

**Notice of Availability of Funding**  
**2020 Low Income Housing Tax Credit and Loan Programs**  
**July 26, 2019**

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The Pennsylvania Housing Financing Agency (“PHFA” or “Agency”) is pleased to announce the availability of funding for developments seeking Low Income Housing Tax Credit (“Tax Credits”) and PHFA loan program funds through the Agency’s PHARE, PennHOMES and debt financing programs. For 2020, the Agency will be using a two stage application process: the submission of an Intent to Submit on or before **September 13, 2019** with full applications due on or before **November 15, 2019**. In order to be considered for funding, applications must meet the requirements and timelines set forth in the Allocation Plan for Program Years 2019-2020 Low Income Housing Tax Credit Program, as amended (the “2019-2020 Allocation Plan”). The Agency is currently updating the Multifamily Application Package and related materials and expects to post them on our website when available. The Agency will not be holding a Pre-Application Meeting for 2020 applications. All applicants are encouraged to review the Agency’s website prior to completing and submitting an application.

**2020 Program Updates –**

- **Amendment to the 2019-2020 Allocation Plan** – On June 20, 2019, the Agency amended the 2019-2020 Allocation Plan to address certain eligibility criteria which have changed since the adoption of the 2019-2020 Allocation Plan, specifically related to regulatory requirements and timing considerations. A copy of this Amendment is attached hereto. These changes will be incorporated in the updated Multifamily Application Package.

The Agency anticipates further amending the 2019-2020 Allocation to revise the Tax Credit extended use period to 40 years for 2020 developments. A public hearing on this proposed change and additional clarifications will be held on Wednesday, August 28, 2019 at 10:00 am. Notice of this meeting will be posted on the Agency’s website – [www.phfa.org](http://www.phfa.org).

- **Availability of additional Agency resources to 2019 Tax Credit developments (and those holding a previous years’ award)** – The Agency recently completed the funding round for 2019 Tax Credit awards and forward committed significant resources to selected developments. Please be advised that applications for additional PHARE, PennHOMES or Tax Credit funding **will not** be accepted for these developments.
- **Availability of PHARE Realty Transfer Tax (“PHARE/RTT”) resources to 2020 developments** – The Agency will not accept a request for PHARE/RTT funds for 2020 9% Tax Credit developments (except for those currently holding a PHARE/RTT award of less than \$500,000). The Agency will accept applications from developments financed with tax-exempt bonds and 4% Tax Credits.
- **2020 Applications from developers that received an initial Tax Credit award in 2018** – The Agency will not accept an Application Package on November 15, 2019 from an applicant that received an original award of Tax Credits in 2018 and, by November 1, 2019, has not closed on the Tax Credit equity and Agency financing (if applicable).
- **Applicants with outstanding obligations, delinquencies or evidence of significant noncompliance on existing developments** – The Agency will not accept an Intent to Submit and/or will return an application from a developer or management agent which has outstanding obligations due to the Agency, included but not limited to: loan repayments, escrow or reserve deposits and noncompliance with loan and Tax Credit reporting requirements.

**Submission of Intent to Submit Package** – In advance of submitting the entire Application package on **November 15, 2019**, Applicants must upload an Intent to Submit documentation on or before **September 13, 2019**. Uploading these documents will generate an invoice for the application fee, which must be paid by **October 25, 2019**. Upon receipt of payment, a project account will be unlocked so that the electronic submission of the application can be made.

The Intents to Submit shall consist of the following information:

- **Intent to Submit a Tax Credit Application Fact Sheet**
- **Intent to Submit Development Synopsis**
- **Operating Budgets** - All applications are required to submit operating budgets for preapproval by **September 13, 2019**.
- **PHFA First Mortgage** - Applications seeking PHFA First Mortgage Funding must submit a 30 year pro forma with the Intent to Submit on **September 13, 2019**.

**Submission of Entire Application Package** – To be considered for a reservation of Tax Credits, the entire Application Package, including all exhibits, must be received by the Agency no later than **3:00 pm on November 15, 2019** (electronically and one hard copy). All applicants are encouraged to review the Agency's website prior to completing and submitting an application.

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**Contacts for Additional Program Questions:**

**Tax-Exempt Financing and Subsidy Layering:** David Doray, Manager of Multifamily Underwriting, 717.780.3903 or [ddoray@phfa.org](mailto:ddoray@phfa.org).

**Low Income Housing Tax Credit Program:** Linda Stewart, Manager of Tax Credit Program, 717.780.3889 or [lstewart@phfa.org](mailto:lstewart@phfa.org).

**Architectural and Engineering Review:** Stan Salwocki, Manager of Architectural and Engineering, 717.780.3851 or [ssalwocki@phfa.org](mailto:ssalwocki@phfa.org).

**Asset Management and Operating Expenses:** Ed Neuhart, Manager of Financial Operations, 717.780.3802 or [eneuhart@phfa.org](mailto:eneuhart@phfa.org).

**Project Operations:** Lisa Case, Manager of Project Operations, 717.780.3801 or [lcase@phfa.org](mailto:lcase@phfa.org).

**Supportive Services including Supportive Housing, 62+ with Services or the Escrow/Waiver Requirements:** Gelene Nason, Manager of Housing Services, 717.780.3874 or [gnason@phfa.org](mailto:gnason@phfa.org)

**Section 811 Program:** Kristen Nagel, Section 811 Coordinator, 717.780.3816 or [knagel@phfa.org](mailto:knagel@phfa.org).

**MBE/WBE Outreach & HOME Compliance:** Ted Jackson, Senior Compliance Officer, 717.780.1847 or [tjackson@phfa.org](mailto:tjackson@phfa.org)

**Amendment to the Pennsylvania Housing Finance Agency’s  
Allocation Plan for Year 2019-2020  
Low Income Housing Tax Credit Program**

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The Pennsylvania Housing Finance Agency (the "Agency") administers the Federal Low Income Housing Tax Credit Program ("Tax Credit Program") in the Commonwealth of Pennsylvania ("Commonwealth"). On July 12, 2018, the Agency adopted a plan (the "Allocation Plan") outlining the allocation priorities and procedures to be followed in distributing Federal Low Income Housing Tax Credits ("Tax Credits") based on the housing needs of the Commonwealth.

In accordance with the Allocation Plan, the Agency may issue supplemental policy and guideline announcements affecting this Allocation Plan and the administration of Tax Credit program and pursuant thereto is amending and supplementing the Allocation Plan as more fully described herein.

**1. Page 23 of the Allocation Plan with respect to Compliance Monitoring shall be amended as follows:**

The first and second sentences of the third paragraph shall now read:

The Agency will monitor each Tax Credit development for compliance with the Code. Such requirements may change from time to time and the protocol for compliance monitoring may be adjusted as deemed necessary or appropriate by the Agency, **which includes compliance with Treasury Regulation Section 1.42-5.**

**2. Exhibit SC2019-2020 Selection Criteria A.1.b shall be amended and restated as follows:**

General Occupancy – School Performance Standards – up to two (2) points

The Agency may award up to two (2) points to those developments located in a school district whose senior high school combined average in English, Mathematics and Science proficiency on the Pennsylvania System of School Assessments (PSSA)\* is the following:

<u>Average Percentages</u>	<u>Points</u>
≥70%-80%	1
>80%	2

\*PSSA information is listed at <http://www.paschoolperformance.org/>

**3. Exhibit SC2019-2020 Selection Criteria C.5. shall be amended and restated as follows:**

PHFA’s Section 811 Program Participation – The Agency has established specific criteria for participation in the Agency’s Section 811 program. In order to be considered, developments seeking consideration must identify in the Intent to Submit a request for consideration for Section 811 program eligibility. Please see Agency Section 811 guidance for more information.

- For Participation in Existing Developments - Five (5) points may be awarded to those developments with applicants and/or management agents that agree to include Section 811 units designated for persons with disabilities ages 18-61 in existing properties or those under development which received a previous award of Tax Credits. Consideration will be given if an applicant enters into an Agreement to Enter into a Rental Assistance Contract or a Rental Assistance Contract for one-bedroom units in eligible Section 811 properties on or before November 15, 2019. For consideration as a management agent, entities must have/or will have experience in the Section 811 program, satisfactory to the Agency, by November 15, 2019. To receive consideration for points, at least ten percent (10%) of the units or five (5) units in Urban areas or four (4) units in Suburban/Rural areas, whichever is greater, must be Section 811 units.