

**AFFORDABLE HOUSING COALITION OF SOUTH CAROLINA
QUALIFIED ALLOCATION PLAN RECOMMENDATIONS**

ADDENDUM

Following the Tax Credit Roundtable meeting, the Affordable Housing Coalition of South Carolina's LIHTC QAP committee met to review items that arose at the Roundtable meeting discussion. As an addendum to our initial Qualified Allocation Plan Recommendations, the Coalition submits the following items for consideration in the 2012 QAP process:

- A. Market Studies** - The Coalition recommends that point scores be assigned to all market studies meeting threshold requirements and that those scores be considered as a tie breaker criterion. However, in scoring market studies consideration of market advantage be eliminated.
- B. Proximity to Services** - The Coalition recommends that the attached table be utilized for points to distance to services and that proximity to a police department or substation be eliminated as a criterion. In order to lessen the likelihood of projects having tied scores under the QAP, the Coalition recommends that scoring for site characteristics and market study criteria be adopted using a sliding scale similar to the example contained below:
- C. Basis Boost** – The Coalition recommends that all projects awarded in the 2012 program receive the basis boost.
- D. Project Distribution** – The Coalition recommends that the state be divided into four regions: Upstate, Midlands, Pee Dee, and Low Country; and that no more than three projects be allocated in any one county.
- E. Application Limits** – The Coalition recommends that applications be limited to 3 per developer and that no developer receive more than \$1.7 million in credits under the 2012 program.
- F. Publication of Credits** - The Coalition recommends that all listings of awards include the amount of credits allocated to each project.
- G. Financial Criteria** - After careful consideration, the Coalition amends Item 8 of its initial recommendations and proposes that the financial requirement for developers be \$1 million in cash or cash equivalent and \$3 million in net worth. In determining net worth, the Coalition recommends that existing lines of credit secured by otherwise debt free assets serve toward the cash requirement.
- H. Approval of Local and/or State Government Officials** - Because of issues related to Fair Housing legislation, the Coalition recommends that approval or support letters from local or state government officials not be required but that such officials be encouraged to comment with respect to such notification.

I. Brick/Stone Veneer - The Coalition recommends that when considering *Durable Construction Points*, brick/stone veneer requirements be lowered to 40%.

J. SEER Requirements - Due to issues related to health and safety concerns regarding mold issues and adequate ventilation, the Coalition recommends that Item 3 from *Optional Development Design Criteria Points* in the QAP be eliminated with the result that minimum 14 SEER equipment will be required for all LIHTC units.