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## **AFFORDABLE HOUSING COALITION OF SOUTH CAROLINA 2015 QUALIFIED ALLOCATION PLAN CYCLE INITIAL RECOMMENDATIONS**

The Affordable Housing Coalition of South Carolina is dedicated to the creation, preservation and improvement of affordable housing for all South Carolinians. Our members represent all aspects of the affordable housing industry in the state and are committed to the mission of the Coalition. The Coalition strives to serve the citizens of South Carolina who are in need of affordable/work force housing options and generate opportunities for the development of these options. As we continue to work to accomplish this mission, we again offer recommendations to the South Carolina State Housing Finance and Development Authority to enhance the Qualified Allocation Plan.

The Coalition's initial recommendations are listed below. Upon release of the 2015 Draft Qualified Allocation Plan, the Coalition will submit additional recommendations regarding specific items.

### **I. APPEAL PROCESS/TRANSPARENCY**

- a) Applications submitted are posted online for 2 weeks.
- b) Developers have one (1) week to present objections or challenges after the initial two (2) week posting period.
- c) Developers are limited to two (2) appeals on competing applications other than their own applications.
- d) An appeal is on a per application basis and not on a per issue basis.
- e) The SCSHFDA reviews objections and challenges and posts any corrections or revisions to the website within ten (10) days.
- f) Any developer that is denied an appeal should be provided the opportunity for an open hearing with the Executive Committee or any other such committee as determined by the SCSHFDA that was charged with hearing all appeals.

- g) Committee should state reasons why the appeal was denied.
- h) Additional information during the appeal process should only be allowed to the extent to clarify an issue and not to gain points for another item.
- i) If the developer that filed the appeal does not agree with the outcome of the appeal to the SCSHFDA then any further appeal shall be handled by an outside arbitrator.
- j) The Arbitrator shall be chosen from a list approved by the SC Bar. The SCSHFDA shall choose four (4) arbitrators from that list; the appealing Developer may choose one of those four (4) arbitrators to hear the appeal. This process shall take no longer than 30 days.
- k) All decisions as a result of the Arbitrator shall be final.
- l) The cost of the arbitration shall be borne by the party that files the appeal.

## **II. SITE CHARACTERISTICS SPECIFIC RECOMMENDATIONS**

- a) Follow QAP; Spell out specifics for site services, do not make exceptions or let developers prevail on an appeal if their application did not meet the intent of the initial QAP.
- b) Specify rounding of mileage; within ½ mile stops at .59 miles or less.
- c) Expand the definition of medical facility or urgent care facility to include those that are staffed by a nurse practitioner and/or physician's assistant.
- d) Eliminate entertainment venue as it is too vague.
- e) Provide all clarifications and decisions provided to developers via published bulletins posted on website and via email to developer list. No site clarifications can be made within fifteen (15) days of application submittal date. All interpretations after that point must strictly adhere to the published QAP language and intent of the QAP.
- f) Increase allowed deal size to a maximum of 72 units from current of 56 units.

## **III. GENERAL QAP RECOMMENDATIONS**

- a) Move homeownership to last tie breaker criterion.
- b) Remove language requiring SCSHFDA approval of rent increases requirement from Compliance Monitoring. This was implemented as a correction when developments received

points for lowest rent per square foot. This is not a point criterion now and thus is no longer needed and causes problems with banks and equity providers during underwriting.

- c) Provide a redline version or highlight the changes from previous year QAP when publishing first draft and final version and after any revisions are posted.
- d) Eliminate deduction for one point for missing documents. This has no bearing on the quality of the development. There is already a fine in place for missing documents and the SCSHFDA can eliminate a very poorly put together application that is missing 3 or more documents.
- e) On a case-by-case basis the SCSHFDA can extend the deadline for submittal of the construction loan closing and the recorded warranty or fee simple deed for previous year tax credit developments that provide evidence of their intent to submit an application in the 2015 Federal Home Loan Bank AHP round.