

From: [Sarah Jones-Anderson](#)
To: [TaxCreditQuestions](#)
Cc: [Tanya Eastwood](#); [Amie Cofini](#)
Subject: [External] SC Housing 2023 QAP
Date: Friday, August 26, 2022 1:50:39 PM

Good afternoon,

Thank you for holding the call on Monday to review SC Housing's 2023 QAP. Please see below the comments from Greystone Affordable Development.

Ranking:

- By ranking projects from lowest need to highest need, unrealistic building costs may be presented in a "race to the bottom". We suggest focusing on how the resources make up the total development budget (percentage of total development cost or, as found on page 34, state resources per dollar of total project costs) rather than resources per bedroom, tenant, or square foot.
- We also ask the rural set aside be reevaluated as 30% is significant.
- We do not believe strong projects should be considered ineligible if there is an insufficient amount of STC remaining; but that the developer should be given the opportunity to fill the gap in other ways.

Section III.D.3. (page 6) We request that Geotech reports be up to one year old at time of full application.

Section III.F (page 7) - The Developer award limit may be challenging considering the current economic environment; many deals are delayed due to staffing constraints at municipalities or other situations outside of the influence of the developer. We ask that this language be removed from the 2023 draft.

Section III.G. (page 7) – The increased required developer experience in addition to the removal of the Junior Developer will have a negative impact on smaller, but capable, developers that want to make an impact in South Carolina. We ask that this language be reverted back to the 2022 language.

Section III.K.2.d (page 10) – Please confirm that this section means the VCC must be executed, but not the actual work as that would be completed during construction.

Section III.O.3 (page 11) – The limit of rent increase by 3% will threaten the feasibility of a rehabilitation project and/or severely impact the quality of the rehabilitation. A 3% increase aligns with trended annual increases but would not support debt required for substantial rehab.

Section III.O.4 (page 12) – We request that buildings 15 years or older be permitted.

Appendix C2, Tax Exempt Bonds, Section II.B.5 (page 32) – A minimum of seventy units is limiting; we ask that this requirement be removed.

Appendix B – Design Criteria

Section I.C.15 – Does this certification for lead-free pipes, solder and flux apply to rehab projects?

Section III.B.1 – Unit Size and Base Requirements

The minimum square footage for a one bedroom should be 700 square feet. This is aligned with the market and encourages a more efficient building footprint.

Section III.B.3 -Primary Bedrooms should be allowed to be 168 square feet. 168 square feet is a “typical” 12 foot x 14 foot room size, this is in alignment with market.

Section III.B.5 – Is the fiberglass tub/shower a minimum or a requirement?

Section III.B.6 – Balcony, sunroom, or patio

a. Do Patios require railing?

Section III.L.1 – Primary bedroom should be 168 square feet. 168 square feet is a “typical” 12 foot x 14 foot room size, this is in alignment with market.

Section III.P.2 – multi-story properties should not require sub metering.

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