



**Process for the City of Columbia to manage Support Letters from developers applying for South Carolina Housing’s Low-Income Housing Tax Credit (LIHTC) Program and tracking awarded projects:**

**To establish a standardized, transparent and equitable process for:**

- Reviewing requests for City Support Letters for LIHTC applications
- Ensuring alignment with the City’s housing priorities
- Tracking awarded projects through construction, compliance and occupancy

All requests for financial assistance from the City of Columbia must be reviewed and approved based on the availability of funding at the time of application or the approval of the Letter of LIHTC award.

**City of Columbia LIHTC Support Letter Management Process**

**1. Developer Request Submission**

Developers must submit a **Support Letter Request Package** no later than *90 days before the SC Housing application deadline*.

Request must include:

- Project summary (location, units, income targets, amenities)
- Proof property zoned for the City of Columbia
- Development team information
- Site control documentation
- Evidence of zoning compliance or rezoning plan
- Community engagement plan
- Preliminary financing structure
- Any request for City funding (HOME, CDBG, fee waivers, letter of support etc.)
- Environmental Review Status (NEPA 24 CFR Part 58)
- Timeline for development
- Disclosure of prior LIHTC experience
- Property management company summary and location
- Affirmatively Further Fair Housing Marketing Study

**Submission Method:** City email portal or online LIHTC Support Letter Request Form

## 2. Staff Review and Evaluation

Community Development reviews the package for completeness within **5 business days**.

- Community Development staff reviews:
- Project's alignment with City housing goals and Consolidated Plan priorities
- Site suitability (zoning, infrastructure, neighborhood impact)
- Developer experience and past performance
- Level of affordability and commitment to long-term compliance
- If applicable, coordination with other departments (Planning, Zoning, Legal)

If incomplete → request corrections within 48 hours.

If complete → advance to Project Review Evaluation.

## 3. Technical & Policy Review

Community Development staff evaluates the project using a standard scoring rubric based on:

- Consistency with the City's Comprehensive Housing Strategy
- Location in priority geographies (e.g., corridors, infill areas, disinvested neighborhoods)
- Affordability depth (30%, 50%, 60% AMI)
- Permanent supportive housing or special-needs units
- Developer capacity & past performance
- Financial feasibility
- Long-term compliance risk
- Alignment with Transportation, Education, and Economic mobility goals

A summary sheet with recommended approval/denial is drafted.

## 4. Internal Recommendation – Executive Review and Approval

- Staff prepares a recommendation memo to the Director (or designated leadership team) for approval or denial of the support letter request.
- If City financial assistance is also requested, the project is reviewed through the City's Housing Loan Committee process.
- Director presents to Assist City Manager; Assist City Manager present to City Manager
- Request for funding is presented to Council or Community Development Committee for final approval of funding.

If approved → proceed to Step 5.

If denied → developer receives a formal denial notification.

## 5. Support Letter Issuance

Community Development drafts the official **City of Columbia LIHTC Support Letter**, including:

- If approved, the City prepares and issues an official letter of support signed by the Director for City Manager authorized signature
- Project details
- Alignment with city housing goals
- Conditions or expectations (ex: mixed-income, resident services, energy standards)
- Disclaimer: Support does not guarantee City funding or zoning approval
- A copy is retained in internal records.
- Developers are informed that receiving a support letter does not guarantee funding or endorsement beyond the stated support.

**Letter signed by:** City Manager after gaining Council Approval

**Delivered to developer within:** 3 business days after approval.

## 6. Tracking of Awards LIHTC Projects

Once SC Housing announces awards, the City implements tracking:

- Community Development updates a tracking log of all supported projects and award outcomes.

### Step 1 – Award Notification

Developer must notify the City within **10 business days** of award in writing.

City also cross-checks SC Housing award list.

- Awarded developers may be invited for a follow-up meeting to discuss next steps and potential collaboration and funding requests. (All financial requests are based upon availability of funds utilizing HUD Federal Programs, City General Fund support, reduction in water, tap and sewer fees, etc.)

### Step 2 – Project Tracking System Entry

City logs awarded projects into a LIHTC Project Tracking Dashboard, noting:

- Project name
- Developer
- Number of units (total & affordable)
- AMI levels
- Address / census tract
- Council District
- Estimated start & completion dates

- Requested or awarded City funding
- Compliance requirements
- Supportive housing requirements (if applicable)

### **Step 3 – Pre-Construction Due Diligence**

City requires:

- Final plans & specs
- Confirmation of financing
- *Updated environmental reviews (if City funds are used)*
- Construction schedule

### **Step 4 – Construction Monitoring**

Quarterly updates submitted by the developer:

- Construction progress reports
- Updated photos
- Change orders
- Delays or risks

If City HUD federal funds are used → full HUD compliance applies

### **Step 5 — Pre-Occupancy Review**

Before completion:

- Review affordability regulatory agreements
- Ensure City-required commitments (unit mix, amenities, set-asides)
- Conduct final site visit and documentation audit

### **Step 6 — Long-Term Compliance Tracking**

City monitors the project through Year 15 and beyond:

- Annual compliance reports
- Rent rolls
- Income certifications
- Property inspections
- Affirmative marketing compliance

Projects that fail compliance receive corrective action notices.

## **7. Reporting & Public Communication**

Community Development prepares a yearly report summarizing:

- Maintain an annual report of LIHTC support requests and award outcomes.
- Awarded projects
- New affordable units created

- Progress toward City housing goals
- Report findings to leadership, Council (as needed), and stakeholders.
- Include successful LIHTC projects in public communications and housing progress reports.



**Support Letter Template**  
**City of Columbia Community Development Department**

**[City Letterhead]**

**[Date]**

**South Carolina Housing Finance and Development Authority**

300-C Outlet Pointe Blvd  
Columbia, SC 29210

Dear South Carolina Housing LIHTC Review Committee,

On behalf of the City of Columbia, we are pleased to express our support for the proposed [Project Name], a Low-Income Housing Tax Credit (LIHTC) development by [Developer Name], located at [Project Address] in the City of Columbia.

The project proposes to provide [# of units] units of affordable housing targeted to households at or below [target AMI levels] % of the Area Median Income (AMI). This development aligns with the City's priorities as outlined in our HUD Consolidated Plan, including the expansion of high-quality affordable housing, neighborhood reinvestment, and housing access for vulnerable populations.

We appreciate [Developer Name]'s commitment to affordable housing and its history of delivering high-impact developments in underserved areas. The City recognizes the critical role of public-private partnerships in addressing our housing needs, and this project represents a strong step toward meeting those goals.

Please note that this letter of support does not constitute a financial commitment or endorsement of any additional request beyond the scope of this letter.

If you require further information, please contact our Community Development Department at [contact info].

Sincerely,

[Name]

[Title –City Manager or Assistant City Manager]  
City of Columbia