



August 9, 2023

VIA EMAIL

Butch Kirven, Chairman
Greenville County Finance Committee
301 University Ridge, Suite 2400
Greenville, South Carolina 29601
nwood@greenvillecounty.org

Re: Cherokee Landing Apartments Proposal for Incentives

Dear Mr. Kirven and Members of the Finance Committee:

I am writing to submit a Proposal pursuant to Greenville County's Policy Providing Incentives to Induce the Development of Workforce/Affordable Housing (the "***Policy***"). Capitalized terms in this Proposal not otherwise defined herein have the meaning given them in the Policy.

Cherokee Landing, LP (the "***Sponsor***"), an affiliate of TWG Development is planning to construct a 128-unit multifamily affordable housing development in Greenville County, South Carolina (the "***County***") known as Cherokee Landing Apartments (the "***Project***") on the land described on Exhibit A. As more fully set forth below, the Sponsor will designate 20% of the units in the Project will be designated and set aside as Affordable Housing Units and the Project complies with the other requirements of the Policy. Accordingly, Sponsor respectfully requests the County enter into an Incentive Agreement with Sponsor to place the Project in a Multi-County Park and provide Special Source Credits to provide a 50% tax abatement as set forth in the Policy.

Project Details and Eligibility Pursuant to the Proposal:

The Project meets the eligibility criteria set forth in the Policy as described below:

1. 20% of the units at the Project will qualify as Affordable Housing Units.¹ Specifically, 5 units (20% of the units designated as Affordable Housing Units) will be 40% AMI Housing Units with the remaining Affordable Housing Units consisting of 60% AMI Housing Units. All 60% AMI Housing Units also meet the definition of 80% AMI Housing Units. Accordingly, the Project meets the required AMI unit mix at all levels of affordable housing units requirement as set forth in the Policy. This also promotes the stated goal of the Policy to incentivize the development of Projects that set-aside a greater number of units that are accessible to those with incomes at 60% of AMI followed by 40% of AMI and 80% of AMI.

¹ The Project is being financed by bonds issued by the Housing Authority of the City of Greenville, South Carolina ("***GHA***"). While only 20% of the units will be designated as "Affordable Housing Units" within the meaning of the policy, the other 80% of the units will be reserved for individuals and families earning 60% or less of AMI under the terms of the financing for the Project. Specifically, GHA has required the Sponsor to enter into an Agreement as to Restrictive Covenants that requires at least 40% of the units be reserved for individuals and families earning 60% or less of AMI and the Sponsor anticipates reserving all the units at that level or below.

2. The Project will consist of an investment in real property improvements of approximately \$24,000,000. Construction on the Project is anticipated to be undertaken in a single phase and the Project will make the required minimal investment of \$7,500,000 within the five-year investment period required.
3. The Project will be constructed consistent with the Comprehensive Plan and will be constructed and equipped in a manner comparable to market-rate properties in the area.
4. The real property constituting the Project is currently assessed at a 6% assessment ratio.
5. Units, or portions of units, at the Project will not be rented for a period of less than 30 consecutive days.
6. The gross rent for the units will be no greater than 30% of the applicable AMI as adjusted for family size.
7. The mixture of bedrooms per-unit set aside for each level of AMI Housing Unit is reasonably equivalent to the mixture of bedroom per unit of market-rate units within the Project.

Request for Incentives:

The Sponsor proposes the County place the Project into a Multi-County Park and enter into an Incentive Agreement with the Sponsor. The Incentive Agreement shall memorialize the commitment of the Sponsor to provide affordable housing as set forth above. In connection with the Incentive Agreement, the Sponsor will provide the Investment Certifications and Infrastructure Investment and Workforce/Affordable Housing Certifications required under the Policy. The following documents are enclosed with this letter to facilitate the request:

1. SSRC Ordinance;
2. SSRC Agreement; and
3. MCIP Ordinance.

In exchange for its compliance with the Policy and for reserving 20% of the total units as Affordable Housing Units, the Sponsor requests a tax abatement of 50% as provided for in the Policy. Accordingly, we respectfully request that the documents be submitted to the Greenville County Council's Finance Committee and ultimately approved by the Finance Committee and County Council. Please do not hesitate to reach out with any questions. We appreciate your consideration.

Sincerely,
Brian Neukam

cc:

Mark Tollison
County Attorney
MTollison@greenvillecounty.org