



**Iowa Finance Authority  
Low Income Housing Tax Credit  
8609 Application Process  
July 27 - 31, 2020**



**Problem:**

The Low Income Housing Tax Credit (LIHTC) process is a complex and long process. The process has not been reviewed since moving to an electronic process. There may be steps in the process that are no longer necessary or could be done in a more efficient way. There are often multiple hand-offs due to deficiencies. The process has not been reviewed since 2008.

**SCOPE**

This event will address the Low Income Housing Tax Credit process beginning with the preparation of the 8609 package to the process step of issuing the 8609 and hand-off to compliance.

**OBJECTIVES** *(What the team wants to accomplish during event)*

1. Create a more efficient and smoother process for the customer and staff
2. Gain a better understanding of the responsibilities of the roles involved in the process
3. Eliminate duplication of work
4. Gain a better understanding of the overall LIHTC process
5. Understand the functionality and capabilities of the electronic application
6. Document any potential recommendations for the QAP
7. Establish team buy-in for LIHTC processes

**GOALS** *(measurable)*

1. Reduce processing time of 8609 application from 124 days to 60 days.  
(National average for processing is = 1-2 months 24%; 3 - 6 months 45%; 6-12 months 19%; 12+ months 12%)
2. Reduce the number of deficiencies by 50%; from an average of 11 per project to 6.
3. Reduce the number of hand-offs/duplication of work in the application process by 33%; from ?? to ??.

**PARTICIPANTS**

Sponsor	Rick Peterson, IEDA, COO
Facilitator	Marcia Tope, Dept. of Management
Co-Facilitator	Julie Bergson, Dept. on Aging
Team Leader	Dave Vaske - IFA



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Members

Derek Folden – IFA  
John Kerss – IFA  
Rachael Hoffman- IFA  
Katie Kulisky – IFA  
Michael Johnson – IFA  
Nancy (Pete) Peterson – IFA  
Stacy Cunningham – IFA  
Tim Morlan – IFA  
Angela Powers - Newbury Living  
Brian Sullivan - IFA/EDA

**PRE-WORK**

1. Deficiency Report[s] - Michael
2. Lead Time Report[s] – Michael
  - a. 8609 submitted to deficiency sent
  - b. 8609 deficiency sent to submitted
  - c. 8609 deficiency review to 8609 accepted
3. Timeline - Katie
4. QAP (2017/2018/2019/2020-21) - Pete
5. IRS Code: Section 42 - Pete
6. 8609 Application – On-line; Stacy
7. Policy & Procedures – Stacy
8. Checklist[s] – Stacy
9. Exhibits & letters – Katie
10. IRS 8609 Forms & Instructions – Katie
11. Reach out and talk to other developers about their experience with the 8609 process - Angela

**NON-NEGOTIABLES**

NA

**FOLLOW UP DATES**

August 2020 – 30 day  
Sept. 2020 – 60 day  
Oct.2020 – 90 day  
January, 2021 – 6 month  
July 2021 – 1 year