# Comments on 2026 QAP (Second Draft)

September 22, 2025

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

Dear Ms. Wilbourne and SC Housing Team,

Thank you for releasing the second draft of the 2026 Qualified Allocation Plan (QAP) and highlighting changes from the July 22 draft. I appreciate the opportunity to provide comments before the September 23 deadline.

**1. Metro Competitiveness Carve-Out / Bonus**
Issue: Larger metros—Charleston, Greenville, Columbia—face materially higher land and construction costs, yet compete under uniform scoring. This suppresses production where demand and job growth are most concentrated.
Recommendation: Add a metro carve-out or scoring bonus (or urban weighting within existing categories) so high-need metros remain competitive without diluting statewide access.

**2. Recognize Local Tax Programs as Leverage (FILOT / UTEP)**
Issue: FILOT and UTEP materially de-risk capital stacks but aren't consistently treated as leverage for points.
Recommendation: Explicitly count documented FILOT/UTEP as eligible leveraging (with a standard worksheet for valuation and required attestations).

**3. Broaden "Land Donation" to Include Mission-Aligned Contributions**
Issue: Institutional partners (e.g., health systems) often provide below-market conveyances or restricted-use site contributions that don't fit a narrow "deed-for-free" definition.
Recommendation: Expand the definition to include documented below-market transfers from public/mission-driven entities, with appraisal and certification guardrails.

**4. Targeted Workforce Flexibility (Pilot)**
Issue: In high-cost metros, a small, well-guarded allowance for 80–100% AMI units (in addition to very-low-income commitments) can improve operations and keep essential workers near jobs and transit—without reducing deeply affordable outcomes.
Recommendation: Pilot a modest workforce adjacency bonus with safeguards to maintain very-low-income production.

These adjustments preserve equity statewide while enabling production where need and economic activity are greatest. I would welcome a brief working session with staff to help operationalize any of the above.

Sincerely,

Ward Mungo
Ward Mungo Companies
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