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# 2012 Bond Pre-Application Submission Procedures Manual

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## I. Introduction

The Texas Department of Housing and Community Affairs' (the Department) Multifamily Bond Pre-Application Submission Procedures Manual sets forth the basic information needed for filing a Private Activity Bond Pre-Application. All portions of the manual must be followed when filing a Pre-Application. This document is meant to serve only as a complementary guide on how to put the Pre-Application together. Applicants are encouraged to familiarize themselves with all of the applicable state and federal rules that govern the programs for which they are applying.

**Tax Credits for Tax-Exempt Bond Developments:** For Applications involving Tax-Exempt Bonds with the Department serving as the issuer – a Bond Pre-Application will coincide with the 4% Tax Credits. There is not a cumulative ceiling to these types of Applications; however, to the extent that there is a bond ceiling governed by the Texas Bond Review Board, the quantity of corresponding 4% Tax Credit Applications is limited.

## II. 2012 Bond Pre-Application Waiting List Submission Timeline

The Texas Department of Housing and Community Affairs (the "TDHCA") is accepting applications for the 2012 Private Activity Bond Program to be placed on the "waiting list". The applications will be accepted on a monthly basis with deadlines for submission outlined in a timeline found at the following link <http://www.tdhca.state.tx.us/multifamily/bond/index.htm>. All applications must be submitted before 5:00 p.m. CST on the submission date. Applications received each month will be scored and ranked for that month and will be presented to the TDHCA board for inducement the following month. The applications will then be submitted to the Texas Bond Review Board (the "TBRB") to await a Certificate of Reservation, in order of descending score. Multiple site applications will be scored on their own merits and the final score will be determined based on an average of all the individual scores. The TBRB will issue reservations on a first come first serve basis (to issuers) after all applications participating in the lottery have been reserved or withdrawn. The reservations will be issued in the order that TDHCA submits.

## III. Pre-Application Process

- The Borrower submits the pre-application and pre-application fee to the Multifamily Finance Division. **Deadline to submit pre-applications and initial fees to the Department is 5:00 p.m., by the Submission Date as outlined in the timeline on the multifamily bond page of the Department's website.**
- TDHCA staff will review the application and request the submission of additional information as applicable per individual application (***applicant will have three (3) business days to correct any deficiencies***). A pre-qualification analysis will be performed. The application will be scored (by 2012 scoring criteria) and ranked by highest score. Multiple site applications will be scored and ranked on their own merits. The Department will determine the final score for these applications based on an average of all the individual scores for submission to the Texas Bond Review Board.
- A summary of the proposed transaction and the pre-qualification analysis will be presented to the Department's Board of Directors for approval of an Inducement Resolution the following month the application is submitted. Department staff will then proceed with the application submission to the Texas Bond Review Board.

#### IV. Format for Submitting the Multifamily Bond Pre-Application

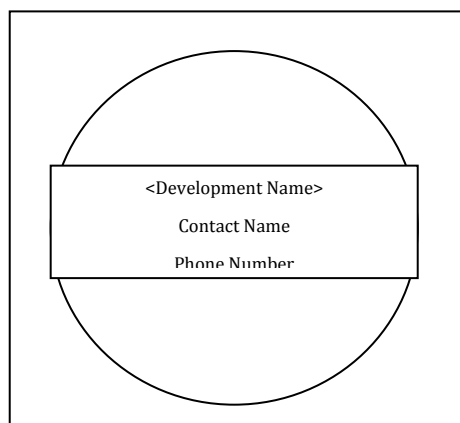
The Pre-Application for the Private Activity Bond program consists of two separate files, one in EXCEL format and one in PDF format on a recordable compact disk (CD-R). The disk should NOT be rewritable to protect the integrity of the data stored on the disk.

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 p.m. on the submission date as outlined in the timeline on the Department's website (<http://www.tdhca.state.tx.us/multifamily/bond/index.htm>) the following:

1. One VIRUS-FREE CD-R in a protective hard plastic case containing the following:
  - A complete Microsoft Excel based 2012 Multifamily Bond Pre-Application file; and
  - A complete, executed PDF copy of the 2012 Multifamily Bond Pre-Application file with all attachments and supporting documentation;
2. One complete hard copy of the 2012 Payment Receipt with check attached for the correct Pre-Application Fee, made payable to "Texas Department of Housing and Community Affairs". Other fees that should be submitted with the Pre-Application include \$2,000 payable to Vinson & Elkins and \$5,000 payable to the Texas Bond Review Board; and
3. One completed and fully executed 2012 Electronic Application Filing Agreement (scanned signature ok).

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.**

CD Case Labeling



CD Labeling



1. To download the electronic Pre-Application file, 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 -- <Development Name-Pre-Application>.xls (e.g. Austin\_Crossing\_Pre-Application.xls)

2. Fill in only the areas shaded in yellow. All other cells not shaded in yellow are for Department use only and have been pre-formatted to automatically calculate information provided by the Applicant and are locked. Applicants may view any formulas within the cells. Applicants may not add additional columns or rows to the spreadsheets.
3. All questions are intended to elicit a response, so please do not leave out any requested information. If 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.
4. When entering phone, fax and cellular numbers or zip codes, enter numbers only with no blank spaces, parenthesis or hyphens, these cells are pre-formatted. Phone, fax and cellular numbers will require area codes.
5. This electronic Pre-Application has been designed so that some information, such as development name, development address, city, etc. need only be entered once. In order to take advantage of this feature, the user must enter information in the order in which it is requested. If you see a “#VALUE” or “DIV/0” in a cell do not worry. These values will disappear upon data entry in other tabs.
6. Be sure to save the file as you fill it out!
7. Multiple site applications will be required to submit a separate application/CD-R for each site.

## V. Instructions for Converting the Excel file to PDF

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

### Excel 2007 Users:

1. Click the **Microsoft Office Button**  , point to the arrow next to **Save As**, and then click **PDF or XPS**.
2. In the **File Name** list, type or select a name for the workbook.
3. In the **Save as type** list, click **PDF**.
4. 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.

5. 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)**.
6. Click **Options**. Under **Publish What** select **Entire Workbook** and click **OK**.
7. 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).
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-handed 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 -- <Development Name\_Pre-Application>.pdf (e.g. Austin\_Crossing\_Pre-Application.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.

Once the file has been converted to PDF and all executed forms have been re-inserted into its 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**. 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 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/or volumes 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 Raquel Morales via email at [raquel.morales@tdhca.state.tx.us](mailto:raquel.morales@tdhca.state.tx.us).

## VI. Required Forms and Exhibits for the Pre-Application

The reference materials required to complete the Pre-Application are listed below and can be found at the following link <http://www.tdhca.state.tx.us/multifamily/bond/applications.htm>.

1. "2012 Multifamily Bond Pre-Application (XLS)"
2. "2012 - 2013 Multifamily Housing Revenue Bond Rules (PDF)"

All required forms may be found on the Department's website at the links provided above; the names of these forms are presented in *italics*. Each form must be completed; all questions must be answered and spaces completed. If a question does not pertain to the Development, mark "N/A." 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 the unbound documents that must be provided within the Pre-Application (*Applicants are encouraged to print out a blank version of each tab beforehand to be aware of all contents.*)

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

Include all of the following documents:

❖ **2012 Payment Receipt**

- All Applicants must submit a completed and executed (**hard copy**) original of this form with the Pre-Application submission, along with a check for the correct fee amount in order for the Pre-Application to be accepted by the Department.
- A TDHCA Application Number will not have been assigned to your Pre-Application prior to submitting the file, therefore, leave this area blank and a number will be assigned to your Pre-Application at a later date.
- For Applicants claiming a fee reduction based on a Qualified Nonprofit Organization status, evidence must be attached of the organization's status with the Payment Receipt. (For HOME, if you are claiming a fee waiver or reduced fee, please see required documentation in HOME NOFA)
- Insert a scanned copy of the completed Payment Receipt and check into the final PDF version of the Pre-Application.
- If you would like a copy of the staff-signed Payment Receipt sent to you, please indicate so by checking the box on the second page of the Payment Receipt.

❖ **2012 Electronic Application Filing Agreement**

- This form must be completed and submitted with the Pre-Application in order to be able to submit subsequent information and documents related to the Pre-Application by means of electronic transmission using the Department's File Transfer Protocol (FTP) server. **NOTE: you need only to submit a scanned copy of this agreement within the final PDF of the Pre-Application file. A hard copy is not necessary.**
- A TDHCA Application Number will be assigned after the Pre-Application is received, along with instructions on how to use the Department's FTP transmission service.
- Fill out all information requested. **IMPORTANT:** identify **ALL** persons who should receive the FTP setup/login information. This information will not be released by the Department to anyone other than the Applicant and those persons identified on this form.

❖ **Tab 1:**

- *Pre-Application Certification Form*
  - 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.
- *Activity Overview & Applicant Information*
  - Enter data in yellow highlighted cells.
  - Make the appropriate selections for "Target Population" and "Construction Type."
  - Enter the Applicant Information and identify second contact information for person(s) responsible for the Application.
- *Funding Request*
  - **Program Allocation and Set-Aside:** select the appropriate TDHCA Program(s) and set-aside for which the Application is being submitted.
    - When applying for more than one program at one time be sure that the funding cycle and/or NOFA for each program is open and accepting applications at the time the HTC Application is being submitted. **Do not** include a request for funds for a program that does not have a NOFA open at the time the Application is submitted.



- For Housing Tax Credits, when selecting either “Rural” or “Urban” as the allocation be sure to confirm this designation with the 2012 HTC Site Demographics Report.
- **Program Eligible Activities:** select the activities under the appropriate program(s) for which the Application is being submitted.
  - Up to two activities may be selected ONLY if one of the activities is also Acquisition.
- **Funding Request:** data enter the amounts requested for each TDHCA Program, and the terms requested (if applicable).
  - Only reflect funds requested from the Texas Department of Housing and Community Affairs. For example, if HOME funds are anticipated from a local entity (not TDHCA), **DO NOT** include those HOME funds here as they are not being requested from the Department.
- **Previously Awarded State and Federal Funding:** indicate whether the site or activity has previously been funded with TDHCA funds or other federal funding.

4. Development Narrative which describes the Development Plan:

- This worksheet serves only as a placeholder and will not allow you to enter data.
- For **New Construction Developments**, include the Target Population, the number of Units, the number of residential and non-residential buildings, and the size of the Development Site.
- For **Adaptive Reuse Developments**, the narrative must include a description of the Development, as it exists prior to any renovation, and a description of the proposed Development.
  - Pre-renovation description:
    - The number of existing buildings, and description of buildings’ pre-renovation use
    - The size of the existing Development Site
  - Proposed Development description:
    - The number Units proposed in each building
    - The number of Units by Unit type (i.e. 1 bedroom, 1 bathroom)
    - The Target Population for the proposed Development
- For proposed **Rehabilitation** of Existing Residential Developments, **which may include reconstruction**, the narrative must include a description of the Existing Residential Development, including:
  - The number of existing residential and non-residential buildings
  - The number of Units by Unit type (i.e. 1 bedroom, 1 bathroom)
  - The size of the existing Development Site
  - The Target Population for the proposed Development
  - Describe any demolition of residential buildings and reconstruction of buildings for residential use
  - The number of proposed residential and non-residential buildings
  - The number of proposed Units by Unit type (i.e. 1 bedroom, 1 bathroom)
  - The size of the proposed Development Site

5. *Populations Served*

- 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 Designated Units” 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.

- *Note that the "Type of Unit" categories are not mutually exclusive. For instance: for a 200 Unit Qualified Elderly Development with 10% of the Units set-aside for Persons with Disabilities, the table would read 200 Elderly Units and 20 Units for Persons with Disabilities with corresponding percentages of total Units.*
- The Department will use this form to test that the proposed Development does not violate the Integrated Housing Rule, which prohibits the set aside of more than 18% of units for persons w/disabilities for developments with 50 units or more; or prohibits the set-aside of more than 36% of the units for persons w/disabilities for developments with less than 50 units.
  - *Use this calculation to check*  

$$(\text{___ \# of units for Persons with Disabilities} / \text{___ total \# of units} = \text{___ \%})$$

## 6. Rent Schedule

- Gross rents cannot exceed the HUD maximum rent limits unless documentation of project-based rental assistance is provided.
- If any non-rental income is included, describe the source(s) of the income. "Misc" income not an acceptable description. If you do not include a description but include an amount for non-rental income, the cells will turn RED to remind you to enter a description.
- If the Development includes loft/efficiency Units, label these Units as "0" bedrooms as provided in the drop-down list.
- Additional rows are hidden should more rows be required. To do this select Rows 49 and 57, right click on mouse and select "Unhide."
- New formatting has been included. Unit types should be entered from smallest to largest based on "# of Bedrooms" and "Unit Size", then within the same "# of Bedrooms" and "Unit Size" from lowest to highest "Rental Income/Unit". If "# of Bedrooms", "Unit Size", or "Rent Collected/Unit" cells turn RED, this indicates the order of the unit types in the schedule is INCORRECT.
  - If you have any questions or experience problems with this please contact Real Estate Analysis for assistance.
- If applying for TDHCA HOME funds the column titled "HOME Unit Designation (Rent/Inc)" has been updated this year to include not only the HOME Unit designation but also includes the Income level required for each HOME Unit designation.
- Space has been added under the "Development Name" to identify the Private Activity Bond Priority which must be designated, as submitted to the Bond Review Board. The priority designations include the following:
  - Priority 1(a): Set-aside 50% of the Units at 50% AMFI and 50% of the Units at 60% AMFI.
  - Priority 1(b): Set-aside 15% of the Units at 30% AMFI and 85% of the Units at 60% AMFI.
  - Priority 1(c): Set-aside 100% of the Units at 60% AMFI 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% AMFI; 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. Applying for 4% HTC not required under this priority.

7. *Utility Allowances*

- Drop down lists have been added to this form 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.

8. *Annual Operating Expenses*

- You must describe any “Other” cost included in any of the expense categories. “Misc” expense is not an acceptable description. If you do not include a description but include an amount for non-rental income, the cells will turn RED to remind you to enter a description.

9. *15 Year Rental Housing Operating Pro Forma*

- Any deferred developer’s fee must be shown to be fully repaid by year 15. The initial year one operating expenses divided by effective gross income must be less than 65%.
- You must describe any “Other” debt service included in the proforma. If you do not include a description but include an amount, the cells will turn RED to remind you to enter a description.
- **Please remember that this form is and will remain locked. Therefore, any deviations for assumptions made in this pro forma should be detailed by way of a written explanation and provided behind this form.**



NOTE

10. *Development Cost Schedule*

- **This form has been revised to require only the contact name and phone number for the person providing the cost estimate for the Hard Costs.**
- The “Owner’s Requested Credits” cell is automatically calculated from data reflected in the “Calculated Credits” cell; however, this cell remains unlocked to allow the Applicant to change this data if necessary.
  - If you include a 130% High Cost Area Adjustment in your cost schedule be sure you meet one of the criteria identified in §50.5(e) of the 2012 - 2013 QAP to qualify for the basis boost.
- You must describe any “Other” costs reflected in the Cost Schedule. If you do not include a description but include an amount, the cells and/or text within the cells will turn RED to remind you to enter a description.



NEW!

11. *Summary of Sources and Uses of Funds*

- There are five categories of funding included, within each category a drop-down list will appear for the appropriate selection.
- For each source identified you will now be 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 (IF SUBMITTED), AND DEVELOPMENT COST SCHEDULE.**

- Financing participants must be listed in the right-hand column. This column has been formatted to allow for size adjustment if necessary.
- Must include priority of lien, interim, and permanent financing.
- Total sources of funds must equal the total uses of funds reflected in the *Development Cost Schedule*.

13. Financing Narrative -- §50.8(8)(C).

- This worksheet serves only as a placeholder and will not allow you to enter data.
- Financing Narrative
  - Sources and amounts of funds referenced in this narrative must match the *Summary Sources and Uses of Funds*, Term Sheets and Syndicator Letters (if submitted).
  - 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.

14. Current Market Information

- This worksheet serves only as a placeholder and will not allow you to enter data.
- Evidence must be submitted behind this tab which indicates the rents in the market support the proposed affordable rents.

**Tab 2: Organizational Structure**

1. *Applicant and Developer Ownership Charts* -- §50.8(10).

- This worksheet serves only as a placeholder and will not allow you to enter data.
- Use form as a template.
- Owner organization chart shows the Development Owner, General Partner, Special Limited Partner and Guarantor (as applicable) and includes the following:
  - Name and ownership percentage of each entity;
  - Trusts include the trustee and must 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 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.
- 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.

2. *List of Organizations with an Ownership or Special Interest in the Applicant*

- Only organizations are listed on this form.
- Every organization listed on the organizational chart must be included in this form.

- This exhibit currently allows for up to eighteen (18) separate organizations, however only 9 appear in view. Should the additional five slots be required select rows 176 and 349, right-click and select Unhide for the additional spaces.
- Natural persons will only be reported on this form if they directly own an interest in the Development Owner rather than owning an interest as members of an organization with an ownership interest.
- Submit as many pages of the form as necessary to report all applicable organizations (and all natural persons with direct interests as owners, Developers, Guarantors or recipients of more than 10% of the developer fee).

3. *List of Principals with an Ownership or Special Interest in the Applicant*

- Every natural person listed on the organizational chart and the executive director and all board members of nonprofit organizations and PHAs must be included.
  - Be sure to list all organizations and natural persons that are “Special Cases.”
  - Be sure that every entity listed in the left-hand column does not have a “Principal” listed by it on the same line (i.e. each line should contain the name of only one organization or if it is a “special case,” one natural person).
  - Be sure to indicate any previous participation with funding from TDHCA.

4. *Organization Documents -- Each entity shown on the organizational chart must provide the following documentation as applicable (§50.8(10)):*

- This worksheet serves only as a placeholder and will not allow you to enter data.
- For entities that are not yet formed but are to be formed either inside or outside the state of Texas, a certificate of name reservation of the entity name from the Texas Secretary of State must be submitted.

5. *Nonprofit Documentation: This section must only be completed for Applications involving a Nonprofit.*

- Documents required for all Applications involving a nonprofit General Partner -- §50.8(12).
  - *Evidence of Nonprofit Organization and CHDO Participation and List of the Nonprofit Organization's Board Members, Directors and Officers.* All cells highlighted in yellow require data entry by the Applicant. This worksheet allows for up to 24 members to be listed.
  - IRS determination letter which states that the nonprofit organization is a 501(c)(3) or (4) entity. ***This designation must be in place at the time of Application submission.*** If the organization is a Qualified Nonprofit Organization as defined in the tax code, notwithstanding any apparent limitations in the 2012 QAP about the particular parts of the code, under which a nonprofit may qualify, submit an IRS determination letter.

6. *Certification of Principal or Development Owner*

- The form has been updated to include additional certifications pursuant to the 2012 – 2013 QAP as well as to provide that each individual that signs a certification identify for which organization/entity that individual is signing on behalf of. Up to four spaces are provided if individual is signing on behalf of more than one organization/entity.
- Remember to disclose any issues of ineligibility.



- The signature portion of this form has been revised so that each organization/entity for which the individual is signing on behalf of is identified.
- For corporations, including corporate entities that control the Applicant, Development Owner or Developer, the authorized representative and any Principals or controlling entities must sign this form.

### Tab 3: Development Site Information

#### 1. Evidence of Site Control -- §50.8(8)(A)

- This worksheet serves as a placeholder and will not allow you to enter data.
- Site control must be valid for the entire period the Development is under consideration, which is:
  - a. At pre-application site control must be properly executed and receipted through the inducement Board meeting date; and,
  - b. At full application, site control must be valid 90 days from the date of the bond reservation with the option to extend through the scheduled TDHCA Board meeting. It should be noted that the potential expiration of site control does not warrant the full Application being presented to the TDHCA Board prior to the scheduled meeting. Site Control must be valid the entire time the Application or Determination Notice is pending.
- Evidence must be in one of the forms described under §50.8(8)(A) of the 2012 – 2013 QAP.
- Evidence must be in the name of the Development Owner or reflect an expressed ability to transfer the rights to the Development Owner.
- If a contract is provided as evidence of site control, the closing date must be highlighted or flagged. If the date is not explicitly stated, but rather is triggered by other dates or periods, submit an outline of the dates that must be used to derive the closing date.
- If the contract expires prior to the date the Board will consider for final award, there must be an exclusive option to extend in the contract.
- Copy of the full legal description that matches the *Activity Overview and Applicant Information*.
- Proof of consideration, as specified in the contract, must be submitted. (for example, a completed escrow receipt from the title company signed by the escrow agent).
- For **scattered sites**, if you are submitting multiple contracts, deeds, etc. each one must meet all of the requirements of §50.8(8)(A) of the 2012 – 2013 QAP. Each must clearly have the address identified and be consistent with the *Scattered Site Information Form* (i.e. 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, the documentation submitted must be the requirements described in §1.32 of the Real Estate Analysis Rules.

2. Boundary Survey

- If the tract of land being purchased is larger than the portion being used for the Development; the survey must depict both the larger tract as well as the site to be developed.
- The survey must clearly identify the location and boundaries of the subject property.
- The survey must clearly delineate the flood plain boundary lines and show all easements.

3. Name, address and telephone number of the current property owner of property.

4. Evidence of zoning -- §50.8(8)(B)

- Zoning must match representation made in the *Site Information* form.
- Evidence must include official description or definition of the zoning claimed or proposed and must be dated not more than 6 months prior to the submission of the Pre-Application.
- For **New Construction, Adaptive Reuse or Reconstruction** Developments that are to be located in an area with a zoning ordinance, a letter from the chief executive officer of the Unit of General Local Government or another local official with appropriate jurisdiction stating that the Development:
  - is permitted under the zoning ordinance; or
  - that the Applicant is in the process of seeking appropriate zoning.
 Refer to §50.8(8)(B) of the 2012 - 2013 QAP for more detailed requirements to be included in the evidence provided to the Department.
- For **New Construction, Adaptive Reuse or Reconstruction** Developments that are to be located in an area with **NO** zoning ordinance, a letter from the chief executive officer of the Unit of General Local Government or another local official with appropriate jurisdiction stating that the Development:
  - is located within the boundaries of a Unit of General Local Government that has no zoning; or
  - is consistent with local housing policy adopted by the Unit of General Local Government or is located within the boundaries of a Unit of General Local Government that has no zoning or formally adopted local housing policy (for Developments located in Harris County **ONLY**).



Refer to §50.8(8)(B) of the 2012 - 2013 QAP for more detailed requirements to be included in the evidence provided to the Department.

- For **Rehabilitation** Developments (excluding Reconstruction), documentation of current zoning is required. Refer to §50.8(8)(B) of the 2012 - 2013 QAP for more information.

5. Census Tract Map (**Required for all Developments**)

- Must clearly show that the proposed Development is located within the Census tract and it must show other existing tax credit developments.
- Census tract 11 digit numbers must be clearly marked on the map.

- Census tract number must be identical to the census tract number stated in the Department's *2012 HTC Site Demographic Characteristics Report* and *Site Information Form*.

6. *Site Information Form*

- Section 1: indicate whether the Development Site is currently zoned for its intended use. If appropriate zoning is not in place at the time of Application submission, provide a brief explanation of the steps taken to obtain appropriate zoning.
- Section 2: enter 11-digit census tract number (use 2010 census tract number) and ensure its accuracy as staff will verify this information.
- Section 3: select from the drop-down list provided the Development Site's current flood zone designation.
- Section 4: provide all information requested. You must identify all of the sellers of the proposed Property for the 36 months prior to the first day of the Application Acceptance Period and their relationship, if any, to members of the Development team behind this form.

**Tab 4: Evidence of Notifications:**

1. *Public Notification Information Form*

- Single-member district – If the city council and/or county commission is a single-member district body, check the box to indicate this and list the single district representative in the space provided; you do not have to list the other members.
- Both single member and at-large district – If the city council or county commission has both district-based and at-large members, indicate so on the form and list the single district representative in the space provided and all at-large members in the spaces provided for all representatives.
- At-large district – List all representatives in the spaces provided.
- The name of the elementary school and high school closest to the Development Site, address and phone number for each school must also be included on this form for the purposes of scheduling the TEFRA bond public hearing.
  - Note: The Department is not responsible for notifying Applicants if information contained herein is inaccurate. It is each Applicant's sole responsibility to ensure all information contained in this form is accurate and that any errors identified are corrected and proper re-notifications are made.

2. *Certification of Notifications* -- §50.8(9)

- The form must be signed, dated and notarized.
- All appropriate boxes must be checked on the form.
- In addition to the *Certification of Notification* form please note the following:



- a. There is a sample *Request for Neighborhood Organizations* and *Public Notification Format* in the **Templates** located on the Department's website.
  - b. Request for a list of Neighborhood Organizations must be made no later than 14 days prior to submission of the Bond Pre-Application. These dates are identified on the submission timeline found at <http://www.tdhca.state.tx.us/multifamily/bond/index.htm>.
  - c. Notifications to elected officials and any neighborhood organizations must be made no later than the date the Bond Pre-Application is submitted to the Department.
  - d. Notifications should be made using a form of delivery that can be tracked. While all letters are not required to be submitted behind this tab, it is encouraged that Applicants retain proof of delivery of the notifications in the event the Department requires proof of notification.
  - e. Developments located in Extra Territorial Jurisdictions (ETJ) of a city are not required to notify city officials, but county officials must be notified.
  - f. A copy of the complete mailing list with names and addresses should be submitted behind this tab.
- Notifications must be made using the language outlined in the *Neighborhood Organization Request Format* and *Public Notifications Format (Written)* in the **Templates** located on the website.

**Tab 5: Program Certifications and Other Documents**

1. *Tenant Supportive Services Certification*

- This form must be signed and notarized.
- There is a maximum of 8 points under this scoring item.
- The actual identification of the services to be provided will be required at the time the LURA is submitted to the Department.
- The list of services can be found in 10 TAC §1.1 Definitions and Amenities for Housing Program Activities.

2. *Proximity of Site to Amenities Certification*

- The amenities selected must be consistent with those identified on the local area map submitted behind this tab.
- The map must be legible; at street level and show property location and area services and amenities within a 3 mile radius (radius ring or scale must be present on the map).

3. *Mortgage Revenue Bond (MRB) Responsibility of Costs Certification Letter.*

- The form must be signed, dated and notarized.

4. Letter Selecting a Senior Underwriter

- Underwriter must be from the Department's approved list posted at <http://www.tdhca.state.tx.us/multifamily/bond/docs/AppvdUnderwriters.pdf>

5. *Bond Review Board Residential Rental Attachment*

- This document can be found on the Bond Review Board website at the following link: <http://www.brb.state.tx.us/pab/pab2011app.aspx>.
- If multiple site applications, a separate RRA for each site must be submitted.

**Tab 6: Scoring and Amenities**

1. *Private Activity Bond Scoring Form* (form can be found at the following link <http://www.tdhca.state.tx.us/multifamily/bond/applications.htm>)

- Certification form must be signed, does not need to be an original signature.

3. *Unit and Common Amenities – §50.8(5)(A)(i) – (ii)*

- Part 1. Unit Amenities- check the box indicating the program for which the Pre-Application is being submitted.
- The 2012 - 2013 QAP includes a provision for Unit Amenities *ONLY* that awards a base score to Developments proposing Rehabilitation (excluding Reconstruction) or Supportive Housing. Therefore, this form has been formatted with validations to check for these specific types of activities in order to auto-calculate the base score for a Development where appropriate.
- Part 2. Common Amenities- check the appropriate box for the number of points required based on the total number of Units proposed for the Development.
- All Unit and Common Amenities will not be identified at Pre-Application. The Applicant will only need to commit to provide the minimum number of points to meet Threshold and/or scoring but will identify the specific amenities to be provided at the time the LURA is recorded.
- The points for unit and common amenities listed on Parts 1 and 2 must match the points claimed on the self-score form.
- The overall points awarded for amenities at Pre-Application must match those points selected at full application.

For non-contiguous scattered site housing, *excluding non-contiguous single family sites*, the threshold test will be applied based on the number of Units per individual site.

For purposes of clarifying how the test will be applied for single family scattered site developments, the threshold test for Common Amenities will NOT be applied based on the number of units per site. The Applicant will need to address the Common Amenities to be provided at the Development by one of the following methods:

- The number of points to meet Threshold based on the **total** number of Units in the Development and provided in a centrally located area accessible and available to ALL tenants; or
- The number of points to meet threshold based on the **total** number of Units in the Development and provided at each single family Unit; or

- Any other alternative will require a waiver by the Governing Board. Example: The number of points to meet Threshold based on the number of Units per individual site.



5. Declared Disaster Areas

- No supporting documentation is required.
- In October 2011 the Governor declared **all 254 counties in the State of Texas as disaster areas.**
- In other words, REQUEST the points in the Self Score form and you will receive them!!

NOTE: Please note that this list is a guide and is not comprehensive. Applicants are encouraged to familiarize themselves with all of the applicable state and federal rules that govern the programs they are applying for as well as to read the sections of the 2012 -2013 Multifamily Housing Revenue Bond Rules and 2012 - 2013 Qualified Allocation Plan.

**B. Unbound Items:** The following items must be submitted with the Pre-Application, but must not be within the electronic Pre-Application:

- ❖ *2012 Payment Receipt*
- ❖ Pre-Application Fee – The Department will not accept a Pre-Application without the corresponding fee (Non-Profit organizations may receive a 10% reduction of TDHCA fees if 501(c)(3) form is submitted with payment receipt). One check must be submitted payable to TDHCA in the amount of \$1,000, one check payable to Vinson & Elkins in the amount of \$2,000 and one check payable to the Texas Bond Review Board in the amount of \$5,000.
- ❖ A copy of each check must also be submitted.
- ❖ Support/Opposition letters – If the Applicant has received support/opposition letters from elected officials and/ or neighborhood organizations, members of the public, or neighborhood organizations, they can be submitted at the time the Pre-Application is submitted. **If submitted with the pre-application they should be bookmarked and labeled identifying them as such.**

## VII. Full Application Process & General Eligibility Information

Once the Pre-application has been approved by the Department's Board, the application will be submitted to the TBRB in the rank order determined by the Department and as outlined in the 2012 – 2013 Multifamily Housing Revenue Bond Rules to await a Certificate of Reservation. The Priority designation selected by the Applicant will trigger the deadlines for submission of the HTC Application.

The complete full Application process for Housing Tax Credits and Private Activity Bonds is outlined in the 4% HTC Procedures Manual which can be found on the Department's website at the following link: <http://www.tdhca.state.tx.us/multifamily/bond/index.htm>. This document also includes some general information on eligibility criteria.