fees Tab.

If a Project has an existing LURA, the existing LURA shall remain in effect and IFA shall record the new LURA. Owner shall comply with the most restrictive requirements.

The LURA shall be recorded no later than December 31st of the calendar year in which credits shall be taken.

L. IRS FORM 8609 APPLICATION

Awarded Applicants shall submit the IRS Form 8609 Application Package through the Online Application no later than October 15th of the calendar year in which first year credits shall be requested.

- ✓ 8609 Application Package and checklist shall be posted on IFA's website.

- ✓ An earlier submission is acceptable and encouraged if an Applicant has a complete IRS Form 8609 Application Package.
- ✓ Request an extension request through the Online Application Request Extension Tab. The late submission fee invoice is created and payable in the Fees Tab at the submission of the extension request. Refer to QAP Section 3.3.7.
- ✓ Select the Request Extension Tab and enter required information
- ✓ Select Submit Request
- ✓ IFA shall send a deficiency notification through the Online Application requiring correction(s) or clarifications/responses.
- ✓ Applicant shall make requested changes and submit the deficiency response through the Online Application.
- ✓ IFA will send a written notification showing the final credit determination based upon the final 8609 underwritten Application.
- ✓ The Ownership Entity shall sign and return the notice of the final underwritten credit amount.
- ✓ IFA will generate an invoice for the IRS Form 8609 Application Fee based on IFA's final underwritten credit amount. Invoice shall be payable in the Fees Tab.
- ✓ IFA will issue the IRS Form 8609 to the Ownership Entity.
- ✓ Electronic payment of any fees referenced in QAP Section 3.3.7 is due before IFA shall issue an IRS Form 8609.

M. REQUESTING A CHANGE IN APPLICATION OR PRE-CLOSING REVIEW

(Updated 10-11-17)

After a Tax Credit Award, Application change requests and/or pre-closing review requests shall be submitted to IFA through the Online Application.

- Select "Request a Change".
- Enter type of change. If a pre-closing review, be sure to check the box to prevent the system from requiring the change in application fee.
 - ✓ 2018 Projects shall pay a \$500 pre-closing review fee.
 - ✓ A pre-closing review should not include changes other than those for the pre-closing review. Should a project submit changes, beyond the scope of the pre-closing review, the change in application fee be billed in the Fees Tab of the Application.
- Enter all requested and payment information.
 - ✓ Change in Application Fee is \$1,000 per submission. No charge for a pre-closing review request for Projects allocated prior to the 2018 funding round.
 - ✓ Pre-closing review instructions are posted on the IFA website and the requirement is listed in 2018 QAP Section 8.6.1.
- Select "Begin Change Request Process" at the bottom of the page, enter application changes, and select "Submit". This will be a pre-submission.
 - ✓ The most recent IFA approved Application will be the application that will be available for the change.
 - ✓ For Amendments to the Application after award, refer to the QAP Sections 8.2.
 - ✓ Upon receipt of the pre-submission, IFA will review the changes, enter the required exhibits to be submitted, and send an email notification to the owner of the required exhibits to upload.
- Upload the exhibits and submit.

- ✓ Upon receipt of the complete submission, IFA will review and use the same deficiency process as used in the Threshold Application processing.
- ✓ IFA shall provide an email with an approval or denial letter to the Owner.

N. PRIOR TO PLACED-IN-SERVICE REQUIREMENTS

1. At least 120 days prior to the first Unit Placed-in Service, a copy of the following shall be submitted through the Prior to Placed-in-Service (“PIS”) Tab in the Application: (Refer to QAP Section 8.9 Prior to Placed-in-Service Documents)
 - Affirmative Fair Housing Marketing Plan Package
 - Documentation the Project is listed on Iowa’s free rental housing locator at www.iowahousingsearch.org
 - Commitment to notify the PHA of all vacancies
 - Commitment to notify the Local Lead Agency of all vacancies.
2. **All documents must be approved by IFA before the IRS Form 8609 Application can be submitted.**
 - September 1st of the year in which a project shall be submitting the IRS Form 8609 Application Package is the latest date for which a Prior to Placed-in-Service document is uploaded to the Application for IFA’s approval.
 - Submission of the required documents at least 120 days prior the first Unit Placed-in-Service is the Owner’s responsibility. Failure to meet the QAP requirements and not having approved Prior to PIS documents could result in an Owner having to request an extension and pay the \$7,500 late submission fee or delaying the IRS Form 8609 Application submission to the following year.

O. APPLYING FOR ADDITIONAL CREDITS

If the QAP in which a Project was awarded under allowed additional requests for Tax Credits, an Applicant shall use the Online Application to apply for the additional Tax Credits.

- Select “Apply for Additional Credits”.
- Enter all information regarding payment and select “Complete Application Submission for Additional Credits”.
- Enter updates to the Application and select “Submit”.

This guidance is an overview of the LIHTC Online Application and is not all-inclusive or a re-iteration of all 2018 QAP requirements. Updates to this guide will be available on the IFA’s 2018 LIHTC webpage. Should an inconsistency be noted between the QAP and this document, the QAP shall prevail.