

Nicholson, Laura 6-9190

From: Holly Douglas <holly@hollidaydev.com>
Sent: Thursday, September 28, 2017 4:15 PM
To: Nicholson, Laura 6-9190
Subject: Re: Comments to QAP

Understood.

I have two comments, one of which is technical for sure, the other not so sure.

First, I really feel the Authority should drop the late Feb. requirement to close construction and record a mortgage on awarded deals to submit in the following cycle. I understand the intent is to "keep deals moving", but it doesn't really do that since without the requirement for HOME clearance you could close on the land, record a construction loan and still not start construction for six months or longer. More often than not is an unavoidable hinderance for any deal with federal funds such as PBV assistance or HOME requiring environmental clearance. The environmental review process associated with NEPA clearance can take six months or longer and is almost always **entirely** outside the developer's control. The Feb. requirement is more restrictive than the federal LIHTC requirement (June) or any individual state requirement for closing construction/recording the mortgage that I'm aware of. I just don't see a clear policy reason for setting this early deadline, it seems arbitrary.

Second, the point for a proposed development in a FEMA county is well intentioned, but it has essentially precluded development (even proposed development) in six counties for the past few cycles. Yes it is only one point, but given that majority of awards went to tie breaker with the same score this past round, the one point is material. I suggest the point be removed from the 2018 round. Since the FEMA map currently covers 87% of the state's counties, the point is not incentivizing developers to proposed deals in FEMA-designated counties as much as it's dis-incentivizing them from going to the six non-FEMA counties.

Thank you for your consideration of these comments.

Regards,
Holly Douglas
Holliday Development

On Thu, Sep 28, 2017 at 3:36 PM, Nicholson, Laura 6-9190 <Laura.Nicholson@schousing.com> wrote:

You may submit comments; however, as a reminder the 2018 QAP and TC Manual will only have technical changes. Therefore, comments received that are not technical in nature will be retained and considered for the 2019-2020 QAP.