

August 8, 2025

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Director Hutto:

The Insurance Institute for Business & Home Safety (IBHS) is pleased to offer the following comments for your consideration in response to SC State Housing Finance & Development Authority (SC Housing)'s [Draft 2026 QAP](#) for public comment.

We strongly encourage SC Housing to require or incentivize through the scoring criteria a designation from IBHS's FORTIFIED™ program for all projects seeking LIHTC funding in South Carolina. Doing so will advance the survivability and insurability of affordable housing in South Carolina.

- **Survivable** means homes and communities that can withstand the severe weather we know they will face, so that homeowners can return home after an evacuation and get on with their lives. It provides families with physical safety and economic security and supports strong communities, stable tax bases, and healthy insurance markets.
- **Insurable** means homes and communities that carriers want to insure because they have undertaken meaningful, verified risk reduction. It is not a guarantee of insurance from a particular carrier—but rather a risk that is more attractive to insurers.

When we incorporate science-based, verifiable resilience standards—such as FORTIFIED—into affordable housing programs like the LIHTC program, we improve the quality and long-term affordability of the housing and the overall resiliency of the communities these projects serve.

Based on decades of scientific research, IBHS's [FORTIFIED™ program](#) is a set of voluntary, beyond-code construction upgrades that improve a building's resistance to the effects of high winds, hurricanes and even tornadoes. The FORTIFIED program is available for single-family houses, multifamily properties, and commercial structures. The program features a technical standard and an independent verification process that ensures that buildings obtaining a FORTIFIED designation from IBHS have, in fact, reduced their risk. To date, more than 83,000 structures have been designated by the FORTIFIED program across 32 states.

This year, the South Carolina state legislature [increased](#) the SC Safe Home Grant Program's permanent funding by \$2.5 million in addition to providing a one-time \$3 million infusion to the grant program, which can be used for FORTIFIED roofs. Also this year, the Federal Home Loan Bank Atlanta, which includes South Carolina in its eight-state footprint, has incentivized FORTIFIED as part of the scoring criteria for its [Affordable Housing Program](#). As a significant source of funding for affordable housing in South Carolina, SC Housing's LIHTC program could

become a critical tool for strengthening the resilience in the state by joining the South Carolina state legislature and the Federal Home Loan Bank Atlanta in using FORTIFIED as a construction standard. Doing so would help protect the families most vulnerable to the severe weather faced in South Carolina.

To require FORTIFIED for all projects, we suggest the following edits be made to SC Housing's [*Appendix B: Development Design Criteria*](#):

III. MANDATORY NEW CONSTRUCTION DESIGN CRITERIA

B. Resilient Construction

Commit to resilient construction standards. All projects must obtain a [*FORTIFIED™*](#) designation from the Insurance Institute for Business & Home Safety. To reduce damage to residential, commercial and multifamily structures and help businesses re-open more quickly following severe weather, the Insurance Institute for Business & Home Safety (IBHS) developed [*FORTIFIED™*](#) a voluntary, resilient construction and re-roofing standard and designation/compliance program. FORTIFIED employs an incremental approach with three levels of designations available so design professionals can work with building owners to choose a desired level of protection that best suits their budgets and resilience goals.

To incentivize resilient construction standards, we suggest the following edits be made to SC Housing's [*Appendix C1 - 9% LIHTC*](#):


III. NEW CONSTRUCTION SCORING CRITERIA

F. Resilient Construction

Total Possible Points: 4

Developments built with resilient construction standards and that receive a FORTIFIED Home designation from the Insurance Institute for Business and Home Safety (IBHS) will be awarded points as described below. Resilient construction standards are optional. To reduce damage to residential, commercial and multifamily structures and help businesses re-open more quickly following severe weather, the Insurance Institute for Business & Home Safety (IBHS) developed [*FORTIFIED™*](#) a voluntary, resilient construction and re-roofing standard and designation/compliance program. FORTIFIED employs an incremental approach with three levels of designations available so design professionals can work with building owners to choose a desired level of protection that best suits their budgets and resilience goals.

- a. FORTIFIED Roof – 1 point
- b. FORTIFIED Silver – 2 points
- c. FORTIFIED Gold – 3 points
- d. Any FORTIFIED designation with hail supplement – 1 additional point



As set forth below, IBHS's FORTIFIED program provides a science-based, field-proven tool for SC Housing to incorporate resilience standards into the 2026 Draft QAP. Investment in resilience will create safer homes that can withstand the increasingly severe weather South Carolina faces. In addition, it will make these properties lower risk (and therefore more attractive risks) for property insurers.

These resilience tools are particularly important in South Carolina which experiences severe convective storm outbreaks that bring destructive tornadoes, straight-line winds, and hail. According to [NOAA](#), from 2020-2024, 28 separate billion-dollar disasters caused by tropical cyclones and severe storms (i.e., tornado, hail, and high wind) affected South Carolina.

Background

IBHS is a 501(c)(3) organization enabled by the property insurance industry's investment to fund building safety research that leads to real-world solutions for home and business owners, helping to create more resilient communities. We conduct this work from our Research Center, located in Richburg, South Carolina.


Severe weather disrupts lives, displaces families, and drives financial loss. IBHS delivers top-tier science and translates it into action so we can prevent avoidable suffering, strengthen our homes and businesses, inform the insurance industry, and support thriving communities. The perils we study at IBHS are part of the natural world in which we live, but social and economic disasters occur when these perils meet human populations that live or work in harm's way. To break the cycle of destruction, it is essential to address all aspects of the building performance chain: where you build, how you design and construct, and how well you maintain and repair. As a building science institute, IBHS focuses on the ways that weather behaves, what makes homes and businesses vulnerable, and how our buildings can be more resilient. We exist to help ensure that the spaces where people live, learn, work, worship, and gather are safe, stable, and as strong as the best science can equip them to be.

Resilience is a Housing Issue

We encourage SC Housing to treat resilience as a housing issue. SC Housing's mission statement is to "create quality affordable housing opportunities for the citizens of South Carolina." We assert that this mission cannot be met without investments in resilient construction.

Housing is not "affordable" unless it provides savings to the resident not just on the day of purchase (or lease signing), but on an ongoing basis as well. Given the rising cost of insurance across the country, as well as increasing deductibles, resilience is a solid investment that helps control operating costs for affordable housing owners. Generally, risk reduction results in avoided damages from severe weather and reduced insurance premiums reflecting the reduction in risk.

Further, investing in resilience for affordable housing helps ensure that people are not only housed, but that they *remain* housed following natural disasters. This should be central to "quality" housing for South Carolina families. Housing that can withstand severe weather allows working families to return home following natural disasters, which in turn supports local



economies and economic revitalization by preventing businesses from closing from low demand and want of workers, protecting the local tax base.

Further, given the risks facing South Carolina housing stemming from high wind events, requiring or incentivizing resilient construction represents good stewardship of public resources. The FORTIFIED program can help publicly funded buildings escape the costly build-damage-rebuild cycle that can take place in areas prone to high wind events.

FORTIFIED Strengthens Resilience

FORTIFIED provides property owners with the ability to achieve three increasing levels of resilience:

FORTIFIED Roof is the foundation of FORTIFIED because an estimated 70 to 90 percent of catastrophic homeowners' insurance claims include roof damage, and damaged roofs can lead to water intrusion that significantly amplifies damage. FORTIFIED Roof provides a system that strengthens the roof through (i) more and stronger nails, (ii) locked-down edges, and (iii) a sealed roof deck, which work in concert to keep the wind and rain out.

FORTIFIED Silver adds increased levels of resilience through requirements on windows, doors, and siding.

FORTIFIED Gold adds requirements related to a continuous load path from the roof to the foundation.

The FORTIFIED hail supplement requires impact resistant shingles rated by IBHS that show they can withstand hail up to 2 inches in diameter. These shingles perform best when tested against realistic hailstones and better protect homes. IBHS's impact test standard is currently the most representative of natural hail of any current testing protocol for building materials.

Studies following Hurricane Sally (in Alabama) and Hurricanes Matthew, Florence, Dorian, and Isaias (in North Carolina) concluded that FORTIFIED designated homes are less likely to have an insurance claim and, for those homes with insurance claims, claims that are smaller on average.

A [new study](#) by the Center for Risk and Insurance Research (CRIR) at the University of Alabama examined over 40,000 properties affected by Hurricane Sally and found IBHS **FORTIFIED homes were 70% less likely to have an insurance claim** compared to traditional construction.

The peer-reviewed study evaluated the real-world effectiveness of the FORTIFIED program, showing that **FORTIFIED homes suffered significantly less damage and required fewer insurance claims** than standard homes. When a claim was filed on a FORTIFIED home, **the average damage was 22% less severe.**

Additionally, the report estimates that if every affected home had been built to the FORTIFIED Roof standard, **total damage would have been reduced by more than \$147 million**—saving homeowners \$42 million and insurers \$105.6 million in losses.

The study also found that **FORTIFIED designated homes outperformed** houses built to codes with very similar requirements **by more than 50%**, demonstrating the importance of the program's documentation and review process.

Adding a FORTIFIED requirement to the state's LIHTC program will improve the performance of affordable housing and the built environment in South Carolina without substantially increasing costs. This is a win for all stakeholders—but most particularly the recipients of LIHTC- funded projects.

The value of FORTIFIED has also been explored in a 2022 [study](#) from the University of Alabama's Culverhouse College of Business, which concluded that building or retrofitting to FORTIFIED has relatively minimal costs and a strong rate of return. Findings include:

By constructing a new multifamily building to FORTIFIED Gold, property owners could realize an 8.1 to 72 percent internal rate of return on a marginal cost increase of no more than 1.5 percent of total cost of construction. For investments in retrofitting an existing multifamily building to FORTIFIED Roof, a property owner could realize an 8.3 to 35 percent internal rate of return on the investment for the property owner.

Further, a recent [IBHS study](#) exploring opportunities to enhance the resilience of Section 8 multifamily and single-family housing in the Atlantic and Gulf coast regions estimates that retrofitting these properties with a FORTIFIED Roof could decrease losses by 30-50 percent.

Finally, a recent [state evaluation](#) of Louisiana's FORTIFY Homes Program found that participants in this grant program saved \$1,250 on their insurance bill and that FORTIFIED roofs pay for themselves in under five years.

Public Investment in FORTIFIED

SC Housing would not be alone in adding FORTIFIED requirements to its affordable housing programs.

- The Louisiana Housing Corporation **requires** FORTIFIED Gold as a minimum construction standard for [projects funded by HUD CDBG-DR grants](#).
- The Mississippi Home Corporation incentivizes FORTIFIED Multifamily in its [2025 OAP](#) scoring criteria.
- The Minnesota Housing Finance Agency incentivizes FORTIFIED Home, FORTIFIED Multifamily, and the Hail Supplement in its [2025 - 2026 MN Overlay](#).
- The Federal Home Loan Bank Dallas invests in FORTIFIED through three mechanisms: as an incentive in the scoring criteria for its [Affordable Housing](#)

Program and through its FORTIFIED Fund grant program and FORTIFIED Fund Rental grant program.

- The Federal Home Loan Bank Atlanta incentivizes FORTIFIED as part of the scoring criteria for its Affordable Housing Program.
- The Federal Home Loan Bank Cincinnati incentivizes FORTIFIED as part of the scoring criteria for its Affordable Housing Program.
- The Federal Home Loan Bank Topeka's matching grant program to help communities recover following disasters includes funding for FORTIFIED roofs.
- For single family housing, Alabama, Louisiana, Oklahoma, and South Carolina help pay for FORTIFIED retrofits through grant programs managed by the state insurance departments. These states will soon be joined by grant programs in Arkansas, Kentucky (which also includes funding for multifamily housing), Maine, Minnesota, and Mississippi (which has launched a small pilot), all of which have been enacted into law since 2023 although not yet operational. In addition, North Carolina provides homeowners with grants through the state wind pool, the North Carolina Insurance Underwriting Association.

In addition to creating more survivable and insurable housing for South Carolina residents, resilience requirements in public funding programs have an important effect on workforce and skills development. We have observed in Alabama and Louisiana that references to the FORTIFIED program in government programs create opportunities to educate developers, builders, and contractors about FORTIFIED. Once these essential participants in the housing market build to FORTIFIED because of program or funding requirements, they develop a comfort level with the work and costs associated with FORTIFIED. This can result in voluntary take-up on other projects unconnected to government funding sources (which is part of how Alabama now leads the nation with more than 52,000 FORTIFIED designations and counting). In a similar way, QAP resilience requirements can have an even broader impact on the built environment beyond the initial investment.

Requiring or incentivizing FORTIFIED in SC Housing LIHTC program could significantly increase the number of South Carolinians who live and do business in resilient homes and buildings.

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As South Carolina understands all too well, weather events become natural disasters by devastating communities, damaging property, disrupting local economies, and dislocating families. This need not be the case. Solutions exist to strengthen the survivability and insurability of our homes—investments by SC Housing can turn these solutions into a reality for South Carolina residents.

Thank you for the opportunity to contribute to this critical issue. If you have any questions, please do not hesitate to contact me at [REDACTED]

Sincerely,

A handwritten signature in black ink, appearing to read 'ME', enclosed within a light gray rectangular border.

Manuela Ekowo
Public Policy Associate
Insurance Institute for Business & Home Safety