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Addendum

SOLICITATION NAME	IPA Audit and Federal and State Tax Returns for KCDC's Limited Partnerships C17019	ADDENDUM NUMBER	2	DATE	10-21-16
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This addendum answers questions raised about this solicitation. To aid in readability, the questions are in black, the answers are in **bolded blue**, and the answers follow immediately below.

Q1	Eastport Development LP: Could we have access to a copy of the 12/31/15 audit report and if possible the 12/31/15 income tax returns?
	KCDC has posted these materials to its webpage.
Q2	Five Points 1 LP: We understand that construction should be complete in approximately June, 2017 and that an audit and income tax return will be needed for the year ended 12/31/17. Most tax credit LPs like Five Points have requirements to have an interim cost certification by the auditors during construction and a final construction cost certification at the completion of construction. These two type certifications are typically in addition to the year-end audits. Do the legal documents require these type certifications?
	Yes, however, we have already completed the 10% carryover certification and will use the same firm for the final cost certification for consistency.
Q3	Five Points 1 LP: Also, the legal documents may require an audit for the year ended 12/31/16 even though the construction will not be complete at that date. Could you let us know if the two construction certifications are required and if a 12/31/16 year-end audit is required, even though construction will not be complete? This information in the legal documents can often be confusing. We will be happy to help you read through the documents if you would like. These 12/31/16 audits will probably be required.
	We do not see specifics in the legal documents as to this requirement but we assume it is probably required.
Q4	Five Points 2 LP: Do the legal documents require that a year-end audit for 12/31/17 will be required even though construction will probably not be complete?
	We have not closed with an equity investor and therefore do not have legal documents at this time but we assume that this is probably the same answer as Five Points I LP.
Q5	Five Points 2 LP: Also, will an interim cost certification during the construction period be required, most likely during 2017? Both of these 2017 audits are probably required.
	A 10% carryover certification and a final cost certification will be needed.



Q6	Five Points 3 LP: If closing occurs in late 2017 will a 12/31/17 audit be required even though construction is not complete? Will an interim cost certification during construction be required during 2017 if any substantial construction is done during 2017? These 2017 audits will probably be required.
	We have not closed with an equity investor at this time and therefore do not have the legal documents but our answers would be the same as above.
Q7	Lonsdale Homes LP, North Ridge Crossing LP, Vista at Summit Hill LP: Our understanding from the Addendum #1 of the RFP is that these entities will not close until early 2017 and that the rehab work will take 12 to 18 months. The legal documents may require that an interim cost certifications must be complete during 2017 and that audits may need to be performed at 12/31/17 even though construction will probably not be complete. These 2017 audit will probably be required. If we offer a quote on these audits now we will need to know the requirements in the legal documents.
	We have not closed with an equity investor at this time and therefore do not have the legal documents but our answers would be the same as above.
Q8	Passport Homes LP, Passport Residencies LP: Could we have access to a copy of the 12/31/15 audit reports and if possible the 12/31/15 income tax returns? We understand that 2016 audits will be necessary. 2017 audits will probably also be necessary even if the partnerships are dissolved in 2017.
	KCDC has posted these materials to its webpage.
Q9	I have read both the Request for Sealed Proposal and the Addendum dated 10/14/2016 related to the Request for Sealed Proposal for audit and tax returns as applicable to KCDC limited partnerships. My understanding is that the following limited partnerships will need audit and tax return services for the year ended 12/31/2016: Passport Homes LP, Passport Residences LP & Eastport Development LP. I have also found the KCDC consolidated audit report for the year ended 12/31/2015. However was unable to find the prior year reports for the above listed limited partnerships. Do you have a copy of any that could be provided?
	KCDC has posted these materials to its webpage.