



November 4, 2019

Chris McMillan
Acting Tax Credit and Bond Manager
South Carolina State Housing Finance and Development Authority
300-C Outlet Pointe Blvd,
Columbia, South Carolina, 29210

Dear Mr. McMillan,

On behalf of Enterprise Community Partners (Enterprise), I am pleased to submit these comments regarding the South Carolina State Housing Finance and Development Authority (SC Housing)'s 2020 Draft QAP. Enterprise works to improve communities and people's lives by making well-designed homes affordable. We bring together the nationwide know-how, partners, policy leadership and investments to multiply the impact of local affordable housing development. Over more than 35 years, Enterprise has created 585,000 homes, invested more than \$43 billion and touched millions of lives.

We would first like to thank SC Housing for the opportunity to provide feedback on the 2020 Draft QAP. We appreciate SC Housing's collaborative and inclusive approach and respectfully offer the following comments and recommendations.

- **Mandatory Qualified Contracts Waiver**

Enterprise recommends that SC Housing establish a full, mandatory waiver to Qualified Contracts within the QAP to ensure that the state retains its Housing Credit investments for at least the full 30-year affordability period as Congress intended.

While we applaud the state for including points to disincentivize applications from requesting a qualified contract, it is important to require that all applications fully waive this right. Qualified Contracts offer a loophole through which Housing Credit properties can convert to market-rate after just 15 years of affordability – especially due to a flaw in the federal statutory pricing that makes it very difficult for HFAs to find qualified buyers who can afford to purchase properties during the Qualified Contract process. A federal, bipartisan bill, the *Save Affordable Housing Act*, has been introduced to correct Qualified Contracts and the premature loss of Housing Credits properties. However, we strongly recommend that states protect their Housing Credit properties through a full Qualified Contract waiver for all applications until a federal correction is enacted. Should you have any questions or comments regarding our Qualified Contract recommendations, please do not hesitate to contact Sarah Brundage, Senior Policy Director

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- **Sustainability and Green Communities**

Enterprise would like to applaud SC Housing for including an incentive for sustainable design and construction standards. These standards help to ensure that projects funded by housing credits will not only create new housing opportunities, but ensure that people



living in affordable housing are healthier, spend less money on utilities, and have more opportunities through their connections to transportation, quality food and healthcare systems. We strongly encourage this new incentive to remain in the final plan. Should you have any questions or comments regarding sustainability and Green Communities, please do not hesitate to contact Lauren Westmoreland, Green Communities Policy Program Director [REDACTED].

Thank you again for providing this opportunity to comment on the SC Housing 2020 Draft QAP and for your continued work to address housing affordability in South Carolina.

Sincerely,

Meaghan Shannon Vlkovic
VP & Market Leader, Southeast
Enterprise Community Partners

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