

Kim Wilbourne  
SC Housing

July 2, 2024

Dear Ms. Wilbourne,

On behalf of Harmony Housing Affordable Development, we want to thank you for holding the 2025 Qualified Allocation Plan Roundtable and the opportunity to make comments on SC Housing's 2025 QAP.

1. Appendix C1-pg 10 Section E.: We urge SC Housing to modify Section E Other Types of Tax Credits to Other Types of Subsidy and include the following subsidies for points in this section:
  - a. 45L/48E Energy/Solar Credits
  - b. Section 8 PBRA HAP contract with HUD
  - c. RAD CHAP 3
  - d. PBV award from a local Public Housing Authority.
2. We seek further clarity on Page 4 Section B of the QAP, the current guidelines state "the acquisition cost will not be included in the development and operations cost." If a public housing authority executes a related party ground lease, and acquires the project with a sellers note equal to the appraised value of the property, does this statement imply the project would not generate acquisition credits from the development budget?
3. We would prefer that SC Housing not decrease the federal LIHTC per project, but if SC Housing does consider lowering the credit amount, we ask that you look at reallocating other state or local resources to maximize development opportunities.
4. Keep the Supportive Housing section (Appendix C1. Section IV(I)) and the 5 points for targeting 10% of the total units with a service provider but increase the AMI% from 20% to 30% AMI for supportive housing units.
5. We don't feel lowering the number of units in each project meets the solution of reducing the credits per project. Projects, especially in urban areas, require more density per deal. There have been massive efforts to improve local zoning ordinances to provide density bonuses and local incentives.
6. Page C1-11, H. Revitalization: simplify or provide more direction/clarity for the CCRP requirements.
7. Add a PHA/PBRA set-aside for both 4% and 9% programs due to the urgent need to preserve HUD assisted assets as they are the lowest income families in our communities.

8. Increase the allowed cash flow per unit to assist with rising expenses. Limited cash flow causes deferred capital and maintenance.
9. The nonprofit set-aside could use an incentive to participate by guaranteeing an award or not including them in the county award total.
10. Raise the maximum square feet for each unit or eliminate the ceiling all together to allow developers more flexibility in design, especially the 2-bedroom units.
11. Requirement for Energy Star Rating for all lighting fixtures is very restrictive when it comes to sourcing lighting for a project, especially for amenity space fixtures. Possibly eliminating the blanket requirement, as long as Energy Star certifications for the building are met. Would it also be possible to specify the level of Energy Star Certification requirement, as the MFNC Energy Star program now has multiple iterations / levels. (1.0, 1.1, etc)
12. SC Housing should consider amending the parking requirements for urban and senior housing as they are a bit restrictive considering the population being served.
13. Allow the use of duct board instead of hard duct for the mechanical systems (in the plenum). Duct board is more financially economical, is less noisy, and more energy efficient.

Thank you and the SC Housing team for your continued efforts to provide affordable housing to the residents of South Carolina.

Sincerely,



Rebecca Sheffield  
Director of Development