



July 28, 2024

To: Kim Wilbourne, SC Housing, Columbia SC

SUBJECT: 2025 QAP – Public Comments

Thank you for this opportunity to submit additional public comments for the 2025 QAP.

Appendix C1, Section I.B “Award Limitations”

- We would recommend that the maximum annual tax credit be different for Group A than Group B.
 - For example: Group A could have a maximum annual tax credit award of \$2 million, while Group B could have a maximum tax credit award of \$1.75 million. This would keep the credits per unit more aligned with maximum number of units of 80 units (Group A) and 60 units (Group B). It would also reflect the reality in cost difference in land price, tap and impact fees, and other ways in which building in high population counties costs more per unit.
- We would recommend that the maximum number of new construction awards per county be different for Group A and Group B Counties. Group A population vastly dwarfs the population of Group B counties (see full analysis below).
 - Group A counties need to be eligible for 2 new construction awards. A limit of 1 new construction award per county is more appropriate to Group B counties.

Appendix C1, Section II.E “Maximum LIHTCs Per Unit”

- We recommend that *IF* these are going to be published, they need to be published *BEFORE* the QAP is final. The number of LIHTCs per unit is a critical component of feasibility and underwriting. Publishing LIHTCs per unit too close to prelim application deadline could result in totally reworking unit count, which in turn causes reworking architectural plans, land price, land appraisal value, market study, etc.
 - Please commit to publishing the LIHTC Per Unit as part of the QAP Public input period if it is going to be published at all.

Appendix C1, Section III.A.2 “Area Employment” and Jobs Distance Points

- We support increasing the radius distance to jobs. This is a more holistic approach to providing future tenants with housing near to potential employment.
- With a larger radius, more sites will tie with having 5,000+ jobs even if one has 10,000+ jobs. The ultimate benefit is to the future resident to have a wider variety of job opportunities.
 - We encourage SC Housing to add another higher tier for 6,000+ jobs (12 possible points) or 7,000+ (14 possible points) to prevent ties.





Appendix C1, Section III.G “Leveraging” Points

- We support adding an additional higher tier at \$10K per unit. This is a good way to encourage applicants to go after every local dollar they can find. This is also a good way to incentivize local governments to participate if they desire more affordable housing.

Appendix C1, Section III.A.3 “USDA RURAL” Points

- If the intent is to promote or encourage applications eligible for USDA financing, or RHS project based vouchers, we recommend the 5 points be awarded to those applications that include specific USDA, RHS or other official rural lending or source of vouchers. Without the elements in place specifically for USDA/RHS backed loans or rural PBV, these 5 points could easily go to an application that is simply far outside of the metro areas, which is likely an unintended consequence of the QAP. It would be easy for every developer to chase sites in rural areas just to gain points, but then the tax credit program would reflect building a lot of apartments far away from population centers.
 - We would recommend the points be allocated specifically to applications including some kind of financial participation with USDA/RHS either in the form of lending or PBV.
 - The 5 points for USDA rural areas could be further refined: 2 points for just being in a USDA designated rural area, and 3 points for USDA/RHS financial participation through loan products or PBV.

Appendix C1 Section II.A. “County Groups”

- **Comparing Group A Counties to Each Other:** Group A includes 13 counties. Of these, Lancaster, Dorchester, and Aiken have 108K, 169K, and 177K population* respectively, and Charleston, Richland and Greenville have 424K, 425K and 558K population* respectively. Factually, Greenville County has over 5x the number of people living in it than Lancaster County. Charleston County has 2.5x the number of people as its next-door neighbor, Dorchester County.
 - It does not make sense, nor is it fair to the SC residents searching for housing, to limit the awards in the 4 most populous counties in the state to 1 award per county, treating those counties as if they are the same as the counties with a fraction (1/3rd, 1/4, 1/5th) of the population .
- **Group A vs Group B:** The 4 most populous counties in Group A have 10x the number of people living in them as compared to the average Group B county (400,000 vs 40,000).
 - The LIHTC allocations are for housing people, and they need to be built where the people live, and the people (1.8 million) live in the 4 most populous counties. These are also counties experiencing the most pressure in housing cost.
 - We strongly encourage SC Housing to return to the 2 awards per county limit for the top 4 most populous counties.



Appendix C1, Section II.B. “Set-Asides” and % of Dollars Allocated to Each

- **High Demand New Construction vs. General New Construction**
 - The list of 13 Counties in Group A contain 72% of the population* of the state of South Carolina
 - The list of 33 Counties in Group B contain 28% of the population* of the state of South Carolina
 - And yet, only 25-35% of the annual allocation is targeted where 72% of the population live (3.7 million people), and 30-40% of the annual allocation is targeted to where 28% of the population live (1.4 million people). This seems counterintuitive. The tax credit program is allocated from the federal government to the states based on population.

- We strongly encourage SC Housing to allocate the Set-Asides to be more closely aligned with where the population lives.

- **Rehab vs New Construction and Population Growth:** Population growth from 2020 to 2023 shows that Group A counties are adding vastly more people in raw numbers than Group B counties.
 - Group A counties added 225,000 people* from 2020 to 2023. Many Group B counties **lost** population in that time, and in total Group B counties added only 15,000 people* across 33 counties.
 - It may be a better use of scarce public resources to focus new construction dollars on Group A counties that are adding the bulk of new population and to focus rehab dollars on the Group B counties that are losing population or not contributing meaningfully to population growth in SC.

*Population Data Source:



RANK	South Carolina	2023 Population		Population growth 2020 to 2023
1st	.Greenville County, South Carolina	558,036	Group A	30,787
2nd	.Richland County, South Carolina	425,138	Group A	9,467
3rd	.Charleston County, South Carolina	424,367	Group A	14,468
4th	.Horry County, South Carolina	397,478	Group A	43,713
5th	.Spartanburg County, South Carolina	356,698	Group A	27,319
6th	.Lexington County, South Carolina	309,528	Group A	14,481
7th	.York County, South Carolina	298,320	Group A	14,292
8th	.Berkeley County, South Carolina	255,217	Group A	23,684
9th	.Anderson County, South Carolina	213,076	Group A	8,881





10th	.Beaufort County, South Carolina	198,979	Group A	11,164
11th	.Aiken County, South Carolina	177,130	Group A	7,962
12th	.Dorchester County, South Carolina	169,833	Group A	7,790
13th	.Florence County, South Carolina	137,214		397
14th	.Pickens County, South Carolina	135,495		3,811
15th	.Lancaster County, South Carolina	108,215	Group A	11,627
16th	.Sumter County, South Carolina	104,165		(1,311)
17th	.Orangeburg County, South Carolina	82,820		(1,134)
18th	.Oconee County, South Carolina	81,221		2,437
19th	.Kershaw County, South Carolina	69,905		4,315
20th	.Greenwood County, South Carolina	69,460		70
21st	.Laurens County, South Carolina	68,873		1,239
22nd	.Georgetown County, South Carolina	65,731		2,222
23rd	.Darlington County, South Carolina	62,416		(432)
24th	.Cherokee County, South Carolina	56,714		494
25th	.Chesterfield County, South Carolina	44,031		775
26th	.Colleton County, South Carolina	38,874		337
27th	.Newberry County, South Carolina	38,825		1,094
28th	.Jasper County, South Carolina	33,544		4,394
29th	.Chester County, South Carolina	32,226		(58)
30th	.Clarendon County, South Carolina	31,004		163
31st	.Williamsburg County, South Carolina	29,891		(1,023)
32nd	.Marion County, South Carolina	28,508		(578)
33rd	.Dillon County, South Carolina	27,698		(579)
34th	.Edgefield County, South Carolina	27,607		1,936
35th	.Union County, South Carolina	26,629		(552)
36th	.Marlboro County, South Carolina	25,704		(786)
37th	.Abbeville County, South Carolina	24,434		168
38th	.Barnwell County, South Carolina	20,447		(139)
39th	.Fairfield County, South Carolina	20,422		(465)
40th	.Saluda County, South Carolina	19,123		295
41st	.Hampton County, South Carolina	18,122		(393)
42nd	.Lee County, South Carolina	15,967		(572)
43rd	.Calhoun County, South Carolina	14,186		72
44th	.Bamberg County, South Carolina	12,974		(286)
45th	.McCormick County, South Carolina	9,941		423
46th	.Allendale County, South Carolina	7,369		(565)

