

Johnson, Leanne 6-9248

From: Nicholson, Laura 6-9190
Sent: Wednesday, October 12, 2016 12:25 PM
To: Johnson, Leanne 6-9248
Subject: FW: QAP comment- construction loan closing/deed recording deadline

Please post to the 2017 QAP comments section. Thanks,



Laura Nicholson, Development Director
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From: Holly Douglas [<mailto:holly@hollidaydev.com>]
Sent: Tuesday, October 11, 2016 5:07 PM
To: Nicholson, Laura 6-9190
Subject: QAP comment- construction loan closing/deed recording deadline

Laura,

I would like to suggest the Agency consider allowing for discretion on its part in determining whether developers can submit in a cycle if they have not closed construction loan and recorded the deed for the previous year's deals by the date set forth by the Authority (per last year's technical amendments it was 3/4/16). Deals with federal funds (HOME, PBV contracts, etc) are precluded from closing until they have received HUD environmental clearance because buying the property would be a choice limiting activity. Best case scenario for this turnaround has been 90-120 days in our experience, and environmental clearance is required prior to submitting for subsidy layering, so if you have to get environmental clearance, then get subsidy layering approval, it is nearly impossible to meet the SCSHFDA deadline for recording the deed. If a developer's inability to close construction loan and record a deed on a previous year's deal by the Agency's Feb/March deadline is a function of HUD environmental review, subsidy layering approval, or some similar situation that is largely out of the developer's control, I believe SCSHFDA should be able to look at that scenario and still allow the developer to submit applications the following year.

I appreciate your consideration of this comment.

Regards,
Holly Douglas