APPENDIX A: LHA/Governor's Discretionary Pool Application Documentation Requirements

General Instructions:

All applications and requests for PAB authority from DHCD shall be accompanied by documentation in form and sufficiency satisfactory to DHCD for each project (Minimum Criteria), as set forth in the Guidelines, Section 3.2. Such documentation shall be included in an application file including a table of contents and that explicitly segregates each qualifying documentation in a separate "tab" with a cover page labeling the document and which criterion it satisfies (*e.g.,* "Section 3.2.1.").

Applicants should provide documents in a single "PDF" file, with a cover page for each document responsive to Minimum Criteria (Section 3.2) and a numbered cover page for each item of documentation provided for the "Scoring Rubric" Section (Section 5.4.). For example, "1. Narrative Description of Need"

In addition, for purposes of scoring the applications, the following material should be organized within tabs:

Category	Percent	Possible Points	Required Documentation
Project Need – 25%			
1. Narrative Description of Need	10%	10 Points: where projects are designed to meet explicitly identified needs within a specific locality as documented in the locality's previously approved housing or development plan. • 10 points: Demonstrated alignment with a locality's explicitly identified needs • 5 points: Demonstrated alignment with locality's identified housing needs as documented in inducement resolution	Two-page, single-spaced narrative written 12-pitch Times New Roman font. May be accompanied by documentation from Locality's approved comprehensive plan, housing or development plan, or inducement resolution.

Category		Percent	Possible Points	Required Documentation
			• 0 points: No demonstrated alignment with locality's identified housing needs	
	2. Local Housing Issuer Diversity	15%	15 Points: where a Designated Project is located in a locality that has not had a development financed with an LHA Pool or Governor's Discretionary Pool Allocation award in recent years. • 15 points: No LHA or Governor's Discretionary Pool Allocation within past 5 years • 10 points: No LHA or Governor's Discretionary Pool Allocation within past 3 years • 0 points: Frequent Issuer	One-Page Certificate of an authorized officer of the Local Housing Authority attesting to the frequency of LHA Pool or Governor's Discretionary Pool Allocation and that the Designated Project is located within the geographic jurisdiction of the Local Housing Authority
Project Readiness – 40%				
	3. Approved Plan of Development	5%	5 Points: where submission of an approved plan provides 5 points.	Certificate of applicant or project sponsor affirming the approved plan of development, together with documentary evidence of Locality's approval.
	4. Zoning Document	5%	5 Points: where submission of a document (*either demonstrating approved zoning changes or that the project is by-right)* provides 5 points.	Certificate of applicant or project sponsor affirming the sufficiency of zoning authorization, together with documentary evidence of Locality's approval.
	5. Market Analysis Recommendation	10%	10 Points: Certificate or letter from an authorized officer of a Certified Market Analyst (certified by National Council on Housing Market Analysis (NCHMA)) attesting to the	A certificate or letter from an authorized officer of a Certified Market Analyst firm (certified by the National Council on Housing Market Analysts (NCHMA)),

Category		Percent	Possible Points	Required Documentation
			positive recommendation of the Analyst Firm provides 10 points.	attesting to the firm's positive recommendation. The letter should at minimum be on business letterhead; signed by an authorized officer (e.g., CEO, principal, managing director) of the NCHMA member firm; contain NCHMA member designation and current NCHMA professional member status; clearly stated market study; affirmative recommendation with confirmation the study conforms to NCHMA's Model Content Standards and Code of Ethics. .
	6. Construction Contract	10%	10 Points: where documentation of an executed fixed cost construction contract equals a higher score. • 10 points: Certificate or letter of Authorized Officer of General Contractor attesting to an executed fixed cost construction contract. • 5 points: Certificate or letter of Authorized Officer of General Contractor attesting to near-final fixed-cost construction contract with pricing determined, awaiting financing approvals. • 0 points: There is no evidence of a construction contract.	Certificate or letter of Authorized Officer of General Contractor.

Category		Percent	Possible Points	Required Documentation
	7. Developer Experience	10%	10 Points: where presence of additional Developer Experience can add up to 10 points: • 10 points: 5 or more bond projects in Virginia in the past five calendar years *or* 10 or more bond projects in the past seven calendar years (any state) • 5 points: 1-4 bond projects in Virginia in the past five years *or* 7 or more bond project in the past five calendar years (anywhere) • 0 points: no submission	Schedule of all Low-Income Housing Tax Credit projects successfully completed within the past five years and a narrative description of experience and capabilities, limited to a two-page, single-spaced narrative written in 12-pitch Times New Roman font. Please do not submit marketing or "pitch book" materials.
Project Efficiency - 35%				
	8. Cost per Unit	10%	10 Points: where a higher efficient use of resources (cost) score equals a higher score. • 10 points: Submitted narrative and accompanying schedule demonstrates significant focus on reduced cost per unit • 5 points: Submitted narrative and accompanying schedule demonstrates focus on reduced cost per unit • 0 point: No compelling narrative/schedule	Narrative description of cost considerations, context and constraints, limited to a one-page, single-spaced written narrative in 12-pitch Times New Roman font.
	9. Other Resources Leveraged*	10%	15 Points: where evidence of more eligible resources leverage equated to a higher score. • 15 points: at least 3 other local, state, or federal resources leveraged.	One-page tabular schedule identifying Federal, state or local resources legally obligated to support the project, with dollar amounts and date of commitment execution. Narrative explanation may be included, limited to one-page, single-

Category		Percent	Possible Points	Required Documentation
			• 10 points: at least two other local, state, or federal resources leveraged. • 5 points: at least one other local, state or federal resources leveraged. • 0 points: no other resources leveraged. *This includes grant or loan funding provided by a local, state, federal or other entity. It does not include GP, sponsor loans, or deferred developer fees or other similar items.	spaced narrative in 12-pitch Times New Roman font.
	10. Bond Request Size/Duration of Proceeds	15%	15 Points: where a lesser proportion of the aggregate basis requested equals a higher score: • 15 Points: 25.00 - 29.99% aggregate basis requested.[1] • 10 points: 30.00 - 35.99% aggregate basis requested. • 5 points: 36.00 - 39.99% aggregate basis requested. • 0 points: 40.00 - 45% aggregate basis requested. In addition, the percentage of bond proceeds exceeding 25% used for long-term financing (permanent, post-construction) will *not* be included in the above calculation for purposes of scoring. Applicants requesting PAB Authority	"Sources and Uses" table for the project, including both construction phase and permanent phase, with detailed explanations for all elements of "capital stack". Certificate of a third-party independent accountant or the Authorized Financial Officer of the project sponsor providing aggregate basis calculation and certification. Written narrative for projects using more than 30% aggregate basis for construction-only financing.

[1] Note, Applicants are cautioned to consider that the 25% aggregate basis requirement is a *minimum* aggregate basis requirement, *viz.,* the LIHTC eligibility depends on the use of tax-exempt financing representing at least 25% of the project's aggregate basis as defined in the IRC. Should unforeseen costs increase the amount of a Designated Project's aggregate basis such that the tax-exempt financing represents less than 25% of the aggregate basis, applicants will be required to seek a supplemental allocation of PAB Authority, the availability of which could be highly uncertain, and risk losing the LIHTC eligibility.

Category		Percent	Possible Points	Required Documentation
			that represents more than 30% of aggregate basis and that is planned to be used for tax-exempt financing solely during the construction period of a Designated Project (versus for long-term permanent financing) must provide a written narrative explaining the reasons for such request.	
Threshold Requirements		***Must be met to receive allocation***		
TOTAL		**100%**	**_/100 Points**	