



**TEXAS DEPARTMENT OF
HOUSING & COMMUNITY AFFAIRS**
Building Homes. Strengthening Communities.

2014
Multifamily Programs
Procedures Manual

221 East 11th Street
Austin, Texas 78701

2014 Multifamily Application Procedures Manual

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Introduction to the 2014 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 re-organization of the Department and its divisions. This re-organization shifted program staff and responsibilities to more closely align with the Department's mission.

Under the new structure, all multifamily funding programs were officially 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 currently 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 re-organization and the subsequent changes to the Uniform Multifamily Rules and Qualified Allocation Plan, staff also updated the Uniform Application in order to simplify the application process for applicants.

General Organization of the Application

The 2014 Application has fully integrated each of the Multifamily Programs into one coherent application and is divided into six (6) parts listed below, each of which will be briefly explained in this section, and fully explained later in this Manual.

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

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The **Administrative** section of the Application collects the most basic information about the proposed Development and the Applicant contact information. The purpose of the administrative section is to identify the program(s) to which the Application is submitted and includes the Applicant and Developer Certifications.

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 development address, census tract number, flood zone designation, as well as information about the schools and elected officials 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.

The **Finance** section of the Application includes all of the sources of financing, the development cost schedule, annual operating expenses, and the rent schedule.

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

The **Third Party** section briefly identifies the entities used for the Environmental Site Assessment, Market Study, and Property Condition Assessment, as well as any other required reports.

Of particular interest is the fact that the application, with respect to the competitive 9% housing tax credit program, is not separated into sections based on 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 Local Political Subdivision, are found in the Finance section.

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 this program. This manual may in certain instances provide examples of documentation that could be submitted to comply with a particular rule or requirement. In some instances the rule may allow for alternative documentation not specifically contemplated herein, and in such instances staff will review such documentation for compliance with the applicable rule.

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 safe and high quality 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

If submitting an Application or Pre-Application, all Applicants are required to use the 2014 Uniform Application, Pre-Application, and/or any supplemental files provided by TDHCA located 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. 14001_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 2014 Uniform 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 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.
5. This electronic Application has been designed so that much 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.

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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)
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

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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 -- <Application #_Development Name>.pdf (e.g. 14001_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.

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**. 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

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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 Jean Latsha via email at jean.latsha@tdhca.state.tx.us. In some instances a file may have small variations in bookmarks, file sizes, or readability that are not explicitly cited as requirements in the rule. Staff will use a reasonableness standard in determining when such deviations rise to the level of necessitating termination or other remedy.

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

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.

Competitive Application Cycle

The Pre-Application must be received by TDHCA no later than 5:00 p.m. (Central Time Zone) on Thursday, January 16, 2014. On January 16, 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. (Central Time Zone) Thursday, January 16, 2014. 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.

Applicants are advised to take any steps necessary to ensure timely delivery of all application materials. In many cases applicants bring multiple copies of the application files, test the files on computers other than the computer used to assemble the files, rely on their legal counsels in or near Austin to retain a copy in the event of unforeseen circumstances, etc. Applicants should not expect to have an opportunity to complete the application materials at TDHCA offices on the final day of the submission period. Failure to timely submit a Pre-Application may result in an application being ineligible for pre-application points.

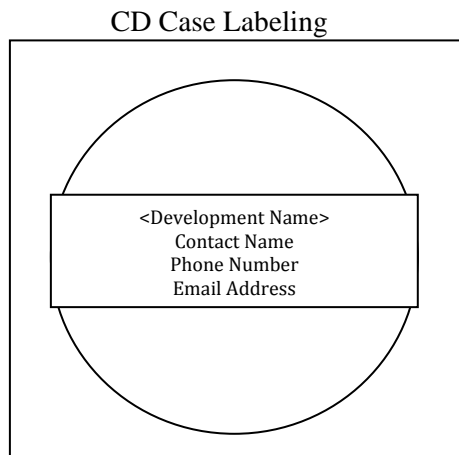
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Pre-Application Assembly Instructions

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 p.m. on January 16, 2014:

1. One VIRUS-FREE CD-R in a protective hard plastic case containing the following:
 - o A complete 2014 Multifamily Pre-Application saved as a Microsoft Excel file; and
 - o A complete, executed PDF copy of the 2014 Multifamily Pre-Application file with all attachments and supporting documentation;
2. One complete hard copy of the 2014 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 2014 Electronic Application Filing Agreement. (The Electronic Filing Agreement may be hard copy or electronic)
4. Payment – the fee for competitive Housing Tax Credit Pre-applications is \$10 per unit as represented in the Pre-Application. A 10% discount applies to some fees pursuant to §10.901(1) of the Uniform Multifamily Rules. *Please do not submit checks for more than the applicable fee.*

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 Application 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 could qualify an Application for six (6) points, if all pre-application threshold requirements are met,

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notwithstanding the requirements under §11.9(e)(3) of the 2014 Qualified Allocation Plan. 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. Applicants should familiarize themselves with the Administrative Deficiency process identified in §10.201(7) of the 2014 Uniform Multifamily Rules. It is important that Applicants take extra care in completing and compiling all required documentation for the Pre-Application submission.

There are nine worksheets in the Pre-Application Excel workbook, representing the nine tabs below. 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 documents that must be submitted within the Application.



❖ **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**
- The Development name included on this form will be used to generate the Application log.



❖ **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, and the information included here will be used to generate the Application log.



❖ **Tab 3: Development Information Form**

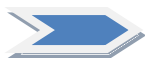
- Part 1 - Choose one construction type from the drop-down menu and answer all appropriate questions. If questions are not relevant, answer with N/A, leaving no yellow highlighted cells blank.
- Part 2 – Identify the Target Population from the drop-down menu.

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. Use the drop-down menu to select the site's relation to the city's boundaries as of the date the application will be submitted. If "other" is selected, provide an explanation in the box provided; for example, if part of the site is within the boundaries and part in the ETJ.
- 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.

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- 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 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. **NOTE: Although not required at pre-application, applicants are encouraged to submit documentation supporting eligibility to compete in the elected set-asides. Staff will make every effort to review any documentation included in the pre-application in order to avoid submissions of full applications that are ineligible.**



❖ **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.
- The Local Government Support, Commitment of Development Funding by Local Political Subdivision, Quantifiable Community Participation, Community Support from State Representative, and Input from Community Organizations 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: 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 includes:
 - Recorded Warranty Deed with corresponding executed closing/settlement statement;
 - Contract for Lease; and
 - Contract for Sale

NOTE: Make sure that site control documentation is legible!



❖ **Tab 6: Multiple Site Information**

- If multiple tracts of land and/or contracts are in place, fill out this form for each tract/contracts. Also, use this form if submitting a scattered site application. The same site control documentation is still required in order to evidence ability to compel legal title for each tract of land.



❖ **Tab 7: Certification of Notifications**

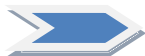
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- The *Public Notifications Template* can be found on the Department's website at: <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm> in the 2014 Uniform Multifamily Application templates file.
- Notifications should be made using a form 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.
- All three boxes must be checked.
- Note that the Elected Officials Form and Neighborhood Organizations Form are considered part of this certification. If no neighborhood organizations are listed on that form, staff will assume that no neighborhood organizations were notified.
- 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**

- Fill out all of the information related to the US representative, state senator, state representative, mayor, county judge, superintendent, and presiding officer of the board of trustees. Note that there is a drop-down box for city council members and county commissioners. Every elected member should be listed and notified.



❖ **Tab 9: Neighborhood Organizations Form**

- If no neighborhood organizations exist, mark the first box and leave the rest of the form blank. Otherwise, list all neighborhood organizations and contact information. **Remember: only qualifying neighborhood organizations should be listed. Listing neighborhood organizations on this form that do not meet the criteria under §11.9(d)(4) could create confusion and uncertainty with respect to eligibility for points under §11.9(d)(6) related to Input from Community Organizations. If you believe an explanation is necessary please include one.**

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

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/htc/index.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.

Competitive Application Cycle

The Application must be received by TDHCA no later than 5:00 p.m. (Central Time Zone) on Friday, February 28, 2014. On February 28, 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. (Central Time Zone) Friday, February 28, 2014. 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.

Applicants are advised to take any steps necessary to ensure timely delivery of all application materials. In many cases applicants bring multiple copies of the application files, test the files on computers other than the computer used to assemble the files, rely on their legal counsels in or near Austin to retain a copy in the event of unforeseen circumstances, etc. Applicants should not expect to

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have the opportunity to complete the application materials at TDHCA offices on the final day of the submission period.

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 2014 Multifamily Uniform Application; and
 - the completed, executed PDF copy of the 2014 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 3rd party reports:
 - Phase I Environmental Site Assessment,
 - Property Condition Assessment (where applicable),
 - Appraisal (where applicable)
 - Feasibility Study
 - If the Market Study is available, it may be included on the CD with all other 3rd 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 into separate files or on to separate discs.

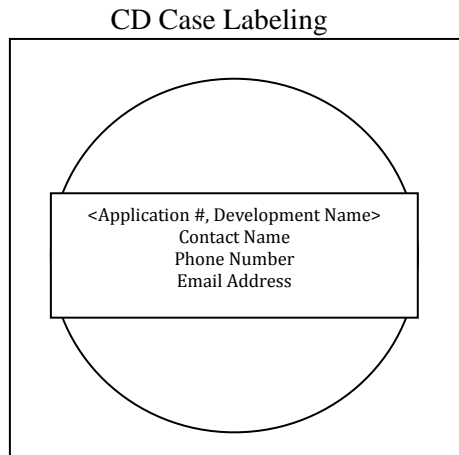
3. Completed hard copy of the 2014 Payment Receipt. Attach check for the correct Application Fee made out to “Texas Department of Housing and Community Affairs”; and
4. Completed and fully executed 2014 Electronic Application Filing Agreement (**ONLY REQUIRED IF NOT SUBMITTED AT PRE-APPLICATION**).
5. Payment – the fee for competitive Housing Tax Credit Applications is \$30 per unit as represented in the Application. If a pre-application was submitted, the fee is \$20 per unit as represented in the full application (regardless of any change in the number of units from pre-application to application). A 10% discount applies to some fees pursuant to §10.901(3) of the Uniform Multifamily Rules. *Please do not submit checks for more than the applicable fee.*

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**

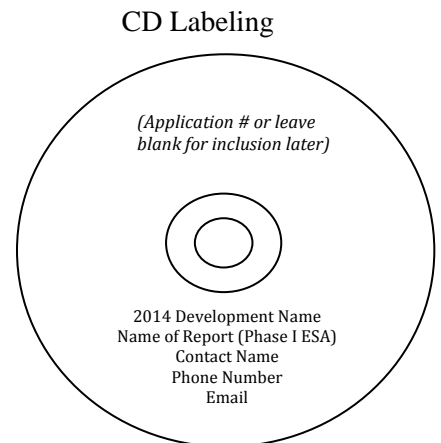
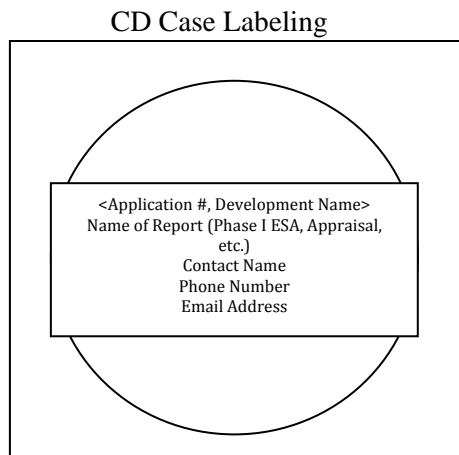
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LABEL TO THE CD ITSELF. Rather, write the requested information legibly on the printed side of the CD itself with a felt-tip pen. Refer to labeling illustrations below. **Double-check the CD to verify that it contains the properly named virus-free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

CD LABELING INSTRUCTIONS FOR APPLICATION



CD LABELING INSTRUCTIONS FOR THIRD PARTY REPORTS (if applicable)



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Required Forms and Exhibits for the Application

The 2014 Multifamily Housing Application form consists of six (6) parts. Complete all applicable parts. Those cells in which require entry are highlighted yellow. Some of the required information for this form has been entered in a previous tab and will auto fill here as applicable. Please review and ensure all information is accurate. Remember to include any supporting documentation.

Part 1- Administrative Tabs



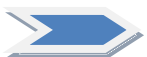
❖ **Tab 1 – Application Certification**

- Enter data in yellow highlighted cells.
- 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 certification can be found on the Department's website at <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm> and must be executed by the Development Owner. This certification addresses the specific requirements associated with the Development, and 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 certification can be found on the Department's website at <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm> and must be executed by all Principals. This certification 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**

- This certification can be found on the Department's website at <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm> and must be executed by the Development Owner (if applying for TDHCA administered HOME funds). It addresses the specific requirements associated with the Development, and 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

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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 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 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

The blue colored Development Site tabs (8-15) collects all information specific to the physical location of the Development site.



❖ **Tab 7 – Site Information Form Part I** This form is divided into 6 parts, all of which should be completed by all Applicants. Complete the yellow highlighted cells in each part as applicable. Some portions of this form will make reference to supporting 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

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Hickory Street and Red River.” Use the drop-down menu to indicate whether the site is within city boundaries, in the ETJ, etc. *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. Indicate whether or not the tract is a Qualified Census Tract (QCT). Each of the subsequent highlighted cells further describing the demographics of the census tract will auto-populate. Applicants should exercise caution in identifying the correct census tract. Address searches generally yield approximate census tract matches and in some cases such searches are incorrect. It is the Applicant’s responsibility to identify the correct census tract. (In order to double-check this information, see Opportunity Index Data posted on the HTC website.)
- **Part 3 – Mandatory Community Assets:** The proximity to certain community assets is a threshold requirement for **all** multifamily Applicants [§10.101(a)(2)].
- **Part 4 – Undesirable Area Features:** Mark the appropriate box, indicating whether or not pre-clearance was granted, pending, or not requested. Refer to §10.101(4) of the Uniform Multifamily Rules.
- **Part 5 – Resolutions:** Mark the appropriate box indicating whether or not a resolution was required in order to satisfy a requirement under §11.3 of the QAP related to Housing De-concentration factors. If a resolution is required, please refer to either §11.2 of the QAP or §10.4 of the Uniform Multifamily Rules to determine the deadline for submission. ***For Competitive HTC applications, these are due with the Application and should be included behind this tab.*** If no resolution is required, this section can be left blank.
- **Part 6 – Zoning and Flood Zone Designation:** 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.



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.

- **Street Map** - should indicate the location and approximate shape of the site outlined on the map.
- **Census Tract Map** - must bear the full 11-digit number and indicate the location of the Development Site
- **Community Assets Map** - must show 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 Preclearance of Undesirable Area Features** - must include a letter from the Department’s Executive Director or Director of Multifamily Finance acknowledging Department approval of Undesirable Area Features. This information is not necessary for Applications that have no issues with Undesirable Area Features.
- **Resolutions** - sample resolutions are provided in the 2014 Multifamily Uniform Application Template file on the Department’s website.

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- **Evidence of Zoning or Re-zoning in process** - must exactly match the representation made in the Site Information Form. Acceptable evidence includes one of the following:
 - A letter from the local government official with appropriate jurisdiction stating that either there is no zoning or that the Site is appropriately zoned.
 - A letter from a local government official with jurisdiction over zoning matters that the Applicant or Affiliate is in the process of seeking a zoning change (may include an acknowledgement that a zoning application was received by the political subdivision) and that the jurisdiction received a release agreeing to hold the political subdivision and all other parties harmless
 - For rehabilitation developments, documentation of current zoning and, if necessary, a letter from the local government official with appropriate jurisdiction addressing any overlays or issues of non-conforming uses. See §10.204(11)(D) of the uniform Multifamily Rules.
- **Flood Zone Designation** - must be the FEMA flood map submitted in the Environmental Site Assessment 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 10.101(a)(4)(A), and Subchapter D – Environmental Site Assessment Rules and Guidelines, §10.305(b)(3) of the Uniform Multifamily Rules.. **NOTE: The Certification of Development Owner includes stipulations regarding the conformity of the site with the Department's rules regarding the floodplain.**



Tab 9 – Site Information Form Part II This form should be completed for Applications for Competitive housing tax credits. All items on this form are related to scoring criteria.

- **Part 1 – 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. The “accountability rating” column has a drop-down menu to determine whether or not the school has a Met Standard rating. If the school is paired with another school, mark the cell accordingly. If the school has anything but a Met Standard rating (*e.g.* Met Alternative Standard or Needs Improvement), mark “No Met Standard rating.” The “Index 1 score” allows input of the actual Index 1 score so should be a number from 0 to 100.
 - 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. The “overall” rating combines the Met Standard/Index 1 score and should also combine the schools when appropriate. *Note that while a school with an overall rating of “<77 index 1 (Met Standard)” may not qualify an application for points under Educational Excellence, it is possible that school could be counted as a community asset under the rural Opportunity Index.*
 - There is also a space for a district rating, which will be used as an overall rating if one or more schools do not have a 2013 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.

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- Use the notes to explain any unusual circumstances concerning the attendance zones or ratings of any of the schools.
- **Part 2 – Opportunity Index:** If the development is urban, the appropriate boxes will auto-populate. (If they are not filling in correctly, double-check submissions on Tab 7, Parts 1 and 2.) If the development is rural, make sure the white auto-filled box is marked and then mark the appropriate boxes to substantiate points. ***Make sure to manually enter the Total Points Claimed.***
- **Part 3 – 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 4 – Community Revitalization:** If claiming points, be sure that no points are being claimed under the Opportunity Index. Mark the appropriate boxes and make sure supporting documentation is included behind the following tab.
- **Part 5 – Declared Disaster Area:** If claiming points, simply mark the box and fill in the Total Points Claimed. Points will not be awarded if not selected in the Application.
- **Part 6 – Input from Community Organizations:** Indicate whether or not the Applicant has submitted letters, which should be included behind the next tab. No score is available for selection in the Application, but staff will evaluate any letters attached in the Application pursuant to §11.9(d)(6) of the QAP.
- **Part 7 – Local Government Support:** If a resolution is included with the application, mark the box. Note that resolutions for this specific scoring item are not due until April 1, 2014.



❖ **Tab 10 – Supporting Documentation for the Site Information Form Part II**

- **School Attendance Zone Map and/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. If no map is available, other forms of evidence may be acceptable, including but not limited to a letter from the school district stating in which school's attendance zone the site is located.
 - The map (or other evidence) should indicate the ***most current*** school attendance zones, not necessarily the attendance zones at the time the schools were rated. This map should indicate where the children that would live in the proposed Development would attend school as of February 28, 2014 or later.
 - The rating of the school should be documented by a copy of the Accountability Summary available on the Texas Education Agency (TEA) website (<http://ritter.tea.state.tx.us/perfreport/account/2013/index.html>). Once on the website, click on [campuses](#) and under the first question select "campus report." Search for the campus of interest, paying attention to make sure it is in the correct district. After selecting the campus under the fourth question, select "accountability summary" in the fifth question and click on "View Report."
 - 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(c)(4) and (5) of the 2014 QAP.
- **Map of Community Assets – for rural Opportunity Index**
 - If seeking points under §11.9(c)(4)(B) of the QAP, applicants must include evidence of proximity to community assets. The map should indicate the location of the Development Site and include an accurate 1 mile radius. In addition, if

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applicable, information about the schools (see above) and/or child care center(s) should be included behind this tab. Evidence of the licenses held by the child care centers can be found by searching for the child care center on the Department of Family and Protective Services (DFPS) website at http://www.dfps.state.tx.us/Child_Care/Search_Texas_Child_Care/ppFacilitySearchDayCare.asp. While this will generate a print-out with information about the child care centers, applicants should also contact the centers to ensure that the appropriate age groups are actually being served. Applicants should also be prepared to submit evidence surrounding the detailed operations of any full service grocery stores, senior centers, and health related facilities. See the FAQs regarding this scoring item and contact staff with any further questions.

- **Evidence of Underserved area**

- For sites located within a colonia, appropriate evidence is a letter or map from the Texas Water Development Board or Attorney General's office indicating such, although other reasonable evidence may be found acceptable. A map of colonias can be found by going to the Attorney General's website at <https://www.oag.state.tx.us/consumer/border/colonias.shtml> and clicking on "Texas Office of Attorney General Colonia Geographic Database: https://maps.oag.state.tx.us/colgeog/colgeog_online.html#."
- For sites in an economically distressed area, the Application must include evidence that the site is located in both of the following:
 1. A census tract that has a median household income that is 75 percent or less of the statewide median household income
 2. A municipality or county that has been awarded EDAP funds under the administered by the Texas Water Development Board (TWDB) within the five (5) years ending at the beginning of the Application Acceptance Period. This information can be found on the TWDB website (<http://www.twdb.state.tx.us/financial/programs/EDAP/index.asp>) by clicking on "EDAP status report" on the right side of the page.

REMEMBER – Pursuant to §11.9(a) of the QAP, Applicants that elect points where supporting documentation is required but fail to provide any supporting documentation will not be allowed to cure the issue through an Administrative Deficiency.

- **Community Revitalization Plan**

- If submitting a community revitalization plan, either the entire plan or a link to the plan can be provided. If the plan is exceptionally large and no link available, staff will accept an edited version, with only the applicable sections. **A letter from the appropriate local official regarding the adoption and funding of the plan** is required, and evidence of the plan budget and a map of the target area should also be included.
- If claiming an additional two points under §11.9(d)(7)(A)(ii)(III) of the QAP, a resolution must be included behind this tab.
- If claiming points under §11.9(d)(7)(B)(ii) of the QAP, the Application must include **evidence of a commitment of CDBG-DR funds**, a copy of the **entire CDBG-DR plan**, and a **letter from the local government official** regarding the details of the plan. (Refer to the QAP.)
- If claiming points and located in a rural area, the Application **must include a letter** from the appropriate government official which includes details about the infrastructure projects in the area. See §11.9(d)(7)(C) for the requirements of the letter.

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- **Letters from Community Organizations** - Indicate the number of letters being provided behind this tab. Although only a maximum of four points will be awarded, more than two letters may be submitted. Letters should be accompanied by evidence that the community organization is tax exempt and is active in the community.



❖ **Tab 11 – Site Information Form Part III** This form is divided into 3 parts. All Applicants must complete the first two parts, and part 3 is relevant for tax credit (9% and 4%) 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 it should never be 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.
 - Identify all sellers of the property for the 36 months prior to 1/2/14
 - Indicate the document being presented as evidence of site control by marking the appropriate box and fill in the expiration date and estimated closing date of the contract for lease, purchase, or other form of conveyance as applicable.
- **Part 3 – 30% Increase in Eligible Basis (“Basis Boost”):** The “boost” may be granted to tax credit Developments in certain locations and/or for certain types of Developments. If the development is rural, supportive housing, or in a high opportunity area, these boxes will auto-populate. If claiming the boost under §11.4(c)(2)(D) or (E), mark the appropriate box. **If claiming eligibility for the boost by restricting additional units for households below 30% AMGI, note that the application does not make this calculation and that applicants should reference §11.4(c)(2)(D) as well as §11.9(c)(1) and (2) of the Qualified Allocation Plan to ensure that enough units are set aside to meet these requirements.**



❖ **Tab 12 – 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 *Multiple Site*

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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(10) for details regarding site control. Be aware that the rules for scoring the submission of a pre-application are affected by site control.
 - If the evidence is not in the name of the development Owner, then an Affiliate of the development Owner must have site control that does not expressly preclude an ability to assign the Site Control to the Development Owner or another party.
 - If in the form of a lease or contract for lease, the existing lease must have 45 years remaining, or the contract be for a 45-year term
 - For identity of interest transactions, submit documentation requirements described in Subchapter D §10.302(e)(1)(B) of the Uniform Multifamily Rules.
 - For **scattered sites**, if you are submitting multiple contracts, deeds, etc. each one must meet all of the requirements of §10.204(10) of the 2014 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).
- **Title Commitment or Title Policy** - See 2014 Uniform Multifamily Rules Subchapter C, §10.204(12) for detailed instructions of the rules regarding title documents.
 - 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.
 - 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 the following:
 - 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 13 – Multiple Site Information Form** - The Application's Multiple Site Information Form was created as an aid to determining how lots and tracts that have separate descriptions fit together to form the Development. If a Development proposal requires the submission of more than one purchase contract, lease contract or deed to evidence Site Control, the Applicant must complete one block of the Multiple Site Information Form for each property that will be

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aggregated into the Development. In general, the Application must sufficiently describe the properties in the contracts and deeds so that each property can be identified within the survey(s) of the Development Site(s). The evidence must show that the land delimited by the survey of the Development Site is entirely under the Applicant's Control and any land that is purchased in excess of the Development Site must be described in a way that makes the excess area apparent in both quantity and location. In all cases, the Application must include a plat or plats that indicate the legal description of each lot, alley, roadway and tract as described in the documents evidencing the Applicant's Control. If more than one plat is necessary to depict the land under control, the relative locations of the platted land should be clear and the fit of each part into the whole should be apparent. If a contract includes land that is only described by metes and bounds, a plat showing the boundaries corresponding to these same metes and bounds and labeled with the corresponding bearings and distances should be provided. The desired result of these descriptions and drawings is a clear depiction of the property under the Applicant's Control and the relationship of this property to the property that will be the Development Site(s). A further explanation of the information requested for multiple site development proposals is provided by the instructions for filling out the Multiple Site Information Form in the Application, itself. **Note: Lines 135-433 are hidden and available should additional spaces be needed**



❖ **Tab 14 – Elected Officials**

- If no pre-application was submitted, list each elected official and their respective District/Precinct.
- If a pre-application was submitted which correctly identified all the elected officials, and no re-notifications or corrections are required (e.g., no information has changed), check the box that indicates no change and leave the rest of the form blank.
- If a pre-application was submitted and re-notification was required for any reason (whether changes to the application or to the elected official) fill out the entire form, indicating the elected officials that were notified prior to submission of the full Application.
- Note that this form becomes part of the certification of notifications. For details regarding the notification requirements, see §10.203 of the Uniform Multifamily Rules.
- **NOTE: For competitive HTC Applications, if re-notification was required because the number of Units increased by more than 10% then the Application will not be eligible for pre-application participation points**



❖ **Tab 15 – 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 16 – Certification of Notifications (All Programs)** - This form is divided into three parts, the first two of which apply to all applications. The third part applies only to competitive HTC applications.

- **Part 1 – If a pre-application was submitted** and no re-notifications were necessary, mark the box and skip part 2.
- **Part 2 – If no pre-application was submitted or re-notification was required** mark the first box only if appropriate, and leave Part 1 blank. Mark the remaining three boxes in Part 2.

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- **Part 3 – If no neighborhood organizations exist** mark this box, indicating also that no neighborhood organizations were notified.
- 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. No hard copy is required, but a scanned copy of the signed and notarized form should be included in the application.
NOTE: See §10.203 of the Uniform Multifamily Rules and §11.8(B)(2) of the QAP for details regarding notification requirements, particularly those involving Development Sites located in ETJs.
- The *Public Notifications Template* located in the 2014 Uniform Multifamily Templates file should be utilized to meet these requirements. The file can be found on the website at: <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>.

Part 3- Development Activities



- ❖ **Tab 17 – Development Narrative** 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.
 - **Part 1 - Construction Type:** Choose one construction type from the drop-down menu and answer all appropriate questions. If questions are not relevant, answer with N/A, leaving no yellow highlighted cells blank.
 - **Part 2 – Target Population:** Identify the Target Population from the drop-down menu provided.
 - **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. Please double-check that any specific information about the development that is also provided elsewhere in the application is consistent. For example, if the narrative describes 4 residential buildings, then the architectural plans should reflect the same.
 - **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.
 - 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.

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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:** This applies only to HTC (both 9% and 4%) applications. 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 18 – Development Activities Part I** This tab is divided into 4 parts, all of which need to be completed for all applications. The selections made here serve as certification that the development will meet various requirements under §10.101 of the Uniform Multifamily Rules.

- **Part 1 – Common Amenities** – The number of units will auto-populate, but applicants should fill in the appropriate number of points associated with amenities according to §10.101(b)(5) of the Uniform Multifamily Rules.
- **Part 2 – Unit Requirements** – Mark the one appropriate highlighted cell each from Part A and Part B.
- **Part 3 – Tenant Supportive Services** - Mark the highlighted cell that is applicable.
- **Part 4 – Development Accessibility Requirements** - Mark the highlighted cell.

❖ **Tab 19 – Development Activities Part II** This tab is divided into 9 parts, all of which are relevant only to Competitive HTC Applications. The selections made here will populate the self-score form.

- **Part 1 – Size and Quality of the Units** - Mark the appropriate highlighted cell. Points claimed will auto-populate.
- **Part 2 – Income Levels of the 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 auto-populate from the Rent Schedule.
 - You must select (in the second box) 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.**
 - You must select (in the third box) the number of 30% Units that will be used to satisfy the requirements of §11.4(c)(2)(D) related to the Increase in Eligible Basis (30% boost). **Applicants not requesting the boost or achieving the boost under another provision (OCT, rural, etc.) should leave this box blank.**
 - The fourth box will subtract all of the 30% Units used for either points or the boost from the total number of Units at 50% or less of AMGI.
 - The fifth 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 3 – Rent Levels of the Tenants** - Select the highlighted cell that is applicable. The Rent Schedule must be complete before a score can be calculated, and the Total Points Claimed will not auto-populate if more than one box is marked. **NOTE: There is no calculation to determine eligibility for points. Applicants need to double check that points claimed here are consistent with the number of units represented Part 2 - cell B21, “Number of Units used to score points under §11.9(c)(2).”**

Income Levels of Tenants & Rent Levels of Tenants Worksheet – Parts 2 and 3 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 depending on how many total LI units are proposed. 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). Once the *Rent Schedule* has been completed, the top right-hand corner of the worksheet pulls from it the total number of low-income (LI) Units as well as the total number of 30% Units. These two numbers *cannot* be manipulated. Right above column (a), there is a cell for Applicants to input the number of 30% Units being used to satisfy the boost provision under §11.4(c)(2)(D); **applicants not requesting the boost or achieving the boost under another provision (QCT, rural, etc.) should not enter anything into this cell in order to effectively use the worksheet.** TIP: In order to double-check the final application submission and eligibility for points, this number should equal the red bolded number that auto-populates in the right-hand corner. 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.

- **Part 4 – 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 5 – Tenant Populations with Special Housing Needs** - Mark the highlighted cell if claiming points.
- **Part 6 – Pre-application Participation** - Mark the highlighted cell if claiming points.
- **Part 7 – Extended Affordability or Historic Preservation** - Mark the appropriate highlighted cell if claiming points. The number of points claimed will auto-populate based on the selection made. Note that applicants cannot select both extended affordability and historic preservation and, if claiming points for Historic Preservation, supporting documentation is required behind this tab.
- **Part 8 – Right of First Refusal** - Mark the highlighted cell if claiming points.
- **Part 9 – Funding Request Amount** - Mark the highlighted cell if claiming points. Note that eligibility for points is based on the amount of credit requested in the *Development Narrative* and the amount of credit available within the sub-region or set-aside as estimated by the Department as of December 1, 2013. These estimates are posted on the website at <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>. Staff will generally not allow for revisions to the amount requested in order to make an application eligible for these points.



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❖ **Tab 20 – Acquisition and Rehabilitation Information** This form is divided into three parts which are all relevant to specific types of applications. See the headings for each part to determine if it is applicable.

- **Part 1 – At-Risk Set-Aside (Competitive HTC Developments applying under the At-Risk Set-Aside ONLY)** – Mark the highlighted cell next to all appropriate subsidies or benefits in Part A. One box under Part B should be marked, and the box under Part C should be marked for all At-Risk developments. Parts D and E should be marked only if appropriate.
- **Part 2 – Existing Development Assistance on Housing Rehabilitation Activities**
 - Part A. Indicate the type of assistance the Development is expected to have or continue from the drop down box and include a brief description of the restrictions or subsidies in the space provided. Fill in the remaining highlighted cells based on the information in the contract which should be included behind Tab 35.
 - Part B. If claiming acquisition credits in an HTC Application, fill in all applicable highlighted cells.
- **Part 3 – Lead Based Paint (HOME Applications Only).** If the Development was constructed before January 1, 1978 mark each of the highlighted cells that applies.



❖ **Tab 21 – Occupied Rehabilitation Developments**

- Occupied Developments undergoing Rehabilitation OR Reconstruction must provide at least **ONE** of the following (Mark 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. (Mark the appropriate box):
 - A current rent roll (not more than 6 months prior to the first day of the Application Acceptance Period) that includes terms and rates of lease, rental rates, unit type, and tenant names or vacancy. A sample rent roll is included below:

Date:			As of:		
Unit	Lease Expires	Unit Type	Tenant Name	Rental Rate	Tenant Pays
101	6/15/14	1/1- 630sf	Jones	\$450	\$450
102	8/30/14	1/1- 630sf	Smith	\$450	\$400
103	12/1/14	1/1- 690sf	Travis	\$470	\$470
104	3/15/14	2/1- 720sf	Wright	\$470	\$450
105	N/A	2/1- 720sf	Vacant	\$600	\$0

- Written explanation of the process used to notify and consult with the tenants in preparing the Application
- a relocation plan outlining relocation requirements and a budget with an identified funding source

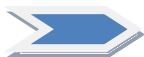
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- any documentation necessary for the Department to facilitate, or advise an Applicant with respect to or to ensure compliance with the Uniform Relocation Act and any other relocation laws or regulations as may be applicable
- evidence that a relocation plan has been submitted to the appropriate legal or governmental agency
- 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 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 22 – Architectural Drawings** – Make sure all drawings are LEGIBLE and double-check full application submission after combining pdf files into one.

- **Site Plan** - must include a building and unit type table matrix that is consistent with the *Rent Schedule* and *Building/Unit Configuration Form*, must identify residential and common buildings, flood plain boundaries, easements, detention ponds, and parking spaces. The site plan should also indicate local parking requirements.
- **Building Floor Plans** - must be submitted for each building type. Applications for Adaptive Reuse are only required to include building plans delineating each Unit by number and type. Building floor plans must include square footage calculations for balconies, breezeways, corridors and any other areas not included in net rentable area.
- **Unit Floor Plans** - must be submitted for each Unit type and must include the square footage for each type of Unit. Applications for Adaptive Reuse are only required to submit Unit floor plans for each typical Unit type and for all Unit types that vary in NRA by more than 10% from the typical Unit type.
- **Building Elevations** - must be submitted for each building type and must include percentage estimates of exterior compositions and proposed roof pitch. 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.



❖ **Tab 23 – Specifications and Building/Unit Configuration**

- **Specifications and Amenities** - Required for all Development types (i.e. New Construction, Rehabilitation, etc.); no exceptions. Complete all yellow highlighted cells as applicable. **NEW:** Under parking requirements, indicate number of spaces of each parking type that will be free of charge and number of spaces that will be available to tenants for a fee.
- **Building/Unit Configuration** – Information on this chart should be consistent with the *Rent Schedule* and the architectural drawings. **NEW:** Regardless of population served complete information regarding interior corridor space and breezeways. Although not included in the calculation used in order to determine eligibility for points under §11.9(e)(2) related to Cost of Development per Square Foot, this information is used by the Real Estate Analysis division in the underwriting review.

Part 4- Development Financing

❖ **Tab 24 – Rent Schedule** The *Rent Schedule* has been intentionally placed 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.** These cells will calculate automatically when both the *Rent Schedule* and *Development Cost Schedule* are completed. Applicants must determine which threshold applies to the application and select the Total Points Claimed, which will auto-populate the *Self-Score Form*. To determine eligibility for points, applicants should reference §11.9(e)(2) of the 2014 QAP. **NOTE: the rule states that costs must be UNDER a certain threshold, not equal to or less than.**

NEW

❖ **Tab 25 – 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.
- The “Total paid by tenant” calculates only those energy sources for which it is indicated the tenant pays.
- **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.

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- If requesting Department approval of methodology for calculating utility allowances, such request must have been submitted prior to Application submission. Any method other than using the local housing authority's published utility allowances will require Department review and approval. This includes but is not limited to written local estimates, HUD Models, Energy Consumption Models, Actual Use and a request to use an alternate PHA. Requests for review of an alternative method are required to be submitted to the Department prior to the full Application submission. While requests are typically sent to ua@tdhca.state.tx.us, requests related to Competitive 9% HTC applications should be sent directly to Stephanie Naquin at stephanie.naquin@tdhca.state.tx.us



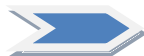
❖ **Tab 26 – Annual Operating Expenses**

- Fill in all yellow 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 27 – 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 includes an optional certification, signature, and contact information for the lender for Competitive HTC Applications claiming points under §11.9(e)(1) of the QAP.



❖ **Tab 28 – Offsite Costs Breakdown**

- 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(8)(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
 - 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 29 – Site Work Costs Breakdown**

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- 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 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 30 – 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.
- **NEW:** This form has been updated to separate contingency from general requirements, overhead and profit. In addition, the subtotal “Total Construction Contract” has been added and some terms revised to align more closely with the definitions in the Uniform Multifamily Rules and with the calculation for scoring criteria. In addition, developer fees have been moved toward the bottom of the form, after soft costs and financing costs.
- **NOTE:** No syndication costs should be included in the Eligible Basis.
- The “Credits Supported by Eligible Basis” cell is automatically calculated from data reflected in the “Calculated Credits” cell. This figure should be equal to or greater than the annual Housing Tax Credit Funding Request.
- **IMPORTANT:** If a 130% High Cost Area Adjustment is included in the *Development Cost Schedule* the application should 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 III*.
- 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 31 – Financing Narrative and Summary of Sources and Uses

- 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,
 - CDBG,
 - USDA/TXRD loan,
 - federal loan,
 - state loan,
 - local government loan, or

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- 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*.
- Complete the financing narrative, **again ensuring that any information written here is consistent** with the other exhibits in the application. 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 – Financial Capacity and Construction Oversight (HOME Applications only)** 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 33 – Matching Funds (HOME Applications only)** 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 34 – Finance Scoring (competitive HTC Applications only)** This form is divided into 3 parts and is only applicable to Competitive HTC Applications.

- **Part 1 – Commitment of Development Funding by Local Political Subdivision (LPS) (§11.9(d)(2))**
 - 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>. Fill in the population of the Place from which the Development Site’s Rural or Urban designation was derived.
 - Development sites located in the ETJ of a municipality should refer to §11.9(d)(2)(A) of the QAP for information regarding eligible funding sources and the population that should be used for this calculation. Applicants should also refer to any posted FAQs (including those from 2013) regarding eligible funding sources.
 - **Tip – The Rent Schedule must be complete before the UGLG score can be calculated.**
 - Enter the total LPS funding amount and “place” population in the yellow boxes. The form will calculate the number of points based on data entered for



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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, 2014. This is listed under the supporting documents in Tab 35.
- Select “Yes” or “No” from the dropdown box to indicate whether the LPS has provided a firm commitment. To be eligible for an additional (2) points, evidence of a firm commitment in the form of a resolution from the appropriate LPS must be submitted.
- **NEW: Mark the appropriate box if the funding is in the form of a grant, in-kind contribution, or other permanent financing for an additional point under §11.9(d)(2)(D). Note that in order to qualify for this additional point, the amount of funding that is a permanent source must be enough to substantiate the other points claimed under §11.9(d)(2)(B).**
- Submit all evidence for this scoring item behind the *Tab 35 – Supporting Docs*
- .

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

- **Part 2 – Financial Feasibility (§11.9(e)(1))** Make only one selection from the options listed on the form in this section. The Total Points Claimed will auto-populate based on your selection.
- **Part 3 – Leveraging of Private, State, and Federal Resources (§11.9(e)(4))**
 - 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, RAD (**NEW!**), 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*.
 - No more than 50% of the developer fee can be deferred to be eligible. **NOTE: This form does not perform this calculation.**
 - No supporting documentation is necessary unless claiming points based on a commitment of CDBG-DR, HOPE VI, RAD 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.



Tab 35 – Supporting Documentation

- 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(7)(A)-(B) of the Uniform Multifamily Rules.

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- 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;
 - signature and contact information of an authorized representative for the lender.
- **ALL Applicants seeking points under §11.9(d)(2) of the QAP must include a statement from the local political subdivision that the funds were not provided to the Local Political Subdivision by the Applicant or a Related Party. If receiving funds from a government instrumentality, the statement must also affirm that the government instrumentality is not a Related Party to the Applicant. Any information regarding guarantees or collateral provided by the Applicant should also be included with the supporting documentation.**
- Any federal, state or local gap financing, whether soft or hard debt must be identified at the time of Application.
- If Development is financed through more than 5% Development Owner contributions provide the required documentation described in §10.204(7)(C).
- Include term sheets for syndication of tax credits that include the requirements set forth in §10.204(7)(D) of the Uniform Multifamily Rules.
- Include evidence of rental assistance or other subsidies if applicable.

Part 5 – Development Organization

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 36 – 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* and which will be auto-populated in this section.)
 - 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 a resume or TDHCA experience certificate. (*Note, however, that such certificate is not necessarily sufficient to satisfy a 2014 experience requirement.*)

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- **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 a resume or TDHCA experience certificate. *(Note, however, that such certificate is not necessarily sufficient to satisfy a 2014 experience requirement.)*
- **The score will populate based on the selections made on this form. If it is not filled out correctly, points will not be included on the self score form.**



❖ **Tab 37 – Applicant 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 38 – List of Organizations and Principals**

- Complete the yellow highlighted cells as needed, beginning with the Applicant 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.
- Select the appropriate TDHCA experience for each person from the Yes/No drop-down menu. Make a selection for each entry.
- Be sure names match the organizational charts. Avoid nicknames.

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- 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, 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 39 – Previous Participation Form**

- 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.
- Note that the form has been divided into three sections depending on the program under which a person or entity participated.
- **This form is still required of all Persons or entities, regardless of whether the Person or entity has previous experience with TDHCA funding.**
- 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.
- If more space is needed, simply print out another form or contact staff.



❖ **Tab 40 – Nonprofit Participation**

- All nonprofit Applicants or Principals must complete this form regardless of the level of ownership or application set-aside.
- Complete all appropriate yellow highlighted cells. Yes/No questions have drop-down menus.
- The worksheet allows for up to twenty (20) board members to be listed. If more space is needed, simply print out another form or contact staff.
- Supporting documentation is provided behind the next tab.



❖ **Tab 41 – Nonprofit Supporting Documentation**

- 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
- The additional documentation requirements identified in this section must be completed **only** if the Applicant is eligible and has elected to compete under the Nonprofit Set-Aside

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Allocation pursuant to §2306.6706, and the organization's 501(c)(3) or (4) designation is in place at the beginning of the Application Acceptance Period.

- **Third Party Legal Opinion** – Be sure your legal opinion contains all of the required statements pursuant to §2306.6706 and §10.204(14)(A)(iii). A template is provided on the website at: <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>.
- **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
- The worksheet allows for up to twenty (20) board members to be listed. If more space is needed, simply print out another form or contact staff.



- ❖ **Tab 42 – Development Team Members** Enter information as requested. Note that drop-down menus will facilitate identification of HUB participants and related team members.



- ❖ **Tab 43 – 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 44 – Architect Certification**

- This certification can be found on the Department's website at <http://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm> and 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.
- The form must be signed, dated, and notarized. *No hard copy is required, only a scanned copy within the final PDF file.*



- ❖ **Tab 45 – Experience Certificate**

- If a Principal of the Development Owner, General Partner or Developer for the Application is seeking an Experience Certificate from the Department, the **2014 Experience Certification Request Form**, along with the required documentation (found in §10.204(6) 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 in another state 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.



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- 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 *2014 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>.
- Experience documentation **may be submitted prior to the February 28th** Competitive HTC Application deadline. If the documentation has been submitted but no experience certificate issued, indicate such on the form and include a copy of the request.
- **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 boxes as appropriate.
- **Affirmative Marketing Plan (HOME Applications Only)** Complete the HUD form including the worksheets and attach behind this tab.



Tab 46 – 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.**
- 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 and applies to all Applicants, Developers, Affiliates or Guarantors in the Application. See §11.4(a) of the QAP for details regarding how to apply the cap.

Part 6 – Third Party Reports

All third party reports must be submitted in their entirety by the deadline specified below. Incomplete reports may 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. Exhibits should be clearly bookmarked.



Tab 47 – Third Party Reports

- The required **Environmental Site Assessment (ESA)** must be submitted to the Department no later than 5pm (Central Time Zone) on **April 1, 2014** for competitive HTC Applications, at least 75 days prior to the selected Board meeting at which the

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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 reaffirming the conclusions of the initial report or identifying any changes.
- 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.
- 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. Also required are statements that the report preparer has read and understood §10.305 of the Uniform Multifamily Rules; a statement 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.
- All Applications for Direct Loans by the Department must complete an environmental clearance process in accordance with 24 CFR Parts 50 and 58 prior to engaging in choice limiting activities such as closing on land, loans, beginning demolition or construction activities, or entering into construction contracts . A Phase I Environmental Site Assessment (ESA) WILL NOT satisfy the environmental clearance required for use of HOME funds. Mark the appropriate yellow highlighted cells.
- **NEW: The Market Analysis Summary is required for competitive HTC applications only and must include a Primary Market Area (PMA) map file, how the PMA is defined, and basic demographic information. This is due with the full application submission.**
- The **Market Analysis** is required for all Developments and must be submitted no later than 5pm (Central Time Zone) on **April 1, 2014** for competitive HTC Applications and no later than 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 report must be prepared by a Qualified Market Analyst approved by the Department. The approved list is found on the REA page of the TDHCA website.
 - Applications in the USDA Set-Aside proposing Rehabilitation with residential structures at or above 80% occupancy at the time of application submission may use the Appraisal (required for Rehabs and prepared in accordance with §10.304) to satisfy the Market Analysis requirement.

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- The report must include a statement from the Market Analyst that they have read and understood §10.303 of the 2014 Multifamily Rules.
- **NEW: It is the responsibility of the Applicant to ensure that this analysis forms a sufficient basis for the Applicant to be able to use the information obtained to ensure that the Development will comply with fair housing laws.**
- If applicable, the **Property Condition Assessment (PCA)** must be submitted to the Department no later than 5pm (Central Time Zone) on **February 28, 2014** 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 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. Also required are statements that the report preparer has read and understood §10.306 of the Uniform Multifamily Rules; a statement 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 (Central Time Zone) on **February 28, 2014** 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 Rules.
 - 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

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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 (Central Time Zone) on **February 28, 2014** 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.

HOME/CHDO Information

Application Delivery Instructions

To be updated upon release of a 2014 NOFA

HOME Program Information

To be updated upon release of a 2014 NOFA

CHDO Overview

To be updated upon release of a 2014 NOFA

Supplemental Information

Requests for Waiver, Pre-clearance, and Staff Determinations

The Department will accept requests for waivers, pre-clearance and staff determinations at any time during the Application Acceptance Period. These requests can be submitted separately from the application or with the pre-application or full application submission. Requests WILL NOT be accepted after full application submission. Requests should be submitted directly to the appropriate staff below and when possible submitted electronically, either directly through email attachment or on a disc. Hard copies will be accepted in cases where the requests include information that cannot be reasonably converted into electronic form.

For Competitive 9% HTC Applications, Jean Latsha at jean.latsha@thca.state.tx.us

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For 4% HTC/Bond Applications, Teresa Morales at teresa.morales@tdhca.state.tx.us

For HOME Applications, Andrew Sinnott at andrew.sinnott@tdhca.state.tx.us

For all other Applications, Cameron Dorsey at cameron.dorsey@tdhca.state.tx.us

Requests for waivers are appropriate when an Applicant violates a rule and/or proposes a development that violates a rule, and as such they must be specific to an actual proposed Development (or Application). They should include an explanation as to how the circumstances surrounding the request are out of the applicant's control and how, if such waiver is not granted, the Department would not fulfill some specific requirements of law. Applicants should familiarize themselves with §10.207(a) of the Uniform Multifamily Rules and are encouraged to contact staff to discuss the request before submission.

Requests for pre-clearance apply only to proposals for Development Sites located within 1,000 feet of an Undesirable Area Feature, pursuant to §10.101(a)(4) of the uniform Multifamily Rules. Because the standard by which staff makes a determination regarding the site is whether a confluence of undesirable features is typical of a site locate in a high opportunity area, applicants should include in the request information regarding what the site would score under §11.9(c)(4) of the Qualified Allocation Plan, related to Opportunity Index. **NOTE: Staff is no longer accepting requests for pre-clearance related to Community revitalization Plans.**

Requests for staff determinations should be submitted in cases where certain definitions or terms do not fully account for activities proposed in an application. For example, if an applicant proposes a scattered site development that involves different census tracts that would score differently on the Opportunity Index, that applicant may request a staff determination prior to application submission in order to ascertain how staff will apply the rule and ultimately award points. Similarly, an applicant proposing a combination of rehabilitation and adaptive reuse may request a staff determination as to how to classify the activity. Applicants should familiarize themselves with §10.3(b) of the Uniform Multifamily Rules.

Public Viewing of Pre-Applications and Applications

The Department will allow the public to view any 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 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.

Applicable Rules and Reference Materials

2014 SITE DEMOGRAPHIC CHARACTERISTICS REPORT

2014 UNIFORM MULTIFAMILY RULES

2014 QUALIFIED ALLOCATION PLAN

TEXAS GOVERNMENT CODE CHAPTER 2306

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INTERNAL REVENUE CODE SECTION 42

TEXAS GOVERNMENT CODE CHAPTER 1372