Wilbourne, Kim 9083

From: Parker Zee [redacted]
Sent: Tuesday, June 16, 2026 4:29 PM
To: Wilbourne, Kim 9083; Taxcreditquestions
Cc: Jade Long
Subject: [External] 2027 Draft QAP Comments

Good afternoon,

Thank you for the opportunity to provide comments on the initial draft of the 2027 QAP. Please see a few comments below:

- QAP Comments
  - Section II.A. We recommend SC Housing accept waiver requests as late as 90 days prior to full application deadline. Many developments are not in position, or not even yet identified, to submit a waiver 60 days prior to the preliminary application deadline. We recommend this same deadline for the Appendix B waivers as stated in Section IV.N.
  - Section IV.J.1.b. We appreciate SC Housing's removal of the requirement for water and sewer to be currently located within 500 feet of the parcel. This will help clarify what site will qualify under the QAP without any confusion about any waiver processes.
  - Section IV.P.9.c. We commend SC Housing on including a cap on related party funding. We request clarification if this section will be limited to 50% total or 50% for each related party funding source and reinvestment income. We recommend that this be limited to 50% total (exclusive of deferred developer fee which is already defined to be applied separately).
  - We recommend that caps on syndication rates, in addition to floors, be included to ensure syndication rates at application are within a reasonable range.
- Appendix C1 Comments
  - Section III.A.1. While we understand the intent to include the negative point for incorrect distances and amenities as it puts undue burden on SC Housing to verify this scoring category, we recommend the negative point be removed. This is especially important for penalty due to amenities not meeting all requirements. Specifically, certain amenity categories, such as shopping, public facility, and retail, can be more objective where a developer believes the amenity qualifies and meets the intent of the scoring criteria but SC Housing believes it doesn't qualify. We believe an incorrect determination or request for points should simply lose the points claimed for that amenity instead of being deducted an additional penalty point for the error.
- Appendix C2 Comments
  - Section II.A. We appreciate the clarification on what cannot vary more than 5% from pre-application. We recommend changing "total square footage" to "heated residential square footage". We believe the intent here, based on recent bulletins, is for this number to line up with the box on the Excel application workbook that matches up with the scoring criteria which is defined as "heated residential square footage", and also matches up with "heated residential square footage" in Exhibit G. Additionally, we recommend adding "minimum set-aside targeting" (40-60, 20-50, Average Income Test) to the list of items that cannot change, pursuant to recent bulletins.
  - Section II.B.7.b. We appreciate the change to limit developers to 2 new construction or rehab awards OR 1 portfolio award. However, we believe SC Housing should add a unit count

maximum for portfolio projects. As currently drafted, a developer with 4 rehab projects totaling 400 units could include them as a single portfolio transaction to circumvent the awards limit.
    - Section II.B.7.c. We recommend adding similar language of PHA set-aside county limit being exceeded if the set-aside not fully exhausted to the new construction limit in Urban counties as well. Perhaps worth limiting to more specific counties themselves, but many urban counties have sufficient demand to absorb an additional new construction project if the set-aside is not fully exhausted.
    - Section II.B.7.d. We commend SC Housing's change to allow developers to request as low as 30% aggregate basis even if below permanent supportable debt. This will help allow the limited TEB resources to be spread across more units and developments, providing more needed affordable housing units across South Carolina.
- Appendix B Comments
    - We recommend allowing 1-bedroom units to be as small as 700 square feet instead of 750 square feet. While we believe 850 square feet and 1,100 square feet, for 2- and 3-bedroom units respectively, accurately represent a comfortable apartment unit that is similar to general market standards to provide a high-quality living situation, 750 square feet is often 50-100 square feet larger than most market-rate 1-bedroom apartment units.

Thank you,

Parker Zee
Vice President of Development

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