

## 2019 QAP - APPLICATION FAQs Part II

1. On the Selection Criteria! worksheet, the formula in cell D57 should be =IF(M57<=46000,L57,0) instead of >.

**Response:** — The questioner is correct that the formula should use a ‘greater of’ control. Applications for projects in which the Parish MHI is equal to or less than \$46,000 will incorrectly receive a calculated score of 0 points; applications for projects in which the Parish MHI is equal to or greater than \$46,000 will incorrectly receive a calculated score of 1 point. Applicants should be alert to this, and should indicate the correct points for this scoring criterion at ‘Selection Criteria’ F57, and should provide comments regarding their treatment of this issue at ‘Project Description’ Cell B1007.

2. On the Selection Criteria! sheet, rows 55 and 56 appear to be flip-flopped. The VLOOKUP function for “Parish with children under 5 in poverty above 32%” is retrieving the percentage for “Parish with persons in poverty above 20%,” and vice versa.

- Cell M55 formula should be =VLOOKUP(\$O\$51,Parishes!\$A\$9:\$AD\$73,29,FALSE)
- Cell M56 formula should be =VLOOKUP(\$O\$51,Parishes!\$A\$9:\$AD\$73,28,FALSE)

Once cells M55 and M56 are corrected, then I believe cells D55, D56, H55, and H56 will also populate correctly.

**Response:** The questioner is correct that the suggested score in the Application Model will incorrectly reference the percentage of ‘persons in poverty’ when looking up the percentage for ‘children in poverty’, and vice versa. Applicants should be alert to this, and should indicate the correct points for this these scoring criteria at ‘Selection Criteria’ F55 and F56, and should provide comments regarding their treatment of this issue at ‘Project Description’ Cell B1007.

3. When opening the [Application Model] file, a prompt pops up that reads, "This workbook contains links to one or more external sources that could be unsafe. If you trust the links, update them to get the latest data. Otherwise, you can keep working with the data you have. [Update] [Don't Update] [Help]." The external link is to the file C:\Dropbox (LA OCD A M)\2018 Excel Applications\Apps from LHC\Monterey Hills 2018-Electronic-Underwriting-Application-052418.xlsx, though I have not been able to identify which cell references that external source.

**Response:** Simply select ‘Don’t Update’ when opening the Application Model. The references to a linked file are inconsequential to the applicant’s completion of the Application Model.

4. Where in the LHC 2019 QAP Rental Housing Application v14 are we able to indicate the PSH voucher income for the PSH units?

**Response:** The PSH voucher rents do not need to be listed in the Application. For PSH units, the column labeled ‘Rent\*’ should contain the rent that you think will be charged and collected. This is likely to be the PSH voucher rent but might be a different amount.

5. **In the Development Cost tab – line 316 appears to not allow for the 15% developer fee as indicated in the final QAP.**

**Response:** Under certain circumstances, Application Mode v14 will incorrectly calculate maximum developer fee. The v14 Application Model is limiting fees based on the number of units. The error will occur if there are more than 36 total units and/or if there is a QNP/CHDO partner. The incorrect formula is found at 'Development Costs' C316. Developers should request the developer fee which they believe is correct, based on the language in the QAP, and should input that request at 'Development Costs' C134:C138. Flags produced at Development Costs B142 and B374 and 'Serious Problems' C42 may be disregarded to the extent that they apply to developer fee, and a comment addressing the issue should be provided at Development Costs B144.

6. **re: Scoring I.B.] If you select “Yes” in the box for Distressed Property in the Project Description worksheet of the application, it awards 3 points under I.B. in the Selection Criteria worksheet even if you select “No” in answer to the project being located in a qualified census tract in the Project Description worksheet. However, the Selection Criteria in the QAP states, “Any project receiving points in this category must be located in a qualified census tract and must be located in an area that is a part of a Concerted Community Revitalization Plan.” Please confirm that a Distressed Property that is not located or a QCT or in an area with a revitalization plan does not qualify for points under section I.B.**

**Response:** The question correctly identifies a formula error in v14 of the Application Model. The language in the QAP takes precedence over any formula-based calculations in the Application Model. If the property is 'distressed' applicants should so indicate at Project Description H134. If the property is not located in a QCT and CCRP Area, and being so located is required for points, v14 will incorrectly allocate 3 points at 'Selection Criteria' D14. Applicants with this scenario should correct this by indicating '0' at the self-score input for this criterion at F14. Regardless, any applicant who requests points for I.B.i., 'distressed property' which is not located in a QCT and CCRP Area will have those points disallowed at staff review of their application. The same rules and considerations apply to I.B.ii (Redevelopment Property) and I.B.ii (Owner Occupied Property with a Development Plan of Action).

7. **[re: Scoring I.C.(ii) and II.B.(i) and (ii)] Is an existing USDA project that selects 1 point under I.C.(ii) eligible to select points under III.B.(i)(a) or (b) and III.B.(ii)?**

**Response:** The status of your project as an existing USDA project is not relevant to Selection Criterion III.B. If your project meets the criteria, it is eligible to select points; if your project does not meet the criteria, it is not eligible to select points.

8. **Selections in the Project Description tab are not transferring to the Reviewer Follow-ups tab. Equipment owned by developer is marked no in P.D. but is listed yes in R.F.**

**Response:** The Reviewer Follow-up tab is designed to help LHC reviewers quickly familiarize themselves with the project; applicants may ignore this tab. The questioner is correct that there is a formula error at Project Description E16 and that this causes an incorrect message on the Reviewer Follow-Up tab.

9. **Selections in the Project Description tab are not transferring to the Reviewer Follow-ups tab. Same for IOI, “yes” but should be a “no” as indicated in the project description?**

**Response:** The Reviewer Follow-up tab is designed to help LHC reviewers quickly familiarize themselves with the project; applicants may ignore this tab. The questioner is correct that there is a formula error at Project Description E17 and that this causes an incorrect message on the Reviewer Follow-Up tab.

**10. Selections in the Project Description tab are not transferring to the Reviewer Follow-ups tab. Standard vacancy rate, rehab, Appraisal also marked “YES” and shouldn’t be.**

**Response:** The Reviewer Follow-up tab is designed to help LHC reviewers quickly familiarize themselves with the project; applicants may ignore this tab. The questioner is correct that there is a formula error at Project Description E26 and that this causes an incorrect message on the Reviewer Follow-Up tab.

**11. This is a new construction detached development but the application Checklist is selecting Appendices for items not marked in the project description. (i.e. an elevator despite selecting no).**

**Response:** Please provide additional information to help us diagnose and address this issue. Be advised that the ‘Checklist’ worksheet is intended to aid applicants in identifying required elements of their submission; however, the requirements are dictated by the QAP, and a false-positive or false-negative flag at ‘Checklist’ does not relieve applicants of their responsibilities to fully comply with the QAP submission requirements. The LHC intends to improve this tool over time, so that it can be more extensively relied upon.

**12. The LHC 2019 QAP Rental Housing Application v14 refers to Appendix 4, Appendix 36, Appendix 39, Appendix 38 however the QAP dated June 25, 2019 has Appendix a through E.**

**Response:** The appendices A-E to the QAP are different than the Appendices 1-36 to the Application.

**13. The reference numbers in the LHC 2019 QAP Rental housing Application v 14 under Project Description reference Section 10, 11, 12, 13, 14, 18 etc. Do these correlate with the 2019 QAP or what are they referencing?**

**Response:** these Section numbers are internal to the Application Model. These Section numbers do not have any correspondence with the QAP.

**14. The 2019 FAQ says Rural Positive Neighborhood features get 1 point if within 5 miles; However, the 2019 Application Model requires 2.5 miles for the 1 point. May we override and give explanation?**

**Response:** The questioner is correct that the FAQ clarifies that rural projects get 1 point within 5 miles and ½ point if within 10 miles. Yes, you may override and give explanation.

**15. Except for row 29, all of the Yes/No dropdown boxes under columns E and G of the Environmental Checklist are blank.**

**Response:** The questioner is correct. A corrected Appendix 36 is provided as a download on the website.

**16. Sheet ‘Selection Criteria’ cell D70 appears to require projects to be homeownership in order to have community facilities. I think it should be requiring them not to be ownership projects.**

**Response:** The referenced formula appears to be correct. If you indicate, at Project Description H862, that the project has community facilities, and also indicate, at Project Description H145, that the project is a Homeownership Project, the calculated score will be zero which is correct. If Project Description H145 is changed to ‘No’, the calculated score will change to two which also is correct.

**17. Sheet ‘Summary’ cell A15 links to the spreadsheet-generated score rather than the self-score.**

**Response:** The questioner is correct, and this is a programming error.

**18. On the 'Reviewer Follow-Up' sheet, rows 16, 18 and 26 appear to be showing a request for explanation that is not needed.**

**Response:** The Reviewer Follow-up tab is designed to help LHC reviewers quickly familiarize themselves with the project; applicants may ignore this tab. These rows show features of the project that LHC reviewers will want to be aware of. No additional information is required from the applicant.

**19. Sheet 'Revenues and Expenses' cell B91 is incorrectly identifying our detached housing as an elevator building.**

**Response:** The questioner is correct; this is a programming error. You may ignore this comment in the Application.

**20. Sheet 'Development Team' cell D38 appears to be inadvertently locked.**

**Response:** The questioner is correct; this is a programming error. You may provide the sponsor's email address at Project Description B57.

**21. The application form does not allow for all worksheets to be viewed. Nothing is viewable past the Serious Problem worksheet. The Syndication worksheet, for example, cannot be viewed. Please advise.**

**Response:** Please identify your operating system and your Excel version, and please also include a screen shot. As an Excel tip, you can CTRL + PgDn to go to the next sheet, or CTRL + PgUp to go to the previous sheet. You should be able to view all worksheets using this approach.

**22. We have not yet filed any public notices for the paper. Do you need to approve the content and publication before we go to the paper(s)?**

**Response:** No, please see page 28 of the 2019 QAP for requirements regarding Local Community Notification.

**23. Is environmental certification required on new construction? It states in the QAP that this is only required if there are existing structures. Please confirm.**

**Response:** All projects involving the use of existing structures must submit an Environmental Restrictions Checklist completed by a professional, licensed to conduct environmental testing.

**24. Given that our project is on two sites about 2-2 blocks apart but each a multifamily buildings, is our project eligible for the community facilities selection criteria? Each building is a total of more than 10 units but they are in two buildings several blocks apart.**

**Response:** Project specific questions will not be addressed once the application cycle has begun.

**25. Page 23 and 24 of 142 in the QAP (V A 10 iv – Design Features) states that only New Construction is eligible for washers and dryers installed in units, Universal Design and Green Building Certification however the QAP (Selection Criteria VII V B i, iii, iv) state that Rehab only qualifies for these points. I assume Page 23 and 24 is correct. Please clarify.**

**Response:** on page 23 and #10 (iii) and (iv) on page 24 are listed under the Threshold Requirements Section of the QAP and references New Construction Only. Selection Criteria V.B.(i), (iii), (iv) references Rehab Only.

**26. Please confirm that the Demand Certification form included in the LHC 2019 QAP Rental Housing Application v14 is not required as part of the initial submission, but is required to be completed once the LHC selected Market Analyst is retained.**

**Response:** The Demand Certification will be provided by the market analyst.

**27. Orleans Parish is at \$38,721 (Median Household Income)**

**Project Characteristics – why are points ONLY for rehabs for Washers and Dryers, Green Building and Universal Design?**

**Response:** Washers, Dryers, Green Building and Universal Design are listed under the Threshold Requirements Section of the QAP and references New Construction Only.

**28. Regarding Desirable Characteristics: Can LHC confirm if the reference to 5 miles for rural is for 1 pt or the ½-point?**

**Response:** See response for Question #8 of the 2019 QAP Policy and Process FAQs published July 2019.

<https://cdn2.hubspot.net/hubfs/4280063/2019%20QAP%20FAQs.pdf>

**29. What is LHC looking for as documentation to claim the 3 points for HUD Defensible Space?**

**Response:** See response for Question #13 of the 2019 QAP Policy and Process FAQs published July 2019.

<https://cdn2.hubspot.net/hubfs/4280063/2019%20QAP%20FAQs.pdf>

**30. Regarding negative neighborhood features – can LHC define the following as well as provide an examples: Processing plants, Distribution facilities, Industrial**

**Response:** See response for Question #10 of the 2019 QAP Policy and Process FAQs published July 2019.

<https://cdn2.hubspot.net/hubfs/4280063/2019%20QAP%20FAQs.pdf>

**31. Will LHC offer soft fund (HOME, CDBG, Trust Funds) during this funding cycle? If so, how much will be available and for what Pool.**

**Response:** Soft funds will not be made available to any projects in the 2109 Per Capita Funding Round.

**32. Is the current 2019 QAP Rental Application available to mixed use building projects?**

**Response:** Yes

**33. In many rural areas, printed publications are delivered less frequently and this trend is accelerating. Given the proliferation of news consumption over the web via smartphone or PC, would it be acceptable to post a website notice on the newspaper's website prior to the print notice being distributed and allow the website notice to count towards the notice requirement in addition to the subsequent print distribution? At some point in the foreseeable future print notices, particularly for rural projects may become obsolete.**

**Response:** Please see page 28 of the 2019 QAP for requirements regarding Local Community Notification.

**34. Is the Demand Cert completed with Housing Needs Assessment completed by LHC prior to Market Study being completed?**

**Response:** The Demand Certification will be provided by the market analyst.

**35. I'm a new developer and have a basic question regarding meeting the geographic diversity thresholds using the FFIEC database to screen potential census tracts. The only available income data seems to be the 2018 data and under the Census Income Information section I want to verify that we need to use the Tract Median Family income % as the threshold to evaluate the Geographic diversity test of 80% and 100% above the Area Median Income for the MSA? Is this the correct data point to use when evaluating a potential census tract for these points?**

**Response:** See response for Question #3 and #4 of the 2019 QAP Policy and Process FAQs published July 2019.

<https://cdn2.hubspot.net/hubfs/4280063/2019%20QAP%20FAQs.pdf>

**36. Under the Neighborhood Feature Points it states in parenthesis that the distance for points is 5 MILES FOR RURAL. It doesn't specify in that section what population amount is considered Rural for these points. Anker made a reference in his presentation that this was 15,000 population or less and I don't know if that is how the application will determine that or if that was just an assumption on his part or just maybe thrown out as an example. When I first saw this in the QAP I went directly to the definitions to see if I could make a determination. The QAP defines Rural Area Project as 35,000 or less population. The QAP defines Rural Project is defined as any project for residential rental property as defined by Section 520 of the Housing Act of 1959. In my searches I have found very little concerning a solid definition of rural through Section 520 of the Housing Act of 1959.**

**Response:** See response for Question #9 of the 2019 QAP Policy and Process FAQs published July 2019.  
<https://cdn2.hubspot.net/hubfs/4280063/2019%20QAP%20FAQs.pdf>

**37. Could you please tell us how the LHC will determine whether a city, town, or community is Rural for purposes of the Neighborhood Features point? Is there a certain set population that determines this? Is it whether USDA Rural Development determines it to eligible as rural? Or some other way?**

**Response:** See response for Question #9 of the 2019 QAP Policy and Process FAQs published July 2019.  
<https://cdn2.hubspot.net/hubfs/4280063/2019%20QAP%20FAQs.pdf>

**38. Threshold: For the Local Community Notification, the QAP states that the Applicant must publish a Public Notice in a local newspaper having general circulation in the city, etc. of the proposed development AND in the official journal of the parish. I have not been able to locate the list of acceptable newspapers on the LHC's website. Would you mind providing this information, or advising me on where to locate it on the site?**

**Response:** Please us to following link to access the information regarding Official Parish Journals  
<https://cdn2.hubspot.net/hubfs/4280063/Document%20Libraries/Housing%20Development/Funding%20Opportunities/QAP/Official%20Parish%20Journals.pdf>

**39. Under section IV. A – Location Characteristics, would you mind clarifying if the 5 mile radius for rural is in regards to the full 1 point, or the 0.5 point?**

**Response:** See response for Question #8 of the 2019 QAP Policy and Process FAQs published July 2019.  
<https://cdn2.hubspot.net/hubfs/4280063/2019%20QAP%20FAQs.pdf>

**40. The Glossary states in, "Project Amenities," that "all properties...projects must include HVAC systems, refrigerators, stoves and on-site laundry (1 washer and 1 dryer per every 10 units)." While, "Threshold Requirements," Section V. A., item #8 "Washers and Dryers: All new construction projects must include washers and dryers." Does this mean – if this is new construction with an on-site laundry, there is no requirement for washers and dryers in each unit?**

**Response:** Project Amenities. All rehab properties, with the exception of SRO projects, must include HVAC systems, refrigerators, stoves and on-site laundry (1 washer and 1 dryer per every 10 units). If washers and dryers are installed and maintained in every unit at no additional cost to tenants, an on-site laundry is not required. All amenities, with the exception of the on-site laundry, must be available to the tenants at no additional charge. The requirement of an onsite laundry shall not apply to rehabilitation projects with twelve (12) or fewer units. For all new construction properties, with the exception of SRO project, must include HVAC Systems, refrigerators, stoves and washer and dryers installed and maintained in every unit at no additional cost to the tenants.

**41. Regarding the Selection Criterion V. Project Characteristic G - HUD Defensible Space - Will a single 3 story senior building located on the site per the requirement and having the unit main entrances on a common, open-ended unconditioned interior corridor satisfy the Security component for Defensible Space?**

**Response:** Project specific questions will not be addressed once the application cycle has begun. Technical specifications and requirements can be found in the 2019 LIHTC Manual. The manual is a component of the publically available 2019 QAP. Please refer to Appendix B.1 for details.