

## Harmon, Amy 6-8713

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**From:** Nicholson, Laura 6-9190  
**Sent:** Thursday, October 19, 2017 12:53 PM  
**To:** Harmon, Amy 6-8713  
**Cc:** Maddox, Jeff 6-9197; McMillan, Chris 6-9196; Knight, Ed 6-8686; Easton, Tracey 6-8771; Hutto, Richard 6-8664; Moore, Hank 6-9054; Johnson, Leanne 6-9248; Cogan, Jennifer 6-9824  
**Subject:** FW: 2018 Changes

Please add these 2018 QAP comments to the web page, thanks.



Laura Nicholson, Development Director  
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**From:** Nicholson, Laura 6-9190  
**Sent:** Thursday, October 19, 2017 11:53 AM  
**To:** 'david.urban@rbc.com'  
**Subject:** FW: 2018 Changes

Thanks for sending comments on the 2018 tax credit program.



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**From:** Urban, David  
**Sent:** Thursday, October 19, 2017 9:30 AM  
**To:** Nicholson, Laura 6-9190  
**Subject:** 2018 Changes

Laura,

It was a pleasure to speak with you, as always. I just wanted to follow up our discussion with a few thoughts on the proposed changes for 2018:

- Taking away the HOME funds for the affordable projects will in many instances make them unfeasible. This is a source of funds that is a tremendous help in filling the gap when pricing drops, construction costs increase and the amount of perm debt decreases due to increased interest rates. All of which are currently happening.
- The reduction in the amount of credits provided per deal will again make many, if not all of these deals suffer due to the same reasons as stated above.
- As I'm sure you are well aware, due to the number of hurricanes that have hit the southern U.S. this year, the cost and availability of materials has gone up significantly. In many cases we're seeing increases in the 20-25% range. In addition, the cost of keeping quality labor has increased since a number of contractors have headed to TX and FL in order to rebuild the damaged/destroyed areas of those states.
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- In addition, the state of SC has suffered quite a bit of damage over the past two years due to the hurricanes and flooding, so therefore I wouldn't think that now would be the best time to make cuts to the amount of credits available to projects, sources of soft funding, reduction of basis boost areas, etc.

I'm happy to discuss further or share information from our extensive SC portfolio.

Thanks.

David J. Urban  
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