



**TEXAS DEPARTMENT OF
HOUSING & COMMUNITY AFFAIRS**

Building Homes. Strengthening Communities.

**2013
Multifamily Programs
Procedures Manual**

221 East 11th Street
Austin, Texas 78701

2013 Multifamily Programs Procedures Manual

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Introduction to the 2013 Uniform Multifamily Application

Programs

In March 2012, the Texas Department of Housing and Community Affairs' ("TDHCA" or "Department") Governing Board adopted resolution 12-019 which acknowledged the reorganization of the Department and its divisions. This reorganization shifted program staff and responsibilities to more closely align with the Department's mission.

Under the new structure, all multifamily funding programs were moved under the Multifamily Finance umbrella. The multifamily components of the HOME, Neighborhood Stabilization Program (NSP), and Housing Trust Fund (HTF) are now administered by Multifamily Finance Division staff. All single-family financing for the HOME, NSP, and HTF programs will be administered by their respective divisions and will not be covered in this manual. The programs administered by the Multifamily Finance Division include:

- 9% Housing Tax Credits
- 4% Housing Tax Credits
- Tax Exempt Bonds
- Multifamily HOME
- Multifamily NSP
- Multifamily HTF

As a result of the Department's reorganization and the changes to the Uniform Multifamily Rules and Qualified Allocation Plan for the 2013 application cycle, staff also updated the Uniform Multifamily Application in order to effectively administer the Multifamily Programs.

New in 2013

The 2013 Uniform Multifamily Application (the "Application") includes several updates and improvements that are meant to eliminate redundancy, simplify exhibits, and streamline the review process for the benefit of applicants and Department staff. The 2013 Application has fully integrated each of the Multifamily Programs into one coherent application, realizing a goal set in motion over the past few application cycles. The Application contains fewer tabs than previous applications and includes more features intended to make the application process more user friendly.

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Staff began by identifying similarities in the multifamily financing programs and conceptualizing an application that focused on those similarities while distinguishing the differences within those shared functions. The Application has been divided into six (6) parts listed below, each of which will be briefly explained in this section and in greater detail in later sections of this Manual.

- Administrative
- Development Site
- Development Activities
- Finance
- Organization
- Third Party

The **Administrative** section of the Application collects contact information of the Applicant and includes the Applicant and Developer Certifications as well as the self-score form for competitive tax credit Applications.

The **Development Site** section of the Application includes all of the information related to the physical location of the proposed Development site, such as the address, census tract number, flood zone designation, zoning, and site control documentation as well as information about the schools, elected officials, and neighborhood organizations in the community.

The **Development Activities** section of the Application includes all of the information about what activity is being proposed, from what is being built to the services provided to the tenants. This section includes the architectural drawings and information regarding existing structures on the Development Site. It also includes the actual funding request as well as set-aside elections. For Tax-Exempt Bond Developments that may not have architectural drawings and other items required as part of this section ready by the applicable deadline, the information contained in this section may be submitted at the time Parts 5 and 6 of the Application are submitted to the Department.

The **Finance** section of the Application includes all of the sources of financing, the development cost schedule, annual operating expenses, 15-year pro-forma and rent schedule. For Direct Loan (such as HOME loans) Applications it also includes information regarding “matching funds,” which is required to meet federal program requirements.

The **Organization** section of the Application includes information about the Applicant, Developer, and Non-Profit entities involved with the Application, along with all of the owners, managers, and board members. It includes the organizational charts and evidence of experience as well as credit limit documentation and previous participation information.

The **Third Party** section briefly identifies the entities used for the Environmental Site Assessment, Market Analysis, Property Condition Assessment, Appraisal and the Site Design and Development Feasibility Report.

Of particular interest is the fact that the Application, with respect to the competitive housing tax credit program, is no longer separated into sections based on threshold, eligibility, and selection criteria. Instead, items that affect an Application’s score are found throughout the Application. For instance, scoring criteria that are site-specific, such as Underserved Areas, are located in the Development Site portion of the Application, while other scoring criteria, such as the Commitment of Funding from a Unit of General Local Government, area found in the Finance section.

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Using this Manual

The purpose of this manual is to provide a brief description of each tab in the Application and guidance as to the Department's submission requirements and what is acceptable supporting documentation. While the Department expects that this guide may not contemplate all unforeseen situations, we hope that the information will provide an adequate foundation upon which you may build your understanding of the program requirements.

The Department always stands ready to assist you in understanding the tax credit program and other sources of multifamily financing offered by the Department and the means by which an Application is to be presented. The Department will offer direct assistance to any individual that requires this service in the preparation of the multifamily Application. However, the Department will not take the responsibility of completing the Application package for you.

The Department looks forward to your continuing interest in the Multifamily Finance programs and in the creation of decent, safe, and sanitary affordable housing for the citizens of the State of Texas.

Instructions for Completing the Electronic Application

What you will learn in this section:

- ✓ How to download the Electronic Application Materials (including Pre-Application)
- ✓ How to convert the Excel Application to PDF
- ✓ How to set Bookmarks

Downloading the Electronic Application Materials

If submitting an Application, Pre-Application, or the Waivers, Pre-Clearance, Determinations, and Disclosure (“WPDD”) Packet, all Applicants are required to use the 2013 Uniform Multifamily Application, Pre-Application, and/or the WPDD Packet Excel files provided by TDHCA at the following link: (<http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>).

1. To download any of the electronic Application files, right-click on the link at the website provided above, select “Save Target As” and choose the storage location on your computer. The Excel file should be named in the following format -- <Application #_Development Name>.xls (e.g. 13001_Austin_Crossing.xls). If an Application number has not been previously assigned then the file should be named as follows -- <Development Name>.xls (e.g. Austin_Crossing.xls).
2. Please do not transfer tabs from one Excel file to another, even if it is for the same Application. If you plan to submit more than one Application, please make additional copies of the 2013 Uniform Multifamily Application file **after** completing portions of the Application that *are* common to all of your Applications and **before** completing any portions that are *not* common to all of your Applications.
3. Any cell that is highlighted yellow is available to be manipulated by the applicant. All other cells (unless specifically stated) are for Department use only, have been pre-formatted to automatically calculate information provided, and are locked. Applicants may view any formulas within the cells. Applicants may not add additional columns or rows to the spreadsheets, unless otherwise stated.
4. All questions are intended to elicit a response, so please do not leave out any requested information. If formula references are made by the Applicant to external spreadsheets those references must be removed prior to submission to TDHCA as this may hamper the proper functioning of internal evaluation tools and make pertinent information unavailable to TDHCA.

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5. This electronic Application has been designed so that many of the calculations regarding development cost, eligible basis, and eligible point items will automatically compute once enough information has been entered. If you see a “#VALUE” or “DIV/0” in a cell, these values should disappear upon data entry in other tabs. If they still exist, double check that all required information has been input into the Application.

Tip – Complete the Development Narrative and the Rent Schedule in the Development Activities and Finance Parts of the Application first to take full advantage of the automated calculations.

6. Be sure to save the file as you fill it out!

If you have difficulty downloading the files from the website, contact Jason Burr at (512) 475-3986, or Jason.burr@tdhca.state.tx.us.

Instructions for Converting the Excel file to PDF

Once the Excel Application file is completed and you are ready to convert the file to PDF, follow these instructions.

Tip- Be sure to check all of the page breaks in the Excel files before you convert to PDF.

Excel 2007 Users:

Click the **Microsoft Office Button**  , point to the arrow next to **Save As**, and then click **PDF or XPS**.

1. In the **File Name** list, type or select a name for the workbook.
2. In the **Save as type** list, click **PDF**.
3. If you want to open the file immediately after saving it, select the **Open file after publishing** check box. This check box is available only if you have a PDF reader installed on your computer.
4. Next to **Optimize for**, do one of the following, depending on whether file size or print quality is more important to you:
 - If the workbook requires high print quality, click **Standard (publishing online and printing)**.
 - If the print quality is less important than file size, click **Minimum size (publishing online)**.
5. Click **Options**. Under **Publish What** select **Entire Workbook** and click **OK**.
6. Click **Publish**.

Excel 1997-2003 Users:

1. With the Excel file open go to the Adobe PDF drop-down box from the task bar (if using Excel 2007 click on “Acrobat” tab in the task bar)

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2. Select “Convert to Adobe PDF” from the drop-down list (Excel 2007- select “Create PDF”)
3. The Adobe PDFMaker box will appear. On the left hand side of the box all of the sheets within the Excel file will be listed and you will be prompted to select the sheets you would like to convert to PDF. Once the sheets you want to convert are selected click on the “Add Sheets” button to move those sheets over to the right-hand side of the Adobe PDFMaker box, this will list the sheets selected to be converted to PDF.
4. Once all sheets you have selected appear on the right-hand side under “Sheets in PDF” click on the “Convert to PDF” button.
5. You will be prompted to create a name and save the PDF file. The PDF file should be named in the following format -- <Application #_Development Name>.pdf (e.g. 13001_Austin_Crossing.pdf). If an Application number has not been previously assigned then the file should be named as follows --<Development Name>.pdf (e.g. Austin_Crossing.pdf)
6. A pop-up box will appear that asks “Do you want to proceed without creating tags?” Click Yes.

Remember that there are forms that require a signature. Once you have executed all required documents scan them and re-insert the scanned forms back into the order required. The Application and pre-application submitted should be the electronic copy created from the Excel file, not a scanned copy of the Excel or PDF file. Scanned copies of the Application are difficult to read, and slow down the process for staff and applicants and make it more difficult for applicants to double check the completeness of the application prior to submission.

Creating Bookmarks

Once the file has been converted to PDF and all executed forms have been re-inserted into their appropriate location within the file, you will need to create Bookmarks. Bookmarks may or may not have already been created as part of the conversion process. You will need to designate or re-set the locations. To correctly set the Bookmark locations you must have the PDF file open in Adobe Acrobat. Click on the Bookmark icon located on the left-hand side of the Adobe Acrobat screen, or go to the task bar and select these options in the following order: **View** → **Navigation Panels** → **Bookmarks**.

If a Bookmark has already been created for each tab within the Excel file, simply re-set the bookmarks to the correct locations. To re-set the location for the Bookmarks, go to the first page of each separately labeled form/exhibit. You will then right-click on the corresponding Bookmark for the form/exhibit you are currently viewing. Select **Set Destination** and a pop-up box will appear asking you the following: "Are you sure you want to set the destination of the selected bookmark to the current location?" Select **Yes**.

If Bookmarks were not already created within the Excel file, then you will need to create these Bookmarks. Go to **Document** → **Add Bookmark**. Right-click on the first Bookmark and re-name it for the appropriate form or exhibit. You will then need to set the location of the Bookmark by going to the first page of each form or exhibit, right click on the corresponding Bookmark and select **Set Destination**.

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A pop-up box will appear asking you the following: "Are you sure you want to set the destination of the selected bookmark to the current location?" Select **Yes**.

Tabs within the Excel Application workbook have been color coded to distinguish between "Parts" of the Application consistent with this manual. Additionally, beside each bulleted item a label to use for purposes of bookmarking the final PDF Application file is included in parentheses.

If after conversion of the Excel file to PDF you have extra blank pages of any exhibit, you can delete those pages in order to limit the size of the file. To delete any extra, unnecessary pages identify the page number(s) you want deleted. On the Adobe Acrobat Task Bar click on Document and select Delete Pages from the drop down list. A box will appear prompting you to select which page(s) you would like to delete. Enter the page numbers to be deleted and hit OK.

The PDF formatted file must be checked for the following prior to submission:

- ✓ All tabs and must be correctly bookmarked
- ✓ Files should average less than 100 kilobytes per page
- ✓ Files must be readable with free PDF file viewers including Adobe Reader and be compatible with Adobe Reader 5.0 and above
- ✓ Files should be saved so that "Fast Web View" (or page at a time downloading) is enabled
- ✓ Text within the PDF file should be searchable using the "Find" command in the PDF viewer

If you have any questions on using or experience difficulties with the Microsoft Excel based application, contact Jean Latsha via email at jean.latsha@tdhca.state.tx.us.

Waivers, Pre-clearance, Determinations, and Disclosure (WPDD) Packet

What you will learn in this section:

- ✓ Overview and reasoning for the WPDD Packet
- ✓ Submission timeline for WPDD Packet
- ✓ Instruction for completing the WPDD Packet

Overview and Reasoning for the WPDD Packet

The re-structuring of the Uniform Multifamily Rules, Qualified Allocation Plan, and the court ordered Remedial Plan posed several administrative challenges for Department staff with regard to seamless implementation throughout the Multifamily Finance programs. Staff determined the timing of Application materials would have to be altered slightly in order to provide as much time as possible for Applicants to receive guidance from the Department. Staff recognizes the cost associated with preparing an Application for multifamily financing, and staff further recognizes the value in mitigating as much risk as possible by addressing issues of eligibility (overall and scoring related) as soon as possible.

Multifamily staff created the Waivers, Pre-clearance, Determinations, and Disclosure (“WPDD”) Packet in an effort to formalize the process by which applicants seek pre-clearance for Community Revitalization Plans (Ch. 11 §11.9(d)(6)) and Undesirable Area Features (Ch. 10 §10.101(a)(4)), request staff or Board determinations regarding definitions or Undesirable Site Features (Ch. 10 §10.101(a)(3)), disclose possible issues of ineligibility, and request waivers (Ch. 10 §10.207). The Supplement consists of five (5) tabs identified below.

1. Overview and Certification
2. Pre-Clearance Request (Community Revitalization and Undesirable Area Features)
3. Requests for Department Determinations (related to definitions and Undesirable Site Features)
4. Disclosures (related to ineligible Applicants)
5. Waiver Requests

Although not all the tabs in the WPDD Packet are directly related, staff determined they do share a need for staff consideration prior to submission of a pre-application and/or full Application.

Submission timeline for WPDD Packet

The WPDD Packet may be submitted as early as December 17, 2012 for Competitive Housing Tax Credit Applications and prior to the pre-application deadline if a pre-application is submitted. If applicable, it must be submitted with the bond pre-application (if TDHCA is the Issuer) or with the full Application for all other funding programs. Staff recommends the packet be submitted as early as possible for Competitive HTC Applications in order to provide the Department as much time as possible to review its contents before making a decision regarding pre-clearance, waivers, or determinations.

Multifamily staff, in coordination with the Department's executive staff, will review the WPDD Packet submissions on a first come first served basis. Applicants are expected to continue to meet all other Application deadlines and submission requirements regardless of the timing of the determinations made as a result of the submission of the WPDD Packet.

Instructions for Completing the WPDD Packet

The following are instructions for completing the WPDD packet. Each bullet represents the name of each Tab.



❖ **Tab 1 – Overview and Certification**

- Complete each yellow highlighted cell.
- Identify which Multifamily Program(s) for which the Application is being submitted.
- Sign, date, and notarize the form. (NOTE: this form will need to be printed, signed, and scanned back into the original PDF copy. DO NOT SCAN AND PDF THE ENTIRE WPDD PACKET)



❖ **Tab 2 – Pre-Clearance Requests**

- **Part 1 – Community Revitalization Plan (*Competitive HTC only*)** - Complete this section ***only if*** you are seeking points under §11.9(d)(6)(A) or (B)(i). Pre-clearance ***only*** applies to actual community revitalization plans and ***not*** to CDBG-DR funding or rural infrastructure projects which may also be eligible for community revitalization points.
 - Indicate the name of the plan. This should be consistent with the supporting documentation. If the community revitalization plan is incorporated into a larger plan such as a consolidated or city-wide plan, this may be the name of the larger plan.
 - Attach either a copy of the plan or a web address where the plan can be found. If using a web address, be certain to test the address that it links directly to the plan, or include specific instructions for finding the plan on a website.
 - Complete each yellow highlighted cell as applicable, including a page number for specific items. (Example – if you select that the community revitalization plan considered blighted structures as part of the revitalization effort, identify where in the community revitalization plan that information can be found.) Please do not include large page ranges (*e.g.* between pages 5 and 15).
 - Identify the Total Budget of the revitalization plan and/or the projected economic value of the plan. The “economic value” should be the value of incentives flowing from the city or county to the target area. See the Department’s FAQs for

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- more information regarding how staff will determine projected economic value (FAQs may be forthcoming).
- Include a certification from an appropriate local official regarding the adoption and funding for the plan.
 - The last checkbox allows the applicant to confirm that the revitalization plan being used for points does not meet all of the requirements of the QAP, but that they would like the Executive Director and/or Governing Board to determine whether or not the plan meets the intent of the rule in accordance with Chapter 11 §11.9(d)(6)(A)(iv).
 - **Part 2 – Undesirable Area Features** – Complete this section if you are seeking pre-clearance for a Development Site that is within 1,000 feet of an undesirable area feature pursuant to §10.101(a)(4) of the Uniform Multifamily Rules. This applies to all Applications for multifamily financing, not just competitive HTC Applications.
 - Include a map indicating the location of the proposed Site as well as the location of the undesirable area feature(s).
 - Include any relevant information regarding the feature. Below are examples of possible evidence but in no way is a complete or comprehensive list of the type of documentation that will be accepted. Other documentation providing a comparable amount of relevant information may also be submitted.
 - History of significant or recurring flooding: evidence of previous or ongoing disaster declarations related to flooding, FEMA maps that indicate the surrounding area is in a flood zone, news reports of flooding in the area.
 - Significant presence of blighted structures: pictures of structures in the area.
 - Fire hazards: evidence of previous or ongoing disaster declarations related to fire hazards; statement from the local fire marshal; news reports of fires in the area; estimates from insurance companies indicating higher rates than otherwise similar documentation.
 - Presence of criminal activity: statement from local law enforcement agency; lists of police reports along with a comparison of number of reports in other areas; information from crime statistics websites.
 - Hazardous waste site: pictures of site, information from website, third party reports
 - Active railways: pictures and/or maps of the railways.
 - Landing strips or heliports: pictures and/or maps of the landing strips.
 - Include information that may be relevant for staff reviewing whether the undesirable area features are of a nature that would or would not be typical of higher income lower poverty areas within the same city, county, or metro area.
 - The last box should be marked if the Development Site is eligible for points under §11.9(2)(4) of the Qualified Allocation Plan, related to Opportunity Index.

NOTE: While eligibility for Opportunity Index points may be a component of the decision to grant pre-clearance, it does not exempt an Applicant from providing disclosure of any undesirable area features.



❖ **Tab 3 – Requests for Department Determinations**

- **Part 1 – Staff Determinations Regarding Definitions** - Applicants seeking clarification regarding how the Department will classify developments with respect to construction type, Development Site and/or Target Population should complete this section of the

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form. For example, if a Development Site straddles the boundary of two census tracts, the applicant may wish to request a determination regarding how staff will deal with the situation under certain rules.

- Mark the box and provide an explanation of the circumstances surrounding the Development. You may or may not include a proposed interpretation for consideration by staff. Note that determinations by staff can be appealed to the Board, but determinations may not be challenged.
- **Part 2 – Undesirable Site Features** – Applicants seeking clarification regarding whether or not a feature that is within 300 feet of the proposed Development Site would be considered an undesirable site feature should complete this section. For example, if a Site is located within 300 feet of a facility that may or may not be considered a heavy industrial use, the Applicant can request such clarification if they are uncertain of how staff may categorize such use. Also, if a Site is located within 300 feet of a feature that may or may not be considered unacceptable pursuant to §10.101(a)(3)(H), Applicants can also request clarification.
 - Both boxes must be marked. Note that the second box explains the appeal process regarding such determinations.
 - Include a map indicating the location of the proposed Site and the subject feature as well as information regarding the feature, which may be in the form of Third Party opinions, information from websites, pictures, etc.



❖ **Tab 4 – Disclosures (related to Ineligible Applicants)**

- Mark boxes as necessary and identify any participant in the Development Team or organization structure who may have an issue of ineligibility.
- List each person for which you are seeking Department approval. (Lines 60-90 are hidden and available should additional Development Team members lines be needed.)
- Attach an explanation for each Development Team member listed explaining why they may be ineligible to participate as well as justification for why they should be allowed to participate in Multifamily Financing program(s).



❖ **Tab 5 – Waiver Requests** – Applicants seeking a waiver of a specific rule or rules should complete this section. NOTE: This is ***not*** a request for pre-clearance or a staff determination. This is intended for Applicants who are proposing a Development that, without a waiver, ***will violate*** one or more of the rules in subchapters (B), (C), (E) or (G) of the Uniform Multifamily Rules and/or the QAP.

- Fill in the yellow highlighted cells indicating the specific rule which will be violated by the proposed Development. For example, if you are proposing a New Construction Development with one-bedroom unit sizes that are smaller than 600 square feet, you would reference §10.101(b)(6)(A)(ii).
- All applicable boxes must be marked.
- Include a description of the request as well as an ***executed*** statement or letter from the Applicant which explains how, if the waiver is not granted, the Department will not fulfill some requirement of law, specifically Chapter 2306 of the Texas Government Code.

Pre-Application (for Competitive HTC only)

What you will learn in this section:

- ✓ Pre-Application delivery instructions
- ✓ Pre-Application assembly instructions
- ✓ Required Pre-Application exhibits

NOTE: Tax-Exempt Bond Applications - Instructions for bond pre-applications with the Department as the Issuer can be found at: <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>. Applications for inducement are accepted monthly.

Pre-Application Delivery Instructions

Deliver To: Multifamily Finance Division
(Overnights) Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701

Regular Mail: P.O. Box 13941
Austin, Texas 78711

Please note that the Applicant is solely responsible for proper delivery of the Application. Late deliveries will not be accepted. Applicants are highly encouraged to arrange a backup plan in case the CD is unreadable or other issues arise. An Applicant who chooses to wait until the last day to submit a pre-application will not be given extra time if an issue arises.

The Pre-Application must be received by TDHCA no later than 5:00 p.m. on Tuesday, January 8, 2013. On January 8, the Department will accept walk-in delivery, and tables will be set up in one of the Department's conference rooms from 8:00 a.m. to 5:00 p.m. Department resources may not be used to copy, format, or assemble the Pre-Application.

Mailed or courier packages must be received by TDHCA on or before 5:00 p.m. Tuesday, January 8, 2013. TDHCA shall not be responsible for any delivery failure on the part of the Applicant. If the Applicant chooses to use a postal or courier service to deliver the Pre-Application to TDHCA and such service fails to deliver the Pre-Application by the deadline, then the Pre-Application will be considered untimely and will not be accepted.

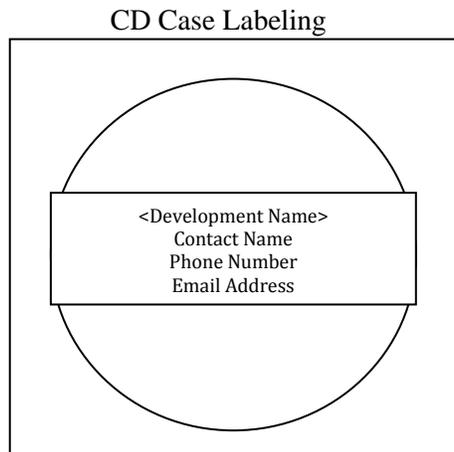
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Pre-Application Assembly Instructions

For each Pre-Application the Applicant must ensure execution of all necessary forms and supporting documentation, and place them in the appropriate order according to this manual. All Pre-Application materials must be submitted in electronic format only, unless specifically noted otherwise. The Applicant must deliver (by 5:00 PM on January 8, 2013):

1. One VIRUS-FREE CD-R in a protective hard plastic case containing the following:
 - o A complete 2013 Multifamily Pre-Application saved as a Microsoft Excel file; and
 - o A complete, executed PDF copy of the 2013 Multifamily Pre-Application file with all attachments and supporting documentation;
2. One complete hard copy of the 2013 Payment Receipt with check attached for the correct Pre-Application Fee, made out to “Texas Department of Housing and Community Affairs”; and
3. One complete and fully executed 2013 Electronic Application Filing Agreement. (The Electronic Filing Agreement may be hard copy or electronic)

Label the CD protective case with a standard label containing the typed-in development name and the Applicant’s name with email address to contact. Leave 2” above the label for a TDHCA Project Number label that will be added later by TDHCA. **PLEASE DO NOT ATTACH ADHESIVE LABEL TO THE CD ITSELF.** Rather, write the requested information legibly on the printed side of the CD itself with a felt-tip pen. Refer to labeling illustrations below. **Double-check the CD to verify that it contains the properly named virus-free application files.**



Required Forms and Exhibits for the Pre-Application

Submission of a pre-application is not required; however, submitting a pre-application may allow an Applicant to qualify for six (6) points, if all pre-application requirements under §11.9(e)(3) are met. These points would not be available otherwise.

During the review process an Administrative Deficiency will be issued to an Applicant in cases where a clarification, correction or non-material missing information is needed to resolve inconsistencies in the original pre-application. It is important that Applicants take extra care in completing and compiling all required documentation for the pre-application submission.

There are ten (10) tabs in the Pre-Application Excel workbook that represent separate spreadsheets for Applicant use. (The last tab is only a template for public notifications.) The complete PDF Pre-Application file must be submitted in the order presented in the Excel file and detailed below. Note that some tabs in the workbook act as a placeholder for purposes of reminding Applicants of additional documents that must be provided within the Application. *Applicants are encouraged to print out a blank version of each tab beforehand to be aware of all contents.*



❖ **Tab 1: Pre-Application Certification**

- The form must be signed by the Applicant or person with authority to execute documents on the Applicant's behalf and must be dated and notarized. **NOTE: No hard copy is required, only a scanned copy of the fully executed and notarized document within the final PDF is required.**



❖ **Tab 2: Applicant Information Form**

- Fill in all yellow highlighted cells of the form.
- This form identifies the person(s) responsible for responding to questions and deficiencies issued by staff.



❖ **Tab 3: Development Information Form**

- Part 1 - For construction type, if a "yes" answer is given in a cell to the left, then an answer should be given to any questions in that same row.
- Part 2 – Identify the Target Population from the drop-down menu.

NOTE: If the Applicant has made a request for a determination regarding either construction type or Target Population and has not yet received such a determination, the Applicant should fill out the form to the best of their ability and attach evidence that a request for a determination has been made behind this tab.

- Part 3 – Provide the Development address and indicate whether or not the Site is in an Urban or Rural Area from the dropdown menu. Note that the Rural/Urban designation must remain the same from pre-application to full Application in order to be eligible for pre-application participation points.
- Part 4 – Provide the 11-digit **2010 census tract number** and **include a map** of the census tract behind this tab. Indicate whether or not the census tract is a QCT by selecting from the dropdown menu.
- Part 5 – Identify the number of low income and market rate Units being proposed. (The total number of units will auto-populate.) Note that the total number of Units cannot

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increase by more than 10% from pre-application to full Application in order to qualify for pre-application participation points.

- Part 6 – Include the tax credit amount being requested. This is the annual allocation amount (not multiplied out over ten years) and Applicants should take into account the maximum request amounts allowed under each set-aside and/or sub-region. Also, this is only the tax credit request; the form does not require information regarding requests for funding from other programs.
- Part 7 – Indicate any and all set-asides under which the Application is being submitted. Note that set-asides may not be added or dropped from pre-application to full Application in order to be eligible for pre-application participation points.



❖ **Tab 4: Self Score Form**

- Select points for each scoring item from the yellow drop-down boxes. Subtotals and the total self-score will auto-populate. Note that the score cannot change by more than 6 points between pre-application and full application in order to qualify for pre-application participation points.
- **NOTE:** The Quantifiable Community Participation, Community Input Other than Quantifiable Community Participation, Community Support from State Representative or Senator, Commitment of Development Funding by a Unit of General Local Government, Community Revitalization Plan, Cost of Development per Square Foot, and Point Deduction sections are not available for applicants to Self Score. These scoring items will also not be included in the calculation to determine eligibility for pre-application participation points in the full Application.



❖ **Tab 5: Community Revitalization Plan and WPDD Packet Submission**

- If a WPDD packet has been submitted previously or is being submitted with the pre-application, or if an Applicant is seeking points under §11.9(d)(6)(B)(ii), then this exhibit must be completed.
- Regarding community revitalization points specifically, if the Applicant intends to request points in the full Application, the main box should be checked as well as one of the three sub-boxes.
- If pre-clearance was requested, indicate the status of that request. If no pre-clearance was requested for a community revitalization plan but the Applicant is seeking points through a commitment of CDBG-DR funds, mark the appropriate box and provide the following supporting documentation:
 - A commitment letter for the funds from the city or county.
 - The (city or county) plan. This plan should either be highlighted or flagged or a “table of contents” provided that clearly indicates the location in the plan where the requirements of §11.9(d)(6)(B)(ii)(I) – (III) are met.
 - A letter from the local government official confirming that the plan was in place prior to January 8, 2013 (staff may also verify the information provided through other means).
- Indicate whether or not a WPDD packet contains any other requests not related to community revitalization plan pre-clearance.
- **NOTE:** Do not submit information specifically required in the WPDD packet with the pre-application. This form is used only to alert staff that the information was submitted. Community revitalization plans submitted here will not be accepted for consideration for pre-clearance.



❖ **Tab 6: Site Control**

- Fill in all yellow highlighted cells, including information regarding the sellers of the proposed Property for the previous 36 months.
- Submit evidence of site control including a legal description of the Development Site behind this tab. Acceptable documentation is:
 - Recorded Warranty Deed with corresponding executed closing/settlement statement
 - Contract for Lease
 - Contract for Sale



❖ **Tab 7: Certification of Notifications**

- All four main boxes on the form must be checked.
- Mark the applicable four sub-boxes as applicable, choosing from the drop-down boxes. **NOTE: the third sub-box will auto-populate based on the selections made in the first drop-down box.**
- Please note the following:
 - Requests for a list of Neighborhood Organizations must be made by December 17, 2012 -- §11.2 QAP.
 - Notifications must be made no later than the date the Pre-Application is submitted to the Department.
 - Notifications should be made using a form of delivery that can be tracked. While it is not required to be submitted behind this tab, Applicants must keep evidence of all notifications made and provide this evidence to the Department upon request at any time during the Application review.
 - For Developments located in an ETJ, both city and county officials must be notified.
- Notifications must be made using the language outlined in the *Neighborhood Organization Request, and Public Notification Templates* available in the 2013 Templates file located on the Department's website at: <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>.
- Remember to sign and notarize this form and include a scanned version of the executed document within the final PDF.



❖ **Tab 8: Elected Officials Form**

- Part 1 – Identify all elected officials that represent the Development Site.
- Part 2 – Identify all of the City Council and County Commissioners. **NOTE: The format has changed from years past. The County Commissioners and City Council Members should be listed and identified via the drop down box of their title.**



❖ **Tab 9: Neighborhood Organizations Form**

- List all of the Neighborhood Organizations that have been identified and notified, including their contact information.

Application

What you will learn in this section:

- ✓ Application delivery instructions
- ✓ Application assembly instructions
- ✓ How to fill out the electronic Application file
- ✓ Required Application exhibits
- ✓ Public viewing of Pre-Applications and Applications

NOTE: 4% Tax Credit Applications for Bond Financed Developments can be submitted throughout the year. Submission of these Applications is based on the Bond Review Board Priority designation and the 75-day deadlines posted on the Departments website at the following link: <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>.

Application Delivery Instructions

Deliver To: Multifamily Finance Division
(overnights) Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78701

Regular Mail: P.O. Box 13941
Austin, Texas 78711

Please note that the Applicant is solely responsible for proper delivery of the Application. Late deliveries will not be accepted.

The Application must be received by TDHCA no later than 5:00 p.m. on Friday, March 1, 2013. On March 1, 2013, the Department will accept walk-in delivery, and tables will be set up in one of the Department's conference rooms from 8:00 a.m. to 5:00 p.m. Department resources may not be used to copy, format, or assemble the Application. **All required supplemental reports must be submitted simultaneously with the Application** (unless otherwise noted).

Mailed or courier packages must be received by TDHCA on or before 5:00 p.m. Friday, March 1, 2013. TDHCA shall not be responsible for any delivery failure on the part of the Applicant. If the Applicant chooses to use a postal or courier service to deliver the Application to TDHCA and such service fails to deliver the Application by the deadline, then the Application will be considered untimely and will not be accepted.

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Application Assembly Instructions

For each Application the Applicant must ensure execution of all necessary forms and supporting documentation and place them in the appropriate order according to this manual. The submitted Application should be the electronic copy created from the Excel file, ***not*** a scanned copy of the Excel or PDF file. Scanned copies of the Application are difficult to read, and slow down the process for staff and applicants.

All Application materials must be submitted in electronic format only, unless specifically noted otherwise. The Applicant must deliver:

1. One VIRUS-FREE CD-R in a protective hard plastic case containing the following:
 - the completed, active Microsoft Excel based 2013 Multifamily Uniform Application; and
 - the completed, executed PDF copy of the 2013 Multifamily Uniform Application with all attachments;

2. One VIRUS-FREE CD-R in a protective hard plastic case containing a complete, single file, searchable copy of the following Third Party reports:
 - Phase I Environmental Site Assessment,
 - Property Condition Assessment (where applicable),
 - Appraisal (where applicable)
 - If the Market Study and/or Site Design and Development Feasibility Report are available on March 1st, they may be included on the CD with all other Third Party reports.

Note: The Department will also accept one CD-R with both the Application and the Third Party Reports on the same disc. Staff appreciates that Third Party reports may come directly from the report provider and will also accept one Third Party report per disc. However, the entire Application (both the Excel and the PDF files), regardless of how the Third Party reports are submitted, must be included on one single disc. Tabs within the Application should not be separated onto separate discs. In addition, each of the two Application files (the Excel and PDF) should be one file; the Application should not be separated into more than one file. PLEASE ENSURE THE EXCEL AND PDF VERSIONS OF YOUR APPLICATION ARE IDENTICAL.

3. Completed hard copy of the 2013 Payment Receipt. Attach check for the correct Application Fee made out to “Texas Department of Housing and Community Affairs”; and

4. Completed and fully executed 2013 Electronic Application Filing Agreement (**ONLY REQUIRED IF NOT SUBMITTED AT PRE-APPLICATION**).

NOTE!

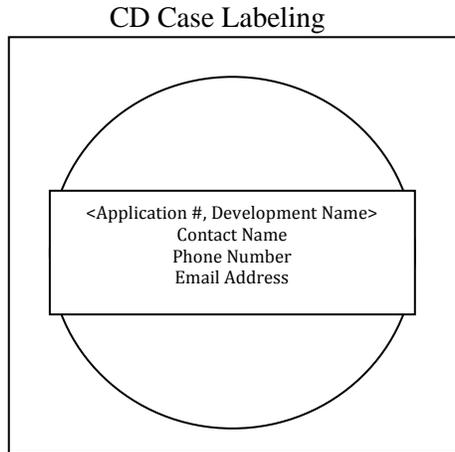
The Market Study and Site Design and Development Feasibility Report are not due to the Department until Monday, April 1, 2013 (for Competitive HTC Applications); however, the supplemental report should be submitted in the same format as described above for all other supplemental reports.

Label the CD protective case with a standard label containing the typed-in development name, application number (if assigned at Pre-Application) and the Applicant’s name with email address to contact. If an application number has not previously been assigned or a Pre-Application was not submitted for the same Development Site, leave 2” above the label for a TDHCA Application Number label that will be added later by TDHCA. **PLEASE DO NOT ATTACH ADHESIVE LABEL TO**

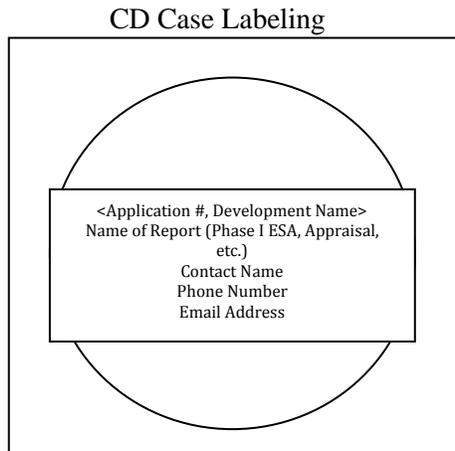
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THE CD ITSELF. Rather, write the requested information legibly on the printed side of the CD itself with a felt-tip pen. Refer to labeling illustrations below. **Double-check the CD to verify that it contains the properly named virus-free application files.**

CD LABELING INSTRUCTIONS FOR APPLICATION



CD LABELING INSTRUCTIONS FOR SUPPLEMENTAL REPORTS



Part 1- Administrative Tabs

- ❖ **Tab 1 – Application Certification**
 - Enter data in yellow highlighted cells

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- The form must be signed by the Applicant or person with authority to execute documents on the Applicant's behalf and must be dated and notarized. *No hard copy is required, only a scanned copy within the PDF file.*
- ❖ **Tab 2 – Certification of Development Owner**
 - This form must be executed by the Development Owner and addresses the specific requirements associated with the Development. The Person executing the certification is responsible for ensuring all individuals referenced therein are in compliance with the certification. Applicants are encouraged to read the certification carefully as it contains certain construction and Development specifications that each Development must meet.
 - The form must be signed, dated, and notarized. *No hard copy is required, only a scanned copy within the final PDF file.*
- ❖ **Tab 3 – Certification of Principal**
 - This form must be executed by all Principals and identifies the various criteria relating to eligibility requirements associated with multifamily funding from the Department.
 - Principals include all partners in a partnership, all executive officers in a corporation, and all managers of a limited liability company. Applicants should refer to the definition of Principal found in §10.3 of the Uniform Multifamily Rules, but in general, every person who is listed on the organizational chart(s) must sign the form.
 - The form must be signed, dated, and notarized. *No hard copy is required, only a scanned copy within the final PDF file.*
- ❖ **Tab 4 – HOME Development Certification (HOME Applications only)**
 - This form must be executed by the Development Owner and addresses the specific requirements associated with the Development. The Person executing the certification is responsible for ensuring all individuals referenced therein are in compliance with the certification. Applicants are encouraged to read the certification carefully as it contains certain statements regarding lead based paint, HUD Section 3 requirements, environmental requirements, relocation requirements, and a general threshold certification.
 - The form must be signed, dated, and notarized. *No hard copy is required, only a scanned copy within the final PDF file.*
- ❖ **Tab 5 – Applicant Information Page**
 - This form should include contact information for the person responsible for responding to administrative deficiencies. Note that this may not necessarily be the Development Owner or Applicant. The person listed here will be required to submit requested documentation within a relatively short time period and should be generally available throughout the review process. The person listed here is also expected to be available primarily via email.
- ❖ **Tab 6 – Self-Score (Competitive HTC Applications only)**
 - This form completely auto-populates from information entered throughout the Application. As noted in the introduction, the Application has been divided into sections that more closely follow the development process rather than the selection criteria in the QAP. Near the beginning of each section of the Application is a form that reflects information related to a particular aspect of development (e.g. site, finance, ownership), and that form may include statements or selections that result in the Application being eligible for points.
 - This self-score form contains hyperlinks that allow the Applicant to skip to the part of the Application that is relevant to that particular scoring item. For example, clicking on "[Financial Feasibility](#)" takes you to the Finance Scoring tab, where the Applicant can

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manipulate cells. As revisions are made to scoring items within the Application, the self-score will auto-populate and also produces a real-time self-score in the top right corner of the relevant tab. The Applicant can then click on “[Self Score Total](#)” at a number of different places in the Application and return to the self-score form. These internal links are designed to allow an Applicant is quickly toggle back and forth between the self score form and the location in the application where support documentation for that scoring item is required.

Part 2 – Development Site (Tabs 7-14)

The blue colored Development Site tabs (7-14) collect information specific to the physical location of the Development Site.

- ❖ **Tab 7 – Site Information Form (Part I):** This form is divided into 12 parts, each of which indicates whether the section is applicable to “All Programs” or “Competitive HTC Only.” Complete the yellow highlighted cells in each part as applicable. Some portions of this form will make reference to supporting documents needed to justify scoring or threshold requirements. These attachments and support documents will be listed and collected in Tab 8.
 - **Part 1 – Development Address:** Enter the information in this section as indicated by the label for each of the boxes present. If there is no mailing address for the site, please do not use phrases such as, “1 mile east of the corner” or “approximately 300 feet from” but only indicate direction from an intersection. For example, “the northeast quadrant of Hickory Street and Red River” *Note: Participating jurisdictions are identified in the Application reference material.*
 - **Part 2 – Census Tract Information:** Enter the **11-digit** 2010 census tract number with no dashes, commas, decimals, or spaces. Complete each of the subsequent highlighted cells further describing the demographics of the census tract as necessary. (See Opportunity Index Data posted on the HTC website for information on household incomes in the census tracts.)
 - **Part 3 – Site Characteristics:** The proximity to certain amenities is a threshold requirement for **all** multifamily Applicants [§10.101(a)(2)].
 - **Part 4 – Undesirable Area Features:** Mark only one of the four boxes which represents the Application. (Refer to WPDD Packet section above).
 - **Part 5 – Resolutions:** Mark each box that applies to the Development Site. If one of the main boxes in this section is marked, at least one sub-box below should also be marked.
 - **Part 6 – Site Location:** For the Zoning Designation, enter the code or descriptive name of the Site’s current zoning exactly as it is stated in the local zoning code. For Flood Zone Designation, enter the FEMA description exactly as it appears on the FEMA floodplain map that is included in the ESA. Determine if the Site is inside or outside the 100-year floodplain according to the FEMA description corresponding to the FEMA code for the Development Site that appears on the map. Requirements regarding the floodplain are specified in detail in §10.101(a)(1) of the Uniform Multifamily Rules.
 - **Part 7 – Educational Excellence:** If claiming points for this item complete the yellow highlighted cells as applicable.
 - The table allows you to identify up to five schools, the grade levels served at those schools, and the rating from TEA. These schools may need to be “combined” to obtain the overall rating for each type of school (elementary, middle, or high school). Refer to §11.9(c)(5) of the QAP in order to determine what schools may need to be combined.



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- There is also a space for a district rating, which will be used as an overall rating if one or more schools does not have a 2011 TEA rating. Again, refer to the QAP in order to determine which school rating is appropriate.
- Select the points being requested from the drop-down box, and include supporting documentation behind the tab, including but not limited to printouts from the TEA website indicating school and district ratings.
- Use the notes to explain any unusual circumstances concerning the attendance zones or ratings of any of the schools.

Tip – when trying to determine school ratings when looking at the TEA website, focus on the school number, not necessarily the name of the school.

- **Part 8 – Opportunity Index:** The information is related to scoring the Opportunity Index in the Selection Criteria. Manually enter the response regarding Region 11 or 13. Information regarding the census tract demographics, Target Population, and the Urban/Rural will auto-populate cells in this part. You must manually enter the school rating and the Total Points Claimed. Space has been provided for you to describe how you arrived at the points selected for this item.
 - **Part 9 – Underserved Area:** Select from the four options available if requesting points for this item, and select the Total Points Claimed from the drop-down box.
 - **Part 10 – Community Revitalization:** Mark one of the four check-boxes as applicable. Pursuant to §11.9(d)(6)(a)(ii) of the QAP an additional check box is available if the Application is seeking an additional 2 points. Select the Total Points Claimed from the drop-down box.
 - **Part 11 – Input other than Quantifiable Community Participation:** If applicable, mark the box. No score is available for selection in the Application, but staff will evaluate any letters attached in the Application pursuant to §11.9(d)(2) of the QAP.
 - **Part 12 – Declared Disaster Area:** If selecting points for this item, identify whether the Development Site is located in a state wide disaster area, or a localized disaster area, or both. The score will auto-populate both on this form and on the self-score form in Tab 6.
- ❖ **Tab 8 – Supporting Documentation for the Site Information Form:** Each of the applicable exhibits listed on this form must be included behind it. Some of the boxes on the Supporting Documentation page will auto-populate. Supporting documents must be included for any that auto-populate or the response that originated the automatically marked box must be corrected.
- **Census Tract Map** must bear the full 11-digit number and indicate the location of the Development Site.
 - **Site Characteristics Map** showing the Development Site, radius (1 mile for Urban, or 2 miles for Rural), and the site amenities must include a scale. Amenities can be marked on the map and then identified separately with addresses on a separate page.
 - **Evidence of Department Pre-Clearance of Undesirable Area Feature(s)** includes a letter from the Department’s Executive Director or Director of Multifamily Finance acknowledging Department approval of Undesirable Site and/or Area Features. This information is not necessary for Applications that have no issues with Undesirable Site or Area Features. **NOTE: Applicants should be aware that the Certification of Development Owner includes a stipulation that the Site is not located in an area with undesirable area features as described in §10.101(a)(3) or (4) of the Uniform Multifamily Rules.**
 - **Twice the State Average of Units Per Capita Resolution** is discussed in §11.3(b) of the QAP. A sample resolution for satisfying this requirement is provided in the 2013 Templates.

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- **One Mile Three Year Rule** is discussed in §11.3(c) of the QAP. A sample resolution for satisfying this requirement is provided in the 2013 Templates.
- **30% Housing Tax Credit Units per Total Households Resolution** is discussed in §11.4(c)(1) of the QAP in relation to the 30% increase in Eligible Basis and §11.4(d) in relation to eligibility for an award. A sample resolution for satisfying this requirement is provided in the 2013 Templates.
- **Evidence of Zoning** must exactly match the representation made in the Site Information Form. Acceptable evidence includes:
 - A letter from the chief executive officer of the Unit of General Local Government (UGLG) or another local official with appropriate jurisdiction stating that either there is no zoning or that the Site is appropriately zoned.
 - Evidence that the Applicant has applied for a zoning change, as well as a signed release provided to the UGLG to hold them harmless in the event zoning is denied.
 - For Rehabilitation developments, documentation of current zoning and, if necessary, a letter from the chief executive office of the UGLG addressing any overlays or issues of non-conforming uses.

Refer to §10.204(10) of the 2013 Uniform Multifamily Rules for more detailed requirements to be included in the evidence provided to the Department.

- **Evidence of Flood Zone Designation** must be the FEMA flood map submitted in the Environmental Site Assessment (as required in the §10.305(b)(3) of the Uniform Multifamily Rules) that contains the development area or documentation from the applicable Unit of General Local Government that mitigation has removed the Site from the 100-year floodplain. See 2013 Uniform Multifamily Rules Subchapter B – Site and Development Requirements and Restrictions §10.101(a)(1) and (4)(A), and Subchapter D – Environmental Site Assessment Rules and Guidelines, §10.305(b)(3). **NOTE: The Certification of Development Owner includes stipulations regarding the conformity of the site with the Department’s rules regarding the floodplain.**
- **School Attendance Zone Map and/or school rating**
 - Map should come from the school district and clearly show the attendance zone boundaries of the applicable school(s) for determining the school rating. The location of the subject Property should be clearly marked as present within the applicable school’s boundaries.
 - The map should indicate the most current school attendance zones, not necessarily the attendance zones in 2011 when the schools were rated. This map should indicate where the children that would live in the proposed Development would attend school as of March 1, 2013.
 - The rating of the school should be documented by a copy of the applicable portion of the ratings recorded on the Texas Education Agency (TEA) website. Note that there are prescribed methods for dealing with a number of commonly occurring special circumstances. These rules are described in the discussion of scoring the Opportunity Index and Educational Excellence in §11.9 of the 2013 QAP.
- **Evidence of Underserved Area**
 - For a colonia or economically distressed area, provide a letter confirming the Development is within the boundaries of a Colonia or Economically Distressed Area from the Texas Water Development Board as well as a map indicating the location of the Development Site within the identified underserved area.

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- To indicate developments in a place or census tract (whichever is applicable) that does not contain any other HTC developments, provide a copy of the applicable section of the HTC Property Inventory.
 - **Community Revitalization Plan**
 - For Applicants who have pre-clearance for a community revitalization plan, the box will auto-populate from the previous page. In that case, a letter from the Department granting the pre-clearance should be included behind this tab.
 - For Applicants requesting points under community revitalization plan in a Rural Area, provide a letter from a government official with specific knowledge of the project(s) which the Applicant is using to qualify for points. The letter must include the nature and scope of the project(s), the date or projected date of completion, the source of funding, the proximity to the Development Site, and the date of any applicable approvals if not already completed.
- NOTE: If seeking community revitalization points under §11.9(d)(6)(B)(ii), related to CDBG-DR funding, no supporting documentation is required in the full Application, but all supporting documentation should have been included with the pre-application.**
- **Input other than QCP Letters** should be provided behind this tab. See §11.9(d)(2) for information regarding qualifying letters. Indicate the number of letters that are being submitted behind this tab.
 - **Evidence of Declared Disaster Area** should include the actual wording of the proclamation issued by the governor along with the relevant dates (issuance and/or expiration) of the proclamation. A list of proclamations can be found at the following website: <http://governor.state.tx.us/news/archive/proclamation/>
- ❖ **Tab 9 – Site Information Form Part II** – This form is divided into 4 parts. All Applicants must complete the first three parts, and part 4 is relevant for HTC Competitive Applications only.
- **Part 1 – Site Acreage:** Identify the acreage listed on each of the four application exhibits. The site acreage in each of the four spaces should agree. If there are discrepancies, the site plan should at least be contained within all of the other exhibits.
 - The site control document (e.g., purchase contract, lease and/or deed) often reflects more land than the site plan but should never indicate less.
 - The entry for the site plan is the most important of the four entries. It must be the actual size of the final Development Site, taking into account any reductions for any circumstances (easements, dedications, etc.) that require land to be taken away from the final Site as it will be defined in the LURA.
 - The size of the Site that is reflected by the appraisal should match the size indicated by the site plan in that it should never be less than the size in the site plan. However, under certain circumstances, more land might be appraised than the final Site.
 - The ESA, like the site control document, often encompasses more land than the area of the final development site, but never a lesser amount.
 - *Note: Any differences in the sizes of the land stated in any of the four responses should be explained in the space provided, e.g., more land was purchased and studied in the ESA than is projected to be used for the Development Site.*
 - **Part 2 – Site Control:**
 - Complete the yellow highlighted cells identifying the seller, date of sale and any relationship between the seller and the applicant and/or any member of the development Team. Explain any relevant affiliations.
 - Indicate the document being presented as evidence of site control by marking the appropriate box.

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- Indicate the expiration date and estimated closing date of the contract for lease, purchase, or other form of conveyance as applicable.
- **Part 3 – Title Commitment/Policy:** Either a title commitment or title policy must be marked depending on whether the land is under contract or already controlled, respectively, by the Applicant.
- **Part 4 – 30% increase in Eligible Basis (“Boost”):** The “boost” may be granted to tax credit Developments in certain locations and/or for certain types of Developments. Mark the boxes that apply to the subject Development as applicable.
 - Census tract, Rural, Supportive Housing and Opportunity Index boxes will all auto-populate in agreement with information provided elsewhere in the application as indicated in the Excel formula bar.
- ❖ **Tab 10 – Supporting Documentation from Site Information Part II**
 - Provide the site control document, title commitment or policy and each HOME exhibit as applicable, according to the list given in the Application.

IMPORTANT: for Applications involving scattered sites, please group all applicable items below, identifying the Site by the line number in the Scattered Site Information Form, e.g. if there are five different scattered sites, provide the site control, zoning, etc. for Site #1 in a group, and the same for Site #2, etc).
 - **Evidence of Site Control**
 - See 2013 Uniform Multifamily Rules Subchapter C, §10.204(9) for detailed instructions of the rules regarding site control. Be aware that the rules for scoring the submission of a pre-application are affected by site control.
 - Application must agree with the pre-application [§11.8(b)(A) of the QAP].
 - Site control must be valid the entire period of time the Application or any Commitment or Determination Notice is pending.
 - Site control must be in the name of the Development Owner or reflect an ability to transfer the rights to the Development Owner.
 - Evidence of site control must be in one of the forms described under §10.204(9) of the 2013 Uniform Multifamily Rules.
 - If a contract is provided as evidence of site control, the closing date must be highlighted or flagged.
 - If the closing date is contingent upon other dates within the purchase contract, provide an outline of these dates that arrive at the current closing date identified.
 - Contract must have an address, legal description, or property description that matches the city, county and/or zip code indicated in the Site Information Form Part I.
 - Contract must be signed by both seller and buyer.
 - Proof of consideration, as specified in contract, must be submitted. (e.g., a completed escrow receipt from the title company signed by the escrow agent). NOTE: USDA and Related Party transactions are exempt from this requirement.
 - For **scattered sites**, if you are submitting multiple contracts, deeds, etc. each one must meet all of the requirements of §10.204(9)(A) of the 2013 Uniform Multifamily Rules. Each must clearly have the address identified and be consistent with the Scattered Site Information Form (e.g. If the Development consists of 3 parcels of land, 3 contracts/deeds, etc. must be provided or one form of site control must clearly identify and cover all 3 parcels).
 - For identity of interest transactions, submit documentation requirements described in Subchapter D §10.301(e)(1)(B) of the Uniform Multifamily Rules.
 - **Title Commitment or Title Policy**
 - See 2013 Uniform Multifamily Rules Subchapter C, §10.204(10) for detailed instructions of the rules regarding title documents.

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- The title commitment or policy should be in the name of the Development Owner. In addition, the current owner reflected on any title commitment or policy should match the current owner listed on any purchase or lease agreements.
 - Title commitment, policy, or status report if on Tribal Land must be provided.
 - If documentation is more than six months old as of the day the Application Acceptance Period closes a letter from the title company/Bureau of Indian Affairs indicating that nothing further has transpired on the policy, commitment, or status report must be provided.
 - For **scattered sites**, a title for each separate site must be submitted. Each must have the site clearly identified. It must be consistent with the site control document submitted for the same piece of Property as well as the Scattered Site Information Form (e.g. if the Development consists of 3 parcels of land, 3 separate labeled titles must be provided).
 - **Site & Neighborhood Standards (For New Construction HOME applications only)**
 - Provide letters from each utility provider.
 - A statement from the Applicant explaining how the Development will promote greater choice of housing.
 - Census data using the DP-1 level from the Census Bureau. (<http://factfinder2.census.gov>)
 - Statement from the Applicant describing travel time and cost from the Development Site to areas of employment. (not applicable for Qualified Elderly Developments)
- ❖ **Tab 11 – Scattered Site Information**
- For each separate Site in the Development as proposed, list the information in each column of the Scattered Site Information form. The information required to complete the form should be available with the possible exception of the address, which might remain unknown. All other information must be known for the Development proposal to be underwritten. If more than one seller is involved in conveying the Sites, fill-in information blocks below the table of proposed Sites as necessary to describe each of the Sites to be conveyed. The Department’s review requires comparing the Sites as proposed to the Sites conveyed. Therefore, the total acreage of all Sites proposed should match the acreage conveyed or the difference should be explained in an addendum note to this exhibit. Be prepared to submit documentation to facilitate staff’s comparison of the Sites conveyed with the Sites proposed. Such documentation will include the proposed Sites each drawn into the boundaries of the land that is proposed for purchase. **Note: Lines 29-68 and 129-403 are hidden and available should additional spaces be needed.**
- ❖ **Tab 12 – Elected Officials**
- List each elected official and their respective District/Precinct. If the pre-application correctly identified all the officials and no corrections are required (e.g., no information has changed), check the box that indicates no change and leave the rest of the form blank.
 - Confirm that Support Letter(s) have been included, by indicating in the “Yes/No” drop down box.
 - If re-notifications were necessary after pre-application because the information changed between pre-application and Application, an Administrative Deficiency caused the number of Units to increase by more than 10%, or if a pre- in the housing industry as well as a statement indicating how the Nonprofit will materially participate application was not submitted, submit the form with updated information. **NOTE: If the number of Units changes by more than 10% then the Application will not be eligible for pre-application participation points.**
 - The Applicant must notify:

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- the state senator and state representative of the district(s) that contain the Development,
- Superintendent and presiding officer of the board of trustees of the school district containing the Development,
- Presiding officer and all elected members of the Governing Body of the county containing the Development, and
- Mayor and all elected members of the Governing Body of the municipality containing the Development.
- The notifications must not be older than:
 - September 17, 2012 for Competitive HTC Applications;
 - Three (3) months prior to the submission of Parts 5 and 6 for Tax-Exempt Bond Applications; or
 - Three (3) months prior to the date of Application submission for all other Applications.
- For Developments located in an ETJ, both city and county officials are required to be notified.
- Templates for notifications and a sample support letter have been provided in the *2013 Templates* document on the HTC Applications webpage.
- ❖ **Tab 13 – Neighborhood Organizations**
 - Complete the form as applicable. If the pre-application exhaustively completed the process for notifying Neighborhood Organizations, and no corrections are necessary, it is not necessary to complete this form.
- ❖ **Tab 14 – Certification of Notifications:** The form is divided into 3 parts, of which 1 & 3 are Competitive HTC Application specific, and Part 2 is required for all Multifamily Applications.
 - **Part 1 – If a pre-application was submitted** for the Development, the Applicant must select the appropriate box under Part 1 of the certification, which is for Competitive HTC Applications only. If additional notifications or re-notifications were made for any reason after the pre-application was submitted, mark the second sub-box in this section or continue to Part 2, as applicable.
 - **Part 2 – If a pre-application was not submitted**, the Applicant must select appropriate boxes under Part 2 of the certification.
 - **Part 3 – Competitive HTC Applications, only.** Applicants should select this box ONLY if the statement is true for the Development. If the Department receives community input from a qualifying Neighborhood Organization that meets the requirements of §11.9(d)(1) of the 2013 QAP, this input may impact the final QCP score of the Application.
 - **Signature Section.** The form must be signed, dated and notarized. The individual signing the certification must be the Applicant or the person that has the authority to sign on behalf of the Applicant.
 - Templates for Request for Neighborhood Organizations and Public Notification Format can be found in the 2013 Templates on the HTC Applications webpage.
 - Requests for a lists of Neighborhood Organizations must be made by the following deadlines:
 - January 18, 2013 for Competitive HTC Applications that did not submit a pre-application;
 - Not later than 14 days prior to submission of Parts 5 and 6 of the Application for Tax-Exempt Bond Developments; or
 - Not later than the date the Application is submitted for all other Applications.
 - Certifications of notifications must be dated no earlier than the earliest date that notifications are allowed to be sent.

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- Notifications should be made using a form of delivery that can be tracked in order to retain proof of delivery.

NOTE: Developments located in the Extra Territorial Jurisdictions (ETJ) of a city require notification to both city and county officials.

Part 3 – Development Activities (Tabs 15-20)

The Development Activities tabs are colored red, and contain all information regarding the planned construction on the Site. This includes physical features, such as architectural drawings, Development amenities, and populations served. For Tax-Exempt Bond Developments that may not have architectural drawings and other items required as part of this section ready by the applicable deadline, the information contained in this section may be submitted at the time Parts 5 and 6 of the Application are submitted to the Department.

- ❖ **Tab 15 – Development Narrative:** Enter data in yellow highlighted cells. Use an “x” to fill in any appropriate boxes. Using a different symbol could result in other parts of the Application containing incorrect information. The Development Narrative is divided into 8 sections identified below.
 - **Part 1- Construction Type:** Applicants should note that under most circumstances only one box will be checked from the list of activities in Part 1. If a “yes” answer is given in a cell to the left, then an answer should be given to any questions in that same row. Applicants are advised against marking more than one box unless they have received a prior staff determination pursuant to §10.3(b) of the Uniform Multifamily Rule.
 - **Part 2 – Target Population:** Identify the Target Population from the drop-down menu provided.
 - All cells highlighted in yellow require data entry by the Applicant. Note that cells highlighted in gray will auto-calculate based on data entered here and in the Rent Schedule. Therefore, a “DIV/0!” will appear upon entry of the “% of Total Units in the Development” in this worksheet. The worksheet is protected and will not allow you to manipulate the cells that are gray. Once data is entered into the Rent Schedule the cells will calculate the correct percentage.
 - The Department will use this form to test that the proposed Development does not violate the Integrated Housing Rule (§1.15 of the Texas Administrative Code), which prohibits the set aside of more than 18% of Units for Persons with Disabilities for Developments with 50 Units or more; or prohibits the set-aside of more than 36% of the Units for Persons with Disabilities for Developments with less than 50 Units.
 - **Part 3 – Staff Determinations:** If a staff determination was made pursuant to §10.3(b), mark the box with an “x” and submit a copy of the determination behind this tab. If no determination was required, simply leave the box blank.
 - **Part 4 – Narrative:** Applicants are required to provide a brief development narrative and should also use this space as an opportunity to explain any unique circumstances surrounding the proposed Development.
 - **Part 5 – Funding Request:** Applicants should carefully fill in all relevant cells highlighted in yellow. This form is used to auto-populate other parts of the Application, including the scoring item related to Leveraging of Private, State and Federal Resources. Applicants are encouraged to review this form carefully for errors.
 - There is no internal check on funding amounts built in to the Application, so Applicants should also be aware of any funding limit requests before completing this form.

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- Clicking on the funding sources (TDHCA HOME, Housing Tax Credits, etc.) will link Applicants to the summary of sources and uses page in the finance section. That section also links back to this page so that funding requests can be manipulated easily as Applicants change their financing structures.
 - **Part 6 – Set-Aside:** This section is applicable to HOME and Competitive HTC Applications only.
 - Applicants should mark each applicable box with an “x”. The use of a different symbol may result in misinformation in another part of the Application. Applicants will be asked to submit the appropriate supporting documentation for the set-aside at different parts of the Application.
- NOTE: For Competitive HTC Applications seeking pre-application participation points, Set-Asides may not be dropped or added from pre-application to Application.**
- **Part 7 – Previously Awarded State and Federal Funding:** All cells highlighted in yellow require data entry by the Applicant. If a particular question is not applicable to the Application, type in “N/A”
 - **Part 8 – Qualified Low Income Housing Development Election:** Applicants should understand that once an election is made it is irrevocable. Applicants are also encouraged to check this election against the Rent Schedule to ensure that there are enough 50% or 60% Units (whichever is applicable) to be consistent with the election.
- ❖ **Tab 16 – Development Activities** – This exhibit is divided into 13 parts. Parts 1-4 must be completed by all Multifamily Applicants. Parts 5-13 are scoring items for use only by Competitive HTC Applications, and the elections made will affect the Self Score and the live self score total at the top right-hand corner of the form. (**Tip:** For Competitive HTC Applicants, complete the Rent Schedule before beginning this exhibit, as many of the scoring items are determined on rent/income targeting and the number of Units constructed/rehabilitated.)
- **Part 1 – Common Amenities:** This item will self populate from the Rent Schedule. All Applicants must mark the box affirming the common amenities will be provided.
 - **Part 2 – Unit Requirements:** One selection each from Part A and Part B must be made.
 - **Part 3 – Tenant Supportive Services:** Select the highlighted cell that is applicable.
 - **Part 4 – Development Accessibility Requirements:** Select the highlighted cell as acknowledgement of the requirements in §10.101(b)(8) of the Uniform Multifamily Rule.
 - **Part 5 – Size and Quality of Units:** Select the highlighted cell(s) if applicable. The self-score will populate based on selection of the check-boxes.
 - **Part 6 – Income Levels of Tenants:** The Rent Schedule must be complete before a score can be calculated.
 - The *Total Number of Low-Income Units at 50% or less of AMGI* will self populate from the Rent Schedule.
 - You must select the number of 30% Units from the above number that will be used for points under §11.9(c)(2) of the QAP. **NOTE: This number cannot be greater than but can be less than or equal to the total number of 30% Units as indicated in the Rent Schedule.**
 - The third box will subtract the 30% Units from the total number of Units at 50% or less of AMGI.
 - The fourth box will calculate the percentage of Units at or below 50% of AMGI available for points under §11.9(c)(1) of the QAP.
 - Select a yellow highlighted cell if requesting points. The *Total Score Claimed* will populate based on what the Application is eligible for. **NOTE: The Total Score Claimed will not auto-populate if both check-boxes are marked.**

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- **Part 7 – Rent Levels of Tenants:** Select the highlighted cell that is applicable. The Rent Schedule must be complete before a score can be calculated. **NOTE: The Total Score Claimed will not auto-populate if both check-boxes are marked.**

Income Levels of Tenants & Rent Levels of Tenants Worksheet – Parts 6 and 7 above both deal with income targeting and are similar in many ways. However, it is important to note that the Income Levels of Tenants awards points for the number of Units at or below 50% AMGI, which includes 30% Units. The Rent Levels of Tenants awards points solely on the number of Units at 30% AMGI. **It is extremely important that Units at 30% AMGI are not counted twice for both scoring items.**

Staff created a table located outside of the print area of the Development Activities exhibit to assist Applicants in determining their eligibility for points. The worksheet *does not* need to be submitted in the PDF Application. The worksheet is a tool for use by Applicants to determine their eligibility for points under §§11.9(c)(1) and 11.9(c)(2) of the QAP. The top right-hand corner of the worksheet pulls from the Rent Schedule the Total number of Low Income (LI) Units, and the total number of 30% Units as well. These two numbers *cannot* be manipulated. Column (a) contains a highlighted yellow cell that represents the total number of LI units. Applicants can manipulate this cell to determine the number of Units at or below 50% AMGI needed for points under §11.9(c)(1) and the number of LI Units left over to qualify for points under §11.9(c)(2). Applicants should *always* independently verify that the calculations are correct. Staff attempts to include calculations in certain areas but it is the Applicant’s responsibility to verify that their application meets the underlying rules.

Income Levels of Tenants & Rent Levels of Tenants Worksheet						Total LI Units from Rent Schedule		0		
<i>refer to manual for instructions on using this worksheet</i>						Total # of 30% Units from Rent Schedule		0		
(a.)		(b.)		Eligible Points		Minimum Number of 30% units needed for points				
Total LI Units	x	% of LI Units ≤ 50% AMGI	Number of LI Units Needed §11.9(c)(1)	Urban Dallas, FT. Worth, Houston, San Antonio, or	All other areas	Available Units after §11.9(c)(1)	11 Points	9 Points	9 Points	7 Points
							20%	10%	7.50%	5%
0	x	40%	0	15 Points	N/A	0	0	0	0	0
0	x	30%	0	13 Points	N/A	0				
0	x	20%	0	11 Points	15 Points	0				
0	x	15%	0	N/A	13 Points	0				
0	x	10%	0	N/A	11 Points	0				

- **Part 8 – Tenant Services:** Select a highlighted cell if applicable (Note that both check boxes cannot be selected. The scores will not populate if both boxes are selected.)
 - **Part 9 – Tenant Populations with Special Housing Needs:** Select the highlighted cell if applicable.
 - **Part 10 – Pre-Application Participation:** Select the highlighted cell if applicable.
 - **Part 11 – Extended Affordability or Historic Preservation:** Select a highlighted cell if applicable, and attach support documentation if required. **NOTE: The Total Score Claimed will not auto-populate if both check-boxes are marked.**
 - **Part 12 – Right of First Refusal:** Select the highlighted cell if applicable.
 - **Part 13 – Development Size:** Select the highlighted cell if applicable.
- ❖ **Tab 17 – Acquisition and Rehabilitation Information Form:** This exhibit is divided into 3 parts.
- **Part 1 – At-Risk Set-Aside (Competitive HTC Applications applying under the At-Risk Set-Aside ONLY)** Must meet the requirements of an At-Risk Development in §11.5(3) of the QAP. Must submit documentation behind this tab showing that the Development meets the requirements of §2306.6702(a)(5) of the Texas Government

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Code. The box will auto-populate based on information provided in the *Development Narrative*.

- Part A. Documentation must show that the subsidy or benefit is from one of the following approved programs. Mark all that apply:
 - Sections 221(d)(3) and (5), National Housing Act (12 U.S.C. §17151);
 - Section 236, National Housing Act (12 U.S.C. §1715z-1);
 - Section 202, Housing Act of 1959 (12 U.S.C. §1701q);
 - Section 101, Housing and Urban Development Act of 1965 (12 U.S.C. §1701s);
 - Section 8 Additional Assistance Program for housing Developments with HUD-Insured and HUD-Held Mortgages administered by the United States Department of Housing and Urban Development;
 - Section 8 Housing Assistance Program for the Disposition of HUD-Owned Projects administered by the United States Department of Housing and Urban Development;
 - Sections 514, 515, and 516, Housing act of 1949 (§42 U.S.C. §§1484, 1485 and 1486);
 - Section 42 of the Internal Revenue Code of 1986 (26 U.S.C. §42); and/or
 - Section 538, Housing Act of 1949 only if the Development involves the Rehabilitation of an existing property that has received and will continue to receive as part of the financing of the Development federal assistance provided under §515 of the Housing Act of 1949.
- Part B. Select one of the following:
 - The stipulation to maintain affordability in the contract granting the subsidy is nearing expiration. Expiration will occur within two calendar years of July 31, 2013.
 - The federally insured mortgage is eligible for prepayment or is nearing the end of its mortgage term. The term will end within two calendar years of July 31, 2013.
- Part C. Mark the appropriate box or boxes, certifying that:
 - The Development includes demolition of existing units which have received the financial benefits described in Part A and the redevelopment will include at least a portion of the same site.
 - The Development is at risk of losing affordability from the financial benefits available to the Development and the Applicant will retain or renew all possible financial benefit described in §11.5(3)(D) of the QAP if available, and at least maintain existing affordability.
- **Part 2 – Existing Development Assistance on Housing Rehabilitation Activities**
 - Part A. Complete the highlighted cells.
 - Indicate the type of assistance the Development is expected to have or continue from the drop down box.
 - Provide a brief description of the restrictions or subsidies in the space provided.
 - Select the box and attach a copy of the contract or agreement securing the funds.
 - Identify the following:
 - Source of funds
 - Annual amount of funds
 - Number of units receiving assistance
 - Term of the contract or agreement
 - Expiration of the contract or agreement
 - Part B. Acquisition of Existing Buildings (**applicable only to HTC applications with Acquisition credits requested**). Complete the highlighted cells as applicable, and include support documentation when required.

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- **Part 3 - Lead Based Paint (HOME Applications Only).** If the Development was constructed before January 1, 1978 check each of the highlighted cells that applies.
- ❖ **Tab 18 – Occupied Rehabilitation Developments**
 - Occupied Developments undergoing Rehabilitation or **Rehabilitation including Reconstruction** must provide at least **ONE** of the following (Check the appropriate box):
 - Historical monthly operating statements for 12 consecutive months ending not more than three (3) months from the first day of the Application Acceptance Period; or
 - The two most recent consecutive annual operating statement summaries; or
 - The most recent consecutive six months of operating statements and the most recent available annual operating summary; or
 - All monthly or annual operating summaries available.
 - Each of the following items, as applicable, must be provided. (Check the appropriate box)
 - A current rent roll (not more than 6 months prior to the first day of the Application Acceptance Period) that includes the following:
 - Terms and rates of lease;
 - Rental rate;
 - Unit mix; and
 - Tenant names or vacancy.

The sample rent roll below illustrates the information to be included.

Date:	As of:			
Unit	Unit Type	Tenant Name	Rental Rate	Tenant Pays
101	1/1- 630sf	Jones	\$450	\$450
102	1/1- 630sf	Smith	\$450	\$400
103	1/1- 690sf	Travis	\$470	\$470
104	2/1- 720sf	Wright	\$470	\$450
105	2/1- 720sf	Vacant	\$600	\$0

- Written explanation of the process used to notify and consult with the tenants in preparing the Application.
- For Qualified Elderly Developments or Supportive Housing Developments, the number of existing tenants qualified under the Target Population elected must be identified.
- Relocation plan outlining relocation requirements and a budget with an identified funding source must be submitted.
- Compliance with the Uniform Relocation Act, if applicable.
- Evidence that the relocation plan has been submitted to the appropriate legal or governmental agency, if applicable.
- If the current property owner is unwilling to provide one or more of the required documents above, a signed statement from the Applicant attesting to that fact must be submitted.
- If one or more of the above is not applicable, based upon the type of occupied structures on the Development Site, provide an explanation in the highlighted box.
- Uniform Relocation Act (URA) Applicability (**HOME applications Only**)
 - The proposed Development must be carried out in accordance with policies and procedures governing implementation of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, Section 104(d) of

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the Housing and Community Development Act of 1974, and the optional relocation policies adopted pursuant to 24 CFR 92.253(d).

- If any yellow highlighted box is marked, then the Residential Anti-Displacement and Relocation Assistance Plan Certification must be submitted.

❖ Tab 19 – Architectural Drawings

- **Site Plan** must:
 - be consistent with the number of Units and Unit mix specified in the *Rent Schedule* and *Building/Unit Configuration* forms;
 - identify all residential and common buildings;
 - clearly delineate the flood plain boundary lines and show all easements;
 - indicate possible placement of detention/retention pond or note that detention/retention is not being considered; and
 - indicate the location of the parking spaces, garages, and covered parking.
- **Building Floor Plans** for each building type must include:
 - legible scale and dimensions of each perimeter wall and floor heights;
 - square footage (Adaptive Reuse Developments are only required to provide building plans delineating each Unit by number and type).
- **Unit Floor Plans** for each type of Unit must include:
 - Legible scale and dimensions of each perimeter wall and floor heights;
 - Adaptive Reuse Developments are only required to provide Unit floor plans for each distinct typical Unit Type such as one-bedroom, two-bedroom and for all Unit Types that vary in Net Rentable Area by 10 percent from the typical Unit
- **Building Elevations** for each building type must include:
 - a percentage estimate of the exterior composition;
 - proposed roof pitch; and
 - Rehabilitation and Adaptive Reuse Developments may submit photographs if the Unit configurations are not being altered and after renovation drawings must be submitted if Unit configurations are proposed to be altered.



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❖ Tab 20 – Building/Unit Type Configuration

- **Specifications and Amenities** – Required for all Development types (i.e. New Construction, Rehabilitation, etc.); no exceptions.
- Complete all yellow highlighted cells as applicable.
- **Building/Unit Type – Note: Columns Q through AA are hidden and may be accessed for additional building types.**
 - Units and sizes must be consistent with the *Rent Schedule*.
 - Unit configuration per building must conform to building floor plans and site plan matrix.
 - Number of residential buildings must coincide with the site plan.
 - The “Building Label” must be completed for each building type.
- If a Qualified Elderly Development with air conditioned, elevator-served corridors, provide the square footage of these corridors where requested.
- If a Supportive Housing Development, provide the square footage of air conditioned, elevator served corridors and square footage of common areas where requested. The total Supportive Housing Common area will auto calculate based on the common areas entered in row 86.

NOTE: Cells G85 and G87 should indicate the total square footage for interior corridors and/or common areas for that particular building type. Rows 86 and 88 will calculate the total interior corridor space and/or common area for the entire Development by multiplying the square footage entered by the number of buildings of that type. Row 90 will calculate the amount of that square footage that will be included in the calculation for Cost of the Development by Square Foot.

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Part 4 – Development Financing (Tabs 21-32)

The Development Financing tabs are colored yellow and include all information regarding the Development costs and the proposed financing structure.

- ❖ **Tab 21 – Rent Schedule:** The *Rent Schedule* has been intentionally moved immediately following the *Building/Unit Configuration* exhibit in an effort to reduce the number of inconsistencies.
 - Gross Rent cannot exceed the HUD maximum rent limits unless documentation of project-based rental assistance is provided.
 - The unit mix and net rentable square footages must be consistent with the site plan and architectural drawings.
 - If any non-rental income is included, describe the source(s) of the income. “Misc” income is not an acceptable description.
 - If the Development includes loft/efficiency Units, label these Units as “0” bedrooms as provided in the drop-down list.
 - If applying for TDHCA HOME funds the column titled “HOME Unit Designation (Rent/Inc)” also includes the Income level required for each HOME Unit designation.
 - **Tax-Exempt Bond Developments ONLY.**
 - Space has been added under the “Development Name” to identify the Private Activity Bond Priority. Choose the applicable priority from the drop-down list.
 - Priority must be designated, as submitted to the Bond Review Board, regardless of Bond Issuer. The priority designations include the following:
 - Priority 1(a): Set-aside 50% of the Units at 50% AMGI and 50% of the Units at 60% AMGI.
 - Priority 1(b): Set-aside 15% of the Units at 30% AMGI and 85% of the Units at 60% AMGI.
 - Priority 1(c): Set-aside 100% of the Units at 60% AMGI for Developments located in a census tract with a median income that is higher than the median income of the county, MSA or PMSA in which the census tract is located.
 - Priority 2: Set-aside 80% of the Units at 60% AMGI; up to 20% of the Units can be at market rate.
 - Priority 3: Includes any qualified residential rental Development. Market rate Units can be included under this priority.
 - **Cost of Development per Square Foot (Competitive HTC ONLY):**
 - The *Rent Schedule* has been updated to include the Cost of Development per Square Foot calculation at the bottom of the page. The section includes a combination of auto-populated fields and fields which will require data entry.

Cost Per Square Foot Table	Development is Rehabilitation			No	Cost Per Sq. Ft. =	N/A
	If not "Rehabilitation," select "Yes" if the Development is one of the following:					
(Building Costs)	Elevator served	Supportive Housing	Elderly or Single Family	← If "Yes" above, these elections do not apply. See manual for instructions.		
	No	No	No			
\$	Cost Per Sq. Ft. =	Cost Per Sq. Ft. =	Cost Per Sq. Ft. =			
	N/A	N/A	N/A			
	Development is New Construction, Reconstruction, or Adaptive Reuse			Yes	Cost Per Sq. Ft. =	#DIV/0!

- Construction Category:
 - The “Development is Rehabilitation” field will be populated based on information reflected in the *Development Narrative*.

From Dev. Cost Schedule

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- You must identify whether the Development is elevator served (whether Elderly or four or more floors), Supportive Housing, or single family design (at least 75%) by choosing “yes” or “no” from the drop-down list in the next field. If “yes” is applicable, the form will calculate based on the additional interior corridor information reflected in the *Building/Unit Type Configuration*.
- The “Development is New Construction, Reconstruction, or Adaptive Reuse” field will populate based on answers regarding the construction type above.
- Building Costs:
 - “Building Costs” will be populated based on information reflected in the *Development Cost Schedule*. This calculation also takes into account structured parking not included in eligible basis.
- Calculation:
 - Based on information reflected in the *Development Narrative*, *Rent Schedule*, and *Building Unit/Type Configuration* forms, the form will then calculate the cost per square foot that will be used to calculate the mean of similar type applications for the purpose of scoring.

NOTE: In order for the calculation to work, all three categories under “not Rehabilitation” must have an answer “yes” or “no.” If a category is left blank, the form will not produce a calculation. DOUBLE CHECK THE FORM TO BE SURE THAT A CALCULATION APPEARS FOR COST PER SQUARE FOOT IN ONE OF THE FIVE POSSIBLE CELLS THAT HAVE BOLDED RED TEXT. Please contact Department staff if you have trouble producing a calculation.

❖ **Tab 22 – Utility Allowances**

- Drop down lists are provided to identify “Who Pays” for the utility service and what type of “Energy Source” will be used.
- If Development is all bills paid, utilities and energy source is still required.
- **Remember to include your support documentation** (i.e., Current PHA utility allowances sheet or local utility provider estimate specific to development) that clearly identifies the utility costs included in the estimate and the effective date of the documentation.

❖ **Tab 23 – Annual Operating Expenses**

- Fill in all tallow highlighted cells.
- You must describe any “Other” cost included in any of the expense categories. “Misc” is not an acceptable description. The cells will turn RED and state “please describe” to remind you to enter a description.
- Annual Debt Service should be consistent with information provided in the *Summary of Sources and Uses of Funds* form as well as the *15 Year Pro Forma*.
- Expense per Unit, Expense to Income ration, and Debt Service Ratio will be calculated automatically. Applicant should familiarize themselves with the underwriting rules (Subchapter D of the Uniform Multifamily Rules) regarding thresholds for these items.

❖ **Tab 24 – 15 Year Pro Forma**

- Any deferred developer’s fee must be shown to be fully repaid by year 15.
- You must describe any “Other” debt service included in the pro forma.
- The form has been updated to include a certification, signature, and contact information for the lender for Competitive HTC Applications claiming points under §11.9(e)(1) of the QAP.

❖ **Tab 25 – Offsite Costs Breakdown**

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- This form must be completed if there are any offsite costs associated with the Development, whether or not they are included in the *Development Cost Schedule*. For example, if offsite costs are embedded in the acquisition costs, this form must be completed. If there are any unusual circumstances surrounding the costs and/or payment of off-site costs, please include an explanation behind this tab.
 - The form must be completed, signed and sealed by a professional engineer. See §10.204(7)(E)(ii) of the Uniform Multifamily Rules.
 - If any Off-site Costs are included in Eligible Basis:
 - A letter from a certified public accountant must be submitted allocating which portions of those costs should be included in Eligible Basis; and
 - The Third Party engineer must describe the necessity of the off-site improvements.
 - If off-site costs are based on PLR 200916007 the certified public accountant must provide a statement of findings describing the facts relevant to the Development and that the fact pattern matches the PLR 200916007.
- ❖ **Tab 26 – Site Work Costs**
- This form is applicable to all Developments, regardless of the amount of Site Work cost attributed to the Development.
 - If the Site Work cost is above \$15,000 per Unit and costs are included in Eligible Basis, a letter must be provided from a certified public accountant allocating which portions of those site costs should be included in Eligible Basis.
 - The total Site Work costs entered in this exhibit should match the amount reflected in the *Development Cost Schedule*.
- ❖ **Tab 27 – Development Cost Schedule**
- All applicable yellow highlighted cells under the Total Development Summary (columns C,D, and E) should be completed. A section for notes regarding the costs is provided as well; this should be used to add any information that could be helpful for the underwriting review, to explain line items that may be particularly low or high costs.
 - The “Credits Supported by Eligible Basis” cell is automatically calculated from data reflected in the “Calculated Credits” cell. This figure must be equal to or greater than the annual Housing Tax Credit Funding Request.
 - If you include a 130% High Cost Area Adjustment in the *Development Cost Schedule* be sure you meet one of the criteria identified in §11.4(c) of the QAP and indicate under which criteria the Application qualifies for the Eligible Basis boost in Part 4 of the Site Information Form Part II.
 - You must describe any “Other” costs reflected in the Cost Schedule. The cells will prompt you when an amount is inserted to “please specify” under a footnote.
 - **Include the contact name and phone number in the space provided of the person providing the cost estimate for the Hard Costs.**
- ❖ **Tab 28 – Summary of Sources and Uses of Funds**
- Identify the name of each Financing Participant in the left-hand column. (Note that Department Funds have been auto populated based on data entered on the Development Narrative Tab, and are hyperlinked to move back and forth between tabs.)
 - Choose the Funding Descriptions from the drop-down list for *Debt* and *Third Party Equity*:
 - conventional loan,
 - conventional/FHA,
 - conventional/letter of credit,
 - mortgage revenue bonds – other issuer,
 - Housing Trust Fund,

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- CDBG,
- USDA/TXRD loan,
- federal loan,
- state loan,
- local government loan, or
- private loan.
- Match (HOME only) is included in the drop-down list under the Grant section of the form, along with other grant sources.
- Note that the Funding Description column under “deferred developer fee: and “other” do not have drop-down menus. Applicants should write in a funding description.
- For each source identified you are required to include the interest rate, amortization, term and syndication rate, where applicable. **THE INFORMATION INCLUDED HERE MUST BE CONSISTENT WITH THE FINANCING NARRATIVE, TERM SHEETS, AND DEVELOPMENT COST SCHEDULE.**
- The priority of lien must be indicated in the “Lien Position” column for interim and permanent financing.
- Total sources of funds must equal the total uses of funds reflected in the *Development Cost Schedule*.

❖ **Tab 29 – HOME Applications Only - Financial Capacity and Construction Oversight**

- This form is applicable for HOME Applications if the Direct Loan(s) amount to more than 50% of the Total Housing Development Cost, except for Developments also financed through the USDA-515 program.

❖ **Tab 30 – HOME Applications Only - Matching Funds**

- This form is applicable for HOME Applications only. Detail the type of Match, amount, and source in the appropriate columns. Refer to §10.307 of the Uniform Multifamily Rules for Match requirements.

❖ **Tab 31 – Financing Narrative:** This form is divided into 4 parts. Parts 1-3 are only applicable to Competitive HTC Applications, and Part 4 is required for all Multifamily Applications.

- **Part 1 – Commitment of Development Funding by Unit of General Local Government (UGLG) (§11.9(d)(3)) (Competitive HTC Applications only)**
 - HTC Demographics and Site Characteristics are available on the Department’s website at: <http://www.tdhca.state.tx.us/multifamily/housing-tax-credits-9pct/index.htm>. Use the population of the nearest place in the case of a Development located outside a census designated place.
 - **Tip – The Rent Schedule must be complete before the UGLG score can be calculated.**
 - Enter the UGLG development funding amount and “place” population in the yellow boxes. The form will calculate the number of points based on data entered for financing amount, population of the Place, and the number of Low Income Units.
 - If requesting points for funding without a firm commitment in place, the Applicant must include an acknowledgement from the applicable city or county that a request for funds was submitted and that a decision about funding is expected to occur no later than September 1, 2013. This is listed under the supporting documents in Tab 32.
 - Select “Yes” or “No” from the dropdown box to indicate whether the UGLG has provided a firm commitment. To be eligible for an additional (1) point, evidence of a firm commitment in the form of a resolution from the appropriate UGLG must be submitted. A sample resolution is included in the 2013 Templates on the HTC Applications page of the Department’s website.



NEW

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- An application may be eligible for 7 points if no UGLG funding is provided, but a resolution of support from the local Governing Body is included with the application. See §11.9(d)(3)(B) of the QAP. Select “Yes” or “No” from the dropdown box for this item.
- Funding must be in the form of one of the following:
 - construction and/or permanent loan at interest no higher than 3% per annum and term of at least 5 years;
 - grant, in-kind contribution, or contribution that will support the Development, such as vouchers; or
 - some combination of the above.
- The funding cannot be provided to the UGLG by the Applicant or a Related Party.
- See the FAQs posted on the website regarding eligible funding entities for Developments located within the boundaries of a city or outside the boundaries of a city (if not yet posted you may contact staff by email).

NOTE: Remember to enter the points being requested in the “Total Points Claimed” field. Although the form will calculate eligible points based on the amount of funding provided, the points requested WILL NOT auto-populate.

- Submit all evidence for this scoring item behind the *Tab 32 – Supporting Docs.*
- **Part 2 – Financial Feasibility (§11.9(e)(1) (Competitive HTC Applications only)**
 - Make only one selection from the options listed on the form in this section.
 - Indicate which option the Development will be selecting points for:
 - a statement (may be included in the term sheet) that lender’s assessment finds that the Development is financially feasible; or
 - a statement (may be included in the term sheet) that lender’s assessment finds that the Development *and the Principals* are acceptable.
 - The Total Points Claimed will auto-populate based on your selection.
- **Part 3 – Leveraging of Private, State, and Federal Resources (§11.9(e)(4) (Competitive HTC Applications only)**
 - At least 5% of the total Units must be restricted to 30% AMGI. The form will calculate the percentage based on the information reflected in the *Rent Schedule*.
 - If the Development leverages CDBG Disaster Recovery, HOPE VI, or Choice Neighborhoods funding, mark the appropriate box.
 - The form will calculate Housing Tax Credit funding request as a percent of Total Housing Development Cost based on information reflected in the *Development Narrative* and the *Development Cost Schedule*. The percentages will be rounded to the nearest hundredth.
 - No more than 50% of the developer fee can be deferred to be eligible. **NOTE: This form does not perform this calculation.**
 - The supporting documentation for these points must be included behind the *Financing Narrative*. No supporting documentation is necessary unless claiming points based on a commitment of CDBG-DR, HOPE VI, or Choice Neighborhood Funding.

NOTE: Remember to enter the points being requested in the “Total Points Claimed” field. Although the form will calculate eligible points based on the information provided, the points requested WILL NOT auto-populate.

- **Part 4 – Financing Narrative (All Applications)**
 - Enter a description of the financing plan for the Development in the space provided.
 - Sources and amounts of funds referenced in this narrative must match the *Summary Sources and Uses of Funds* form, term sheets for interim and permanent financing and term sheets for syndication of tax credits (if applicable to the program).

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- The narrative should identify any non-traditional financing arrangements; use of funds with respect to the Development; funding sources including construction, permanent, bridge loans, rents, operating subsidies, and replacement reserves; and commitment status of funding sources for the Development.

❖ **Tab 32 – Supporting Documents/Term Sheets**

- Evidence must be consistent with the *Summary Sources and Uses of Funds* and *Financing Narrative*.
- Include term sheets for interim and permanent financing that is consistent with other parts of the Application, and is provided in one or more of the forms identified and includes the requirements set forth in §10.204(6)(A)-(B) of the Uniform Multifamily Rules.
- If applicable, include the Resolution from the local Governing Body confirming support and citing specific financial constraints prohibiting support or an acknowledgement that a request for funds has been received.
- Executed Pro Form from a Permanent or Construction Lender (if requesting points for financial feasibility). The pro form must include:
 - the first 5 years and every fifth year thereafter;
 - all projected income, operating expenses, and debt service;
 - the general growth factor applied to income and expense;
 - a minimum 1.15 DCR throughout the 15 years for all Third Party lenders that require scheduled repayment; and
 - signature and contact information of an authorized representative for the lender for points claimed under §11.9(e)(1) (for Competitive HTC Applications only).
- Any federal, state or local gap financing, whether soft or hard debt must be identified at the time of Application.
- **If requesting funds through another TDHCA program (e.g., HOME) the program must be on a concurrent funding period with the current tax credit Application Round and evidence of a complete and receipted application from the other Department program must be obtained no later than March 1st.**
- If Development is financed through more than 5% Development Owner contributions provide the required documentation described in §10.204(6)(C).
- Include term sheets for syndication of tax credits that include the requirements set forth in §10.204(6)(D).
- Include evidence of rental assistance or other subsidies if applicable.
- **NOTE:** No syndication costs should be included in the Eligible Basis.



NOTE

Part 5 – Development Organization (Tabs 33-43)

The Development Organization tabs are colored green, and include all information regarding the Development Team members. The Organizational Charts, Previous Participation exhibits, and Credit Limit documents are all located in this section.

- ❖ **Tab 33 – Sponsor Characteristics:** This form is only applicable for Competitive HTC Applications, and is divided into 2 Parts. Applications may qualify for one point for having a Certified HUB or Qualified Nonprofit in the ownership structure.
 - **Part 1 – Qualified Non-Profit:** To be eligible for this point, the Application must be applying in the Nonprofit Set-Aside (a selection made in the *Development Narrative*).

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- Complete the yellow highlighted cells with the percentages of ownership interest, cash flow from operations, and developer fee.
- Certify that the Nonprofit will materially participate in the Development.
- Indicate the experience of the Nonprofit by marking the checkboxes (Property Management, Construction, Development, Financing, or Compliance)
- Certify there is no relationship between the Principals of the Nonprofit and any other Principals of the Applicant or Developer.
- Evidence of experience in the housing industry as well as a statement indicating how the Nonprofit will materially participate must be included behind this tab. Acceptable evidence of experience includes, but is not limited to:
 - Resume of Nonprofit
 - TDHCA Experience Certificate
- **Part 2 – Qualified HUB:** To be eligible for this point, the HUB must be registered with the Texas Comptroller of Accounts, and evidence of such registration provided behind this tab.
 - Complete the yellow highlighted cells with the percentages of ownership interest, cash flow from operations, and developer fee.
 - Certify that the HUB will materially participate in the Development.
 - Indicate the experience of the HUB by marking the checkboxes (Property Management, Construction, Development, Financing, or Compliance)
 - Certify there is no relationship between the Principals of the HUB and any other Principals of the Applicant or Developer.
 - Evidence of experience in the housing industry as well as a statement indicating how the Nonprofit will materially participate must be included behind this tab. Acceptable evidence of experience includes, but is not limited to:
 - Resume of HUB
 - TDHCA Experience Certificate
- **The score will populate based on the selections made on this form.**
- ❖ **Tab 34 –Owner and Developer Ownership Charts**
 - This sheet shows a basic format for organizational charts. Be sure that charts follow the example given and that they contain the following information:
 - Correct name and ownership percentage of each entity and person. Avoid nicknames;
 - Clear indication of role, i.e. Member, Member/Manager, Class B, LP, etc.
 - Trusts must include the trustee and list all beneficiaries that have the legal ability to access, control, or direct activities of the trust and are not just financial beneficiaries;
 - Nonprofit entities, public housing authorities and publicly traded corporations must show name of organization, individual board members and executive director;
 - In cases of to-be-formed instrumentalities of PHAs where the board members and executive director remain to be determined, the PHA itself is shown;
 - Ownership must be illustrated to the level of natural persons, whether owners or board members.
 - Developer organization chart shows the structure of the Developer and includes the following:
 - Any Person receiving more than 10% of the Developer Fee;
 - Nonprofit entities, public housing authorities and publicly traded corporations show name of organization, individual board members and executive director;
 - Ownership to the level of natural persons, whether owners or board members.
 - Create separate charts for the Owner and Developer, ensuring that both are complete representations of the structures of each, and attach them behind this exhibit.
- ❖ **Tab 35 – List of Organizations and Principals**

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- This form combines the old “List of Organizations” and “List of Principals” forms. The information collected by those forms will be gathered here.
 - Complete the yellow highlighted cells as needed.
 - Begin with the Applicant legal name.
 - Organizations AND persons will be listed on this form.
 - Each **entity** will have its own section, in which its individual structure will be given.
 - The notation of experience is now a Yes/No drop-down menu. Make a selection for each entry.
 - Be sure names match the organizational charts. Avoid nicknames.
 - Additional spaces for Sub-Entities or Principals are available by un-hiding rows. (there are 30 entries available for sub-entities or Principals)
 - Submit as many pages of the form as necessary to report all organizations and natural Persons, Developers. (Including Guarantors and recipients of more than 10% of the developer fee).
- **When converting to PDF format, be sure to adjust page breaks as necessary.**
- ❖ **Tab 36 – Previous Participation and Background Certification**
 - The form must be completed for each entity and natural Person shown on the Owner and Developer organizational charts. For nonprofit entities, public housing authorities and publicly traded corporations, complete a separate exhibit for the entity, the individual board members and executive director.
 - **This form is still required of all Persons or entities, regardless of whether the Person or entity has previous experience with TDHCA funding.**
 - **If the Person or entity has previous experience with HTC Developments or other state or federal programs administered by other states, this information must be disclosed and the Person or entity must authorize the parties overseeing such assistance to release compliance histories to the Department.**
 - For “Contract Begin/End” enter the time period a person’s or entity’s role in each property identified began and ended. This applies to any developments that a Person or entity might have been involved with originally, but have since been transferred to over to another Person or entity.
 - If the Person’s or entity’s role in a property or service related activity has not ended then leave the “Contract End” column blank.
 - The worksheet allows for 30 separate entries.
 - **When converting to PDF format, be sure to adjust page breaks as necessary.**
- ❖ **Tab 37 – Nonprofit Participation**
 - All nonprofit Applicants or Principals must complete this form regardless of the level of ownership or the set-aside applied under.
 - Complete all appropriate tallow highlighted cells. Yes/No questions have drop-down menus.
 - The worksheet currently allows for up to twenty (20) board members to be listed.
 - The following sheet allows you to check off the required documentation items indicating that you have provided them.
- ❖ **Tab 38 – Nonprofit Support Documentation** – The additional documentation requirements identified in this section must **only** be completed if:
 - the Applicant is eligible to compete under the Nonprofit Set-Aside Allocation pursuant to §2306.6706;
 - the organization’s 501(c)(3) or (4) designation is in place at the beginning of the Application Acceptance Period, and

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- the Applicant indicates on the *Development Narrative* that it will compete under the Nonprofits Set-Aside.
- Applications involving a 501(c)(3) or (4) nonprofit General Partner that DO NOT elect to be treated under the Nonprofit Set-Aside only need to submit the IRS determination letter described below. **Tax Exempt Bond Applications only need to submit the first item below in addition to the Nonprofit Participation Forms.**
 - **IRS Determination Letter** which states that the nonprofit organization is a §501(c)(3) or (4) entity. ***This designation must be in place as of the beginning of the Application Acceptance Period.*** If the organization is a Qualified Nonprofit Organization as defined in the tax code, notwithstanding any apparent limitations in the QAP about the particular parts of the Code under which a nonprofit may qualify, submit an IRS determination letter.
 - **Third Party Legal Opinion** – Be sure your legal opinion contains all five of the following statements, bulleted for easy identification:
 - Must state that the nonprofit is not affiliated with, or Controlled by, a for-profit;
 - Must state that the nonprofit is eligible to apply in the Nonprofit Set-Aside pursuant to §42(h)(5) and the basis for that opinion. In a typical ownership structure, **eligibility as defined by §11.5(1) of the 2013 QAP requires the nonprofit to be the controlling interest in the Development Owner (usually the Managing General Partner or Managing Member General Partner);**
 - Must state that one of the exempt purposes of the nonprofit is to provide low-income housing;
 - Must state that the nonprofit prohibits any member of its board, except a member that is also the chief staff member of the organization, from receiving compensation for participation; and
 - Must state that the Qualified Nonprofit Development will have the nonprofit or its nonprofit affiliate as the Developer or co-Developer as evidenced in the development agreement.
 - **Financial Statement** - The nonprofit's most recent financial statement as prepared by a Certified Public Accountant.
 - **Certification of Residence**- a certification that a majority of the board members reside:
 - In the State of Texas if the Development is in a Rural Area, or
 - Within 90 miles of the Development if it is not in a Rural Area.
- ❖ **Tab 39 – Development Team Members**
 - Enter information as requested.
 - Note: Drop-down menus will facilitate identification of HUB participants and related team members.
 - There are several boxes for “Other” team members. Use if needed and name the role each will play.
- ❖ **Tab 40 – HOME Management Plan Certification (HOME Applicants only)**
 - Read, sign and date the form. (Hard copy is not needed; scan signed copy and insert into Application.)
 - Attach the Management Plan Addendum as necessary.
- ❖ **Tab 41 – Architect Certification**
 - The form must be executed by the Development engineer, an accredited architect or Department-approved Third Party accessibility specialist.
 - New Construction HOME Applicants must have the architect certify Development Site is sufficient in size, exposure, and contour to accommodate the number of Units proposed.

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❖ Tab 42 – Experience Certificate

- **The tab for Evidence of Experience contains checkboxes and information for programs other than competitive HTC Applications. Complete only the relevant sections.**
- Applicants utilizing an Experience Certificate that was issued by the Department in 2011 or 2012 for a Principal of the Development Owner, General Partner or Developer must provide a copy of the certificate behind this tab.
- If a Principal of the Development Owner, General Partner or Developer for the Application is seeking an Experience Certificate from the Department, the **2013 Experience Certification Request Form**, along with the required documentation (found in §10.204(5)(A) and (B) of the Uniform Multifamily Rules) to establish experience must be submitted to the Department within the Application behind this placeholder tab.
 - Names on the evidence must tie back to the individual seeking the experience certificate.
 - Experience certification may be withheld if the individual has, at any time within the preceding three years, been involved with affordable housing that has been in material non-compliance under the Department’s rules or which has been the subject of issued IRS form 8823 citing non-compliance that has not been or is not being corrected with reasonable due diligence.
 - If the Principal is determined by the Department to not have the required experience, an acceptable replacement for that Principal must be identified prior to the date the award is made by the Board.
 - No person may be used to establish the required experience if that person or an affiliate of that person would not be eligible to be an Applicant themselves.
 - The *2013 Experience Certification Request Form* is located in the Multifamily Applications section of the TDHCA website or at: <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>

NOTE: Experience documentation **may be submitted prior to the March 1st** Competitive HTC Application deadline. If the experience documentation is submitted prior to the March 1st deadline, the documentation should be submitted electronically on a CD-R or via the Department’s FTP server (if one has been set up for the Application). The Department will make every effort to respond within 30 days. However, if an experience certificate is not issued before March 1st include a copy of the 2013 Experience Certification Request Form and all required documentation in this section of the application and include a statement that TDHCA determination is still pending.

- **DUNS Number and CCR Documentation (HOME Applications Only)**
 - If available include the DUNS and CCR registration behind this tab. This information is an absolute requirement prior to Contract execution should the Applicant receive an award of federal funds (*e.g.* HOME).
- **Davis Bacon Labor Standards (HOME Applications Only)**
 - Mark check boxes as necessary.
- **Affirmative marketing plan (HOME Applications Only)**
 - Complete the HUD form including the worksheets and attach behind this tab..

❖ Tab 43 – 9% Applicant Credit Limit Documentation and Certification

- In general, each Person and entity listed on the Owner’s and the Developer’s organizational charts should be listed on Part 1a.
- Part 1a must list all Executive Directors and Board Members of Nonprofits.
- In Part 1b, use the drop-down menu to state whether the person or entity has more than one Application competing in the current Application Round.
- **Be sure all names match the organizational charts. Avoid nicknames.**

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- For each Person or entity that indicates affiliation with another Application in Part 1b, you must submit a Part 2. Scroll down to find Part 2 of the form.
- Up to 30 separate persons or entities may be entered in Part 1, but only 10 slots are in view. If you require the additional slots unhide lines 33-72.
- **Part 2: Complete a Part 2 for each Person that answered “Yes” on Part 1b. Print the complete forms, have them signed, and insert the executed copies back into the PDF application.**
- The Housing Tax Credit cap is now \$3 million.
- Applies to all Applicants, Developers, Affiliates or Guarantors in the Application.
- If the Guarantor is also the General Contractor and IS NOT a Principal of the Applicant, Developer or an Affiliate of the Development Owner, the Guarantor is not subject to the \$3 million cap.
- Entities that share a Principal are Affiliates for purposes of the cap.
- A Person will not be deemed to be an Applicant, Developer, Affiliate of the Development Owner or Guarantor solely because it:
 - Raises or provides equity;
 - Provides “qualified commercial financing;”
 - Is a Qualified Nonprofit Organization or other not-for-profit entity that is providing solely loan funds, grant fund or social services; or
 - Receives fees as a Development Consultant or a Developer that does not exceed 10% of the Developer Fee to be paid (or 20% for Qualified Nonprofit Development) or \$150,000, whichever is greater.

Part 6 – Third Party Reports (Tab 44)

All Third Party reports must be submitted in their entirety by the deadline specified below. Incomplete reports will result in termination of the Application. Reports should be submitted in a searchable electronic copy in the format of a single file containing all of the required information and conform to Subchapter D of the Uniform Multifamily Rules. (See specifically §10.205.) Exhibits should be clearly bookmarked.

- ❖ **Tab 44 – Third Party:** The required **Environmental Site Assessment (ESA)** must be submitted to the Department no later than 5pm CST on **March 1, 2013** for competitive HTC Applications, at least 75 days prior to the selected Board meeting at which the Determination Notice will be considered for Tax-Exempt Bond Applications or at the time of Application submission for all other programs.
 - The ESA must not be dated more than twelve (12) months prior to the first day of the Application Acceptance Period. If the timeframe is exceeded an updated report or letter must be provided, dated not more than three (3) months prior to the Application Acceptance Period from the party who completed the original report confirming that the site has been re-inspected and that the conclusions of said report are still true and correct.
 - If the Application is receiving funding from USDA, an ESA will not be required; however it is the responsibility of the Applicant to ensure that the Development is in compliance with all state and federal environmental hazard requirements.

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- Prior to submission, confirm that the report is addressed to the Department or has a statement granting the Department authority to rely on the report findings and that the report preparer has read and understood §10.305 of the Uniform Multifamily Rules. A statement should also be included confirming that the person or company preparing the report will not materially benefit from the Development in any other way than receiving a fee for performing the ESA, and that the fee is in no way contingent upon the outcome of the assessment.
 - If the report includes a recommendation for any additional assessments to be performed, include a statement that the recommendations will be followed prior to closing.
- ❖ The required **Market Analysis** must be submitted to the Department no later than 5pm CST on **April 1, 2013** for competitive HTC Applications, at least 75 days prior to the selected Board meeting at which the Determination Notice will be considered for Tax-Exempt Bond Applications or at the time of Application submission for all other programs.
- The Market Analysis must not be dated more than six (6) months prior to the first day of the Application Acceptance Period. If the timeframe is exceeded an updated report must be provided from the Third Party who completed the original report. Any Market Analysis dated more than twelve (12) months from the first day of the Application Acceptance Period will not be accepted.
 - The analysis must be prepared by a Qualified Market Analyst approved by the Department as outlined in §10.303 of the Uniform Multifamily Rules.
 - If applying under the USDA Set-Aside and proposing acquisition and Rehabilitation of a Development with an overall occupancy level at or above 80% at the time of Application submission, the appraisal, as required for Rehabilitation Developments and Identity of Interest transactions, may be substituted for a Market Analysis.
 - Prior to submission, confirm that the analysis is addressed to the Department or has a statement granting the Department authority to rely on the report findings and that the report preparer has read and understood §10.303 of the Uniform Multifamily Rules.
- ❖ If applicable, the **Property Condition Assessment (PCA)** must be submitted to the Department no later than 5pm CST on **March 1, 2013** for competitive HTC Applications, at least 75 days prior to the selected Board meeting at which the Determination Notice will be considered for Tax-Exempt Bond Applications or at the time of Application submission for all other programs.
- The PCA must not be dated more than six (6) months prior to the first day of the Application Acceptance Period. If the timeframe is exceeded an updated report must be provided from the Third Party who completed the original report. Any report dated more than twelve (12) months from the first day of the Application Acceptance Period will not be accepted.
 - If submitting a capital needs assessment from USDA in lieu of a PCA, it may be more than six (6) months old, as long as written evidence from USDA is submitted confirming the

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existing capital needs assessment is still acceptable and meets the requirements of §10.306 of the Uniform Multifamily Rules.

- Prior to submission, confirm that the report is addressed to the Department or has a statement granting the Department authority to rely on the report findings and that the report preparer has read and understood §10.306 of the Uniform Multifamily Rules. A statement should also be included confirming that the person or company preparing the report will not materially benefit from the Development in any other way than receiving a fee for performing the PCA, and that the fee is in no way contingent upon the outcome of the assessment.
- ❖ If applicable, the **Appraisal** must be submitted to the Department no later than 5pm CST on **March 1, 2013** for competitive HTC Applications, at least 75 days prior to the selected Board meeting at which the Determination Notice will be considered for Tax-Exempt Bond Applications or at the time of Application submission for all other programs.
 - The appraisal must not be dated more than six (6) months prior to the first day of the Application Acceptance Period. If the timeframe is exceeded an updated report must be provided from the Third Party who completed the original report. Any report dated more than twelve (12) months from the first day of the Application Acceptance Period will not be accepted.
 - If submitting an appraisal from USDA, it may be more than six (6) months old, as long as written evidence from USDA is submitted confirming the appraisal is still acceptable and meets the requirements of §10.304 of the Uniform Multifamily Rule.
 - Prior to submission, confirm that the appraisal is addressed to the Department or has a statement granting the Department authority to rely on the report findings and that the report preparer has read and understood §10.304 of the Uniform Multifamily Rules.
- ❖ If applicable, the **Site Design and Development Feasibility Report** must be submitted to the Department no later than 5pm CST on **April 1, 2013** for competitive HTC Applications, at least 75 days prior to the selected Board meeting at which the Determination Notice will be considered for Tax-Exempt Bond Applications or at the time of Application submission for all other programs.
 - Required for New Construction Developments and must meet the requirements of §10.205(5) of the Uniform Multifamily Rules.

PUBLIC VIEWING OF PRE-APPLICATIONS AND APPLICATIONS

The Department will allow the public to view any WPDD Packets, pre-applications or Applications that have been submitted to the Department in an electronic format. These electronic versions will be available within approximately two weeks of the close of the Application Acceptance Period. An Applicant may request via an open records request a copy of an electronic copy between the hours of 8:00 A.M. and 5:00 P.M. Monday through Friday. There may be an associated cost with requesting this information. To submit an open records request or to coordinate the viewing of a pre-application or Application please contact Misael Arroyo in the Multifamily Finance Division at misael.arroyo@tdhca.state.tx.us.

The Department will release summary pre-application and application logs periodically throughout the year. For Competitive Housing Tax Credit Applications, staff expects to post initial logs within approximately three business days of the pre-application and application submission deadlines. These logs are based on information provided by each applicant and may contain errors that will be corrected as applications are reviewed or staff is notified of specific errors. Applicants are cautioned to not rely entirely on posted logs to assess the competitive rank of an application.

HOME/CHDO Application

What you will learn in this section:

- ✓ Application delivery instructions
- ✓ HOME Program Information
- ✓ CHDO Overview

Application Delivery Instructions

Deliver To: (overnights)	Multifamily Finance Division Texas Department of Housing and Community Affairs 221 East 11th Street Austin, Texas 78701
Regular Mail:	P.O. Box 13941 Austin, Texas 78711

HOME Program Information

The Department is committed to expanding the development of decent and affordable housing by promoting partnerships between public, private and nonprofit organizations that will effectively utilize all available HOME Investment Partnerships resources to provide more affordable housing choices to the low-income citizens of Texas.

Applications involving TDHCA HOME funds may be submitted to the Department when a Notice of Funding Availability (NOFA) has been approved by the TDHCA Board and published on the Department's website. The NOFA will provide details regarding the funding amount available for allocation and the Application requirements and deadlines. **For the 2013 program year, staff does not expect to release a NOFA prior to the March 1, 2013 deadlines for 2013 Competitive Housing Tax Credit Applications. However, 2013 Competitive Housing Tax Credit Applicants may request HOME funds at the time the Housing Tax Credit Application is submitted to the Department under the guidelines adopted at the December 13, 2012 Board meeting. The guidelines can be found in the December 13, 2013 Board Book: <http://www.tdhca.state.tx.us/board/meetings.htm>. The award maximum under these guidelines is \$1,000,000 per 9% HTC/HOME layered application.**

Applicants who are layering HOME with Housing Tax Credits must meet the requirements of the Qualified Allocation Plan and Uniform Multifamily Rules for the year in which they are applying for these funds. The availability and use of HOME funds are subject to the rules and regulations in effect at the time the Application is submitted and specifically include the following:

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Uniform Multifamily Rules. The HOME program requirements are incorporated throughout the various subchapters within this rule, including but not limited to the eligibility, threshold and loan closing requirements, loan terms and other underwriting requirements. HOME Loans are often referred to and encompassed by the term “Direct Loan” under the Multifamily Uniform Rule (Chapter 10).

Key Direct Loan/HOME Loan Requirements.

- Loan terms, such as interest rate and lien position, are located at the end of Chapter 10 Subchapter D §10.307.
- It is imperative that Applicants for HOME loans and/or other Direct Loans read and understand rules related to post-award requirements *PRIOR* to submitting an application. Post-award requirements in Chapter 10 Subchapter E include closing timeframes, payment and performance bond requirements, duration of the construction period, and other requirements that may affect an Applicant’s development plan or estimated costs.
- The Department has stripped from the new rules all rent and income restrictions that exceed the requirements of the HOME Final Rule (federal rules) for HOME Applications. The basic requirements related to the number of required HOME units are as follows:
 - 100% of the HOME Units in a Development must be restricted for Households at or below 80% of AMFI with rents that do not exceed the High Home rent level (24 CFR §92.252);
 - 90% of the HOME Units in a Development must be restricted for Households at or below 60% of AMFI with rents that do not exceed the High HOME rent level (24 CFR §92.216; 24 CFR §92.252(a));
 - 20% of the HOME Units in a Development must be restricted for Households at or below 50% of AMFI (24 CFR §92.252(a); 24 CFR §92.252(b)); and
 - The maximum amount of HOME funds is a function of the number of HOME units restricted in a Development. “*Multi-unit projects.* HOME funds may be used to assist one or more housing units in a multi-unit project. Only the actual HOME eligible development costs of the assisted units may be charged to the HOME program. If the assisted and non-assisted units are not comparable, the actual costs may be determined based on a method of cost allocation. If the assisted and non-assisted units are comparable in terms of size, features and number of bedrooms, the actual cost of the HOME-assisted units can be determined by prorating the total HOME eligible development costs of the project so that the proportion of the total development costs charged to the HOME program does not exceed the proportion of the HOME-assisted units in the project (24 CFR §92.205(d)).”
- HOME Applications involving rehabilitation or reconstruction of existing units must be proposing the replacement of at least the same number of each unit size (based on bedrooms: 1 bedroom, 2 bedroom, etc.). Adding additional units is not prohibited. See §10.101(b)(1)(A)(vi) of the Uniform Multifamily Rules. Due to restrictions relating to “one-for-one replacement” in the §104(d) of the Housing and Community Development Act, the Department will not approve an application that proposes the reconstruction or rehabilitation of an existing property unless at least a comparable unit mix will be replaced.
- HOME restricted units will be generally designated “floating” units in accordance with §10.204(7)(D) of the Uniform Multifamily Rules (Chapter 10). This means that the HOME units can float throughout the property and are not tied permanently to one specific unit or building.

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- The Application fee for HOME Applications is \$1,000 unless the Applicant qualifies for a waiver under §10.901(3)(B) related to nonprofit organizations providing certain community services.

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HOME Final Rule (24 CFR Part 92). The HOME Final Rule is the primary source for the federal rules and requirements that apply for all recipients of HOME funds. In addition, HUD has issued extensive guidance with regard to the federal rules and requirements. Applicants should be familiar with these rules and requirements and are encouraged to consult with the management company during the process of completing the application.

HUD has been developing a revised HOME Final Rule over the past several years and this new rule is expected to be released in the spring of 2013. It is currently not clear how the new rules may affect new applications submitted before the rules are released. HUD has previously indicated that the preamble to the new rule (once finalized) may identify which rules are to be applied retroactively versus prospectively. The Department will send a listserv announcement once these new rules are published in the *Federal Register*.

Chapter 2306 of Texas Government Code. The Department's governing statute includes many state requirements that Applicants seeking HOME funds will be subject to. It also includes requirements related to how funding must be distributed and mandated set-asides for Department funding.

Other Federal regulations may also apply , including but not limited to, 24 CFR Parts 50 and 58 for environmental requirements, Davis-Bacon Act for labor standards, 24 CFR §§85.36 and 84.42 for conflict of interest and 24 CFR Part 5, Subpart A for Fair Housing. Applicants are encouraged to familiarize themselves with all of the applicable state and federal rules that govern the HOME Investment Partnerships program.

CHDO Overview

To be eligible for a certification as a CHDO, the CHDO must be organized and structured according to the definition of a CHDO as listed in 24 CFR Part 92. Additionally, an organization seeking certification as a CHDO must submit and receive an award of HOME CHDO project funds from the TDHCA. In order to receive HOME funds under the CHDO set-aside the “CHDO Certification Packet,” which is available on the Multifamily Applications page must be submitted with the Application for HOME funds.

Qualification as a CHDO

In order for a nonprofit organization to qualify as a CHDO it must meet the rules and requirements of 24 CFR Part 92 and the 10 TAC §23.80. Some of the key requirements of qualifying as a CHDO include:

- The organization is organized under State and local laws and currently has a 501(c)(3) or (4) tax exempt ruling from the Internal Revenue Service;
- The governing board of the organization includes:
 - Not more than 1/3 board members that are public officials or public employees of the State of Texas; and
 - At least 1/3 board members that are residents of low-income neighborhoods, other low-income community residents, or elected representatives of low-income neighborhood associations;
- The organization has at least one year of documented experience serving the city or county in which the proposed housing will be located; and
- **The CHDO or entity wholly owned by the CHDO must receive at least 50% of the cash flow from the property or 50% of the developer fee.**

In addition to the above requirements, the 2012 Appropriations bill which became law included several additional HOME requirements. While only applicable to the 2012 Program Year awards, the Department believes that it is very likely that the same requirements may appear in the 2013 appropriations language. As such, staff has included in the CHDO Certification Packet additional documentation requirements related to CHDO Capacity and Experience. For more information regarding these requirements HUD released, in May 2012, a CPD Notice known as “**Operating Guidance for Implementing FY 2012 HOME Appropriation Requirements.**” You can find this guidance on the Community Planning and Development portion of the HUD website at: http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/affordablehousing/lawsandregs/notices

For additional rules and requirements you are encouraged to review 10 TAC §23.80 and 24 CFR Part 92 prior to completing an application.