**South Carolina General Assembly**

125th Session, 2023-2024

**H. 5206**

**STATUS INFORMATION**

General Bill

Sponsors: Rep. W. Jones

Document Path: LC-0530SA24.docx

Introduced in the House on March 5, 2024

Currently residing in the House Committee on **Ways and Means**

Summary: School district surplus land

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

3/5/2024 House Introduced and read first time ([House Journal‑page 24](h:\hj\20240305.docx))

3/5/2024 House Referred to Committee on **Ways and Means** ([House Journal‑page 24](h:\hj\20240305.docx))

View the latest  [legislative information](https://www.scstatehouse.gov/billsearch.php?billnumbers=5206&session=125&summary=B)  at the website

**VERSIONS OF THIS BILL**

[03/05/2024](https://www.scstatehouse.gov/sess125_2023-2024/prever/5206_20240305.docx)

A bill

TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 12‑37‑220, RELATING TO PROPERTY TAX EXEMPTIONS, SO AS TO PROVIDE AN EXEMPTION FOR CERTAIN AFFORDABLE HOUSING; AND BY ADDING SECTION 59‑17‑170 SO AS TO PROVIDE THAT A SCHOOL DISTRICT IS AUTHORIZED TO USE SURPLUS LAND FOR THE DEVELOPMENT OF CERTAIN AFFORDABLE HOUSING.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 12‑37‑220(B) of the S.C. Code is amended by adding:

(54) beginning July 1, 2024, and for forty years thereafter, surplus land used by a school district for the development of affordable housing for teachers and school employees pursuant to Section 59‑17‑170.

SECTION 2. Chapter 17, Title 59 of the S.C. Code is amended by adding:

Section 59‑17‑170. (A)(1) A school district in this State is authorized to use surplus land for the development of affordable housing for teachers and school employees throughout the school district.

(2) A teacher or school employee must be given the right of first refusal to lease a property in the affordable housing development, however if there are available units, after conferring with the school district, the developer has the right to lease the remaining units to the general public with a goal of a minimum of fifty percent of the units serving as affordable housing.

(B) For the purposes of this section, “affordable housing” means housing that costs no more than sixty percent of the median area income, including rent or mortgage payments, insurance, and utilities.

(C) A school district may partner with real estate developers to develop affordable housing projects on surplus land, subject to the requirements of this section. A developer shall build a minimum of ten units on the property.

(D) The affordable housing project is exempt from all property taxes for a period of forty years pursuant to Section 12‑37‑220(B)(54).

(E) The county or municipality shall collect the impact fee upon issuance of the building permit.

(F) The impact fee must be used solely for the purpose of funding infrastructure and services to support the new development and must be deposited into a separate account designated for this purpose.

(G) The school district shall provide an annual report to the local municipality and the South Carolina Department of Education detailing the collection and use of the impact fee.

(H) The school district may enter into a ground lease agreement with the developer for a term of forty years, granting the developer exclusive use and possession of the land for the purpose of developing and operating the affordable housing project. The developer has the right to sell his interest in the property to another entity, however the new owners must be subject to the same conditions given to the original developer including being subject to the remaining time left on the original forty-year lease. The remaining time on the lease may not be extended as a result of the developer selling its interest in the property.

(I) Upon expiration of the forty‑year term, ownership of the project shall revert to the school district, without consideration or compensation, and the developer shall surrender possession of the land and any improvements made thereto.

SECTION 3. This act takes effect upon approval by the Governor.

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