

South Carolina State Housing Finance and Development Authority Low-Income Housing Tax Credit Program 2013 Qualified Allocation Plan

The mission of the South Carolina State Housing Finance and Development Authority (the "Authority") is to create quality affordable housing opportunities for the citizens of South Carolina. We expect to create and maintain a positive work culture that reinforces our mission, encourages innovation, and is based on a spirit of cooperation and teamwork. We will work to improve customer service and enhance employee performance by constantly reviewing processes and using technology. The Authority will strive to develop mutually supportive relationships that expand our ability to provide affordable housing while enhancing the value of investments. We will actively seek new and innovative ideas to improve affordable housing opportunities throughout the State.

I. INTRODUCTION and PURPOSE

The Low-Income Housing Tax Credit (the "LIHTC") Program was created by Congress in 1986 to promote the development of affordable housing for low-income individuals and families. The Internal Revenue Service (the "IRS") regulations for the LIHTC Program are found under Section 42 of the Internal Revenue Code (the "Code"). The Qualified Allocation Plan (the "QAP") has been prepared to comply with Section 42(m)(1)(B) of the Code of 1986, as amended; however the requirements and provisions are not limited to those contained in the Code. Additional procedures and policies used in the administration of the LIHTC Program are described in the LIHTC Manual. The administration and allocation of the LIHTC Program will be in accordance with the QAP criteria described herein as well as the guidelines, procedures, and requirements described within the LIHTC Manual. The LIHTC Manual criteria are incorporated by reference as additional provisions of the QAP.

The Authority, as the designated housing credit agency for the state, is responsible for allocating the LIHTC. As such the Authority is responsible for developing the guidelines and priorities that best address the need for affordable housing throughout the state by adopting a comprehensive QAP. The Authority's goal is to utilize the allotment of LIHTC to the maximum extent possible for creating or rehabilitating existing properties into viable affordable housing developments. The intent of the QAP is to set forth the criteria that the Authority will consider in evaluating developments applying for an allocation of LIHTC. Approval of the QAP by the Governor of the state is required after the public has had an opportunity to comment by written comment or at a public hearing.

The LIHTC provides a financial incentive that offsets initial capital development costs to qualified developments. It is the Authority's goal to ensure that proposed developments satisfy the necessity of providing affordable housing to the targeted populations in the locality and generate the annual revenue necessary to adequately support the annual operations and long-term maintenance to sustain financial health. The fact that an application is accepted for processing or that a development receives a reservation or allocation of tax credit dollars shall not be construed to be a representation or warranty by the Authority as to the feasibility, viability, or lack thereof, of any development.

Housing created through the LIHTC Program must be affordable for low-income individuals and families with a maximum annual income at or below sixty percent (60%) of the Area Median Income (the "AMI"). Section 42(h)(6) of the Code requires that a LIHTC development be subject to "an extended low-income housing commitment". The Authority complies with this requirement by requiring all LIHTC developments to execute and record "Restrictive Covenants" that stipulate the development will comply with income and rent requirements in the Code for a minimum of thirty (30) years as well as any other criteria in the QAP or LIHTC Manual.

Section 42(m) of the Code requires the Authority to allocate tax credits giving preference to proposals that:

- Serve the lowest income tenants
- Serve qualified tenants for the longest periods
- Are located in a Qualified Census Tract (QCT) and contribute to a concerted community revitalization plan
- Adhere to compliance and monitoring procedures
- Are intended for eventual tenant ownership
- Are intended to serve individuals with children

- Give preference to those on public housing waiting lists
- Are energy efficient
- Have a historic nature

The following criteria will also be considered in the selection process:

- Site Criteria
- Location Characteristics
- Financial Characteristics
- Development Characteristics
- Targeting Characteristics
- Applicant/Development Team Characteristics

The Authority's website contains general and historical information concerning the LIHTC Program under the Housing Partners, Tax Credit section. The Authority's web address is: www.schousing.com. From time to time, the Authority may post bulletins or public notices to the tax credit web page in response to questions and requested clarifications submitted regarding the LIHTC Program. It is the applicant's responsibility to check the web page for updates. The web page provides a list of past LIHTC allocations and existing developments. LIHTC Program information may also be obtained by calling Laura Nicholson at (803) 896-9190, emailing laura.nicholson@schousing.com, faxing (803) 551-4925, or writing SCSHFDA, LIHTC Program, 300-C Outlet Pointe Blvd., Columbia, SC 29210.

II. THRESHOLD PARTICIPATION CRITERIA

1. Development Experience:

In order to participate in the LIHTC program either the developer(s), general partner(s) in a limited partnership or the managing member(s) of a limited liability company must have experience between January 1, 2006 and February 1, 2013, in one LIHTC development or other successful multifamily rental development of at least seventy-two (72) units or two (2) developments of at least thirty-six units each. Experience in one LIHTC development or other successful multifamily rental development of at least seventy-two (72) units means coordinating the development team in planning, financing and constructing a development through the receipt of Certificates of Occupancy and reaching stabilized occupancy. All developers, general partners or managing members must complete a Previous Participation Certificate (see **Exhibit K**). For developments awarded LIHTCs in which the developer(s), general partner(s) in a limited partnership or the managing member(s) of a limited liability company do not have previous LIHTC experience, the Authority will require that a management company with previous successful LIHTC management experience be hired for a minimum of two (2) years.

Any application submitted by developers, general partners, or managing members who from January 1, 2006 through February 1, 2013, have been removed, debarred, or asked to voluntarily withdraw from a LIHTC partnership and/or have ever returned an entire allocation of LIHTC in South Carolina, other than for reasons beyond their control acceptable to the Authority, is ineligible to participate in South Carolina's LIHTC program.

Any application submitted by developers, general partners, or managing members who have been disqualified from participating in any other state or other allocating agency's LIHTC Program within the past seven (7) years, other than for reasons beyond their control acceptable to the Authority, is ineligible to participate in South Carolina's LIHTC program.

Any application submitted by developers, general partners, or managing members who have been reported to the IRS (Form 8823) for uncorrected non-compliance issues by the Authority or other allocating agency's LIHTC administrator, at the Authority's sole discretion, may be ineligible to participate in South Carolina's LIHTC program. The Authority's determination of noncompliance violations is not subject to interpretation, appeal, or final IRS resolution of non-compliance violation.

2. Previous Year's Development Completion Status:

All developers awarded 2012 South Carolina tax credit development(s) must have closed the construction loan and purchased the land in order to submit an application in the 2013 tax credit funding cycle. Evidence

of the construction loan closing and the recorded warranty or fee simple deed must be provided to the Authority not later than February 1, 2013.

3. Financial Criteria:

The Authority will assess the financial capacity of the applicant or applicant group (to include all entities and/or persons taking an ownership interest in the development and all guarantors) based on their financial statements. Entities and/or persons serving as guarantors must verify their guarantor capacity in writing. The Authority will accept financial statements audited, reviewed, or compiled by an independent certified public accountant (CPA). Only a balance sheet dated on or after December 31, 2011 is required. The Authority will accept a compilation report with or without full note disclosures. If notes are omitted, supplementary schedules for all significant assets and liabilities may be required. Financial statements prepared in accordance with accounting principles generally accepted in the United State (U.S. GAAP) are preferred. Statements prepared on the income tax basis or cash basis must disclose that basis in the report. An applicant or applicant group must have a minimum net worth of \$5 million dollars and minimum unrestricted liquid assets of \$500,000 dollars. The Authority defines liquid assets as cash, cash equivalents, and investments held in the name of the entity(s) and/or person(s) including cash in bank accounts, money market funds, U.S. Treasury bills, and equities traded on the New York Stock Exchange or NASDAQ. Certain cash and investments will not be considered liquid assets, including, but not limited to: 1) stock held in the applicant's own company or any closely held entity, 2) investments in retirement accounts, 3) cash or investments pledged as collateral for any liability, and 4) cash in property accounts including reserves. The liquidity requirement may also be met by a current irrevocable letter of credit, provided the supporting bank letter includes sufficient information as to the duration of and restrictions, if any, on the borrowing authority of the applicant. The letter of credit must remain in force from the date of the letter through construction loan closing. All liquid assets must be identified in the submitted financial statement. If no individual member of an applicant group meets the minimum financial requirements, then members may combine assets to meet the requirements by including a combining schedule in addition to their individual statements. The Authority reserves the right to verify information in the financial statements and all financial capacity statements made by applicants, lenders, accountants, and others, through phone calls and correspondence. If false statements are found to have been made at any point in time, all entities and/or person(s) associated with the application will be debarred from all Authority programs for three (3) years.

4. City/County/Legislative Notification:

Applicants are required to send a letter, not later than March 1, 2013 to the highest elected official of the locality (i.e. Mayor or County Administrator) and the State Representative and State Senator of where the development is to be located. Although not required, it is recommended that all letters be sent via certified mail with a signed return receipt. While the applicant is encouraged to provide additional information, the notification letter must include the following:

- a) Contact information for the Applicant;
- b) Development information to include the following:
 1. Type of construction- rehabilitation, new construction, adaptive reuse;
 2. Total number of units;
 3. Total Acreage of proposed site;
 4. Tenant targeting- family, elderly, etc.;
 5. Address of proposed site; and
- c) A statement offering to meet and discuss the proposed development with them.

III. CRITERIA for APPLICATION REVIEW

The Authority, at its sole discretion, may reject a site based on information submitted in the application package, the site review findings, or other information obtained that the Authority determines renders the site undesirable for a LIHTC development.

Positive Site Characteristics:

- a) Points will be awarded as listed below for services located within one (1), two (2), or three (3) miles as indicated by accessible public paved road, which are appropriate to the proposed tenant population. Distances should be measured using a computer based mapping system such as Google Maps or other similar distance calculating systems. Submitted area site plan must have ¼ mile, ½ mile and 1 mile radius circles shown from center of proposed site. Color photographs of all services must be included

with the application and copies of the application and the name of the service must be visible in the photograph. Applicants may include a maximum of one (1) primary and one (1) alternate positive site service of each service type for scoring purposes. All directions must be printed from the mapping system and included in the application for points to be awarded. **Directions that do not lead to the service, as stated in the directions provided with the Application, will not be awarded points.** Distances are subject to Authority verification and are GPS measured and odometer confirmed by third party site analyst from center of entrance into site to center of entrance into service location. Only one (1) of each service type will be counted for points. All positive site services must be open to the general public and operational at the time the Authority's site visit is made or points will not be awarded.

The following service located within ONE (1) MILE of the development site will earn four (4) points:

- Full Service Grocery Store (must operate with regular business hours selling a full range of meats, produce, and dairy products) **Max. 4 pts**

The following services located within TWO (2) MILES of the development site earn three (3) points each:

- Full Service Grocery Store (must operate with regular business hours selling a full range of meats, produce, and dairy products) Note: these points are not eligible if points were taken for stores within 1 mile.
- Pharmacy or Drug Store (must operate with regular business hours)
- Convenience Store **and** Gas Station **Max. 9 pts**

At least four (4) of the following services located within THREE (3) MILES of the development site earn two (2) points each:

- Restaurant
- Entertainment Venues: museums, sports arenas, theaters, and cinemas.
- Retail Shopping Areas: malls or strip malls that have a minimum of four retail stores
- Doctor's Office (General Practitioners only not specialized practices), Emergency Clinics, Urgent Care Facilities, or Hospital (Facilities must be available to the general public and must not be exclusive)
- Public Schools- elementary, middle or high schools
- Fire Station (Volunteer Fire Station qualifies)
- Full Service Banks or Credit Unions (free standing ATMs do not qualify)
- Public Park or Playground or Recreation Center or Senior Activity Center. They must be open to the general public and available to the targeted tenant population. Playgrounds at churches, schools, or in other neighborhoods, and private gyms will not receive points. **Max. 8 pts**

- b) Sites should be relatively flat with negligible water runoff from adjacent properties. The development entrance(s) should be at or above access road grade. Topography of the site should be consistent with adjacent sites and buildings. Sites with large hills, mounds and/or berms, steep slopes, ridges and/or valleys should be avoided since these types of site characteristics can increase development costs. Criteria will be determined by a third party site reviewer. **2 pts**
- c) Site is compatible with the surrounding land. Surrounding area is defined as within one-quarter (1/4) mile of the subject property. This means the site and multifamily development are compatible with the existing land use pattern. The surrounding area should be residential or an appropriate mix of commercial uses, appropriate to the targeted tenants, and residential uses, single and/or multifamily housing. Criteria will be determined by a third party site reviewer. **2 pts**
- d) Water and Sewer utility tie-ins are accessible and within 350 feet of the proposed site. Evidence of such availability must be verified by a letter from the City/County official or utility provider. **2 pts**

OR

Water and Sewer utility tie-ins are accessible and within 351 to 500 feet of the proposed site. Evidence of such availability must be verified by a letter from the City/County official or utility provider. **1 pt**

Detrimental Site Characteristics:

For the detrimental characteristics below, the Authority defines its determination of distance as the shortest distance, in a straight line, from the closest site boundary line of the proposed site to the closest site boundary line of the detrimental site characteristic to determine whether negative points will be assessed.

1. The following Detrimental Development Characteristics are **not allowed for any development site**. This list is not all inclusive and may be expanded:
 - a) Applications proposing an existing development to be subdivided into two (2) or more developments
 - b) Applications proposing developments for the same tenant populations within the same defined market area of existing Authority funded developments (tax credit, tax exempt bonds, etc.) that have a history of vacancy rates greater than ten percent (10%). Vacancy rates will be determined by using the second and fourth quarter vacancy rates reported by the property management for an existing development's previous year's operations. The Authority will make exceptions to the above requirement if the Authority determines, in its sole discretion, that the reason for the existing development having a history of vacancy rates greater than ten percent (10%) is not an issue of an "existing market" for the tenant population, but other characteristics that may or may not be resolvable (e.g. location, physical appearance, etc.)
 - c) Applications proposing scattered site developments that are not, in the Authority's determination, within the same primary market area and/or county boundaries
 - d) Any site listed on or adjacent to a site listed on the National Priority List under CERCLA.
2. These **detrimental characteristics** will be assessed for each site with no limit to the negative points a site may accumulate.

Three (3) points per item will be deducted for the following:

- a) Sites within five hundred (500) feet of an easement containing an electric substation, whether it is active or inactive.
- b) New construction sites where any portion contains or permits any easements for overhead electric power lines, regardless of voltage, and/or such electric power lines encumber the proposed site with the exception of the outside perimeter of the site for the distribution of electric service for other unrelated properties. A development proposing to bury all power lines will be exempt from this detrimental determination if documentation is provided from the utility provider stating that all power lines will be underground
- c) Sites where a portion of any building is located within the fall distance of any pole, tower or support structure of a high voltage transmission power line, communications transmission tower, microwave relay dish or tower, or commercial satellite dish (radio, TV cable, etc.). For field analysis, the Authority will use tower height as the fall distance. For the purpose of the QAP, a high voltage electric transmission line is a power line that carries a nominal voltage level greater than 60KV (sixty kilovolts). All fall distances for any tower, support structure or poles as listed above must be shown on the development site plan and submitted with the application.
- d) Sites where a nearby active railroad causes excessive noise and vibration. A map should be included with the application submission showing the distance from the site boundaries to the railroad tracks. At application submission, an Applicant submitting a proposed development within five hundred (500) feet of an active, in use railroad(s) is required to submit, from a qualified professional, an objective third party noise study that addresses the impact of the nearby railroad, specifically the frequency, noise levels, and shock vibrations levels, on the proposed development. The study must not be older than two (2) years prior to the application submission date and must adhere to the U. S. Department of Housing and Urban Development (the "HUD") environmental criteria and standard for noise abatement regulation, which states the maximum acceptable day/night average decibel level of sixty-five (65) dBA for exterior noise, along with any other analysis deemed pertinent to the noise study and its conclusion. The study must state the average decibel level on the site is less than sixty-five (65) dBA and must support the placement of the development on the proposed site. Those sites where exterior noise is sixty-five (65) dBA and above but not exceeding seventy-five (75) dBA may be submitted; however, a noise mitigation plan must also be submitted. Sites with an exterior noise level at or above 75 dBA may not be submitted for funding consideration. The mitigation plan must

specifically state what measures will be used to reduce the noise levels at the site and the noise study must indicate that the measures to be used will bring the unacceptable noise level at the site down to the acceptable noise level of less than sixty-five (65) dBA. Those sites where the noise levels as outlined in the Noise Study Report can achieve levels of 65 dBA or less will not be assessed negative points. However, the Authority, in its sole discretion, may approve or reject the site regardless of the conclusions reported in the study. If a railroad is listed as inactive then documentation from the owner of the railroad must be submitted indicating such.

- e) Sites where the Authority and/or its third party consultant determines the slope/terrain is not acceptable for development. All existing and proposed grades must be shown on the development plan.
- f) Sites where existing wetlands, natural, or man-made attributes could have a substantially negative effect on the development (e.g. 100 year flood plain, streams, ravines, drainage, waterways, etc.). At a minimum, the site should be 80% buildable with the listed conditions found primarily on the perimeter or fringes of the development site. If wetland areas are found on the interior of the site they should be successfully incorporated into the development's landscaping plan and complement existing green space areas.
- g) Sites within one (1) mile of an operating commercial hog/chicken/turkey farm or processing plant. As part of the application submission, Applicants should identify and provide the name(s) and location of any such facility within one (1) mile of where the development is proposed.
- h) Sites within one-half (1/2) mile of a treatment, storage, or disposal facility for hazardous wastes, an active or inactive solid waste disposal facility and/or solid waste transfer facility.
- i) Sites within one-quarter (1/4) mile of a sewage treatment plant.
- j) Sites within one-quarter (1/4) mile of any jail, prison, detention center or correctional facility. This does not include a temporary holding facility at a location where the primary purpose is not a jail, prison, detention center or correctional facility.

Two (2) points per item will be deducted for the following:

- a) Sites within five hundred (500) feet of any commercial junkyard or salvage yard; trash heap, dump pile, or other eyesore as determined by the Authority.
- b) Sites within five hundred (500) feet of a pipeline(s) (excluding low pressure natural gas distribution lines, water and sewer lines).
- c) Sites within one-quarter (1/4) mile of adult video/entertainment clubs.
- d) Sites within one-quarter (1/4) mile of bars and night clubs. Full service restaurants that have a bar area within the restaurant are not considered bars/night clubs.
- e) Sites within one-quarter (1/4) mile of an operating industrial facility including but not limited to: steel manufacturers, oil refineries, ports, chemical plants, plastic manufacturers, airports, automotive and engine parts manufacturers and food processing plants.
- f) Sites that require the execution of voluntary or involuntary cleanup agreements with Department of Health and Environmental Control or any other third party organizations as noted in a Phase II environmental assessment report. A site that has already **fully** completed any cleanup agreements will not incur negative points. Documentation referencing such must be submitted with the Phase II environmental assessment report.

Market Study Criteria:

Proposed developments must be economically viable proposals justified by the market study findings. The capture rate, market advantage, absorption/lease-up period and overall vacancy rate are critical components in the assessment. A market study, completed by an analyst on the Authority's approved market analyst list, must be submitted with the tax credit application and meet the following requirements:

- a) **Capture Rate:** Developments must have a capture rate at or below 30%. Developments with a capture rate above 30% will be eliminated.
- b) **Market Advantage:** Developments must have an overall minimum market advantage of 10%. Developments not meeting the minimum 10% market advantage will be eliminated. Developments will be required for three (3) years, beginning the date the placed in service application is received by the Authority, to maintain a minimum 10% market advantage level. Prior to a development beginning initial lease-up, the proposed rent levels by bedroom size must be submitted to the Authority. The Authority will provide its third party market analyst with the proposed placed in service rents and a determination will be made by the market analyst as to whether the proposed rents still meet the 10% market advantage percentage. If rents do not comply then the rents **MUST** be adjusted to meet the

minimum 10% market advantage percentage. In the event of a softening or declining market at the time a development places in service the Authority will allow a rent floor at the level of the rents submitted at the initial application submission. **Developments not in compliance will not receive 8609s.**

- c) **Overall Vacancy Rate:** Points will be awarded to proposed developments in market areas where the overall existing and stabilized LIHTC vacancy rates are the lowest based on the following scale:
 - i. Overall vacancy rate of less than 6%:
 - ii. Overall vacancy rate of 6% but less than 10% or more:
 - iii. Developments proposed in markets where the overall LIHTC development vacancy rate is 10% or greater will be eliminated.
- d) **Absorption/Lease-Up Periods:** Developments must have absorption/lease-up periods of 12 months or less. Proposed developments with absorption/lease-up periods of more than 12 months will be eliminated.

1 point
½ point

Tax Credit Development Experience:

Owners (which include individual(s), corporation(s), or in the case of a limited partnership, the general partners(s)) will receive points for previous development of successful LIHTC properties that have been completed over the past seven (7) years, January 1, 2006 to January 1, 2013. The owner may include experience gained as an owner in another firm, but not as an employee of another firm. Experience in LIHTC development (to include 4% and 9% Tax Credits, TCAP and Exchange funded developments) means, coordinating the development team from the planning, financing and construction of a development through the receipt of Certificates of Occupancy and issuance of 8609s. Applicants **must have a current ownership interest** in the development(s) listed for points on **Exhibit K**. Experience will be awarded as follows:

1 point	1 LIHTC project or 72-199 units
2 points	2 LIHTC projects or 200-299 units
3 points	3 LIHTC projects or 300-399 units
4 points	4 LIHTC projects or 400-499 units
5 points	5 LIHTC projects or 500-599 units
6 points	6 LIHTC projects or 600-699 units
7 points	7+ LIHTC projects or 700 plus units

Max 7 pts

For every development listed above, the general partner(s) must be in compliance with and in good standing with both the Authority and the syndicator/equity provider. **Exhibit K-1** must be completed by the syndicator/equity provider and submitted with **Exhibit K** as part of the application submission. If **Exhibit K-1** is not provided then experience points will not be awarded.

Targeting Characteristics:

- a) Developments that elect to serve individuals on waiting lists for public housing. To receive points, the Applicant must include in their marketing plan a description of outreach, marketing and advertising methods used to attract individuals on public housing waiting lists as well as evidence that the public housing agencies have been contacted (i.e. copy of the letter sent to the PHA along with a signed return receipt). Applicants must not use minimum income criteria to reject Section 8 Housing Choice Voucher Participants when their income reflects that they can pay their portion of the rent. The site's minimum income needed for a household to pay the rent on the unit will be based on the actual amount that the Section 8 Housing Choice Voucher Participants would have to pay after the subsidy rather than the entire rent on the unit.
- b) Points will be given to developments that voluntarily extend the thirty- year compliance period for an additional five- year term.
- c) Points will be given to developments designating rental housing for specific tenant populations as outlined in this section. In order to be considered for these points, the development/units must be designed and equipped to serve the needs of the designated tenant population. Such design and equipment must be in addition to the minimum design requirements necessary to comply with state and federally mandated accessibility requirements and must be fully described in the application. A Marketing Plan which outlines the outreach efforts to be utilized for targeting tenants must be submitted with the application to receive these points. Choose only one (1) of the following:
 - (i) One hundred percent (100%) of the development is designed for individuals or families with

2 pts

5 pts

5 pts

children. To receive these points at least twenty-five percent (25%) of the low-income units must contain three (3) or more bedrooms.

- (ii) At least eighty percent (80%) of the units are designed, equipped and occupied by older person(s) fifty-five years of age or older. The remaining units must be designed, equipped, and occupied by special needs populations. All new construction developments are limited to one (1) or two (2) bedroom units. All new construction developments, greater than a one (1) story structure must be accessible to all additional stories by elevators. Acquisition with rehabilitation developments more than one (1) story must provide evidence that existing elevators have received regular maintenance and are in good working condition as of the application submittal date to service all upper level rental units. Those developments without existing elevators will be required to install elevators. Developments designating 100% of the units for persons 55 or older are eligible for these points.
- (iii) At a minimum, (10%) of the total units are set-aside for disabled and special needs tenants. Developments seeking points under this criterion should include a letter from the appropriate disability agency regarding the need for these units.

Development Size:

Applications for developments consisting of fewer than 16 units will not be considered in any funding set-aside for the competitive tax credit funding cycle.

New construction developments, including adaptive reuse developments, will be awarded points based on the total development size as follows:

- a) Developments at or below 56 total units. 3 pts
- b) Developments having 57 to 64 total units. 2 pts
- c) Developments having 65 to 72 total units. 1 pt

New construction developments, including adaptive reuse developments, consisting of 73 total units or more may not participate in the competitive 9% tax credit program.

Rehabilitation developments will be awarded points based on the total development size as follows:

- a) Developments at or below 56 total units. 3 pts
- b) Developments having 57 to 80 total units. 3 pts
- c) Development having 81 to 96 total units. 1 pt

Rehabilitation developments consisting of 97 total units or more may not participate in the competitive 9% tax credit program.

Development Characteristics:

Optional Development Design Criteria Points:

This section allows developers to choose various optional design criteria to be included as part of the development. All developments **must** obtain a minimum of one hundred ten (110) points from this section to avoid disqualification. Although developments may choose to do more, the maximum number of points to be awarded from this section (items 1-30) is one hundred ten (110). Developments awarded credits must incorporate into the development all of the items chosen for points. As part of the placed in service application submission, the Authority will require manufacturer's data sheets as confirmation that items chosen meet the standards as outlined.

- 1. Roof shingles must be architectural style anti-fungal and warranted for a minimum of thirty (30) years. 8 pts
- 2. Attic insulation rated R-38 or higher. 3 pts
- 3. Energy Star rated HVAC systems (15 SEER or greater) in all units. 5 pts
- 4. All units must have a balcony, sunroom, or patio. A sunroom must contain a minimum of three (3) window panels and have distinct architectural separation from the living room. Patios must be at least 64 sq. ft. Front porches are not considered patios. 10 pts
- 5. Curbing for paved areas throughout the development site including the parking areas. 5 pts
- 6. Gazebo (Must be covered and have bench seating; must be permanently affixed and constructed in place; be ADA compliant, accessible and contain a minimum of 100 square feet) or covered picnic shelter (must have a table and bench seating and must be ADA compliant and accessible) in an appropriate location. (May not be selected for points if using this option as a recreation area for older