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October 27, 2026

Kim Wilbourne, Multifamily Director
South Carolina State Housing Finance and Development Authority
300-C Outlet Pointe Boulevard, Columbia, SC 29210
Via email: taxcreditquestions@schousing.com

Re: 2027 Qualified Allocation Plan comments, revised draft of October 23, 2026

Dear Ms. Wilbourne:

The Institute of Real Estate Management (IREM®) is a professional association for real estate managers founded in 1933 and the awarding body for the IREM Certified Sustainable Property for Affordable Housing (CSP for Affordable Housing) certification. IREM has one chapter in South Carolina, IREM South Carolina, with more than 175 members in the state.

Thank you for the opportunity to comment on the 2027 Qualified Allocation Plan. We have comments on three provisions.

Appendix B-1, Section R, item 1.c: ENERGY STAR® Portfolio Manager® reporting

The draft strikes this provision, which required a development to use ENERGY STAR Portfolio Manager and to give the Authority five years of access to that data. We understand the reasons to remove it. The provision asked the Authority to process connection requests, keep access to operating data for five years, and review that data without any provision in the plan stating what the data had to show.

The Authority can reach the same result without that work. Where a property holds the CSP for Affordable Housing, IREM collects the operating data, verifies it, and reviews it against published criteria. The Authority would be able to view a certification status on IREM's public directory rather than manage a data feed. There would be no connection requests to process, no data to keep, and no performance standard for the Authority to write, because the certification sets the standard.

The CSP for Affordable Housing evaluates a property at placed in service, again in year three using three years of measured operating data, and every three years after that. Certification runs in three-year terms and renews only on performance verified at each recertification. Verification is performed by an independent, credentialed third party, on units selected by IREM rather than by the applicant. For a rehabilitation, performance is measured against the property's own pre-retrofit baseline.

We ask the Authority to recognize the CSP for Affordable Housing as a way to confirm operating performance that places no administrative duty on the Authority.

Appendix C-1, Section E: sustainable building points

The draft strikes the five points for committing to a sustainable building certification, along with the five certifications named under them. Home Innovation Research Labs and others have asked the Authority to restore these points. We support that request.

If the Authority restores the points, we ask that the CSP for Affordable Housing be included among the certifications that earn them, at a value equal to or greater than the five points those certifications carried.

We make that request on a specific basis. The struck provision awarded its points for committing at application to meet a certification's requirements. The CSP for Affordable Housing is awarded on performance that has been verified after the property is occupied, and it is renewed only on performance verified again at each three-year recertification. A point value set on that basis rewards a result rather than an intention, and it continues to mean something for as long as the property holds the certification.

Appendix B-2: rehabilitation design criteria

Appendix B-2 requires ENERGY STAR rated windows, doors, appliances, water heaters and bulbs, and sets no whole-property certification requirement. Now that rehabilitation has its own appendix, we encourage the Authority to consider whether Appendix B-2 should include a way for a rehabilitation to demonstrate performance after the property is occupied.

Energy and water are among the largest controllable costs in a multifamily operating budget. Verification that continues after residents move in gives an owner a way to find operating problems and correct them, which helps protect net operating income and debt-service capacity over the years the Authority's award is outstanding.

Under any of these approaches, IREM and the owner would remain responsible for the certification. We would be glad to provide the full criteria for staff review or to walk through them with your team.

Thank you for considering these comments.

Sincerely,

Todd Feist

Todd Feist
Director, Sustainability Programs
Institute of Real Estate Management
[redacted] | sustainability@irem.org

Enclosure: IREM Certified Sustainable Property for Affordable Housing, South Carolina edition (3 pages).

CSP CERTIFIED SUSTAINABLE PROPERTY

The points you award, verified at year three

CSP for Affordable Housing, a green building certification scored at placed in service and again on measured performance · **irem.org/csp**

Most certifications close the file at placed in service

They award on modeled performance and inspected construction, then collect operating data without attaching a result to it. The IREM® Certified Sustainable Property (CSP) for Affordable Housing scores a second time at year three, on three years of measured data, and a shortfall costs the certification.

What the agency gets

Performance data, at your election

Benchmarking energy, greenhouse gas and water in ENERGY STAR® Portfolio Manager® is a prerequisite, and the owner commits to share it annually for at least five years. **Whether the agency takes it up, in what form and how often, is the agency's choice.**

A second score, on delivered results

Design and build criteria are scored at placed in service. Operations and measured performance are scored again at year three, against the design model for new construction or **the pre retrofit baseline for a rehabilitation.**

A certification that must be renewed

A property short of the year three minimum enters corrective action, then a second verified period, then it does not renew. **Certified properties are listed publicly, so standing is verifiable at any time.**

Certification criteria, and where each is scored

One consolidated set of criteria covering both pathways, scored at two steps.

NC new construction · **RH** rehabilitation

		Placed in service		Year 3	
Category	What it covers	NC	RH	NC	RH
Prerequisites	Required for every property, carrying no points	19	12	n/a	n/a
Site	Ecosystems, soils, stormwater, heat island, hazards	9	9	1	1
Energy	Above code floor, envelope test, lighting controls, targets	33	31	7	7
Water	Efficient fixtures, leak detection, reuse, landscaping, targets	13	16	4	4
Health	Verified ventilation, low emitting materials, IAQ testing	16	16	26	26
Recycling	Construction diversion, signage, services, goals	7	7	10	10
Purchasing	Local sourcing, green products, green power, vendors	3	3	12	12
Performance	Measured energy, water, waste and air quality results	n/a	n/a	21	21
Points available	Across the categories above	81	82	81	81
Required to certify	70 percent of the points available at that step	**57**	**58**	**57**	**57**

Prerequisites establish the performance floor: a whole-building model at least 15 percent better than the adopted energy code and stamped by the engineer of record, envelope air leakage at or below 0.30 CFM50 per square foot by blower door test, and ventilation airflow verified by measurement. Energy is the largest category at placed in service, 41 percent of new construction points and 38 percent of rehabilitation points. At year three the weight moves to operations, where measured performance, energy and health together carry two thirds of the points. Certification runs in three year terms.

Point values and minimums from the CSP for Affordable Housing certification criteria, version 2026. Each minimum is rounded up.

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How the timing works

Step 1

Registration and design review

IREM issues a Letter of Intent to Certify at registration, **available ahead of an allocation deadline**, then a design approval at least 30 days before construction begins.

Not scored.

Step 2

Placed in service

At certificate of occupancy. Design and build criteria verified as built, with the blower door result and verified ventilation airflow, and the operational prerequisites confirmed.

Minimum 57 of 81 new construction, 58 of 82 rehabilitation.

Step 3

Year three, then every three years

Three years of operating data and sustained management practices, measured against the design model or the pre retrofit baseline.

Minimum 57 of 81, both pathways.

Why this fits rehabilitation

A rehabilitation is the hardest thing an agency funds to verify: the promise is a reduction, and a reduction is invisible in a drawing. **The CSP measures it against the property's own pre-retrofit baseline,** documented with twelve or more months of pre-work data, so what the agency sees at year three is the reduction the rehabilitation actually delivered.

The floors are numbers rather than plans. **Energy:** a modeled 10 percent reduction or an ERI of 80 or lower, air leakage at or below 0.40 CFM50 per square foot, 90 percent LED, and ENERGY STAR appliances in scope. **Water:** fixtures replaced to high efficiency thresholds within the rehabilitation scope, or a modeled 5 percent reduction. **Then 81 of the 163 points available to a rehabilitation sit at year three,** and 21 ride on measured results.

How it differs from the criteria most plans name

	The most frequently named criteria	CSP for Affordable Housing
When it is awarded	Once, at completion.	Scored twice: at placed in service, and again at year three.
What the score rests on	Modeled performance and inspected construction.	The same at placed in service, then three years of measured operating data.
Post occupancy data	Collected and shared for five years, with no performance threshold attached to it.	Scored. 21 points ride on delivered energy, water, waste and air quality results.
If performance falls short	Retention of the label does not turn on the result.	Two 12-month cure periods, the second verified by independent retro-commissioning, then the certification does not renew and the property is removed from the public CSP directory.
Rehabilitation basis	An efficiency threshold met at completion.	Numeric energy and water floors at completion, then a measured reduction against the property's own pre-retrofit baseline.

How a shortfall is handled

A property short of the minimum enters a 12-month corrective action period, then a second 12-month period verified by independent retro-commissioning, then the certification does not renew. **Before either period runs, the owner may document verifiable causes outside its control and have the target adjusted;** any adjustment and its basis are recorded in the recertification file. Every step is IREM's determination on its own label. **A property that does not renew is removed from the public CSP directory, and IREM notifies the certificate holder.**

Three ways an agency can reference it

1. Add it to the accepted certifications in an existing green building scoring item, at a point value equal to or greater than the highest-value certification on the list.
2. Accept it as an alternative or equivalent standard, using the year three verification as the basis for equivalence.
3. Require the certification to be current in the annual owner certification, and verify it in the public CSP directory. No monitoring duty, and nothing to administer.

The 2027 fee schedule is still in development and will be comparable to the major certifications used on affordable housing projects. IREM welcomes agency comment and dialogue on the criteria: sustainability@irem.org.

What the October 23 draft changes

The certification requirement stays. Appendix B-1 still requires new construction to "be built to meet and receive" the current ENERGY STAR Multifamily New Construction certification and complete all required checklists. All reports must be provided to the Authority with the final inspection request. The section's enforcement provision also remains unchanged.

The reporting requirement is removed. The draft removes the requirement for a development to use ENERGY STAR Portfolio Manager and give the Authority access to its operating data for five years.

The sustainable building points are removed. The draft removes the five points available for committing to a sustainable building certification, along with the five certifications named in the provision.

Rehabilitation now stands on its own. Appendix B 2 sets separate requirements for rehabilitation, including ENERGY STAR rated windows, doors, appliances, water heaters, and bulbs. It does not require verification of whole property performance after rehabilitation.

What the CSP for Affordable Housing offers instead

The removed provision required the Authority to process connection requests, maintain access to operating data for five years, and review that data, without specifying a performance standard.

The CSP for Affordable Housing provides that standard without requiring the Authority to manage or review operating data. IREM collects the data and verifies performance against published criteria. **The Authority would need only to confirm the property's certification status.**

Performance is evaluated when the property is placed in service, again in year three using three years of measured operating data, and every three years thereafter. Certification can be renewed only after performance is verified again. An independent, credentialed third party conducts the verification using units selected by IREM, not the applicant. For rehabilitated properties, performance is measured against the property's pre retrofit baseline.

The certification's prerequisites also rely on measured, independently verified performance. These include blower-door testing for envelope air leakage, instrumented measurement of ventilation airflow, and a whole-building energy model stamped by the engineer of record.

What the CSP is worth to the applicant

Energy and water are among the largest controllable costs in a multifamily operating budget. Continued verification after occupancy helps owners identify and correct operating problems that can affect net operating income and debt service capacity. **Because the CSP for Affordable Housing addresses design and operations through one certification**, the owner doesn't need to pursue a separate operating certification, and the Authority doesn't need to administer a separate post-occupancy program.

What we are asking

We support restoring the sustainable building points and including the IREM CSP for Affordable Housing among the qualifying certifications, at least at the same five points. The removed provision awarded points for a commitment made at application. The CSP for Affordable Housing goes further by verifying actual performance after occupancy. Awarding points for the certification would therefore recognize demonstrated performance, not only a commitment to future performance.

Whether or not the points are restored, we ask the Authority to recognize the CSP for Affordable Housing as a means of confirming operating performance. IREM and the property owner would remain responsible for the certification, with no additional administrative responsibilities for the Authority.

Sources South Carolina 2027 qualified allocation plan and appendices, revised draft dated October 23, 2026 Appendix B 1 section R, where item 1 c on Portfolio Manager access is removed; Appendix C 1 section E, where the sustainable building points and the certifications named under them are removed; and Appendix B 2 for the rehabilitation design criteria **The CSP isn't currently named in the South Carolina appendices.** IREM welcomes agency comment and dialogue on the criteria **sustainability@irem.org**