



## Tennessee Housing Development Agency

404 James Robertson Parkway, Suite 1200

Nashville, Tennessee 37243-0900

615/815-2200

**Ted R. Fellman**  
Executive Director

Writer's Phone Number:  
615-815-2142

Writer's Fax Number:  
615-564-2700

Writer's E-mail address:  
eyandell@thda.org

### MEMORANDUM

TO: Interested parties

FROM: Multifamily Development Division

DATE: July 19, 2011

SUBJECT: Developer Forum

The Multifamily Development Division is in the process of assembling comments regarding the 2012 Low-Income Housing Tax Credit Qualified Allocation Plan ("QAP") and the 2012 Multifamily Tax-Exempt Bond Authority Program Description ("Program Description"). As part of this process, THDA hosted a developer forum. The forum gave interested parties the opportunity to give input to Multifamily Development Division staff regarding changes that the development community would like staff to consider and elements that the development community would like to remain unchanged.

The forum was held on Friday, July 8, 2011.

The following is a summary of the issues that were raised during the forum.

**Additional comments are welcome. THDA will post a DRAFT of the proposed changes for the 2012 programs in late July 2011. Please submit comments in writing via email, fax, regular mail, or express delivery. Comments received on or before August 4, 2011 will be included in materials sent to members of the THDA Board of Directors for the August 16, 2011 meeting.**

Issues raised during the forum may be accepted, rejected, or modified in any respect. Changes or modifications not raised during the forums may also be made. By posting this summary, no representations are being made about any item that may be included, excluded, or modified in the preparation and approval of the final 2012 QAP or the final 2012 Program Description.

## **ISSUES RAISED AT DEVELOPER FORM FOR 2012**

- Too much emphasis on location outside QCT
- Create a Rural Development Set-aside
- Provide more incentive for Hope VI/Choice Neighborhood developments
- Reduce per-county credit maximum for rural counties
- Eliminate land appraisal – adds cost to an application
- Have 1 maximum developer fee formula for both unrelated and related entities
- Regarding market studies, consider absorption, rent up time, and capture rate.
  - Capture rates for urban/rural would need to be different standards
- Occupancy points should be a range
- Both support for and opposition to increasing the distance regarding amenities
- Give points or preference to applications already having firm commitment for financing
- Market study guidelines should be more descriptive
- Both support for and opposition to THDA commissioning market studies
- Reduced market study weight in scoring
- Need to clarify if points are given for existing amenities or ones that will be in existence at placed in service date
- Give points or preference to applications with firm commitment for local government funds
- Give points or preference to applications with LEED certification, Green Building, etc.
- Give points or preference to applications in disaster counties
- Scoring system needs to reduce likelihood of many applications receiving same score
  - Tiebreaker favoring applicants not already receiving allocation in current round
  - Give points or preference to applications submitted by in state developers
  - Tiebreaker favoring applicants for counties that did not receive and allocation in previous round
  
- Multifamily Bond Program - allow redemption of bonds earlier then 1 year from placed in service
- Multifamily Bond Program – consider per unit cap on bonds
- Multifamily Bond Program – exempt noncompetitive allocations from per development tax credit cap