



CITY OF COLUMBIA
SOUTH CAROLINA
OFFICE OF THE MAYOR

September 29, 2016

Ms. Valarie M. Williams
Executive Director
South Carolina State Housing Finance & Development Authority
300-C Outlet Pointe Boulevard
Columbia, South Carolina 29210

Dear Ms. Williams:

Thank you so much for all of the support that SC Housing has given to financing projects in Columbia and throughout the state. Affordable housing is a vital component to the overall success of the City of Columbia. We believe that the Low Income Housing Tax Credit (LIHTC) Program is one of the most successful programs of our federal government which is why it is one of a select few programs that continues to receive bipartisan support. Furthermore, we believe that one of the best ways to maximize the impact of this scarce resource is to align the interests of local government with state government.

While SC Housing has done a fantastic job in the past of fairly allocating this resource in the very competitive 9% tax credit rounds, we believe that the impact could be even greater if it were more closely aligned with interests of local governments. Over the past 15 years, while there have been some projects that have received LIHTC awards that are located in the City of Columbia, there have been very few that have been aligned with the focus areas of the City.

It was not obvious to us whether these results are typical when compared to examples in other states. Therefore, we examined how the interests of local governments are aligned with their respective states' Qualified Allocation Plans (QAPs). As a way to try to understand the best practices in the industry relative to this important public policy, we reviewed QAPs from 10 different states (NC, AL, GA, ID, CO, TX, VA, PA, LA) and examined the categories where local government interests were awarded competitive points, preferences, etc. from the various state QAPs. Based on this research, we would propose that projects be awarded meaningful points or preferences if they meet the following criteria to make SC Housing's implementation of the LIHTC program even more effective:

- If they are located in areas where the local government has a current revitalization plan or it promotes neighborhood stabilization
- If the local government or affiliate makes a significant financial contribution to the project
- If the local government or affiliate donates property
- If the local government waives a significant amount of fees (impact, tap, etc.) or ongoing real estate taxes

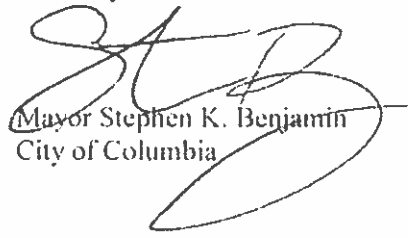
Stephen K. Benjamin

1737 MAIN STREET • PO BOX 147 • COLUMBIA, SC 29217 • PHONE: (803) 545-3075 • FAX: (803) 733-8633

- If the project is located in a federal Qualified Census Tract (QCT) or a Difficult to Develop Area (DDA)
- If the project is located on an abandoned, foreclosed or blighted site

Thank you in advance for your consideration in this matter that is so important to the City of Columbia.

Sincerely,



Mayor Stephen K. Benjamin
City of Columbia