



October 27, 2025

South Carolina State Housing Finance & Development Authority
Attn: Kim Wilbourne, Multifamily Development Director
300-C Outlet Pointe Blvd
Columbia, SC 29210

Ms. Wilbourne:

Thank you for the opportunity to provide written comments to the SC Housing's Draft 2026 QAP. We continue to appreciate the leadership of SC Housing and offer the following comments for consideration:

1. Comment: Eliminate the 5% limit on 4-bedroom units in new construction family developments.

Reasoning: The 5% cap on 4-bedroom units added creates an arbitrary and unnecessary constraint that impacts the feasibility of projects in urban and suburban areas. We encourage SC Housing to consider the benefit that families receive from 4-bedroom units and eliminate the proposed limit. Limiting the construction of 4-bedroom units artificially limits proposals while encouraging the overproduction of 1- and 2-bedrooms. To ensure developments and unit mixes match the needs of families, we would encourage you to allow unit mixes unique to each development if the market study supports the need for the units proposed.

2. Comment: Revisit scoring for 4% bond deals given the 25% test to score them more equitably.

Reasoning: The current ranking system rewards "efficient" developments which use the fewest amount of state resources per residential square foot, per bedroom, per dollar of total costs, and per tenant. The ranking considers tax-exempt bonds and state LIHTC allocation as state resources despite 4% projects needing bond allocation by law, impacting how efficiently they rank. While bonds are a finite resource, bond allocation is not a direct cost or budget impact to the state like state LIHTC. We would encourage SC Housing to remove bond allocation from the calculation of efficient use of state resources. Currently, existing scoring encourages developers to drive down costs or reduce project sizes to score more "efficiently" since bond amount is a function of law. We would encourage the Authority to revisit scoring requirements given the 25% test to change how deals are evaluated for efficiency.

Dominium would also like to reiterate our support for keeping the following changes in the final version:

- Increasing the developer fee by \$5k/unit to increase financial feasibility for more deals.
- Instituting a 30% cap on bond usage for 4% deals to maximize the benefits of new federal legislation.

Thank you for your consideration of these comments. We look forward to our continued partnership with SC Housing.

Sincerely,

John Rodriguez
Government Relations Manager