

Q16. For the new Preservation Classification, can you please clarify what developments qualify to apply as Preservation deals?

A16. The operative words are “...existing occupied multifamily housing...”. The intent is to ensure to the extent possible that affordable housing inventory is not lost. The scope of the rehabilitation needs is not a factor in determining eligibility to apply under the Preservation Classification, rather the focus is on it is existing and occupied.

Q17. We’ve heard that there may be fewer credits available for each development. Can you please clarify?

A17. The QAP limits 9% credit awards to \$30,000 per qualified unit or 20% of the population component of the annual credit ceiling. CHFA has determined that as of the date of this publication, 20% of the population component is \$1,849,600. Total 9% credit requests must be at or below this amount. If federal legislation is passed that changes this number, CHFA will communicate it via e-blast.

Q18. How do we know how much energy efficiency improvement is expected to be included in a rehab/preservation development?

A18. Guidance is provided in the QAP under “Preservation Classification Energy Efficiency, a threshold requirement. All Proposed Developments in the Preservation Classification are expected to “...propose a scope of work based on recommendations from an energy consultant for the highest energy efficiency and sustainability design measures appropriate, and (ii) to the extent appropriate and practical for the Proposed Development, shall include the required items set forth on Exhibit A-1: Preservation Sustainable Design, ...”

Q19. What does the applicant need to provide for a Preservation application as evidence that the deal is part of a concerted community revitalization plan?

A19. Applicants shall provide a copy of the applicable concerted community revitalization plan (CCRP) along with a letter from the municipality stating how the project contributes to the CCRP.

Q20. Due to the Covid-19 pandemic, will CHFA make any special allowances or exceptions to any of its requirements?

A20. No exceptions to the standard, published requirements are anticipated.

Q21. With hard costs increasing and they are predicted to continue to increase into 2022 due to COVID and supply chain concerns, will there be additional funding available for 9% LIHTC projects which may experience cost increases?

A21. We understand the market is very volatile and unpredictable regarding hard costs, therefore we will review any construction cost increases on a case by case basis for those projects ultimately awarded credits in the upcoming 2022 9% round. Current practice is for CHFA and DOH to work with awardees to reduce and possibly fill funding gaps without increasing 9% LIHTC awards.

Q22. Would the Department of Housing make federal funds available beyond its established subordinate financing limit of \$100,000 per LIHTC qualified unit for standard rental projects, up to a maximum of \$4 million per project?

A22. The Department of Housing (DOH) continues with its parameters to funding awards limited to one per developer/sponsor/owner; awards will be sized at the minimum amount needed to make a transaction economically feasible, up to a limit of \$100,000 per LIHTC qualified unit and a maximum of \$4 million per application. The cap remains at \$4 million to allow DOH and CHFA to fund as many projects as possible. DOH and CHFA continue to monitor the impact of the global pandemic on material costs and supplies delays.

Q23. If a development consultant is a state-certified MBE/WBE, would that qualify the applicant for the MBE/WBE points award for a 9% LIHTC new construction development application?

A. No, a state-certified MBE/WBE development consultant or construction manager would not make an applicant eligible for the MBE/WBE points. The QAP states "...participate in the ownership, development, or management..." and the intent is that the participation is long-term.