

## **DRAFT**

As of May 14, 2009

### **Subject: American Recovery and Reinvestment Act Implementation Plan for Administration of Funds**

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The Pennsylvania Housing Finance Agency (the "Agency") is pleased to announce the availability of additional resources to fund certain properties currently holding an allocation of Low Income Housing Tax Credits ("tax credits") as well as those under consideration by the Agency for an award of 2009 tax credits through the American Recovery and Reinvestment Act of 2009 ("ARRA"). The following provides a brief summary of the ARRA tax credit funding programs (the "ARRA funds") and outlines the plan by which the Agency will process requests for ARRA funds (the "ARRA Implementation Plan").

#### **Tax Credit Assistance Program**

Funds in the amount \$95,050,396 will be available for Pennsylvania properties which have received or will receive an allocation of tax credits in fiscal years 2007, 2008 or 2009. These funds are being made available through HUD and while appropriated under the HOME program, many HOME requirements do not apply (such as rent and income restrictions, 221(d)(3) limitations). HUD has named this program the Tax Credit Assistance Program ("TCAP"). Some of the federal rules applicable to TCAP have been identified by HUD are available on the Agency's website, [www.phfa.org](http://www.phfa.org) and HUD has indicated that additional guidance and requirements will follow.

Pursuant to ARRA, the Agency must establish a plan to disburse TCAP funds competitively following ARRA and pursuant to its Low Income Housing Tax Credit Allocation Plan ("Allocation Plan"). (This ARRA Implementation Plan is consistent with the existing Allocation Plan, which was approved by the Governor, after public notice, hearing and comment period). TCAP funds must be allocated within the following timeframe: 75% of the funds must be committed by February 17, 2010, 75% of the funds must be expended by February 17, 2011 and all of the funds must be expended by February 17, 2012. Any funds recaptured during this three year period will be made available pursuant to this ARRA Implementation Plan. Properties receiving these funds must have a tax credit allocation and the funds may only be used for basis eligible items.

## **Tax Credit Exchange Program**

A second resource available to housing credit agencies is an opportunity to exchange some of our 2009 tax credit authority, up to 40% of the 2009 per capita amount available, plus up to 100% of previous years tax credits returned in 2009, for ten (10) years, at a rate of \$.85 ("Exchange funds"). Developers must demonstrate that they are unable to secure a reasonable equity investment in order to access the Exchange funds. All Exchange funds must be fully expended by December 31, 2010.

## **General Program Administration**

The Agency's goal in the administration of these ARRA funds is to fund developments which promote ARRA's objectives of economic stimulus and job growth. It is our intent to prioritize projects which are able to proceed quickly. In order to assist us in developing this ARRA Implementation Plan, we sent a survey to both developers currently holding an award of 2007 and 2008 tax credits and to those who have submitted an application for 2009 tax credits seeking information on their ability to proceed. The questionnaire included the status of the following items: site ownership; plan and specification development; construction contracts; zoning and planning approvals; building permits; other federal, state and local funding commitments; and equity investment. From the responses, it appears that a number of properties are "shovel ready" except for their ability to secure an equity investor or find investment dollars sufficient to fully fund development costs.

Preliminary information about both TCAP and the Exchange funds has now been provided by HUD and Treasury (CPD 09-03 and the Application and Terms and Conditions for Grants to States for Low-Income Housing Project in Lieu of Low-Income Housing Credits for 2009 under the ARRA of May 2009 respectively.) Based on this guidance, TCAP funds may be the first resource available for distribution, but the Agency may determine, in its discretion to provide an award of Exchange funds in lieu of TCAP to any development as it deems appropriate. The following outlines the process for making a request for ARRA funds. As additional regulatory guidance or clarifications regarding ARRA funds become available, specifically covering the availability of Exchange funds, the Agency may modify, supplement or amend the ARRA Implementation Plan. In addition to notifying affected program applicants, information about such subsequent changes will be posted on the Agency's website at [www.phfa.org](http://www.phfa.org).

**The Agency will make a determination of which resource may be available to each individual development in its discretion based on the availability of funds, the attributes of the development, the amount of assistance needed to complete the development and demonstrated ability of the development to meet all constraints of the funding timeframes.**

Developments which receive either TCAP or Exchange funds, in whole or in part, must continue to operate following tax credit program rules, including rent, income and use requirements. All developments seeking ARRA funds must continue to demonstrate compliance with the Low Income Housing Tax Credit Allocation Plan ("Allocation Plan") for the year in which they received an award of tax credits including the Threshold and Selection Criteria for the year in which an award was made. The Agency will perform asset management and compliance functions during this period. We will be looking for an adequate levels of commitment of owner funds and such security and reserves to support

project operations for the compliance period (which may entail holding 25% of developers fee or other forms of security). It is our plan to administer all ARRA program funds using similar protocols established for our PennHOMES program, including underwriting, disbursement of funds, technical review and asset management through the term of the project. All TCAP and Exchange fund developments will be subject to an extended use agreement.

**Additionally, funding will be awarded based upon the development's current allocation amount.** The Agency will not accept any modifications by the applicant to the development's construction costs, fees, sources of funds, operating income and expenses, except as directed or approved by the Agency.

### **Processing Deadlines**

To maximize the use of ARRA funds and ensure that they will be expended within the applicable ARRA program time periods, the Agency will accept applications from developments holding a reservation of 2007 or 2008 tax credits on or after June 1, 2009. Developments that receive an award of ARRA funds must demonstrate their ability to achieve a loan closing within 60 days from the ARRA award date. Applications will be considered on a rolling submission basis, subject to availability of funds and demonstration that ARRA timeframes will be met. **Therefore, an application should only be submitted when it is assured that the timeframes can be met.**

It is the Agency's goal to expedite the review time period and make awards within 30 days from the date of application. Applications which are incomplete or do not demonstrate the ability to commence construction with 60 days from the ARRA award date will be returned. Furthermore, developments which receive an ARRA award and are unable to demonstrate the ability to commence construction within this time period will have the award rescinded and must resubmit an application for ARRA funds. The Agency reserves the right to require strict adherence to closing timeframes and established deadlines for all developments to allow it to handle the volume of developments it expects to have.

Additionally, the Agency may recapture an allocation of 2007 or 2008 tax credits from developments which do not receive an award of ARRA funds or which are unable to obtain fully committed financing and equity investment by October 1, 2009.

### **Funding Priorities**

- 1 Developments currently holding an allocation of 2007 or 2008 tax credits.
- 2 Developments that have submitted a request for 2009 tax credits pursuant to the 2009 Amended Allocation Plan.
- 3 Developments requesting an allocation of tax-exempt volume cap from the Agency and using 4% tax credits. (Acquisition costs may not exceed 30% of the total development costs.)

## **Selection Criteria**

Priority will be given to projects which can meet the applicable federal requirements as part of the original underwriting and application process. For instance, projects assisted with TCAP funds must demonstrate compliance with a number of federal requirements including Section 504 rehabilitation standards, Davis Bacon wage rates and NEPA environmental clearances. Properties which reflect compliance with all applicable federal requirements without amending their original application or financing plan may be prioritized by PHFA in its selection.

Additionally, property owners must make a good faith effort to secure equity investors, and priority will be given to properties which can demonstrate that they have met this federal requirement.

Finally, and of crucial note, in keeping with the goals of the stimulus program, funding will be given to those developments which demonstrate they are able to commence construction within 60 days from the award date. Documentation evidencing the ability to proceed must be submitted with the application and developments will be selected based upon the status of the following selection criteria (refer to ARRA Application Guidelines and Submission Requirements for specific documentation requirements).

- Site Ownership
- Site Plan Approval (including zoning and land use)
- Architectural and Construction related documents (including final construction budget based Davis-Bacon wage rates, if applicable)
- Commitment of all sources of Project funding.
- Building Permits
- Evidence of equity investment or failure to secure equity investment
- Status of federal clearances including environmental reviews, if applicable
- Evidence of the ability to complete construction within the ARRA program timeframes
- Completeness of application

Applications must contain specific timelines and documents for receipt of any funding, land use or investment approvals.

## **ARRA Reporting Requirements**

Utilization of ARRA funding in a financing plan will subject the development to the reporting of additional project information, as applicable to the TCAP and Exchange funds, including jobs data (construction and non-construction jobs created and retained). Additional requirements and guidance from HUD and Treasury will be issued in the future, and such supplemental instructions and guidance will be applicable to a development and incorporated by reference when and as issued. The Agency will use its best efforts to provide such additional guidance to each owner in the form of an addendum to a funding agreement or guidance on its website. Such guidance may address, among other things, such items as recordkeeping, reporting, data collection, expenditure and accounting requirements, and additional federal grant and program requirements.

## **Application Requirements**

Beginning on June 1, 2009, the Agency will accept applications, subject to availability of funds. For a development to be considered for an award of ARRA funds, the entire application package, including all exhibits and the application fee of \$1,000 must be received by the Agency. Applications may not be submitted to the Agency by fax or e-mail.

Additionally, it is suggested that prior to submission of an application for ARRA funds, applicants should check the Agency website, [www.phfa.org](http://www.phfa.org) for program updates and amendments.



**PENNSYLVANIA HOUSING FINANCE AGENCY**  
**APPLICATION PACKAGE**  
**AMERICAN RECOVERY AND REINVESTMENT ACT FUNDS**

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**INCLUDED:**

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1. ARRA Implementation Plan
2. ARRA Program Guidelines
3. Submission Requirements
4. National Environmental Policy Act Notice
5. TCAP Federal Requirements
6. Application

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PLEASE BE ADVISED THAT THESE GUIDELINES AND APPLICATION HAVE NOT BEEN FORMALLY ACCEPTED BY HUD YET FOR USE IN TCAP AND THE AGENCY MAY MAKE ANY CHANGES AS MAY BE NECESSARY AFTER RECEIPT OF THEIR REVIEW EVALUATION OR ANY ADDITIONAL GUIDANCE FROM HUD OR TREASURY.

# ARRA PROGRAM GUIDELINES

AS OF MAY 15, 2009

## **APPLICATION REQUIREMENTS**

In keeping with the goals of the stimulus program, funding will be given to those developments which demonstrate they are able to commence construction within 60 days from the award date. Documentation evidencing the ability to proceed must be submitted with the application and developments will be selected based upon the status of the selection criteria.

Beginning on June 1, 2009, the Agency will accept applications, subject to availability of funds. For a development to be considered for an award of ARRA funds, the entire application package, including all exhibits, and the application fee of \$1,000 must be received by the Agency. Applications may not be submitted to the Agency by fax or e-mail.

Additionally, it is suggested that prior to submission of an application for ARRA funds, applicants should check the Agency website, [www.phfa.org](http://www.phfa.org) for program updates and amendments.

An Application, once received by the Agency, may not be altered, amended or modified. If a discrepancy is found in an Application during the review process, the applicant may be given five business days to respond to the request for clarification. An omission from the Application Checklist will result in the immediate rejection of the Application. Additionally, developments that do not provide evidence of the ability to commence construction within the requisite time period, in the Agency's sole discretion, will be returned.

**The Agency will make a determination of which resource (TCAP or Exchange Funds) may be available to each individual development in its discretion based on the availability of funds, the attributes of the development, the amount of assistance needed to complete the development and demonstrated ability of the development to meet all constraints of the funding timeframes.**

## **UNDERWRITING CRITERIA**

**For all developments**, the following underwriting requirements are applicable:

**Funding Amount:** Funds may be provided in an amount sufficient to make the project financially feasible by the Agency, in its sole discretion. This amount will be based upon the development's current tax credit allocation (including additional tax credits) as amended or supplemented by documentation submitted to the Agency prior to the date of issuance of the ARRA Implementation Plan. TCAP funds will be provided by the Agency in the form of a non-interest bearing deferred loan with a 30 year term. The loan will be non-recourse debt.

Recipients will be required to execute certain funding documents securing the repayment of funds. The Agency anticipates making the documents available on its website, [www.phfa.org](http://www.phfa.org). Please be advised that the agreements will be non-negotiable.

**ARRA Application Fee:** All applications must remit a processing fee of \$1,000 with the application.

**Construction Monitoring Fee:** \$500/month during the construction period.

**Commitment Fee:** Upon receipt of an award of ARRA funds, applicants must remit a Commitment Fee in the amount of \$10,000 within 2 weeks of the ARRA Award Date. Developments which are unable to evidence the ability to close the loan within 60 days of the ARRA Award Date will have the award rescinded and the fee forfeited. An additional Commitment Fee must be remitted for any subsequent award of funds. This fee is in addition to any fees due the Agency for an award of 2009 tax credits through either a reservation or reallocation of a previous years' tax credit authority. Applicants receiving an award of 2009 tax credits or ARRA funds must remit a fee equal to 6% of the tax credits for which the project would have been eligible to receive in lieu of an award of ARRA funds.

**Asset Management and Compliance Monitoring Fee:** \$800.00 per unit deposited as an upfront fee.

**For developments without an equity investor,** the following underwriting guidelines are also applicable:

**Developers Fee:** An amount equal to the amount listed as approved Developers Fee in the last allocation award to be disbursed as follows:

25% at initial loan closing;  
25% at construction completion, as approved by PHFA;  
25% upon qualified occupancy for 95% of the units; and  
25% upon achievement of 2 years of continued (1) 95% occupancy, (2) positive cash flow and (3) no findings of non-compliance or ten (10) years from occupancy whichever is earlier.

**The Agency may require additional retention of the Developer's fee or deposit of additional security in a pledged account, or financial guaranty from a qualified guarantor to ensure fiscal and physical compliance with the long term affordability period for developments in its discretion. Such additional retention or security, in the form of unpaid developers fee, letter of credit, cash reserves, or guaranties will be determined by Agency in its sole discretion.**

**Development Reserves:**

**Operating Reserve:** an amount deposited with the Agency to cover 4-9 months of operations.

**Transformation Reserve:** an amount deposited with the Agency to cover the ACC subsidy for a period not to exceed 12 months.

**Rental Subsidy:** as originally submitted and approved - to be deposited in a pledged escrow account.

**Supportive Services Escrow** – as originally submitted and approved – to be deposited in a pledged escrow account.

**Reserve for Replacements** – The development must demonstrate that it has financial capacity to cover expected maintenance and replacement of capital items during the project term. Said funds shall be deposited on an annual basis with the Agency or an approved third party pledged escrow account.

## **TECHNICAL SERVICES REVIEW AND PAYOUT PROCEDURES**

Through a monthly payout process, PHFA will only disburse funds to reimburse for work completed and will hold retention items in the construction draw process (regardless of who serves as disbursement agent for the overall construction.)

## **ASSET MANAGEMENT REQUIREMENTS**

Developments which receive an award of ARRA funds must follow the reporting requirements set forth in PHFA's Financial Reporting Manual for Agency-Financed Properties and Tax-Credit Properties. Additionally, the Agency will be conducting a review of the physical condition of developments during the compliance period.

## **TAX CREDIT COMPLIANCE REQUIREMENTS**

Developments which receive an award of ARRA funds must adhere to the rent, income and use restrictions set forth in Section 42 of the Internal Revenue of 1986, as amended. The reporting requirements for the tax credit program are set forth in the Property Operations Manual for PennHOMES and Tax Credit properties and the Low Income Housing Tax Credit Compliance Manual.

## **ARRA REPORTING REQUIREMENTS**

In addition to asset management and tax credit compliance reporting requirements, utilization of ARRA funding in a development financing plan will subject the ARRA reporting of additional project information as applicable to the TCAP and Exchange funds including jobs data (construction and non-construction jobs created and retained). Additional requirements and guidance from HUD, Treasury and IRS will be issued in the future, and such supplemental instructions and guidance will be applicable to this project and incorporated by reference when and as issued by Treasury and IRS. PHFA will use its best efforts to provide such additional guidance to each owner HUD, in the form of an addendum to this agreement. Such guidance may address, among other things, such items as recordkeeping, reporting, data collection, expenditure and accounting requirements, and additional federal grant and program requirements.

## **RECAPTURE OF FUNDS**

Failure to comply with any of the ARRA program requirements shall be considered by the Agency as an event of noncompliance and may result in the immediate recapture of funds. Such events of default may include, but shall not be limited to:

- Failure to construct the development in accordance with the plans and specifications.
- Failure to maintain the development as affordable rental housing in accordance with Section 42.
- Failure to abide by any of the federal requirements set forth in the addendum.

Remedies may include, without limitation,

- Immediate recapture of funds not expended and termination of funding commitment
- Enforcement of guarantees
- Removal of Management Agent
- Removal of General Partner
- Debarment from Agency programs

In addition, failure to comply with all applicable requirements relating to TCAP and Exchange funds may trigger recapture and any debt determined to be subject to recapture will be a debt owed to the United States payable to the General Fund of the Treasury and enforceable by all available means against any assets of the property owner.

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## **SUBMISSION REQUIREMENTS FOR APPLICATIONS SEEKING ARRA FUNDS**

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Applicants with a current allocation of Tax Credits submitting an Application for funds from either the Tax Credit Assistance Program (“TCAP”) or Tax Credit Exchange Program (“Exchange Funds”) through the American Recovery and Reinvestment Act (“ARRA”) must submit the following exhibits to update and supplement their existing Application.

Developments that are “shovel ready” except for their ability to secure an equity investor or find investment dollars sufficient to fully fund the development costs will receive priority. The Agency will be evaluating your application using similar protocols established for our PennHOMES program, including underwriting, asset management and compliance monitoring as may be modified or amended to meet any supplemental instructions or guidance issued by HUD, Treasury, or IRS applicable to our developments. Additionally, funding will be awarded based upon the development’s current allocation amount. The Agency will not accept any modifications by the applicant to the development’s construction costs, fees, sources of funds, operating income and expenses, except as directed by the Agency to meet the underwriting guidelines as outlined in the ARRA Implementation Plan.

In accordance with the ARRA Implementation Plan, developments must continue to meet the requirements of the Qualified Allocation Plan for the year in which the Tax Credit award was made. ARRA funds will be made available to developments which have not changed any selection criteria or made any unapproved modifications to the development from the initial Application. Applicants may contact either the Development Officer or Tax Credit Officer who originally reviewed the Application for this information. Developments which receive TCAP or Exchange funds, in whole or in part, must continue to operate following tax credit program rules, including rent, income and use requirements.

Also, developments that receive an award of funds must be in a position to achieve a loan closing within 60 days from the award date. Developments unable to meet these requirements will have the award rescinded. Due to the ARRA fund constraints, the Agency anticipates that a number of developments will be processed in a limited time period. Applicants will be expected to submit items for closing 10 days in advance of the scheduled closing date. Failure to meet this deadline will result in the rescheduling of the closing date which may have an adverse affect on the development’s ability to qualify for an award of ARRA funds, or may result in the recapture of ARRA funds. Furthermore, applicants are reminded that they must meet the 10% test by October 1, 2009 if they will be utilizing 2008 tax credits as part of the financing plans. Failure to meet this deadline will result in the recapture of the tax credits. The Agency may use the determination that a project met it’s 10% test as demonstration of their readiness to close.

**APPLICATION CHECKLIST:**

- Tab A Development Synopsis: Provide an explanation of the circumstances leading to the need for TCAP or Exchange Funds, and how the development will achieve a closing within 60 days of an award by the Agency. Include a timeline of the events occurring since the initial Tax Credit award up to the projected closing date.
- Tab B Multifamily Housing Application Update: Provide a fully completed and executed application update. As indicated above, the Agency will be evaluating requests for ARRA funds based on the initial documentation submitted to the Agency.
- Tab C Construction Documents: Provide the following items, unless already submitted:
- 90%-100% completed drawings (2 copies)
  - 90%-100% completed specifications, with Davis Bacon wage rates, if applicable (2 copies)
  - Executed Architectural Contract – AIA Document B141 or B101
  - Construction Contract - AIA Document A101 (draft if not executed)
- Tab D Site Plan Approval (including zoning and land use): Submit a copy of the final land development plan, fully approved and executed by all required parties.
- Tab E Building Permit(s): Submit a copy of the Building Permit(s) or in lieu, a letter from the municipality stating all requirements have been met and the building permit(s) can be pulled at any time. If neither can be provided, submit a letter from the municipality outlining all outstanding requirements, and providing an estimate of how soon the building permit(s) can be issued.
- Tab F Clearances: Provide the status of any and all Federal Clearances including environmental reviews, State Historic Preservation Office (SHPO) correspondence and/or approvals and include the following:
- Phase I environmental site assessment
  - Phase II environmental site assessment (if recommended in the Phase 1 report)
  - Lead based paint testing results (if renovating an existing building built before 1978)
  - State Historic Preservation Office (SHPO) letter
  - Part 2 historic approval
- Tab G Site Ownership: Provide a copy of the recorded deed or executed lease evidencing ownership by the final ownership entity as shown in the initial Tax Credit Application, or current document evidencing site control (i.e. Agreement of Sale, etc.) which demonstrates that the property will be conveyed within the requisite ARRA Program timeframes.

- Tab H Construction and Permanent Financing: Submit either executed Notes or Financing Commitment Letters for all sources of financing including credit enhancement. Commitment Letters must be current, clearly demonstrate a commitment, evidence any and all closing conditions, and include a timeline for a closing.
- Tab I Bridge Loan Financing: Submit either executed Note or Financing Commitment Letter. Commitment Letters must be current, clearly demonstrate a commitment, evidence any and all closing conditions, and include a timeline for a closing.
- Tab J Equity Investment: Submit either a current letter from the Syndicator or Investor evidencing the equity investment. If you have not been able to secure an investor, provide a minimum of two letters evidencing a lack of interest or inability to provide equity at terms that are sufficient to make the development financially feasible. Additionally please include a narrative which identifies potential investors proffering unacceptable offers, and why specific terms and conditions were detrimental to the project's feasibility. In the event you did not receive written responses to your solicitations for equity, please provide a signed certification describing the steps taken to secure an equity investment and describing the issues inhibiting investor interest including copies of any correspondence evidencing same. The Agency reserves the right to corroborate the facts, and may request additional information from the applicant and/or potential investors. The Agency shall determine if an applicant has met the federal good faith test. ANY MISREPRESENTATION BY APPLICANT SHALL DRAW MAXIMUM PENALTIES UNDER PROGRAM REGULATIONS.
- Tab K Preservation Developments: For projects which require HUD or other Regulatory Agency approval to achieve a loan closing, please provide evidence of submission to the Regulatory Agency prior to the date of the ARRA application and evidence documenting a loan closing will be achieved within the requisite ARRA Program timeframes.

In addition to each of the above submission requirements, the Agency reserves the right to require additional information or certifications.

PLEASE BE ADVISED THAT THESE GUIDELINES AND APPLICATION HAVE NOT BEEN FORMALLY ACCEPTED BY HUD YET FOR USE IN TCAP AND THE AGENCY MAY MAKE ANY CHANGES AS MAY BE NECESSARY AFTER RECEIPT OF THEIR REVIEW EVALUATION OR ANY ADDITIONAL GUIDANCE FROM HUD OR TREASURY.

### **National Environmental Policy Act (NEPA) Notice**

**Please be advised that the Agency will make a determination of which ARRA resource may be available to the development in its discretion based on the availability of funds, the attributes of the development, the amount of assistance needed to complete the development and demonstrated ability of the development to meet all constraints of the funding timeframes. Receipt of Tax Credit Assistance Program (TCAP) funds triggers compliance with the National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. 4321), NEPA related laws and authorities, and the implementing regulations (24 CFR part 58) prior to the commitment or expenditure of the TCAP funds. It is essential that you as the applicant are familiar with and understand NEPA requirements and the significant impact that the timing of certain decisions or actions may have on the Agency's ability to award TCAP funds. Further guidance on compliance with NEPA can be found on the Department of Housing and Urban Development website at <http://www.hud.gov/offices/cpd/environment/review/>.**

The federal environmental laws, regulations and requirements apply to a TCAP project as of the date of the owner's application for TCAP funds. After the TCAP application date, TCAP or any other funds can not be committed to the project before the federal environmental review has been completed and the "Authority to Use Grant Funds" (**HUD 7015.16**) or equivalent letter has been executed. The owner must stop all work that is not being undertaken in accordance with an existing legally-binding contract, until the federal environmental review is complete and the "Authority to Use Grant Funds" (**HUD 7015.16**) or equivalent letter has been executed.

As of the date of the owner's application for TCAP funds, the owner and its contractors are prohibited from undertaking any project "choice-limiting" activity until after the completion of the federal environmental review and the execution of the "Authority to Use Grant Funds" (**HUD 7015.16**) or equivalent letter. This includes *any activity* that will result in a physical change to the property including property acquisition, demolition, movement, rehabilitation, conversion, repair, construction, and leasing or disposition. *Performing a choice-limiting action may disqualify a project from receiving any federal TCAP funds.*

If work is already underway on a project in accordance with a pre-existing legally binding contract before the federal environmental review is completed and the "Authority to Use Grant Funds" (**HUD 7015.16**) or equivalent letter has been executed, project owners proceed *at their own risk* with activities that are authorized by pre-existing legally-binding contracts. *Projects that fail to successfully complete the federal environmental review process are ineligible for TCAP funding.*

If a federal environmental review has already been completed because the project has been previously awarded other HUD funds (such as NAHASDA, HOME or CDBG) and the Responsible Entity for the federal environmental assessment has not changed *and* neither the project nor the environmental conditions have changed since the completion of the previous federal environmental review and execution of the "Authority to Use Grant Funds" (**HUD 7015.16**) or equivalent letter, then no new environmental review and "Request for Release of Funds and Certification" (form HUD **7015.15**) are required. **See 24 CFR 58.35(b)(7)** "Categorical Exclusions". The only requirement is that the Responsible Entity must make a determination that no additional federal environmental

review is required and record this determination in the environmental review record for that project.

If the Responsible Entity has changed, a new federal environmental review, "Request for Release of Funds and Certification" (form **HUD 7015.15**) and execution of the "Authority to Use Grant Funds" (**HUD 7015.16**) or equivalent letter are required. This means that even if you have a clearance from a local government entity, you may need to resubmit all necessary documents and undergo a supplemental review/clearance process. An exception may be made for environmental reviews completed by HUD.

Once the environmental review is complete, a combined Notice of Finding of No Significant Impact and Notice of Intent to Request Release of Funds (FONSI/RROF) will be published and/or posted. Following a 15 day public comment period, a "Request for Release of Funds and Certification" (HUD 7015.15) will be sent to HUD. HUD will then have a 15 day review period to accept comments. The environmental review process will be complete once HUD has issued the "Authority to Use Grant Funds" (HUD 7015.16).

Following is federal guidance provided by HUD (Notice CPD-09-03) issued May 4, 2009, which outlines certain federal requirements which must be complied with by each property owner who receives assistance under the Tax Credit Assistance Program ("TCAP") authorized by the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) (the "Recovery Act") Additional requirements and guidance from HUD will be issued in the future, and such supplemental instructions and guidance will be applicable to this project and incorporated by reference when and as issued by HUD. PHFA will use its best efforts to provide such additional guidance to each owner in the form of an addendum to this agreement. Such guidance may address, among other things, such items as recordkeeping, reporting, data collection, expenditure and accounting requirements, and additional federal grant and program requirements.

## **FEDERAL GRANT REQUIREMENTS**

TCAP funds are federal financial assistance and, therefore, are subject to requirements applicable to such funds. Property Owners receiving TCAP must comply with the following federal requirements:

- **Fair Housing Act** (42 U.S.C. 3601-19) and implementing regulations at 24 CFR Part 100 and the regulations at 24 CFR Part 107 (Equal Opportunity in Housing).
- **Title VI of the Civil Rights Act of 1964** (42 U.S.C. 2000(d)) (Nondiscrimination in Federally Assisted Programs) and implementing regulations at 24 CFR Part 1.
- **The Age Discrimination Act of 1975** (42 U.S.C. 6101-07) and implementing regulations at 24 CFR Part 146 "Nondiscrimination on the Basis of Age in HUD Programs or Activities Receiving Federal Financial Assistance."
- **Affirmatively Furthering Fair Housing**

HUD has responsibility to affirmatively further fair housing in the programs it administers. To meet this obligation, PHFA must establish an affirmative fair housing marketing plan for its TCAP projects and require project owners to follow its plan when marketing TCAP units. Affirmative marketing steps consist of actions to provide information and otherwise attract eligible persons in the housing market to the available housing without regard to race, color, national origin, sex, religion, familial status or disability. The affirmative marketing requirements and procedures adopted must include:

- . Methods for informing the public, owners and potential tenants about Federal fair housing laws and the grantee's affirmative marketing policy;
- . Requirements and practices each owner must adhere to in order to carry out the grantee's affirmative marketing procedures and requirements;
- . Procedures to be used by owners to inform and solicit applications from persons in the housing market areas that are not likely to apply for the housing without special outreach. Special outreach, as appropriate, includes but is not limited to, the translation of marketing material for

persons who are limited English proficient; the placement of translated marketing material in minority owned media; and the provision of meaningful access concerning the residential rental project (e.g. providing translated information about application procedures, tenancy and other project amenities);

- . Records that will be kept describing actions taken by the grantee and by owners to affirmatively market units and records to assess the results of these actions; and
- . A description of how the grantee will annually assess the success of affirmative marketing actions and what corrective actions will be taken where affirmative marketing requirements are not met.

Owners must follow ongoing PHFA guidance regarding reporting and data collection, participation in outreach programs and use of ongoing tools such as the apartment locator and related programs for expansion of housing and employment opportunities in furtherance of fair housing.

- **Section 504 of the Rehabilitation Act of 1973** (29 U.S.C. 794) and implementing regulations at 24 CFR Part 8 “Nondiscrimination Based on Handicap in Federally Assisted Programs and Activities of the Department of Housing and Urban Development.”

Section 504 of the Rehabilitation Act of 1973 applies to all TCAP projects. For new construction projects and projects undergoing substantial rehabilitation, five percent of the units must be accessible to persons with mobility impairments and two percent of the units must be accessible to persons with hearing or vision impairments. (See 24 CFR 8.22.) Substantial rehabilitation for a multifamily rental project is defined in Section 24 CFR 8.23 as a project with 15 or more units for which the alterations would equal more than 75 percent of the replacement cost for the facility.

Modifications to projects to comply with Section 504 requirements are eligible costs under TCAP. However, compliance with Section 504 requirements may be infeasible or impracticable for some projects, depending on where they are in the development process. If a new construction or substantial rehabilitation project is underway or has already been completed, and it cannot be modified to meet the accessibility requirements established by Section 504, it is ineligible to receive TCAP assistance.

For projects in which the rehabilitation would not be considered substantial, the Section 504 provisions are applicable only to the maximum extent feasible, i.e., not required if it would impose undue financial and administrative burden. See 24 CFR 8.23.

- **National Environmental Policy Act and Related Laws** (Environmental review responsibilities) and implementing regulations at 24 CFR Part 58.

The Recovery Act expressly applies section 288 of the HOME statute, which requires the State to assume responsibility for environmental review under the

National Environmental Policy Act (NEPA) of 1969 and related federal environmental authorities and regulations at 24 CFR Part 58 “Environmental Review Procedures for Entities Assuming HUD Environmental Responsibilities.” The “State”, as defined in the HOME program statute (42 USC 12704(2)), means “any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any agency or instrumentality thereof that is established pursuant to legislation and designated by the chief executive officer to act on behalf of the State with regard to the provisions of this Act.” Accordingly, the State is responsible for the environmental review, but the State may designate, if it so chooses, the state housing credit agency to perform the environmental reviews for TCAP projects on behalf of the State. **No TCAP funds may be committed to a project before completion of the environmental review process.**

Once an owner applies for TCAP funds, committing TCAP or any other funds to or undertaking any “choice-limiting” activity prior to successful completion of the environmental clearance review (i.e., HUD approval of the Request for Release of Funds), is prohibited. This includes any activity that will result in a physical change and/or acquisition, including leasing, or disposition of real property. **Performing a choice-limiting action may disqualify a project from receiving any federal funds.**

See 24 CFR Part 58 for general information about environmental review requirements at [http://www.access.gpo.gov/nara/cfr/waisidx\\_04/24cfr58\\_04.html](http://www.access.gpo.gov/nara/cfr/waisidx_04/24cfr58_04.html) or <http://www.hud.gov/offices/cpd/environment/index.cfm>.

If a federal environmental review has already been completed for a project, providing TCAP funds to the project may not require an additional environmental review. For example, if the state housing credit agency or another agency or department of the State performed an earlier environmental clearance for HUD assistance on the project that is now receiving TCAP assistance from the state, and neither the project nor the environmental conditions have changed since the previous review, then no new environmental clearance is required. See 24 CFR 58.35(b)(7).

- **The Lead-Based Paint Poisoning Prevention Act and the Residential Lead-Based Paint Hazard Reduction Act of 1992** and implementing regulations at 24 CFR Part 35 are applicable to housing that receives Federal assistance.

Additional guidance on the applicability of these requirements to TCAP projects will be forthcoming and will be applicable as of the date hereof.

- **Davis-Bacon Prevailing Wages** Under section 1606 of Division A of the American Recovery and Reinvestment Act of 2009, contractors and subcontractors hired with Recovery Act funds are required to pay prevailing wages to laborers and mechanics in compliance with the Davis-Bacon Act. In the case of projects already under construction, it may be possible to obtain a determination, under 29 CFR 1.6(g), that Davis-Bacon requirements apply prospectively to the construction project, as of the date of the TCAP award.

- **“Anti-Lobbying” Restrictions** (Restrictions on lobbying in 31 USC 1352 and implementing regulations at 24 CFR Part 87 “New Restrictions on Lobbying”.) This statute prohibits the use of funds appropriated by any act by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with covered Federal action.
- **The Drug-Free Workplace Act of 1988** (41 U.S.C. 701 et seq., as implemented at 24 CFR Part 21 “Government-Wide Requirements for Drug-Free Workplace (Grants)”.) This statute prohibits the receipt of a grant from any Federal agency unless the recipient agrees to provide and certify to a drug-free workplace.
  - 2 CFR Part 2424 “Non-procurement Debarment and Suspension.”

PENNSYLVANIA HOUSING FINANCE AGENCY (ARRA APPLICATION)

The Agency will be evaluating requests for ARRA funds based on the initial and subsequent submitted documentation approved by the Agency plus any updated information provided below

**Note: The information requested is based on ARRA requirements and some questions may differ from PHFA's Multifamily Housing Application. Special attention should be given to each and every response.**

Date of Application: \_\_\_\_\_ Tax Credit Number: \_\_\_\_\_

**A. DEVELOPMENT NAME AND ADDRESS:**

Development Name: \_\_\_\_\_

Site Address(es): \_\_\_\_\_

City: \_\_\_\_\_ Zip: \_\_\_\_\_  
(If more than one building, list each separate property address. Use separate sheet, if

Municipality: \_\_\_\_\_ County: \_\_\_\_\_

Census Tract No.: \_\_\_\_\_ Census Block No.: \_\_\_\_\_ Region No.: \_\_\_\_\_

**B. APPLICANT INFORMATION**

Applicant/Developer: \_\_\_\_\_

(FIRM)

(CONTACT PERSON)

(STREET)

(CITY, STATE, AND ZIP)

(PHONE NUMBER)

(FAX NUMBER)

(E-MAIL ADDRESS)

(TAX IDENTIFICATION NUMBER, IF AVAILABLE)

WBE     MBE     WMBE     DBE  
 Sect. 3     SERB     Non Profit     CHDO

Is the Applicant related to or have substantial financial interest in any other party involved in the development?

Yes     No

If yes, Party \_\_\_\_\_  
Relationship \_\_\_\_\_

This development will create \_\_\_\_\_ new jobs for the Applicant  
This development will retain \_\_\_\_\_ jobs for the Applicant

**PENNSYLVANIA HOUSING FINANCE AGENCY (ARRA APPLICATION)**

Co-Applicant: \_\_\_\_\_  
 \_\_\_\_\_ (FIRM)  
 \_\_\_\_\_ (CONTACT PERSON)  
 \_\_\_\_\_ (STREET)  
 \_\_\_\_\_ (CITY, STATE, AND ZIP)  
 \_\_\_\_\_ (PHONE NUMBER)      \_\_\_\_\_ (FAX NUMBER)      \_\_\_\_\_ (E-MAIL ADDRESS)  
 \_\_\_\_\_ (TAX IDENTIFICATION NUMBER, IF AVAILABLE)

WBE     MBE     WMBE     DBE  
 Sect. 3     SERB     Non Profit     CHDO

Is the Applicant related to or have substantial financial interest in any other party involved in the development?  
 Yes     No

If yes,    Party \_\_\_\_\_  
 Relationship \_\_\_\_\_

This development will create \_\_\_\_\_ new jobs for the Co-Applicant  
 This development will retain \_\_\_\_\_ jobs for the Co-Applicant

**Since the date of the initial application have you, or any principals in your organization, ever had a financial interest in real estate that:**

1. Was foreclosed upon? \_\_\_ Yes    \_\_\_ No
2. Was assigned to the lender (or Nominee) or to FHA? \_\_\_ Yes    \_\_\_ No  
 If "yes", was the subject of a forbearance, restructuring or other deferment arrangement with FHA or any mortgagee in lieu of foreclosure? \_\_\_ Yes    \_\_\_ No
3. Filed for bankruptcy protection? \_\_\_ Yes    \_\_\_ No
4. Materially defaulted in an obligation in any state or FHA? \_\_\_ Yes    \_\_\_ No
5. Are you or any of the applicants or general partners currently under investigation by any local, state or federal agency? \_\_\_ Yes    \_\_\_ No
6. Are you or any of the applicants or general partners currently debarred or suspended by HUD? \_\_\_ Yes    \_\_\_ No

If the answer to any of the above is "yes", please explain on a separate sheet.

PENNSYLVANIA HOUSING FINANCE AGENCY (ARRA APPLICATION)

**C. OWNERSHIP INFORMATION:**

**Ownership Entity:** \_\_\_\_\_  
 (IF CURRENTLY EXISTS) (FIRM)

\_\_\_\_\_  
 (CONTACT PERSON)

\_\_\_\_\_  
 (STREET)

\_\_\_\_\_  
 (CITY, STATE, AND ZIP)

\_\_\_\_\_  
 (PHONE NUMBER)      \_\_\_\_\_  
 (FAX NUMBER)      \_\_\_\_\_  
 \_\_\_\_\_  
 (E-MAIL ADDRESS)

\_\_\_\_\_  
 (TAX IDENTIFICATION NUMBER)

<input type="checkbox"/> WBE	<input type="checkbox"/> General Partnership	<input type="checkbox"/> Entity Currently Exists
<input type="checkbox"/> MBE	<input type="checkbox"/> Limited Partnership	<input type="checkbox"/> Entity to be formed
<input type="checkbox"/> DBE	<input type="checkbox"/> Corporation	<input type="checkbox"/> Estimated Filing Date
<input type="checkbox"/> MWBE	<input type="checkbox"/> Individual	_____
<input type="checkbox"/> SERB	<input type="checkbox"/> CHDO	
<input type="checkbox"/> Nonprofit	<input type="checkbox"/> Section 3	

List all General Partners of Ownership Entity. (Attach additional sheet, if necessary.)

**Managing General** \_\_\_\_\_  
 (FIRM)

\_\_\_\_\_  
 (CONTACT PERSON)

\_\_\_\_\_  
 (PHONE NUMBER)      \_\_\_\_\_  
 (FAX NUMBER)      \_\_\_\_\_  
 \_\_\_\_\_  
 (E-MAIL ADDRESS)

\_\_\_\_\_  
 (PERCENT OF OWNERSHIP)      \_\_\_\_\_  
 (TAX IDENTIFICATION NUMBER, IF AVAILABLE)

**General Partner:** \_\_\_\_\_  
 (FIRM)

\_\_\_\_\_  
 (CONTACT PERSON)

\_\_\_\_\_  
 (STREET)

\_\_\_\_\_  
 (CITY, STATE, AND ZIP)

\_\_\_\_\_  
 (PHONE NUMBER)      \_\_\_\_\_  
 (FAX NUMBER)      \_\_\_\_\_  
 \_\_\_\_\_  
 (E-MAIL ADDRESS)

\_\_\_\_\_  
 (PERCENT OF OWNERSHIP)      \_\_\_\_\_  
 (TAX IDENTIFICATION NUMBER, IF AVAILABLE)

**General Partner:** \_\_\_\_\_  
 (FIRM)

\_\_\_\_\_  
 (CONTACT PERSON)

\_\_\_\_\_  
 (STREET)

\_\_\_\_\_  
 (CITY, STATE, AND ZIP)

\_\_\_\_\_  
 (PHONE NUMBER)      \_\_\_\_\_  
 (FAX NUMBER)      \_\_\_\_\_  
 \_\_\_\_\_  
 (E-MAIL ADDRESS)

\_\_\_\_\_  
 (PERCENT OF OWNERSHIP)      \_\_\_\_\_  
 (TAX IDENTIFICATION NUMBER, IF AVAILABLE)

PENNSYLVANIA HOUSING FINANCE AGENCY (ARRA APPLICATION)

Design Architect:

\_\_\_\_\_  
(FIRM)

\_\_\_\_\_  
(CONTACT PERSON)

\_\_\_\_\_  
(STREET)

\_\_\_\_\_  
(CITY, STATE, AND ZIP)

\_\_\_\_\_  
(PHONE NUMBER)      \_\_\_\_\_  
(FAX NUMBER)      \_\_\_\_\_  
(E-MAIL ADDRESS)

\_\_\_\_\_  
(TAX IDENTIFICATION NUMBER)

\_\_\_ MWBE \_\_\_ WBE \_\_\_ MBE \_\_\_ DBE \_\_\_ Section 3 \_\_\_ SERB

Contract awarded at date of application? \_\_\_ Yes \_\_\_ No  
Are you required to bid? \_\_\_ Yes \_\_\_ No

Is the Design Architect related to or have substantial financial interest in any other  
\_\_\_ Yes \_\_\_ No

If yes, Party \_\_\_\_\_  
Relationship \_\_\_\_\_

This development will create \_\_\_\_\_ new jobs for the Design Architect  
This development will retain \_\_\_\_\_ jobs for the Design Architect

Construction Contract  
Admin. Architect

\_\_\_\_\_  
(FIRM)

\_\_\_\_\_  
(CONTACT PERSON)

\_\_\_\_\_  
(STREET)

\_\_\_\_\_  
(CITY, STATE, AND ZIP)

\_\_\_\_\_  
(PHONE NUMBER)      \_\_\_\_\_  
(FAX NUMBER)      \_\_\_\_\_  
(E-MAIL ADDRESS)

\_\_\_\_\_  
(TAX IDENTIFICATION NUMBER)

\_\_\_ MWBE \_\_\_ WBE \_\_\_ MBE \_\_\_ DBE \_\_\_ Section 3 \_\_\_ SERB

Contract awarded at date of application? \_\_\_ Yes \_\_\_ No  
Are you required to bid? \_\_\_ Yes \_\_\_ No

Is the Construction Contract Architect related to or have substantial financial interest in  
any other party involved in the development?  
\_\_\_ Yes \_\_\_ No

If yes, Party \_\_\_\_\_  
Relationship \_\_\_\_\_

This development will create \_\_\_\_\_ new jobs for the Construction Contract Architect  
This development will retain \_\_\_\_\_ jobs for the Construction Contract Architect

PENNSYLVANIA HOUSING FINANCE AGENCY (ARRA APPLICATION)

**Contractor:** \_\_\_\_\_  
(FIRM)  
\_\_\_\_\_  
(CONTACT PERSON)  
\_\_\_\_\_  
(STREET)  
\_\_\_\_\_  
(CITY, STATE, AND ZIP)  
\_\_\_\_\_  
(PHONE NUMBER) (FAX NUMBER) (E-MAIL ADDRESS)  
\_\_\_\_\_  
(TAX IDENTIFICATION NUMBER)  
\_\_\_ MWBE \_\_\_ WBE \_\_\_ MBE \_\_\_ DBE \_\_\_ Section 3 \_\_\_ SERB  
Contract awarded at date of application? \_\_\_ Yes \_\_\_ No  
Are you required to bid? \_\_\_ Yes \_\_\_ No  
Is the Contractor related to or have substantial financial interest in any other party involved in the development? \_\_\_ Yes \_\_\_ No  
If yes, Party \_\_\_\_\_  
Relationship \_\_\_\_\_  
This development will create \_\_\_\_\_ new jobs for the Contractor  
This development will retain \_\_\_\_\_ jobs for the Contractor

**Management Agent:** \_\_\_\_\_  
(FIRM)  
\_\_\_\_\_  
(CONTACT PERSON)  
\_\_\_\_\_  
(STREET)  
\_\_\_\_\_  
(CITY, STATE, AND ZIP)  
\_\_\_\_\_  
(PHONE NUMBER) (FAX NUMBER) (E-MAIL ADDRESS)  
\_\_\_\_\_  
(TAX IDENTIFICATION NUMBER)  
\_\_\_ MWBE \_\_\_ WBE \_\_\_ MBE \_\_\_ DBE \_\_\_ Section 3 \_\_\_ SERB  
Contract Awarded at date of application \_\_\_ Yes \_\_\_ No  
Are you required to bid? \_\_\_ Yes \_\_\_ No  
Is the Management Agent related to or have substantial financial interest in any other party involved in the development? \_\_\_ Yes \_\_\_ No  
If yes, Party \_\_\_\_\_  
Relationship \_\_\_\_\_  
This development will create \_\_\_\_\_ new jobs for the Management Agent  
This development will retain \_\_\_\_\_ jobs for the Management Agent

PENNSYLVANIA HOUSING FINANCE AGENCY (ARRA APPLICATION)

Attorney: \_\_\_\_\_  
 \_\_\_\_\_ (FIRM)  
 \_\_\_\_\_ (CONTACT PERSON)  
 \_\_\_\_\_ (STREET)  
 \_\_\_\_\_ (CITY, STATE, AND ZIP)  
 \_\_\_\_\_ (PHONE NUMBER) \_\_\_\_\_ (FAX NUMBER) \_\_\_\_\_ (E-MAIL ADDRESS)  
 \_\_\_\_\_ (TAX IDENTIFICATION NUMBER)

MWBE  WBE  MBE  DBE  Section 3  SERB

Contract awarded at date of application?  Yes  No  
 Are you required to bid?  Yes  No

Is the Attorney related to or have substantial financial interest in any other party involved in the development?  Yes  No

If yes, Party \_\_\_\_\_  
 Relationship \_\_\_\_\_

This development will create \_\_\_\_\_ new jobs for the Attorney  
 This development will retain \_\_\_\_\_ jobs for the Attorney

**D. DEVELOPMENT INFORMATION**

**1. Occupancy Status**  Occupied  Vacant

a. If occupied, indicate the number of residential units and/or businesses occupied.  Residential  Commercial

Will the proposed site activity result in temporary or permanent displacement or relocation?  Yes  No  
 Have residents been given relocation benefits or notice?  Yes  No

b. If vacant, has the property been occupied within the last 12 months?  Yes  No  
 If Yes, has a decline in occupancy occurred?  Yes  No  
 If Yes, indicate the reason(s) for the decline.

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**2. Wage Determination (check category)**

Open Shop \_\_\_\_\_  
 Union Shop \_\_\_\_\_  
 Davis Bacon Prevailing Wage:  
 Residential \_\_\_\_\_  
 Commercial \_\_\_\_\_  
 State Prevailing Wage:  
 Residential \_\_\_\_\_  
 Commercial \_\_\_\_\_

PENNSYLVANIA HOUSING FINANCE AGENCY (ARRA APPLICATION)

E. SITE INFORMATION

1. What are the immediately adjacent land uses?

North \_\_\_\_\_  
South \_\_\_\_\_  
East \_\_\_\_\_  
West \_\_\_\_\_

2. Do any environmental hazards exist in or on the property or in the vicinity of the property? \_\_\_ Yes \_\_\_ No

If yes, please check below as applicable and provide a brief explanation.

- \_\_\_ Hazardous Wastes \_\_\_ Asbestos Containing Materials
\_\_\_ Toxic Substances \_\_\_ Lead-Based Paint
\_\_\_ Flammable gas or liquid storage tanks \_\_\_ Former Industrial Use
\_\_\_ Located in an airport runway clear zone (within 15 miles of a private, public or military airport) \_\_\_ Located within 1,000 feet of four lane road railroad tracks (within 3,000 feet)
\_\_\_ Other

3. Has any work been performed to remediate any environmental hazards \_\_\_ Yes \_\_\_ No

If Yes, please complete the following:

Work Completed: \_\_\_\_\_
When: \_\_\_\_\_
By Whom: \_\_\_\_\_

4. Clearances:

a. Has the development received any environmental clearance for a federal environmental assessment \_\_\_ Yes \_\_\_ No

If yes, provide a brief explanation: \_\_\_\_\_

b. Has the development received an approval letter from the State Historic Preservation Office \_\_\_ Yes \_\_\_ No

If no, the development submitted the necessary information requesting approval from SHPO \_\_\_ Yes \_\_\_ No

5. Zoning

- a. Present zoning classification \_\_\_\_\_
b. Is the site properly zoned for the multifamily development? \_\_\_ Yes \_\_\_ No
If no, is the site currently in the process of rezoning? \_\_\_ Yes \_\_\_ No
Is a zoning variance or exception required? \_\_\_ Yes \_\_\_ No
When is the zoning issue to be resolved? \_\_\_\_\_ month \_\_\_\_\_ year

6. Subdivision/Land-Use Approval:

Is subdivision necessary for the development? \_\_\_ Yes \_\_\_ No
If yes, when is subdivision to be completed? \_\_\_\_\_ month \_\_\_\_\_ year
Is a land-use plan approval required? \_\_\_ Yes \_\_\_ No
If yes, when is approval anticipated? \_\_\_\_\_ month \_\_\_\_\_ year
What considerations for site development are being imposed as part of the development? \_\_\_\_\_

(Local approvals may include tap-in requirements, road building, tree planting and other landscaping

PENNSYLVANIA HOUSING FINANCE AGENCY (ARRA APPLICATION)

**7. Demolition**

a. Is the demolition of any building(s) planned?  Yes  No  
If yes, describe.

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b. Has any demolition of an existing building occurred on the site?  Yes  No  
If yes, describe.

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**8. Lead Based Paint Survey**

a. Criteria That Trigger Compliance With 24 CFR Part 35:

- (1.) Were any of the buildings comprising the development constructed prior to January 1, 1978?  Yes  No
- (2.) The development is a rehabilitation, adaptive re-use or renovation of a building constructed before January 1, 1978.  Yes  No
- (3.) The development receives Federal subsidy each year  Yes  No

b. The Development is Exempt From Compliance With 24 CFR Part 35 if:

- (1.) The development does not fall into any of the above criteria.  Yes  No
- (2.) The occupancy of the building will be limited exclusively to persons 62 years of age or older.  Yes  No
- (3.) The occupancy of the building will be limited exclusively to persons with disabilities.  Yes  No
- (4.) The building is for single room occupancy tenants only.  Yes  No
- (5.) The building consists of efficiency apartments only.  Yes  No
- (6.) The building is certified Lead-Free by a Certified Lead-based Paint Inspector (attach a copy of the certification).  Yes  No

Exemptions From 24 CFR Part 35 Are Nullified If:

- (1.) A resident under the age of six (6) occupies a unit. (The occupied unit and all common areas shall comply with the regulations.)
- (2.) The occupancy of the building is changed or will be changed from occupancy by persons at 62 years of age or older to a lower age bracket, (i.e., 55+).

PENNSYLVANIA HOUSING FINANCE AGENCY (ARRA APPLICATION)

**F. SOURCES OF FUNDS**

1 Construction Financing, Bridge Loans, etc.

	<u>Source of Funds (designate Grant or Loan)</u>	<u>Amount</u>	<u>Rate &amp; Term of Loan</u>
a.	_____	\$ -	_____
	(FIRM)		
	_____		
	(CONTACT PERSON & PHONE)		
b.	_____	\$ -	_____
	(FIRM)		
	_____		
	(CONTACT PERSON & PHONE)		
c.	_____	\$ -	_____
	(FIRM)		
	_____		
	(CONTACT PERSON & PHONE)		
d.	_____	\$ -	_____
	(FIRM)		
	_____		
	(CONTACT PERSON & PHONE)		
e.	_____	\$ -	_____
	(FIRM)		
	_____		
	(CONTACT PERSON & PHONE)		
f.	_____	\$ -	_____
	(FIRM)		
	_____		
	(CONTACT PERSON & PHONE)		
g.	_____	\$ -	_____
	(FIRM)		
	_____		
	(CONTACT PERSON & PHONE)		
<b>Total Construction Financing:</b>		<b>\$ -</b>	



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**G. DEVELOPER EQUITY**

Syndication Information (for all developments generating equity through syndication)

Type of Credit	Anticipated Credits	Investment per	Gross Investment
Low Income Housing			
Historic Rehab			
State Enterprise Zone			
Neighbor. Assist. Program			
Total			

**1 Type of syndication offering:**    \_\_\_ Public        \_\_\_ Private        \_\_\_ Other (identify)

If public offering, identify firm.

If private offering, list investors. (Attach added pages as necessary)

\_\_\_\_\_ (FIRM)

\_\_\_\_\_ (CONTACT PERSON)

\_\_\_\_\_ (STREET)

\_\_\_\_\_ (CITY, STATE AND ZIP)

\_\_\_\_\_ (PHONE)                      \_\_\_\_\_ (FAX NUMBER)                      \_\_\_\_\_ (EMAIL ADDRESS)

Is the Investor related to or have substantial financial interest in any other party in the development?

\_\_\_\_\_ Yes        \_\_\_\_\_ No

If yes,    Party \_\_\_\_\_

            Relationship \_\_\_\_\_

**2 Type of investors:**    \_\_\_ Individuals    \_\_\_ Corporation

**3 Syndicator**

\_\_\_\_\_ (FIRM)

\_\_\_\_\_ (CONTACT PERSON)

\_\_\_\_\_ (STREET)

\_\_\_\_\_ (CITY, STATE AND ZIP)

\_\_\_\_\_ (PHONE)                      \_\_\_\_\_ (FAX NUMBER)                      \_\_\_\_\_ (EMAIL ADDRESS)

Is the Investor related to or have substantial financial interest in any other party in the development?

\_\_\_\_\_ Yes        \_\_\_\_\_ No

If yes,    Party \_\_\_\_\_

            Relationship \_\_\_\_\_

PENNSYLVANIA HOUSING FINANCE AGENCY (ARRA APPLICATION)

4 Is bridge loan financing required?  Yes  No

State Terms of Bridge Loan  
Bridge Loan Provider

\_\_\_\_\_

\_\_\_\_\_  
(FIRM)

\_\_\_\_\_  
(CONTACT PERSON)

\_\_\_\_\_  
(STREET)

\_\_\_\_\_  
(CITY, STATE AND ZIP)

\_\_\_\_\_  
(PHONE)

\_\_\_\_\_  
(FAX NUMBER)

\_\_\_\_\_  
(EMAIL ADDRESS)

Is the Investor related to or have substantial financial interest in any other party in the development?

Yes  No

If yes, Party \_\_\_\_\_  
Relationship \_\_\_\_\_

PENNSYLVANIA HOUSING FINANCE AGENCY (ARRA APPLICATION)

The applicant hereby certifies that all representations and documentation provided by the applicant and development team in connection with the development and this Application are, to the best of the applicant's knowledge, information and belief, true, correct, and complete. The applicant covenants to provide accurate and timely information to the Agency and to advise the Agency of any changes in this information, which may include without limitation, a change to the financial sources or structure of financing, replacement of any member of the development team, alteration of the proposed rent and income structures, throughout the application process.

In the event the Agency determines, in its sole discretion, that the applicant or a member of the development team knowingly withheld, misrepresented or fabricated information or documentation submitted to the Agency, the Agency may reject the Application or take other appropriate action.

The applicant hereby certifies that it is in compliance with all applicable program requirements for each development financed or funded by the Agency in which it has a material ownership or participation interest. Additionally, no development in which applicant has an interest as either a general partner or management agent has been reported to the Internal Revenue Service as being out of compliance and continues to be out of compliance with the requirements of the Tax Credit Program except as disclosed to the Agency on the written attachment hereto. (Please provide written description of any uncorrected non-compliance and describe steps taken to address.)

**Additionally, the applicant certifies that the Threshold and Selection Criteria provided in the original application for tax credits remains unchanged. I further certify that if any changes to these items has occurred, resulting in a negative effect on ranking score, the application for ARRA funding will not be considered.**

**In addition, I understand in the event this project is awarded ARRA funding, the Agency intends to impose strict timelines for achieving a loan closing (which may be a period of 60 days from the date of said award.) Failure to meet this requirement will result in the recapture of any and all ARRA funding.**

Furthermore, the Applicant represents that it will furnish promptly such other supporting information and documents as may be requested during tax credit and/or loan processing. The Applicant consents to all program compliance and financial statement investigations and credit bureau inquiries that the Agency deems appropriate. In addition, the Applicant agrees that it will comply with all applicable federal, state and local laws, rules and regulations regarding discrimination, sexual harassment, accessibility and fair housing, and will comply with all other applicable federal, state and local laws, guidelines, rules and regulations. The applicant will promptly disclose any federal or state audits or investigation or inquiries of it while this application is pending.

The applicant agrees that in making decisions, it does not and has not relied on any statement or information supplied by the Agency, but will seek and rely exclusively on its own independent counsel and advisors. By execution of this Application, the applicant understands and agrees that the Agency may conduct its own independent review and analysis of the information contained herein and in the attachments and exhibits hereto, that any such review and analysis will be made for the sole and exclusive benefit of the Agency. All information submitted by the applicant or gathered by the Agency is the sole property of the Agency and may be made public.

The applicant acknowledges and releases, discharges and holds the Agency harmless from any and all actions taken by it in relation to this application and hereby acknowledges that all information submitted or gathered by the Agency in the review of the Application is the sole property of the Agency and may become public information.

WITNESS:

BY:

\_\_\_\_\_  
NAME

\_\_\_\_\_  
APPLICANT / DEVELOPER (TYPE OR PRINT)

\_\_\_\_\_  
DATE

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
TITLE