



Georgia

Low Income Housing Preservation in 2010

Low Income Housing Tax Credits (9% Tax Credits)

In Georgia's 2010 QAP, 1.8M credits have been set-aside for preservation projects. Projects must fit into one of the following categories to be considered for this set-aside: existing tax credit project in the 14th or 15th year; PHA development using replacement housing factor funds or the PHA as the primary source of loans/cap funds; Section 515 for at least 50% of the units; project based Section 8 contract with opt-out eligible with 1 year notice to tenants; HUD 236; and any other HUD subsidized designated by HUD as a preservation project - DCA has veto power.

3 points are awarded for LIHTC project beyond 14th year or DCA HOME if statutory of affordability has expired (points can be claimed even if structure is demolished)

New construction and rehab have same accessibility requirements. Rehab projects are required to complete a Physical Needs Assessment and a market analysis which considers the retention of existing tenants that are not rent burdened.

Average per unit rehabilitation hard costs must equal or exceed \$25,000 for properties 20 years old or less and the average per unit rehabilitation hard costs equal or exceed \$30,000 for properties more than 20 years old. The total hard cost of any rehabilitation project must not exceed 90% of the as-completed unrestricted appraised value of the property.

Rehabilitation properties will be considered for funding only if the average per unit rehabilitation hard costs equal or exceed \$25,000 for properties 20 years old or less and the average per unit rehabilitation hard costs equal or exceed \$30,000 for properties more than 20 years old.

Rehab projects must have \$350 per unit per year for replacement reserves. Rehab projects that are awarded credits in 2010 must commence no later than Sept 30, 2011 and be completed by Dec 31, 2012.

Allocations (2003-2009)

Properties Preserved: 51

Apartments Preserved: 3,379

Additional Info: Georgia has historically allocated 9% tax credits towards the preservation of affordable rental housing, with over 20% of their 9% credits going towards preservation in both 2007 and 2008.

State Low Income Housing Tax Credits

In 2009, Georgia allocated \$22,000 toward its state tax credit program.

Private Activity Bonds with 4% Tax Credits

Applications for 4% credits are subject to applicable criteria set out in the Threshold Criteria and contain an appraisal commissioned by the lender, but DCA reserves the right to make final decision.

DCA recognizes that bond financed projects that preserve affordable housing may have difficulty meeting some of DCA's policies, including but not limited to scattered site, project location, amenities and other threshold and administrative requirements because of the way they are structured. DCA may, at its sole discretion, grant waivers of its policies or formulate new, specific policies for preservation of existing affordable housing.

Allocations (2003-2009)

Properties Preserved: 13

Apartments Preserved: 2,491

Additional Info: While none of Georgia's 4% tax credits were allocated towards preservation in 2003 - 2005, over one quarter of them have been allocated in the years following. In 2007, 32% of GA's 9% tax credits went to preservation; in 2008 it was 42%; in 2009 it was a full 70%.

Other Preservation Incentives

The Community HOME Investment Program (CHIP) grants money to local governments looking to develop or preserve affordable housing in their community. Funds can only be used for activities which result in the production, acquisition or rehab of affordable housing. In 2011, DCA awarded \$5.1 million to local communities and nonprofits.

Green Multifamily Preservation Initiatives

Green Incentives in State Tax Credit Allocation Plan

Georgia's 2010 QAP offers up to 4 points if using Earthcraft or LEED. Minimum energy efficiency threshold must be met by all projects, including installation of energy conserving products like ENERGY STAR appliances and insulation, low VOC paint, and HERS rating of 85 or less.

Other Green Incentives Relevant to Preservation

The Environmental Finance Authority administers Georgia's Weatherization Assistance Program. Georgia encourages using weatherization funding on multifamily projects. For complete information on GA's weatherization program see: <http://www.waptac.org/grantee-contacts.aspx>.

Other incentives include the TVA Green Power Switch Generation Partners Program which offers production incentives for renewable energy systems, tax credits for clean energy use, rebates for home energy efficiency improvements, a solar buy-back program, and a green business revolving loan fund..

For additional information on green initiatives, visit www.aceee.org for more on policies related to energy efficiency or www.dsireusa.org for programs that may be available to developers to incentivize renewable energy or energy efficiency.

Sustainable Communities & Transit-Oriented Development Incentives

Georgia's 2010 QAP awards a maximum of 6 points in their Community Redevelopment/Revitalization section - 3 points if part of a stable community (higher income area that needs affordable housing), 6 points if a HOPE VI project, 3 points if promotes neighborhood stabilization by demolishing or redeveloping abandoned/foreclosed properties. The project can earn points if part of a redevelopment plan - 2 points if development is part of a Redevelopment Plan, 2 points if within a Redevelopment Zone and 1 point if part of local Redevelopment plan.

Georgia's 2010 QAP awards 1 point for projects within 1 mile (2 miles for rural developments) of each of the following (to a maximum of 10 points): Retail stores, federally insured banking institutions, grocery stores, recreational facilities/public parks/civic centers, libraries, schools, day care services, medical facilities, churches, restaurants, and public transit.

3 points awarded to proposed sites within 1/2 mile of a rapid transit system along paved roads, sidewalks, pedestrian walkways or bike trails.