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To:	QAP Comments
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Subject:	Bennett Group Consulting Comments
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2015 Comments for QAP

Geographic Diversity

This scoring factor abandons some of the neediest communities due to the high poverty. Consider elimination and instead focus on investing in low income communities and areas to assist with revitalization.

Infill project

A project that includes the development of vacant or underused parcels of land within existing urban or rural areas that are already largely developed or previously developed. The site must be surrounded on at least two sides with adjacent established development (residential or commercial). Agricultural land does not qualify as infill. Property that has been adjudicated or donated by a government entity and available for housing redevelopment may also qualify and be used as infill. (This would help when cities or land banks want to assist with property donations or sale of property. Small communities are seeing the need for previously developed initiatives.)

Developer CAP

Expand Developer Cap Limits to $1.4 Million if the developer is partnering with a PHA and sharing the developer fee significantly (40% or more). This will encourage RAD partnerships. Developers will not want to do a PHA project because of shared fees that limit the private developer profit. They will buy RD or HUD Multifamily with subsidy and score the same as if partnering with a PHA. (It would be a lot easier/less regulations, no PHA Board to deal with)

Most PHAs do not have the capacity to self-develop tax credits. They need to partner with developers for risk share, pre development costs, guarantees, and to generally meet LHC and investor threshold requirements.

Targeting low income versus higher income

There is a lot of mention in limiting low income families. Points are structured for less low income families and even the tiebreaker. This would be a general concern that the tax credits aren't being targeted at the most needy. Public housing, HCV, RD, and HUD HFA PBRA all target low income to very low income families. It would further affirmatively promoting fair housing and housing choice options to remove the targeting of higher income and instead target the lower income ranges. The lower income ranges are also harder to make work due to lower rent collection as compared to a 60% renter or even an 80% or market rate unit. (Add the section 42 language here)

Tie breaking p12

1.) Date and Time stamp (first in wins tie breaker)
2.) Instead of limiting the number of low income residents as a tie breaker give points for truly serving the low income. Those applications that target 50% of the units to those individuals at 30% AMI should be first in tie breaker. That

would mean RD, HUD funded projects with rental subsidy.

Transportation Pg. 18

How tenants will access public transportation is unrealistic for rural communities. Exempt those communities not listed in the LHC definition for rural as noted in the 2015 QAP.

Property Management p 21

Maybe an issue this year or for next year. Allow PHAs to have an opportunity to manage up front.

Abandoned units A-2

10% of TDC. Include the option for a project that is targeting multiple lots with abandoned and falling down houses and/or structures. The value of these may not be high enough to meet 10% of the project costs but the redevelopment value to the local government to address the blight may be very high. Allow the highest ranking government official to deem the property as abandoned or blighted and that addressing this blight or abandoned structure would further the community revitalization.

Pictures of the blight must be included in the application. The blighted or abandoned structure must have been on the site at the time of tax credit application and should not be removed until awards.

Distressed Property Definition

Add …project financed by RD or HUD and placed in service 15 years… (This would include PHAs)

30% Basis and QCT and state appointed DDA

Many PHAs have projects that are not located in a QCT but they need the boost in funding for 9% or 4%. Most of these PHA units were built prior to 1987. The older RD and other developments could benefit from this and the state have more redevelopment

Recommendation: Have a state QCT/DDA that addresses older housing. The QCT/DDA would be given to those developments that were built or placed in service in 1987 or older.

Redevelopment Area

Add…Qualified Census Tract or 2015 LHC designated Difficult to Develop Areas…(If LHC changes the DDA to include those units built prior to 1987 then PHAs would meet this)

Question: Is LHC qualified to do both public housing and multifamily subsidy layering reviews?

Community Facilities

Add language that would allow points for scattered site and community facilities located within not more than 5 miles from developments.

Governmental Priorities

Project located in a HUD designated QCT/DDA or an LHC specified 2015 DDA

Permanent Supportive Housing???

Scattered Site P B-4

New Construction not located within 5 miles of a tax credit. Change this to…" not located next to a tax credit built in the last 5 years and within 5 miles of the proposed site."

Scattered Site project

Need to ask to remove if a scattered site project is located on noncontiguous land, no points will be awarded for community facilities. Replace with:

If a scattered site project is located on non-contigous land but is within 5 miles of each other, points will be awarded for community facilities**.**