



DATE: January 14, 2010  
TO: Owners and Managers of HTC Projects  
FROM: Affordable Housing Connections Staff  
SUBJECT: Report Submission Requirements  
Sublocator Compliance Program Year 2009

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**2009 Annual Reports are due to AHC  
by 5:00 p.m., Tuesday, February 16, 2010  
(February 15 is a legal holiday)**

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

**PROGRAM YEAR 2009 REPORTING REQUIREMENTS FOR ALL PROJECTS**

All 2009 project reports must be submitted on the 2009 version OR the 2010 version of the Electronic Reporting Program (eERP) found on Minnesota Housing's website. 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 (eHTC) from the following entities:

Saint Paul PED	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 2009.**
  - a. Do not submit the ERP in a template file format
    - i. **\*\*\*Make sure the filename extension on your projects ERP excel file is .xlö or .xlsö and that it is not a template document .xltö \*\*\***
2. Contents of ERP:
  - a. HTC 28 Building Map
    - i. The HTC 28 (*Building Map*) identifies each unit type (Market, HTC, or Common). In order to generate the Building Map (HTC 28), you must first complete the Project Info, BldgList and UnitList Tabs (see the ERP instructions tab for assistance).
    - ii. The Building Map sets forth the owner's initial "plan" for achieving the applicable fraction and various set-asides associated with each building. In addition to entering the building address, bedroom

number and square footage for each unit, you will need to enter the owner's initial plan for achieving the various set-asides for rent (60%, 50%, etc.), applicable fraction (assigning HTC, Market, or Common space status to each unit), as well as income restrictions and special population targeting (i.e., units that were set aside to serve special populations such as handicapped, HIV/AIDS, elderly, etc.). If no special targeting is identified, assume that the property is family housing.

Assigning these designations to each unit to set up the buildings will not restrict or "lock in" those units for the duration of the compliance period. The designation of each unit will depend on the income, rent, student status, etc., of the individual households occupying each unit and, in some cases, will also depend on when the available unit rule is in effect.

b. HTC 13 Data Tab

- i. Each unit must report data for all unit turnovers, transfers and recertifications that occurred during 2009.
  - **Do not show past year data** unless unit has been vacant for all of 2009, in which case the previously qualified household data must be reported.
  - **For HTC units:** report all income certification data with tenant paid rent and utility allowance data.
  - **For Market units:** list only move in date, move out date and tenant name.
- 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 or clarifications about 2009 events related to this household or unit.
  - Use this space to report data on compliance with the Available Unit Rule (AUR) when triggered by a household with income that exceeds 140%.
  - **100% properties exempt from recertification:** For move-ins, the TIC will be completed and transferred to the data sheet. Since recertifications are not required for exempt 100% properties, users will need to simply update the data sheet. The Annual Student Certification (HTC 35) is required annually for all properties, no later than the anniversary of the previous Certification. **The data sheet must be updated** with the effective date of the HTC 35, rent, utility allowance, etc. **All information must be included** except that related to income. **Leave current annual income BLANK;** do not enter zero (0). A zero will report that income has been recertified and household determined to be zero income.
  - **Mixed Use projects must report details on AUR replacement unit(s) and maintenance of the building's applicable fraction.**

- 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 from your original Building Map during calendar year 2009, you are **required** to complete and submit the *Treatment of Common Space Unit* form, (unless previously identified and approved by Suballocator through AHC). The form 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 16, 2010 (one day later than usual since February 15 is a legal federal holiday).
  - 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.
    - Question #8-Noncompliance may be identified when the agency reviews an owner's annual certification that the buildings and units in an LIHC project were suitable for occupancy. (See Treas. Reg. §1.42-5(c)(1)(vi).) The owner must also certify that state or local authorities responsible for making inspections did not issue a violation report for any building or low-income unit in the project. **If a violation notice or report was issued, the owner must attach a statement summarizing the violation report or notice** (or a copy of the violation report or notice ) to the annual certification submitted to the state agency. **The owner must also state whether the violation was corrected.**
    - Question #14-Answer "NA" **unless** the owner received its credit allocation from the portion of the state ceiling set-aside for a project involving qualified non-profit organizations under Section 42(h)(5) of the Code. **See Form 8609 Part I, 6(g).** If this box is checked, submit AHC form *Certification of Material Participation of Non-Profit*, which is found on our website.
  
- e. Placed in service date - Enter the placed in service date (**for acquisition/rehab's**, enter the *acquisition placed in service date*).
- f. Move-in date- **For new projects with existing tenants**, this date should not precede the acquisition placed in service date.
- g. TIC and HTC 13-**When adding a household member**, the effective date is the date on which the additional household member moves into the unit. Note that **this does not re-set the anniversary date** for the annual recertification.
- h. UTILITY ALLOWANCE - HTC 21- Enter all BINs for each building covered by this Utility Allowance. Enter the name of the source of the utility allowance figures and the effective date of the utility schedule from the HRA, PHA, or utility supplier (**not the date the utility allowance was received by the owner**, but the effective date as published by the HRA/PHA). **Projects receiving Suballocator tax credits should not use**

**Metro HRA utility allowances** without written consent from the Suballocator prior to the initial move-in of the first household.

**OWNER REPRESENTATIVE CONTACT**

AHC's database allows 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 for the contact person/s, 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 against UPCS 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 2010 (for the tax credit Program Year 2009), 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 and to answer questions during the review process. 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:

- Lyn Burton for questions on first year projects: [lyn@ahcinc.net](mailto:lyn@ahcinc.net)
- Kage Dana for questions on physical inspections: [kage@ahcinc.net](mailto:kage@ahcinc.net)
- Alan Halm for Annual Report submission requirements: [alan@ahcinc.net](mailto:alan@ahcinc.net)
- Peris Oladipo for questions on e-mailing the ERP: [peris@ahcinc.net](mailto:peris@ahcinc.net)
- Kathleen Proctor for Annual Report and file review requirements: [kproctor@ahcinc.net](mailto:kproctor@ahcinc.net)

**REMINDER: DO NOT E-MAIL YOUR 2009 ERP TO THE E-MAIL ADDRESSES ABOVE.  
SEND YOUR ERP TO OUR GENERAL E-MAIL ADDRESS: [ahc@ahcinc.net](mailto:ahc@ahcinc.net)**