

2013 Tax Credit Program

Awarded Developments Timeline

From the date of reservation, the applicant is expected to adhere to the time constraints as outlined below. The Authority may grant a forty-five (45) calendar day extension of certain items for a fee of \$1,000. The Authority will only accept and grant extensions for individual categories and will not accept or approve an overall blanket extension for all categories. All extension requests must be in writing and submitted not less than one (1) week prior to the deadline. Fees must be paid at the same time the extension request is submitted. After the first approved extension the fee for any additional extensions will be \$2,000 per request. Additional extensions will only be made for thirty (30) days at a time.

Wednesday, July 31, 2013

Wednesday, July 31, 2013, represents the Authority's Reservation and Carry-Over Allocation Date. Developments awarded an allocation of 2013 tax credits must place in service not later than the second Monday of December 2015.

Second Monday of December 2013

For any year, Placed-In-Service Applications are due on or before the second Monday of December (December 9, 2013). The December 9, 2013 deadline is mandatory for 2011 funded tax credit developments and optional for developments funded in the 2012 or 2013 funding cycles. Applications must be in the Authority's office not later than 5:00 p.m. (EST). Placed-In-Service Applications for 2011 funded tax credit developments not received on the due date may be submitted until 4:00 p.m., (EST) on December 31, 2013, upon payment of a non-refundable penalty fee equal to \$1,000 for each business day after the second Monday in December.

Tax credit developments, awarded credits in 2011, 2012 or 2013 funding cycles and placing in service must submit the first fifteen (15) years compliance monitoring fee, payable to the Authority in certified funds, with the Placed-In-Service Application or the application will not be accepted. The compliance monitoring fee is \$35.00 for each low-income unit in the development.

Friday, January 31, 2014

The 10% expenditure test must be met by Friday, January 31, 2014.

The Code allows the Verification of Ten Percent Expenditure (10% Test) to be met no later than twelve (12) months after the Carryover Allocation date. However, the Authority requires the Verification of Ten Percent Expenditure (10% Test) to be met no later than six (6) months after the Carryover Allocation date. Any extension of this date will be permitted only at the Authority's discretion and only under circumstances deemed to be beyond the applicant's ability to control. In any event, the Authority will not grant any extension longer than ten (10) months after the Carryover Allocation date.

Friday, February 21, 2014 (six months and three weeks after the allocation date)

1. All pages of the Verification of 10% Expenditure Application must be completed and the application certification page executed.
2. Exhibit A (Verification of 10% Expenditure Checklist)
3. Exhibit F (Verification of 10% Expenditure Qualification)
4. Exhibit H (Certification of Costs Incurred)
5. Exhibit I (Verification of 10% Expenditure Certification Letter)
6. Exhibit N (if applicable)
7. If the land is being used to meet the 10% test then a copy of the Recorded Deed must be provided. The recordation date must reflect that the deed was recorded no later than six (6) months (Friday, January 31, 2014) from the allocation date.

Failure to submit the Verification of the 10% Allocation Expenditure Application on time will result in a \$1,000 per business day penalty fee due when the 10% Expenditure Application is submitted unless the

Authority has given a waiver as stated above. Any development without an Authority approved waiver and failing to submit the Verification of the 10% Allocation Expenditure Application within 30 business days of the deadline will result in the cancellation of the tax credit award.

April 7, 2014

The first Quarterly Progress Report, **Exhibit L**, is due on April 7, 2014, and every quarter thereafter until the development reaches a stabilized occupancy of at least 93%. “Stabilized occupancy” is defined as maintenance of at least 93% occupancy for six consecutive months.

A fine of \$1,000 for each business day will be assessed against any project whose progress reports are not received on the date they are due up to seven (7) business days. Providing false or misleading information on the reports will result in the debarment of the development’s Principals from further participation in the LIHTC program for a period of not less than five years as defined in the LIHTC Program Disqualification section.

Friday, May 30, 2014 (ten months after the reservation date)

- a) Final project plans and specifications for approved LIHTC projects are due to the Authority on or before 5:00 p.m. (EST) no later than ten months after the tax credit reservation date. Project plans and specifications must incorporate all Exhibit G design and amenity preference items. The project architect must include a letter certifying that all design and amenity items are incorporated into the plans and specifications.
- b) The land must be purchased by the ownership entity, and the deed recorded as evidenced by a copy of the recorded document. (Note: If the recorded deed was provided as part of the 10% expenditure test then another copy is not required)

Failure to meet these requirements may result in the cancellation of the tax credit award.

Thursday, July 31, 2014 (twelve months after the reservation date)

- a) Certified copies of the executed, recorded, FINAL construction mortgage document for 2013 LIHTC projects are due on or before 5:00 p.m. (EST). The construction mortgage document must have the recorder’s clock mark date stamp showing the date, book, and page number of recording.
- b) The executed and recorded Restrictive Covenants for 2013 LIHTC projects are due on or before 5:00 p.m. (EST).
- c) The executed binding commitment for syndication for 2013 LIHTC projects is due on or before 5:00 p.m. (EST).
- d) Applicants must list their development on the South Carolina Housing Search website, www.SCHousingSearch.com. The South Carolina Housing Search website is a database, partially sponsored by the Authority, which assists South Carolina residents in locating available affordable housing units. This is a free service with no fees charged for listing the development or maintaining development information throughout the compliance period. The applicant must provide evidence that the development has been listed on the website.

Failure to meet these requirements may result in the cancellation of the tax credit award.

Friday, October 31, 2014 (fifteen months after the reservation date)

- a) All building permits must be obtained and copies submitted to the Authority.
- b) All 2013 tax credit developments must be under construction.
 - 1. New construction developments must have all footings in place, as evidenced by photographs submitted with a progress report that is certified by the project architect or project engineer. The Authority will allow the use of monolithic slabs as a substitute for the footings requirement. The substitution must equate to having progressed to a point equal to having the footings poured.
 - 2. Rehabilitation developments must have begun actual rehabilitation of the units, as evidenced by photographs submitted with a progress report that is certified by the project architect.

Rehabilitation and new construction must be continuous and progressive from this date forward, to completion. If it is determined that the Applicant started the construction or rehabilitation only to technically meet this requirement, then the Authority will determine that these criteria have not been met.

Failure to meet these requirements may result in the cancellation of the tax credit award.

Second Monday of December 2014

For any year Placed-In-Service applications are due. For any year, Placed-In-Service Applications are due on or before the second Monday of December (December 8, 2014). The December 8, 2014 deadline is mandatory for 2012 funded tax credit developments and optional for developments funded in the 2013 or later funding cycles. Applications must be in the Authority's office not later than 5:00 p.m. (EST). Placed-In-Service Applications for 2012 funded developments not received on the due date may be submitted until 4:00 p.m., (EST) on December 31, 2014, upon payment of a non-refundable penalty fee equal to \$1,000 for each business day after the second Monday in December.

Tax credit developments, awarded credits in the 2012 or later funding cycles and placing in service must submit the first fifteen (15) years compliance monitoring fee, payable to the Authority in certified funds, with the Placed-In-Service Application or the application will not be accepted. The compliance monitoring fee is \$35.00 for each low-income unit in the development.