



State Tax Credit Justification Report

Rocky Ridge Trace Apartments

Location: 1222 & 1230 Montague Avenue Extension, Greenwood County, SC

Developer: Taft-Mills Group, LLC

Date: 5/7/2026

I. How the State Tax Credit Will Benefit Tenants

The State Tax Credit (STC) will directly benefit future residents of Rocky Ridge Trace Apartments by enabling the development team to provide high-quality attainable housing at sustainable rental rates for income-qualified households in Greenwood County.

Rocky Ridge Trace is a proposed 60-unit multifamily residential community designed to serve working households across a range of income levels. The development includes a balanced unit mix of 12 one-bedroom units, 36 two-bedroom units, and 12 three-bedroom units, allowing the project to accommodate individuals, families, and larger households.

The Greenwood area continues to experience a need for attainable rental housing, particularly for households employed in essential sectors such as healthcare, education, retail, and service industries. Rocky Ridge Trace will help address this need by delivering new, income-restricted housing in a professionally managed community.

The STC is critical to maintaining affordability. Without it, increased financing costs would require higher rents, limiting access for the intended resident population. By reducing the project's overall financing burden, the STC allows rents to remain at levels that are attainable for local working households while preserving the quality and durability of the development.

The project will also provide resident-focused features that support long-term stability and quality of life, including:

- Community clubhouse and gathering space
- Playground and outdoor recreation areas

- Picnic shelter and landscaped open space
- Safe, well-maintained residential buildings
- Professional on-site management

These elements contribute to a stable and livable environment, supporting both residents and the surrounding community.

II. Why the STC is Essential to the Financial Feasibility of the Project

Rocky Ridge Trace has been structured to maximize available funding sources, including federal Low-Income Housing Tax Credits and conventional permanent financing. Despite these efforts, a funding gap remains due to the increasing cost of delivering new affordable multifamily housing.

Key financial pressures include:

- Rising construction costs and labor expenses
- Site development and infrastructure requirements
- Utility coordination and extension costs
- Restricted rental income due to income targeting
- Long-term compliance and operational requirements

Because the project is designed to serve income-restricted households, it cannot rely on higher rents to offset these cost increases. This creates a gap between development costs and the revenue the project can support.

The State Tax Credit represents a critical source of financing needed to close this gap.

Without the STC, the project would face one or more of the following outcomes:

- Increased rents beyond levels affordable to the target population
- Reduction in unit count or overall project scope
- Elimination or reduction of resident amenities and site improvements
- Increased financial risk that could delay or prevent development

Each of these outcomes would significantly reduce the public benefit of the project. The STC ensures that Rocky Ridge Trace can proceed as designed, maintaining both affordability and quality.

The project's financial projections demonstrate that the STC is essential to achieving a stable capital structure and supporting long-term operational viability.

III. Evidence of Local Support and Planning Alignment

Rocky Ridge Trace is being advanced with a focus on alignment with Greenwood County's housing needs and long-term development priorities as outlined in the Greenwood City/County Comprehensive Plan 2035.

The Comprehensive Plan emphasizes the importance of supporting balanced and sustainable residential growth, promoting housing opportunities for a range of household types and income levels, and directing development to areas that can be efficiently served by existing infrastructure and services. The Plan also highlights the connection between housing availability, workforce stability, and long-term economic vitality.

Rocky Ridge Trace directly supports these goals by delivering a thoughtfully planned 60-unit attainable housing community on approximately 7.86 acres along Montague Avenue Extension. The site's location provides access to nearby employment centers, retail services, healthcare, and transportation corridors, consistent with the Plan's objective of encouraging residential development in areas with access to existing community resources.

The development has been intentionally right-sized from an earlier 72-unit concept to a 60-unit plan, demonstrating a commitment to appropriate scale and compatibility with the surrounding area. The site plan incorporates three residential buildings, a clubhouse, open space, and stormwater management features in a cohesive layout that reflects sound land use planning principles.

In addition, the project advances the Comprehensive Plan's goal of expanding housing options for Greenwood County residents by providing a mix of one-, two-, and three-bedroom units. This unit mix allows the development to serve a broad range of households, including individuals, families, and working residents, supporting the County's objective of maintaining a diverse and accessible housing supply.

Rocky Ridge Trace also aligns with broader community priorities related to economic development and workforce support. By providing high-quality, income-restricted rental housing, the project helps ensure that local employers have access to a stable workforce with attainable housing options within the community.

The development team is actively engaging with Greenwood County regarding the project. Rocky Ridge Trace represents a continuation of responsible residential growth that supports the County's long-term planning framework while addressing a clear and ongoing need for attainable housing.

Conclusion

Rocky Ridge Trace Apartments represents a meaningful opportunity to deliver high-quality attainable housing in Greenwood County. The project addresses a clear and ongoing need for income-restricted rental housing while supporting local economic development and community stability.

The State Tax Credit is essential to making this development financially feasible and ensuring that it can be delivered at the level of quality and affordability intended. With the support of the STC, Rocky Ridge Trace will provide long-term benefits to residents, the local workforce, and the Greenwood community.