

2021 Tax Credit Program
Bulletin #5
March 17, 2021

Updates to the 2021 9% LIHTC program –

- Exhibit A – Final Application Checklist has been updated to correct Tab 12 to add Water/Sewer letter, Tab 19 to remove letter to PHA, Tab 24 to correct Plans and Spec requirement and Tab 26 for Persons with Disabilities required documentation.
- 2021 LIHTC Application has been updated to correct the rental income section on Tab 8 and state tax credit on Tab 12.
- 2021 LIHTC Application forms and exhibits have been added with the exception of HOME forms.
- 2021 Preliminary Point Score List was updated due a typographical error made by SC Housing staff of the address on Application # 21011 – The Magnolia.
- Final Application Scoring Template will be added to the website by April 1, 2021.
- Federal Syndication Rates

Group A	.85 - .88
Group B	.82 - .85
Group C	.82 - .85

- Lender Rate – 5.25% - 5.50%
- Due to the uncertainty around the State Tax Credit, SC Housing will not post a State Syndication Rate or the required amount of tax credits per unit.

Questions and Answers

1. **Question:** How will the Authority determine what constitutes excessive noise for deals that are near rail lines but do not request HOME and thus do not submit noise studies?
Answer: The Authority will use its discretion.
2. **Question:** Since the Authority is allowing average income for 2021 tax credit applications will the Authority be posting the applicable rent limits at 30%, 40%, 50%, 60%, 70% and 80% that should be used in the application or can a developer use other third parties to determine the applicable income limits for the various income ranges?
Answer: Use <https://www.novoco.com/resource-centers/affordable-housing-tax-credits/rent-income-limit-calculator> to determine the applicable income limits.
3. **Question:** We see that last year the Authority awarded less credits than it tends to. Will any of those credits be rolled over into this award cycle?
Answer: Yes
4. **Question:** If an existing building is to be torn down to make way for the new construction do we still need to provide lead based paint and asbestos testing results or since the building is being demolished. Can the Phase I report state that demolition of the existing building will be demolished in compliance with DHEC remediation methods for lead based paint and asbestos?

Answer: The Phase I report can state the demolition of the existing building will be in compliance with DHEC remediation methods. The developer will also be responsible for documenting all site materials containing lead based paint and asbestos were removed and disposed in accordance with SC DHEC requirements. If using HOME funds, please refer to the HOME requirements.

5. **Question:** If the initial application was checked new construction can the full application be changed to adaptive reuse? The site remains unchanged and the entrance to the proposed development for latitude and longitude coordinates has not changed.

Answer: The change from new construction to adaptive reuse is acceptable.

6. **Question:** Local guidelines mandate parking less than the Authority requirement per page B-9 of the 2021 QAP. What is the process to receive approval from the Authority prior to application submittal? Should I simply email my request to the Authority with justification and any supporting documentation?

Answer: The request needs to be submitted to taxcreditquestions@schousing.com along with the mandate from local guidelines.

7. **Question:** Is there a date when the notification letters go out to mayors, council members, etc....?

Answer: Prior to the final application deadline.

8. **Question:** The Site Control Tab is to only be used if there are changes with site control. What type of changes are you allowing after Pre-App?

Answer: We cannot know all of the possible circumstances which could change after submission of a preliminary application. For example, the current owner might add an easement or someone on the development team could assign an option. We also cannot say in advance what set of facts require approval, let alone the outcome. No substantial changed will be allowed, but please advise if there are any changes.

9. **Question:** Why is the Phase 1 not required at application submission?

Answer: The developer is responsible for completing due diligence on a site prior to submitting an application and is welcome to choose to conduct a Phase I.

10. **Question:** Phase 1 is crucial for you to determine if a site has issues at application, especially a rehab. If you award a site that may have environmental issues ahead of a site that is clean, how would you handle denying the clean site an award if the other site drops out?

Answer: If an application does not meet the Phase I ESA requirements, the allocation may be required to be returned.

11. **Question:** There is nothing in the QAP or Appendix A that states how old the market study can be before it is deemed unacceptable. Can you please provide that?

Answer: The Market Study must be dated within the 6 months of the final application date.

An additional Bulletin will be posted in the near future regarding questions received on the Mandatory Design Criteria for Rehab applications.