

~~2019~~2020



4% Low Income Housing Tax
Credits/Bonds

Pre-Application

A. INTRODUCTION

Applicants interested in requesting an allocation of federal 4% low income housing tax credits (“4% LIHTC”) issued in connection with the issuance of qualifying tax-exempt bonds should proceed as follows:

- To initiate the process, complete and submit this 4% LIHTC/Bond Pre-Application (the “Pre-Application”) (along with any applicable fees) online to NIFA at www.nifa.org. If you are requesting that NIFA be the issuer of the bonds, a date for consideration by the NIFA Board of a limited purpose intent resolution will be scheduled during a regular Board meeting.
- Complete and submit the LIHTC, Nebraska Affordable Housing Tax Credits, HOME and National Housing Trust Funds Application (the “LIHTC Application”) (along with applicable fees) online at www.nifa.org. Until the LIHTC Application is considered “final” by NIFA staff, a request for Unified Volume Cap (next step below) will not be scheduled for action by the NIFA Board.
- Complete and submit the Unified Volume Cap Allocation Application Request (the “Cap Application”) (along with any applicable fees) online at www.nifa.org to request an allocation of Private Activity Bond Volume Cap (“Volume Cap”).

Pre-Applications must be submitted to NIFA in the following manner:

- (a) Pre-Applications are due via the online funding application system no later than 5:00 p.m. on the last day of the application cycle as described in the NIFA 4% LIHTC Allocation Plan.
- (b) Pre-Application fees are due in NIFA’s office no later than 5:00 p.m. on the last day of the application cycle as described in the NIFA 4% LIHTC Allocation Plan.
- (c) A Pre-Application will not be considered or reviewed by NIFA:
 - (i) if the developer or owner is delinquent on Nebraska LIHTC fees, Nebraska Affordable Housing Tax Credit fees or Tax-Exempt Bond fees due and payable for other Nebraska LIHTC developments; or
 - (ii) if during the previous three (3) calendar years, there are or have been items of noncompliance or violations of a Land Use Restriction Agreement/Tax-Exempt Bond Regulatory Agreement that have not been corrected within the applicable correction period on any other Nebraska LIHTC development; or
 - (iii) if the owner is delinquent on any documentation/fees or payment of TCAP Loan that are due and payable to NIFA, including but not limited to the following:
 - (a) Conditional Reservation Documentation/42(m) Letter
 - (b) Carryover Documentation
 - (c) 10% Test Documentation
 - (d) Cost Certification Documentation
 - (e) Asset Management Documentation
 - (f) TCAP Loan Repayment Amounts
 - (g) Any other documentation requested by NIFA

All applications referred to above are available at www.nifa.org and must be completed and submitted to NIFA online. Submit fees to MF Bond Program:

Chief Operating Officer
Nebraska Investment Finance Authority
1230 O Street, Suite 200
Lincoln, NE 68508-1402

For additional information on the 4% LIHTC/Bonds process, please refer to the NIFA 4% LIHTC Allocation Plan.

B. PRE-APPLICATION PROCESS

Please check the appropriate box below regarding the proposed issuer of the bonds.

☐ **NIFA AS ISSUER OF TAX-EXEMPT BONDS**

Applicants shall complete and submit this Pre-Application prior to the adoption by the NIFA Board of a limited purpose intent resolution. A limited purpose intent resolution does not bind NIFA to ultimately issue bonds, but is a requirement for an allocation of Volume Cap and consideration of final bond approval by the NIFA Board.

Pre-Application Fee:

A non-refundable fee of 1/16th of 1% of the bond amount requested (\$1,000 minimum) is due upon submission of this Pre-Application. This fee will be applied to the "Bond Issuance Fee" if the bond issue closes.

Upon issuance of a limited purpose intent resolution, the applicant must proceed to complete and submit the full LIHTC Application online.

Once the LIHTC Application has been reviewed and accepted as final by NIFA staff, the applicant must submit a separate Cap Application requesting an allocation of Volume Cap. This Cap Application must be accompanied by both the applicable Reservation Deposit and the Bond Allocation Fee. (See the NIFA 4% LIHTC Allocation Plan for additional details.) **[NOTE: The duration of the allocation of Volume Cap is limited to a specific period of time. Thus, your LIHTC Application should be approved by NIFA as final prior to applying for an allocation of Volume Cap.]**

See the NIFA 4% LIHTC Allocation Plan for information on the applicable fees charged by NIFA in connection with both the issuance of bonds and the allocation of 4% LIHTCs.

☐ **NIFA NOT THE ISSUER OF TAX-EXEMPT BONDS**

Applicants shall complete and submit this Pre-Application and include a copy of the intent resolution adopted by the proposed issuer (e.g. governmental entity) of the bonds. Submission of an intent resolution does not bind NIFA to ultimately allocate Volume Cap, but is a requirement for an allocation of Volume Cap by the NIFA board.

Upon submission and review by NIFA of the Pre-Application, the applicant will be notified to proceed to complete and submit the full LIHTC Application online.

Once the LIHTC Application has been reviewed and accepted as final by NIFA, the applicant must submit a separate Cap Application requesting an allocation of Volume Cap. This Cap Application must be accompanied by both the applicable Reservation Deposit and the Bond Allocation Fee. (See the NIFA 4% LIHTC Allocation Plan for additional details.) **[NOTE: The duration of the allocation of Volume Cap is limited to a specific period of time. Thus, your LIHTC Application should be approved by NIFA as final prior to applying for an allocation of Volume Cap.]**

See the NIFA 4% LIHTC Allocation Plan for information on the applicable fees charged by NIFA in connection with the allocation of 4% LIHTCs.

C. APPLICANT/OWNER OVERVIEW

APPLICANT INFORMATION:

The applicant anticipates being part of the final ownership entity. ☐Yes ☐No

Legal Name of Entity: _____

Address: _____

City: _____

State: _____

Zip Code: _____

Telephone Number: _____

Email: _____

Applicant Contact Person: _____

Applicant Contact Information if different from above:

Address: _____

City: _____

State: _____

Zip Code: _____

Telephone Number: _____

Email: _____

OWNERSHIP INFORMATION:

Name: _____

Contact Person: _____

Address: _____

City: _____

State: _____

Zip Code: _____

Email: _____

Telephone Number: _____

Fax Number: _____

Has Ownership Entity been formed?

☐Yes ☐No

Federal Tax ID Number: _____

Identify the Persons or Entities who will be part of the Ownership Entity:

Name: _____	EIN #: _____	Telephone: _____	Ownership Interest: _____%
Name: _____	EIN #: _____	Telephone: _____	Ownership Interest: _____%
Name: _____	EIN #: _____	Telephone: _____	Ownership Interest: _____%
Name: _____	EIN #: _____	Telephone: _____	Ownership Interest: _____%

Has the applicant, or any affiliate of the applicant or ownership entity ever sold or transferred LIHTCs to a new ownership entity prior to placing the buildings in service or within a year thereafter?

☐Yes ☐No *If "Yes", provide the details of the transfer in **Exhibit 1**.*

D. DEVELOPMENT OVERVIEW

DEVELOPMENT NAME AND ADDRESS:

Development Name: _____

Address: _____

City: _____

Zip Code: _____

County: _____

Legislative District: _____

Congressional District: _____

DEVELOPER NAME AND ADDRESS:

Name: _____

Address: _____

City: _____

State: _____

Zip Code: _____

Contact Person: _____

Telephone Number: _____

Email: _____

TYPE OF PROJECT (check one):

- ☐ New Construction
☐ Acquisition and Rehabilitation
(Percent of Rehab: _____%)
☐ Total Development Cost

*Please provide a one-page summary of the proposed development in **Exhibit 2**, which includes the following:*

The impact of the proposed project on the local economy (the description should include the following elements):

- The ability of the local community to provide support services including, among other things, roads, sewer, water and schools.
- Local need for the project and effort on the local economic base in terms of direct and indirect jobs, diversification, and tax base.

DEVELOPMENT TEAM/OTHER PARTIES:

Has any party of the development team (including those participants listed below) received an allocation of LIHTCs from a previous year for the development? ☐ Yes ☐ No

If "Yes" provide the following: Year of Allocation: _____ NIFA Number: _____ BIN Numbers: _____

*For each participant listed below, please provide the full name of the firm and/or individual, their full address, telephone number and the name of the contact person, and interest, if any, in the development in **Exhibit 3**. If any members of the development team (to include the Developer, Bond Counsel, or Bond Trustee located elsewhere on this application) have any direct or indirect financial or other interest or relationship with any other project team member, describe those relationships in **Exhibit 3**.*

- ☐ Accountant
☐ Architect
☐ Consultant (if any)
☐ Developer Counsel
☐ Engineer
☐ General Contractor
☐ General Partner
☐ Management Company
☐ Syndication Firm
☐ Underwriter

SITE INFORMATION:

_____ Total Number of Buildings in the Development
_____ Number of Stories in Tallest Building
Will any of the buildings include an elevator? ☐ Yes ☐ No If yes, how many? _____
_____ Total Number of Units in the Development (LIHTC, HOME, Market, Other, etc.)
_____ Total Square Footage of the Development
_____ Square Footage of Area for Commercial Space
_____ % Percentage of Floor Area for Commercial Space
Will the Development have Manager/Maintenance Unit(s)? ☐ Yes ☐ No
_____ Number of Employee/Maintenance Unit(s)
_____ Square Footage of Employee/Maintenance Unit(s)
_____ Other Common Space Square Footage
_____ Total Net Rentable Square Footage of all Rental Units in the Development
_____ Total Number of LIHTC Units in the Development (excluding employee/maintenance unit(s))

_____ % Percentage of LIHTC Units in the Development
 _____ Total Square Footage for LIHTC Units
 _____ % Percentage of Floor Area for LIHTC Units
 _____ Total Number of Market Rate Units
 _____ Square Footage of Market Rate Units
 _____ Total Site Area (Land) to be used for the Development. Please Specify: ☐ Acres ☐ Sq. Feet

Development Structure: (check all that apply)

- ☐ Multifamily (more than 4 units per building)
☐ Single-family
☐ Single Room Occupancy (SRO)

- ☐ Duplex
☐ Four-plex
☐ Special Needs

- ☐ Elderly Housing
☐ Congregate care facility
☐ Other: _____

BOND MINIMUM SET-ASIDE ELECTION (check one only):

- ☐ 20-50 Test The development meets this requirement if 20% or more of the residential units in the development are both rent restricted and occupied by individuals whose income is 50% or less of the area median gross income.
☐ 40-60 Test The development meets this requirement if 40% or more of the residential units in the development are both rent restricted and occupied by individuals whose income is 60% or less of the area median gross income.

LIHTC MINIMUM SET-ASIDE ELECTION (check one only):

- ☐ 20-50 Test The development meets this requirement if 20% or more of the residential units in the development are both rent restricted and occupied by individuals whose income is 50% or less of the area median income ("AMI").
☐ 40-60 Test The development meets this requirement if 40% or more of the residential units in the development are both rent restricted and occupied by individuals whose income is 60% or less of the AMI.
☐ Income Averaging Test The development meets this requirement if 40% or more of the residential units in the development serve households earning as much as eighty percent (80%) of the AMI, as long as the average income/rent limit in the development is sixty percent (60%) or less of the AMI.

PLEASE NOTE: Income Averaging may be used in bond-financed LIHTC developments as long as the development satisfies BOTH the IA set-aside election and one of the minimum set-aside elections applicable to tax-exempt bond financing (20/50 or 40/60 minimum set-aside). Thus, units with income limits above 60% or 50%, as applicable, do not count for purposes of bond compliance.

E. BOND FINANCING

BOND ISSUER:

Name: _____
 Address: _____
 City: _____
 Zip Code: _____
 Telephone Number: _____

Contact Person: _____
 State: _____
 Email: _____

If NIFA is not the Issuer of the Tax-Exempt Bonds, please provide the Bond Intent Resolution from the Bond Issuer in Exhibit 4.

BOND COUNSEL:

Name: _____
Address: _____
City: _____
Zip Code: _____
Telephone Number: _____

Contact Person: _____
State: _____
Email: _____

BOND TRUSTEE:

Name: _____
Address: _____
City: _____
Zip Code: _____
Telephone Number: _____

Contact Person: _____
State: _____
Email: _____

F. SOURCE OF FUNDS

Will any portion of the project be financed directly or indirectly with Federal, State, or Local Government funding? ☐ Yes ☐ No

Please indicate the sources of funds and the amounts anticipated for this project.

<input type="checkbox"/> Tax-Exempt Bonds	\$ _____
<input type="checkbox"/> Taxable Bonds	\$ _____
<input type="checkbox"/> Tax Increment Financing	\$ _____
<input type="checkbox"/> Grants	\$ _____
<input type="checkbox"/> Other	\$ _____

BONDS:☐ **TAX-EXEMPT BONDS**

Will the development receive tax-exempt bond financing for at least 50% of the aggregate basis of the building(s) and land includable in the Development? ☐ Yes ☐ No

Type of bond sale: ☐ Private Placement ☐ Public Sale

If a Public Sale is proposed, will the bonds be rated? ☐ Yes ☐ No

If "Yes" provide the following:

Rating: _____
Rating Agency: _____
Bond Underwriter: _____
Bond Trustee: _____

Bond Security:

Bond Insurance:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Project Mortgage:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Credit Enhancement:	<input type="checkbox"/> Yes <input type="checkbox"/> No

If "Yes" provide the following:

What type? _____

By whom? _____

Other: _____

☐ **TAXABLE BONDS**

Type of bond sale: ☐ Private Placement ☐ Public Sale

If a Public Sale is proposed, will the bonds be rated? ☐ Yes ☐ No

If "Yes" provide the following:	
Rating:	_____
Rating Agency:	_____
Investment Bank:	_____
Bond Trustee:	_____
Bond Security:	
Bond Insurance:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Project Mortgage:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Credit Enhancement:	<input type="checkbox"/> Yes <input type="checkbox"/> No
If "Yes" provide the following:	
What type?	_____
By whom?	_____
Other:	_____
<input type="checkbox"/> LOANS	
Projected Loan Terms:	
Principal Amount:	\$ _____
Interest Rate:	<input type="checkbox"/> Fixed <input type="checkbox"/> Variable
Term of Loan:	_____ Years
Amortization:	_____ Level _____ Balloon
Loan Security:	
Development Mortgage:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Assignment of Project Rents:	<input type="checkbox"/> Yes <input type="checkbox"/> No
FHA Mortgage Insurance:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Personal Guarantees:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Loan Credit Enhancement:	<input type="checkbox"/> Yes <input type="checkbox"/> No

G. PROPOSED EFFECT ON TAXES

Present property tax base:	\$ _____
Property taxes after completion:	\$ _____
Property tax increase:	_____
Estimated sales taxes during construction:	\$ _____

H. EXPRESSION OF INTENT

Adoption of a limited purpose intent resolution by NIFA (or submission to NIFA of an intent resolution adopted by another governmental issuer of bonds) does NOT constitute final approval by NIFA and does not legally obligate NIFA to issue bonds or to allocate Volume Cap. NIFA may require additional information from the applicant and the NIFA Board of Directors must be satisfied that the public purposes of the NIFA Act are furthered by the development and financing of the proposed project.

I. PUBLIC INFORMATION

Copies of Applications submitted pursuant to the Qualified Allocation Plan ("QAP") (which include applications for 9% LIHTCs, AHTCs, 4% LIHTCs and CRANE), together with all supplemental information and documents submitted

in connection therewith, will be made available to the public, upon written request, subsequent to action by the NIFA Board of Directors related to the consideration of Conditional Reservations for such Applications.

Additionally, following each LIHTC Competitive Round and approval of Conditional Reservations, NIFA will post the scores for each Application at www.nifa.org.

By submission of an Application pursuant to the QAP, applicant acknowledges and agrees to such publication of its Application and related information.

II. STATEMENT AND CERTIFICATION OF APPLICANT/OWNER

The undersigned has read and fully understands this Pre-Application. The information contained in this Pre-Application is true and correct to the best of the applicant's knowledge.

Signature of Applicant/Owner

____/____/____
(Month/Day/Year)

JK. DIRECT INQUIRIES TO:

MF Bond Program:
Chief Operating Officer
Nebraska Investment Finance Authority
1230 O Street, Suite 200
Lincoln, NE 68508-1402
Telephone: (402) 434-3900
Web Address: www.nifa.org