

- persons under Mandatory Design Criteria, All Development Types, item 6.b). 3 pts
7. Irrigation/sprinkler system serving all landscaped areas. 10 pts
8. Underground utilities (gas/electric, cable and phone) throughout the development site. 5 pts
9. Provide in the community room a minimum of two (2) current updated computer systems, manufactured within the last 12 months, to include new computers, new printers, and a new scanner. The computers must be equipped with high speed Internet service (e.g. broadband or cable). It is expected that printer cartridges, computer supplies and ongoing maintenance of the computers and systems will be furnished as part of receiving these points. 3 pts
10. Each unit must have an Energy Star ceiling fan with light fixture in the living room and all bedrooms. All ceiling fans and overhead lights must connect to wall switches. 5 pts
11. Full size Energy Star refrigerator, with ice maker, having a minimum size of eighteen (18) cubic feet. (May not be selected for points if also selecting #30) 5 pts
12. All units pre-wired for high speed (broadband) Internet hook-up with at least one (1) centrally located connection port and connection ports in all bedrooms or wireless computer network. 3 pts
13. Over the range mounted microwave oven, with re-circulating fan, in all units. 4 pts
14. All units must have a Range Queen or comparable extinguishing system over the stove or have element temperature control plates on each stove burner (e.g. Safe-T-element, etc). 3 pts
15. A minimum square footage per unit based on the number of bedrooms per unit specified as follows. To qualify, all of the units must meet the minimum square footage per unit. The Authority considers the square footage of an individual unit to be the usable living space measured from the interior wall to interior wall. 20 pts

<u>Bedrooms per Unit</u>	<u>Minimum Sq. Ft. per Unit</u>
One	750
Two	950
Three	1,100
Four	1,250

The maximum allowed per unit square footage for new construction units is as follows:

<u>Bedrooms per Unit</u>	<u>Maximum Sq. Ft. per Unit</u>
One	850
Two	1,100
Three	1,250
Four	1,400

16. Providing bathrooms per unit based on the number of bedrooms according to the following. To qualify, all the units must provide the minimum number of bathrooms as specified. 20 pts

<u>Bedrooms per Unit</u>	<u>Bathrooms per Unit</u>
One	One Full
Two	One Full and One ¾ bath
Three	Two Full
Four	Two Full and One-Half

Bathrooms are defined as follows: ½ bathroom contains a toilet and vanity with sink; ¾ bathroom contains a toilet, vanity with sink, and a shower; and a full bathroom contains a toilet, vanity with sink, and a tub/shower combination. ADA units ONLY may have a roll in shower.

17. A minimum six (6) camera video security system with four (4) cameras monitoring the exterior site and two (2) monitoring the manager's office and community center. 7 pts
18. One (1) rental unit reserved for a security officer, on-site manager or maintenance person. The unit(s) will be treated either as community space and non-revenue generating or as an income eligible unit(s) which will be subject to compliance monitoring. Each unit(s) must be designated in the tax credit application. 5 pts
19. Walking trails, minimum 4 feet wide, paved and continuous. Trail should be a minimum 1250 linear feet. At a minimum, install one (1) permanently anchored weather resistant bench with a back at the mid-point of the trail. Sidewalks are not considered walking trails. 10 pts
20. Perimeter fencing extending around all sides of the development site, except the development entrance(s). 5 pts
21. The development will be built to meet, at a minimum, the Version 3.0 Energy Star Certification. 15 pts
22. Provide an easily-accessible area that serves the entire development and is dedicated to the collection and Storage of non-hazardous material for recycling, to include paper, corrugated cardboard, glass, plastics, and metals. Property management is responsible for ensuring of proper disposal and removal of the recyclables. 5 pts

**The following items are for rehabilitation developments only:**

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|-----|--|--------|
| 23. | Install Energy Star rated dishwasher in all units. (May not be selected for points if also selecting #30)  | 3 pts  |
| 24. | Install overhead light fixture connected to a wall switch in the living room and all bedrooms. All light fixtures to be fitted with Energy Star light bulbs.   | 3 pts  |
| 25. | Provide one and one-half (1.5) bathrooms in all units with two (2) or more bedrooms. (May not be selected for points if also selecting #16).   | 10 pts |
| 26. | Minimum bedroom size for all bedrooms in each unit is 120 square feet. The minimum bedroom Square footage excludes the closet space.   | 5 pts  |
| 27. | Provide a minimum 1200 square foot community building. The square footage counted towards this total may include a leasing office, an equipped exercise room, and an equipped computer center. Laundry room and storage/maintenance rooms will not be counted as part of the 1200 square foot minimum.       | 10 pts |
| 28. | Hookups for standard size washers/dryers in all units. (Hookups for stackable washer/dryers do not count)  | 5 pts  |
| 29. | Energy Star rated windows in all units.  | 8 pts  |
| 30. | In all units, existing appliances replaced with a full size Energy Star refrigerator, with ice maker, having a minimum size of eighteen (18) cubic feet; and an Energy Star rated dishwasher; and an energy efficient hot water heater with an energy factor greater than 0.61 for gas or 0.93 for electric. | 10 pts |

**Durable Construction:**

Durable construction with respect to each building, **choose only one** of the following:

- |    |   |       |
|----|---|-------|
| 1. | Brick/stone veneer or stucco minimum 70% and remaining exterior fiber cement and/or hardiplank.   | 4 pts |
| 2. | Brick/stone veneer or stucco minimum 50% and remaining exterior fiber cement and/or hardiplank.   | 3 pts |
| 3. | Brick/stone veneer or stucco minimum 30% and remaining exterior fiber cement and/or hardiplank  | 2 pts |
| 4. | Brick/stone veneer or stucco minimum 50% and remaining exterior siding to be vinyl siding with a thickness of at least .044 mils; or full fiber cement. | 1 pt  |

The exterior of the building is defined as the exterior façade from finished grade elevation to eave line. All exterior wall faces must have an excess of brick/stone veneer based on the percentages selected above. This is applicable to all sides of all the buildings. On all exterior walls the brick/stone must extend above all areas of grass, landscaping and other areas of soil or mulch.

**Rent Targeting:**

Developments that elect to both rent and income restrict up to twenty-five percent (25%) of the total units to 50% AMI tenants, for the entire term of the LIHTC compliance period. Points will be awarded on a sliding scale rounded to two decimal places. **0-25 pts**

**Financial Characteristics:**

The Authority strives to ensure aesthetics and livable standards in its affordable housing developments in order to ensure that the developments funded are durable and marketable to tenants for the entire compliance period. However, it is also the Authority's objective to allocate its annual allocation of tax credits in a manner that creates as many affordable housing units as possible. Because tax credits are limited, cost per type of unit and construction costs per square foot are important factors in analyzing applications. The Authority will apply cost standards for Eligible Basis per Heated Square Foot (EBHSF) based on the group average for each type of development submitted in the funding cycle. The Authority will use discretion in determining the groups for comparison, i.e. garden style, single family, townhouse type developments will be compared to each other to determine similar development costs. Developments with costs that appear to be higher than typically warranted will be reviewed by the Authority's construction cost consultant. The costs reviewed will include both hard and soft costs. The construction cost consultant will analyze building types, site conditions, local requirements, and costs for similar developments in similar areas of the state. If, based on the consultant's review, the development costs are found to be reasonable and can be substantiated then the development will remain in the competition. If however, after the consultant's review the costs cannot be substantiated or if substantiated are still found to be unreasonable for affordable housing, then the development will be eliminated from the tax credit competition.

Under no circumstances, regardless of construction type, set-aside, or tenant targeting will the Authority fund developments in excess of the following Total Development costs per unit:

- Rehabilitation- \$115,000 per unit

- New Construction- \$175,000 per unit

Under no circumstances, regardless of construction type, set-aside, or tenant targeting will the Authority fund developments in excess of the following tax credits per unit:

- Rehabilitation:  
1 bedroom: \$8,000      2 bedroom: \$10,000      3 bedroom- \$10,500      4 bedroom- \$11,000
- New Construction:  
1 bedroom: \$12,500      2 bedroom- \$16,000      3 bedroom- \$18,000      4 Bedroom- \$19,500

#### IV. TIE BREAKER CRITERIA

The following factors will be used in the order they are listed to break a tie. If a tie is broken using the first factor then the other factors will not be applied and so on.

1. Developments with the highest site scores.
2. Market Rate Advantage: Developments representing rents with the highest market rate advantage will receive preference. Developments may propose rents at higher than a 25% market rate advantage however the Authority will cap the rate at 25% for the tie break review. The market rate advantage percentage will be taken out to two (2) decimal places for evaluation purposes.
3. Sites located in a community revitalization plan area will receive preference. The Authority will accept a plan or Resolution adopted or passed by the local government which designates a targeted area for a mix of housing, retail, and/or public services. The targeted areas cannot be an entire local jurisdiction, nor can it be a site level designation. Consolidated or Comprehensive Plans for a City or County will not satisfy this provision unless they designate a targeted area for a mix of housing, retail and/or public services. The plan or Resolution must have been approved and adopted by the local government at a public meeting not later than November 15, 2012. A letter from the Mayor, City Manager, Planning or Zoning Director must be included with the plan or Resolution which states that the proposed development site would be part of an existing and ongoing revitalization for the area which promotes affordable housing developments.
4. Rent per Heated Square Foot: The Authority will calculate each development's rent per heated square foot as follows. The numerator, total gross monthly income, is the sum of the proposed net rent times the number of units, for each bedroom size. Net rents are limited to a maximum rent advantage of 25%, as determined in Tiebreaker #2. The denominator, total heated square feet (HSF), is the sum of the HSF per unit times the number of units, for each bedroom size. HSF means residential living space only, and does not include any heated common space. The total heated square footage of all units is limited to the lesser of (a) the maximum allowed per unit square footage or (b) the actual square footage submitted. The Authority will calculate the quotient to four decimal places.
5. Owners (which include individual(s), corporation(s), or in the case of a limited partnership, the general partners(s)) who have previously developed a minimum of one LIHTC development in South Carolina between January 1, 2006 and February 1, 2013. 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.
6. Developments that provide letters of positive support from the City Manager, Mayor or County Administrator for the proposed development.
7. Sites considered as having Historic Character. Historic Character generally means any development consisting of one or more structures (1) (a) individually listed in the National Register of Historic Places; or (b) located in and contributing to a National Register Historic District and (2) the rehabilitation of which will be completed in such a manner as to be eligible for federal and state historic rehabilitation tax credits. The historic character of a site may be established by documentation from the South Carolina Department of Archives and History with the application submission.
8. Developments located in a Qualified Census Tract (QCT) that contribute to a concerted community revitalization plan (CRP). The CRP plan must be included with the application submission.
9. Eventual Homeownership: Provide a detailed narrative of how homeownership will be achieved. Submit an acceptable Conversion Agreement, and other documentation as required, that provides for tenant ownership at the end of the initial fifteen (15) year compliance period. The Applicant must submit a conversion plan as well as other required documentation that includes but is not limited to a detailed

timeline outlining how the tenants will become homeowners. The conversion plan must include all homebuyer counseling programs to be provided along with the financial procedure that will be used to transfer the rental units into homeownership. The Applicant must execute a Conversion Agreement providing that the units will be converted to tenant ownership at the end of the fifteen (15) year tax credit compliance period or the twenty (20) year compliance period if receiving state HOME funds.

10. If applications are still tied after all above tie breakers have been applied, the Authority will utilize a lottery system. All Application identification numbers, ONLY for those Applications still tied for funding, will be placed in a drum and an impartial Authority employee will draw developments at random until all funds are exhausted. The drawing will be open to the public, supervised by Internal Audit staff, with results posted on the Authority's tax credit webpage.

## **V. MANDATORY DESIGN CRITERIA**

The following mandatory design criteria **must be** included in the development design:

### **For ALL Development Types:**

1. Window coverings for each window, including glass doors, must be installed. Metal blinds are not permitted.
2. All kitchen and bathroom interior cabinets must be solid wood or wood/plastic veneer products with dual slide tracks on drawers. New cabinets must have solid wood dual sidetrack drawers and no laminate or particleboard fronts for doors or drawer fronts. Cabinets shall meet the ANSI/KCMA A1 61.1 performance and construction standard for kitchen and vanity cabinets. Cabinets shall bear the certification seal of KCMA (Kitchen Cabinet Manufacturers Association).
3. All entry doors must be metal-clad wood, steel or fiberglass doors that are insulated, paneled, and have a peephole. Deadbolt locks are required in entry doors. Dead bolt locks on entry doors should have "thumb latch" on interior side. Double keyed dead bolt locks are prohibited. The minimum clear width of all exterior doors shall be 34 inches.
4. Bi-fold and sliding interior doors are prohibited. All doors must be side hinged.
5. A landscaping plan must be submitted indicating areas to be sodded and landscaped. Landscaping plan(s) must follow any applicable landscape municipal ordinance. At a minimum, sod shall be installed on the front and side areas to a point twenty (20'-0") feet from the building(s). Landscaping may incorporate sod and drought resistant plants and shrubs. All disturbed areas not sodded must be seeded.
6. All retention and/or detention ponds must be fenced in unless a letter is provided from the Department of Health and Environmental Control (DHEC) that a fence is not required. The storm water retention/detention basin design, maintenance and management shall be the sole responsibility of the owner/developer and shall be in strict accordance with all applicable federal, state, local and environmental regulations governing storm water retention/detention basins.
7. A recreation area suitable for proposed tenant targeting:
  - a) For family developments – (i) Playground for children located away from automobile traffic patterns with commercial quality play equipment (the playground area must have a minimum of four (4) separate pieces of equipment or a structure that encompasses a minimum of four (4) pieces of equipment) accessible to handicapped traffic and at least one permanently anchored, weather resistant bench, with a back, or (ii) an exercise room with a minimum of three nautilus-type work-out machines (this room's square footage may be included in the minimum 1,200 sq. ft. community building);
  - b) For older persons developments – (i) An exercise room with a minimum of three (3) nautilus type work-out machines (this room's square footage may be included in the minimum 1,200 sq. ft. community building), or (ii) a minimum of one gazebo, with seating, equipped with an Energy Star ceiling fan with light fixture.
8. A new development sign at the entrance(s) to the complex affixed with a Fair Housing logo.
9. Exterior lighting fixtures at all entry doors including individual apartment units, community buildings and common areas within the building(s). The fixtures at the individual apartment units are to be controlled from the interior of the unit.
10. Enclosed trash dumpsters and/or compactors. The dumpster must be enclosed by solid fencing on at least three sides. The pad and approach pad to the dumpster must be concrete and not asphalt. The trash dumpster/compactor must be ADA accessible and located on an ADA accessible route.
11. Roofing materials shall be anti-fungal shingles with a minimum 25-year warranty.

12. The following Energy Star appliances must be provided in each unit: Full sized refrigerator-freezer, with ice maker, having a minimum size of fourteen (14) cubic feet.
13. At least fourteen (14) SEER HVAC units must be installed. If the Physical Needs Assessment, completed for a rehabilitation development, does not recommend replacement of existing HVAC units in the development, this mandatory criterion is waived. However, any replacement HVAC units installed in the development must be at least fourteen (14) SEER. All refrigeration lines must be insulated. All developments must have central heat and air. Window units are not allowed for any development type.
14. A laundry facility containing: (a) at least one (1) commercial washer and one (1) commercial dryer per twenty-four (24) units; and (b) adequate seating and at least one (1) table for folding clothes. For developments containing more than one hundred (100) rental units that also provide washer and dryer hookups in all units, a minimum of one (1) commercial washer and one (1) commercial dryer per thirty-two (32) units is required. Single family detached unit, townhouse, or duplex developments must provide a washer and dryer hookup in every unit. Developments providing washers and dryers in all rental units are not required to provide a laundry facility.
15. Each unit must be equipped with a 5 lb. ABC rated dry chemical fire extinguisher readily accessible in the kitchen and mounted to accommodate handicapped accessible height in accessible units.
16. Wall switch controlled Energy Star rated overhead lighting is required in all rooms.
17. Sites located in a Radon Zone-1 (highest level) will require Radon Resistant New Construction Practices. Rehabilitation projects must meet the Radon Mitigation Standards as required by the Environmental Protection Agency.
18. All new construction developments must submit a complete site specific soils report and boring site plan, not more than one year old at the time of submission of final plans and specifications, bound within the project specifications. Rehabilitation projects adding any new building foundations must submit a foundation specific soils report. The soils report and boring site plan must reflect the results of laboratory tests conducted on a minimum of one (1) soil boring per planned building location and a minimum total of two (2) soil borings at the planned paved areas of the development. A registered professional engineer or a certified testing agency with a current license to practice in the State of South Carolina must prepare the report. Rehabilitation projects adding any new building foundations must also submit a foundation specific soils report and boring site plan as stated above.
19. Metal flashing or 20 mil polyethylene when used in conjunction with a self- adhering polyethylene laminate flashing, must be installed above all exterior door and window units.
20. Mailboxes, playground and all exterior project amenities must be ADA accessible.
21. Exterior wall insulation must have an overall R-11 minimum for the entire wall assembly and roof or attic insulation must have an R-30 rating minimum.
22. Tub/shower units must have minimum dimensions of 30-inch width by 60-inch length and be equipped with anti-scald valves. All shower units without a tub must have minimum dimensions of 30-inch width by 48-inch length (ADA approved shower). All tubs in designated handicap accessible units must come complete with "factory- installed grab bars".
23. Mirror length must extend to top of vanity backsplash with top of mirror a minimum of 6'-0" above finish floor. Framed decorative mirrors or medicine cabinets with mirrors are allowed with a minimum size of 14" x 24" and must be hung with the top of mirror a minimum of 6'-0" above finish floor. Vanity cabinets or a medicine cabinet shall be provided in all units. All cabinets in designated handicap accessible units must be installed at ADA mounting heights.
24. Water heaters must be placed in drain pans with drain piping plumbed to disposal point as per the latest approved addition of the International Plumbing Code.
25. Pipe all Water Heater Temperature & Pressure (T&P) relief valve discharges to disposal point as per the latest approved edition of the International Plumbing Code.
26. Exterior shutters (new not recycled) are required on all 100% vinyl siding buildings. Only existing rehabilitation developments may have 100% vinyl building exteriors.
27. Roof gable vents must be made of aluminum or vinyl materials.
28. All attics must be vented.
29. Carpet and Resilient flooring materials must meet minimum FHA standards.
30. Each bedroom and hallway, etc. must have, as required by Code (local, state or Federal) a hard-wired battery back-up smoke detector.
31. A carbon monoxide detector must be installed in each unit with gas mechanical systems or gas appliances. Units with an attached garage must also have a carbon monoxide detector installed. A combination unit smoke detector and carbon monoxide detector can be used to meet this requirement.
32. Pre-finished fascia and soffits must be vinyl covered aluminum and/or perforated cementitious panels with vents.

33. Gutter and downspout systems complete with splash blocks will be supplied surrounding all residential buildings.
34. At a minimum, all developments must meet the 2006 International Energy Conservation Code.

**For ALL New Construction Developments:**

1. All units must be equipped with an Energy Star rated dishwasher and an energy efficient rated hot water heater with energy factor of 0.61 for gas or 0.93 for electric and will have manufacturer's data sheet submitted with plans.
2. All units must have Energy Star rated windows and will have manufacturer's data sheet submitted with plans.
3. All units must have an Energy Star rated HVAC system and will have manufacturer's data sheet submitted with plans.
4. Lighting must be in all common area corridors, stairwells, and the community room. Interior light fixtures to be fitted with Energy Star light bulbs.
5. Low flow water saving features must be used- low flow showerheads, low flow kitchen and bathroom faucets, and low flow toilets and will have manufacturer's data sheet submitted with plans.
6. Washer/dryer hookups in all units.
7. A minimum 1200 square foot community building. Entire facility must be ADA compliant. The square footage counted towards this total may include a leasing office, an equipped exercise room, and an equipped computer center. Laundry rooms and storage/maintenance rooms will not be counted as part of the 1200 square foot minimum. For developments proposing the second phase of a previously completed contiguous tax credit development, the requirement for an additional 1200 square foot community building is waived. However, it is required that laundry facilities be provided to the new phase and must be constructed on the site of the proposed phase. The mandatory laundry facility requirements under Section V. Mandatory Design Criteria, item 14 must be met.
8. All units pre-wired for cable television hook-ups in the living room and one (1) per bedroom.
9. Units with three (3) or more bedrooms must have a minimum of two (2) full bathrooms.
10. The minimum bedroom size for the primary bedroom in each unit must be at least 168 square feet. All other bedrooms must be a minimum 120 square feet. The minimum bedroom square footage excludes the closet space.
11. All older persons (55+ years) and elderly developments will be one-story structures, or if greater than one story, all stories will be accessible by elevators.
12. All sidewalks and walkways shall be a minimum of 36" in width and made of concrete and shall provide access to all parking spaces, front entryway doors, common amenities and driveways and shall be ADA compliant. Where ADA accessible routes, walkways, etc. are required within the development, clearly marked ramps, crosswalks, signage, etc. shall be furnished in accordance with ADA regulations.
13. Sliding glass doors are prohibited.
14. Water closets must be centered, at a minimum, 18 inches from sidewalls, vanity/lavatories and bath tubs.
15. Public use stairway components, such as stringers, treads, and risers must be constructed from steel or concrete. Handrails and pickets must be constructed from steel or aluminum.
16. Patio and porch/balcony components used as part of the building shall have concrete slabs or decks and must be constructed so that no wood is exposed. Concealment shall be with materials such as aluminum or vinyl siding or cementitious materials. Structural wood columns shall be at a minimum 6" x 6" pressure treated columns concealed as noted above with properly sized fiberglass, high density urethane or aluminum columns. Columns must be installed on metal brackets/clips to prevent water seepage into the columns. Decorative rails and/or guard rail systems used at porches and patios shall be code compliant systems of vinyl, fiberglass or metal. Wood railings are not allowed.
17. Wall Framing: Sound proofing or sound batt insulation is required between the stud framing in party walls. A sound rating of STC 54 is required.
18. Fluorescent lighting is required in the kitchen.

**For ALL Single Family, Townhouse, and Duplex Developments:**

1. All detached single family homes must contain a minimum of three (3) bedrooms and two (2) full bathrooms.
2. All townhouses must contain a minimum of two (2) bedrooms and one and one-half bathroom. At a minimum, a half bathroom must be located on the first floor.
3. All duplexes must contain a minimum of two (2) bedrooms and one and one-half bathroom.
4. Developments must have concrete driveways, curbing at street and front entry walkways.
5. All new construction developments must have a washer and dryer hookup in each unit.

**For ALL Rehabilitation Developments:**

Any of the following mandatory items (not to include repainting of the entire unit) replaced on or after January 1, 2006 are not required to be replaced as part of the rehabilitation.

1. Replace and install new flooring in each unit. At a minimum, tile must be VCT or better.
2. Entire unit (all rooms and ceilings) must be repainted.
3. New bathroom fixtures must be installed to include the following:
  - a) New tub and new shower, re-glazing not allowed. Three piece surround insert is acceptable. All caulking must be replaced.
  - b) Replace sink, vanity and plumbing fixtures with new. Vanity to include, at a minimum, a pull out drawer and/or storage area.
  - c) New toilet.
  - d) Install new re-circulating exhaust fan.
  - e) Install new water supply valves.
4. New kitchen fixtures must be installed to include the following:
  - a) Dual track sliding drawers.
  - b) New double sink and plumbing fixtures.
  - c) New stove with re-circulating exhaust fan.
  - d) New Energy Star rated refrigerator, with ice maker that is a minimum of 14 cubic feet.
  - e) Install new water supply valves.
5. All entry doors must be steel or fiberglass doors that are insulated, paneled, and have a peephole.
6. New Energy Star hot water heaters with an energy factor greater than 0.61.
7. Replace all windows with insulated, double pane glass in either vinyl or aluminum framing.
8. All units wired for high speed (broadband) Internet hook-up with at least one (1) centrally located connection port or wireless computer network. All wires to be hidden.
9. Units with existing washer/dryer connections must replace and install new water supply fixtures and valves.
10. All older persons (55+ years) and elderly acquisition/rehabilitation developments may have more than one-story, provided that existing elevators, receiving regular maintenance, are in good working condition as of the Application submittal date and service all upper level rental units. Those developments without existing elevators will be required to install elevators.
11. Window blinds and exterior window screens to be replaced.
12. Replace all damaged and worn interior doors, jams, frames, and hardware.

**For ALL Adaptive Reuse Developments:**

The definition of "adaptive reuse" is the conversion of an existing non-residential building(s) into a residential building(s). The architect must certify on **Exhibit G** that the development will meet the following requirements:

1. A minimum of fifty percent (50%) of the square footage of each existing building(s) must be converted to residential use; and
2. If additional buildings/units are constructed to provide additional space, the total square footage of the previously existing building(s) must constitute a minimum of fifty percent (50%) of the total square footage of the entire development.

**VI. ADMINISTRATION OF THE QUALIFIED ALLOCATION PLAN**

The Authority reserves the right to resolve all conflicts, inconsistencies, or ambiguities, if any, in the QAP or that arise in administering, operating, or managing the reservation and/or allocation of the LIHTC Program. The Authority, at its sole discretion, reserves the right to allocate housing tax credits in a manner not in accordance with this QAP. At such time, or either a reasonable time thereafter, the Authority shall, as required by Section 42(m)(1)(A)(iv) of the Code, provide a written explanation to the general public of its reasons for making such allocation. The Authority further reserves the right, at its sole discretion, to modify or waive, on a case-by-case basis, any provision of this QAP or the LIHTC Manual that is not required by the Code. In any case where compliance with the QAP or LIHTC Manual produces unusual hardship or difficulty and the Code or regulations do not require the provision, the application of such provision may be waived in the Authority's sole discretion upon a showing of substantial need and any other evidence as requested by the Authority.

The Authority reserves the right to withhold the issuance of a Form 8609 for any development or building that is determined at the Authority's sole discretion **not to have been constructed in accordance with the representations** contained in the development descriptions and certified to in **Exhibit G** by the architect.

The QAP and LIHTC Manual are intended to provide sufficient information to prospective LIHTC applicants. However, due to the complexity of the program and the housing development process in general, not every potential circumstance is covered in the QAP or LIHTC Manual. The Authority will interpret the policies and guidelines contained in the QAP and LIHTC Manual upon review of an application for tax credits, and may accept or reject an application based on its interpretation. Applicants are strongly encouraged to seek guidance from Authority staff regarding any situation not explicitly addressed in the QAP or LIHTC Manual prior to submitting an application. However, the Authority reserves all rights in processing the applications. The Applicants are solely responsible for the contents of their applications and cannot rely on any representation by Authority staff.

By submitting an application to the Authority, the Applicant waives, hold harmless, and releases any claim or cause of action against the Authority or its staff related to or arising under the processing or scoring of any application or for the award of any tax credits under this program, and further the applicant covenants not to sue the Authority or its staff related to or arising under the processing or scoring of any applications or for the award of any tax credits under this program. The Applicant further agrees to indemnify the Authority for any claim or cause of action brought against the Authority related to or arising under the Applicant's application.

## **VII. RECONSIDERATION PROCESS**

Any applicant wishing to request a reconsideration of a scoring decision of the Authority may do so in writing to be delivered to the attention of the Executive Director. Applicants may ONLY request reconsideration for applications in which they have an ownership interest. Requests must be sent via hand delivery or overnight courier. An e-mail courtesy copy is appreciated, but does not constitute a timely request for reconsideration. Reconsideration requests must be received by the Authority by 5:00 p.m. (EST) within three (3) business days of the date of the posting of the point scores for the applications on the Authority's website. Determination letter(s) regarding point scores will be mailed the same day as posting of the point scores. Reconsideration requests must specifically identify the grounds for the reconsideration request. Only the application and documents then-existing in the Authority's file will be considered. No additional documentation will be accepted by the Authority unless it explains previously submitted documentation. The burden is on the Applicant to demonstrate any errors in the review and/or point scoring process.

An Executive Committee, to include the Executive Director, will make a determination on the reconsideration request within seven (7) business days, and the Authority will provide a copy of the written determination to the applicant. If the Executive Committee deems that a meeting and/or conference call is necessary, such a meeting and/or conference call will be scheduled within the seven (7) business day time period. The Executive Committee will not be made up of any staff involved with the initial point scoring of the tax credit application.

## **VIII. AMENDMENTS TO THE QUALIFIED ALLOCATION PLAN**

The Authority reserves the right to amend the QAP or LIHTC Manual as needed for the purpose of clarification, ensuring compliance with the Code or regulations, or any change necessary to affect the spirit and intent of the LIHTC Program as determined in the sole discretion of the Authority. All amendments shall be fully effective and incorporated herein immediately. Amendments may reflect changes, additions, deletions, interpretations, or other matters necessary to comply with the Code or regulations. Amendments are not limited to, but may perform such acts as cure ambiguities, supply information on omissions, correct inconsistencies, or facilitate the allocation of LIHTC that would not otherwise be allocated.

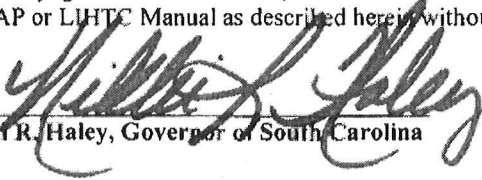
## **IX. APPROVAL BY THE GOVERNOR**

I, Nikki R. Haley, Governor of the State of South Carolina, do hereby signify my approval of this QAP for the distribution of federal LIHTC in the state in conformance with the Code, as amended.



The Authority is expressly granted authorization, to the extent it deems necessary, to amend or waive any requirements of this QAP or LIHTC Manual as described herein without the necessity of further approval.

Signature: \_\_\_\_\_

  
Nikki R. Haley, Governor of South Carolina

Date: \_\_\_\_\_

11-21-12