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1-800-524-7832

FAX (843) 968-4085

CHARLESTON COUNTY COUNCIL
LONNIE HAMILTON, III PUBLIC SERVICES BUILDING
4045 BRIDGE VIEW DRIVE
CHARLESTON, SOUTH CAROLINA
29405-7464

June 26, 2023

South Carolina State Housing Finance and Development Authority
Attn: Mr. Richard Hutto, Interim Executive Director
300-C Outlet Pointe Blvd.
Columbia, SC 29210

Dear Mr. Hutto:

Thank you for your efforts at SC Housing to improve the availability and accessibility of affordable housing across the State of South Carolina. The State's Low Income Housing Tax Credit Program (LIHTC) is critical in meeting the affordable housing needs throughout Charleston County, as well as in similar communities around our state that are experiencing population and jobs growth combined with rapidly increasing housing prices.

As Vice Chair of Charleston County Council and Chair of County Council's Housing Committee, I am thankful for your team's hard work in drafting the 2024 Qualified Allocation Plan (QAP) and understand the competing priorities you must manage. However, I am concerned with provisions in the QAP that will limit the ability to create affordable housing in high population, urban areas where the greatest need exists in South Carolina.

Please consider and incorporate three vital changes to the 2024 Draft QAP which are of greatest concern to Charleston County housing initiatives:

- ***"The Authority will not award more than one new construction application per any county that received an award of tax credits in the prior year."***

As statistically documented in our county's recently adopted "Housing our Future" comprehensive master plan, all of Charleston County is in the midst of an affordable housing crisis. As part of the research conducted by a 3rd party team of housing professionals and researchers, Charleston County, in the upcoming decade, has a projected need of an additional 30,000+ housing units across the income spectrum

While there is a clear need for affordable housing across South Carolina and I commend efforts to create affordable housing in rural areas of the state, there is clearly a greater numerical need in high population, growing counties like Charleston.

I recommend this new provision be eliminated OR at a minimum, high population counties be allowed multiple high scoring new construction awards regardless of any prior year awards in the same county.

- ***Disqualification for “Applications for new construction developments located within one (1) mile of a 2020, 2021 or 2022 awarded development.”***

For reference, the width of the Charleston Peninsula and as it continues up the “Neck” through North Charleston to Interstate 526, where the majority of affordable housing development has historically been located in the County’s urban region, is approximately one mile wide.

This provision may discourage future applications for affordable housing developments in urban areas and could stymie its creation where it is most needed. In addition, I believe this restriction runs counter to what is accepted as good urban planning, as it appears to discourage smart growth strategies and transit-oriented development.

I recommend removal of this addition to the QAP.

- ***Disqualification of “Any site ... that requires the execution of voluntary or involuntary cleanup agreements with Department of Health and Environmental Control or other third-party organizations as noted in a Phase II environmental assessment report (unless fully completed).”***

This provision continues to create barriers to the creation of affordable housing, especially in urban communities or rezoned light industrial locations currently being incorporated into mixed use and newer urban areas. It is inevitable that environmental concerns may be present in a number of projects given the limited number of sites available to affordable housing developers. By eliminating these sites from potentially being cleaned up and repurposed, areas with limited land options further complicates the ability to develop much needed housing

Alternatively, by allowing such sites (i) a developer is making a commitment to clean up the site and (ii) it is for the betterment of surrounding property and the environment.

In addition, the developer is required to complete the application based on what the future development is prior to taking title in order to enter into a VCC program.

I recommend removal of this provision.

South Carolina’s LIHTC program has been our greatest tool to create affordable housing in Charleston County. I appreciate all of your hard work and your partnership, as well as that of everyone at SC Housing.

I trust all decision makers recognize that changes must be made to the QAP to ensure urban communities have a fair opportunity to access all types of federal and SC tax credits that enable affordable housing development. Our families deserve a fair chance to access affordable housing.

Please contact me or Christine DuRant, Charleston County Deputy County Administrator – Community Services, [REDACTED], with any questions or concerns.

Sincerely,



Jenny Costa Honeycutt
Vice Chair, Charleston County Council
Chair, Charleston County Council Housing Committee

cc: C. Todd Latiff, Chairperson, Board of Directors, SC State Housing Finance and Development Authority
Kim Wilbourne, LIHTC Manager, SC State Housing Finance and Development Authority
Christine DuRant, Deputy County Administrator - Community Services, Charleston County