



August 5, 2024

Enterprise Community Partners, Southeast
[REDACTED]
[REDACTED]

South Carolina State Housing Finance and Development Authority
Attn: Ms. Kim Wilbourne
LIHTC Manager
[REDACTED]
[REDACTED]

Sent Via Email: [REDACTED]

Re: Comments on South Carolina's Draft 2025 Qualified Allocation Plan

Dear Ms. Wilbourne:

On behalf of Enterprise Community Partners (Enterprise), we want to thank you for the opportunity to provide comments on South Carolina's draft 2025 Qualified Allocation Plan (QAP). Enterprise works to make community places of pride, power and belonging, and platforms for resilience and upward mobility. Since 1982, we have invested \$72 billion and created 1 million homes across all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

We appreciate the South Carolina State Housing Finance and Development Authority's (SC Housing) collaborative and inclusive approach and respectfully offer the following comments and recommendations.

Qualified Contracts

Enterprise commends SC Housing for including the new proposed Section IV.A.8, relating to Qualified Contracts (QC). This is especially critical for preservation, because the QC loophole has caused the loss of approximately 7,000 – 10,000 units of affordable housing across the country each year, and around 110,000 units cumulatively nationwide. Enterprise strongly supports this language remaining in the final 2025 QAP.

Mandatory Site Requirements

Enterprise applauds SC Housing for having robust mandatory site requirements to help protect historically underserved and marginalized populations from being relegated to housing on land that may expose them to environmental hazards and result in poor health outcomes. However, the proposed language in the third subsection of 'J. Mandatory Site Requirements' threatens to undermine those strong policies by including waiver considerations for noise levels and housing sited within 500 feet of a manufacturing facility. Presence of 'other residential properties in the immediate area' should not be a threshold establishing that a location is favorable for new housing; historical redlining and other discriminatory housing policies have resulted in affordable housing being sited in locations where residents are exposed to unfavorable environmental



conditions such as industrial emissions and power lines. Enabling new developments to obtain a waiver and build near a manufacturing facility simply because there is already housing there threatens to propagate this injustice indefinitely.

We strongly recommend that SC Housing remove the proposed language in the third subsection of 'J. Mandatory Site Requirements' regarding waivers for manufacturing facilities and noise levels.

Green Building Provisions

We recommend that SC Housing specify the minimum Version and Revision of ENERGY STAR Multifamily New Construction (MFNC) required in Appendix B: Development Design Criteria (as is done for the single family requirement) and that the Version and Revision align with the minimum required for South Carolina developments to earn the 45L tax credit. For South Carolina in 2025 (and 2026) that is MFNC National v1.1, which is the same as the minimum required for ENERGY STAR MFNC in South Carolina generally.

Currently, 35 state/local housing finance agencies have determined that holistic green building certification programs are a prudent use of Housing Credits and have included incentives or requirements to certify to a program in their QAPs. Green building certifications help to ensure that projects funded by housing credits will not only create new housing opportunities but also ensure that people living in affordable housing are healthier, spend less money on utilities, and have more opportunities through their connections to transportation, quality food and healthcare systems. We encourage SC Housing to consider the inclusion of holistic green building certification programs such as Enterprise Green Communities (which includes a requirement to earn ENERGY STAR MFNC certification as part of its program) in your QAP.

We would be happy to discuss Enterprise Green Communities in more detail with you or members of your team. Please contact Michelle Diller at [REDACTED] or by phone at [REDACTED]

Conclusion

Thank you again for providing this opportunity to provide input with respect to SC Housing's 2025 Draft QAP and for your continued work to address housing affordability. We look forward to working with SC Housing to provide opportunities to create and rehabilitate affordable housing stock to provide stable, safe and comfortable housing for the residents of South Carolina.

Sincerely,

Beth Stephens
State and Local Policy Director
Enterprise Community Partners, SE

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