

STUDY / SUBGROUP:

Need

TOPIC: Total Development Cost

1000.325 The need component is adjusted by the TDC.

1000.302 TDC is defined as the sum of all costs for a project including all undertakings necessary for administration, planning, site acquisition, demolition, construction or equipment and financing (including payment of carrying charges) and for otherwise carrying out the development of the project, excluding off site water and sewer. TDC amounts will be based on a moderately designed house and will be determined by averaging the current construction costs as listed in not less than two nationally recognized residential construction cost indices.

See also Appendix A(6) and Appendix B(6).

CONSENSUS:

It remains as a geographic multiplier in the formula.

ACTIONS NEEDED:

1. May need to be adjusted
2. Need to develop a mechanism for challenging TDC
3. Review the definition in 1000.302
4. Revise references in Regulation from 1000.338 to 1000.302 in Appendix.

STILL TO DO:

RATIONALE:

1. The definition appears to be unclear.
2. To determine actual impact of TDC on formula allocations.

OTHER AFFECTED PARTS:

The challenge issues referred to joint sub-group with CAS.

OTHER: