

From: reverie16@charter.net [<mailto:reverie16@charter.net>]

Sent: Wednesday, October 2, 2019 3:23 PM

To: McMillan, Chris 6-9196

Cc: Easton, Tracey 6-8771

Subject: Comments on 2020 Proposed Regulations for the Low Income Housing Tax Credit (LIHTC) Program

I do offer one question on the regulations as they are *currently* proposed.

On page 20, item VI. 2., the regulations indicate points based on the number of jobs paying between \$1,251 and \$3,333. Is the intention to exclude the number of jobs that pay LESS than \$1,251 **and** number of jobs that pay GREATER than \$3,333?

My remaining feedback is offered in all seriousness, even though I know it's extremely unlikely that it will make any difference to the final regulations for 2020.

Please rip up the current regulations and start over.

1. My first comment is really a question. How many different people made comments during the "public" comment period? And out of that group, can you quantify how many fell into the following categories?
 - a. Government workers, elected officials, bureaucrats
 - b. Non-governmental entities that are advocacy or non-profit groups
 - c. Developers (those referred to as Applicants or Principals in the proposed regulations)
 - d. Citizens, not affiliated with any group above

The following comments are primarily about the new construction projects targeted at families.

2. The regulations have moved in the wrong direction. There are MORE of them and they are harder for the average citizen to understand. At least with the 2019 regulations the positive site characteristics were understandable (1/2 mile from a grocery store, for example).
Recommendation: Make every effort to reduce the regulations by 50% and to simplify them.
3. Although the LIHTC program has been described as "competitive", this is simply not the case. It is true that there are more applications than tax credits available. It's also clear from the proposed regulations that SC Housing is attempting to address housing in those areas where there is the greatest need, like page 4, item IV. A., Application Groupings. But these regulations do not go far enough. Isn't the basic intent to build housing where the need is greatest?
Recommendation: SC Housing should simply identify those areas with the greatest need on an annual basis, according to the tax credits available. Applications should only come from these areas.

4. The city and local officials currently have NO ROLE whatsoever in this process, even though the residents of the low-income housing are their constituents. As a result, citizens have little voice. This is the worst part of the LIHTC program, and must be addressed. The current regulations on page 12 V. J., City/County/Legislative Notification offer almost nothing, although the letter must now be sent certified to the city official, which is a slight improvement. Offering a meeting, where theoretically the applicant/developer could show up in a clown suit and dance on the table is ridiculous. Authority and decision-making must be at the local level.

Recommendation: After SC Housing identifies the areas with the greatest need (as described in item 3 above), they will notify the city and local officials. The city and local officials will work at the local level to identify up to 3 properties suitable for low-income housing, according to their own master plan for the city. The SC Housing criteria should be minimal, so that the best location can be chosen. The city can provide documentation to SC Housing for final approval.

5. The LIHTC program does NOT invite competition. Out of the 23 unique developer names in the 2019 application list, only 7 names DID NOT appear in the application lists from 2017 and 2018. A single developer submitting an application for a city, over and over again, is NOT competition.

AND

The Mandatory Design Criteria does not allow innovation and is too restrictive. Every unit must have a refrigerator with an ice-maker? Really? I'm 58 years old and I lived 56 of those years without an ice-maker. How about allowing a few studio apartments? How about allowing a developer's proposal to put washers and dryers in ALL of the 3 and 4 bedroom apartments, instead of refrigerators with ice makers in all units?

Recommendation: After SC Housing approves the location site chosen by the city (as described in item 4 above), the city officials will request bids from MULTIPLE contractors for the desired housing. The housing will meet BASIC Mandatory Design Criteria, but the developer may propose innovations, cost-cutting measures and other ideas that may be suitable to the population being served. The city and local officials will develop scoring criteria and select the winning bid.

The above recommendations:

- Simplify the process - SC Housing identifies the areas most in need and notifies the city so that planning can begin.
- Allow local control – The city and local officials can make good decisions for the population being served and the ENTIRE City, as they are closest to the population and accountable to that population.

- Encourage true competition – Developers can truly compete, for BOTH the tax credits and against each other, producing the best and most cost-effective solution. I appreciate your attention, and I look forward to the information I requested in item 1 above.

Sincerely,

Theodosia Hoppers

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