



DATE: January 5, 2009  
TO: Owners and Managers of HTC Projects  
FROM: Affordable Housing Connections Staff  
SUBJECT: Report Submission Requirements  
Sublocator Compliance Program Year 2008

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**2008 Annual Reports are due to AHC  
by 5:00 p.m., Tuesday, February 17, 2009**

**E-mail your ERP  
for Sublocator HTC projects to: [ahc@ahcinc.net](mailto:ahc@ahcinc.net)**

#### **2008 REPORTING REQUIREMENTS FOR ALL PROJECTS**

All 2008 project reports must be submitted on the 2008 version of the electronic reporting program (öERPö). If you are unsure about the version of the ERP you are using, please contact us. Manually prepared report forms will **not** be accepted, and electronic submission of the ERP is required.

AHC monitors compliance for projects with allocations of tax credits (öHTCö) from the following entities:

- > Saint Paul CPED
- > Minneapolis CPED
- > Dakota County CDA
- > Washington County HRA
- > Saint Cloud HRA
- > City of Rochester

AHC does not accept annual reporting for projects monitored by Minnesota Housing.

#### **IMPORTANT NOTES (FOLLOW THESE INSTRUCTIONS TO AVOID FINDINGS)**

1. When you e-mail the ERP for your project, the subject line on the e-mail must be:  
**[Project Name] HTC Compliance 2008.**
  - a. Do not submit the ERP in a template file format
    - i. **\*\*\*Make sure the filename extension on your projects ERP excel file is ö.xlö or ö.xlsö and that it is not a template document ö.xltö** \*\*\*
2. Contents of ERP:
  - a. HTC 28 Building Map
    - i. The HTC 28 (*Building Map*) identifies each unit type (Market, HTC, or Common).
    - ii. Report only on rent and income restrictions as defined by the project's HTC-1 application and allocation of tax credits. This information can be found in the Tax Credit Allocation or Carryover Agreement.
      - Do NOT submit a *Building Map* that reports rent and income restrictions of other funders or programs. Although this has been acceptable to AHC in previous years, it is no longer

practicable to monitor HTC compliance when other funding restrictions are shown in the ERP.

- iii. The HTC 28 **must** match the data reported on the HTC 13 (*Data Summary*) and *Applicable Fraction (Y1 AF or Y2 AF)* **as of 12/31/2008**. If HTC 28 does not reconcile to the HTC 13 and the *Y1AF or Y2 AF Applicable Fraction* worksheet, a reportable finding of noncompliance will be filed.

b. HTC 13 "Data" Tab

- i. Each unit must report data for all unit turnovers, transfers and recertifications that occurred during 2008.
  - Do not show past year data unless unit has been vacant for all of 2008 in which case the previously qualified household data must be reported.
  - Report all income certification data for HTC units with tenant paid rent and utility allowance data.
  - List move in date, move out date and tenant name for market rate units.
- ii. Unit Transfers: The ERP provides instructions on reporting a unit transfer. Please see cell A203 of the first tab in the ERP workbook named "Instructions."
- iii. "User Notes:" this column is for reporting any details about 2008 events related to this household or unit.
  - This space can also be used to report data on compliance with the Available Unit Rule ("AUR") when triggered by a household with income that exceeds 140%.
  - 100% HTC projects are no longer required to report this data.
  - **Mixed Use projects must report details on AUR replacement unit(s) and maintenance of the building's applicable fraction.** To avoid findings, see attached description of reporting requirements for the Available Unit Rule.

c. Common Space/Full Time Manager Unit Status

- i. If you have made any changes to the status of a common space unit or site manager unit, you are **required** to complete and submit to AHC the *Treatment of Common Space Unit* form which can be found on our website.

d. HTC 12 Owner's Certification

- i. The HTC 12 requires the signature of the authorized Managing General Partner representative. The original must be delivered to AHC before 5 p.m. February 17, 2009.
- ii. For projects in the first 15 years of the compliance period, submit the form on tab "HTC 12: " Owner's Certification of Continuing Program Compliance.
- iii. For projects in the extended use period, submit the form on tab "HTC 12 (Y 15):" Owner's Certification During Extended Use Period.
- iv. Owner must answer questions accurately and provide notes on page 3 to describe any exceptional circumstances.

e. Y2 AF: Year 2 and Later HTC 13 Applicable Fraction Summary

- i. **IMPORTANT:** Previous ERPs have requested that Owners report the date each BIN was "Placed in Service" along with the "Year of Compliance" on the *Applicable Fraction Summary*.

- ii. Because the Year of Compliance is based on the first year credits were claimed, the 2008 *Y2 AF* tab of the 2008 ERP has changed this request. Accurately complete the "Year Credits Were First Claimed on the Building."
- iii. **For 2008 reporting only, AHC is requesting that the Owner provide written confirmation of the "Year of Compliance" for each BIN.** Please print the *Y2 AF* page, have the Managing General Partner state that the information shown is correct and sign and date the page. Submit this original with the project's HTC-12 on or before February 17, 2009.
- iv. **It is essential that you submit the correct version of the ERP for 2008. If the *Y2 AF* tab of your ERP does not have this column heading, you must transfer your data to the correct version of the ERP for 2008 which can be found on AHC's website.**

### **OWNER REPRESENTATIVE CONTACT**

AHC's database contains ONLY two contact persons for each HTC project:

1. Owner Representative: authorized Managing General Partner representative
2. Managing Agent: authorized staff person as previously confirmed by AHC staff.

It is the responsibility of project staff to share monitoring correspondence within their organizations. If any change occurs in the contact persons, the information must be reported on page 3 of the HTC-12. It is the Managing General Partner's responsibility to promptly report any changes that occur to AHC.

### **PHYSICAL AND FILE INSPECTIONS**

AHC conducts a detailed file review and physical inspection of at least 20% of the units in each project every three years. During the extended use period inspections typically occur every five years. If your project is due to have physical inspections and detailed file review in 2009 (for the tax credit Program Year 2008), you will be notified under separate cover of the submission requirements.

### **AHC STAFF**

We are here to help you with a successful submission of your annual reports. AHC's phone number is 651-222-8319 and our fax number is 651-222-3755. Please contact the following staff for the appropriate concerns:

- Kage Anger for questions on physical / file inspections: [kage@ahcinc.net](mailto:kage@ahcinc.net)
- Peris Outa for questions on e-mailing the ERP: [peris@ahcinc.net](mailto:peris@ahcinc.net)
- Alan Halm for Annual Report Submission requirements: [alan@ahcinc.net](mailto:alan@ahcinc.net)
- Jane Loechler for questions on first year projects: [jane@ahcinc.net](mailto:jane@ahcinc.net)