

## **Commitment Requirements**

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1. Architectural Exhibits and Requirements. Refer to the Agency's "Submission Guide for Architects".
2. Preliminary Owner/Architect Agreement(s): AIA Document B-141 (1987 or 1997 Editions) or B-181 (1994 Editions) and Agency Addendum. Contract(s) must be provided for design and construction contract administration.
3. Structural Report. Refer to the Agency's "Submission Guide for Architects".
4. Soil and foundation investigation report for new construction and building additions.
5. Utility Analysis of development paid utilities prepared by a licensed mechanical engineer with current utility rates attached. (Not applicable on developments 11 units or less)
6. Supporting documentation from the local Housing Authority evidencing the current utility allowances for each unit type. If the utility allowances are determined by an estimate from the utility company, the utility company must provide estimation of usage and rates.
7. An ALTA survey that is signed and sealed by a registered surveyor and a Closure Report. Refer to the Agency's "Submission Guide for Architects".
8. A surveyor's report signed by said surveyor. Refer to the Agency's "Submission Guide for Architects".
9. A legal description of the site based on the survey. Refer to the Agency's "Submission Guide for Architects".
10. State Historic Preservation Office, National Park Service approval of Part II of the application for Historic Rehabilitation Tax Credits, Pennsylvania Historical and Museum Commission and local historic commission reviews and approvals, as applicable.
11. Environmental Phase I.
12. Environmental Phase I follow up reports, If requested by PHFA.
13. Lead Based Paint Certification, Refer to the Agency's "Submission Guide for Architects".
14. Environmental Phase II, Contact PHFA for guidance.
15. Schedule of all municipal tap-in fees, impact fees or other fees, if applicable.
16. Final Construction Cost Estimate based on final contact documents (Agency form) and the wage determination letter. (This letter should confirm the appropriate Davis-Bacon wage rates for CDBG developments with more than 8 units, Section 8 development-based assistance developments with more than 9 units and PJ HOME developments with 12 or more HOME units, if applicable.) A detailed schedule of offsite improvements, if applicable.
17. Preliminary Owner/Contractor Agreement for Construction Services: AIA Documents A-101 and A-201 (1987 Editions); and Agency Addendum.
18. Contract Award Letter, if not previously submitted.
19. Satisfactory evidence of the availability of either 100% payment and performance bonds or an unconditional, irrevocable letter of credit in an amount no less than 25% of the total construction cost from the general contractor. The evidence may be in the form of a letter from the bonding company or bank stating its willingness to provide the necessary instrument in the required amount to the general contractor. If bonds are to be provided, the bonding company must be authorized to write fidelity and surety insurance in the Commonwealth of Pennsylvania and must have at least an "A" rating by Best's Key Rating Guide, or listing in the Federal Register. If a letter of credit is to be provided, the Agency must approve the issuing

- bank. If an identity of interest exists between the developer and the general contractor, an unconditional, irrevocable letter of credit must be obtained, in an amount and form as required by the Agency.
20. Management plan including an outline of continuing efforts to be employed by the owner to outreach within the disability community to ensure marketing of the accessible units (attach a listing of comparable developments currently operated by the management firm with copies of preventive maintenance plans which are in effect). Refer to the Agency's Marketing and Management Manual.
  21. Draft copy of resident lease. Refer to the Agency's Marketing and Management Manual.
  22. Marketing/Tenant Selection Plan. Refer to the Agency's Marketing and Management Manual.
  23. Affirmative Action Plan/Section 3 Utilization Plans including:.(HOME funded developments only)
    - Evidence of compliance with the Equal Opportunity Policy for minority and female participation in multifamily developments.
    - List of minority and female business enterprises (MBE/WBE) on development team, MBE/WBE plan, if applicable.
    - Jobs, training, and contracting opportunities to businesses owned by or employing low and very-low income residents, if applicable.
  24. Fair Housing Marketing Plan (935.2). Refer to the Agency's Marketing and Management Manual.
  25. Section 3 Utilization Plan, Refer to the Agency's Marketing and Management Manual.
  26. Section 504 Self Evaluation Plan.
  27. Income certification of existing tenants.
  28. Intentionally Blank
  29. Insurance quotes: Refer to "Pennsylvania Housing Finance Agency Insurance Requirements During Construction, Permanent and FHA-Insured Construction Loans" and "Pennsylvania Housing Finance Agency, Permanent and FHA-Insured Construction Loans - Insurance Requirements at Construction Completion and For Final Closing" section of the Agency's Marketing and Management Manual. Insurance quotes are not required for developments of 11 units or less.
  30. Real Estate Tax documentation, If not previously submitted.
  31. Operating Budget documentation, If not previously submitted.
  32. Organizational documents, as applicable:
    - Date-stamped copy of Certificate of Limited Partnership (recorded with the Pennsylvania Department of State).
    - Articles of Incorporation for all General Partners, if different from sponsor and not previously submitted.
    - Bylaws for all General Partners if different from sponsor and not previously submitted.
    - 501(c)(3) determination for all General Partners if different from sponsor and not previously submitted, if applicable.
    - CHDO Designation for all General Partners if different from sponsor and not previously submitted, if applicable.
  33. Limited Partnership Agreement incorporating PHFA Limited Partnership Addendum.
  34. Evidence of final zoning.

35. All municipal approvals, including Land Development Plan approval.
36. Evidence of final site control in the name of the Agency's borrower/owner, including a copy of the current deed for each site.
37. Statement of Assurances for compliance with all applicable federal and state laws and regulations.
38. Provide the most recent financial statement of the owner/mortgagor prepared by a certified public accountant covering a period ending within twelve (12) months prior to the commitment date. Audited financial statements are encouraged; however, if an audit is not cost beneficial the Agency may, in its sole discretion, accept un-audited statements. If the owner is a partnership, include the financial statements of each partner owning 20% or more of partnership assets and of those partners guaranteeing payment of any construction cost overruns. (Required for all developments)
39. Provide the most recent financial statement of the general contractor prepared by a certified public accountant covering a period ending within twelve (12) months prior to the commitment date. Audited financial statements are encouraged; however, if an audit is not cost beneficial the Agency may, in its sole discretion, accept unaudited statements. (Required for all developments)
40. Itemization of furnishings included in the capital budget.
41. Itemization of rent-up costs included in the capital budget.
42. Relocation Documentation:
  - Evidence of compliance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) and Section 104(d) of the Housing and Community Development Act of 1974, as amended, if applicable.
  - Residential/Non-residential Anti-Displacement and Relocation Assistance Plan and appropriate tenant relocation notices.
  - Income certification of all existing tenants using methodology applicable under the Federal Low-Income Housing Tax Credit Program.
43. Owners Certification of Contract Awards, Refer to the PHFA Commitment Processing Manual.
44. MBE/WBE/Section 3 Solicitation and Commitment Statement.
45. RFP Evaluation Checklist, Refer to the PHFA Commitment Processing Manual.
46. Evaluation of Bid Responses, Refer to the PHFA Commitment Processing Manual.
47. Section 3 and MBE/WBE Utilization Report.
48. Section 3 Employment & Training Report.
49. E.O. 11246 Certification.
50. Debarred and suspended contractor certification language must be included in all contracts, if applicable.
51. Contact/Solicitation & Commitment Statement, Refer to the PHFA Commitment Processing Manual.
52. Section 3 Workforce/Training Needs Table, Refer to the PHFA Commitment Processing Manual.
53. Supplemental Rental Housing Set Up Report
54. Supplemental Rental Housing Completion Report
55. Commitment letters outlining terms, conditions and contingencies for all permanent funding sources. Each letter must be from the lender to the Agency's borrower/owner and include the interest rate, loan term, security and repayment terms.

56. Detailed schedule of all letters-of-credits to be posted by the borrower/owner including letters of credit for reserves, construction contingency, and owner's equity, if applicable.
57. Commitment letters outlining terms, conditions and contingencies for all bridge loan funding sources. Each letter must be from the lender to the Agency's borrower/owner and include the interest rate, loan term, security and repayment terms.
58. Copy of syndication commitment confirming terms and conditions of the equity contribution including:
  - A statement that the investor has completed its due diligence.
  - A statement that the investment has been approved by the investor's finance, loan, or investment committee.
  - Confirmation that the funds are available to purchase tax credits.
  - A statement confirming that the development can close within 60 days from the Agency's loan commitment.
  - A statement confirming that the investor reviewed the Agency's financial spreadsheet to approve the equity investment
  - The investment pay-in schedule, reserve requirements and partnership management fees.
59. Agreement to Enter into Housing Assistance Payment Contract, if applicable. Completed subsidy layering review, if not prepared by the Agency, and certification of total financing sources, if applicable.
60. Commitment Checklist (due within 10 business days from date of Commitment Processing meeting).
61. Credit Report, PHFA will order, if necessary.
62. HUD-2530, Previous Participation Certificate from the following, if applicable: Sponsors and owners, General contractor, Management agent, Packagers and/or consultants, Architects and attorneys who have any interest in the development other than an arms-length fee arrangement for services, Limited partners with more than a 25% interest in the partnership. (HUD funded developments only)