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To: [TaxCreditQuestions](#)
Cc: [Wilbourne, Kim 6-9083](#); [McMillan, Chris 6-9196](#); [Taylor Davis](#); [Robinson Villa](#)
Subject: comments for 2021 Draft QAP
Date: Tuesday, November 10, 2020 5:01:24 PM

On behalf of NHE, thank you for the opportunity to provide additional public comments on the 2021 Draft QAP.

Energy Star Utility Allowance (page 9) – this section might need to be updated from “Version 3.0” to the new “Multifamily Energy Star (MFNC)” rating. The 3.0 is an older standard, also the Exhibit G no longer has a place to mark whether or not the development is going to meet Energy Star.

Wetlands – our wetland professional insists that a wetland professional cannot fill out the Exhibit W as it currently exists because a wetland professional can only say “in my opinion, there does not appear to be wetlands”, but only the US Army Corps of Engineers can legally make a wetlands determination. If that is the recommendation of the wetland professional, then the Exhibit W should be accompanied by documentation of a request for a determination by the USACE.

Suggestion: the Exhibit W should have a couple of different options for the wetland professional to check

Check Box 1 : “In my professional opinion, after examining the site in person, there do not appear to be any areas that meet the criteria for a wetland. “

Check Box 2 : “In my professional opinion, after examining the site in person, there appear to be some areas that could be identified as wetlands. A request for a determination from the USACE would be appropriate.”

Income Averaging – section M (page 18) – would request clarifying what is meant by “change a unit designation”. Does SC Housing intend this to mean changing the unit mix in the underwriting/awards phase, or does it mean actually reassigning units to 50% or 60% AMI in the normal course of leasing and income re-certifications? It is common practice on a standard 50%/60% property to reassign households during recertification if their income goes up or goes down.

Annual Operating Expenses – (page 22) – would request that language be added to account for the difference between owners that pay water & sewer on behalf of residents will have higher annual operating expenses than owners that require residents to pay their own water & sewer.

Leveraging (page 28) – would request that funds allocated from another state agency, such as the SC Dept of Mental Health, count towards leveraging.

Missing or Incomplete documents (pages 3-4)

- Per the QAP Section III.A. “*Applicants may only provide documentation that existed at the time of the application deadline*”

General Comment: QAP should give SC Housing staff more discretion and flexibility in determining what is appropriate additional documentation and explanation to provide,

rather than a broad prohibition against any new evidence or materials. Below are some example scenarios of missing documents.

Suggested QAP language *“SC Housing staff will determine whether or not documentation provided with an explanation or missing or incomplete document is an appropriate or allowed submission. Documents determined that did not exist at the time of application, and needed to have existed at the time of application may not be allowed”.*

Suggestion: Perhaps QAP could list some types of documentation that are **not** allowed to be submitted after application, such as *“including but not limited to:*

- M-52 Seller notifications dated after the contract,
- zoning letters dated after the application date,
- water & sewer letters dated after the application date,
- notification letters after the application date, etc.

EXAMPLE: City working with a non-profit developer: they forget to include the lead based paint form. This is a missing document. They are asked to provide it. Technically, they had not signed it as of the application. They don't want to be dishonest and back date it, but also it would be a shame for a piece of paper like the lead based paint form to disqualify an entire application because the form was not signed “at the time of application”. The essence of a missing document is that it may have been a small item overlooked by the team assembling the application. Not just forgotten to be included, but forgot to get it signed.

- Per the QAP Section III.B.1. *“Responses to clarifications cannot modify an application or provide documentation that was not submitted as part of the original application.”*

Comment: sometimes clarifying a question requires submitting some kind of diagram, correspondence, form, etc. that may not have technically “existed” at the time of application, but is quite helpful in explaining or resolving a question.

Examples: zoomed in/out maps, measurements from one place to another, letters from a civil engineer, letter from a municipality clarifying a question from SC Housing, letter from a CPA clarifying a tax question, etc.

Suggestion: Might want to expand and clarify the types of things are allowed (diagrams, letters from experts) and not allowed (changes to third party reports that substantively change their opinion), with a rationale.

- Per the QAP Section III.C.2. *“The response must be limited to:*
 - *the Applicants’ opinions regarding the Authority’s determinations;*
 - *references to information submitted in the original application; and/or*
 - *explanations of previously submitted documentation.”*

Suggestion: the review officer or SC Housing at their discretion may request and allow additional documentation to clarify a question

- Per the QAP Section III.C.3 *“..using only the application, any materials provided under the*

process described in Section III(B), documents then existing in the Authority's file, and documentation explaining previous submissions."

Suggestion: the review officer or SC Housing at their discretion may request and allow additional documentation to clarify a question

Thank you,

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