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November 10, 2020

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

RE: DRAFT SC 2021 QAP Comments

Dear Ms. Wilbourne,

In review of the draft SC 2021 QAP and based on experience, it is suggested the following Mandatory Site Requirement is aggressive and potentially problematic, especially in urban areas:

• The following detrimental characteristics will result in an application being disqualified:

Mandatory Site Requirement 2(d): Any site listed on or adjacent to a site listed on the National Priority List under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) or that requires the execution of voluntary or involuntary cleanup agreements with Department of Health and Environmental Control or other third party organizations as noted in a Phase II environmental assessment report (unless fully completed).

Based on my experience working in urban areas, the potential to encounter a National Priority Listed (NPL) site or property that has already completed, is currently under-going or would benefit from participating in a South Carolina Department of Health and Environmental Control (SCDHEC) Voluntary Clean Contract (VCC) is more likely than non-urban areas. Furthermore, my experience with low income projects utilizing U.S. Department of Housing and Urban Development (HUD) funding as well as other State funding programs has shown that these types of projects are often located within urban areas due to the need for low income housing. In my opinion, eliminating these types of properties solely based on there inclusion in these programs would reduce the inventory available for these types of projects and hinder the redevelopment of blighted areas within numerous urbanized areas.

I have personally participated in several projects utilizing the funding methods above that have also participated in the SCHDEC VCC program. These projects were able to successfully eliminate risk related to contamination during redevelopment and final use of the properties as multi-family. Beneficial programs such as a SCDHEC VCC do require proper planning and timing. As part of a VCC, an application and a Phase I Environmental Site Assessment (ESA) must be completed prior to closing. Once the VCC is executed by all parties, acquisition of the property may occur. However, as part of all VCCs additional sampling, risk analysis and remedial strategies are required prior to redevelopment of the property.

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With proper planning, these proposed actions could be presented within the application for funding detailing the steps that will be taken to eliminate risk related to contamination. The award of funding could be contingent upon the completion of these activities.

In conclusion, many beneficial projects would potentially be overlooked by eliminating areas of urbanized development designated as Brownfields, NPL sites, VCC sites, etc. that could successfully be redevelopment with LIHTC funding. I appreciate your consideration of this during the review of the QAP program.

Respectively,

Justin A. Roth, CHMM

Vice President