

Smallwood, Robin 6-9077

From: Thomas S. Attridge [REDACTED]
Sent: Monday, July 29, 2024 5:57 PM
To: TaxCreditQuestions
Subject: RE: [External] 2025 QAP Comments

Hello – thank you for the opportunity to provide comments. Please see below.

Draft QAP Comments

- In Section III A., the Authority maintains the ability to request additional information or clarification from applicants, but this section is struck from the Bond Appendix. This is not equitable, and all applicants should be given a chance to correct any accidental omissions or clarify any items. SC Housing's objective should be to fund the most worthy projects and all should be given some grace as in the past by the Authority.
- The addition of #8, Qualified Contract, should be considered for additional points for applicants, instead of being a requirement.
- Debt Coverage Ratio: The Authority should not attempt to impute debt unless additional debt is permitted to be obtained by the existing lender and Limited Partner, or can be obtained within the financial market at commercially reasonable terms. A project's financial performance between closing and the first year should not impact its ultimate award of LIHTCs based on eligible basis in the cost certification. There are many factors outside of a developer's control that could lead to a stronger DCR and negatively impact the project's partners by reducing the credit amounts. Limited Partners do not contemplate or expect significant reductions in credits between closing and PIS and penalties for significant reductions can be drastic and impact the fate of the project.
- Funding Sources: how does the Authority want to see income generated by the property shown in an application for inclusion in eligible basis?

Appendix C2 – Tax-Exempt Bonds

- See above for comments on the Application Process, Section III A.
- Application and Award Limitations: The Authority should not limit the amount of awards per development team or County. The Authority's objective should be to fund the most viable and most needed projects across the State, regardless of developer or County.
- There should be a bond application process and bond allocation set aside for projects, both new construction and rehabilitation, that do not require State LIHTCs.

Thank you,
Tommy



Thomas S. Attridge
Vice President, Production



Thomas S. Attridge
Vice President, Production

