



## 2026 QAP Comments:

Thank you for this opportunity to provide input on the 2026 QAP. We understand SC Housing has many stakeholders throughout the state whose concerns need to be balanced. The 2025 QAP largely addressed this need for balance and a few key changes would improve the program efficiency and create more affordable housing.

**SC Housing Trust Fund, HOME and NHTF:** We support using these affordable housing resources allocated to SC Housing to help finance 9% and 4% LIHTC developments. Using these funding sources (HTF/HOME/NHTF) with LIHTC allows the dollars to be leveraged and multiplied many times over. For example, instead of building 4 new HOME units for \$800,000 worth of funding, that same amount of funding \$ would stretch the 9% and 4% credits further unlocking dozens or hundreds of new affordable housing units.

**Published Lists:** Thank you for publishing the addresses at the prelim app stage. And thank you for publishing both the Developer Self Score and the SC Housing score at prelim scoring posting. These are critical pieces of information for making decisions on pursuing sites given limited time and resources. And thank you for publishing the LIHTCs requested at full application. All of this information is subject to future FOIA, so it is best published publicly to begin with. Please continue to publish lists frequently and with as much information as possible during the prelim and full application cycles. This increases transparency and public trust in the program.

**Limit 1 Award Per County** Appendix C1- Section I.B.2 – We recommend that this be adjusted to reflect the realities of SC population statistics. The top 4 most populous counties in Group A (Greenville, Richland, Charleston and Horry) have more people (1.8 million) than the entire population of the Group B counties combined (1.4 million). It would make sense to limit the Group B counties to 1 award per county. But most of the population growth and therefore need for new construction housing is occurring in The Group A counties. And the 4 largest Group A counties have 400,000+ resident per county, which is double the amount of people per county as the smallest Group A counties (Beaufort, Aiken, Dorchester, Lancaster which are all under 200,000). So because the largest Group A



counties have double the population it would merit double the housing investment to be proportional to population.

**Annual Federal Credit:** We support increasing the current cap for 9% projects to \$2M per project in Group A counties (Group B could remain \$1.75M). The recently passed federal legislation creates 12% more credits for SC. The large annual credit will allow for more units per development to be built. Larger unit counts allow for economies of scale in construction pricing and property management & long-term operations.

Larger Developments also make more efficient use of the Federal Credit:

Average 61 units per application in Group A (at full application) – 2025 Cycle

Average \$27,890 Federal Credits Per Unit

Average 56 units per application in Group B (at full application) – 2025 Cycle

Average \$29,365 Federal Credits Per unit

❖ We can generally build more for less with larger economies of scale.

**Project Based Rent Assistance points** Appendix C1 – Section III.G. – We recommend removing these points. Local Housing Authorities often have long processes for allocating PBVs. It is difficult for many of them to make a commitment without a public RFP, procurement, environmental approval, etc. And in recent years, federal funding uncertainty has made issuing future PBV commitments more difficult.

**Driving Scores** – We feel that this scoring is generally is well designed in its current form. Recommend keeping this scoring system in place. It's fair and keeping it unaltered from year to year allows for consistency and predictability with organizations working on multi-year developments. Driving scores help promote sites that offer a variety of services for future affordable housing residents. This scoring system also helps prevent the need for utilizing tiebreakers.



## 4% LIHTC & Tax Exempt Bonds:

The recently passed federal legislation has potential to unlock more 4% LIHTC developments while allocating less bond cap. A revision of the point scoring and allocation process is appropriate for the upcoming year.

We understand that the SC State Housing Tax Credit evaluation and allocation is largely determined by statute. However, the 4% LIHTC and Tax Exempt Bonds are not. We support treating the 4% allocation and bond capacity allocation separately from the SC State Tax Credit.

**Two Step Application Process:** We are in favor of a two step application process for 4% LIHTC and TEB with a prelim app and a full app. This allows development teams to understand how competitive their site and application are likely to be in an upcoming round, allowing them to make the best use of limited time and resources.

**Reconsideration Process:** We support a 'reconsideration' process for scoring and disqualification of 4% TEB applications.

**Pools/Groups:** We support the creation of pools for the 4% LIHTC and TEB application process such as Group A Counties, Group B Counties, Rural, Rehab, etc.

### **Suggested Additional Ranking Criteria for 4% LIHTC & Tax Exempt Bonds:**

#### *Readiness to Proceed – points for the following:*

Soil Report/Geotech subsurface report

#### *Commitment to the project*

Provide points or preference for sites where land has already been purchased by the affordable development team

#### *Non-profit partner and/or evidence of tax abatement*

This makes efficient use of limited affordable housing funding resources, since tax abatements stretch dollars further.



Local dollars supporting the project (dollars or land value)

Provide points or preference for projects that show local financial support. This also makes efficient use of limited affordable housing funding resources.

Jobs score

Apply a Jobs score to Tax Exempt Bond sites similar to what is done in the 9% program. This ranking criteria would encourage projects located into areas with job opportunities.

Distance to CBD

Provide points or preference to sites that are in or near the Central Business District which has been notoriously difficult to develop for affordable housing and where workforce housing for hospitality (restaurants & hotels) is needed most. Most CBDs around SC have also experienced gentrification and loss of affordable housing for workers. Also adds benefits of walkability and transportation options. These are more impactful than suburban developments.

Public Transportation

Provide points to sites that are within ¼ mile from a Bus Stop, or located along an existing bus route.