

# DEPARTMENT OF BUSINESS AND INDUSTRY OFFICE OF THE DIRECTOR

Nevada's 2017 QAP Topic Workshop For Low-Income Housing Tax Credits Thursday, September 01, 2016; 10:00am to 12:00pm

# The following were in attendance:

Carson City, NHD location: CJ Manthe, Administrator NHD

Denise Cox, Nevada Housing Division

Bill Brewer, NRHA John Pettis, NRHA David Olsen, DPBH

Michael Holliday, Nevada Housing Division

Tiffany Hornsby, NRHA Nancy Nizankiewiez, WHA

Sarah Adler, USDA

Hilary Lopez, Praxis Consulting Jessica Bailey, Praxis Consulting Susan Howe, Univ of Nev Coop

Beth Dunning, NRHA

Lisa Dayton, Dayton & Assoc

*Teleconference:* 

Lona Cavallera, Washoe County Health

Michael J. Pawlak, Clark County

Dan Billmark, ASI

Mary Allen, Travois Jake Baily, NV Hand Jacob Larow, Clark County

Las Vegas, NHD location:

Tim Whitright, Deputy Administrator NHD Scott Hamlin; Nevada Housing Division

Sharon Bullock; CDPCN David Paul, Nevada Hand George Gekakis, GGI Jimmy Alexander, GGI Kara Blake, USDA Lorri Murphy, Ovation Daigo Ishikawa, NV Hand Matt Grosz, Red Stone GBC Elko, NV location:

Jim Gregory, Weststates Property Holly Gregory, Weststates Property Karen Brooke, Weststates Property

#### 1. Call to order Roll Call, & Introductions, Announcements

Scott Hamlin, Federal and State Programs Manager Nevada Housing Division, called the meeting to order. Introduced CJ Manthe, Administrator Nevada Housing Division who welcomed the audience in attendance and introduced the Division's new Deputy Administrator Tim Whitright.

Scott Hamlin then made an announcement for the Annual LIHTC training to be conducted by NHD in Las Vegas on September 20<sup>th</sup> and Reno on September 21<sup>st</sup>.

## 2. Agenda Item #2 – Call for Public comments:

No comments

### 3. Agenda item #3 – QAP Discussion Points

For a complete re-cap of the discussion please refer to the audio recording of this hearing posted on the Nevada Housing Division website <a href="http://housing.nv.gov">http://housing.nv.gov</a>. The comments listed are highlights presented from the meeting discussions.

- i. For New construction unit projects what should the ceiling be for maximum per unit cost?
  - Use HUD guidelines when applying cost per unit maximums.
  - Amenities have a huge impact on the cost of a project.
  - Keep options open for developers by providing multiple options for amenities.
  - Establish a policy to guard against developers projecting their costs lower than the actual final costs recorded.
  - Adjust amenity requirements for tribal land development as their needs are very different from commercial settings with particular concern for Single family projects.
- ii. Which amenities should be threshold items and which ones deserve award points?
  - Positive support for elevators for seniors and automatic door openers provided they are used reasonably for exterior doors and major egress routes. Automatic doors are dependent on who they serve, more clarification needed in the QAP.
  - Provide more clarification on amenities and define them more to only apply to certain projects which make sense for the population they serve. Suggested separating the Amenities by Project Type such as Senior, Family and Special Needs populations. There was a comment countering this suggestion.
  - Increase the points awarded for providing internet to residents.
  - Tie points to amenities that add true value to the resident while also taking cost and the impact upon the required Credits into consideration. Developers asked to provide specific input on this area with regards to cost and resident value.
  - Washers and Dryers provided in units is a cost and administrative burden, consider removing amenity or increasing the point value.
  - The pros and cons of increased Radon protection for residents were discussed.
  - A proposal to increase the points from 1 to 3 for all non-smoking projects was presented.
- iii. USDA Set-Aside projects will be for preservation only (Renovation).
  - Sarah Adler, USDA Rural Development Nevada State Director provided an overview of the situation. Due to the aging housing portfolio in rural Nevada financed by USDA, they support the USDA set-aside be used for the rehabilitation of projects for the upcoming QAP. They have established a priority system based upon age and from formal inspections. USDA also proposed that any unused tax credits should cascade to the next rural set-aside category.
  - NRHA and Weststates Properties both supported this proposal.
- iv. All future 4% and 9% tax credit projects will have a 30-year affordability period with the Qualified Contract option waived.
  - Strong support voiced for this proposal by multiple developers.
  - This mainly would affect 4% projects going forward as 9% projects are already under the 30 year period. Nevada is one of the more conservative states when it comes to extended affordability periods.
  - This would entail a formal waiving of the Qualified Contract (QC) process.
- 4. Agenda item #4 Public Comment and Discussion No comments
- 5. Agenda item #6 Adjournment

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