



November 10, 2020

South Carolina State Housing Finance and Development Authority
Attn: Ms. Bonita Shopshire, Executive Director
300-C Outlet Pointe Blvd.
Columbia, SC 29210

Dear Ms. Shopshire,

Thank you for the opportunity to provide public comment on the 2021 Draft Qualified Allocation Program.

The Charleston Metro Chamber is a membership organization, 1,700 members strong, serving as a collective voice to drive solutions for a thriving community. We work each day for our members, each of their employees and our entire community to ensure we have a healthy business environment. Attainable housing is an important component of our efforts.

Throughout the Greater Charleston Region, the cost and availability of housing have become critical issues for regional employers and employees. These factors contribute to longer commute times and make employee retention more challenging. To accommodate projected growth and allow businesses to thrive, our region needs more housing supply, more choices, better proximity to transit and job centers and more attainable options at every income level.

The State's LIHTC Program is critically important to meet the housing needs of communities in Charleston and throughout the State. Every community should be able to access this important program. Unfortunately, we have learned that as currently drafted, language regarding flood zones in the QAP could eliminate Charleston County from consideration for any LIHTC developments.

We join with other local leaders to request the removal of the following language from the QAP to ensure access to the LIHTC program throughout coastal communities:



Page 16, Item 2(e) – Potential rejection if “improvements would be located within 50 feet of either a FEMA-designated 100 or 500-year flood zone.”

This language is a new addition to the Draft QAP and could unfairly prevent Charleston County and other coastal communities from securing LIHTC. A vast majority of Charleston County is located in the 100 or 500 year flood plains and the 500 year flood zone rule would eliminate most of the Lowcountry from consideration.

While flooding is an important consideration when it comes to development, this language would likely eliminate an entire region of the State from affordable housing development.

In addition, we request the removal of three Items in the Draft QAP:

- ***Remove Page 16, Item 3(a) - Potential disqualification of “Sites within one (1) mile of a development funded in a previous LIHTC cycle that has not placed in service and achieved 90% physical occupancy as of the application deadline.”***

We are concerned that this creates a roadblock to affordable housing and fails to meet our goal to be thoughtful about density and development in our cities. There may be situations where denser areas near transit may make sense for multiple affordable housing developments. Couple this with the delays in development resulting from the COVID-19 pandemic, and this Item creates unnecessary barriers to housing affordability in our communities.

- ***Remove Page 16, Item 2(d) – Potential disqualification of "Any site listed on or adjacent to a site...that requires the execution of voluntary or involuntary cleanup agreements with Department of Health and Environmental Control (DHEC) or other third party organizations as noted in a Phase II environmental assessment report (unless fully completed)."***

This new addition to the QAP would not only create a new barrier to affordable housing, but it would also prevent the cleanup of sites and the improvements of the surrounding property and environment. Moreover, this requirement is logistically not feasible in relation to acquisitions as the developer is required to complete the application based on what the future development is prior to taking title in order to enter into a VCC program.



- *Page 17, Item 3(d) – Potential rejection if “Sites where a portion of any building would be located within the fall distance (based on tower height) of any...water tower, fire tower, billboard, or other elevated structure...”*

We believe strongly in the safety of any new development. However, a potential development opportunity should not be eliminated without an applicant provided the opportunity to demonstrate the safety of nearby structures or, detail a plan to remedy any safety concerns related to the nearby structure.

SC Housing does important work in support of affordable and workforce housing throughout South Carolina and we are thankful for your leadership. We encourage your consideration of these recommendations and please contact us with any questions.

Sincerely,

Scott Barhight

Senior Vice President, Government Relations

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cc: Robert D. Mickle, Jr., Chairperson, Board of Directors, S.C. State Housing Finance and Development Authority
Kim Wilbourne, LIHTC Manager, S.C. State Housing Finance and Development Authority

