Table of Contents

INTRODUCTION .............................................................................................................. 3

QUALIFIED ALLOCATION PLAN ................................................................................... 3
  Determining the LIHTC ................................................................................................. 3
  Tax Credits Available .................................................................................................. 4

DC DHCD PROGRAM OVERVIEW .................................................................................. 4
  Eligibility .................................................................................................................... 4
  Types of Low Income Housing Tax Credits ................................................................. 4
  Authorization of the Director ....................................................................................... 5
  Fees ............................................................................................................................. 5
  Nine Percent Tax Credits ............................................................................................ 6
  Four Percent Tax Credits ............................................................................................ 7

LIHTC SET ASIDE ......................................................................................................... 10

THRESHOLD REQUIREMENTS ....................................................................................... 11
  Federal Requirements for Eligibility .......................................................................... 11
  District of Columbia Eligibility Requirements ............................................................ 12

SELECTION CRITERIA .................................................................................................... 13

UNDERWRITING GUIDELINES ....................................................................................... 21

RESERVATIONS ............................................................................................................ 25
  Surplus Reservations .................................................................................................. 25
  Forward Reservation ................................................................................................... 25
  Projects Unable to Meet Deadlines ............................................................................. 25
  Insufficient LIHTC ...................................................................................................... 26
  Multiple Year Reservations ......................................................................................... 26

ALLOCATIONS .............................................................................................................. 26
  Carryover Allocation Evaluation .................................................................................. 26
  Placed-in-Service Evaluation ....................................................................................... 27

MONITORING FOR COMPLIANCE ............................................................................. 27
  Record Keeping and Retention ..................................................................................... 28
  Notification of Non-compliance .................................................................................. 28

DEFINITIONS .................................................................................................................. 28
INTRODUCTION

The Tax Reform Act of 1986 established the Federal Low Income Housing Tax Credit (“LIHTC”) Program. The LIHTC Program was subsequently made permanent by the Revenue Reconciliation Act of 1993 as further amended by The Community Renewal Tax Relief Act of 2000. The LIHTC Program was created to encourage the private sector to invest in the construction and rehabilitation of housing for low and moderate-income individuals and families. Project owner/investors can claim the LIHTC on their Federal income tax return each year for a period of ten years. However, Projects generally must meet certain requirements for low-income use for thirty years. The Mayor delegated the authority and assigned the responsibility of administering the LIHTC Program to the District of Columbia Department of Housing and Community Development (“DHCD” or the “Department”) in Mayor’s Order 87-72.

QUALIFIED ALLOCATION PLAN

Federal law requires The District of Columbia (“District”) to adopt a plan to allocate the LIHTC to Projects based on federally mandated requirements and priority needs determined by the District. The District’s Low Income Housing Tax Credit Qualified Allocation Plan (“QAP”) is intended to ensure the selection of only those Projects that comply with Federal law and address, on a priority basis, the housing needs of the District.

These allocation procedures govern the award of the District’s LIHTC and apply to residential rental housing financed in conjunction with: (1) private lenders; (2) taxable bonds; and (3) local or Federal loan programs. These procedures automatically renew themselves annually, unless amended or replaced.

Determining the LIHTC

The Tax Credits are generally provided to Project owners in equal annual installments over a 10-year period. The Tax Credits may not exceed the applicable percentage of the qualified basis of each low income building in the Project as defined in Section 42(d) of the IRC. New construction and rehabilitation Projects are eligible for a fixed Tax Credit of not less than nine percent (9%) if placed in service after July 30, 2008 and before December 31, 2013, or seventy percent (70%) of the present value. Projects financed with tax exempt bonds under Section 103 of the IRC or involving the acquisition of existing buildings (when combined with eligible rehabilitation) are eligible for the thirty percent (30%) present value Tax Credit. Projects located in Qualified Census Tracts are eligible for a boost to their eligible basis of up to thirty percent (30%) as needed to guarantee the financial feasibility of the Project.

A reservation of Tax Credits is made after an initial review of the development budget sources and uses statement to determine the feasibility of the Project by DHCD and is conditioned upon the development’s sponsor meeting certain requirements, described in
That applicants satisfying the requirements will be given an allocation of Tax Credits. If the development is placed in service in the year of allocation, it qualifies for a regular allocation and IRS Form 8609 will be issued on or before December 31. If the development is not placed in service in the year of allocation, the Sponsor/Developer can request a carryover allocation (see Carryover Allocation Application section below). Upon this request, DHCD will review the development budget for continued feasibility to reflect any changes in the development’s cost and/or financial structure, prior to DHCD granting a Carryover Allocation.

After a building has been placed in service (i.e., the building rehabilitation is substantially complete and/or Certificates of Occupancy are received), the Sponsor/Developer will request IRS Form(s) 8609 to begin claiming the Tax Credit on its federal tax return. A final analysis will be performed at the time of placement in service to determine the final Tax Credit amount. The final Tax Credit amount is the lesser of the Tax Credits necessary to make the development feasible or the amount of the earlier Carryover Allocation.

**Tax Credit Available**

The amount of Tax Credits available for the District to allocate in each calendar year reflects the sum of the amounts allowed as the State Tax Credit Ceiling under IRC Section 42(h)(3)(C). This amount may be increased by returned Tax Credits from prior years, Tax Credits allocated to the District from the national Tax Credit pool, or by new legislation increasing the amount of Tax Credits distributed to each state. Any unallocated or recovered Tax Credits or a combination of both may be awarded as part of the current year cycle(s) of awards for Tax Credits, or may be carried over to the next year’s cycle(s) of awards at the discretion of the DHCD.

**DC DHCD PROGRAM OVERVIEW**

**Eligibility**

Experienced for-profit and non-profit Sponsor/Developers that are in good standing with the District are eligible to apply for a reservation of LIHTC to fund residential rental property located in the District, which is affordable to households earning less than sixty percent (60%) of the area median income (AMI).

**Types of Low Income Housing Tax Credits**

There are two types of LIHTCs: nine percent (9%) Tax Credits from the District’s Per-Capita Credit Ceiling; and an automatic four percent (4%) present-value Tax Credits issued to qualifying Projects financed with tax-exempt bonds.

**9% Tax Credit:** The 9 percent per-capita LIHTC is competitively awarded to eligible Projects based on the selection criteria set forth in this QAP. The Tax Credit is determined on a ten (10) year present value calculation of seventy percent (70%) of the qualified basis of the Project. Projects must include either new construction or substantial rehabilitation totaling the greater of six thousand dollars ($6,000) per unit or twenty percent (20%) of the adjusted basis of the building(s).
4% Tax Credit: Projects financed with certain tax-exempt bonds may be eligible to receive a four percent (4%) present-value LIHTC without regard to the District’s Per-Capita Credit ceiling. Although tax-exempt bond financed Projects need not compete for an allocation through the competitive process, they shall be evaluated against the threshold criteria established in this QAP. Further, they must comply with the monitoring procedures contained in the DHCD’s Low Income Housing Tax Credit Program Compliance Manual (CM), which is incorporated by reference herein.

Authorization of the Director

This QAP contains the general dates for application, carryover and monitoring. However, the Director of DHCD may set deadlines for applications and apply penalties as appropriate. The Director may also substitute Tax Credits when a development is delayed.

Fees

The following fees are assessed to a Project: 1) Issuance Cost, which includes application, reservation, and allocation fees and 2) Compliance Cost, which includes all compliance, monitoring and inspection fees. Full and timely payment of all fees is a determinate of every allocation. All issuance costs are non-refundable.

<table>
<thead>
<tr>
<th>Fee Type</th>
<th>Description</th>
<th>Fee Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application Fee (Nonprofit)</td>
<td></td>
<td>$500.00</td>
</tr>
<tr>
<td>Application Fee (For Profit)</td>
<td></td>
<td>$750.00</td>
</tr>
<tr>
<td>Reservation Fee:</td>
<td>Assessed at the time a reservation is given to a Sponsor/Developer. The</td>
<td>50% of 1% of the total 10 year allocation for the Project</td>
</tr>
<tr>
<td></td>
<td>amount is due in full when the Sponsor/Developer accepts the reservation.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>No reservation will be valid if not accompanied by the reservation fee.</td>
<td></td>
</tr>
<tr>
<td>Allocation Fee on per capita Projects:</td>
<td>Assessed at the time DHCD issues the carryover allocation.</td>
<td>50% of 1 percent of the value of the total 10 year allocation for the Project</td>
</tr>
<tr>
<td>Allocation fee for tax exempt bond funded Projects.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compliance Monitoring Fee – all Projects that received an IRS Form 8609</td>
<td>Assessed each year on February 15 and shall be due on April 16. The first</td>
<td>$35 per unit/ year</td>
</tr>
<tr>
<td></td>
<td>year’s “compliance fee” is due with the application for the issuance of the</td>
<td></td>
</tr>
<tr>
<td></td>
<td>IRS Form 8609 for the Project.</td>
<td></td>
</tr>
<tr>
<td>Re-inspection Fee:</td>
<td>Projects failing an inspection that are issued an IRS Form 8823 are</td>
<td>$35/ unit</td>
</tr>
<tr>
<td></td>
<td>required to have a re-inspection.</td>
<td></td>
</tr>
<tr>
<td>Extension Fee – Sponsors/Developers unable to meet the deadline for a</td>
<td>A late charge of $500 per day will be assessed for each calendar day past</td>
<td></td>
</tr>
<tr>
<td></td>
<td>carryover allocation application may request an extension and pay a fee at</td>
<td>the due date that the carryover allocation application is not returned</td>
</tr>
<tr>
<td></td>
<td>the time the request is submitted.</td>
<td></td>
</tr>
</tbody>
</table>
Nine Percent Tax Credits

Applications will be accepted and reviewed as part of DHCD’s competitive process. DHCD will provide public notice concerning the schedule of the competitive round(s) for the reservation of LIHTC. The Notice will provide application deadline dates. DHCD will announce competition results within sixty (60) days of the application deadline dates. Additional information is available at DHCD’s website: www.dhcd.dc.gov or you can call (202) 442-7800.

**Deadline:**

Application information will be posted on the DHCD website (www.dhcd.dc.gov). Please direct your application packets to:

DC Department of Housing and Community Development
1800 Martin Luther King Jr. Avenue, SE
Washington, DC 20020
ATTN: Low Income Housing Tax Credit Program

**Mandatory Application Items**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>DHCD Form 202</td>
</tr>
<tr>
<td>2.</td>
<td>Application Checklist</td>
</tr>
<tr>
<td>3.</td>
<td>Application Fee</td>
</tr>
<tr>
<td>4.</td>
<td>GB-1</td>
</tr>
<tr>
<td>5.</td>
<td>GB-2</td>
</tr>
</tbody>
</table>

**Process**

After applications have been submitted, DHCD will review, rate and rank the applications using the selection criteria list in Section 5 of this QAP. Within seven (7) days, DHCD will announce the list of Applications and begin the general public comment period, which will last one (1) week. This will be followed by the Presentations from Applicants to the Independent Review panel for two (2) weeks. Final selection will be announced after the period of Presentations to the Review Panel.

Reservation letters will be mailed within one (1) month after selections have been announced. Included in the reservation letter will be an acceptance certification that must be executed by the developer and returned to DHCD to reflect the acceptance of the reservation. No reservation will be valid if not accompanied by the reservation fee.
9% Competitive Credit Reservation Application Schedule for 2011 Credits

<table>
<thead>
<tr>
<th>Due</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 30</td>
<td>Applications posted to DHCD website</td>
</tr>
<tr>
<td>June 1</td>
<td>Deadline for Application, Market Study (due with Application) &amp; Application Fee</td>
</tr>
<tr>
<td>June 8</td>
<td>Post list of Applications for Public Comments</td>
</tr>
<tr>
<td>June 15</td>
<td>Close Public Comment Period</td>
</tr>
<tr>
<td>June 29</td>
<td>Initial Project Selection Review ends / Begin Independent Review Panel Presentations</td>
</tr>
<tr>
<td>July 13</td>
<td>End Independent Review Panel Presentations</td>
</tr>
<tr>
<td>August 1</td>
<td>Announce Selected Applications</td>
</tr>
<tr>
<td>August 17</td>
<td>DHCD mails selection letters</td>
</tr>
<tr>
<td>September 28</td>
<td>(Fully executed) reservation documents, Contract to Enforce Representation (original), Election to Fix Applicable Percentage (if applicants choose to lock in rate) and fees due to DHCD</td>
</tr>
<tr>
<td>October 26</td>
<td>Carryover Allocation Application (for 2012 allocations) due to DHCD</td>
</tr>
<tr>
<td>October 31, 2013</td>
<td>10% Test Certifications due to DHCD for 2012 allocations</td>
</tr>
</tbody>
</table>

Four Percent Tax Credits:

If fifty percent (50%) or more of the development and acquisition costs are financed with the proceeds of DC Housing Finance Agency-issued tax-exempt bonds, Sponsor/Developers qualify to apply for four percent (4%) LIHTC automatically on the qualified basis of the Project. If less than fifty percent (50%) of costs are financed with the proceeds of tax-exempt bonds, Sponsor/Developers may be eligible to receive LIHTC on the portion of the qualified basis financed with the bonds. Sponsors/Developers with tax-exempt bond financing are not eligible to compete for DHCD’s nine percent (9%) per capita LIHTC pool.

Deadline
Applications should be submitted at least one month prior to bond issuance. Application materials should be sent through:

District of Columbia Housing Finance Agency
815 Florida Avenue, NW
Washington, DC 2001
Phone: 202-777-1600

ATTN: Director, Public Finance
**Mandatory Application Items**

<table>
<thead>
<tr>
<th>Application Form</th>
<th>Application Checklist</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Complete with appropriate attachments</td>
</tr>
<tr>
<td>Application Fee</td>
<td></td>
</tr>
<tr>
<td>For-Profit: $750; Nonprofit: $500</td>
<td></td>
</tr>
<tr>
<td>GB-1</td>
<td></td>
</tr>
<tr>
<td>Intended Method of Satisfying Green Communities Criteria</td>
<td></td>
</tr>
<tr>
<td>GB-2</td>
<td></td>
</tr>
<tr>
<td>Green Development Plan</td>
<td></td>
</tr>
</tbody>
</table>

**Process:**
To receive four percent (4%) LIHTC, Sponsors/Developers must first apply to the DCHFA. Prior to the Project going to a closing on the tax-exempt bonds, DCHFA is required to submit an application to DHCD for the allocation of Tax Credits. Consistent with an inter-agency agreement, DHCD will not duplicate the DCHFA underwriting of tax-exempt bonds Projects and will accept and rely on the DCHFA’s determination of the financial feasibility in DHCD’s underwriting of the Tax Credit allocation as required by Section 42 of IRC.

After construction is completed and the Project is placed in service, the Project Sponsor/Developer may request of DHCD, via application, that IRS Form 8609 be issued to allocate the Tax Credits. The application for the IRS Form 8609 must consist of:

- A revised proforma, adjusted to reflect the final development cost reflected on the cost certification prepared by the Project’s CPA,
- A copy of the Cost Certification,
- A draft of the IRS Form 8609 for each building in the Project,
- Copies of the required DC licenses,
- A copy of the certificate of occupancy for each building,
- A check for the remaining 25% balance of the one percent (1%) of the value of the Total Ten Year Allocation Fee, and
- A copy of the Recorded Extended Use Agreement.

**Carryover Allocation Application**
In general, IRC Section 42 allows an allocation to a Project to be carried over if such Project is placed in service no later than the end of the second (2nd) year following the Tax Credit allocation year. Treasury Regulation 1.42 requires that an owner must document that ten percent (10%) of the reasonably expected basis of the Project has been spent within twelve (12) months of the carryover allocation date.

DHCD requires the owner to obtain and submit an Accountant’s Opinion with the Allocation Application along with an Owner’s Certification documenting whether the Project has met the ten percent (10%) test requirement. If the 10% test is not met, the owner must submit documentation to DHCD that the ten percent (10%) test has been met within ten (10) months of the date of the allocation of Tax Credits. A fee of $1,000 per month will be charged for ten percent (10%) tests not received after 10 months from the allocation date. An accountant’s opinion letter documenting the costs must be submitted also at this time.
**Application**
Applications are available on the DHCD website.

**Application Deadline**
Carryover Applications must be returned to DHCD by no later than November 21, 2011. A late charge of five hundred dollars ($500) per day will be assessed for each calendar day past the due date that the Allocation Application is not returned to DHCD.

**Mandatory Carryover Allocation Application Items**
- Executed original Allocation Application
- Accountant Opinion
- Owner’s Certification
- Owner’s itemized list of expenditures

**Nine Percent (9%) Carryover Allocation Application Schedule**

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 12</td>
<td>DHCD sends out customized Allocation Applications to developers that have received a reservation of Tax Credits</td>
</tr>
<tr>
<td>October 26</td>
<td>(1) Allocation Application (2) Owner’s Certification; and (3) IRS Letter with EIN# assignment due to DHCD</td>
</tr>
<tr>
<td>November 21</td>
<td>(1) Allocations are finalized; (2) Carryover Agreements are mailed by DHCD to developers</td>
</tr>
<tr>
<td>December 4</td>
<td>Carryover Agreements due back to DHCD</td>
</tr>
</tbody>
</table>

An itemized list of expenditures must accompany the Owner’s Certification. Expenditures do not have to be certified by a CPA, unless required by the attorney for the Attorney’s Opinion Letter. If the 10% test has not been met at this time, the Sponsor/Developer has ten (10) months from the date the carryover allocation was issued to meet it.

**LIHTC SET ASIDE**

Non-profit Set-aside - As required by Federal law, ten percent (10%) of the Per-Capita Credit ceiling must be set-aside exclusively for Projects developed by qualified non-profit Sponsor/Developers. To be eligible to receive a reservation from this set-aside, Sponsor/Developers must show that they will meet the following Federal requirements throughout the Compliance Period: (1) qualified Sponsor/Developers must be exempt from tax under Section 501(c)(3) or 501(c)(4) of the IRC or be a wholly owned subsidiary of a qualified non-profit organization; (2) they must have as one of their tax-exempt purposes the fostering of low income housing; (3) they must own an interest in the Project either directly or through a partnership; (4) they must materially participate in the development and operation of the Project through regular, continuous and substantial actions; and (5) they must not be affiliated with or controlled by a profit-motivated organization.
Reservations from the non-profit set-aside are permitted under circumstances where a partnership between non-profit and profit-motivated entities exists, only if each organization is independently controlled and operated and the non-profit materially participates in the development and operations of the Project.

Special Needs Housing Set-aside – DHCD has made a commitment to the development of special needs housing. To reach that goal, DHCD may set aside up to seventy five (75%) of available LIHTC for the development of housing that serves individuals with special needs.

Director’s Special Initiatives Program – The Director may utilize up to twenty-five percent (25%) of any annual per capita allocation and any unallocated carryover of a prior year allocation as a Director’s Special Initiatives program for stimulating development in any targeted area.

**THRESHOLD REQUIREMENTS**

To be rated and ranked during any round of competition, Projects must meet all of the following threshold criteria. These requirements are intended to eliminate Projects that do not meet basic program guidelines and to ensure that LIHTC are reserved for Projects that are viable and in compliance with District and Federal requirements. Projects that do not meet the threshold criteria will not be rated and ranked during competitive rounds. In addition to these criteria, Projects must fully comply with all requirements as set forth in Section 42 of the Code.

**Federal Requirements for Eligibility**

**Minimum Occupancy Restrictions** - At a minimum, Sponsor/Developers must elect that either: 20% of the units in the Project must be rented to families with incomes at 50% or less of area median income; or 40% of the units in the Projects must be rented to families with incomes at 60% or less of the area median income.

**Maximum Rent Levels** - Low income units in the Project must be rent restricted as defined by Section 42(g)(2) of the IRC for a period of thirty (30) years (the Compliance Period of fifteen (15) years and an extended use period of fifteen (15) years for a total period of thirty (30) years). Prior to the issuance of the Form 8609 by DHCD, the Sponsor/Developer must provide evidence that the Land Use Restrictive Covenants agreement has been recorded.

**Market Study** – Applications must include a market study prepared by an independent professional who has experience with tax credit housing in the District of Columbia. Market studies should be performed in accordance with the requirements of IRC Section 42(A)(iii); and should not be more than six (6) months old as dated from application submission.

**Eligible Projects** - Projects must involve new construction, acquisition, or rehabilitation. For Projects involving rehabilitation, the rehabilitation costs must be the greater of six thousand dollars ($6,000) per unit or twenty percent (20%) of the adjusted basis of the building(s).
minimum rehabilitation requirement must be met within the two (2) years preceding the placement in service date. For Projects receiving acquisition Tax Credits for existing Projects, the DHCD may, as a condition for a reservation of Tax Credits, require the sponsor to provide a Legal or Certified Public Accountant’s opinion regarding the Project’s satisfaction of (or exemption under Section 42(d)(6) of the Code from) Section 42(d)(2)(B)(ii) of the Code (i.e. the 10 year rule).

**Acquisition Price**–For all Projects, the acquisition price must meet the following standards:

(1) For an arm’s length transaction, the maximum acquisition price may not exceed the lesser of the contract sale price or “as is” appraised value of the property.

(2) For transactions involving a change in use, appraisals must include “as is” value and an after rehabilitation value under its projected use. The acquisition may not exceed the lesser of the two values.

(3) For a related party transaction where property was acquired less than two (2) years before the application date, the maximum acquisition price may not exceed the lesser of the “as is” appraised value of the property or the original price plus carrying costs acceptable to the Department.

(4) For a related party transaction where property was acquired two (2) or more years before the application date, the maximum acquisition price may not exceed the “as is” value of the property.

The acquisition price must be supported by an appraisal performed by a licensed independent professional appraiser. DHCD, in its sole discretion, may accept an appraisal that is required by another lender and prepared by an independent professional appraiser for that lender.

**Subsidy Layering** – Projects that combine certain other forms of federal assistance require a certification from HUD through the DC Housing Finance Agency that the assistance will not be more than is necessary to make the Project feasible.

**District of Columbia Eligibility Requirements**

**Development Team** –

(1) Members of the development team must certify that they are free of suspension or debarment from participating in any government programs, both local and Federal.

(2) With respect to substantial liens and/or judgments and/or foreclosures and/or bankruptcies, applicants must have a history that is acceptable to DHCD.

(3) Applicants must be in compliance with all existing and prior agreements with DHCD and/or the District, including

   (a) Major health, safety or building codes
   (b) Previous LIHTC obligations, including compliance, meeting commitments made during the application process, and building requirements.
(4) Within the past three (3) years, the applicant may not have had Tax Credits terminated by DHCD.

(5) Applicants may not list in their application, a management company that is rated unsatisfactory by DHCD or HUD, nor should the ownership of any applicant include a principal, who in a previous application hired a management company to manage a Tax Credit development, after such management company received an “unsatisfactory” rating from DHCD during the extended use period of such development.

The Application - The LIHTC Application must be fully completed and all required attachments must be included. The specific form(s) and required exhibits will be included in the annual Notice; all required forms must be properly executed and included.

Site Control Requirements - Satisfactory evidence of site control of the Project must be provided. Satisfactory evidence of site control includes: deeds, contracts of sale, leases with purchase options or other forms acceptable to DHCD. Satisfactory evidence of site control must include evidence verifying notification of tenant’s rights and or zoning compatible and permissible of the proposed development.

Green Building Compliance – The approved design plan must meet or exceed the District’s Green Building Requirements as defined in the Green Building Act of 2006 (Attachment B). Residential Projects must meet the Green Communities Criteria (GCC) in current edition at the time of application to DHCD, currently GCC 2011. GCC 2011 and future editions of the Criteria require third party certification. To comply, Projects must be registered with Enterprise Community Partners early in the design phase. For further information go to http://www.greencommunitiesonline.org/tools/certification/

Design Quality Standards and Requirements – The approved site and floor plans must meet or exceed the design quality standards stated in Attachment A of the application package, including materials, unit design, mechanical requirements and common areas and amenities of the applicant Project.

SELECTION CRITERIA

Once Projects have met the threshold requirements, they will be competitively evaluated, rated and ranked based on pre-determined selection criteria, established in accordance with Federal law and the District’s housing priorities and needs. The selection criteria may be revised, from time to time, to reflect the changing housing needs of the District.

POINT CATEGORIES

<table>
<thead>
<tr>
<th>Category</th>
<th>Points</th>
<th>Explanation/Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Readiness. Total Points: 100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### A. Readiness. Total Points: 100

<table>
<thead>
<tr>
<th>Category</th>
<th>Points</th>
<th>Explanation/Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plan of Development</td>
<td>0 or 50</td>
<td>The Plan of Development is approved by the Department of Consumer and Regulatory Affairs (“DCRA”) without substantive modification and no earlier than three (3) months before the Reservation Application Deadline.</td>
</tr>
<tr>
<td>Zoning Approval</td>
<td>0 or 40</td>
<td>A letter dated no sooner than three (3) months before the Reservation Application Deadline from the Zoning Commission and/or Board of Zoning Adjustment indicating that the Project is properly zoned for its intended use should be included.</td>
</tr>
<tr>
<td>Sponsor/Developer Fee Deferral</td>
<td>0 to 10</td>
<td>Sponsors/applicants can receive additional points (up to five), for deferring a portion of the potential development fee in the Project.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2 pt 1 to 10% of anticipated development fee</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4 pts 11 to 20% of anticipated development fee</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6 pts 21 to 30% of anticipated development fee</td>
</tr>
<tr>
<td></td>
<td></td>
<td>8 pts 31 to 40% of anticipated development fee</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10 pts 41 or greater% of anticipated development fee</td>
</tr>
</tbody>
</table>

### B. Housing Needs Characteristics. Total Points: 120

<table>
<thead>
<tr>
<th>Category</th>
<th>Points</th>
<th>Explanation/Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support Letter</td>
<td>20, 10, 0</td>
<td>Letters addressed to DHCD and signed by the affected Advisory Neighborhood Commission(s) (ANC) and/or City Council Member where the proposed development is to be located, which reflects (1) support; (2) neutrality; or (3) opposition. The letter must be dated within three months prior to the Application Deadline, without qualification or limitation.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Development will help meet the housing needs and priorities of the ANC/Ward and the ANC/Council Member supports the allocation of tax credits requested, 20 points</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- A letter addressed to DHCD and signed by such ANC/Council Member stating neither support nor opposition for the allocation of Tax Credits to the Applicant, 10 points</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- A letter from the ANC/Council Member opposing the allocation of credits to the Applicant. In any such letter, the ANC/Council Member must certify that the proposed development is not consistent with current zoning or other applicable land use regulations. 0 points</td>
</tr>
<tr>
<td></td>
<td></td>
<td>If you have already received a support letter, include it with the Application.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>A list of ANCs can be found in Exhibit R of the Exhibit checklist.</td>
</tr>
</tbody>
</table>
### B. Housing Needs Characteristics. Total Points: 120

<table>
<thead>
<tr>
<th>Category</th>
<th>Points</th>
<th>Explanation/Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Evidence of location in a targeted neighborhood revitalization area</td>
<td>15</td>
<td>Neighborhood Revitalization Strategy Areas (NRSA), Neighborhood Investment Fund, Great Streets Initiative, the New Communities Initiative, Neighborhood Investment Fund area and HOPE VI areas are neighborhoods in need of economic and community development, and where the District has made a strong commitment of resources. The Sponsor/Developer must certify that the development is located in one of these areas. Provide documentation from the appropriate District agency of the type of developments that will be encouraged, the potential sources of funding, and services to be offered in the area. Evidence that the development is subject to a plan using Hope VI funds from HUD.</td>
</tr>
<tr>
<td>Location In A HUD QCT and a revitalization area</td>
<td>5</td>
<td>If the proposed development is located in a QCT and is in a Revitalization Area. Please document by completing DHCD’s Qualified Census Tract Certification and Revitalization Area Certification forms.</td>
</tr>
<tr>
<td>Sec 8 or PHA Waiting List Preference</td>
<td>10</td>
<td>Developments where leasing preference is given to households on the public housing or Section 8 waiting list maintained by the DC Housing Authority (“DCHA”). Applicants receiving points in this category will not be allowed to impose an annual minimum income requirement for prospective households that exceed the greater of three thousand six hundred dollars ($3,600) or 2.5 times the portion of rent to be paid by qualified households.</td>
</tr>
<tr>
<td>Evidence of Subsidized Funding Interest</td>
<td>Up to 20</td>
<td>Documentation of any of the following: (i) firm financing commitment(s) from the DC Government, DC Housing Authority, Federal Home Loan Bank affordable housing funds; (ii) a commitment to donate land, buildings or tap fee waivers from the DC government. The amount of such financing or dollar value of District Government support will be divided by the total development sources of funds and the proposed development receives two (2) points for each percentage point up to a maximum of twenty (20) points. Such commitment or obligation may contain conditions, but only within the control of or based upon the performance of the borrower, not the local government.</td>
</tr>
<tr>
<td>Existing HUD Section 8 or 236 Program</td>
<td>10</td>
<td>The development is subject to HUD Section 8 or 236 programs at the time of Application, including program participation. However, if the Applicant is the current owner or has any common interests with the current owner, either directly or indirectly, points will only be awarded if the Applicant waives all rights to any developer’s fee and any other fees associated with the acquisition and rehabilitation (or rehabilitation only) of the development. The preceding condition may be waived by...</td>
</tr>
</tbody>
</table>
## B. Housing Needs Characteristics. Total Points: 120

<table>
<thead>
<tr>
<th>Category</th>
<th>Points</th>
<th>Explanation/Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td>DHCD for good cause. Such waiver must be granted prior to Application submission.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| Tax Abatement or New Project-Based Rental Subsidy (HUD or RD) | 10     | 1. Meet the criteria to receive a real estate tax abatement on the increase in the value of the development, or  
2. Provide documentation of new Project-based subsidy from HUD for the greater of 5 units or 10% of the units of the proposed property. |
| Special Needs Supportive Services                     | 20     | The development provides services for individuals with special needs. Services may include wrap-around services for activities of daily living, substance abuse counseling, mentoring programs, access to primary healthcare, educational programs, or job training and search service. The service plan must be submitted with the application. Points will be awarded based on how comprehensive, feasible, and appropriate for the population the services are. Two points will be given for each service for a total of 20 points |
| Special Needs Housing                                  | Up to 10| Points will be given for the percentage of units dedicated to seniors or special needs tenants:  
More than 30% of the units: 10 points  
20% to 30% of the units: 8 points  
10% to 19% of the units: 6 points  
5% to 9% of the units: 4 Points  
1% to 4% of the units: 2 |

## C. Development Characteristics – Total Points: 100

<table>
<thead>
<tr>
<th>Category</th>
<th>Points</th>
<th>Explanation/Instructions</th>
</tr>
</thead>
</table>
| Proximity to Public Transportation                     | 10     | The development is located within ½ mile of an existing metro stop or commuter rail or ¼ mile of an existing public bus stop, 20 points.  
Sponsor must submit a Washington Metropolitan Area Transit Authority (WMATA) map drawn to scale, showing the position of the Project in relation to the nearest Public Transportation. |
### C. Development Characteristics – Total Points: 100

<table>
<thead>
<tr>
<th>Category</th>
<th>Points</th>
<th>Explanation/Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Developments with Less Than 100 Low-Income Housing Units</td>
<td>Up to 20</td>
<td>Up to 20 points will be awarded for any development in which the Applicant proposes to produce up to 100 low-income housing units. At 50 units or less, the Applicant can receive the total 20 points; however, for every unit over fifty units, the score will be reduced 0.4 points. The Applicant will receive 0 points for developments with 100 or greater low-income housing units.</td>
</tr>
<tr>
<td>Affordable Housing Preservation Projects</td>
<td>10</td>
<td>10 points will be awarded to developments that are a reuse or rehabilitation of existing affordable housing.</td>
</tr>
<tr>
<td>Community Room</td>
<td>5</td>
<td>The development has a community room with a minimum of 800 sq. ft. Points associated with this item are not allowed unless the community room is physically located within the boundaries of the development being submitted for Tax Credits.</td>
</tr>
<tr>
<td>High Speed Cable, DSL, Wireless Internet</td>
<td>5</td>
<td>Necessary infrastructure is provided in all units for high-speed cable, DSL or wireless internet service</td>
</tr>
<tr>
<td>Front-Control Ranges - Elderly or Physically Disabled</td>
<td>5</td>
<td>If every unit in the development has a cooking range with front controls</td>
</tr>
<tr>
<td>Historic Rehab</td>
<td>15</td>
<td>Structure is listed individually in the National Register of Historic Places or is located in a registered historic district and certified by the Secretary of the Interior as being of historical significance to the district, and the rehabilitation will be completed in such a manner as to be eligible for historic rehabilitation tax credits.</td>
</tr>
<tr>
<td>&gt; 80% of Units Having 2 or More Bedrooms</td>
<td>15</td>
<td>If greater than 80% of the units in the property have 2 or more bedrooms.</td>
</tr>
<tr>
<td>% of Units With 3 or More Bedrooms</td>
<td>Up to 15</td>
<td>0.75 points for each percent of the low-income units in the development with 3 or more bedrooms up to 20%, e.g. $0.75 \times 15% = 11.25$ points.</td>
</tr>
</tbody>
</table>

### D. Development Characteristics – Accessibility. Total Points: 45

<table>
<thead>
<tr>
<th>Category</th>
<th>Points</th>
<th>Explanation/Instructions</th>
</tr>
</thead>
</table>
Federal Project-Based Rent Subsidies or Equivalent – Unit Accessibility | 20 | Any non-elderly development in which the greater of 5 units or ten (10%) of the units (i) provide federal Project-based rent subsidies or equivalent assistance in order to ensure occupancy by extremely low-income persons; (ii) conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act; and (iii) are actively marketed to people with special needs in accordance with a plan submitted as part of the Application for credits.

HUD’s Housing Choice Voucher (“HCV”) Rent Payment Standard – Unit Accessibility | 15 | Any non-elderly development in which the greater of 5 units or 10% of the units (i) have rents within HUD’s Housing Choice Voucher (“HCV”) payment standard; (ii) conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act; and (iii) are actively marketed to people with mobility impairments including HCV holders in accordance with a plan submitted as part of the Reservation Application.

HUD 504 Accessibility – 4% of Units | 10 | Any non-elderly development in which 4% of the units (i) conform to HUD regulations interpreting the accessibility requirements of section 504 of the Rehabilitation Act and (ii) are actively marketed to people with mobility impairments in accordance with a plan submitted as part of the Reservation Application.

### E. Sponsor Characteristics. Total Points: 50

<table>
<thead>
<tr>
<th>Category</th>
<th>Points</th>
<th>Explanation/Instructions</th>
</tr>
</thead>
</table>
| Sponsor/Developer Experience      | Up to 20 | 10 points - Evidence attached with the PPC and 8609 that the principal or principals, as a group or individually, for the proposed development have developed at least one Tax Credit development that contains at least the number of housing units in the proposed development (can include market units).

20 points - Evidence attached with the PPC and 8609 that the principal or principals, as a group or individually, for the proposed development have developed, as controlling general partner or managing member, (i) at least three Tax Credit developments that contain at least 3x the number of housing units in the proposed development or (ii) at least six Tax Credit developments that contain at least the number of housing units in the proposed development.

| Management Company Experience    | Up to 20 | 10 points: Evidence that the management company has managed at least one (1) Tax Credit development that contains at least the number of housing units in the proposed development (can include market units).

20 points: Evidence that the management company has managed (i) at least three Tax Credit developments that contain at least 3x the number of housing units in the proposed development or (ii) at least six Tax Credit developments that contain at least the number of housing units in the proposed development.

(Exhibit N)
### E. Sponsor Characteristics. Total Points: 50

<table>
<thead>
<tr>
<th>Category</th>
<th>Points</th>
<th>Explanation/Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local/Small and Disadvantaged Business Enterprise Involvement</td>
<td>5</td>
<td>Evidence (Exhibit P) of specific and significant involvement by a LSDBE.</td>
</tr>
<tr>
<td>Fair Housing Accessibility First Certification by the Architect of Record</td>
<td>5</td>
<td>Evidence that the proposed development’s architect of record has completed the Fair Housing Accessibility First Program offered by HUD or an equivalent organization. To document, submit the Certificate of Completion, showing the certified individual’s name, along with the Architect’s Certificate.</td>
</tr>
</tbody>
</table>

### F. Efficient Use of Resources. Total Points: 75

<table>
<thead>
<tr>
<th>Category</th>
<th>Points</th>
<th>Explanation/Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost Per Unit</td>
<td>Up to 75</td>
<td>Up to 75 points will be awarded based on the percentage by which the cost per low-income housing unit type for a given property is less than the highest per unit type cost. The cost per unit type for the proposed property will be determined by dividing the total development costs, as adjusted, by the total heated residential square feet area. The cost calculation will exclude land cost, tap fees and operating reserves. This cost per square foot will then be multiplied by the average unit square footage for each unit type. This average cost per unit type will then be used in the following equation: ((\text{Subject cost per Unit Type} \times % \text{ of Unit Type}) \times 75 \text{ pts} \div \text{Highest cost per Unit Type}))</td>
</tr>
</tbody>
</table>

### G. Bonus Points. Total Points: 175

<table>
<thead>
<tr>
<th>Category</th>
<th>Points</th>
<th>Explanation/Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Units rent-restricted at or below 40% of the</td>
<td>Up to 10</td>
<td>For each percentage point of housing units in the proposed development which are restricted to rents at or below 40% of the AMGI (up to 10%).</td>
</tr>
</tbody>
</table>
## G. Bonus Points. Total Points: 175

<table>
<thead>
<tr>
<th>Category</th>
<th>Points</th>
<th>Explanation/Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMGI</td>
<td>Up to 50</td>
<td>Commitment by the Applicant to impose income limits on the low-income housing units throughout the extended use period (as defined in the IRC) below those required by the IRC in order for the development to be a qualified low-income development. Applicants receiving points under this 50-point category may not receive points in the following 20 point category. The product of (i) 50 points multiplied by (ii) the percentage of housing units in the proposed development both rent-restricted to and occupied by households at or below 50% of the AMGI.</td>
</tr>
<tr>
<td>Units that are both rent and income restricted and occupancy-restricted to households at or below 50% of the AMGI</td>
<td>Up to 20</td>
<td>The product of (i) fifteen (15) points multiplied by (ii) the percentage of housing units in the proposed development rent-restricted at or below 50% of the AMGI. Applicants receiving points in this 20-point category may not receive points under the above 50-point category.</td>
</tr>
</tbody>
</table>
| Units that are rent-restricted at or below 50% of the AMGI and income-restricted at or below 60% of the AMGI | 15 or 30| • 15 points - Applications documenting that the owner will maintain the low-income units in compliance for 10 years over the standard 30-year extended use period (40 years of total compliance)  

• 30 points - Applications documenting that the owner will maintain the low-income units in compliance for 20 years over the standard 30-year extended use period (50 years of total compliance)  

If points are requested for extended compliance, no points will be awarded for a purchase option or right of first refusal. |

| Extended Use Restriction | 0 or 60 | A recordable purchase option or right of first refusal to a qualified nonprofit or the DC Housing Authority for the transfer of the property at the end of the minimum 15-year Compliance Period. The qualified nonprofit must have a minimum of 10% ownership in the general partnership for the full 15-year Compliance Period to qualify for these points. The acquisition price shall be limited to outstanding debt and exit taxes. Points under this category are not available to Applicants receiving points for extended compliance. If, during the document review and scoring process, DHCD determines that the nonprofit is not a qualified nonprofit or local housing authority, the Applicant may submit a request to select one of the extended compliance options, and DHCD may award the appropriate points. |

| Nonprofit or LHA Purchase Option | 0 or 5 | 5 points if the DC Housing Authority or qualified nonprofit organization with a purchase option or right of first refusal submits a homeownership plan satisfactory to DHCD, in which, Housing Authority or qualified nonprofit organization commits to sell the units in the development to tenants. The plan should be submitted with the Reservation Application. |

| Homeownership Option | 0 or 5 | 5 points if the DC Housing Authority or qualified nonprofit organization with a purchase option or right of first refusal submits a homeownership plan satisfactory to DHCD, in which, Housing Authority or qualified nonprofit organization commits to sell the units in the development to tenants. The plan should be submitted with the Reservation Application. |
**For purposes of determining scores in the above categories, percentages will be calculated using only tax credit units so as not to penalize mixed-income properties.**

**UNDERWRITING GUIDELINES**

Projects that have met the threshold requirements that have been rated and ranked against the selection criteria will also be evaluated to determine the amount of LIHTC that is needed for the feasibility and viability of the Project. DHCD will calculate the maximum LIHTC for which Projects are eligible for and the minimum required LIHTC needed for feasibility and viability. In no event will more than One Million Dollars ($1,000,000.00) of LIHTC be allocated to one (1) Project.

Underwriting will be performed on a Project at three (3) stages: 1) prior to the time a reservation is awarded, 2) at Allocation Carryover, and 3) before a Form 8609 is issued evidencing the allocation of LIHTC. Sponsor/Developers will be required to file an updated pro forma at each stage of the Tax Credit process. In addition, the Sponsor/Developer must supply the following information:

**Project Financial Information**
The Application requires the Sponsor/Developer to provide information regarding Project loans, grants, equity contributions, the anticipated funds to be received from syndicators, equity partners or private funding sources for purchase of the Tax Credits, enterprise zone benefits, and any other type of financing or contributions that are relevant to the economic feasibility of the Project.

**Operating Reserves**
Projects are required to establish an operating reserve equal to three (3) months of projected operating expenses plus “must-pay” debt service payments. Such reserves must be maintained for five (5) full years’ commencing after the Project has reached stabilized occupancy. The Application requires the Sponsor/Developer to include a narrative explaining how the operating reserve will be established.

The requirement for an operating reserve may be satisfied if the Sponsor/Developer utilizes the operating reserve required by the Project lenders or investors provided that the reserve is equal to or greater than the reserve required by this Section. The reserve may be funded using an irrevocable letter of credit, which may be released at the end of the five year period described above.

**Replacement Reserves**
Projects are required to establish a replacement reserve account by making monthly deposits equal to $400.00 per unit per year for new construction, and $500.00 per unit per year for rehabilitation Projects. The Application requires a narrative explaining how the replacement reserve will be escrowed and used. The replacement reserve must be shown on the pro forma.
The requirement for the replacement reserve is a compliance issue and may be satisfied using the terms and conditions of the replacement reserve required by lenders or other funds financing the Project provided the reserve is equal to or greater than the reserve required by this Section.

Sponsor/Developers are required to submit to DHCD a verification that the terms and conditions of the replacement reserve required by lenders or other funds financing the Project has or will be satisfied at the time a building is placed in service.

For rehabilitation Projects, a capital needs assessment or comparable engineering report will be required before closing in order to establish a final amount for the reserve for replacement deposit. For all Projects, the Department reserves the right to adjust the replacement reserve based on a new capital needs assessment every five (5) years.

**Limits on Developer and Builder Fees**
The Sponsor/Developer’s fee includes all fees paid to processing agents and development consultants. The developer’s fee may not exceed $2.5 million. For Projects with developer’s fees in excess of $2.5 million, sponsors must submit a request for a waiver that includes a detailed explanation for the increased developer’s fee. DHCD will evaluate waiver requests on a case-by-case basis. If the Sponsor/Developer fee, consultant fee or builder fee limits are in excess of the limits imposed, DHCD will make the appropriate adjustments during the underwriting phase of the evaluation of the Application.

<table>
<thead>
<tr>
<th>Type of Project</th>
<th>Development Costs Less or Equal to $10,000,000</th>
<th>Development Costs Greater Than $10,000,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Construction</td>
<td>15%</td>
<td>10%</td>
</tr>
<tr>
<td>Acquisition</td>
<td>5%</td>
<td>2.5%</td>
</tr>
</tbody>
</table>

**Other Fees**

<table>
<thead>
<tr>
<th>Category</th>
<th>Limitation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Builder’s Profit</td>
<td>5% to 10% of the net construction costs</td>
</tr>
<tr>
<td>Builder’s Overhead</td>
<td>2% to 3% of the net construction costs</td>
</tr>
<tr>
<td>General Requirements</td>
<td>5% to 10% of the net construction costs</td>
</tr>
<tr>
<td>Architect Design</td>
<td>2% to 5% of the construction contract</td>
</tr>
<tr>
<td>Architect Administration</td>
<td>1% to 3% of the net construction contract</td>
</tr>
</tbody>
</table>

**Debt Service Coverage Ratio**
In order to receive a Tax Credit Reservation, Sponsors/Developers must present a Project that can meet its debt service requirements. The Debt Service Coverage Ratio for each year must be
shown on the pro forma cash flow statement. In order to satisfy this requirement, the Project’s Debt Service Coverage Ratio for years two (2), three (3) and four (4) of the Compliance Period must exceed one hundred ten percent (120%). The Sponsor/Developer must provide a narrative to justify any deviation.

Annual Rent, Expense Trends and Vacancy Rates
The Sponsor/Developer must assume and select the annual rent trend, expense trend and vacancy rate for underwriting the Project. The Sponsor/Developer also must provide a narrative justification for the election of the factors. In addition, the pro forma must reflect the Project’s ability to maintain a positive cash flow for fifteen (15) years.

Subsidy Layering Review
For Projects that combine HUD housing assistance with Tax Credits, HUD has delegated subsidy layering review to DCHFA to ensure that the Ownership Entity does not receive excessive government subsidies. HUD and DCHFA have entered into a Memorandum of Understanding (“MOU”) governing the procedures that DCHFA must follow when undertaking the subsidy layering review.

DCHFA also will complete the subsidy layering review for applicable Projects after the Sponsor/Developer and HUD submit relevant documentation for review at carryover. This information includes the results of HUD’s underwriting analysis, the Sponsor/Developer’s proposed development costs, and information concerning any syndication of the Project. DCHFA will undertake the subsidy layering review for each Project after completion of HUD’s and DHCD’s underwriting, if applicable. HUD has established safe harbor and ceiling standards for specific Project costs. When evaluating Projects under HUD’s guidelines, DCHFA may apply the safe harbor standards unless the Sponsor/Developer can show that Projects meet certain criteria making them eligible for the increased ceiling standards. To be considered for the higher ceiling standards, Projects must be either high risk or small developments (30 units or less)

DCHFA will complete a second subsidy layering review at the time the IRS Form 8609 is issued for the Project.

DHCD and DCHFA reserve the right, without amending this QAP, to amend the subsidy layering procedures as necessary to comply with changes in applicable Federal law or regulations, HUD guidelines or the MOU, HOME and CDBG funding when combined solely with Tax Credits do not trigger the subsidy layering review process.

Unit Cost Cap
The per unit replacement cost of tax credit Projects may not exceed the HUD 221(d)(3) high cost mortgage limits by bedroom size, which are outlined in an attachment to the Application. The Department will consider a higher unit cost if requested by a sponsor and the basis for the additional cost certified by a Certified Engineer or Architect. DHCD, in its sole discretion, may
make exceptions on a case-by-case basis. Projects receiving Federal Historic Rehabilitation tax credits will be allowed to deduct the residential portion of the historic tax credit from the Project costs to allow for stricter rehabilitation standards. DHCD may, on a case-by-case basis, allow a Project receiving historic rehabilitation tax credits or participating in HUD’s portfolio re-engineering program to exceed the unit cost cap.

Portfolio re-engineering Projects should include a copy of the Project’s physical condition assessment to demonstrate the potential unit cost. However, total adjusted eligible basis (before qualified census tract adjustment) will be limited to the HUD 221(d)(3) high cost mortgage limits in any case. Affordable Assisted Living Projects are allowed an exceptional per unit cost of 120% of the HUD 221(d)(3) high cost mortgage limits. Tax-exempt bond Projects funded under Section 3 are exempt from this Section.

**Underwriting Review**

LIHTC Equity Projections- DHCD will evaluate the reasonableness of the proposed syndication value of the LIHTC based on current market conditions. Evaluation of the market will be based on current syndication proposals and information on the status of funds from various national syndication firms.

Special Target Areas - Federal law permits jurisdictions to calculate and reserve a greater amount of LIHTC than normally calculated on the Eligible Basis for Projects in certain areas. These areas are known as Qualified Census Tracts (QCT) and Difficult Development Areas (DDA). QCT’s are areas in which 50% of the population has incomes of less than sixty percent (60%) of the area median or which has a poverty rate of a least twenty-five percent (25%). A listing of QCT’s for the District is available from the HUD website. Difficult Development Areas (DDA) are those areas designated by HUD because of high construction, land and utility costs relative to the area median income. The Eligible Basis for Projects in these areas may be increased by up to thirty percent (30%). A higher LIHTC may be calculated and reserved where Federal law permits and where the feasibility analysis indicates the need for the additional LIHTC.

As authorized by and to the extent permitted by Section 42(d)(5)(B)(v) of the IRC, enacted by “The Housing and Economic Recovery Act of 2008”, HR 3221, the Department may increase the eligible basis of Projects by up to 30% (“Basis Boost”), if the Department determines that the Project or a building in the Project needs the basis boost to be financially feasible. In making the decision, the Department will consider one or more of the following:

(a) The impact of the additional Basis Boost on a Project’s need for funds for Preservation Housing.
(b) Projects that are located in high land/ acquisition cost area.

The Department may make a determination that the Project is eligible for a Basis Boost described above on its own initiative at any time, based on its review of the Project’s sources and uses, or upon request by the applicant. An applicant’s request must be submitted with the application for Tax Credits.
Projects receiving a 30% Basis Boost because of location in Qualified Census Tract (QCT) or Difficult Development Area (DDA) are not eligible to receive the Department’s Basis Boost.

RESERVATIONS

The Reservation is a conditional commitment of LIHTC and, therefore, does not meet the definition of a binding allocation as stated in Section 42 of the IRC. Once the conditions of the Reservation Agreement have been met, the Sponsor/Developer will receive a binding allocation agreement that meets all requirements as set forth in Section 42 of the IRC. Reservations will be made based on DHCD’s rating and ranking of the Projects and the availability of resources. DHCD’s Director will issue reservation of LIHTC Letters to the selected applicants.

Surplus Reservations

In the event that the supply of LIHTC, in a given year, exceeds the demand in the initial round, those surplus Tax Credits may, at the sole discretion of the Director of DHCD, be reserved in the following order of priority, without the need for an advertised competitive round.
(1) To the Director’s Special Initiatives program for stimulating development in any targeted area;
(2) To a Project(s) that received a reservation from a prior year LIHTC, that has sufficient Eligible Basis to qualify for additional Tax Credits and that needs additional Tax Credits in order to complete the Project’s funding in a manner that creates financial feasibility and economic vitality;
(3) For Projects that are in a high state of readiness and have sufficient Eligible Basis and the Project needs LIHTC in order to complete the Project’s funding in a manner that creates financial feasibility and economic vitality;
(4) For Projects that have sufficient Eligible Basis and are located in a strategic development zone and the Project needs LIHTC’s in order to complete the Project’s funding in a manner that creates financial feasibility and economic vitality.

Forward Reservation

Under certain conditions, a Project may be eligible to receive a Reservation of LIHTC from the District’s Per-Capita Credit ceiling for future years (known as a Forward Reservation). To receive a Forward Reservation, Project Sponsor/Developer must agree to comply with all conditions imposed by DHCD and the IRS. The following types of Projects may receive Forward Reservations from future years’ LIHTCs.

Projects Unable to Meet Deadlines

Some Project(s) that have already received Reservations are not able to meet time schedules of the Reservation, and such Projects may be deemed by the Director to be essential to DHCD’s strategic plan or mission. In this event the previous Reservation may be voided and, at the sole discretion of the Director, a Reservation from future years may be substituted for the LIHTC reserved under the voided Reservation.
Insufficient LIHTC

A Forward Reservation may be approved for a Project that ranked high enough in a round of competition for an award, but for which there is insufficient remaining LIHTC’s that can be allocated in the current year.

Multiple Year Reservations

For Projects that require more than $400,000 of annual LIHTC and/or reservations would be more appropriately staged over two or more years, DHCD may agree to reserve, subject to availability, LIHTCs from a future year(s). DHCD will determine if the benefits to the District are sufficient to warrant the issuance of a Forward Reservation. In most cases this determination will rely most heavily on the following factors: (1) whether the Sponsor/Developer request for LIHTC is large enough to eliminate the availability of LIHTC to other competitive applicants, and (2) if the scope of the rehabilitation or construction is such that it is unlikely that the entire Project can be “placed in service” within the time constraints imposed under the IRC.

ALLOCATIONS

Sponsors/Developers who meet the requirements of the Reservation Agreement shall receive binding allocation agreements that meet all qualifications required under Section 42 of the IRC. Sponsor/Developer must incur more than ten percent (10%) of the reasonably anticipated basis within 10 months of Tax Credit Allocation and then place the Project in service no later than the end of the second year following the year of the binding allocation. Failure to meet these requirements will result in the loss of the LIHTC for the Project.

Reservation Agreements will identify a date certain by which Sponsor/Developer must certify that Projects have been placed in service or, at a minimum, that more than ten percent (10%) of the reasonably anticipated basis of the Project has been incurred. If Sponsor/Developer has not met either of these requirements, the Reservation may be cancelled. Any LIHTC available from cancelled Reservations will be awarded to other Projects or carried forward in the District’s unallocated pool.

Carryover Allocation Evaluation

Sponsors/Developers who have received a LIHTC Reservation must submit an application for a Carryover Allocation to DHCD. To issue the Carryover Allocation, DHCD must receive documentation and certification concerning the costs incurred as well as evidence that all application and reservation fees have been paid. Sponsors/Developers must submit a certification from a third party attorney that includes an itemization of the Project’s reasonably expected basis and the costs incurred. The application must be accompanied by a check for the allocation fee.
Placed-in-Service Evaluation

At the time buildings are placed in service, DHCD will complete a final evaluation of the Project to determine the amount of LIHTC needed to make the development feasible. Only the amount needed for financial feasibility and economic viability will be allocated. Any additional LIHTC previously allocated to Projects, above and beyond this amount, will be returned to DHCD.

Before the IRS Form 8609 can be issued, DHCD must receive, review and approve the documentation specified below.

1. Revised Application – An updated application adjusting the development budget to the sources and uses reflected on the cost certification and incorporating all changes in the development team and management group.

2. Date Project Placed in Service - Occupancy permits and licenses or other evidence of completion satisfactory to DHCD for each building within the Project.

3. Cost Certification - A cost certification prepared by the Sponsor/Developer’s attorney or certified public accountant detailing the total sources and uses of funds. (For Projects insured by the Federal Housing Administration (“FHA”), the Federal cost certification may be substituted if it includes the total sources and uses of funds for the Project.)

4. Eligible Basis - A statement of the computation of the Project’s development costs that qualify as eligible cost per IRC Section 42.

5. Limited Partnership Agreement - A copy of the executed limited partnership agreement including all attachments and exhibits executed by all parties to the agreement.

6. Extended Use Covenant - A copy of the document that extends and restricts the use of the property with evidence that it has been legally recorded.

7. Allocation Fee - The appropriate Allocation fee as described above.

**MONITORING FOR COMPLIANCE**

DHCD will monitor each Project to make sure that owners comply with all Federal and District LIHTC provisions. The Compliance Period is for fifteen (15) years beginning with the first (1st) taxable year of the building’s credit period and is extended over a concurrent fifteen (15) year period by the restrictive covenants for a total of thirty (30) years. Monitoring procedures have been established by DHCD which include provisions for record-keeping and retention, certification, review, inspection; and notification of non-compliance. These procedures are provided in detail in the DHCD LIHTC Compliance Manual (CM).
Record Keeping and Retention

For each qualified low-income building in the Project, Project owners must maintain records that provide specific information for each year of the Compliance Period. The failure to maintain these records or otherwise comply with the requirements as set forth in the CM may result in the issuance of IRS Form 8823 and the eventual recapture of Tax Credits. All applicants are urged to review the CM and to require that Project property managers have a thorough knowledge of the requirements under Section 42 of the IRC and the CM. All Project owners must certify that the Project will be able to send and receive data electronically and must provide and maintain a current electronic address.

Notification of Non-compliance

DHCD will promptly notify Project owners in writing in the event that its monitoring reveals that the Project is in non-compliance. This notice will provide a cure period of up to 90 days from the date of the notice during which time the owner must bring the Project into compliance. Failure to cure a condition of non-compliance may result in recapture of the LIHTC. All incidents of non-compliance must be reported to the IRS on Form 8823 notwithstanding the resolution of compliance issues. For good cause, DHCD may grant an extension of the cure period for up to an additional six months.

DEFINITIONS

The following capitalized terms shall have the meanings set forth herein unless context clearly requires a different meaning.

1. **Accessibility**: Buildings used by the public, accessible to, and functional for, the physically handicapped, to go through and within their doors, without loss of function, space, or facility where the public is concerned.

2. **Accessible Route**: A continuous unobstructed path connecting all accessible elements and spaces in a building or facility that can be negotiated by a severely disabled person using a wheelchair and that is also safe for and usable by people with other disabilities. **Interior Accessible Routes** may include corridors, floors, ramps, elevators, lifts, and clear floor space at fixtures. **Exterior Accessible Routes** may include parking, access aisles, curb ramps, walks, ramps and lifts.

3. **Affiliate**: A corporation, partnership, joint venture, limited liability company, trust, estate, association, cooperative or other organization or entity of any nature whatsoever that directly, or indirectly through one or more intermediaries, Controls, is Controlled by, or is under common Control with any other person, and specifically shall include parent companies or subsidiaries.

4. **Applicable Fraction**: The fraction used to determine the Qualified Basis of the qualified low-income building, which is the smaller of the unit fraction or the floor space fraction, as defined more fully in IRC Section 42(c)(1).
5. **Applicable Percentage**: The percentage multiplied by the Project’s Qualified Basis to determine the annual Tax Credit available to the Ownership Entity for each year of the Tax Credit Period and as more fully described in IRC Section 42(b).

6. **Application or Application Package**: Those forms and instructions prepared by DHCD to make a determination to allocate Tax Credits. Developers are required to use the forms contained in the Application Package. The Application must include all information required by the QAP and as may be subsequently required by DHCD.

7. **Area Median Gross Income (AMGI)**: The most current tenant income requirements published by HUD pursuant to the qualified Low-Income Housing Project requirements of IRC Section 42(g).

8. **Builder General Requirements**: Items, which will vary due to Project type, location and site conditions. This category generally includes but is not limited to supervision, job site engineering, job office expenses including clerical wages, whether on site or off site, (if for the Project,) temporary buildings, tool sheds, shops and toilets, temporary heat, water, light and power for construction, temporary walkways, fences, roads, siding and docking facilities, sidewalk and street rental, construction equipment rental (not in individual trade item costs,) clean-up and disposal of construction debris, medical and first aid supplies and temporary facilities, watchman’s wages, security cost and theft and vandalism insurance signage or other barriers.

9. **Builder Overhead**: The cost of continuing operations of a building construction firm.

10. **Builder Profit**: The return anticipated for providing building construction services under competitive conditions taking into consideration on-site construction time, work performed by the builder, subcontractors and extent of subcontract work and risk and responsibility.

11. **Carryover Agreement and Allocation and Ownership Entity’s election statement**: An allocation of current year Tax Credit Reservations by DHCD pursuant to IRC Section 42(h)(1)(E) and Treasury Regulations Section 1.42-6 and the Carryover Agreement and Carryover Application filed by an Owner Entity.

12. **Code or IRC**: The Internal Revenue Code of 1986 as amended together with any applicable regulations, rules, rulings, revenue procedures, information statements or other official pronouncements issued there under by the United States Department of the Treasury or the Internal Revenue Service relating to the Low-Income Housing Tax Credit Program authorized by IRC Section 42. These documents are incorporated in the QAP by reference. A copy of the Internal Revenue Code and Treasury regulations and related information relating to this program are found in the District of Columbia Public Library and are available for review by the public.

D.C. LIHTC QAP
Page 29 of 36
13. **Compliance Period** (as defined in IRC Section 42(i)(1)): With respect to any building, the period of 15 consecutive taxable years beginning with the first taxable year of the Tax Credit Period in addition to a concurrent thirty (30) year extended use period unless extended by the Owner Entity to a longer period of time.

14. **Consultant**: A professional who provides expert advice in a particular area of knowledge.

15. **Consultant Fee**: The charge for services rendered and cost incurred by a Consultant. No entity having an identity of interest with the Sponsor/Developer may earn an additional fee for providing services that would otherwise be provided by the Developer. Consultant efforts must be directed exclusively towards serving the specific Project being proposed.

16. **Control** (including the terms Controlling, Controlled by, under common Control with, or some variation or combination of all three): The possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of any Person or Affiliate thereof, whether through the ownership of voting securities, by contract or otherwise, including specifically ownership of more than 50 percent of the general partner interest in a limited partnership, or designation as a managing general partner or the managing member of a limited liability company.

17. **Debt Service Coverage Ratio**: The ratio of a property’s net operating income (rental income less operating expenses and reserve payments) to foreclosable, currently amortizing debt service obligations.

18. **Developer or Sponsor/Developer**: The party acting as agent for the eventual owner or taxpayer benefiting from an award of a Tax Credit Reservation

   - That party and any of its successors in interest that will be bound by the representations made in the Application or documents executed in applying for or accepting the allocation of LIHTC.

   - That party or its successors that shall be obligated to carry out the commitments made to DHCD by the Sponsor on its own behalf or on behalf of other Persons or Affiliates.

19. **Developer’s Equity or Sponsor/Developer’s Equity**: The Sponsor/Developer’s contributions of cash and land, but does not include Developer’s Fee or Syndication proceeds. Developer’s Equity will only be considered if the equity remains in the Project throughout the Compliance Period and not taken out from surplus cash flow, cash flow notes, mortgages, or any other method.

20. **Difficult Development Area**: Any area that is so designated by the Secretary of HUD as an area that has high construction, land, and utility costs relative to area median family income.
21. **Eligible Basis:** With respect to a building within a Project, the building's Eligible Basis at the close of the first taxable year of the Tax Credit Period and as further defined in IRC Section 42(d).

22. **Enterprise Community** as defined by HUD.

23. **Evaluator:** Members of DHCD Staff, temporary staff hired to evaluate the Tax Credit Applications, or staff from other District of Columbia agencies.

24. **Forward Funding** shall have the same meaning as described in IRC Section 42(b)(2)(A)(ii)(I) and 42(h)(1)(C).

25. **Frail Older Person:** An Older Person requiring assistance with three or more activities of daily living. Also, see **Tenants with Special Housing Needs** in this Glossary.

26. **Hard Construction Costs:** Site improvements or work, New construction, Accessory buildings, Garages, General Requirements, Trade Items (Building materials), Construction contingency, Builder’s overhead, Builder’s Profit, Bond Premium, Other Fees, Architect’s and Engineering Fees—Design, Architect’s and Engineering Fees—Supervisory, Rehabilitation.

27. **High Risk** - Projects that involve adaptive re-use or require extraordinarily challenging substantial rehabilitation or provide more than 50% of units for tenants with annual income of 50% or less of the area median.

28. **Housing Credit Agency:** District of Columbia Department of Housing and Community Development (“DHCD”). Pursuant to Mayor’s Order 87-72, DHCD is charged with the responsibility of allocating Tax Credits pursuant to IRC Section 42(h)(8)(A).

29. **Housing Projects for Older Persons** shall have the same meaning as described in 42 U.S.C. Section 3607(b)(2).

30. **HUD:** The United States Department of Housing and Urban Development, or its successor.

31. **Identity of Interest:** A financial, familial or business relationship that permits less than an arm’s length transactions. No matter how many transactions are made subsequently between persons, corporations, or trusts Controlled by the Ownership Entity/Developer, these subsequent transactions shall not be considered “arm’s-length”. Identity of interest includes but is not limited to the following: the existence of a reimbursement program or exchange of funds; common financial interests; common officers, directors or stockholders; family relationships among the officers, directors or stockholders; the entity is Controlled by the same group of corporations; a partnership and each of its partners; a limited liability company and each of its members; or an S Corporation and each of its shareholders.
32. **In-fill Lot**: Land that has been platted and subdivided, and must have been previously improved.

33. **Integrated Setting**: Mixed population housing that is integrated “in the community” rather than in certain buildings.

34. **IRS**: The Internal Revenue Service, or its successor.

35. **Land Use Restrictive Covenants a/k/a District of Columbia Department of Housing and Community Development Indenture of Restrictive Covenants for Low-Income Housing Tax Credits (Restrictive Covenants)**: An agreement between DHCD and the Ownership Entity and all of its successors in interest where the parties agree that the Project will be an affordable housing Project for the length of the Compliance Period elected by the Ownership Entity and upon which the award of Tax Credits was in part, based. The Restrictive Covenants will contain language that must encumber the land where the Project is located for the life of the agreement. The Restrictive Covenants must conform to the requirements of IRC Section 42(h), and this QAP.

36. **Low-Income Unit**: Any residential rental unit if such unit is rent-restricted and the occupant's income meets the limitations applicable as required for a qualified low-income housing Project.

37. **Metropolitan Statistical Area (MSA)**: A central city containing at least 50,000 people with a total metropolitan population of at least 100,000 as defined by the U.S. Census Bureau.

38. **Net Construction Costs**: Construction contract amount less Builder’s Profit, Builder’s overhead, general requirements and bond fees.

39. **Older Persons**: A person 55 years of age or older, in accordance with District of Columbia law.

40. **Ownership Entity**: Any Person and any Affiliate of such Person:
   a. Submitting an Application to DHCD requesting a Tax Credit Reservation pursuant to this QAP;
   b. Who receives a Tax Credit Reservation, Carryover Agreement or 8609 Tax Credit Allocation;
   c. Who is the successor in interest to the Developer who owns or intends to own and develop a Project or expects to acquire Control of a Project consistent with Control documents provided by the Ownership Entity to DHCD as part of the Application.

41. **People with Disabilities or Disability (The term “disability”)**: With respect to an individual (A) a physical or mental impairment that substantially limits one, or more, of the major life activities of such individual (B) a record of such an impairment; or (C) being regarded as having such impairment.
42. **Project:** A low-income rental housing property the Sponsor/Developer of which represents that it is or will be a qualified low-income housing project within the meaning of IRC Section 42(g). With regard to this definition, the Project is that property which is the basis for the Application.

43. **Property:** The real estate and all improvements thereon, which are the subject of the Application, including all items of personal property affixed or related thereto, whether currently existing or proposed to be built thereon in connection with the Application.

44. **Qualified Allocation Plan (QAP):** A plan to select and award Tax Credits to qualified recipients.

45. **Qualified Basis:** With respect to a building within a Project, the building's Eligible Basis multiplied by the Applicable Fraction, within the meaning of IRC Section 42(c)(1).

46. **Qualified Census Tract:** Any census tract which is so designated by the Secretary of HUD and, for the most recent year for which census data are available on household income in such tract, either in which 50 percent or more of the households have an income which is less than 60 percent of the adjusted gross median income for such year or which has a poverty rate of at least 25 percent.

47. **Qualified Non-profit Organization or Non-profit:** An organization that is described in IRC Section 501(c) (3) or (4), that is exempt from Federal income taxation under IRC Section 501(a), that is not affiliated with or Controlled by a for profit organization, and includes as one of its exempt purposes the fostering of low-income housing within the meaning of IRC Section 42(h) (5) (C) and is allowed by law or otherwise to hold and develop property.

48. **Qualified Non-profit Project:** A Project in which a qualified Non-profit organization has Control (directly or through a partnership or wholly owned subsidiary as defined in IRC Section 42(h) (5) (D) (ii)) and materially participates (within the meaning of IRC Section 469(h)) in its development and operation throughout the Compliance Period.

49. **Qualified Residential Rental Property** shall have the same meaning as defined in IRC Section 103.

50. **Real Estate Owned (REO) Projects:** Any existing residential development that is owned or that is being sold by an insured depository institution in default, or by a receiver or conservator of such an institution, or is a property owned by HUD, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), a Federally chartered bank, a savings bank, a savings and loan association, the Federal Home Loan Bank (FHLB), a Federally approved mortgage company or any other Federal agency.
51. **Recovered Tax Credits**: Either Tax Credits previously awarded to a Project or Projects that cannot use all the Tax Credits awarded or Tax Credits from Projects that cannot be placed in service by the Sponsor/Developer/Ownership Entity.

52. **Rehabilitation Expenditure**: Depreciable expenditures, which are for Property or improvements that are chargeable to the capital account and which are incurred in connection with the rehabilitation of a building. Rehabilitation Expenditures are not eligible for Tax Credits unless the expenditures are allocable to or substantially benefit one or more Low-Income Units and the amount of such expenditures during any twenty-four month period selected by the Sponsor/Developer is at least the greater of 20 percent of the Sponsor/Developer’s adjusted basis of the building at the start of the twenty-four month period, or $6,000 per unit. See also, IRC Section 42(e) (2).

53. **Single Family**: A single-family residence whether detached or vertically attached, including a town-home, duplex, triplex or fourplex.

54. **Small Projects**: Projects that contain less than 30 residential rental units.

55. **“Special needs”** refers to an umbrella group of families and individuals (that may or may not be homeless) that have conditions or needs that require the provision of supportive services. These conditions include age and age-related problems, mental health problems, drug/substance abuse problems, mobility impairment issues, HIV/AIDS and other chronic disease problems, and homelessness.

56. **Stabilized occupancy** is calculated by determining the percentage of units required to be rented to attain the net cash flow necessary to achieve the required debt coverage ratio on the must-pay debt.

57. **State Ceiling**: The limitation imposed by IRC Section 42(h) on the aggregate amount of Tax Credit allocations that may be made by DHCD during any calendar year, as determined from time to time by DHCD in accordance with IRC Section 42(h)(3).

58. **Tax Credit**: The Low-Income Housing Tax Credits issued pursuant to the program, IRC Section 42 and Chapter 42 of Title 10 DCMR. Tax Credits are determined under IRC Section 42(a) for any taxable year in the Tax Credit Period equal to the amount of the Applicable Percentage of the qualified basis for each qualified low-income building.

59. **Tax Credit Allocation or Reservation amount**: With respect to a Project or a building within a Project, the amount of Tax Credit DHCD allocates to a Project and determines to be necessary for the financial feasibility of the Project and its viability as a qualified low-income housing Project throughout the Compliance Period.

60. **Tax Credit Period**: With respect to a building within a Project, the period of ten taxable years beginning with the taxable year the building is placed in service or, at the election of the Ownership Entity the succeeding taxable year, as more fully defined in IRC Section 42(f)(1).
61. **Total Development Cost** - Total Project cost minus cost of land, commercial hard construction, bridge loan interest, operating reserves, DHCD compliance monitoring fee, operating and replacement reserves

62. **Total Project Cost**: The total costs reflected in the Application.

63. **Transitional Housing**: A unit that contains sleeping accommodations, a kitchen and bathroom facilities and is located in a building which is used exclusively to facilitate the transition of homeless individuals to independent living within 24 months and in which a Governmental Entity or qualified Non-profit organization provides such individuals with temporary housing and supportive services designed to assist such individuals in locating and retaining permanent housing.

64. **Unallocated or Unreserved Tax Credits**: Tax Credits that are not awarded by DHCD during its most recent round of allocation or are returned to DHCD during the current year. These Tax Credits are eligible for redistribution in accordance with the rules of DHCD or may be carried forward to the next year’s allocation cycle.

65. **Utilities**: Oil, gas, electricity, and water and sewer service.

For additional information, please contact:

District of Columbia  
Department of Housing and Community Development  
1800 Martin Luther King Jr. Avenue S.E., 2nd Floor  
Washington, D.C. 20020  
Telephone # (202) 442-7200
I, Vincent C. Gray, the Mayor of the District of Columbia, hereby signify my adoption and approval of this Qualified Allocation Plan as the Mayor’s plan for the allocation of Low Income Housing Tax Credits in the District of Columbia in 2012, in conformance with Section 42 of the Internal Revenue Code of 1986, as amended.

APPROVED:

__________________________________________
Vincent C. Gray, Mayor