

**2021 Tax Credit Program**  
**Bulletin #7**  
**April 21, 2021**

Updates to the 2021 9% LIHTC program –

- 2021 LIHTC Application has been updated to correct the following. If you have already begun your application and need help with the changes listed below, please email [taxcreditquestions@schousing.com](mailto:taxcreditquestions@schousing.com).

Tab 7:

1. Deleted the summations under the columns for Bedrooms, Square Footage, and Proposed Rent, and added those totals on a separate row.
2. Changed the Gross Rent calculation to add utility allowances.
3. Deleted the “3 of Units x Gross Rent” column, and replaced it with “Maximum Allowable Rent” that is not locked so one can input max rents to compare to the Gross Rent.

Tab 8:

1. Rental income for LI and MR units summate from appropriate information tab 7.
2. Separated reserves from fixed expenses and now Net Operating Income = Effective Gross Income – Total Annual Expenses – Total Reserves.

Tab 11:

1. Annual Operating Expense per Unit (G36) does not and will not include reserves in the calculation.
2. Annual Operating Expense per Unit and Hard Construction Costs per Unit now references the summation of units (C27) on Tab 7 and total reserves (instead of individual cells) on Tab 8 within the formula.

**Questions and Answers:**

1. **Question:** Exhibit W references the 1989 Federal Manual for Identifying and delineating Wetland, please confirm whether to use the 1987 or 1989 Federal Manual?

**Answer:** Per our latest guidance from HUD - “Determine the presence or absence of wetlands, including non-jurisdictional wetlands, in accordance with the **1989** Federal Manual for Identifying and Delineating Jurisdictional Wetlands.”

2. **Question:** QAP, Page 22, Section H. Revitalization or Local Policies has two sections from which points can be earned. Please confirm the Authority will award points only under the community revitalization plan OR only by providing a letter and ordinance from the local government and that the two items cannot be combined to earn more than either the 10 points for a community revitalization plan OR 5 points for providing a letter and the government ordinance(s).

**Answer:** QAP Section VI(H)(1) is in the alternative of (H)(2), meaning the application can either receive up to 10 points for the community revitalization or 5 points for the letter and government ordinances.

3. **Question:** In Appendix E, page E-1, Item I.A. Reservation Certificates, please clarify if the reservation fee in an amount equal to ten percent (10%) of the annual LIHTC amount reserved for the development is based only on the federal tax credit allocation amount or if it’s based on the combined federal and state tax credit amount.

**Answer:** The reservation fee is based on the federal tax credit amount.

4. **Question:** The 2021 Checklist, TAB 10, indicates we provide ADA Exhibits AA and BB which do not include a pre-review report from the ADA consultant. Please clarify that “initial construction documents” refers to the submission of the Final Plans and Specifications which are due ten (10) months after the Reservation Date.

**Answer:** The Accessibility consultant review is due with the submittal of final plans and specs which is due no later than ten (10) months after the Reservation Date.