

ATTACHMENTS TO QUALIFIED ALLOCATION PLAN

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ATTACHMENT 1

DSHA UNDERWRITING GUIDELINES

Construction Guidelines:

General Contractor's Overhead and Profit	8% of construction costs including: site work, buildings and general requirements.
General Requirements:	6% of construction hard costs for new construction and for acquisition/rehabilitation, 10% of rehabilitation costs.
Contingency:	5% for new construction and 10% for rehabilitation based on the cost of buildings, site work, general requirements and contractor's overhead and profit. Only one contingency is allowed.
Land & Acquisition Value:	Price must be supported by approved appraisal. DSHA reserves the right to request a second appraisal. See DSHA for guidance.

Development Cost Guidelines:

*Developer Fee:	10% of total development cost excluding developer fee and land cost up to \$5,000,000 plus 5% on development costs exceeding \$5,000,000. For identity of interest acquisitions of existing rental properties, the fee for acquisition is calculated at 2 ½ % of the acquisition costs less land value. (See DSHA for calculation).
Working Capital Escrow:	2.5% of the combined construction mortgages. 2.5% of the permanent mortgages. This will reduce to 1.6% one year after permanent closing and 0.8% two years after permanent closing and released after year three.
Operating Reserve Escrow:	Four months of operating expenses, including debt service and replacement reserves. Must be funded at construction closing for acquisition/rehabilitation developments.

*NOTE: If applying for HDF funding, please review the HDF Supplement for further definition.

ATTACHMENT 1 (CONTINUED)

Equity Factor:

Eighty-one cents on the dollar of net equity should be raised. However, DSHA reserves the right to amend this amount due to changing market conditions. Net equity is defined as all equity raised for the development less syndication fees imposed by syndicator and allowances by DSHA. DSHA will underwrite and allocate credits based on the applicable rate issued by the Treasury Department one (1) month prior to application submission.

Relocation:

All state and federally financed, federally and state subsidized, or conversion properties must follow all Federal Uniform Relocation Act regulations as applicable and DSHA's Relocation Policy Relocation assistance must be included as part of construction costs. DSHA must approve all relocation plans and correspondence to residents.

Operating Proforma Underwriting Guidelines:

Operating Income:

Limited to rents and laundry. Other income must be supported with written documentation.

Rents should be affordable for the market area. Please contact DSHA for comparable tax credit rents in the area of the proposed development.

For federally financed or subsidized properties, the contract rents approved by HUD/Contract Administrator must be used for the contract period. Tax Credit rents must be used after any subsidy period expires.

Interim income can only be used for HUD/DSHA approved operation expenses of the property and not for construction expenses except by written consent by HUD and DSHA as the case may be. For Subsidized Developments, existing escrows and interim income may be used to fund required reserves (see DSHA for Guidance).

Operating Expenses: Between \$3,800 and \$4,300 per unit (for non-subsidized properties).

Between \$4,800 and \$5,100 per unit (for federally subsidized properties).

(See DSHA for guidance).

Debt Coverage Ratio: 1.15:1 Loan to Value ratio of 50% or less.
1.20:1 Loan to Value ratio of 51%-80%.

No Negative cash flow within first 20 years of loan will be accepted.

Annual Replacement Reserves: New Construction: .006 of cost of Buildings or \$500 for properties with 32 units or less.
Rehabilitation: \$500 - \$1500 per unit.*

Replacement Reserves Existing federally financed or subsidized properties that have replacement reserve funds in escrow. These existing funds may be used for capital improvements (rehabilitation expenses) or to re-establish new reserve escrows. Note: Reserve funds cannot be counted towards eligible basis.

*\$1,500 per unit replacement reserve can be established during construction. Interim Income can be used to establish the reserve. If at permanent closing the \$1,500 per unit balance has been met, the annual replacement reserve per unit cost will reduce to \$500 per unit.

Trending (20-year proforma): Income: 3%

Expenses: 4%

Section 8 Properties: Trending must be approved by Contract Administrator prior to application submission.

Vacancy Rate:

5%

Management Fee:

8% of gross income.

Operating Proforma:

Must be approved by Development's management entity and for federally subsidized properties, the contract administrator must also approve the proforma.

Note: Deviations from the above guidelines must be submitted in writing and approved by DSHA.

ATTACHMENT 2

2005 DIFFICULT DEVELOPMENT AREAS FOR DELAWARE

Statutorily Mandated Designation of Difficult Development Areas and Qualified Census Tracts for Section 42 of the Internal Revenue Code of 1986:

The United States Department of Housing and Urban Development makes new Difficult Development Area designations annually and makes Qualified Census Tract designations due to changes in Section 42 of the Code.

In determining a Difficult Development Area, HUD compared incomes with housing costs based on 2000 Census Data.

The following County has been identified as a Difficult Development Area for the State of Delaware:

Sussex County

Under Section 42 of the Code, developments located in Difficult Development Areas are allowed to increase their eligible basis by 130% with DSHA approval only.

ATTACHMENT 3

QUALIFIED CENSUS TRACTS

New legislation signed into law in December 2000 expanded the definition of Qualified Census Tracts to include those census tracts in which there exists a poverty rate of 25% or greater.

The following are Qualified Census Tracts:

Wilmington	Tracts	6.01
		6.02
		7
		8
		9
		16
		17
		19
		20
		21
		22
		23
Newark	Tracts	144.03
		145.01
		145.02

Attached are maps demonstrating the expanded Qualified Census Tracts for the State of Delaware.

LEAVE BLANK (Map will be inserted here)

ATTACHMENT 4

ELIGIBLE BASIS LIMITS*

	<u>0</u> <u>Bdrms</u>	<u>1</u> <u>Bdrm</u>	<u>2</u> <u>Bdrm</u>	<u>3</u> <u>Bdrm</u>	<u>4</u> <u>Bdrms</u>
Sussex County	\$98,153	\$112,512	\$136,816	\$176,992	\$194,282
Kent County Dover	\$98,153	\$112,512	\$136,816	\$176,992	\$194,282
New Castle County City of Wilmington	\$98,153	\$112,512	\$136,816	\$176,992	\$194,282

*Replication of HUD 221(d) 3 limits as of 04/02/04

ATTACHMENT 5

LIVABLE DELAWARE MAPS AND STRATEGY AREAS

Livable Delaware Strategies and Maps can be accessed on the web at

<http://www.state.de.us/planning/shape/strategy/stratmap.pdf>

NOTE: The Livable Delaware Maps are not property specific for properties that appear to border more than one type of growth area. If property location is not clear, DSHA will make the final determination.

ATTACHMENT 6

DELAWARE STATE HOUSING AUTHORITY LOW INCOME HOUSING TAX CREDIT PROGRAM

Application Checklist

The following exhibits must accompany the Low Income Housing Tax Credit Application. Those exhibits marked with an asterisk (*) may be omitted at the time of application and the application will still be considered a complete package for competitive purposes only. Please note, however, that DSHA requires submission of applicable exhibits listed below before making a Tax Credit allocation. Please be sure each exhibit is labeled with the appropriate number.

DEVELOPMENT TEAM

- *Exhibit 1 **Articles of Incorporation, Limited Liability Company Agreement, By-laws, Partnership Agreements, and Tax Status.**

- Exhibit 2 **Non-Profit Status - Documentation of Section 501 (c)(3) or (4) status, which states exempt purposes including the fostering of low-income housing, charitable purpose.**

- Exhibit 3 **Verification of General Partner Ownership, through a written agreement. (For non-profits only.)**

- Exhibit 4 **Joint Venture Agreement, if applicable.** Applicant must submit an agreement to DSHA, outlining the current and long-term roles of the partners. An **unqualified** legal opinion must be submitted with the application that states the joint venture meets the requirements of Section 42 and DSHA as it relates to being considered eligible to compete in the Non-Profit Pool.

- Exhibit 5 **Background and Experience of Board Officers and Staff.** Resumes and/or lists of officers are required.

- Exhibit 6 **Resolution** - Documentation of Applicant's governing body approving tax credit application and/or loan request must be submitted. (For non-profits only.)

- Exhibit 7 **Developer Experience** - Complete the Real Estate owned/developed schedule by listing all previous multi-family housing development experience and that of any principals of the organization. For each development, include the name, number of units, type of financing and whether subsidized (type of subsidy) or unsubsidized. Please use the attached DSHA Real Estate Development Schedule attachment in the Application.

- Exhibit 8 **Current Financial Statement for each Principal Owner, Developer and/or General Partner.** If the ownership entity is an existing organization, the most recent and prior year's audited financial statements must be included.

- Exhibit 9 **Resumes of Contractors, Surveyor, Architect, and Marketing Agents and Other Members of the Development Team.**

Exhibit 10 **Management Agent Qualification Application** - include all required attachments (i.e., management plan, audited financial statements, copy of marketing plan explaining in detail the procedures to be utilized in renting up the units). Please attach the Affirmative Fair Housing Marketing Plan with this Exhibit. (NOTE: All management agents must meet DSHA's management agent's requirements).

Exhibit 11 **IRS Form 8821, Tax Information Authorization.**

OTHER MINIMUM THRESHOLD INFORMATION

Exhibit 12 **Local and Community Notice for Acquisition/Rehabilitation** - Applicants must notify, via certified mail, the local executive, council or manager having jurisdiction over the location of the proposed development, after submitting the application. Applicant must also notify, via certified mail, all neighborhood associations, civic groups and community organizations within 1/4 mile of the proposed development, after submitting the application. In New Castle County or Wilmington such neighborhood associations, civic groups, and community organizations are designated on the Civic Association Directory for New Castle County which is available through the New Castle County Office of Community Governing or in the Community Organization Guide which is available from the City of Wilmington, Office of Planning. For all Kent and Sussex counties, if said lists do not exist, developer must exercise due diligence and make specific contact with their local legislators to obtain information on specific and legitimate groups in notifying the appropriate surrounding communities. Legitimate (organized with by-laws) neighborhood associations, civic groups and community organizations must be in existence at the time of notification. All letters providing notice pursuant to this section shall be substantially in the same form as provided in the LIHTC application. Applicants/sponsors must certify to compliance with this section, as well as document proof of compliance in the form of U. S. Postal certified mailing receipts and stamped green cards submitted to DSHA by **April 25, 2005**. Failure to submit the above-referenced certification, stamped receipts and green cards to DSHA by the deadline will result in disqualification of the sponsor's application. DSHA reserves the right to reject any application where the notice does not conform to the form notice as provided by DSHA and/or otherwise failing to comply with the provisions of the local government and community notice requirements. New construction applications are exempt from this notice requirement.
In order to score points for notification prior to application, U.S. Postal certified mailing receipts and green cards stamped no later than March 15, 2005 must be attached when application is submitted to DSHA.

Exhibit 13 **Letter of Support from Local Public Housing Authority** - A letter of support that indicates that local public housing waiting lists and/or Section 8 existing waiting lists will be used when marketing the property.

Exhibit 14 **Independent Market Study** - Document of sufficient scope to determine if Low Income Housing is in demand and is feasible for the proposed location. Market Study must include, but not necessarily be limited to, the information noted in the attached Market Study Requirements Outline. **DSHA must pre-approve the preparer of every market study.** Minimum requirements for the preparer are also noted on this outline. (Please supply three copies).

- Exhibit 15 **Sites and Neighborhood Verification** - Identify the site that clearly indicates distance to services which include, but are not limited to, retail/commercial facilities, employment, daycare and public transportation. List and describe separately how each of these services that the development has access to improves the quality of life to the residents.
- Exhibit 16 **Letter of Government Support** – Documentation from the local government indicating its support of the development and endorsing the development in the current round of competition. This letter must be from The Chief Executive Officer of the municipality in which the development is located and must precisely reflect the development as submitted without modification or qualification.

Additional Information

- Exhibit 17 **Conversion to Homeownership** - A detailed marketing plan must be submitted which includes a statement from the applicant that the Declaration of Restrictive Covenants shall reflect a right of first refusal be granted by the owner to the residents. Units must be offered at their fair market value at the time of the original residents initial occupancy of the unit, that the applicant will agree to total costs per unit subject to the limits of Section 221 (d)(3)(ii) of Section 42. A detailed marketing plan, projections on maintenance, tenant reserve funds, homeownership training, continued affordability, sales price calculation, lease/purchase agreements including rules and regulations, etc must also be included with the application. The plan will be evaluated for feasibility and compliance with all regulations (Section 42, Fair Housing, and all other funding sources requirements). All syndication documents must reflect the conversion.
- Exhibit 18 **Special Needs Verification** - Developers that will rent units in the development to one or more of the targeted special needs populations must make available a minimum of three services specifically addressing the needs of the identified group. One hundred percent (100%) of the property must be made available for the special needs population. A minimum of three (3) appropriate services must be provided free of charge to the residents. Documentation of what these services are and how these services will be paid for must be provided. Contracts and or letters of agreements must be attached.
- Exhibit 19 **Social Services Verification** - The provision of social and support services is an integral part of any attempt to improve the quality of life of the residents of the development. Services must be affordable, appropriate, available and accessible to the development's tenants. Services should be actively linked to the residents and not simply provided to the community at large and must be provided on-site. Please include the following with this exhibit: qualifications of the social service organizations that will be utilized at the property, including their history, capacity and experience; program description including the details and goals of the programs for the residents; contracts or commitment letters from each social service provider. NOTE: Fees may be charged to residents for social services (and not be included in the gross rent) as long as the services are OPTIONAL.
- Exhibit 20 **Certification for Community Revitalization-** See Attachment 11.
- Exhibit 21 **Amenities** – Documentation through preliminary plans and/or specification of amenities claimed for points.

Exhibit 22 **Community Outreach** – Documentation that the following occurred by March 15, 2005.

- 1) Notification to community organizations within one-quarter mile and appropriate government officials by certified mail. Post office stamped green cards and receipts must be attached.
- 2) Documentation of meetings/presentations with local community groups. Copies of notices and sign-in sheets must be attached.

Exhibit 23 **Developer's Previous Performance**

A Developer's Previous Performance Form (see attachments for Developers Previous Performance in LIHTC Developments within and outside Delaware) must be submitted for each State. The form(s) list(s) all Tax Credit Properties developed within the last five years.

SITE INFORMATION

Exhibit 24 **Site Control** - Site control can be demonstrated by recorded deed, recorded long term lease, municipal or county disposition and development agreement, an option to purchase or lease, or a purchase contract. All pertinent terms of the sale or lease must be disclosed at the time of application.

Exhibit 25 **Utility Availability** - Please include the following with this exhibit:

- 1) Verification of adequate sewer and water capacity, gas, electric, and storm water.
- 2) Proof from utility company that the building has not been occupied for at least three years, if applicable.
- 3) Written verification of utility allowances for all tenant paid utility costs from Public Housing Authority, RHS, or local utility company estimates.

Exhibit 26 **Zoning** - Please include the following with this exhibit:

- 1) Verification of zoning classification, re-zoning, or variance application request.
- 2) Census Tract Verification.
- 3) Livable Delaware location verification.

Exhibit 27 **Location Map.**

Exhibit 28 **Photograph of Property.**

Exhibit 29 **Phase I Environmental Audit.** (If development expects to receive state or federal funding, applicant must also complete an "Environmental Review Checklist" provided in the LIHTC Application Part II - Attachment F.)

Exhibit 30 **Verification of Flood Plain and Wetlands Status and Other Unusual Site Features or Notice of Non-Applicability Exists.**

ACQUISITION/REHABILITATION PROPERTY INFORMATION

Exhibit 31 **Current Operating Budget, if applicable.**

Exhibit 32 **Improvements** - Documentation of all rehabilitation/improvements done to the property in the previous ten (10) years, if applicable. Please include with this Exhibit, the Rehabilitation Checklist that is an attachment in the Qualified Allocation Plan.

Exhibit 33 **Relocation** - Description of relocation plan and cost, if applicable. In addition, documentation of preliminary income certifications for residents residing in occupied units demonstrating that they are tax credit income eligible or a certified letter from said residents indicating their willingness to be relocated is required for units that will be counted as tax credit eligible.

Exhibit 34 **Preservation Expiration** - (A.) Tax Credits: Any Pre-1990 tax credit housing development, which has completed its compliance period, that is in need of substantial rehabilitation and at risk of losing its affordability; or, (B). Subsidized: Any currently occupied *subsidized* housing development (see definition on page 25 of subsidized) in need of substantial rehabilitation and at risk of losing its affordability. For each of the above definitions, the applicant must submit written confirmation from the contract administrator of imminent expiration of affordability controls within two (2) years.

Exhibit 35 **Conversion** - Documentation the property meets definition of Conversion.

Exhibit 36 **Historic Preservation** - Documentation that individual property is listed on National Historic Register.

Exhibit 37 **Federally-Assisted Distressed Property** - Summary of how the property qualifies as a distressed federally assisted property, if applicable.

Exhibit 38 **Ten-Year Rule.** A sworn statement that property has not transferred ownership within the last ten years.

CONSTRUCTION INFORMATION

Exhibit 39 **Physical Needs Assessment** - must be completed by a licensed architect.

Exhibit 40 **Minimum Square Footage and Bedroom Mix** - Preliminary plans of adequate detail to verify that units satisfy minimum square footage requirements, bedroom size, and mix.

Exhibit 41 **Detailed Preliminary Plot Plan.**

*Exhibit 42 **Architect/Artist's Rendering of Site and Proposed Development.**

*Exhibit 43 **Department of Natural Resources and Environmental Control** - Documentation regarding National Pollutant Discharge Elimination System - Notice of Intent.

*Exhibit 44 **National Emission Standard for Hazardous Air Pollutant.**

*Exhibit 45 **Erosion and Sedimentation Control Plan.**

- *Exhibit 46 **DELDOT Entrance Permit, if applicable.**
- *Exhibit 47 **Model Energy Code** - Building compliance.
- *Exhibit 48 **Fire Marshal Conditional Approval.**
- *Exhibit 49 **Architectural Accessibility Board Approval.**
- *Exhibit 50 **Site Plan with Easements Notated (ALTA).**
- *Exhibit 51 **Building Permit.**
- *Exhibit 52 **Plans and Specifications.**
- Exhibit 53 **Realty Transfer Tax – Title 30 §5401 (8) c (See DSHA for form).**

LEVERAGING AND FINANCING INFORMATION

- Exhibit 54 **Developers Proposed Cash Flow Proforma.**
- Exhibit 55 **Details of Debt Financing.** At time of Tax Credit application, proof must be provided that construction and permanent financing applications have been made. Sponsors must provide letters from the lending/funding entities, which include items, such as: date of application, amount of financing, interest rate, term and a statement that the application appears to be in good order. Financing commitment letters from all funding entities are due by 07/22/05. The sponsor must submit documentation with the commitments, which outlines the position of each funding source. Developments, which have funding commitments at the time of application, need only submit the commitment letters and documentation outlining the position of each funding source.
- Exhibit 56 **Land Value** - A Summary Appraisal Report, from a qualified professional appraiser, of the unimproved land value. Prior to allocation, a property appraisal and, if applicable, a copy of the settlement sheet will be required. NOTE: The Summary Appraisal Report and the Property Appraisal should not be more than six months old.
- *Exhibit 57 **Details of Equity Financing** - including written description of syndication details and copy of agreement (if applicable), award letter of grant, etc. NOTE: If claiming points for leveraging additional net equity, a detailed letter of intent must be submitted.
- Exhibit 58 **Details of Leveraging** - Please describe, in detail, the calculations on how DSHA controlled funds, including tax credits, HOME funds and Housing Development Funds, are used to leverage other funding sources. NOTE: If claiming points for leveraging additional net equity, a detailed letter of intent must be submitted.
- Exhibit 59 **Verification of Local Government Contribution, if applicable.** Documentation of contribution that financially reduces the development and/or operating cost of the developments over a five-year period (i.e., tax abatement, waiver of fees, donation of land, etc).
- Exhibit 60 **Preservation Expiration Developments, including Section 8, RHS Section 515 Multi-Family Program and RD's 514-516 Farm Labor Housing** - Proof that an

application for rental assistance as well as capital assistance has been made and received by Rural Development or HUD.

Exhibit 61 **Developer Blank Points Work Sheet** - Developers should score themselves on the attached form. (Must also be completed by tax-exempt bond properties.)

OTHER

Exhibit 62 **Government Jurisdiction** - Names and addresses of the following individuals in whose district/jurisdiction the development is to be located: State Senator, State Representative and Chief Executive Officer. In addition, names and addresses of all neighborhood associations, civic groups and community organizations within one-quarter mile of the proposed development.

*Exhibit 63 **Cost Certification – Note: Must be submitted to DSHA prior to final allocation of credits and must be completed by Borrower and Contractor. (See DSHA for forms).**

1/7/04

ATTACHMENT 7

MARKET STUDY REQUIREMENTS CHECKLIST

Low Income Housing Tax Credit Program
Market Study Requirements Checklist

A market study of the population to be served by a Tax Credit assisted complex must include recent data about employment, demographic and housing trends for the defined market area.

While the below checklist outlines the study's requirements, a market study is not complete unless it also includes an analysis of the data. The data and analysis must clearly document sufficient demand in the market to support the proposed property without negatively impacting the concentration of existing tax credit developments and other affordable housing developments within the same market area. The study must identify any data sources, assumptions, estimates, projections, and models used in the analysis. ***The study must contain a signed statement by the preparer that they have read DSHA's market study requirements, agreed to perform the market study in accordance with DSHA market study requirements, and attests to the ability of the market to support the proposed housing units based upon market conditions. DSHA must pre-approve the preparer of every market study.***

_____ *Description of Proposed Property*

Describe the proposed property and the expected target population, which should be defined by presenting a demographic profile in terms of age, income, household composition, and current living situation. This description should also identify all proposed rent and amenities to be offered within the proposed property. Describe how the characteristics of the proposed property including unit mix, rent levels, proximity to services, and amenities will meet the needs of the target market.

_____ *Site Assessment*

Evaluate the proposed site with regard to: physical features of the site and adjacent parcels; accessibility to markets, services, employment, and educational institutions; and compatibility of surrounding neighborhoods and land uses.

_____ *Define Market Area*

Using geographic, demographic, and mobility factors, define the geographic area from which the majority (typically 60% to 90%) of potential residents of the proposed property are likely to move.

_____ *Market Area Characteristics*

_____ *Demographic Trends* - Information to include: population by age cohorts, household formation rates by age of head of household; household income distributions by age of household; owner/renter ratios by age of head of household, and the likelihood of presence of children by age of household. This information is to determine household composition (age, income, and presence of children) and housing demand for ownership and rental units.

_____ *Economic Trends* - Information to include: number of jobs by various occupational categories; major employers, number of jobs, salary ranges and location, median household incomes; and economic development activities.

_____ *Housing Supply* - Information to include: number of owner and rental units by cost (value or rent) and quality; for sale housing and rental vacancy rates; estimate of owner and rental unit needs for current year and next three (3) years.

_____ *Market Area's Competitive/Comparable Housing Analysis:*

The market study should identify and consider existing, as well as planned competition, that is within or proximate to the defined market area. Analysis should be based upon the specifics of the proposed property, such as target population, rent levels, bedroom mix, with any other type of housing the analyst deems competitive within the defined market area. This analysis should compare how existing sites meet the market demand and how these sites will be impacted by the proposed property. The analysis should include:

- Property name, address and age;
- Number of units by unit types (efficiency, one, two bedroom etc.);
- Monthly gross rent by unit type;
- Units size;
- Monthly rent per square foot;
- Vacancy rates;
- Five-year rent increase history;
- Services and amenities included in rent;
- Subsidized units or income-restricted units (federally or state-assisted).
- Occupancy levels, turnover and extent of waiting list

_____ *Market Demand / Needs Analysis:*

Evaluate the need for the proposed property within the defined market area by determining the eligible population that would potentially be willing to move into the proposed site. Existing and proposed competition identified in the competitive analysis must also be deducted from the available net demand, to arrive at an unaccommodated demand pool, which the proposed site must penetrate.

The study should clearly describe the methodology and assumptions utilized to demonstrate that the market is deep enough to support the proposed property. It is important that the assumptions, particularly those regarding target population, income levels, be consistent with the proposed property and the specific market being targeted.

_____ *Absorption Analysis:*

The market study must provide a time schedule for absorption for the proposed property by analyzing and discussing the characteristics and depth of the target market which justify the estimated rate of absorption. Turnover potential of competitive existing sites must be included in this analysis.

NOTE: ANY RELATIONSHIP BETWEEN THE PREPARER AND THE PROPERTY SPONSOR MUST BE DISCLOSED.

KEH: 11/8/00

ATTACHMENT 8

CONTACTS FOR CIVIC ASSOCIATIONS

***New Castle County and Wilmington:**

(1) *Civic Association Directory*

(2) *Community Organizational Guide*

City of Wilmington Office of Planning

Neighborhood Planning Council

Kent County:

- Contact local legislators

Sussex County:

- Contact local legislators

*New Castle County developers are encouraged to contact New Castle County to access their internal database of civic groups and neighborhood associations, as a Freedom of Information Act (FOIA) is required. The NCC contact is Norman Spector, Supervisor of the County Customer Information & Assistance group as well as its Office of Community Governing. His phone is (302) 395-5532.e-mail address: NSpector@co.new-castle.de.us. As an alternative NCC Civic League maintains a list. Developers may obtain the list by visiting their website at: www.civicleagueforncc.org. and clicking on Civic Assoc. Directory

ATTACHMENT 9

COMMUNITY NOTIFICATION FORM OF NOTICE

DEVELOPER STATIONERY

CERTIFIED & REGULAR MAIL

Date:

Re: Housing Tax Credit Application Notification

Dear

_____ would like to inform you that we have made an application to

(Name of Developer or Development Entity)

Delaware State Housing Authority for Low Income Housing Tax Credits and/or Housing Development
Fund financing for an apartment complex located _____

(in your jurisdiction or your neighborhood)

We have attached a development summary for your information. Please call if you have any questions.

We can be reached at: _____.

(Address and Phone No.)

Sincerely,

Attachment

(ATTACHMENT TO NOTICE)

DEVELOPMENT SUMMARY

Sponsor: _____

Development Name: _____

Development Location: _____

State Funds Requested: _____

Housing Credits Requested: _____

Other Funding: _____

Type of Property: _____

Number of Units: _____

Development Beneficiaries: _____

Development Description: _____

Other Information: _____

ATTACHMENT 10

Miscellaneous Checklists

Delaware State Housing Authority
Low Income Tax Credit Program

The attached lists are to be followed for construction/rehabilitation activities:

- Minimum Construction Standards
- DSHA Recommended Carpet

For rehabilitation projects, the “Rehabilitation Standards Checklist” is to be completed.

The “Plans/Specifications Review Checklist” is to be used as a guide for various governmental submissions and/or approvals DSHA requires prior to loan approval.

01/31/05

Delaware State Housing Authority
State of Delaware

**LOW INCOME HOUSING TAX CREDIT/
HOUSING DEVELOPMENT FUND/HOME PROGRAMS**

MINIMUM CONSTRUCTION /REHABILITATION STANDARDS

Delaware State Housing Authority ("DSHA") and DSHA staff have specifically relied on the representations contained in the documents provided by the Developer, Borrower and their respective professionals, including but not limited to, their architects, contractors, engineers, surveyors and attorneys (collectively "Developer"). The Developer is responsible for complying with DSHA's minimum construction and rehabilitation standards along with all rules, ordinances and laws of all legal entities and authorities having jurisdiction over the development, and the construction and/or alteration of the development, whether or not such requirements are specifically addressed in the plans and specifications or by DSHA's review. DSHA's agreement to proceed with closing on a loan or other transaction shall not constitute in any manner whatsoever a final approval of the construction/rehabilitation of a development.

- **Fair Housing Amendments Act:**

All projects are required by law to meet the handicap-accessibility standards outlined in the Fair Housing Laws, including the Federal Fair Housing Amendments Act of 1988 (the "Act"). The law provides that failure to design and construct certain residential dwelling units to include certain features of accessible design will be regarded as unlawful discrimination.

- **The Americans with Disabilities Act:**

All projects are required by law to meet the handicap accessibility standards outlined in the Americans With Disabilities Act (ADA). The law provides that failure to design and construct certain public accommodations to include certain features of accessible design will be regarded as unlawful discrimination.

ADA Legislation was passed in July 1990 and became effective on July 26, 1992. Title III deals with non-discrimination on the basis of disability by public accommodations and in commercial facilities. Public accommodations includes all new construction effective January 26, 1993 and impacts any rental office, model unit, public bathroom, building entrances, or any other public or common use area. Existing public accommodations must be retrofitted or altered beginning January 26, 1992, unless a financial or administrative burden exists.

The ADA guidelines do not impact residential units, since these are covered under Fair Housing and Section 504 laws.

- **Delaware State Accessibility Standards:**

All projects are required by law to meet the handicap accessibility standards as outlined in the Delaware State Accessibility Standards. The design and construction guidelines are enforced by state and /or local building code officials. Compliance with these guidelines is mandatory in order to receive a Certificate of Occupancy for your proposed development.

1. Site Work-

- All new construction shall be designed to obtain 100% accessible routes to all units.
- New construction and rehabilitation/conversion developments (includes common areas, rental offices, etc.) shall comply with State Architectural Accessibility Standards, Fair Housing, and ADA. Most stringent requirements will apply.
- All landscaped areas shall have weed barriers installed under mulch and maintain 12" buffer between vinyl siding and grass areas, unless siding is at least 8" above finished grade. Minimum

landscaping budgets of \$300 per residential dwelling unit are required. This allowance is for plants and trees only. It may not be used for fine grading, seeding and straw or sod.

- Tot lots and/or a designated recreation area shall be provided. Family developments must provide playground on site. Designated play areas and playgrounds are considered "common areas" and must be on an accessible route.
- Large parking lots shall include planting areas.
- All condenser units shall be landscaped to avoid mowing and trimming around unit.
- If underground sprinkler system is not provided, hose bibs shall be provided on each front and rear of building with lockable boxes.
- No portable storage buildings allowed. Incorporate into building design as a maintenance area.
- Storm water management ponds designed to be wet, shall have perimeter of pond fenced for safety of tenants.
- All sites shall provide permanent enclosures for garbage dumpsters or trash receptacles consistent with the appearance of the dwelling units. Refuse collection areas must be on an accessible route.
- If parking area does not have a curbed sidewalk area adjacent to parking, parking bumpers doweled into pavement shall be provided to maintain safe distance between parking area and tree lawns.
- A grading and landscaping plan shall be provided for all projects prior to closing.

2. Wood and Plastic

- Thermoply exterior sheathing will not be allowed. All exterior wall sheathing shall be solid 7/16" or thicker. Roof sheathing shall be a minimum of 5/8" in thickness.
- Exterior grade caulking shall be used.
- Vinyl siding must be solid, and shall be a minimum of 0.044 inch in thickness.

3. Thermal and Moisture Protection

- Roofing materials which exceed 50% of the life expectancy shall be removed; at this time substrate shall be inspected. (No second layers allowed.)
- Asphalt shingles shall have a minimum warranty of 30 years, and meet wind standards.
- All exterior building surfaces shall be designed to be maintenance-free.
- All roofs shall have 3" "T" edging, no smaller than two-foot section.
- All exterior surfaces shall have house wrap installed as per manufacturer's instructions.

4. Doors and Windows

- Interior door shall be six-panel Masonite or better. Tops and bottoms of all interior and exterior doors must be painted.
 - No bi-fold or bi-pass closet doors; all closets to have a hinged door. If code requires metal bi-fold door application, doors to be installed in wood frame with wood trim.
 - Hardware shall be brushed aluminum or better - no high polished brass. Grade two (2) or better, including hinges and door bumpers.
 - Windows shall be thermal insulated with a minimum "U" value of 0.35 or below.
 - Entry doors shall have a minimum "U" value of 0.35 or below. Frame savers shall be used if jamb frame is wood, if available.
 - Medium density overlay board is not allowed for any applications.
 - Entry door shall have either doorbell or knocker and peep hole (eye viewer), no polished brass.
 - Exterior signage shall not be polished brass.
-
- Unit numbering and building identification numbers shall be provided **and approved by the Fire Marshal.**

5. Finishes

- VCT flooring shall be used for entry areas, bathroom, kitchen and utility areas unless prior approval is given by DSHA. (A minimum of two color fields required.)
- Carpet (see attached cut sheet) to meet minimum weight and grade standard. Carpet width shall be 15' wide to minimize seams in high traffic areas.
- Drywall shall be glued and screwed.
- Paint shall be an Egg Shell or low luster semi-gloss. Kitchens and bathrooms shall be semi-gloss. **NO FLAT PAINT WILL BE ALLOWED.** Other paints must be approved by DSHA. Minimum three (3) coats - one (1) primer and two (2) finish coats. Shall meet requirements of manufacturer.
- Doorstops shall be rubber disk type or half moon type. All other types must be approved by DSHA. All stop finish to match door hardware.
- Kitchen counter top shall be provided with end splash for adjacent or end walls.
- No self-edge counter tops except for pass thru applications.

6. Specialties

- Cultured marble tops for vanities with slide splashes when adjacent to wall--no laminated tops with drop in bowl type fixtures.
- One-piece bathtub unit. If space constraints will not allow, rigid fiberglass surrounds (Swanstone RM-58, or equal will be used in conjunction with tub. No plastic surrounds will be allowed. Select style based on adaptability. Base shall have quarter round molding if gap is present.
- Exhaust fans for all bathrooms shall be low speed/low noise continuous exhaust fan (hard wired), similar to Panasonic Quiet Whisper model.
- Mini blinds shall be of quality construction. Each window shall be provided with one blind, i.e., twin window shall have (2) two blinds. Install center support brackets provided with blind. Maximum size no larger than 42".
- Shower rod to be surface mounted, no tension rods allowed.

7. Equipment

Appliances:

- All appliances will be Energy Star.
- Refrigerators shall be frost free--minimum of 15 cubic feet and have recessed pulls.
- Ovens shall be self-cleaning. (Utilize U.L. listed stainless steel connectors for gas stoves.)
- Exhaust fan, duct to exterior. Re-circulating charcoal filter type model may be used if approved by DSHA.
- Back splashguard shall be wall mounted behind range. If range located in corner, install additional splashguard on adjacent wall.
- Washer and dryer hook-up shall be designed for side-by-side set up with a minimum depth of 30".
- Garbage disposals are not recommended due to high maintenance. If used, disposal shall be 1/2 hp motor with a stainless steel shank. For ADA units, a lowered switch within reach range shall be provided.
- Dishwashers are to be provided. If venting on unit is located adjacent to counter top, underside of counter top edge must be laminated.

8. Furnishings

- Kitchen cabinets and vanities doors, fronts, and boxes shall be solid wood construction with concealed door hinges. No high-density laminates will be allowed. Provide, at a minimum, one

drawer base for each kitchen layout.

- Medicine cabinet shall be installed in lieu of mirrors, surface mount, heavy gauge steel construction with stainless steel frame or molded bodies, rust resistant, soft tone baked enamel interiors, shatter resistant, polystyrene shelves.
- Hardware shall be provided for all cabinet drawers and doors per ADA requirements. NO BRIGHT BRASS FINISHES.

9. Mechanical

- If natural gas is available for site, full gas package to be installed unless otherwise approved by DSHA (i.e. all appliances, hot water heater and furnace). Provide hard wire Carbon Monoxide detector with gas package.
- Condensate lines shall drain correctly with exterior grade and/or foundation. (Pumps shall be provided when needed.)
- No polybutylene piping allowed.
- High efficiency HVAC units. Furnace efficiency = 90% or better. Min. SEER = 12.0
- Hot water heater shall have integral R = 16 insulation. No blankets will be allowed.
- Provide pans for all hot water heaters. Any heat or coil unit located in attic area shall have a pan and condensate line draining to the exterior.
- No through the wall HVAC units.
- Rehabilitation: Tub and shower faucets shall have anti-scald protection provided.

10. Electrical

- Overhead ceiling fixture for living room/dining area in lieu of swag fixture.
- Exterior fixtures shall not have brass finish.
- Kitchen ceiling fixtures shall be fluorescent fixture.
- Overhead ceiling fixtures shall be installed in all bedrooms. Wall sconces may be installed due to existing conditions.
- Bathrooms shall provide minimum of one ceiling fixture and one wall fixture.
- ARC Fault Circuit Interrupter must be provided on all bedroom circuits.
- Provide one telephone and cable outlet in each bedroom and one other telephone and cable outlet .

11. Miscellaneous

- If common hallways are designed, no carpet. VCT to be installed in common hallways with two color required.
- Shelving shall be vinyl coated wire units. Provide all intermediate supports needed.
- Contractor shall supply rechargeable 2.5 ABC fire extinguishers for each unit minimum.
- All developments consisting of eighteen (18) residential dwelling units or more must have a site office of at least 200 square feet (inclusive of handicap toilet facility) and a maintenance room of at least 100 square feet.
- A termite inspection and certificate shall be provided for all rehabilitation projects prior to closing
- Termite pre-treat of soils is required for all new construction.
- All developments must be provided with adequate laundry facilities on site or washer and dryer hook ups in each unit. Laundry facilities must meet ADA requirements for front loading washing machines.
- Elderly dwelling units shall be provided with medical emergency pull chains in at least two locations that are connected to a central station. The two locations will be in the Master bedroom and full bathroom. The pull chains will be wired to an exterior warning device, which consists of a strobe light and audible alarm.
- Elderly dwelling units and fully accessible units shall have grab bars in all tub/shower units and at toilet location per State Architectural Accessible Standards and/or Federal Standard, more stringent will apply.

- Rehab: Contractor shall verify all substrates and/or flooring surfaces for suitability of new VCT and/or carpet installation. If homosote and/or gypcrete is present, expect to remove material prior to installation of new flooring material.

NOTE 1: Although most of the above standards are geared to new construction developments, rehabilitation of existing units must follow the same standards. **DSHA requires that a comprehensive physical needs assessment be submitted with the application if rehabilitation work is to be performed.** DSHA will also complete a site inspection **90 days** prior to submission of an application to assure that its standards are being met and reserves the right to require additions and/or amendments to the physical needs assessment.

NOTE 2: The following Rehabilitation Standards Checklist must be completed and submitted with the application for developments involving rehabilitation. Please verify actual lifespan of all components of existing structure.

NOTE 3: The following "Plans/Specifications Review" checklist is for informational purposes as to the key areas DSHA will review for codes compliance and development approval.

NOTE 4: Any Multi-Family residential building, new construction or rehabilitation shall follow the Delaware State Fire Prevention Regulations to the fullest extent of the law. Please note Part VI, Chapter 3 for Apartment Buildings/Multi-Dwellings. No exception will be made for rehabilitation which will qualify for the 50% rule for grandfathering of any code. Entire Fire Prevention Regulations can be found at the following web page: <http://www.delawarestatefiremarshal.com/>.

NOTE 5: All projects with below grade habitable space (units, common space, laundry rooms) will require an assessment to determine possible water infiltration/moisture problem, which could directly affect the overall total development budget.

Updated: 1/31/05

DSHA RECOMMENDED CARPET

Style Name - Jubilant

Style No. 643

SPECIFICATIONS

File Content

100% Continuous Filament Olefin

Construction Cut pile - Textured Saxony

Tufted pile weight 32.0

Ozs. Per Sq. Yard

Stitches Per Inch 8.2

Dye Method Solution

Pile Density 3,291

Total Weight Density 105,312

Guage 5/32

Pile Height/Inches 0.35

Yarn Size/Ply 1550/3

Twist Level 4.7 x 4.7

Heat Set Method Continuous

Primary Back Woven Polypropylene

Secondary Back Woven Polypropylene

LIMITED WARRANTIES

Wear Residential-5 yr. **Soil** N/A

Stain Stain **Texture** N/A

Colorfast 5 year **Other** N/A

TESTS

FHA NO. 78029

Type/Class Type I, Class 1

CRI IAQ No. 17939278

Flooring Radiant N/A

Panel - ASTM-E-648

NBS Smoke N/A

Chamber - E-662

Flame Resistance Passes

Pill Test

DOC-FF 1-70

Static Propensity N/A

AATCC 134

ADDITIONAL DETAILS

Width 12 Ft.

Pattern Repeat N/A

Stain Treatment Built-In

Soil Treatment N/A

Traffic Class Light

Trademark N/A

REHABILITATION STANDARDS CHECKLIST

EXTERIORS

APPROXIMATE AGE

Roof type/pitch: _____ years

of layers: _____

Substrate material _____ years

Condition: Poor___ Fair___ Good___ Excellent___

Siding type: _____ years

Window type: _____ years

Does window meet egress requirements? Yes __ No __

Exterior Trim:

Gutters/Downspouts _____ years

Materials/type: _____

Condition: Poor___ Fair___ Good___ Excellent___

Fascia/Soffits _____ years

Materials/type: _____

Substrate Condition: Poor___ Fair___ Good___ Excellent___

Sidewalks:

Meets ADA compliance/ramping? _____ years

Parking lot:

Condition: Poor___ Fair___ Good___ Excellent___

Curb Cuts: yes ___ no ___

Space provided/spaces required grandfathered _____

Handicap parking provided? Yes ___ No ___

Bumpers provided? Yes ___ No ___

Condition: Poor___ Fair___ Good___ Excellent___

Exterior lighting type: _____ Tied to house panel: yes ___ no ___ _____ years

Condition: Poor___ Fair___ Good___ Excellent___

Security System _____

Poor___ Fair___ Good___ Excellent___

INTERIORS

Kitchen:

Cabinets: Type _____ years

Counter tops: Type _____ years

Flooring: Type _____ years

Subflooring Material: _____

Condition: Poor___ Fair___ Good___ Excellent___

APPROXIMATE AGE

Appliances:

Refrigerator: _____ C.F. _____ years

Frost free model: Yes ____ No ____

Dishwasher: _____ _____ years

Stove: _____ gas _____ electric _____ _____ years

Garbage Disposal: _____ hp _____ years

Exhaust hood: Vented to exterior: ____ Recirculating: ____

Washer: _____ Type: Stack ____ Side by Side ____ _____ years

Dryer: _____ Adequate Venting: yes ____ no ____ _____ years

Miscellaneous: _____ _____ years

Interior Doors type _____ _____ years

Sliding Doors: yes ____ no ____

Hardware type _____ _____ years

Patio Doors: yes ____ no ____

Bathroom:

Bathtub type: _____ _____ years

Condition: Poor__ Fair__ Good__ Excellent__

Tub Surround type: _____ _____ years

Anti-scald valve: yes _____ no _____

Sink/vanity type: _____ _____ years

Toilet type: _____ _____ years

Water Saver: yes ____ no ____

Flange Condition: Poor__ Fair__ Good__ Excellent__

Flooring:

Flooring Condition: Poor__ Fair__ Good__ Excellent__

Carpeting: _____ _____ years

Vinyl Composition Flooring: _____ _____ years

Type of Sub floor: _____ _____ years

Condition: Poor__ Fair__ Good__ Excellent__

Base Molding: _____ Type: _____ _____ years

Condition: Poor__ Fair__ Good__ Excellent__

APPROXIMATE AGE

Other: _____ years
Asbestos present: yes ___ no ___
Walls: Type: _____ years
Condition: Poor ___ Fair ___ Good ___ Excellent ___

Mold/Mildew Present: yes ___ no ___

Ceilings: Type: _____ years
Active Staining Present: yes ___ no ___
Texture: yes ___ no ___
Shelving: Type: _____ years

Smoke Detectors:

Hard-wired ___ Battery ___ years
Meets current codes? yes ___ no ___

Sprinkler System: _____ years
Meets current codes? yes ___ no ___
Date last inspected: _____

HVAC:

System Type: _____ years
Duct System: _____ years
Air Conditioning: Type: _____ years

Water Heater: Type: _____ years

Patio/Balcony: _____ Railings: yes ___ no ___ years
Condition: Poor ___ Fair ___ Good ___ Excellent ___

Mini Blinds: _____ years

Electric Supply Type: _____ GFI: _____ years

Amperage Supply: _____ AMP Service _____

ARC Fault Inter.? yes ___ no ___ Last Inspection Date: _____

Common Areas:

Interior Stairs:
Meets Code requirements: yes ___ no ___
Handrail condition: Poor ___ Fair ___ Good ___ Excellent ___

APPROXIMATE AGE

Interior Corridors:

Condition: Poor ___ Fair ___ Good ___ Excellent ___

Fire Protection Provided? yes ___ no ___

Last Inspection Date: _____

Storage for tenants available? yes ___ no ___

Miscellaneous:

Mailboxes: _____

Interior: Condition: Poor ___ Fair ___ Good ___ Excellent ___

Exterior: Condition: Poor ___ Fair ___ Good ___ Excellent ___

Cable TV Provided _____

New System _____

ADA Access: _____

Maintenance Free Exterior

yes ___ no ___

Storm Water management: yes ___ no ___

Asbestos Present: yes ___ no ___ _____ years
(NESHAP ENVIRONMENT AUDIT)

Lead Based Paint: yes ___ no ___ _____ years

Mold Present: yes ___ no ___ _____ years

Playground Equipment:

Type: _____ _____ years

Age: _____

Meets Safety Guidelines: yes ___ no ___

Dumpster Locations _____

Number Existing: _____

Number Proposed: _____

Construction: _____ Condition: _____

Swimming Pool: yes ___ no ___ _____ years

Elevator: yes ___ no ___ _____ years

Date of last inspection: _____

Cable Contract: yes ___ no ___ _____ years

APPROXIMATE AGE

Other utilities contracts? yes ___ no ___ years remaining on contract

Explain: _____

Flat Roof: yes ___ no ___ _____ years

Common Hallway: yes ___ no ___

Interior ___ Exterior ___ _____ years

Any units below finished grade yes ___ no ___

Exterior and Interior Doors Type: _____ _____ years

Insulation - _____ years

Ceiling ___ inches Walls ___ inches Floors ___ inches

Overall Development Age _____

Minimum Square Footage Requirements: (if units are to be converted)

One Bedroom Unit: Minimum 700 S.F.

Two Bedroom Unit: Minimum 850 S.F.

Three Bedroom Unit: Minimum 1050 S.F.

Site Office: _____ SF

Maintenance Shop: _____ SF

Location on ADA Compliant Route: yes ___ no ___

Bathroom ADA Compliant: yes ___ no ___

Laundry Room: yes ___ no ___ ADA Accessible: yes ___ no ___

Community Room: yes ___ no ___ ADA Accessible: yes ___ no ___

Project Sign: yes ___ no ___

Lighted: yes ___ no ___

Sign to be replaced: yes ___ no ___

Life Expectancy of Different Products/Items/Materials

	<u>Life in Years</u>		
		FINISHES	
		Exterior (paint, plaster, stucco)	3-5
Disposal	5	FLOORS	
Microwave ovens	5	Vinyl sheet or tile	10
Ranges		Carpeting	5
Free standing and built-in, electric	12		
Free standing and built-in, gas	12	HEATING VENTILATION AND AIR CONDITIONING	
Refrigerators		Air conditioning unit:	
Standard		Central unit	10
	10	Window unit	5
BATHROOMS		Air conditioning compressor	
Cast iron bathtub	25	5 to 7	
(Resurface)		Water heater	
Fiberglass bathtub and shower	10	Electric	10
Shower doors (average quality)	5	Gas	11
Toilet	10	Forced air furnaces	
CABINETS		Heat pumps	10
Kitchen cabinets	10	Ductwork	
Medicine cabinets/bath vanities	10	Plastic	15
COUNTERTOPS		Rooftop air conditioners	10
Laminate	10	Boilers, hot water (steam)	15
DOORS		Furnaces	
Screen	10	Gas or oil fired	15
Interior		Unit heaters	
Six Panel Masonite	15	Gas or electric	10
Exterior		Radiant heaters	10
Unprotected and exposed	15	Coal and tar	10
Electric Baseboard heat	10	Asphalt composition shingle	20
Hot water or steam heat	15		

Air terminals

Diffusers, grilles, And registers	15
Pumps, sump and well	10
Smoke detectors: Battery/ Hardwire	10
Wooden decks	15
Brick and concrete patios	15
Concrete walks	15
Sprinkler systems	12
Fences	5
Interior	
Wall paint	3 to 5
Trim and door	5-10
PLUMBING	
Sinks	
Enamel steel sinks	5-10
Stainless	10
Faucets (Low quality)	5
ROOFING	
Asphalt and wood shingles And shakes	20
Built-up roofing	
10	
Asphalt	

SHUTTERS

Plastic (vinyl)
Exterior
7-8

SIDING

Gutters and downspouts 20
Siding

Wood (T1-11) 10

Aluminum 20

Vinyl 25

WINDOWS

Wood casement 20

Wood-Single/Double Hung 15

Aluminum casement 10

Screen 5

NOTE: Items that are beyond 50% of life expectancy shall be replaced. Delaware State Housing Authority reserves the right to add/delete any item to the required rehabilitation.

01/31/05

Life in Years

PLANS/SPECIFICATIONS REVIEW CHECKLIST

Upon a reservation of credits or funding, the following items should be completed as applicable:

DATE

_____ 1. *Department of Natural Resources*

- A. *Erosion and sedimentation if site disturbance is more than 25 acres*
- B. *On-site septic*
- C. *On-site public well*
- D. *NPDES - NOI Permit for over 5 acres*
- E. *NESHAP - Building older than 1980*
- F. *Lead Based Paint Assessment - Building older than 1978*

_____ 2. *Soil Conservation District*

- A. *Sediment and Storm Water Management*
 - 1. *Erosion and Sedimentation Control Plan and Narrative*
- B. *Wetlands survey, if applicable _____*
 - 1. *Wetlands delineation*
- C. *Flood plain, if applicable _____*

_____ 3. *Utilities (approval documentation)*

- A. *DelDot - Entrance Permit*
Contact Person _____
- B. *Sewer Line tie in*
 - 1. *Location _____*
 - 2. *Capacity verification _____*
- C. *Storm Line tie in*
 - 1. *Location _____*
 - 2. *Capacity verification _____*

- D. *Electrical Contact Person* _____
 - E. *Gas - natural or propane*
Contact Person _____
 - F. *Water*
 - 1. *Public Water tie in*
 - A. *Location* _____
 - G. *Streets, sidewalks and curbing*
 - H. *Underground/Aboveground Storage Tanks, Yes or No*
 - I. *Model Energy Code* _____
- _____ 4. *Fire Marshal Approval (send letter to Fire Marshal to waive fee)*
- A. *Conditional* _____
 - B. *Final approval* _____
- _____ 5. *Architectural Accessibility Board*
- A. *Conditional* _____
 - B. *Final approval* _____
- _____ 6. *City Requirements, if applicable*
- _____ 7. *Utility Easements, Agreements*
- A. *Existing* _____
 - B. *Proposed* _____
- _____ 8. *Access Easements, Agreements*
- A. *Existing* _____
 - B. *Proposed* _____
- _____ 9. *Permits, Building Contact Person* _____
- _____ 10. *Environmental Audit, Test Borings, Engineering/Geotechnical Report*

Page Three

- _____ 11. *Survey, Property, Boundary*
A. *Sealed and Signed* _____
- _____ 12. *Other State and Federal Requirements*
- _____ 13. *Zoning Verification*
A. *Contact Person* _____
- _____ 14. *Copy of Deed*
A. *Deed Book and Number* _____
- _____ 15. *Federal Fair Housing Amendment Act*
Design Guideline Compliance yes _____ no _____
- _____ 16. *American with Disabilities Act (ADA)*
Design Guideline Compliance yes _____ no _____
- _____ 17. *Noise Assessment Guidelines*
Federal Guideline Compliance yes _____ no _____

esg:seg

Revised: 01/31/05

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ATTACHMENT 11

**FORM OF CERTIFICATION OF CONSISTENCY
COMMUNITY REVITALIZATION PLAN**

MUNICIPALITY STATIONARY

Date:

Saundra R. Johnson, Director
Delaware State Housing Authority
18 The Green
Dover, DE 19901

Re: LIHTC Application for _____ (Development Name)

Dear Ms. Johnson:

I certify that the _____ development is clearly identified on page _____ of the most recently approved Community Revitalization Plan for _____ (Municipality Name) dated _____.

Accordingly, said page _____ is attached to this certification.

Applicant Name: _____

Development Name: _____

Location of Development: _____

Name of Community Revitalization Plan: _____

Date of Community Revitalization Plan: _____

Name of Certifying Jurisdiction: _____

Name of Certifying Official: _____

Title of Certifying Official: _____

Sincerely,

Attachment

ATTACHMENT 12

DELAWARE STATE HOUSING AUTHORITY RELOCATION ASSISTANCE POLICY

For all Developments financed with Federal HOME, other Federal Funds, State Housing Development Funds (HDF) or Low Income Housing Tax Credits (LIHTC) that will result in displacement or temporary displacement, the Applicant/Developer must comply fully with all the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA). HUD Handbook 1378: Tenant Assistance Relocation and Real Property Acquisition is available through the HUD Website <http://www.hud.gov/relocation>. This handbook explains all of the requirements of the URA. Although the LIHTC program is not considered Federal financial assistance, DSHA has elected to adopt the URA as a relocation assistance policy for Tax Credit and/or DSHA financed properties that result in temporary or permanent displacement. The URA has recently been updated effective February 5, 2005, for a complete review of the final rule, please refer to the following:
<http://a257.g.akamaitech.net/7/257/2422/01jan20051800/edocket.access.gpo.gov/2005/pdf/05-6.pdf>)

In accordance with DSHA's QAP, Developers may not displace residents for over-income purposes and DSHA strongly discourages proposals that will result in permanent displacement.

If the URA regulations are not followed, DSHA reserves the right upon final allocation of credits to decrease the cost certified relocation line item. This may result in the following: a decrease in eligible basis, a decrease in the LIHTC award, and/or a decrease in other DSHA funding.

Notice Examples

Attached are some examples of notice letters that must be sent for developments with existing residents that may have temporary or permanent displacement. The first letter (Attachment 1) must be sent when there is a contract of sale and the second letter (Attachment 2) must be sent after acquisition of the property. The third letter (Attachment 3) is for prospective residents that may move into the development before the property is acquired. **Note: Attachments 1 and 2 have letters applicable to Section 8 and Non-Section 8 residents.**

Attachment 1 (**Notice—Residential Resident that they will not be Displaced**) informs any current/potential resident of the fact that the property is under an option to a buyer who is applying for DSHA assistance and lets the resident know that if an application is approved the current/potential resident may be displaced. The notice also informs the current/potential resident that they may not qualify as a displaced person and therefore, is not eligible to receive any assistance or benefits described in the relocation policy. The Applicant/Developer must notify DSHA and send a copy of this letter and a listing of residents notified to DSHA when the letter is sent to current/potential residents.

Attachment 2 (**Notice of Eligibility for Relocation Assistance Residential Resident**) is to be sent when the property has been acquired. This letter (a) explains that the project was purchased and cautions the person not to move; (b) explains that the person will not be displaced; (c) explains what is to occur when the resident is temporarily displaced (i.e. approximately how long should they expect to be displaced from their current unit, how will the Applicant/Developer accommodate them with replacement housing while they are displaced, how will the Applicant assist them with any moving costs they incur from their temporary move); and, (d) explains that they will be able to move back into their unit. The Applicant/Developer must notify DSHA and send a copy of this letter, along with a list of notified residents, to DSHA when the letter is sent to current/potential residents.

Attachment 3 (**Notice To Prospective Residents**) informs prospective applicants that move into the development prior to the new acquisition that they may not be entitled to relocation assistance.

Temporary Relocation Plan and Budget

1. The Applicant/Developer must submit a list of all current occupants including their name (for families, you need only list the name of the head of household and family size), address, and annual income after acquisition of the property.
2. A detailed relocation plan describing the manner in which the temporary displacement of residents will be handled must also be submitted prior to initial closing.
3. A comparison of the current rents being charged and the proposed rents for the project must be submitted to DSHA with the relocation plan. Also, for all relocation units, comparable rents must also be submitted. For comparables, the Applicant/Developer is required to assist the occupant in locating **decent, safe and sanitary housing**, (hereafter referred to as DSS, as determined by local housing codes) and must use **at least three suitable, DSS replacement units as comparables**. For Section 8 developments, please note, residents cannot be relocated to units that are smaller than the units on the Housing Assistance Payment contract. For example, a single person in a three-bedroom unit at a development with only three and four bedroom units must be relocated to a unit with a comparable number of bedrooms.
4. Applicants/Developers should include relocation expenses in their project cost budget. As part of DSHA's mortgagor's draw process, a monthly **RELOCATION REIMBURSEMENT FORM** must be completed with each draw (Attachment 4). Relocation costs must be drawn on a monthly basis and must include all back-up documentation. If funds are available in operations, start-up relocation costs can be paid from operations and then reimbursed from construction proceeds, however, relocation is

not an operational expense unless otherwise approved in writing by DSHA.

No advance payment of rents for relocation units will be allowed. All relocation units must be occupied within 90 days of draw request. Payments for holding unoccupied relocation units for more than 90 days will not be recognized as an eligible project cost by DSHA. Applicants may not receive reimbursement of relocation costs from more than two sources (i.e., construction funds and/or Housing Assistance Payments). Any subsidized properties that require relocations can only request the difference between the subsidy rent and the off-site's rent (which may be positive or negative) and other relocation costs. A relocation fee up to a maximum of \$200 per unit may be charged by the management agent or other approved entity for developments that require off-site relocation. This fee can not be charged to the development's operating funds. No additional fees are allowable for on-site relocation.

5. Upon permanent closing, the Applicant/Developer must provide DSHA with a final list of all residents occupying the property (due within 30 days after closing). If this list differs from the list that was originally submitted after acquisition (See number 1 above), the Applicant/Developer must explain why the resident is no longer an occupant. Please be prepared to submit evidence that the resident(s) moved on their own accord and not for reasons related to DSHA program rules (i.e. income limitations).

As a useful guide, DSHA recommends that the Applicant/Developer follow DSHA's recommended relocation process found in Attachment 5.

PERMANENT RELOCATION

Developments that experience permanent displacements for any reason must follow all URA requirements.

Attachment 1 (Non-Section 8)

NOTICE—RESIDENTIAL RESIDENT THAT THEY WILL NOT BE DISPLACED.

(Applicant Letterhead)

Date

Dear Resident:

_____ has submitted an application to Delaware State Housing Authority to rehabilitate the building which you occupy at _____.

This notice is to inform you that , if the assistance is provided and the building is rehabilitated, you may be displaced. We urge you **not to move** anywhere at this time. This is **not** a notice to vacate the premises. We will be meeting with you at a later date to determine whether you will qualify for a rehabilitated unit. If you do elect to move for reasons of your choice, you will not be provided relocation assistance.

If you meet the criteria to continue to qualify for a unit, you will be able to lease and occupy your present apartment (or another suitable, decent, safe and sanitary apartment in the same building) upon completion of the rehabilitation. The criteria to qualify for a unit may include background checks on all adult household members. Of course, you must comply with standard lease terms and conditions.

If you meet the qualifications, after the rehabilitation, your initial rent, including the estimated average utility costs, will not exceed the greater of (a) your current rent/average utility costs, or (b) 30% of your average monthly gross household income. If you must move temporarily so that the rehabilitation can be completed, suitable housing will be made available to you for the temporary period, and you will be reimbursed all reasonable extra expenses, including all moving costs and any increase in housing costs. You can be assured that we will make every effort to accommodate your needs because a portion of the financing is from state or federal funding sources, you would be protected by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

If you do not meet the qualifications to remain as a tenant you should continue to pay your rent because a failure to pay rent or meet your other obligations as a tenant may be cause for eviction and loss of relocation assistance. You are urged not to move or sign an agreement to purchase or lease a new unit before receiving formal notice of your eligibility for relocation assistance. If you move or are evicted before receiving such notice, you may not receive any assistance. Please contact us before making any moving plans.

If you are eligible for relocation assistance, you will be given advisory services, including referrals to replacement housing, and at least 90 days advance written notice of the date you will be required to move.

You would also receive a payment for moving expenses and may be eligible for financial assistance to help you rent or buy a replacement house.

No current resident or residents of _____ will be permanently displaced on the basis of failing to meet income eligibility requirements unless the resident(s) consents to permanent displacement. The resident(s) may consent to permanent displacement contingent upon receiving relocation assistance approved by the Delaware State Housing Authority.

Again, this is not a notice to vacate and does not establish eligibility for relocation payments or other relocation assistance. This letter is important and should be retained. You will be contacted soon. In the meantime, if you should have any questions about our plans, please contact_____.

Sincerely,

Attachment 1 – (SECTION 8 MULTIFAMILY)
NOTICE—RESIDENTIAL RESIDENT THAT THEY WILL NOT BE DISPLACED.
(Applicant Letterhead)

Dear Resident,

_____ has submitted an application to the Delaware State Housing Authority to rehabilitate the building, which you occupy. If the application is approved, you will benefit from the substantial renovations that will take place. You may be relocated during these renovations. We urge you not to move anywhere at this time. This is not a notice to vacate the premises.

This is a Notice of Non-Displacement. You will not be required to move permanently as a result of the rehabilitation. This Notice guarantees you the following:

1. You will be able to lease and occupy your present apartment or another suitable, decent, safe and sanitary apartment in the same building/complex upon completion of the rehabilitation. Your monthly rent will remain the same or, if increased, your new rent and estimated average utility costs will not exceed 30% of the gross income of all adult members of your household. Of course, you must comply with the reasonable terms and conditions of your lease.
2. If you must move temporarily so that the repairs/rehabilitation can be completed, you will be reimbursed for all of your extra expenses, including the cost of moving to and from the temporarily occupied unit and any additional housing costs. The temporary unit will be decent, safe and sanitary, and all other conditions of the temporary move will be reasonable.

Since you will have the opportunity to occupy a newly rehabilitated apartment, I urge you not to move. (If you do elect to move for your own reasons, you will not receive any relocation assistance.) We will make every effort to accommodate your needs. Because Federal and/or State assistance is involved, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, protects you.

If you have any questions, please contact _____ at _____. Remember do not move before we have a chance to discuss your eligibility for assistance. This letter is important to you and should be retained.

Sincerely,

Attachment 2 - (Non-Section 8)
NOTICE OF ELIGIBILITY FOR RELOCATION ASSISTANCE
RESIDENTIAL RESIDENT
(Applicant Letterhead)

Date

Dear Resident:

_____ has been approved to rehabilitate the building which you occupy at _____.

This notice is to inform you that while the building is rehabilitated, you may be displaced. We urge you **not to move** anywhere at this time. This is **not** a notice to vacate the premises. We will be setting up interviews to start the qualification process beginning _____. You will be contacted either by phone or by mail to schedule your interview.

If you meet the criteria to qualify for a unit, you will be able to lease and occupy your present apartment or one comparable upon completion of the rehabilitation. The criteria to qualify for a unit includes background checks on all adult household members. Of course, you must comply with standard lease terms and conditions.

If you meet the qualifications, after the rehabilitation, your initial rent, including the estimated average utility costs, will not exceed the greater of (a) your current rent/average utility costs, or (b) 30% of your average monthly gross household income. If you must move temporarily so that the rehabilitation can be completed, suitable housing will be made available to your for the temporary period, and you will be reimbursed for all reasonable extra expenses, including all moving costs and any increase in housing costs. You can be assured that we will make every effort to accommodate your needs. Because a portion of the financing is from state or federal and/or state funding sources, you would be protected by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

If you do not meet the qualifications to remain as a tenant you should continue to pay your rent because a failure to pay rent or meet your other obligations as a tenant may be cause for eviction and loss of relocation assistance. You are urged not to move or sign any agreement to purchase or lease a new unit before receiving formal notice of your eligibility for relocation assistance. If you move or are evicted before receiving such notice, you may not receive any assistance. Please contact us before making any moving plans.

If you are eligible for relocation assistance, you will be given advisory services, including referrals to replacement housing, and at least 90 days advance written notice of the date you will be required to move. You would also receive a payment for moving expenses and may be eligible for financial assistance to help you rent or buy a replacement house.

No current resident or residents of _____ will be permanently displaced on the basis of failing to meet income eligibility requirements unless the resident(s) consents to permanent displacement. The resident(s) may consent to permanent displacement contingent upon receiving relocation assistance approved by the Delaware State Housing

Authority.

Enclosed with this letter is what you will need to bring with you to your interview. If you should have any questions about our plans, please contact_____.

Sincerely,

Attachment 2 - (SECTION 8 MULTIFAMILY)
NOTICE OF ELIGIBILITY FOR RELOCATION ASSISTANCE
RESIDENTIAL RESIDENT

Dear Resident,

On _____ we notified you that the owner of your building had applied for assistance to make extensive repairs to the building. On _____, the owner's request was approved and the repairs will begin soon.

This is a Notice of Non-Displacement. You will not be required to move permanently as a result of the rehabilitation. This Notice guarantees you the following:

1. You will be able to lease and occupy your present apartment or another suitable, decent, safe and sanitary apartment in the same building/complex upon completion of the rehabilitation. Your monthly rent will remain the same or, if increased, your new rent and estimated average utility costs will not exceed 30% of the gross income of all adult members of your household. Of course, you must comply with the reasonable terms and conditions of your lease.
2. If you must move temporarily so that the repairs/rehabilitation can be completed, you will be reimbursed for all of your extra expenses, including the cost of moving to and from the temporarily occupied unit and any additional housing costs. The temporary unit will be decent, safe and sanitary, and all other conditions of the temporary move will be reasonable.

Since you will have the opportunity to occupy a newly rehabilitated apartment, I urge you not to move. (If you do elect to move for your own reasons, you will not receive any relocation assistance.) We will make every effort to accommodate your needs. Because Federal and/or State assistance is involved, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, protects you.

If you have any questions, please contact _____, _____, at _____ . Remember do not move before we have a chance to discuss your eligibility for assistance. This letter is important to you and should be retained.

Sincerely,

Attachment 3
NOTICE TO PROSPECTIVE RESIDENTS
(Applicant Letterhead)

Dear _____:

On ____ (date) , I (property owner or buyer) , entered into an option to sell/acquire the property/unit you now propose to occupy. As part of my agreement to sell/acquire, I am to advise you of the following:

An application has been or will be submitted to Delaware State Housing Authority (DSHA) for Low-Income Housing Tax Credits to be used on the property you now propose to occupy. This notice is to advise that financial assistance available under a Relocation Assistance Policy is only for tenants that occupy units at this site at the time of the option to sell and **will not** be made available to you.

This notice is to inform you of the following information **before you enter into any lease agreement and occupy a unit at the above address:**

- You may be displaced from the property.
- You may be required to relocate temporarily.
- You may be subject to a rent increase.
- You will not be entitled to any relocation benefits provided under DSHA's Relocation Assistance Policy. If you have to move, or your rent is increased as a result of the above option/agreement, you will not be reimbursed for any such rent increase or for any costs or expenses incurred by you in connection with the move.

Please read this notice carefully prior to signing a lease agreement and moving into this property. If you should have any questions about this notice, please contact:

_____ (Seller/Buyer) at _____ (address and telephone number)

Once you have read and have understood this notice, please sign the statement below if you still desire to lease the unit.

Sincerely,

Owner

I have read the Notice to Prospective Residents and understand the conditions under which I am moving into this property.

Print Name: _____

Signature: _____

Date: _____

RELOCATION REIMBURSEMENT FORM

Property Name: _____

Month/Year: _____

DRAW#: _____

Original Unit# Address	Temporary Relocation Unit Address	Permanent Return Unit # <u>Address</u>	Resident Name	Transfer Date	A Moving Expenses*	HAP Amount (if applicable)	Resident Rent or TTP	Contract Rent	Relocation Rent	B Misc. Expenses*	C Relocation Security Deposit*	D Difference (+/-)
Totals					\$					\$	\$	\$

Total Relocation Expense Requested (Add Columns A,B,C, & D) \$

Moving Expenses include packing and moving company costs.
Miscellaneous include, cable/satellite costs, utilities, telephone etc.

*Attach all back-up documentation for these costs.
**Column D – Difference calculation is the difference between the original resident rent and HAP amount, if applicable, and the relocation rent.
This amount could be negative if resident is a Section 8 recipient.
***The total should equal monthly draw request.

Report Completed By: _____
Date: _____

Attachment 5
RELOCATION PROCEDURES

Preliminary:

1. A rent roll should be obtained to locate vacancies.
2. Draft first notice of displacement letter informing residents of the potential acquisition and relocation assistance and send to DSHA for approval. (URA Handbook, Pgs. 2-3, 2-4, & 2-5)
3. Send residents the displacement notice letter by **certified mailing**. Copy all certified mailings for reimbursement.
4. Organize resident meeting to introduce new management company and explain relocation and answer questions.
5. Obtain bids from moving companies.
6. Locate available units off-site to use for the duration of the relocation (for those residents that will be moved off-site). The lease and security deposits should be in management's name/limited partner's name.
7. Draft second notice of displacement letter after the acquisition is complete. The letter may also inform residents of a date new management will be on site and informing them of an interview that will be scheduled. Also, mention the relocation assistance available and send to DSHA for approval.
8. Send residents second notice of displacement letter by **certified mailing**. Copy all certified mailings for reimbursement.
9. Set up vendor accounts (bank, post office, office supply, etc).
10. Locate "comparable replacement dwellings" for residents who do not want to stay or volunteer to move off-site during the relocation. A comparable replacement dwelling performs the same function, provides the same utility, and has a comparable style of living. (URA Handbook, Pg. 1-7, 2-7 & 2-8)
11. Create a relocation folder for each resident keeping all relocation correspondence including a "Site Occupant Record" in file. (URA Handbook, Appendix 8)
12. Prior to relocating the resident, all relocation units, for developments that are receiving Housing Assistance Payments (HAP), must be inspected by DSHA Contract Administrator.

Once on Site:

1. Set up interviews with all residents for eligibility, have vendor accounts in place. File in JP Court on any delinquent residents. Any evicted residents are not entitled to relocation assistance. (URA Handbook, Pg. 1-14)
2. Upon interviews, residents should complete a new application and be explained relocation process again. All tenant screening must be completed. When applicable, criminal background checks should be completed on all adult residents and if denied, the resident **is** entitled to relocation assistance.

(URA Handbook Pg. 1-12) (Note: criminal background checks should not be completed for existing Section 8 project based residents).

3. Moving supplies should be provided to residents upon requests. (boxes, bubble wrap, tape, etc.). Note: Tenants are not required to pack or box their belongings unless they elect to move themselves.
Note: Residents may choose to move themselves and are still entitled to the moving estimate. (URA Handbook, Pg. 2-12)
4. When turning over a building or unit for construction, terminate all utilities in management's name.
5. A "property" moving report and relocation expense report should be maintained. The reports should include date moved, location of move, and all moving expenses.
6. When issuing checks for reimbursement to residents, residents must sign acknowledgment of any money received.
7. Copies of all moving bills, utility bills (reconnect fees) and reimbursement checks should be maintained for each resident for reimbursement from construction. Send DSHA a "Claim for Actual Reasonable Moving and Related Expenses" form with all backup for each resident. (URA Handbook, Appendix 16)

When residents require permanent relocation assistance (i.e., they chose to permanently move or are not eligible due to criminal backgrounds):

1. Determine if resident is eligible. (URA Handbook, Pg. 1-11)
2. Referrals to replacement dwellings must be provided to the resident. (URA Handbook, Pg. 1-7 & 2-9)
3. Issue resident letter of "Eligibility for Relocation Assistance-Resident" at least 90 days in advance of their **permanent** relocation. (URA Handbook, Pg. 2-5 and Appendix 6)
4. Issue relocation assistance payment with the payment required by the formula provided on Pg. 3-10 of the URA Handbook. An eligible displaced person who rents a replacement dwelling for more than their current monthly rent is entitled to a payment equal to 42 times the difference in the new monthly rent. Example: The resident finds a replacement dwelling of \$500 monthly with comparable utilities and their current dwelling rent is \$450 monthly. The resident is due the difference of $\$50 \times 42 = \$2,100$ for relocation assistance in addition to moving expenses and transfer fees. Tenant must sign acknowledgment for reimbursement.
Note: If utilities are not comparable, the difference is subject to the same formula.
5. If resident does not want relocation assistance, have the resident sign a waiver. (URA Handbook Pg. 1-25)

1/7/2005