

A Deeper Look: Average Income



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Designations: What to Consider

- Set-Aside Designations
 - Made at application
 - Irrevocable
 - Must reflect parity of set-aside distribution
 - Elections are made on the 8609
 - Reflected in an exhibit of the LURC

Application

FINISH ROW!

HOME projects - Fixed or Floating units:

Are 100% of units HUD PBRA?

Utility Allowance
(UA Sched 1 UA, so over-write if UA Sched 2 used)

PBRA Provider or Operating Subsidy ***
(See note below)

2019 Beta Draft NOT FOR SUBMISSION

MISA/NONMISA: Select City first

Rent Type

(Select)

AMIs below Line

	Nbr of Bdrms	No. of Baths	Unit Count	Unit Area	Max Gross Rent Limit	Proposed Gross Rent	Utility Allowance	PBRA Provider or Operating Subsidy	Monthly Net Rent Per Unit	Monthly Net Rent Total	Employee Unit	Building Design Type
N/A-CS							0		0	0		
N/A-CS							0		0	0		
Unrestricted							0		0	0		
Unrestricted							0		0	0		
Unrestricted							0		0	0		
Unrestricted							0		0	0		
Unrestricted							0		0	0		
1	30	1	9				0		0	0		
1	30	2	14				0		0	0		
1	30	3	2				0		0	0		
1	60	1	6				0		0	0		
1	60	2	10				0		0	0		
1	60	3	4				0		0	0		
1	80	1	3				0		0	0		
1	80	2	5				0		0	0		
1	80	3	6				0		0	0		
							0		0	0		
							0		0	0		
							0		0	0		

LURC Excerpt (For Overview)

GHFA RENT, INCOME AND OCCUPANCY RESTRICTIONS (TAX CREDIT ONLY)

(check all restrictions that were elected at the time of Application)

I. Rent/Income Restrictions

XX Low income units (XX one-bedroom units, XX two-bedroom units, and XX three-bedroom units) are restricted to Low Income Households with an Annual Income of 60% of AMI or less and are subject to the following rental restrictions: 30% of 60% of AMI adjusted according to bedroom size, on a monthly basis (yearly AMI divided by 12) less the applicable Utility Allowance.

XX Low income units (XX one-bedroom units, XX two-bedroom units, and XX three-bedroom units) are restricted to Very Low Income Households with an Annual Income of 50% of AMI or less and are subject to the following rental restrictions: 30% of 50% of AMI adjusted according to bedroom size, on a monthly basis (yearly AMI divided by 12) less the applicable Utility Allowance.

XX Low income units are restricted to Low Income Households and subject to rental restrictions. Specifically, the household incomes and maximum housing expenses must be equal to or less than the applicable limits listed in the chart below.

__ one bedroom units at 40% AMI	__ one bedroom units at 60% AMI	__ one bedroom units at 80% AMI
__ two bedroom units at 40% AMI	__ two bedroom units at 60% AMI	__ two bedroom units at 80% AMI
__ three bedroom units at 40% AMI	__ three bedroom units at 60% AMI	__ three bedroom units at 80% AMI



AVERAGE INCOME (Overview)

FEDERAL COMPLIANCE MONITORING

- ❑ Minimum Set-Aside
- ❑ Applicable Fraction
- ❑ Income Limit
- ❑ Rent Limit
- ❑ Next Available Unit Rule (NAU)



AVERAGE INCOME (Overview)

STATE COMPLIANCE MONITORING

- Reporting
 - AOC
 - Monthly MITAS Reporting
- Management Company Preparedness
 - Written Policies & Procedures
 - Training
 - Regional Manager or Compliance Manager
- Parity and Designations



Parity Example #1:

	Efficiency	1BR	2BR	3BR	4BR	Total
80% AMI	-	16.67%	17.24%	16.67%	-	16.95%
70% AMI	-	-	-	-	-	-
60% AMI	-	33.33%	34.48%	33.33%	-	33.90%
50% AMI	-	-	-	-	-	-
40% AMI	-	-	-	-	-	-
30% AMI	-	50.00%	48.28%	50.00%	-	49.15%
20% AMI	-	-	-	-	-	-

AMI	Bedrooms	Count
30	1	9
30	2	14
30	3	6
60	1	6
60	2	10
60	3	4
80	1	3
80	2	5
80	3	2
Total units:		59



Average Income: Snapshot

GA ID	Year	Proceeding w/AI	# of Units							Total # Units	AI Average	PBRA
			20%	30%	40%	50%	60%	70%	80%			
18-509	2018	Yes			21	21	334		30	406	59.98%	No
18-518	2018	Yes				36	117		18	171	60.00%	Yes
18-525	2018	Yes				54	96		27	177	60.00%	No
18-513	2018	Yes				58	93		24	175	59.43%	No
18-519	2018	Yes		12			122		13	147	58.98%	No
18-511	2018	Yes		15			107		22	144	59.93%	No

Revenue Differences

GA ID	Year	Proceeding w/AI	# of Units							Total # Units	AI Average	PBRA	Revenue/Month		Revenue Difference
			20%	30%	40%	50%	60%	70%	80%				AI Set-Aside	60% Set-Aside	
18-509	2018	Yes			21	21	334		30	406	59.98%	No	\$388,317	\$388,522	-\$205
18-513	2018	Yes				58	93		24	175	59.43%	No	\$150,930	\$152,420	-\$1,490
18-511	2018	Yes		15			107		22	144	59.93%	No	\$124,493	\$124,628	-\$135

Deeper Look at Deeper Targeting

GA ID	Year	Proceeding w/AI	# of Units						Total # Units	AI Average	PBRA	Revenue/Month		Revenue Difference	
			20%	30%	40%	50%	60%	70%				80%	AI Set-Aside		60% Set-Aside
18-511	2018	Yes		15			107		22	144	59.93%	No	\$124,493	\$124,628	-\$135

6. Project Specific Affordability and Demand Analysis:

- **The 30 percent AMI units** will target renter households (55+) earning from **\$12,630 to \$17,970**. The 15 proposed 30 percent AMI units would need to capture **2.5** percent of the 606 income qualified renter households (55+) to lease-up.

Income Limits: 30% Designation

EXAMPLE:

- 1-bedroom unit in Cobb County
- Assumes **1.5 people** in the household

LIHTC Income Limits for 2018 (Cobb County)		
Household Size	Designations	
	30.00%	60.00%
1 Person	15,720	31,440
2 Person	17,970	35,940

Income Limit for a 1.5 person household is \$16,845

$$16845 = ((17970 - 15720) / 2) + 15720$$



QUESTIONS?



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