

Johnson, Leanne 6-9248

From: Nicholson, Laura 6-9190
Sent: Friday, February 10, 2017 1:40 PM
To: Johnson, Leanne 6-9248
Cc: Maddox, Jeff 6-9197; McMillan, Chris 6-9196; Kass, Joseph 6-9194
Subject: Utility Costs - Master Metering Water Service

Please post to the [Tax Credit Q&A webpage](#). Thanks,

We have received several questions concerning how developments should treat the cost of master metering water service in their initial tax credit application submission. It is the individual municipality's decision to require a property to master meter the water service. We understand this can increase the cost of providing water to the property substantially. However, the actual water cost cannot be determined until the development has been completed and is operational. Therefore, all initial tax credit application submissions should conform to the approved operating expense range of \$3600 to \$4400 per unit per year.

At placed in service application submission, if the development is master metered and the applicant can provide evidence supporting higher operating expenses, the Authority will review and consider such as part of the final underwriting. At a minimum, the Authority will require documentation from the municipality of actual water usage costs for at least three months.



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