

Johnson, Leanne 6-9248

From: Nicholson, Laura 6-9190
Sent: Monday, September 19, 2016 8:42 AM
To: Johnson, Leanne 6-9248
Subject: FW: Comments to the Draft 2017-18 QAP

Please post on the 2017 QAP tax credit comments page. Thanks.

Laura Nicholson, Development Director
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-----Original Message-----

From: Daryl Jones [<mailto:DJones@integral-online.com>]
Sent: Sunday, September 18, 2016 8:54 PM
To: Nicholson, Laura 6-9190
Cc: Felicia Maloney (fmmaloney@columbiasc.net)
Subject: Comments to the Draft 2017-18 QAP

Laura, we have 2 recommendations for the 2017-18 QAP.

1. As was discussed at the workshop, the developer experience should be revisited because it unfairly disadvantages out of state developers. If out of state developers are not encouraged to apply in South Carolina, the state does not get the benefit of national best practices and experiences from a development perspective. On the other hand, we do understand the need to have an advantage for in state developers. What we have seen work best, and we believe is fair, is to raise the threshold for out of state developers, but ultimately give them the same opportunity for points if they hit the higher threshold. For example, in the Developer Experience Section A, multiply the threshold criteria by 1.25 for out of state developers (eg. 4 points for 5 projects, 500-624 units; 7 points for 9+ projects, 875+ units, etc.). For Section B, double the threshold if the projects are out of state (eg. 2 projects = 1 point, 4 projects = 2 points).

2. We believe the effectiveness of the LIHTC program occurs when the interests of local governments are closely aligned with their respective states' Qualified Allocation Plans (QAPs). Based on our experience with other states (we have received an allocation of LIHTCs in over 10 states), we would propose that projects be awarded meaningful points, set-asides or preferences if they meet the following criteria to make SC Housing's implementation of the LIHTC program even more effective:

- If the project is located in an area where the local government has a current revitalization plan or it promotes neighborhood stabilization
- If the local government or affiliate makes a significant financial contribution to the project
- If the local government or affiliate donates property
- If the local government waives a significant amount of fees (impact, tap, etc.) or ongoing real estate taxes
- If the project is located in a federal Qualified Census Tract (QCT) or a Difficult to Develop Area (DDA) (statewide DDA diffuses this distinction)

- If the project is located on an abandoned, foreclosed or blighted site

Thank you in advance for your consideration in our suggestions.

Sincerely,
Daryl Jones

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