



Application for Multifamily Bond Programs

The Texas State Affordable Housing Corporation (the “Corporation”) is a state sponsored nonprofit corporation that serves the housing needs of low, very low and extremely low-income Texans and other underserved populations who do not have comparable housing options through conventional financial channels. The following application materials may be used to apply for funding in response to the Corporation’s Multifamily Private Activity Bond and 501(c)(3) Bond programs, or as an application for refunding or restructuring of an existing bond issuance by the Corporation.

The Corporation releases an annual request for proposals (“RFP”) to inform developers and the public of our process and guidelines for selecting qualified Developments for financing with residential rental bonds for the Private Activity Bond Program. The RFP provides greater detail and guidelines about the process of application, review, awards and program administration. Applicants are required to read through the RFP prior to completing this application.

Applications must be submitted at least 35 days prior to Corporation’s next scheduled board meeting in order to be considered for inducement or other action by the Corporation. A list of the application deadline dates and other questions can be received by communicating with staff by phone or email. Please contact David Danenfelzer, Manager of Development Finance Programs, by phone at: 512.477.3562 or by email at: ddanenfelzer@tsahc.org

I. SUMMARY.

This application is to be used by persons or entities (“Developers”) that intend to apply for consideration for an award or restructuring of Private Activity Bonds and 501(c)(3) bonds for affordable rental housing developments (“Developments”). Developers are required to complete and submit all of the information detailed in this application in order for the Corporation to complete its process of issuing an inducement resolution and submitting an application for reservation of an allocation of bonds to the Texas Bond Review Board (the “TBRB”). It is important to note that if the Corporation, the Corporation’s issuer counsel, bond counsel, financial advisor or other authorized party requires additional information from the Developer, the Developer or the Developer’s representatives will be required to submit such information in a timely manner.

II. SUBMISSION REQUIREMENTS.

This application must be bound in a three ring binder. The front cover of the binder must be clearly labeled with the Development’s name, Developer’s name, address, phone, fax and contact person’s name. More than one contact person is recommended. Developers are responsible for purchasing the proper binding materials.

At a minimum, all applications must be completed in the following manner:

- All applications must be signed and dated by an authorized representative of the Developer;
- Only one (1) printed copy of the application is required to be submitted;
- No faxed or emailed copies of the application will be accepted;
- An application submission fee of **\$1,500** for Private Activity Bonds, **\$2,500** for 501(c)(3) Bonds or **\$5,000** for refunding and restructuring applications must be submitted with the completed application package.
- Two (2) complete electronic copies of the executed application and attachments must be submitted. Each electronic copy of the application must be readable using Adobe PDF Reader software and submitted on a readable Compact Disk. Each tab and attachment must be properly bookmarked within the electronic copy. Scanned documents must be legible and printable on standard 11” by 8.5” paper;
- Oversized documents should be submitted, unbound, on paper with the application materials. Blue prints, plans and surveys may not be on paper larger the 11” by 17”, unless otherwise requested by the Corporation;
- Applications must be typewritten or electronically completed on the printed application materials provided by the Corporation. Handwritten applications will not be accepted.

This application requires fee of **\$1,500** for Private Activity Bonds or **\$2,500** for 501(c)(3) Bonds. Applications for refunding or restructuring require an application fee of **\$5,000** plus deposit for professional fees of **\$7,500**. Please attach the appropriate application fee and deposits to the front page of the application. The Corporation will accept personal, corporate or certified checks for the full amount made out to the Texas State Affordable Housing Corporation. Additional fees for inducements, professional fee deposits and the Corporation must be submitted pursuant to the appropriate RFP or bond policies.

Completed applications and subsequent fees must be sent to:

**Attn: Manager of Developer Financing
Texas State Affordable Housing Corporation
2200 E MLK Jr. Blvd, Austin, Texas 78702**

Tab 1

III. DEVELOPMENT INFORMATION.

Name of Development: _____

Multi Property Pooled Transaction Single Property Transaction

Number of Properties: _____ Total Number of Units: _____

Number of Low-Income Units: _____

Targeted Housing Need. Each application must meet one of the four Targeted Housing Needs as noted in the RFP. Please select all that apply.

Rural and Smaller Urban Markets At-Risk Preservation and Rehabilitation
 Senior and Supportive Housing Disaster Relief Housing

☐ Please attach a narrative of the planned Development behind this page of the application. Include any details about the Development that will help us identify it as one of the five Targeted Housing Needs.

IV. DEVELOPER INFORMATION

Name of Developer: _____

Developer Address: _____

City: _____ State: _____ Zip: _____

Contact Name: _____ Contact Phone: _____

Contact Email: _____ Contact Fax: _____

Signatory Name: _____ Signatory Phone: _____

Signatory Title: _____ Signatory Email: _____

Does the Developer, or Developer’s principals, have experience in affordable housing development? Yes / No


Does the Developer, or Developer’s principals, have experience with bond financed development? Yes / No

How many units of housing have the Developer, or Developer’s principals, completed? _____

☐ Please attached a narrative that describes the background and experience of the Developer, and Developer’s affiliates

Tab 2

V. FINANCIAL TEAM.

Please complete all of the following contact information.  Attach any additional contact information behind this page of the application.

Bond Purchaser (“BP”): _____

Bond Purchaser Contact: _____

Bond Purchaser Address: _____

Bond Purchaser Phone: _____ Email: _____

Bond Purchaser Counsel: _____

BP Counsel Contact: _____

BP Counsel Address: _____

BP Counsel Phone: _____ Email: _____

Developer’s Counsel: _____

Developer’s Counsel Contact: _____

Developer’s Counsel Address: _____

Developer’s Counsel Phone: _____ Email: _____

Underwriter: _____

Underwriter Contact: _____

Underwriter Address: _____

Underwriter Phone: _____ Email: _____

Tab 3

VI. FUNDING REQUEST.

Developers shall complete the table below and all other relevant information requested. Refunding and Restructuring applications may skip the form fields, but must submit a narrative that fully describes the proposed changes to the existing development.

Source of Funds	Amount	Rate	Term
Multifamily Private Activity Bonds			
501(c)(3) Bonds / Taxable Bonds			
Tax Credits (TDHCA)			
Other Sources: (name)			
Other Sources: (name)			
Other Sources: (name)			
Total Sources			

Will the interest rates be fixed or variable?	
Does the interest rate include Trustee and Issuer Fees?	

Ⓜ A narrative description of the bond issuance must be attached behind this page. If there are any special bond structures planned (swaps, splits, variable rates, taxable tails, etc...) please provide a thorough explanation of the bond structures to be used. Additionally, attach any term sheets or special proformas from bond purchasers, if available, behind this page. Restructuring and refunding applications must also provide a detailed list of all amendments planned to the indenture, loan agreement or other documents associated with Development.

Tab 4

VII. PROPERTY INFORMATION.

The information below is to be used for completing the TBRB application for private activity bond reservation. Developers proposing to develop more than one property location must submit the information separately for each property site. An itemized list of each property including Name, Region, City and # of Units must be included as the first page of this Tab.

Property _____ of _____

Name: _____

Address: _____ Region: _____

County: _____ City: _____ Zip: _____

Census Tract: _____ QCT Designation (check one): Yes or No

Metro: Non-Metro:

AMFI of Census Tract: _____

Number of Units: _____ Number of Buildings: _____

Development Type: Acquisition/Rehabilitation
 New construction

Current Owner of Development: _____

Owner Address, City, State, Zip: _____

Owner Phone: _____ Owner Fax: _____ Owner Email: _____

Legal Description of Development Location: _____

Option on Land (Earnest Money Contract)

A copy of the site control documentation shall be submitted behind this page for each property.

Date of Option Expiration* (provide page and section): _____

Can Extend Until* (provide page and section): _____

* Options on Land, Earnest Money Contracts, or similar site control documentation must be active for at least 90 days after the date of submission of this package, unless otherwise agreed to by the Corporation. Additionally, contracts must be extendable through the complete 150 day reservation period.

Tab 5

VIII. THRESHOLD CRITERIA.

The Corporation’s Private Activity Bond Program requires Developers to fulfill or meet all of the following Threshold Criteria, in order for staff to recommend an application for inducement. Each of the following subsections need to be marked in an appropriate manner and will be reviewed against all of the information submitted with the application, including third party documents or reports.

Affordability. The Corporation seeks to provide housing to a mix of eligible households, including low, very-low and extremely-low income persons. Developers who are successful at receiving an allocation of PABs shall agree to the following minimum terms and conditions through a Regulatory Agreement. At a minimum, all Developments will be required to meet the following income and rent restrictions:

1. At least twenty percent (20%) of the units must have gross rents that are restricted to households with incomes no greater than fifty percent (50%) of the Area Median Income (“AMI”), adjusted for family size, or
2. At least forty percent (40%) of the units in the Development must be affordable to persons and families with incomes at or below sixty percent (60%) of the AMI, adjusted for family size;
3. Gross monthly rent charged on an income restricted unit will not exceed 30% of the applicable AMI; and
4. The length of Affordability Requirements shall be maintained for a period of at least 15 years, or as long as the bonds are outstanding, whichever is longer.

Experience Threshold. All Developers must be able to demonstrate sufficient experience in the development, ownership and/or management of affordable housing developments in order to be considered for an allocation. Developers shall submit evidence that they have been involved in the development or ownership of the greater of 75 units or 50% of the total proposed development units.

☐ Developers must submit behind this page the following documentation as evidence of development experience:

1. Certificates of Occupancy for completed Developments;
2. Cost Certifications or IRS Forms 8609 for completed Developments; or
3. A letter of reference from a bond holder, tax credit syndicator or other financial partner who has provided funds to completed Developments.

Developers must also provide at least three references that know of or have worked with the Developer on housing Developments.

Name	Organization	Contact Phone	Contact Email

Construction Threshold. All Developments must adhere to all construction, energy efficiency, accessibility and site development standards set by the Corporation’s most recent RFP, 501(c)(3) bond policies, and the most recent Qualified Allocation Plan adopted by the Governor of Texas for developments involving housing tax credits.

Compliance Threshold. All Developments must adhere to the Corporation’s Compliance Policies, which can be viewed on our website at: www.tsahc.org. Applications for Refunding or Restructuring may be required to adopt the Corporation’s most recent policies and procedures for Compliance and Asset Oversight. Developers and their affiliates shall also be reviewed for compliance history with the Corporation’s and any other state or federal affordable housing program. The Corporation requires the submission of the following compliance information and references in order to research a Developer’s compliance history.

Property Name:	City:
Funded By: (HOME, HTC, Bonds, Etc...)	
Compliance Agency: (HUD, TDHCA, USDA, Etc...)	
Compliance Reference Name:	
Reference Phone:	Reference Email:

Property Name:	City:
Funded By: (HOME, HTC, Bonds, Etc...)	
Compliance Agency: (HUD, TDHCA, USDA, Etc...)	
Compliance Reference Name:	
Reference Phone:	Reference Email:

Property Name:	City:
Funded By: (HOME, HTC, Bonds, Etc...)	
Compliance Agency: (HUD, TDHCA, USDA, Etc...)	
Compliance Reference Name:	
Reference Phone:	Reference Email:

Resident Services Threshold. The Corporation strives to maintain one of the nation's best resident services programs in properties that are financed by the Corporation. To obtain this goal and better serve low income tenants, Developers shall be required to maintain a sustained resident services program that provides at least six (6) approved services to tenants on a quarterly basis. Developers must ensure a dedicated budget for services, free transportation to services if off-site, and preferably on-site staff to direct services. The six (6) services must be listed in the Corporation's Resident Services Program Guidelines.

Energy Efficiency Threshold. All Developments must adhere to the U.S. Department of Energy's Energy Star program standards, unless otherwise exempted by approval of the Corporation's Board. Developments including either new construction or rehabilitation shall meet these standards. Developers may obtain additional information regarding these standards directly from the Energy Star website: http://www.energystar.gov/index.cfm?c=business.bus_index. This threshold must be certified to by the Development architect, consulting engineer, or other third party energy efficiency consultant, prior to closing and based upon a review of the construction specifications or scope of work provided by the Development's general contractor. Additional incentives for Green Building methods and energy efficiency are included as scoring items.

Environmental Review Threshold. Prior to the sale of the obligations, the Developer will be required to conduct a Phase I Environmental Site Assessment. At bond closing, the Developer will be required to provide an environmental indemnity in the form to be provided by Bond Counsel.

Relocation Threshold. All Developments involving the rehabilitation, reconstruction or demolition of existing housing must adhere to the relocation requirements of the 2010 QAP. Developers are encouraged to review these requirements, especially as they may relate to a change in use for commercial or agricultural properties.

Accessibility Threshold. All Developments shall be designed, built and rehabilitated in a manner that is consistent with the accessibility requirements of the most recent QAP. This includes adherence with the Fair Housing Accessibility Standards, Section 504 Accessibility Standards, and §2306.514 of the Texas Government Code. Developers are encouraged to review these guidelines with their architect and/or construction team prior to application submission.

Unit Amenities Threshold. All housing Developments must adhere to the standard unit and Development amenity requirements of the most recent QAP.

Community Support Threshold. Developers are encouraged to collect community input on their Development proposals. Any letter of support or opposition must be provided to the Corporation as they are received. ■ Developers shall submit with their response to the RFP two (2) of the following documents in order to demonstrate community support for the proposed development:

1. A letter of Support from one or more of the following: Mayor; City Manager; City Administrator; Director of the Local Housing Finance Agency; Director of the Local Public Housing Agency; School District Superintendent; or County Judge, from where the development is located;
2. A resolution of support from the City Council, Local School Board or County Commissioner's Court;
3. A letter of support from an affected neighborhood association; chamber of commerce or tenant council of a Development to be acquired;
4. Evidence that a local government (city or county) entity is providing funding for the development; and/or
5. A letter of support from the State Representative or Senator representing the district in which the proposed development is located.

Underwriting Threshold. The Corporation generally applies the same underwriting standards as required by the Texas Department of Housing and Community Affairs (“TDHCA”), pursuant to §§1.31 to 1.37 of the Texas Administrative Code, to ensure consistency with the tax credit underwriting process. The Corporation shall receive all third party reports, including, but not limited to, Property Condition Assessments, Environmental Reports, Market Analysis and Appraisals, that are required to be submitted to TDHCA. The Corporation shall determine the financial feasibility of Developments using the standards set out in §1.32(d) of the Texas Administrative Code. These standards include the following minimum requirements:

1. All Developments must maintain a minimum Debt Coverage Ratio (“DCR”) of 1.20;
2. The Corporation generally requires an amortization period of not more than 40 years. The Corporation may consider longer amortization schedules for Supportive Housing and extremely low-income housing developments;
3. The Corporation shall include a reserve of replacement expense of not less than \$300 per unit annually. The Corporation may require a higher reserve amount based on information provided in the Property Condition Assessment (the “PCA”);
4. Compliance fees shall be included in the estimate of operating expenses and shall include, at a minimum, the Corporation’s Asset Oversight Agent Fee and Compliance Fee, as well as any fees required by TDHCA or other financial sources; and
5. The Corporation will include other reasonable and documented expenses, not including depreciation, interest expense, lender or syndicator’s asset management fees, or other ongoing partnership fees in its underwriting analysis. Lender or syndicator’s asset management fees or other ongoing partnership fees will not be considered in the calculation of debt coverage.

Property Tax Exemption. Developers shall certify that they will, or will not, apply for a property tax exemption or payment in lieu of taxes (“PILOT”) agreement to reduce the property taxes due to local taxing entities. If a Developer agrees not to apply for a tax exemption or PILOT agreement, the Corporation shall require a restriction be added to the bond documents that prohibits any future application for exemption. If a Developer states that they will or may apply for a tax exemption or PILOT agreement, the Corporation shall require a notification to the local tax appraisal district and the County Judge where the Development is located that such an exemption or agreement will or may be requested. Developers will also be required to submit confirmation of any exemptions or final agreements to the Corporation.

- Developer agrees not to apply for a tax exemption or PILOT agreement, and shall permit the Corporation to restrict any future applications or agreements; or**
- Developer wishes to reserve their right to apply for a tax exemption or PILOT agreement, and shall adhere to the Corporation’s requirements for notification to public officials and government entities.**

Developers must certify by signing below, that they have read and understand that the proposed Development shall meet or exceed all of the Corporation’s Threshold Criteria. The above criteria will be included in any bond agreements, compliance agreements and the indenture to the bond documents.

By: (print) Signature: Date:

IX. SCORING

Pursuant to §2306.565(e) of the Texas Government Code, the Corporation’s Board has adopted the following criteria to score and rank applications to the PAB program. The first three scoring criteria are required by state statute. The remaining criteria support the Corporation’s goals to target specific housing needs and underserved areas in the state. The maximum score is 100 points. Developers are requested to check each of the scoring items they intend to request and enter the appropriate score on the line below each item. At the end of this scoring section Developers must calculate their total score and sign the certification. Restructuring and Refunding applications may skip this Tab of the application.

Cost Per Unit of Housing. Applications may receive up to 15 points for proposing housing developments with total residential costs within the following ranges:

- 15 points for;
 - Acquisition & Rehabilitation equal to or less than \$65,000 per unit
 - New Construction equal to or less than \$85,000 per unit; or
- 8 points for;
 - Acquisition & Rehabilitation equal to or less than \$75,000 per unit
 - New Construction equal to or less than \$95,000 per unit.

Requested Score = _____

Proposed Rents. Applications may receive up to 15 points for proposing Developments that ensure a percentage of rents are affordable to very-low and extremely low-income households. Developments supported by project based rental contracts may only include units not supported by contract rents in the calculation of the following set-aside selections:

- 15 points – at least 5% of units will be reserved for families who earn 30% or less than the area median income; or
- 15 points – at least 40% of units will be reserved for families who earn 50% or less than the area median income.

Requested Score = _____

Income Range for Residents. The Corporation is interested in promoting mixed income housing as a means to improve the lives of residents and build stronger communities. Applications that propose to ensure the following mixed income guidelines shall receive 15 points:

- Not more than 80% of the housing units will be reserved for persons earning 60% or less than the area median income; or
- At least 15% of the housing units will be reserved for persons earning more than 80% of the area median income.

Requested Score = _____

Small and Mid-Sized Cities. Applications shall receive 10 points for developments located in communities with populations less than 100,000, but not located adjacent to a PMSA or MSA with a total population of more than 500,000.

Requested Score = _____

At-Risk Preservation. Applications shall receive 10 points for the acquisition and rehabilitation of developments at-risk of losing affordable housing rental contracts or land use restrictions. Developments must meet the 2010 QAP definition of At-Risk Development to qualify for these points.

Requested Score = _____


Green Building Features. Applications will receive 10 points for obtaining a certification from a qualified third party that the Development meets the minimum certification requirement of the U.S. Green Building Council’s LEED (“LEED”) program. Applications will receive an additional 5 points (maximum of 15 points for this criterion) for meeting the Gold or Platinum certification standards for the LEED program. Certification may be based on the proposed construction plans, and the Development shall obtain an official certification after completion of construction or rehabilitation.

Requested Score = _____


Accessible Housing Features. Applications will receive 5 points for certifying that the Development will meet the following housing accessibility standards. Rehabilitation Developments are not exempt from meeting these requirements, if the scoring item is selected:

- All housing units accessible through a ground floor entrance shall have at least one no-step entry with a 36” entrance door;
- All housing and community spaces will be accessible via pathways that meet ADA and Fair Housing accessibility standards;
- All door ways in ground floor units (including closets, bathrooms, storage areas, etc…) shall have doors with at least a 32 inch clear opening;
- All doors shall have lever handles and windows shall have accessible release and opening mechanisms;
- All ground floor units shall have at least one ground floor bathroom with an accessible bath tub or roll in shower, and at least one ground floor bedroom;
- All electrical outlets, switches and control panels shall be no higher than 48 inches and no lower than 15 inches; and
- All ground floor units shall have kitchens that are accessible pursuant to the Fair Housing Accessibility Guidelines.

Requested Score = _____

Local Public Funding. Applications shall receive 5 points for submitting at least four letters of support from any combination of the following persons: Mayor; City Manager; County Judge; School District Superintendent; State Representative; or State Senator, whose district includes the Development site.  A commitment or award letter from the governing body must be submitted behind this page for points.

Requested Score = _____

Letters of Local Support. Applications shall receive 5 points for submitting at least four letters of support from any combination of the following persons: Mayor; City Manager; County Judge; S School District Superintendent; State Representative; or State Senator, whose district includes the Development site.  Attach a copy of each letter behind this page of the application.

Requested Score = _____

Developer Experience. Applications shall receive 5 points for providing evidence that the Developer currently owns, and maintains in compliance, a number of multifamily housing units at least twice the amount proposed in the Application. Developers must be sure that they have provided sufficient evidence of previous experience in the Threshold Criteria, Tab 5 of this application to receive points.

Requested Score = _____

Resident Services. Applications shall receive 5 points for agreeing to provide at least five (5) approved services to tenants on a monthly basis. This scoring criterion is a higher standard than the Corporation threshold criteria for resident services.

Requested Score = _____

Tie Breaker. The Corporation shall break all scoring ties by dividing the estimated per unit cost by the number of very-low and extremely-low income units. The application with the lowest ratio shall be determined the winner of the tie break. The Corporation will only calculate the tie breaker in the event that a tie occurs between two eligible applications.

Total Score Requested = _____

Developers must certify by signing below, that they have only selected points for scoring items that they can fulfill and understand that they will be required to fulfill the requirements of all scoring items they have commitment to in this section.

By: (print)

Signature:

Date:

Tab 7

X. CERTIFICATIONS.

- A. The Developer and Developer's principal(s) shall be held to all representations made in this application, future document submissions and any statements made at public hearings.
- B. Developer and Developer's principal(s) agree that after the reservation of volume cap has been obtained, the Corporation will hold a public hearing (the "TEFRA") with the participation of the Developer and Developer's principal(s). Before the closing of the bonds, staff will prepare final evaluations and recommendations to the Corporation's Board of Directors, which will include any public comments received at the TEFRA. Based on those recommendations, the Corporation's Board of Directors may choose to consider and adopt a Bond Resolution and to make a final decision on allocating the bonds for the Development(s).
- C. Developer and Developer's principal(s) agree that the Corporation must approve the initial selection of a management company and all subsequent changes in management during the term while the bonds are outstanding.
- D. Developer and Developer's principal(s) certify to the best of their knowledge that all previously owned and/or developed affordable housing properties are compliant with all applicable bond, tax credit, HOME, or other federal, state, or local affordable housing program(s) from which the Developments receive funding.
- E. Developer and Developer's principal(s) certify that all affordable housing Developments for which the Developer and/or the Developer's principal(s) or related entities were involved or were requested to be financed and which were financed with affordable housing program assistance have not been and are not currently involved in litigation regarding the Development and/or financing of any of the properties, are not the subject of any IRS actions and are current with all local property taxes.
- F. Developer and Developer's principal(s) certify that all affordable housing units developed as a result of this preliminary award of private activity bonds will meet all federal, state and local development standards. This includes all minimum property and development standards detailed in the 2010 State of Texas Qualified Allocation Plan [Chapter 10 Texas Administrative Code [TAC] §50], Section 504 of the 1973 Rehabilitation Act, Federal Fair Housing Accessibility Standards, and, if applicable, the Texas Minimum Construction Standards and State Accessibility Standards at §2306.514 of the Texas Government Code. These requirements may supersede any additional federal, state or local housing standards that may be required by local development codes, or additional federal, state or local financing.
- G. Developer and Developer's principal(s) certify that all affordable housing units developed as a result of this preliminary award of private activity bonds will meet or exceed, as represented in their response to the RFP, the statewide energy code adopted by the State Energy Conservation Office.
- H. Developer and Developer's principal(s) certify that they have not violated any standard of conduct or conflict of interest statute, including §2306.6733, Texas Government Code, or any section of Chapter 572, Texas Government Code.
- I. Developer and Developer's principal(s) certify, to the best of their knowledge, that no issues of environmental safety or negative impacts are present at the proposed Development(s) location. The Developer will contract and have completed a Phase I Environmental Site Assessment (ESA) at its own expense and submit it with the Reservation Detail Package. If the Phase I ESA identifies environmental risks the Developer will contract and have completed prior to bond closing a Phase II

- ESA. The Developer at its own cost shall meet all other federal, state or local environmental regulations required of them.
- J. Developer and Developer’s principal(s) certify that all properties will comply with the Texas Department of Housing and Community Affairs (TDHCA) Qualified Allocation Plan (QAP) and Rules pertaining to the Low Income Housing Tax Credit Program in effect at the time of the response to the RFP in order to apply for 4% tax credits.
- K. Developer and Developer’s principal(s) certify that (1) a minimum of twenty percent (20%) of the units in a Qualified Residential Rental Project (as defined by the TBRB and also referred to herein as a “Development”) must be reserved for households with incomes no greater than fifty percent (50%) of the area median income (“AMI”), adjusted for family size, or at least forty percent (40%) of the units in the Development(s) must be reserved for households with incomes at or below sixty percent (60%) of the AMI, adjusted for family size; (2) Gross monthly rent charged on an income restricted unit will not exceed 30% of the applicable AMI; and (3) Income and rent restrictions must be maintained for a qualified project period to be determined in accordance with federal and state law.
- L. Developer and Developer’s principal(s) certify that it will be responsible for all fees and expenses in connection with all bonds issued on its behalf. Such expenses, where eligible under the Internal Revenue Code (the “Code”), may be financed through bond proceeds and will be considered part of the obligations authorized for issuance by the Corporation. All fees required by the Corporation are noted in the Corporation’s Request for Proposals.
- M. Developer and Developer’s principal(s) agree that the preliminary award may be terminated by the Corporation or the Developer by written notice at any time. The Developer is encouraged to act in good faith and fair dealing to terminate this agreement if it becomes aware of any reason that the proposed developments will not move forward or if it has found alternative financial resources so that the Corporation may allocate its private activity bond allocation to other qualified applicants.
- N. Developer and Developer’s principal(s) agree that the Corporation reserves the right to retract an award if a Developer is unable to receive a reservation of private activity bond cap prior to June 1, 2010. The Corporation reserves this right in order to allow alternate Developers, or other applications to proceed with an inducement and reservation, and to ensure the maximum utilization of the Corporation’s volume cap.
- O. Developer and Developer’s principal(s) agree that any preliminary official action of the Corporation should not be construed as an indication as to the marketability of obligations or as the final approval of the Development by the Corporation, its financial advisor or bond counsel. Rather, it is an indication that the Corporation will attempt to issue its obligation to provide financing to a portion of the proposed Development(s) subject to, (I) the Corporation’s approval of financial structure of the bonds, bond purchaser and/or underwriter, and the Developer’s readiness to proceed, (II) the Developer’s continuing compliance with these regulations and cooperation in providing any and all requested information to the Corporation, (III) approval by the Texas Bond Review Board (the “TBRB”) of the sale of obligations, (IV) market conditions and terms acceptable to the Corporation and to its staff and consultants, and (V) approval by the Texas Attorney General of the issuance of the obligations.

By: (print)

Signature:

Date:

XI. RESOLUTION TO SUBMIT RESERVATION DETAIL PACKAGE

☐ Developers are required to submit a resolution, signed by the Developer's managing members or officers authorizing the submission of this application and identifying the person(s) authorized to sign agreements, contracts and other documents on behalf of the Developer and Developer's principal(s). The resolution should be submitted behind this page.

XII. TAX CREDIT SUBMISSION REQUIREMENTS

Because most Private Activity Bond Developments will be financed with a combination of bonds and housing tax credits, the Corporation is attempting to reduce the amount of duplicative information that the Developer must submit. ☐ Developers must submit Volumes 1 and 2 of the TDHCA Housing Tax Credit Uniform Multifamily Application with the submission of this application. The tax credit application must be completed in accordance with the TDHCA Application Submission Procedures Manual. **Only an electronic copy of the TDHCA application is required.** The Corporation uses the TDHCA application to fulfill most of the technical requirements of financial feasibility review and preparation of the bond inducement resolution. Developers will also submit Volume 3 of the TDHCA application to the Corporation at the time of application to TDHCA for tax credits. Applicants are encouraged to contact TDHCA staff in preparing the Uniform Multifamily Application.

The TDHCA application materials and manual are located at:

<http://www.tdhca.state.tx.us/multifamily/applications.htm>

XIII. FEES.

☐ Don't forget to attach your check for the application fee of **\$1,500** for Private Activity Bonds, **\$2,500** for 501(c)(3) Bonds or **\$5,000** for Restructuring and Refunding applications on the front page of the application.