

Richard A. Hutto
South Carolina State Housing Finance & Development
Authority
300-C Outlet Point Boulevard
Columbia, South Carolina 29210



RE: Comments on the 2026 Draft Qualified Allocation Plan (QAP)

Dear Mr. Hutto,

On behalf of the Charleston Metro Chamber of Commerce and our 1,600 members, thank you for the opportunity to provide comments on the 2026 Draft Qualified Allocation Plan (QAP). South Carolina continues to face a statewide housing affordability crisis, one that is particularly acute in fast-growing metropolitan regions like Charleston. These metro areas account for the majority of South Carolina's population growth, job creation, and economic output, but they also face some of the greatest barriers to affordable housing development.

We commend SC Housing for continuing to evaluate and adapt the QAP to address our state's evolving needs. We respectfully submit the following comments for your consideration:

1. Geographic Allocation Pools

We support the creation of three distinct allocation pools: Urban, Middle Population (Metro/Suburban), and Rural to better reflect the diversity of housing demand across the state and ensure a more strategic distribution of resources. This structure should also be reflected in the scoring for amenities, job proximity, and housing shortages, to ensure fairness and realism across geographies.

2. County Award Limits

We support increasing the maximum number of new construction awards to two per county per year, with a cap of one award the following year to maintain balance. This added flexibility is crucial for high-growth counties experiencing documented affordable housing shortages.

3. Credit Allocation Strategy

With the passage of the One Big Beautiful Bill Act (OBBA) and its expansion of the 9% LIHTC and Private Activity Bond (PAB) allocations, we encourage SC Housing to adjust its credit allocation strategy to reflect this historic opportunity.



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We recommend:

- A balance between new construction and rehabilitation, with suggested ranges such as:
 - 30–35% High-Demand New Construction (Urban)
 - 25–30% General New Construction (Metro/Suburban)
 - 15–20% Rural New Construction
 - 30–40% Rehabilitation
- An increase in the federal 9% tax credit cap per project to help make deals financially viable, especially in high-cost or deeply targeted projects.
- Allowing two awards under the Public Housing Authority (PHA) set-aside to strengthen preservation of affordable housing stock.

4. Preservation of the PHA Set-Aside

We strongly support retaining at least one annual PHA set-aside award in the 9% round. Public Housing Authorities are often the last line of support for extremely low-income residents and have a critical role in preserving long-term affordability through federal programs such as RAD and Section 18.

5. Scoring Improvements

We support and recommend the following additions to the QAP scoring framework:

- Transportation Access: Award points for proximity to fixed transit stops, BRT, or light rail, recognizing the critical link between housing, jobs, and opportunity.
- Long-Term Affordability Incentives:
 - +2 points for a 35-year extended use agreement
 - +4 points for a 40-year agreement or HAP contract of at least 20 years with a 20-year extension
 - +5 points for 75+ year affordability through ground lease



- Recognition of Non-SC Housing Subsidies: Award points for use of non-SC Housing subsidies that preserve or reposition public housing.
- Leverage & Land/Ground Lease Scoring: Maintain separate categories for leverage and land donation or ground lease to reflect the different challenges and value they bring to projects.
- Third-Party Contributions: Consider revising the restriction on financial contributions from entities affiliated with the development team, particularly for mission-driven PHAs and local government partners who bring critical resources to projects.

6. Improvements to the 4% Bond Program (Appendix C2)

We support the proposed enhancements to the 4% bond program, including:

- A preliminary and full application process, consistent with the 9% round
- Priority for TE Bond projects that do not request state tax credits, maximizing overall resource use
- A separate scoring pool for those that do request state credits, given differences in availability between volume cap and LIHTC

The Charleston Metro Chamber urges SC Housing to continue making bold, production-oriented changes to the QAP that help us fully leverage both federal and state resources. Prioritizing affordability in our state's highest-growth regions, while maintaining access and fairness across rural and suburban communities, is essential to ensuring that South Carolina remains a place where all residents can thrive.

Thank you for your consideration and continued leadership.

Sincerely,

Bailey Vincett

Associate Vice President, Business Advocacy
Charleston Metro Chamber of Commerce

[Redacted Signature]



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