



Richland County Council
Affordable Housing Ad Hoc Committee Meeting
MINUTES
May 6, 2025 – 2:00 PM
Council Chambers
2020 Hampton Street, Columbia, SC 29204

COUNCIL MEMBERS PRESENT: Allison Terracio, Chair; Don Weaver, Gretchen Barron (arrived at 2:02 PM), Tish Dozier Alleyne, and Jesica Mackey (online)

OTHERS PRESENT: Councilwoman Newton (online), Councilman Paul Livingston, Anette Kirylo, Patrick Wright, Angela Weathersby, Kyle Holsclaw, Jackie Hancock, Aric Jensen, Michelle Onley, Kenny Bowen, Lori Thomas, Ashiya Myers, Stacey Hamm, Brittany Hammond, Tamar Black, Jennifer Wladischkin, Callison Richardson, and Leonardo Brown

1. **CALL TO ORDER** – Councilwoman Allison Terracio called the meeting to order at approximately 2:00 PM.
2. **ELECTION OF CHAIR** – Mr. Weaver moved to nominate Ms. Terracio for the position of Chair, seconded by Ms. Alleyne.

In Favor: Terracio, Weaver, Alleyne, and Mackey

Not Present: Barron

The vote in favor was unanimous.

3. **APPROVAL OF MINUTES**

- a. **May 7, 2024** – Ms. Alleyne moved to approve the minutes as distributed, seconded by Mr. Weaver.

In Favor: Terracio, Weaver, Alleyne, and Mackey

Not Present: Barron

The vote in favor was unanimous.

4. **ADOPTION OF AGENDA** – Ms. Alleyne moved to adopt the agenda as published, seconded by Mr. Weaver.

In Favor: Terracio, Weaver, Barron, Alleyne, and Mackey

The vote in favor was unanimous.

5. **ITEMS FOR DISCUSSION/ACTION**

- a. **Direct the County Administrator to create a Request for Qualifications (RFQ) to award up to \$4M for affordable housing, focusing on the priorities of down payment programs and giving priority to teachers and first responders, buy-down programs, and rehabilitating existing units** – Assistant County Administrator, Aric Jensen, stated staff put out a Request for Qualifications (RFQ), as requested by the committee. There were multiple parts to the “RFQ.” There were two submittals. Ideally, we would have liked to have received two for each part of the “RFQ” to compare. Due to the low response, Procurement recommended that it come back to the committee for discussion and look at options. He noted there are seven concepts included in the agenda packet, which was created in response to

Procurement reaching out to the various entities that viewed the “RFQ” but chose not to respond. The feedback received was that the “RFQ” was too broad. If it were to be focused down to one or two, and give more direction, they could formulate a response to the “RFQ.”

Ms. Alleyne noted that, after reviewing the seven concepts, she is not sure she has enough information to make a decision. She would like to know which strategy or strategies would most effectively increase the supply and sustainability of affordable housing in the County.

Mr. Jensen responded that there is no quick way to increase the amount of affordable housing. It takes a while to put a project together. For example, a multi-family housing project of 50-200 units takes four to five years to bring to fruition. The fastest way to increase the supply would be to identify someone with a shovel-ready project that needs an influx of capital to make the project feasible.

Ms. Alleyne inquired how many units we could realistically expect to be made available in a lease buy-down program. In addition, is there a way to ascertain how many renters are mortgage-ready?

Mr. Jensen, the lease buy-down depends on the delta between the rent and the affordability index. From his experience, you could probably get approximately 100 units for \$4 million.

Ms. Barron suggested focusing on down payment assistance or lease buy-down to maximize our dollars. She would support restructuring our request and looking for a different way to get the funds into the community.

Mr. Weaver pointed out he believes the seven concepts are too focused on developers. He noted he would favor approaching landlords with vacant units and letting them know we are willing to help them subsidize the rent to keep individuals in properties.

Ms. Mackey noted she would like to see a phased approach where we put \$500,000 into a certain area and continue talking about the next phase.

Ms. Terracio indicated she would like to narrow the focus to two or three things we can make an impact on.

Ms. Newton mentioned that she is most interested in the long-term availability of affordable housing. She does not want us to be limited geographically. If we utilize the funds in unincorporated Richland County, we have already created a geographic barrier.

Mr. Weaver moved to set aside \$1 million for rental assistance, \$1 million for down payment assistance, and \$2 million for a long-term strategy, seconded by Ms. Terracio.

Ms. Barron made a friendly amendment to set aside \$500,000 for rental assistance, \$1.25 million for down payment assistance, and \$2.25 million for future planning. She wants us to focus more on permanent housing instead of rental assistance.

Ms. Mackey would like to have further conversation before we determine amounts for the \$4 million. Starting with funding for one area is fine, but she needs more information to discuss what we are doing regarding rental and down payment assistance.

Mr. Jensen summarized that the committee has raised concerns about the focus, getting the funding out quickly, and helping many people. At the same time, the committee is concerned about the down payment program. He noted down payment programs generally help the fewest number of people. For example, the down payment program has high administrative costs. Rental assistance helps the most people because the money is spread more thinly over a longer period. He expressed he could further flesh this out prior to the next committee meeting.

Ms. Terracio stated the County does want to assist renters, but the long-term goal is to help people achieve homeownership.

Ms. Barron indicated that it appears the goal is to revisit the original RFP, conduct a deeper dive, and gather more information to create a stronger document. She noted we spent time talking about

pockets of funding, when we should have been discussing qualifications and what we are looking for an applicant to do.

Mr. Weaver's motion was intended to give staff a target. It is difficult for staff to come back with proposals without the committee's direction.

Ms. Mackey acknowledged that she is uncomfortable voting on all the funding now. She would feel more comfortable focusing on one category and then moving forward.

Ms. Terracio made a substitute motion to allocate \$500,000 toward a rental assistance program, stipulating that landlords participating in the program keep their properties affordable, seconded by Mr. Weaver.

Mr. Brown reminded the committee that the County provided over \$20 million in rental assistance during the pandemic.

Mr. Livingston mentioned that he does not know what the County's need is regarding the rental or down payment assistance programs. He suggests providing the funds to someone familiar with administering these types of programs.

At this point, Mr. Jensen stated that he does not see the folks who administer these types of programs in our market. We could try an "RFI," which is a broader approach, and ask the community for ideas.

Ms. Barron pointed out that we already have a down payment program for Richland County employees. She suggested adding funding to that project, which will allow the committee more time to have a more fruitful conversation about what we want to do to address affordable housing.

Ms. Newton suggested receiving additional information before making any decisions.

Ms. Terracio withdrew her motion.

In Favor: Weaver

Opposed: Terracio, Barron, Alleyne, and Mackey

The motion failed.

b. Next Steps – Ms. Terracio stated the next steps would be to schedule another meeting.

6. **ADJOURNMENT** – Ms. Barron moved to adjourn the meeting, seconded by Ms. Terracio.

In Favor: Terracio, Weaver, Barron, Alleyne, and Mackey

The vote in favor was unanimous.

The meeting adjourned at approximately 2:57 PM.



Project Update

Prepared by:	Aric Jensen, AICP	Title:	Assistant County Administrator
Department:	Administration	Division:	
Date Prepared:	April 10, 2025	Meeting Date:	May 6, 2025
Approved for Consideration:	County Administrator	Leonardo Brown, MBA, CPM	
Committee/Meeting:	Administration & Finance		
Council Initiative/Project:	Affordable Housing Funds RFQ		
Agenda Item/Council Motion:	“... direct the County Administrator to create a Request for Qualifications (RFQ) to award up to \$4M for affordable housing, focusing on the priorities of down payment programs and giving priority to teachers and first responders, buy-down programs, and rehabilitating existing units.”		

EXECUTIVE SUMMARY (NARRATIVE STATUS):

The Richland County Affordable Housing Ad Hoc Committee moved on May 07, 2024 "to direct the County Administrator to create a Request for Qualifications (RFQ) to award up to \$4M for affordable housing, focusing on the priorities of down payment programs and giving priority to teachers and first responders, buy-down programs, and rehabilitating existing units." Administration prepared an RFQ in accordance with the Committee's criteria, which was posted by Procurement on 10 February 2025 and closed on 12 March 2025.

Two organizations responded to the solicitation and were assessed based upon the posted evaluation criteria. Staff contacted organizations that viewed the solicitation but did not submit, and based on the feedback, recommend the Committee consider narrowing its focus to one or two specific objectives.

To assist the Committee, staff created a synopsis of various affordable and workforce housing incentive programs found in the "Analysis of Affordable Housing Incentive Programs/Options" section below. This is not an exhaustive list, but it includes a broad spectrum of possible programs.

While no action must be taken at this time, options include scheduling a work session and/or requesting detailed information on one or more housing incentive programs.

KEY ACCOMPLISHMENTS/MILESTONES:

10 February 2025	RFQ posted
12 March 2025	RFQ evaluation process started
06 May 2025	Report to Committee

ANALYSIS OF AFFORDABLE HOUSING INCENTIVE PROGRAMS/OPTIONS

Down Payment Assistance

- Funds provided at closing to a single beneficiary who meets pre-established criteria;
- Typically, a forgivable loan with a fixed scheduled of 5 – 10 years;
- Requires annual monitoring of each loan, of the dwelling occupancy, and of ownership;
- Requires specialized (usually 3rd party) legal and financial evaluation services for each loan and for enforcement;
- Could be partially operated in-house;
- Suitable for:
 - New construction or existing units;
 - Attached and detached residential for sale product only;
- Financial considerations:
 - Higher monitoring costs;
 - Higher program costs;
 - Longer set-up time;
 - No capital recovery;
 - Lower cost to benefit ratio;
 - Higher risk.

Lease Buy Down

- A lump sum payment to a property owner or developer in exchange for the provision of affordable housing units for a period of time;
- Involves setting a lease rate schedule and a period of affordability – current industry standard of 80% AMI for 30 years;
- Requires annual monitoring;
- Faster program creation;
- Could be operated substantially in-house;
- Suitable for:
 - New construction or existing units;
 - Attached and detached residential;
- Financial considerations:
 - Lower monitoring costs;
 - Lower program operation costs;
 - Shorter set-up time;
 - No capital recovery;
 - Middle to lower cost to benefit ratio;
 - Lower risk.

Impact Fee Waivers

- A reduction in impact fees in exchange for the provision of affordable housing units, waiver amount is negotiated based on the benefit provided;
- May involve setting a lease rate schedule and a period of affordability – current industry standard of 80% AMI for 30 years;
- May require annual monitoring;
- Faster program creation (assuming the County had impact fees);
- Could be operated entirely in-house;
- Suitable for:
 - New construction only;
 - For sale and for lease product;
 - Attached and detached residential;
- Financial Considerations:
 - Lower monitoring costs;
 - Lower program operation costs;
 - Shorter set-up time;
 - No capital recovery;
 - Middle to lower cost to benefit ratio;
 - Lower risk.

Permit Fee and Impact Fee Installment Schedules

- Reduces initial cost to developer by allowing building permit and impact fees to be paid over a period of time;
- Payments can be with or without interest, can be equal or graduated scale – parameters are established by Council when the program is created;
- May involve setting a lease rate schedule and a period of affordability – current industry standard of 80% AMI for 30 years;
- May require annual monitoring;
- Can be used to promote direct or indirect housing affordability (through reduced lease rate or increased housing supply);
- Could be operated completely in-house;
- Suitable for:
 - Attached and detached residential;
 - For lease or for sale
 - New construction only;
- Financial considerations:
 - Lower monitoring costs;
 - Lower program operation costs;
 - Shorter set-up time;
 - 100% capital recovery;
 - Higher cost to benefit ratio;
 - Lower risk.

Low Interest Loans

- Reduces cost to developer or buyer through a below market rate loan in exchange for an affordability element that Council determines;
- May involve setting a lease rate schedule and a period of affordability – current industry standard of 80% AMI for 30 years;
- May require annual monitoring;
- Could be operated in-house;
- Suitable for:
 - Attached and detached residential;
 - New construction or existing;
 - Lease or for sale product;
- Financial consideration:
 - Lower monitoring costs;
 - Lower to moderate program operation costs;
 - Shorter set-up time;
 - Requires monthly bookkeeping;
 - 100% capital recovery;
 - Middle to higher cost to benefit ratio;
 - Lower to moderate risk.

Gap Financing/Extended Leverage

- Allows a developer to build more units with less initial equity/capital – e.g., a bank would loan a maximum of 60% of construction cost (LTC) in a first position, and the County (or the program operator) would loan an additional 10-20% in a second position;
- May involve setting a lease rate schedule and a period of affordability – current industry standard of 80% AMI for 30 years;
- May require annual monitoring;
- Can be used to promote direct or indirect housing affordability (through reduced lease rate or increased housing supply);
- Could be operated in-house
- Suitable for:
 - Attached and detached residential;
 - Lease or for sale;
- Financial consideration:
 - Requires monthly bookkeeping;
 - Lower to moderate program operation cost;
 - Shorter set-up time;
 - 100% capital recovery, including interest;
 - Higher cost benefit ratio;
 - Lower to moderate risk.

Community Land Trust Program

- The County or a land trust owns property that a multi-dwelling or single-dwelling development is built on, and the prospective and future buyers purchase only the physical buildings, which reduces the cost (land appreciation value stays with the County or land trust);
- Requires monitoring and review of every sale;
- Requires periodic monitoring of tenancy;
- Best operated by a land trust;
- Suitable for:
 - Attached and detached residential;
 - For sale product;
- Financial consideration:
 - There is no loss of capital, but it is encumbered indefinitely;
 - Middle to higher program operation cost;
 - Lengthy set up time;
 - Wide cost-benefit ratio;
 - Moderate to higher risk.