



October 23, 2018

South Carolina Housing Finance & Development Authority
300 – C Outlet Point Blvd.
Columbia, SC 29210

Dear South Carolina Housing Finance & Development Authority:

Charleston is experiencing an extreme shortage of affordable housing. The rising cost of housing far outpaces any minimal wage growth in the area. The economic prosperity enjoyed by some is out of reach for the majority of residents in our community.

Our community urgently needs to increase the availability of affordable rental housing for those earning below the area median income. Our greatest opportunity to create affordable rental housing is through the Low Income Housing Tax Credit program. LIHTC provides much needed investment that is simply not available through any other source. The current Qualified Allocation Plan presents a number of challenges to creating affordable housing in an urban environment such as the peninsula of Charleston. We would respectfully request the following changes to the QPA:

1. Removal of QAP caps on number of units and per unit cost within a development. The current caps are economically impractical for the Charleston area. Developers simply cannot create affordable units under the existing caps.
2. Removal of QAP caps on operational costs, particularly in urban areas where insurance cost, real estate taxes and other operational costs tend to be higher than in suburban and rural areas.
3. Creation of incentives for the use of LIHTC dollars to support affordable units within a larger mixed use development. Mixed use, mixed income developments are proving to be most effective in urban settings. Mixed use developments help diversify and create healthier communities and are the most economically viable ways to create affordable housing.

Thank you for considering these requests.

Sincerely,

A handwritten signature in blue ink that reads "Stacey W. Denaux".

Stacey W. Denaux
CEO

ONE80PLACE.ORG