

**PRESERVATION AND REINVESTMENT INITIATIVE FOR
COMMUNITY ENCHANCEMENT (PRICE) DRAFT
APPLICATION**

**SOUTH CAROLINA STATE HOUSING FINANCE & DEVELOPMENT AUTHORITY
(SC HOUSING)**

FR-6700-N-99



JUNE 21, 2024

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South Carolina Exhibit A: Executive Summary

To be included in final application submission.

South Carolina Exhibit B: Threshold Requirements and Other Submission Requirements

Resolution of Civil Rights Matters

As of the submission date of this application, the SOUTH Carolina State Housing Finance and Development Authority (SC Housing):

- (1) Has not received charges from HUD concerning a systemic violation of the Fair Housing Act or receipt of a cause determination from a substantially equivalent state or local fair housing agency concerning a systemic violation of a substantially equivalent state or local fair housing law proscribing discrimination because of race, color, religion, sex (including sexual orientation and gender identity), national origin, disability or familial status;
- (2) Does not have status as a defendant in a Fair Housing Act lawsuit filed by the United States alleging a pattern or practice of discrimination or denial of rights to a group of persons raising an issue of general public importance under 42 U.S.C. 3614(a);
- (3) Does not have status as a defendant in any other lawsuit filed or joined by the Department of Justice, or in which the Department of Justice has intervened, or filed an amicus brief or statement of interest, alleging a pattern or practice or systemic violation of Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974, the Americans with Disabilities Act, Violence Against Women Act, or a claim under the False Claims Act related to fair housing, non-discrimination, or civil rights generally including an alleged failure to affirmatively further fair housing;
- (4) Is not in receipt of a letter of findings identifying systemic non-compliance with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974; Violence Against Women Act; or the Americans with Disabilities Act; or
- (5) Is not in receipt of a cause determination from a substantially equivalent state or local fair housing agency concerning a systemic violation of provisions of a state or local law prohibiting discrimination in housing based on sexual orientation, gender identity, or lawful source of income.

2. Timely Submission of Applications

SC Housing has timely submitted this Application

3. Eligible Applicant

SC Housing is an eligible applicant in accordance with Section III.A of the NOFO. SC Housing is an official agency of the State of South Carolina, and thus a State Government 00 applicant to this NOFO

4. Number of Applications - SC Housing has submitted one application for the PRICE Main category.

Standard Application, Assurances, Certifications and Disclosures

- a) Standard Form 424 (SF-424) Application for Federal Assistance (attached)
- b) Assurances (HUD 424-B) (attached)
- c) Federal Assistance Representations and Certifications (attached)
- d) Budget Form (424-CBW) (attached)

- e) Assurances for Construction Programs (SF-424D) (attached)
- f) Applicant Disclosure Report Form 2880 (HUD 2880) (attached)
- g) Disclosure of Lobbying Activities (SF-LLL) (attached)
- h) Certification of Lobbying Activities (attached)
- i) Affirmatively Furthering Fair Housing (attached)
- j) Code of Conduct

As a state, SC Housing follows the requirements of 2 CFR 200.317 for all procurement, a separate Code of Conduct is not required for states.

- k) Affirmatively Furthering Fair Housing

See Attachment C for SC Housing's Affirmatively Furthering Fair Housing narrative.

Other Program-Specific Requirements

- a) Fair Housing and Nondiscrimination

SC Housing adheres to HUD's general non-discrimination and equal opportunity requirements along with Title VI regulations in the conduct of all programs

- b) Limited English Proficiency (LEP)

Attachment B, Affirmative Marketing Narrative, describes how SC Housing will meet LEP requirements in marketing efforts. SC Housing will further ensure that all public-facing materials are accessible to non-English speakers.

- c) Physical Accessibility

SC Housing will ensure that reasonable accommodations are available at all public meetings, and will offer alternative means of communication if necessary.

- d) Environmental Review

SC Housing will conduct all required Environmental Reviews in compliance with the requirements of 24 CFR part 50 or 58.

- e) Affordability

SC Housing will comply with the minimum affordability requirements of the HOME program found at 24 CFR 92.252(a), (e), and (f) and 24 CFR 92.254(a)(1)-(4)..

South Carolina Exhibit C: Need (Factor A- 15 Points)

The need for affordable housing in South Carolina has grown exponentially since the COVID-19 pandemic. Residual effects from the pandemic such as increased inflation, increased home values, supply chain issues, increased construction and labor costs, high mortgage interest rates, and increasing rents have exacerbated the affordable housing crisis in South Carolina. Economic conditions arising from COVID-19 in combination with South Carolina's rapidly rising population and a significant shift in the median age of South Carolinians as compared to the rest of the United States further intensifies the need for affordable housing as well as affordable accessible housing options. If awarded, the PRICE project area will encompass the entire state of South of Carolina. SC Housing will hold a competitive application process to award PRICE funding statewide. Funding will be made available in geographic set asides in amounts proportionate to population size to ensure funding to the greatest extent feasible is distributed throughout rural and urban communities across the state.

South Carolina's population is growing significantly in comparison to the rest of the country. Data from the U.S. Census identifies South Carolina as the fastest growing state in the nation in 2023.¹ Since 2010 South Carolina has seen approximately 650,000 new residents, which is a growth rate more than six percentage points higher than the rest of the U.S.² South Carolina has become a popular state to relocate too. The warm climate and low cost of living as compared to other regions of the country attracts retirees and younger members of the workforce looking for employment opportunities. Migration from northern states is a dominant factor driving the population increase in South Carolina. In fact, there are more migrants living in South Carolina than there are native residents.³

In addition to South Carolina's mild climate, other benefits of living in South Carolina include low fuel tax rates, low property taxes, low unemployment rates, year-round tourism attractions, beautiful scenery, and tax breaks for retirement income. But along with the good comes the bad. Disadvantages of living in South Carolina include having income levels below the national average, high sales tax rates and susceptibility to extreme weather such as hurricanes, floods, and extreme heat. Statistics clearly demonstrate the pros are outweighing the cons as people are relocating to South Carolina in droves. South Carolina's population is projected to increase 3.5% from 2020 to 2025 and an additional 4.8% from 2025 to 2030 with a total projected population of 5,523,436.⁴ These projections also estimate by 2030 there will be 1.5 million people living in South Carolina age 60 and older.⁵

¹ US Census Bureau. (2023, December 26). *U.S. population trends return to Pre-Pandemic norms as more states gain population*. Census.gov. <https://www.test.census.gov/newsroom/press-releases/2023/population-trends-return-to-pre-pandemic-norms.html>

² University of South Carolina Darla Moore School of Business, Joseph C. Von Nessen, Ph.D. "Palmetto State Housing Study 2023 Supply and Demand Analysis" March 1, 2023

³ In a reversal, more Blacks moving back to South. (2011, February 16). *CBS News*. <https://www.cbsnews.com/news/in-a-reversal-more-blacks-moving-back-to-south/#:~:text=WASHINGTON%20%28AP%29%20-%20The%20Great%20Migration%2C%20the%2060-year,something%20more%20intangible%20-%20a%20sense%20of%20home.>

⁴ *South Carolina population forecast for 2025 and 2030 - Aterio*. (n.d.). <https://www.aterio.io/insights/us-population-forecast/sc>

⁵ *National Population Projections | Cooper Center*. (2021b, May 12). <https://www.coopercenter.org/national-population-projections>

As South Carolina's population grows so is its diversity. In 2022, the largest racial or ethnic group in South Carolina was the white (non-Hispanic) group, which had a population of 3.4 million. Between 2010 and 2022, the white (non-Hispanic) population had the most growth increasing by 378,655.⁶ However, between 2010 and 2022, the Hispanic/Latino population saw the most growth increasing 1.5 percentage points to 6.6% and in contrast, the Black (non-Hispanic) population has seen the largest decrease in population dropping 2.1 percentage points to 25.6%.⁶

South Carolina is experiencing a significant increase in the age of its population. Since 2009, the median age in South Carolina has increased by 2.4 years and the gap between the median age in South Carolina and the median age in the U.S. has risen by 0.4 years.⁷ This significant demographic pivot calls for a shift in policies and housing programs that are tailored towards the needs of an aging population to enable older households to remain in their homes longer.

Within the past twenty years, the percentage of older adults living in nursing homes has declined while the percentage of older adults living in traditional housing has increased.⁸ Many of South Carolina's seniors are choosing to age in place vs. moving into assisted living or nursing home facilities. There are several factors leading older adults to choose to age in place over moving into residential care facilities. The desire to maintain independence, the comfort and familiarity felt in one's own home, and the desire to remain in their communities are important decision-making factors; however, the affordability of remaining at home as compared to the high cost of assisted living and nursing homes is the primary reason driving the decision. The average monthly cost of assistive living facilities ranges from \$3,000 to \$9,000 and the average cost to live in a nursing home ranges from \$5,000 to \$13,000 per month.⁹ These exorbitant costs leave many seniors in South Carolina with no choice other than to remain at home as long as possible.

Aging in place requires planning and preparation. According to the U.S. Census Bureau it is estimated that only 10% of American homes are "aging ready," meaning they feature a step-free entryway, a bedroom and bathroom on the first floor and at least one-bathroom accessibility feature.⁸ Home modifications such as barrier-free showers, grab bars, raised toilets, wheelchair accessible door frames, entrance ramps, and emergency call systems can significantly improve the quality of life and make daily living easier on aging adults and the disabled; however, many low-income seniors cannot afford to make the necessary modifications to enable them to remain in their homes safely.

In 2023 SC Housing conducted a survey to seek input from renters and homeowners to evaluate what South Carolina residents perceive to be the most important housing priorities. Survey

⁶https://www.bing.com/search?q=h&cvid=ab689f5bd8924cd2a91dbb13dad5f599&gs_lcrp=EgZiaHJvbWUyBggAE EUYOTIGCAEQRRg7MgYIAhBFGDsyBggDEEUYOzIGCAOQRRg8MgYIBRBFGDwyBggGEEUYPDIGCAcORRg8qAIAaIA&FORM=ANAB01&PC=U531

⁷ University of South Carolina Darla Moore School of Business, Joseph C. Von Nessen, Ph.D. "Palmetto State Housing Study 2023 Supply and Demand Analysis" March 1, 2023

⁸ Hipp, D. (2024, May 2). Aging in Place Statistics and Facts in 2024. *Forbes Health*. <https://www.forbes.com/health/healthy-aging/aging-in-place-statistics/#:~:text=Aging%20in%20Place%20Statistics%20And%20Facts%20In%202024,3%20The%20Number%20of%20Homes%20Suitable%20for%20Aging-in-Place>

⁹ Landgraf, B., & Landgraf, B. (2024, January 16). *The 2024 Ultimate Guide to aging in place*. Carex.

<https://carex.com/blogs/resources/aging-in-place-guide#:~:text=1%20Introduction%20%20What%20%20is%20Aging%20in,7%20Frequently%20%20Asked%20%20Questions%208%20Conclusion>

responses indicated that housing repair assistance is one of if not the highest priority for existing renters and homeowners in South Carolina. 87% of respondents with incomes of less than \$15,000 reported needing significant home repairs such as new roofs, windows, plumbing, electrical and foundation repairs.

The significant need for home repairs is also demonstrated by the continuous requests for home repair assistance received daily through SC Housing's Housing Trust Fund home repair programs. SC Housing has administered home repair programs through partnerships with non-profit community development housing organizations for several decades. The programs work with a network of non-profit Sponsors to provide financial assistance to low-income homeowners to make essential repairs to their homes to correct life, health and safety issues so they can live safely in their homes. These programs help to repair or replace major housing systems, including roofs, water heaters and HVAC equipment. They also provide home modifications, such as ramps, to provide accessibility for persons who are disabled. A home inspection is conducted to help identify repairs that are needed to provide the homeowner with safe and decent living conditions. The nonprofit then coordinates completion of the work with qualified contractors. The homeowner benefits by staying safely in a home that they can continue to enjoy for years to come. Local communities also benefit by maintaining the supply of affordable homes in their area.

A majority of the nonprofits participating in the programs have long waiting lists and often have no choice but to turn homeowners away. In addition to long waiting lists many are home owners are denied assistance because their homes cannot be repaired into a habitable condition within the financial limitations of the programs. The current Home Repair Program offers up to \$75,000 of assistance per home, which in many situations is just not enough. According to the *South Carolina Housing Needs Assessment Appendix to Volume 1: State Overview* South Carolina's housing stock is the fourth youngest in the country; however, a substantial amount of South Carolina's housing is obsolete. One out of 30 housing units statewide lacks complete kitchen facilities, defined as having a sink, stove, and refrigerator (3.3% vs. 2.9% nationally), while one out of 38 lack complete plumbing facilities, defined as running water, a toilet, and tub or shower (2.7% vs. 2.0% nationally).¹⁰

Manufactured housing constitutes a significant portion of the housing stock in South Carolina. According to the U.S. Census Bureau American Community Survey (2013-2017 Five-Year Estimates) 16.6% of the housing stock in South Carolina is manufactured housing. In some rural areas, the number of manufactured homes nearly equals that of conventionally constructed single-family homes, representing 40% of housing units Clarendon County and over a third in eight others.¹¹

Although South Carolina's population is growing at a fast pace, this growth is not being seen in rural areas of the state. Growth is occurring in more populated areas such as the coast, the Upstate, Columbia, and the Charlotte metropolitan area. Rural counties are seeing a decline in population. The following 13 counties are seeing a reduction in population: Allendale (-7.74%), Bamberg (-

¹⁰ South Carolina Housing Needs Assessment, Appendix to Volume 1: State Overview, Bryan P. Grady, Ph.D., SCSHFDA

¹¹ South Carolina Housing Needs Assessment, Appendix to Volume 1: State Overview, Bryan P. Grady, Ph.D., SCSHFDA

1.98%), Barnwell (-.79%), Darlington (-.72%), Dillon (-2.22%), Fairfield (-2.36%), Hampton (-2.2%), Lee (-4.63%), Marion (-1.86%), Marlboro (-4.11%), Orangeburg (-1.69%), Union (-2.44%), and Williamsburg (-4.03%).¹² South Carolina's population is highly concentrated, with approximately 90% of the state's population located in just 50% of the state's 46 counties.¹³ Based on these trends, the needs of the state differ by geographic location. An increase in the production of affordable housing is greatly needed in areas seeing higher population growth and the needs of those located in rural areas are more centered around the preservation and maintenance of existing housing stock.¹³

14.6% of South Carolina's population lives in poverty, which is higher than the U.S. average of 12.8%.¹⁴ Details from SC Housing's *Housing Needs Assessment, 2021 Update: State Overview* provides grim statistics describing of the needs of South Carolina's low-income residents:

- Nearly a quarter of the state's renters are considered "severely cost burdened," meaning that they spend at least half of their income on housing and utilities, putting a substantial strain on household budgets.
- More broadly, a lack of affordable housing put a drag on the state's economy of \$9.4 billion in 2019, placing a strain on public programs and private charities to provide necessary items like food and child care. Overall, 31 percent of households simply could not make ends meet due to housing costs.
- The alarm that sounded on evictions with the release of the Princeton University Eviction Lab report did not lead to substantial changes to the system or circumstances, with more than 150,000 eviction filings occurring in 2019 – one for every four renters statewide.
- While much attention has been placed on the affordable housing crisis along the coast and in major metropolitan areas, the problem is not isolated. The average South Carolina renter cannot afford a basic two-bedroom apartment in 40 of the state's 46 counties.
- Roughly one in 60 K-12 public school students statewide (nearly 13,000 overall) do not have homes or permanent residences. These children are either on the streets, in a homeless shelter, couch-hopping with relatives or friends, or living in motels.

South Carolina's population growth is not the only factor driving the affordable housing crisis in the state. The global financial crisis that hit the financial markets and banking system from 2007 and 2009 to this day have an effect on the current supply of housing in South Carolina. The financial crisis which resulted in high foreclosure and vacancy rates, also led to a lengthy period of underbuilding. After the recession in 2008, the average annual growth rate in the number of new housing permits (single- and multi-family housing) dropped by nearly half after the Great Recession in 2008.¹⁵ The decline in new builds in combination with South Carolina's explosive population growth has had a detrimental effect on low-income households struggling to make ends meet.

¹² *Population of counties in South Carolina 2024*. (n.d.). <https://worldpopulationreview.com/states/south-carolina/counties>

¹³ University of South Carolina Darla Moore School of Business, Joseph C. Von Nessen, Ph.D. "Palmetto State Housing Study 2023 Supply and Demand Analysis" March 1, 2023

¹⁴ *South Carolina poverty rate*. (2021). <https://www.welfareinfo.org/poverty-rate/south-carolina/>

¹⁵ University of South Carolina Darla Moore School of Business, Joseph C. Von Nessen, Ph.D. "Palmetto State Housing Study 2023 Supply and Demand Analysis" March 1, 2023

Low inventory levels and the high demand for affordable housing options have led to increased housing costs. Many low-income households in South Carolina are finding themselves shut out of the housing market, unable to afford what are often referred to as “starter homes”. According to Zillow, the average price of a home in South Carolina is \$293,893, which is up 4% since 2023.¹⁶ Since 2014, the number of homes sold in South Carolina for less than \$100,000 has decreased by 14.8% each year since.¹⁷ The challenges faced by low-income households in their search for housing has left many with no choice other than to purchase or lease properties they can’t afford, which puts them in the unfortunate position of being cost burdened. The U.S. Department of Housing and Urban Development (HUD) defines cost burdened as a household that pays more than 30% of its income for housing. Cost burdened households experience the ripple effects of not being able to obtain an affordable place to live. Disproportionate amounts of income spent on housing costs leaves little left over for other important needs such as health care, child care, transportation, education, and groceries. Low-income households often neglect essential needs such as medical appointments and filling prescriptions in an effort to keep the lights on and a roof over their heads. Not having enough income to cover essentials such as health care costs has the potential to significantly affect their quality of life. In South Carolina, approximately 50% of renting households and 25% of households with a mortgage are housing cost burdened.¹⁸

The affordable housing shortage in South Carolina affects both renters and homeowners. According to the National Low Income Affordable Housing Coalition (NLIHC), there is a shortfall of 88,196 affordable rental units in the state. 25% of renter households are extremely low-income; meaning, they make 30% or less than area median income with an average income of \$28,190 per four-person household. Of the extremely low-income households renting homes in South Carolina the NLIHC reports that 73% are cost burdened, which is to be expected since a household needs to earn at least \$44,674 annually to afford a two-bedroom rental home at HUD’s fair market rent.¹⁹ In addition, NLIHC reports that the two largest sectors of South Carolina’s extremely low-income renter households are comprised of seniors at 26% and disabled households at 17%, which demonstrates the growing need for housing that is both affordable and accessible. Areas of distress as described in 12 CFR 1805.201(b)(3)(ii)(D) must meet the following conditions as reported in the most recently completed Decennial Census published by the U.S. Bureau of the Census:

1. ☐ The percentage of the population living in poverty is at least 20 percent;
2. ☐ In the case of an Investment Area located:
 - (i) Within a Metropolitan Area, the median family income shall be at or below 80 percent of the Metropolitan Area median family income or the national Metropolitan Area median family income, whichever is greater; or
 - (ii) Outside of a Metropolitan Area, the median family income shall be at or below 80 percent of the statewide non-Metropolitan Area median family income or

¹⁶ *South Carolina Housing Market: 2024 Home Prices & trends* | Zillow. (n.d.). Zillow.

<https://www.zillow.com/home-values/51/sc/>

¹⁷ University of South Carolina Darla Moore School of Business, Joseph C. Von Nessen, Ph.D. “Palmetto State Housing Study 2023 Supply and Demand Analysis” March 1, 2023

¹⁸ University of South Carolina Darla Moore School of Business, Joseph C. Von Nessen, Ph.D. “Palmetto State Housing Study 2023 Supply and Demand Analysis” March 1, 2023

¹⁹ *South Carolina*. (n.d.). National Low Income Housing Coalition. <https://nlihc.org/housing-needs-by-state/south-carolina>

the national non-Metropolitan Area median family income, whichever is greater;

3. The unemployment rate is at least 1.5 times the national average;
4. In counties located outside of a Metropolitan Area, the county population loss during the period between the most recent decennial census and the previous decennial census is at least 10 percent; or
5. In counties located outside of a Metropolitan Area, the county net migration loss during the five-year period preceding the most recent decennial census is at least five percent.

As of fiscal year, 2023, there were twenty-three census tracts in South Carolina that met this criterion. Residents of these distressed communities are disadvantaged not only economically, but also face isolation from opportunities to move upward. According to the Economic Innovation Group, stronger economic connectedness is linked to specific demographics and regions. States like Wisconsin and New Hampshire that have strong economic connections have fewer areas of distress have relatively homogenous populations that are nearly all non-Hispanic white. In contrast, states with fewer cross-class connections, like South Carolina, tend to be more diverse. This pattern tracks with research showing that high social capital tends to be found in racially homogeneous (mostly white) states. In contrast, states with high racial/ethnic diversity like South Carolina tend to have low levels of social capital.²⁰

Although South Carolina is experiencing a period of strong economic growth, a significant number of its residents are facing economic hardships and also lack the social capital and other opportunities necessary to facilitate upward mobility. South Carolina is one of five states identified by the Economic Innovation Group as having more than a quarter of its zip codes at the bottom quintile for both economic connectedness and distress.²¹

²⁰ Austin, A. (2024, March 27). *A scarcity of cross-class friendships hinders opportunities in distressed communities* - Economic Innovation Group. Economic Innovation Group. <https://eig.org/cross-class-friendships-in-distressed-communities/>

²¹ Austin, A. (2024, March 27). *A scarcity of cross-class friendships hinders opportunities in distressed communities* - Economic Innovation Group. Economic Innovation Group. <https://eig.org/cross-class-friendships-in-distressed-communities/>

FY23 SCRC Isolated Areas of Distress (Attainment Counties/County Equivalents Only)

State	County/County Equivalent	Census Tract	Designation	Poverty Rate	Median Household Income	Historically Disadvantaged Community
South Carolina	Beaufort County	6	Distressed	21.8%	\$42,826	Yes
South Carolina	Charleston County	24.02	Distressed	18.2%	\$40,273	Yes
South Carolina	Charleston County	27.02	Distressed	16.7%	\$44,022	Yes
South Carolina	Charleston County	31.04	Distressed	26.2%	\$30,702	Yes
South Carolina	Charleston County	31.05	Distressed	29.9%	\$33,628	Yes
South Carolina	Charleston County	33	Distressed	29.1%	\$34,125	Yes
South Carolina	Charleston County	34	Distressed	32.3%	\$40,023	Yes
South Carolina	Charleston County	37	Distressed	19.8%	\$31,110	Yes
South Carolina	Charleston County	43	Distressed	35.1%	\$27,419	Yes
South Carolina	Charleston County	50.02	Distressed	27.8%	\$44,345	Yes
South Carolina	Charleston County	54	Distressed	38.2%	\$33,393	Yes
South Carolina	Lexington County	203	Distressed	28.2%	\$41,786	Yes
South Carolina	Lexington County	205.05	Distressed	17.0%	\$43,324	Yes
South Carolina	Lexington County	205.09	Distressed	20.1%	\$45,513	Yes
South Carolina	Lexington County	207.03	Distressed	23.0%	\$40,750	Yes
South Carolina	Lexington County	208.04	Distressed	28.5%	\$34,802	Yes
South Carolina	Lexington County	214.02	Distressed	16.5%	\$43,879	Yes
South Carolina	Lexington County	214.03	Distressed	17.2%	\$44,259	Yes
South Carolina	York County	603	Distressed	26.2%	\$33,604	Yes
South Carolina	York County	604.01	Distressed	19.8%	\$27,083	Yes
South Carolina	York County	605.02	Distressed	24.9%	\$41,250	Yes
South Carolina	York County	616.01	Distressed	32.7%	\$41,143	Yes
South Carolina	York County	616.02	Distressed	16.0%	\$43,182	Yes

Figure 1: [Isolated-Areas-of-Distress-FY23.pdf \(scrc.gov\)](#)

Increased Resilience for Disaster Prone Areas - Community Resilience Zones

The Community Disaster Resilience Zones Act became law on December 20, 2022. The law requires the Federal Emergency Management Agency (FEMA) to use a risk assessment index to identify census tracts that face the highest risks from natural disasters and climate change. The intent of the Act is to provide support to enable communities most at risk to plan and implement resilience projects to reduce the impact of climate change and natural disasters. Ten census tracts in South Carolina located in Horry, Berkeley, Dorchester, Charleston, and Beaufort Counties met the criteria to be identified as a Community Disaster Resilience Zones (45051050500, 45015020718, 45035010603, 45035010700, 45019003115, 45019003104, 45035010818, 45019003400, 45019003111, 45013002107). If awarded PRICE funding, SC Housing will prioritize assistance to applicants proposing resilience projects located in these Community Disaster Resilience Zones.

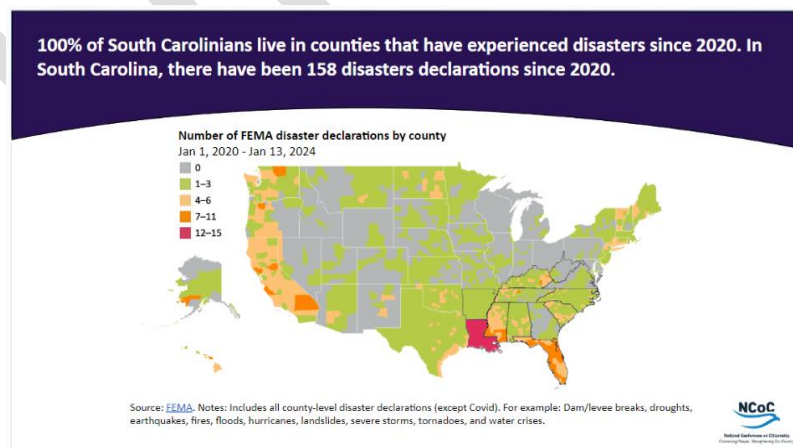
According to USA Facts, more fatalities are occurring due to heat than from other natural disasters.²² 2023 is on record as being the hottest year ever and the most vulnerable sector of the population facing risks from extreme heat are the elderly, those with mental illness and chronic

²²USAFacts. (2023, August 22). *How many people die from extreme heat in the US?* USAFacts. <https://usafacts.org/articles/how-many-people-die-from-extreme-heat-in-the-us/>

diseases. Heat related deaths have more than doubled since 2019, and heat is now the leading cause of weather-related deaths in the U.S.²³ Climate change has a disproportionate effect on low-income and disadvantaged communities. Low-income households are often excluded from wealth building opportunities such as owning a home, which can prevent them from accessing resources and having the savings necessary to recover from natural disasters and climate change. According to *Pathways to Prosperity, Building Climate Resilience* South Carolina is facing the following challenges related to climate change and resiliency.²⁴

- 100% of South Carolinians live in counties that have experienced disasters since 2020 – (158 disasters in total).
- From 2020-2023 South Carolinians experienced over \$500,000 million in weather and climate disaster damages per million residents.
- 13% of properties in South Carolina are at risk of extreme flooding within the next 30 years.
- The average cost of flood insurance premiums in South Carolina is expected to increase 92% to \$1,531.00 once FEMA implements full risk prices.
- Only 0.014% of homes in South Carolina were weatherized in 2021.
- South Carolina customers has 78 cumulative hours of power interruption from 2013 – 2022.
- An estimated 26% of South Carolinians are vulnerable to extreme heat.
- South Carolina had the 9th highest death rate in the nation in 2022 (972 deaths per 100,000).

Manufactured housing residents face higher risks of being flooded and are often not included in disaster recovery planning efforts. Lack of access to state and federal resources often results in the abandonment of manufactured and mobile homes due to lack of insurance or other financial resources needed to repair damages. Compared to other housing types, one in every seven manufactured homes is located in a high flood risk area.²⁵



²³ *Pathways to Prosperity - Building climate resilience*. (n.d.). Pathways to Prosperity - Building Climate Resilience. <https://www.p2pclimate.org/>

²⁴ *Pathways to Prosperity - Building climate resilience*. (n.d.). Pathways to Prosperity - Building Climate Resilience. <https://www.p2pclimate.org/>

²⁵ Smith, K., PhD. (2024, January 31). *Mobile home residents face higher flood risk*. Headwaters Economics. <https://headwaterseconomics.org/natural-hazards/mobile-home-flood-risk/>

Barriers to Manufactured Housing Preservation or Revitalization

Several barriers exist that make it challenging to use manufactured housing as a mechanism for providing affordable housing opportunities for low-income households in South Carolina. Although the quality and design of manufactured housing has seen significant improvements in recent years, negative perceptions about its quality and safety are still predominant. Many people have the misunderstanding that manufactured housing is inferior in quality and aesthetic appeal, can't stand up to severe weather, and is detrimental to the value of nearby properties. According to a survey conducted by Freddie Mac in 2022, 37% of respondents had the misperception that manufactured housing is only temporary and can't be affixed to a permanent foundation, 41% thought manufactured housing can only be valued as personal property, and 47% thought it is only a viable option for housing in rural areas.²⁶ In addition, other challenges faced regarding manufactured housing are local zoning and land use restrictions, financing options and supply chain issues.

Chattel loans are personal loans used to finance manufactured housing that is not affixed to a permanent foundation. These loans are often the only financing option available to low-income households wanting to acquire manufactured housing units that are titled as personal property. Although manufactured housing costs less to put on the ground than traditional stick-built homes, the cost to finance them is not. According to a report issued by the Consumer Finance Protection Bureau, chattel loans finance 42% of manufactured housing units in the country.²⁷ Chattel loans are seen by the banking industry as being higher risk loans and come with higher interest rates and shorter loan terms than traditional mortgage products, which often results in higher monthly payments. The report also noted that "Hispanic, Black and African American, American Indian and Alaska Native, and elderly borrowers are more likely than other consumers to take out chattel loans, even when they own the land. Black and African American borrowers are the only racial group that are underrepresented in manufactured housing lending overall compared to site-built, but are overrepresented in chattel lending compared to site-built."²⁸

Restrictive zoning and land use policies are significant hurdles that must be overcome before manufactured housing can be used to its fullest potential to provide affordable housing options. The first step in the process is to educate local officials and community members on the benefits

²⁶ McCue, Daniel T.;chris_herbert@harvard.edu;alexander_hermann@harvard.edu;creed1@gsd.harvard.edu. (2024, January 17). *A review of Barriers to Greater Use of Manufactured Housing for Entry-Level Homeownership*. Policy Commons. <https://policycommons.net/artifacts/11336135/a-review-of-barriers-to-greater-use-of-manufactured-housing-for-entry-level-homeownership/12225062/>

²⁷ *Manufactured housing loan borrowers face higher interest rates, risks, and barriers to credit, new CFPB report finds | Consumer Financial Protection Bureau*. (2021, May 27). Consumer Financial Protection Bureau. <https://www.consumerfinance.gov/about-us/newsroom/manufactured-housing-loan-borrowers-face-higher-interest-rates-risks-and-barriers-to-credit/#:~:text=Overall%20around%2042%25%20of%20manufactured%20home%20purchase%20loans,at%20risk%20if%20they%20default%20on%20the%20loan.>

²⁸ *Manufactured housing loan borrowers face higher interest rates, risks, and barriers to credit, new CFPB report finds | Consumer Financial Protection Bureau*. (2021, May 27). Consumer Financial Protection Bureau. <https://www.consumerfinance.gov/about-us/newsroom/manufactured-housing-loan-borrowers-face-higher-interest-rates-risks-and-barriers-to-credit/#:~:text=Overall%20around%2042%25%20of%20manufactured%20home%20purchase%20loans,at%20risk%20if%20they%20default%20on%20the%20loan.>

of manufactured housing and how it can improve the quality of life for many of its citizens and increase tax revenue. Zoning requirements differ across localities and are often driven by negative perceptions of manufactured housing. The “Not in My Backyard” thought process often impedes the placement of manufactured housing by complicating the permit process, placing restrictive set-back and/or expensive underpinning requirements. Certain municipalities prohibit an obsolete manufactured or mobile home from being replaced with a new one if it is of a certain age and restrictions on site placement often wind up placing manufactured housing in areas segregated from site-built homes.

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Exhibit D: Soundness of Approach (Factor B – 50 Points)

Subfactor (b)(i): Project Description, Management, and Impact (10 points)

Visions, Goals and Eligible Activities: If awarded PRICE funding, SC Housing will hold a statewide funding competition to award Subrecipients (local governments, councils of government) who in turn, will collaborate with experienced and high capacity Partners (nonprofits, for profits, public housing authorities, other local governments) to carry out PRICE activities. SC Housing’s goals are to ensure funding is awarded fairly and effectively to increase the affordable housing stock available for low-income and very low income persons in urban, suburban, and rural communities, to preserve existing manufactured housing stock, to replace unsafe deteriorated/dilapidated MH housing stock, to provide assistance for seniors to make modifications to age in place, to provide accessibility improvements for disabled persons, to reduce the impacts of climate change and extreme weather events on manufactured housing units assisted with PRICE, and to educate the community about the benefits of utilizing manufactured housing as a tool to increase affordable housing and the barriers that can make it challenging. Manufactured housing comprises a significant portion of the housing stock in South Carolina and providing funding to meet these goals will make a meaningful impact on the communities that are awarded funding. The following activities will be eligible for owner occupied and tenant occupied projects:

- Preservation and revitalization activities – repair, rehabilitation, or replacement of manufactured housing units. Pre-1976 manufactured homes and manufactured homes determined to not be financially feasible to be rehabilitated (repairs costing more than 50% of the value of the MH unit) will be replaced with a new housing unit. Rehabilitation includes accessibility, aging in place, and energy efficiency improvements and modifications; and
- Development and improvement of infrastructure to support new or existing MH and MHCs including roads, sidewalks, water and waste water infrastructure (including well and septic systems), and utility hookups; and
- Acquisition of land, manufactured housing units, and manufactured housing communities
- Legal expenses to quiet title to correct heir’s property; and
- Environmental mitigation and resilience improvement activities; and
- Down payment assistance for purchases of MH units and/or land purchase; and
- Resident and community services including homebuyer counseling, eviction prevention, relocation assistance, and mobility counseling; and
- Planning activities to address zoning and land use restrictions; and
- Technical assistance and capacity building; and
- Program administration.

Timeline and Key Tasks:

Key Tasks	Description	Timeline
HUD Announces PRICE Awards		October 2024
PRICE Program Development	Create application, application manual with scoring and threshold criteria, training materials, forms, reports, written	October 2024 – February 2025

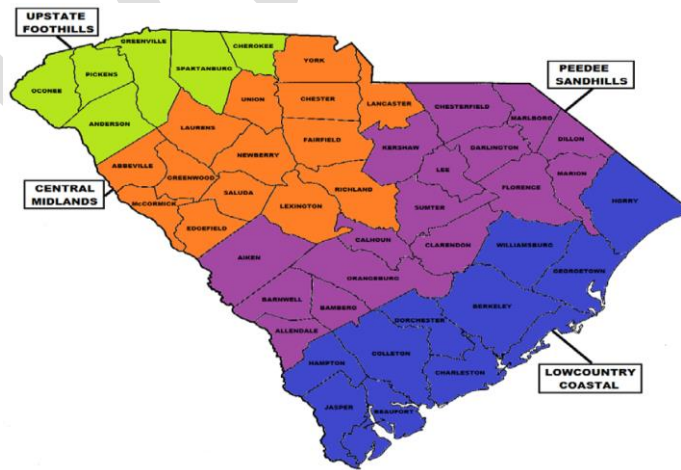
	agreements, loan documents and restrictive covenants	
Post draft of PRICE Application Manual, Application and associated documents for public comment	Post draft application materials on the website for public comment. Evaluate comments, finalize application materials, and announce application deadline	March 2025
Host Competitive PRICE Funding Round	Host application technical assistance workshop, review and score applications, announce awards	March 2025 – June 2025
Implementation Training for PRICE awardees	Create PRICE Implementation Manual, training materials, checklists	July 2025
Environmental Reviews	Provide training to SC Housing approved environmental consultants on PRICE requirements, evaluation of submitted environmental reviews, send tribal letters, post, provide to HUD for posting and issue Authority to Use Grant Funds	July 2025 – April 2026
SC Housing 100% Obligation Deadline	Draft of written agreements, establish program completion benchmarks, legal review, execution, set up activities and fund in DRGR system	April 2026 – May 2026
HUD PRICE Obligation Deadline		September 30, 2027
SC Housing 50% Expenditure Deadline	Evaluate Subrecipient performance against benchmarks, de-obligate and re-allocate funding if necessary	February 2028
SC Housing 100% Expenditure Deadline	Evaluate Subrecipient performance against benchmarks, de-obligate and re-allocate funding if necessary	February 2030
Compliance Monitoring Reviews	Transfer completed rental projects to compliance monitoring department, begin conducting periodic on-site reviews of tenant files for compliance with income and rent restrictions, physical property inspections (INSPIRE)	Occurs on an on-going basis as rental activities are completed and placed-in-service

SC Housing’s Program Close-Out Deadline	Project completion report data into DRGR, reconciliation of expenditures and program income, subrecipient monitoring (program close-out audits)	February 2030 – September 2031
Period of Grant Performance Expiration (HUD 100% Expenditure Deadline)		September 30, 2032

PRICE Budget: SC Housing is requesting \$10 million in PRICE funding including a 10% set-aside for program administrative expenses. If awarded, SC Housing’s board of commissioners approved a resolution on May 15, 2024 to leverage the PRICE award with an equal amount of funding from the South Carolina Housing Trust Fund (SC HTF). The SC HTF dollars will remain available for PRICE projects throughout the entire period of grant performance, ending on September 30, 2032.

In an effort to provide funding opportunities that best allow for the equal distribution of funding to qualified Applicants in all regions of the State, awards will first be made to the two (2) highest scoring applications in each of the four (4) designated regions of the state. Each region has funding set-aside as noted in Table 1, which was determined by the percentage of population in the aggregated counties. After the two (2) highest scoring awards are made in each region, remaining funds will be awarded to the next highest scoring applications regardless of region until funds are depleted.

PRICE Project Funding	\$10,000,000
SC HTF Project Funding	\$10,000,000
Total Funding Available for PRICE Activities:	\$20,000,000
Administration (10% PRICE & 7% SC HTF)	\$1,700,000
Total Funding Available for PRICE Projects:	\$18,300,000



	Total Population	% of Population	Set-Aside Amount
Upstate Foothills – Region 1	1,323,476	25.86%	\$4,731,848
Central Midlands – Region 2	1,421,679	27.78%	\$5,082,956
Pee Dee Sandhills – Region 3	855,102	16.70%	\$3,057,262
Lowcountry Coastal – Region 4	1,518,168	29.66%	\$5,427,934
<i>Regions determined using 2020 Census data to aggregate counties based on population size.</i>			
https://www.census.gov/library/stories/state-by-state/south-carolina-population-change-between-census-decade.html			

Projected impacts of PRICE activities if implemented:

SC Housing anticipates a minimum of eight PRICE awards will be made in its competitive funding cycle should it receive the entire amount of PRICE funding requested. Since SC Housing will hold a competitive application cycle if awarded, so the specific number of units and households to be assisted is not possible to approximate at this point in time. It is expected that the \$18,300,000 million will allow for a significant number of manufactured homes to be acquired, replaced, rehabilitated, and improved with accessibility and resilience modifications.

Households that receive assistance to acquire manufactured homes will have affordable monthly housing expenses, opportunities to build wealth, and experience housing stability. Providing down payment assistance loans to acquire manufactured housing units and lots will provide valuable opportunities for underserved people of color to overcome barriers that have prevented them from becoming homeowners, such as the rising costs of land and financing, especially in areas of distress. Homeowners that receive assistance to make repairs, accessibility improvements, energy efficiency improvements, and aging in place modifications will have homes that are safe, comfortable and accessible to their specific needs. Many seniors will see the benefit of being able to age in place and remain in their communities in lieu of having to move into expensive assisted living and/or residential care facilities. The ability to remain at home will keep their monthly housing costs affordable, which in return, will allow them to stretch their retirement savings further. Tenants leasing PRICE-assisted units will benefit from affordable rents, improved housing quality, lower utility bills from energy efficiency improvements, and an increase in housing durability from resiliency improvements. In general, occupants of PRICE-assisted units whether they are tenants or homeowners will see significantly improved living conditions and an improved quality of life. Having an affordable place to live is an essential component to living a happy and healthy life. Safe, decent, and affordable housing provides the foundation necessary to enable people to have the financial capital necessary to access educational opportunities, receive needed healthcare and medication, have higher paying employment options, and access to other wealth building resources.

Resilience activities will enable manufactured home residents to recover from extreme weather events more quickly and also to see a reduction in the amount spent to repair and/or replace homes damaged by high winds, floods, extreme heat, and other effects of climate change. Installing an energy efficient HVAC unit and making weatherization improvements can prevent vulnerable populations, such as the elderly and disabled from dying prematurely from exposure to extreme heat. Making improvements to ensure manufactured homes are better prepared to face damages from severe weather events will also reduce the costs needed in future disasters to assist people and communities with recovery efforts.

Planning activities will inform local leaders and members of the community about the misconceptions that revolve around manufactured housing and have the potential to lead to changes to zoning and land use restrictions. Today's quality of manufactured housing can be used as a significant resource to provide affordable housing opportunities in their communities if those with negative perceptions of manufactured housing can be persuaded to think differently. It is expected that outreach and dialog with local leaders and community residents will result in the possible revision or removal of barriers such as prohibitive zoning and land use requirements that make it difficult to use manufactured housing as an efficient and effective way to connect low-income households to affordable housing.

Subfactor (b)(ii): Affordability and Equity (15 points)

How will you ensure the availability of affordable manufactured housing options to LMI households? SC Housing will require that all households assisted with PRICE funding are 80% and below area median income for the household size and the county they are located in. Awarded applicants will be required to certify each household's income in accordance with 24 CFR Part 5.609. To ensure rents are affordable, SC Housing will adopt the rent restrictions of the HOME Investment Partnerships program and require that all rents are approved annually by SC Housing's Compliance Monitoring staff. In addition, SC Housing will implement underwriting criteria for homeownership activities to ensure monthly mortgage payments (principal, interest, taxes and insurance) do not exceed 30% of the household's gross monthly income. Subrecipients and Partners undertaking homeownership activities will be required to ensure the manufactured housing units are permanently affixed to a foundation to qualify for traditional mortgage products in lieu of having to finance the acquisition through a chattel loan, which are associated with higher interest rates, shorter loan terms, higher monthly payments, and little to no consumer protections in the event of default.

The affordability of housing assisted with PRICE funds will be secured through legal instruments for the duration of the affordability period. Each property assisted with PRICE funding will remain affordable for a period of twenty years. Financial assistance for rental properties will be secured by the use of a note, mortgage and restrictive covenant. The restrictive covenant will run with land and will contain language restricting the occupancy of the property to low-income households earning 80% and below area median income, will restrict rents to the HUD published rents for the HOME program, and require the property to be maintained in accordance with HUD's INSPIRE property standards. Compliance will be enforced through on-site monitoring reviews that will be conducted by SC Housing's Compliance Monitoring Departments throughout the duration of the twenty-year affordability period.

Financial assistance provided for homeownership activities (homebuyer and homeowner) will be secured using a note and mortgage for a minimum term of twenty years. SC Housing will require that homeownership assistance is provided utilizing the recapture requirements of the HOME Investment Partnerships Program. The amount of assistance required to be repaid if the homeowner sells the home or ceases to use it as their principal residence prior to the expiration of the twenty-year affordability period will be reduced on a prorated basis for the period of time the homeowner occupied the unit as their principal residence. This will enable homeowners to recoup as much equity as possible from their investment and provide opportunities to build wealth. Prorated forgivable loans will also be used to provide financing to owner-occupied home owners

to rehabilitate their homes and bring them into a safe and habitable condition. This will alleviate the financial burden and stress they face being unable to afford the repairs needed to preserve their homes.

What protections will be in place for residents? In addition to the protections set in place by the [South Carolina Residential Landlord and Tenant Act](#) (SC Code of Laws Title 27 Chapter 40) SC Housing will ensure the rights of tenants residing in PRICE-assisted units will be protected from unfair, deceptive and abusive leasing practices which can cause significant financial harm and erode consumer confidence. Requirements will be put in place to protect tenants that are more restrictive than what is currently required by Fannie Mae and Freddie Mac. If awarded PRICE funding, SC Housing will incorporate the following lease agreement requirements to ensure of PRICE-assisted tenants are protected:

- Leases must be renewable, in writing, and be for a term of no less than one year unless a shorter period of time is agreed to by both the landlord and the tenant.
- Tenants must be given 30 days' notice of rent increases.
- Owners must provide a five-day grace period for late payments and the right to cure defaults on rent payments.
- Owners must limit late fees charged to no more than 5% of the monthly rent payment.
- Owners must limit Security deposits to the equivalent of two months' rent.
- An owner may not terminate the tenancy or refuse to renew the lease of a tenant except for serious or repeated violations of the lease terms; for violation of applicable federal, state or local law; or for other good cause.
- Any termination or refusal to renew a lease agreement must be preceded by no less than thirty (30) days written notice specifying the grounds for the action.
- Owners may not refuse, except for good cause to lease a PRICE-assisted unit to a household that holds a rental certificate or voucher or comparable document.
- Owners may not refuse to lease to a tenant applicant solely because he or she is a victim of domestic violence, dating violence or stalking. Owners must comply with the Violence Against Women Act, including but not limited to the requirement for the lease agreement to contain a lease addendum in compliance with the requirements of the Violence Against Women Act.
- Tenants leasing sites in PRICE-assisted manufactured housing communities must have the rights to:
 - Sell the manufactured home to a buyer that qualifies as a new tenant in the community without having to move it out of the manufactured housing community; and
 - Sublease the manufactured home or assign the site lease to a buyer, provided the buyer meets the minimum manufactured housing community rules and regulations and credit quality for financing; and
 - Post "for sale" signs on the manufactured home, provided the signage complies with the manufactured housing community's rules and regulations; and
 - Sell the manufactured home in place within 30 days after eviction by the community owner; and
 - Receive at least 60 days' notice of any planned sale or closure of the manufactured housing community; and

- Right to sublease, or assign the pad site lease, for the unexpired term to the new buyer of the tenant's manufactured home without any unreasonable restraint, so long as the new buyer or sublessee qualifies as a new tenant within the community.
- The following terms will be prohibited in PRICE lease agreements:
 - Agreement to be sued: Agreement by the tenant to be sued, admit guilt or to a judgement in favor of the owner in a lawsuit brought in connection with the lease.
 - Treatment of Property: Agreement by the tenant that the owner may take, hold, or sell personal property of the household members without notice to the tenant and a court decision on the rights of the parties. This prohibition however, does not apply to an agreement by the tenant concerning disposition of personal property remaining in the housing unit after the tenant has moved out of the unit. The owner may dispose of this personal property in accordance with State law.
 - Excusing the Owner from Responsibility: Agreement by the tenant not to hold the owner or the owner's agents legally responsible for actions or failure to act, whether intentional or negligent.
 - Waiver of Notice: Agreement by the tenant that the owner may institute a lawsuit without notice to the tenant.
 - Waiver of Legal Proceedings: Agreement by the tenant that the owner may evict the tenant or household members without instituting a civil court proceeding in which the tenant would have the opportunity to present a defense.
 - Waiver of Legal Trial: Agreement by the tenant to waive any right to a jury trial.
 - Waiver of Right to Appeal Court Decision: Agreement by the tenant to waive their right to appeal or to otherwise challenge in court a decision in connection with the lease.
 - Tenant Chargeable with Cost of Legal Actions Regardless of Outcome: Agreement by the tenant to pay attorney fees or other legal costs even if the tenant wins the court proceedings by the owner against the tenant. The tenant however, may be obligated to pay costs if the tenant loses.
 - Requirement that the tenant participate in supportive services.

In addition to the above leasing requirements, SC Housing will require all awarded PRICE applicants to provide and follow formal written tenant and homeowner selection procedures that contain policies and procedures that are compliant with all fair housing laws and regulations and describe how tenant and homeowner selections will be made. To ensure policies are compliant with fair housing laws and regulations SC Housing will partner with the South Carolina Human Affairs Commission to provide Fair Housing Training for all awarded PRICE Subrecipients and their Partners (commitment letter from SCHAC provided with the application). The written selection procedures must:

- Be consistent with the purpose of providing housing for very low- and low-income households; and
- Be reasonable, but adhere to program eligibility requirements; and
- Give consideration to the housing needs of households with federal preferences for admission to Section 8 Housing Choice Voucher ([24 CFR part 982](#)), public housing, HOME tenant based rental assistance; and

- Include detail that tenants and/or homeowners will be selected in chronological order from a written list; and
- Establish a policy which ensures prompt written notification will be given should an applicant be rejected and the grounds for such rejection.
- An owner of rental housing assisted with PRICE funds must comply with affirmative marketing requirements. Owners must adopt and follow written tenant selection policies and criteria that:
 - Are reasonably related to the applicants' ability to perform the obligations of the lease (i.e., to pay the rent, not to damage the housing; not to interfere with the rights and quiet enjoyment of other tenants); and
 - Give a preference to a particular segment of the population only if permitted in its written agreement.

PRICE activities are subject to the requirements of the Uniform Relocation Act (URA). Relocation payments and other relocation assistance for permanently and temporarily relocated tenants will be eligible PRICE project costs. All residential tenants in place prior to the submission of a PRICE application for rehabilitation or replacement housing must be provided the opportunity to lease and occupy a suitable, decent, safe, sanitary and affordable dwelling unit in project upon completion of construction activities. Existing tenants can only be evicted for cause. Tenants that are legal residents residing in a unit at the project at the time of application submission will be provided the following:

- Written notices referred to as “General Information Notices” that inform tenants of their right to remain in the unit or the need to be temporarily or permanently relocated;
- If applicable, payments for the cost of temporary or permanent relocation;
- Written “Move-In Notices” to potential tenants seeking to occupy available in the project after the application has been submitted.

Applicants proposing projects that will temporarily or permanently relocate residents will be required to provide a written Anti-Displacement and Relocation Plan during SC Housing’s PRICE funding competition:

How does your proposal encourage access to resources and financing, especially for underserved communities and persons? SC Housing has decades of experience providing low to moderate income households access to affordable mortgage products. Over 48,300 households have purchased their homes through SC Housing’s network of approved lenders and real estate professionals. SC Housing primarily finances its low-low to moderate income mortgage programs using the proceeds from the sale of mortgage revenue bonds. Bonds are purchased by investors that are willing to accept a lower rate of return in exchange for not having to pay federal income taxes on the interest earned, which provides the opportunity to offer low interest competitive fixed rate mortgages with down payment and closing cost assistance. SC Housing has a network of 135 lenders and hundreds of real estate professionals that low-income homebuyers have access to select through [SC Housing's website](#). Participating lenders and real estate professionals are required to attend trainings, provided free of charge to become experts on the mortgage products and programs offered by SC Housing. The following mortgage programs are currently available to low- and moderate-income households in South Carolina:

Palmetto Home Advantage Program – Borrowers at or below 80% AMI with credit scores of at least 640 can qualify for multiple mortgage options (conventional, FHA, VA, USDA) with forgivable down payment assistance and reduced mortgage insurance coverage, (18%) on conventional loans below 80% AMI. Eligible buyers include both first time and move up buyers. New and existing homes, including double-wide manufactured housing (FHA and conventional) are eligible. In June of 2023, SC Housing opened up the program to allow the financing of manufactured homes and to date twenty-two have been financed with a total investment of \$4,257,671.

Families with Disabilities Initiative – This program allows borrowers with a permanent disability or who have a family member with a permanent disability to apply for a loan without meeting certain first-time homebuyer restrictions. FHA, VA, USDA, and conventional fixed rate mortgages with forgivable down payment assistance are available to qualified borrowers. The down payment assistance is provided as a 0% interest 2nd mortgage with a 15-year term. If the borrower remains in the home for the full term the loan is forgiven.

SC Mortgage Tax Credit Certificate Program – Provides a federal income tax credit of \$2,000 per tax year for the duration of the loan term. Participating borrowers can benefit from the program by taking the credit annually when filing taxes to reduce the amount of tax owed, increase their tax refund, or increase take home pay by adjusting the amount of federal taxes being withheld by their employer, or it can be used as additional income on a mortgage application to lower debt ratio or to qualify for a larger loan amount.

Palmetto Heroes Program – Provides up to \$12,000 of down payment assistance as a forgivable loan with no monthly payment and competitive interest rates for first responders, including: teachers, EMTs, paramedics, nurses, nurse assistants, fire fighters, law enforcement, correctional officers, veterans, active duty military, and the SC National Guard. Borrowers must be first time home buyers and pair the down payment assistance with FHA, VA, USDA, or conventional financing.

Housing Choice Voucher Homeownership Program – Provides the opportunity for existing voucher holders to transition from rental housing to becoming a home owner by using their rental assistance payment to qualify for financing. Buyers must be first time home buyers, have a credit score of 620, and be able to provide at least 1% of the loan towards down payment. Eligible buyers can qualify for 30-year fixed rate FHA financing with forgivable down payment assistance of \$8,500.

County First Initiative Program – This rural initiative was created with the intent to provide additional resources to potential home buyers looking to purchase homes located in South Carolina's underserved counties. Purchasing a home in areas plagued with distressed economic conditions can often make purchasing a home challenging. This program offers buyers \$8,500 in down payment assistance and special fixed rate financing. Borrowers may choose to finance their mortgage through FHA, conventional, USDA, or VA loans. The following twenty-three underserved counties in South Carolina qualify for the program: Abbeville, Allendale, Bamberg, Barnwell, Beaufort, Calhoun, Chester, Clarendon, Dillon, Edgefield, Fairfield, Georgetown,

Hampton, Jasper, Lee, Marion, Marlboro, McCormick, Newberry, Orangeburg, Saluda, Union, and Williamsburg.

In addition to the opportunities available through SC Housing's mortgage programs, other requirements will be implemented into SC Housing's PRICE program to ensure those assisted with PRICE funding are in the best position possible to make financially sound decisions regarding the financing of their home. Purchasing and maintaining a home can be complicated. All homeownership candidates will be required to participate in homebuyer counseling early in the buying process to ensure they are armed with the knowledge to make sound financial decisions and plan for their future. Being aware of and understanding financing options is crucial to ensure households are making the best decisions to fit their needs and financial goals. To ensure PRICE homebuyers have access to the most advantageous financing terms, SC Housing will require that all manufactured housing units acquired with PRICE funding are secured to a permanent foundation so they qualify to apply for traditional mortgage products and can avoid having to finance their purchase through chattel loans.

Subfactor (b)(iii): Environment and Resilience (15 points)

What significant hazards could impact your project sites? Records kept documenting South Carolina's extreme weather events show a very diverse compilation of extreme weather events ranging from heat waves, hurricanes, floods, severe thunderstorms, tornados and the occasional earth quake. According to the SC Department of Natural Resource's Climatology Office, the most common weather threats facing South Carolinians are severe thunderstorms, tornados, and tropical cyclones. Thunderstorms are more prevalent during hot summer months; however, they are most violent during the Spring when cold fronts move into the area and mix with rising temperatures. Thunderstorms in South Carolina can be severe, bringing with them high winds, heavy precipitation, hail, lightening and tornados. Data provided by the SC Department of Natural Resources show that South Carolina averages between 45 – 70 thunderstorm days annually.²⁹ In comparison to other states, South Carolina ranks #12 in the country for storm risk.³⁰

South Carolina is known for being very hot and humid during the summer months. Sweltering temperatures mandate the use of air conditioning to stay comfortable. Information from the NOAA National Centers for Environmental Information state that temperatures in South Carolina have increased more than 1°F since the beginning of the twentieth century.³¹ Between 1991 2020 Columbia, the state's capital has experienced an average of 3.5 days a year with temperatures above 100°F as compared to an average of 2.4 days between 1961 and 1990.³² In comparison with other states, South Carolina ranks #8 among the lower 48 states for heat risk.³³

²⁹ <https://www.dnr.sc.gov/climate/sco/Publications/SCClimateOverview.pdf>

³⁰ *Top South Carolina climate change risks: heat, precipitation, fire.* (n.d.-b).

<https://climatecheck.com/southcarolina#:~:text=People%20in%20South%20Carolina%20will%20experience%20especially%20increased,much%20we%20reduce%20emissions%20in%20the%20near%20future.>

³¹ Runkle, J., & E Kunkel, K. (n.d.). State Climate Summaries 2022 South Carolina. In *www.NCEI.NOAA.Gov*. Retrieved January 1, 2022, from <https://statesummaries.ncics.org/chapter/sc>

³² Runkle, J., & E Kunkel, K. (n.d.). State Climate Summaries 2022 South Carolina. In *www.NCEI.NOAA.Gov*. Retrieved January 1, 2022, from <https://statesummaries.ncics.org/chapter/sc>

³³ *Top South Carolina climate change risks: heat, precipitation, fire.* (n.d.-b).

<https://climatecheck.com/southcarolina#:~:text=People%20in%20South%20Carolina%20will%20experience%20especially%20increased,much%20we%20reduce%20emissions%20in%20the%20near%20future.>

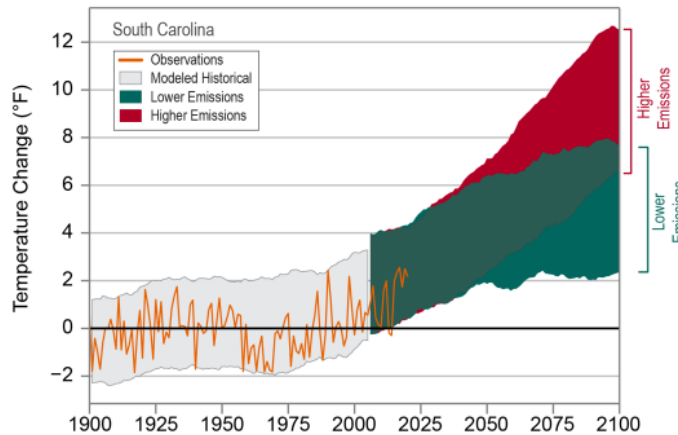


Figure 1: [South Carolina - State Climate Summaries 2022 \(ncics.org\)](https://ncics.org)

South Carolinians face three types of flood risks. Fluvial flooding is caused by increased water levels in lakes, rivers, and streams from prolonged rain events. Pluvial flooding otherwise known as “flash flooding” happens quickly after significant rainfall events overwhelm poor drainage systems and low-lying areas. Being a coastal state, South Carolina also faces high risk of flood damage from coastal flooding caused by storm surges from hurricanes, tropical storms and high tides.

In recent years South Carolinians have experienced two significant flooding events. In October 2015 record breaking rainfall amounts caused significant flooding in areas of the state that have never flooded before. A year later in October 2015 Hurricane Matthew brought historical flooding to coastal areas of the state. As the state faces the effects of climate change these types of extreme weather events are occurring more and more frequently. Data from the National Science and Technology Council show that the amount of precipitation produced from the most powerful storms in the southeast has increased by 27% from 1958 to 2012.³⁴

From 1851-2021 forty four hurricanes made direct landfall in South Carolina.³⁵ South Carolina is a high-risk state for hurricanes and tropical storms. Impacts from hurricanes and tropical storms are felt across the entire state, reaching far inland well beyond coastal areas. A hurricane or tropical storm does not have to make landfall in South Carolina to cause significant damage. Hurricanes that directly hit nearby states like Georgia and Florida often track up through South Carolina prior to dissipating. In 2018 tropical storm Florence dropped 30 inches of rain in eastern North Carolina as well as Horry and Chesterfield counties in South Carolina. The slow-moving storm caused extreme flooding in the Pee Dee Watershed that lasted for weeks.

³⁴ Scsgc. (2022, July 8). *Communities Under Water: Lessons Learned from Extreme Floods*. S.C. Sea Grant Consortium. <https://www.scseagrant.org/communities-under-water-lessons-learned-from-extreme-floods/>

³⁵ South Carolina State Climatology Office, Land, Water, and Conservation Division, & South Carolina Department of Natural Resources. (n.d.). Overview of South Carolina’s climate and hazards. In *South Carolina Department of Natural Resources*. <https://www.dnr.sc.gov/climate/sco/Publications/SCClimateOverview.pdf>

Data from the SC Department of Natural Resources’ Office of Climatology show that since 1950 more than 1,000 tornadoes have been reported in the state.³⁶ Tornadoic activity occurs most often in the Spring when tornados are produced by supercell thunderstorms and squall lines. Risk is also high during the months of August and September during hurricane season.

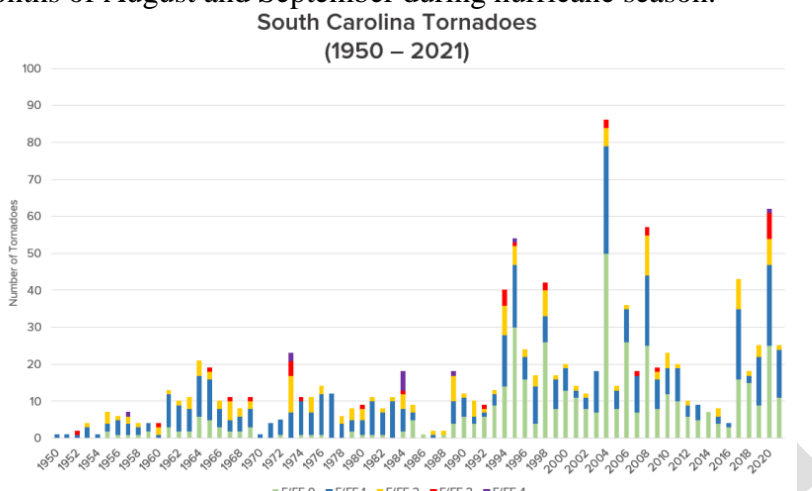


Figure 2: <https://www.dnr.sc.gov/climate/sco/Publications/SCClimateOverview.pdf>

How will your activities address the current and future threat of natural hazards, extreme weather, and disaster events? The predominate threats that low-income South Carolinians need to be protected from are extreme heat, severe thunderstorms (heavy precipitation, high winds, hail, lightening, tornados), floods, hurricanes and tropical storms. If awarded PRICE funding SC Housing will implement programmatic requirements to offset the disproportionate impacts felt by low-income households when affected by extreme weather events to ensure they are in a good position to prepare for and withstand hazards. SC Housing’s competitive application process will require Subrecipients to identify environmental and climate risks in their project areas and explain how those risks will be mitigated with PRICE activities. Applications that propose environmental remediation and resiliency improvements will be prioritized for funding.

The rehabilitation and replacement of obsolete manufactured housing units will address these threats. Older dilapidated manufactured housing units will be replaced with HUD certified manufactured housing units that meet the standards set in 24 CFR Part 3282 (Manufactured Home Procedural and Enforcement Regulations) and the 24 CFR Part 3280 (Manufactured Home Construction and Safety Standards). The goal will be to provide low-income homeowners with a safe, decent, and affordable manufactured housing unit that has an expected useful life of at least twenty years at the completion of rehabilitation activities.

To address the threat of extreme heat, the replacement of HVAC units and energy efficiency improvements will be an eligible use of funding. Additional eligible uses of funds to address heat threats will be: skirting, window films and tinting, shade awnings, reflective coatings (cool roofs),

³⁶ South Carolina State Climatology Office, Land, Water, and Conservation Division, & South Carolina Department of Natural Resources. (n.d.). Overview of South Carolina’s climate and hazards. In *South Carolina Department of Natural Resources*. <https://www.dnr.sc.gov/climate/sco/Publications/SCClimateOverview.pdf>

PDRC coating, replacing pavement and asphalt with green space, planting shade trees, cooking centers in manufactured housing communities, and installation of energy efficient appliances.

To address the threat of flooding SC Housing will prioritize projects that include activities that remove existing manufactured housing units from areas at high risk of flooding to low risk areas. In addition, the following will be eligible uses of funding to mitigate flood risk and minimize flood damage: infrastructure improvements to address stormwater management, elevation of manufactured housing units above Base Flood Elevation (BFE) levels established by FEMA, elevation of mechanical units (HVACs, furnaces, water heaters) twelve inches above BFE, installation of flood vents, installation of flood resistant insulation and drywall, installation of sewer back flow valves, anchoring of external fuel tanks, costs to permanently affix the manufactured housing unit to a permanent foundation to stabilize the home and to qualify for flood insurance. SC Housing's PRICE program will prohibit the installation of new manufactured housing on sites that are located in a FEMA designated flood zone (100 and 500 year) and also prohibit the installation of homes on sites that in accordance with the National Oceanic and Atmospheric Administration are projected to be impacted by three ft. sea level rise within approximately fifty years.

To mitigate the threat of high winds and tornados the following will be eligible uses of funding: Existing obsolete manufactured housing units will only be replaced with decent and safe manufactured housing units that meet HUD's wind zone requirements. In South Carolina, manufactured housing units must meet HUD's wind zone II requirements to be installed in Beaufort, Berkeley, Charleston, Colleton, Dorchester, Georgetown, Horry, Jasper, and Williamsburg Counties.³⁷ Eligible rehabilitation activities for existing manufactured housing units will include over the top tie downs for older units and the installation of hurricane shutters. In addition, owners of manufactured homes will be provided information on how to prepare their units for hurricanes and tropical storms.

How does your proposal help advance Environmental Justice (as defined in Section 1.A.4 of the NOFO)? As defined by HUD, environmental justice is the fair treatment and meaningful involvement of all people regardless of race, color, national origin, disability or income, including tribal persons, with respect to both positive and negative environmental and health impacts of a project. This principal, implemented by Executive order 12898 states that everyone deserves protection from environmental and health hazards and everyone should also have the opportunity to provide input in the decision-making process when federal funding is used to finance projects. If awarded PRICE funding, SC Housing will comply with the regulatory requirements for environmental justice in the environmental review process and ensure that all hazards identified during the environmental review process are mitigated effectively and compliantly. Applications submitted by Subrecipients that propose the mitigation and/or remediation of environmental and health hazards that are disproportionately affecting low-income communities of color will be prioritized through the application scoring matrix. Applicants will be required to address and remediate hazards that can be addressed within the budget and time constraints of the program, such as cleaning up contaminated lots, requiring the testing and replacement of pipes, solder, and

³⁷ Rousedl. (2023, October 18). *South Carolina Mobile Home Wind Zone List & Map*. SC Mobile Home Buyer. <https://www.scmobilehomebuyer.com/blog/south-carolina-mobile-home-wind-zone-list/>

flux that test positive for lead, prohibiting the placement of units in areas recognized by the National Oceanic and Atmospheric Administration to be impacted by 3 ft. sea level rise with the next fifty years, moving units out of areas prone to flooding, etc. PRICE activities undertaken will significantly improve living conditions by reducing negative effects caused by flooding, extreme heat, and severe weather events. As part of the application process SC Housing will require Subrecipients to engage the communities they propose to assist with PRICE funding by hosting public hearings to solicit feedback from the community and the people that will be affected by the funding if awarded.

Subfactor (b)(iv): Community Engagement (10 points)

How will you seek and encourage diverse stakeholder participation? SC Housing administers several federal programs that require public input in regards to program design and outcomes. To ensure input about PRICE is received from a diverse group of stakeholders SC Housing will use several vehicles to communicate information about PRICE. Through the administration of a multitude of programs SC Housing has established a strong network of partners that include other state agencies, non-profits, for-profits, municipalities, counties, councils of government, developers, financial institutions, lenders, HOME Program Community Housing and Development Organizations (CHDOs), and community development associations. SC Housing will use the Constant Contact email marketing tool to disseminate the draft PRICE application out for public comment to thousands of individuals and organizations that have signed up to receive information about SC Housing's programs. During the fifteen-day public comment period, SC Housing will host a public hearing to inform residents about PRICE funding and its potential impacts in South Carolina. The public hearing will be held both in-person and virtually to provide as many opportunities as possible for those who want to participate and provide feedback. If awarded PRICE funding, SC Housing will require its Subrecipients to garner input directly from the communities in which their proposals plan to impact.

To prepare the application, SC Housing met with the Manufactured Housing Institute of South Carolina (MHISC), whose mission is to maximize opportunities for South Carolinians to enjoy the benefits of living in a manufactured home. Members of the institute include manufacturers, retailers, financiers, repairers and managers of manufactured home communities. In addition to being headquartered in Columbia, SC the institute also has six local chapters spread throughout the state in Charleston, the Grand Strand, the Midlands, the Lowcountry, the Pee Dee and the Upstate. MHISC provided valuable input that has been incorporated into SC Housing's PRICE application and have offered to disseminate the draft application to their members and constituents for input.

While preparing the application, SC Housing presented information about its draft PRICE application to the members of the South Carolina Emergency Management Division's Recovery Task Force at its quarterly meeting. SC Housing serves at the State coordinating agency for the task force and participates in the development of the state's Emergency Operations Plan and Recovery Plan. During the meeting, SC Housing's vision and goals for PRICE funding were discussed and input was requested.

How does your proposal align with existing community plans and policies? If selected for an award, SC Housing will seek proposals from cities, towns, counties, and councils of government

that will identify a network of local partners to undertake PRICE activities in their communities. Through its inclusion of a eligible activities, local communities will be able to develop diverse proposals specific to their needs of their community and the barriers they face. By allowing flexibility in its program design, Subrecipients will be able to propose activities that fit within their existing community plans and policies and also provide opportunities for local governments to recognize that existing plans and polies may need to be re-evaluated to address barriers to using manufactured housing as a tool to increase affordable housing opportunities.

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South Carolina Exhibit E Capacity: (Factor C- Maximum 20 points)

The South Carolina State Housing Finance and Development Authority (SC Housing) is the premier administrator of affordable housing programs in the state of South Carolina. SC Housing has an experienced leadership team as well as seasoned managers and staff members whose primary focus is to increase affordable housing opportunities for the citizens of South Carolina through the compliant, efficient, and effective management of affordable housing programs.

Experience Managing Projects: SC Housing is the state Grantee and/or Program Administrator for several U.S. Department of Housing and Urban Development's (HUD) Community Planning and Development Programs; and in addition, administers other programs funded through the U.S. Department of the Treasury and the state of South Carolina. HUD Community Development programs administered by SC Housing include the HOME Investment Partnerships Program (HOME), HOME Investment Partnerships Program American Rescue Plan (HOME-ARP), the Housing Trust Fund Program (HTF), the Neighborhood Stabilization Programs (NSP1 and NSP3), and the SC Stay Program, which was funded with CDBG-CV funding. Other programs similar to PRICE administered by SC Housing include the Neighborhood Initiative Program (NIP), which was a blight removal and foreclosure prevention program funded through the U.S. Department of the Treasury and the SC State Housing Trust Fund Program (SC HTF), which operates two home repair programs and a supportive rental housing program.

HOME Investment Partnerships Program

SC Housing has administered the HOME Investment Partnerships Program (HOME) since its inception in 1992. Since the program began, SC Housing has been allocated \$283,284,390 in funding; of which, \$92.93% has been committed to projects and \$91.14% has been expended throughout the state of South Carolina. In recent years SC Housing has primarily focused the utilization of its HOME allocations on the preservation and production of affordable rental housing; however, SC Housing also has experience using HOME funds for homeownership, tenant-based rental assistance, and owner-occupied replacement housing activities. As of May 2, 2024, SC Housing has deployed its HOME program funds to produce 6443 units (46.3%) of rental housing (including tenant-based rental assistance), 6715 (48.3%) for homebuyer units, and 755 (5.4%) for owner-occupied homeowner units. In addition to the entitlement funds that are appropriated annually, SC Housing has earned \$70,732,804 of HOME program income funds to further the production of affordable housing in South Carolina. Of the program income earned, \$62,398,054 has been committed to projects and \$60,934,918 has been disbursed.

SC Housing awards its HOME funding for rental projects through the Small Rental Development Program (SRDP). SRDP is an SC Housing designed program that leverages multiple sources of federal and state funding to preserve and produce affordable rental housing units throughout the state. SRDP was created with the intent to leverage multiple funding sources to increase the number of units produced from annual funding cycles. The funding sources leveraged in the SRDP program include HOME, HTF, NSP program income, and SC Housing Trust Funds. A competitive application cycle is held each Spring during which, eligible nonprofits, for profits, municipalities, councils of governments and public housing authorities compete for funding. Since implementing the SRDP program in 2018, SC Housing has significantly increased the amount of HOME funding expended and units produced by leveraging the funding sources as compared to the amounts previously produced and expended when the funding was offered in siloed programs. In the five-

year period since implementing SRDP, SC Housing has committed \$39,049,849 in HOME funding to projects as compared to committing \$20,233,635 to projects from 2013 – 2017.

Housing Trust Fund Program

The primary purpose of HUD’s Housing Trust Fund Program (HTF) is to provide permanent affordable rental housing for extremely low-income and very-low income households for a period of thirty years. SC Housing has administered the HTF program since its inception and eventual capitalization in 2016. SC Housing awards its HTF allocations through its Small Rental Development Program (SRDP). To date, SC Housing has been authorized \$31,793,462 of which, \$23,807,595 (74.88%) has been committed to projects for the production of 148 rental units and \$20,324,991 (63.93%) has been disbursed. A single program audit conducted by Clifton, Larson, Allen LLC on October 13, 2023 produced no findings or questioned costs for SC Housing’s Housing Trust Fund Program.

Small Rental Development Program

To award projects in SC Housing’s Small Rental Development Program (SRDP) SC Housing holds a competitive application funding cycle each Spring. SC Housing takes the responsibility to create and release program materials for the funding competition. Each year as part of the action plan process a draft of the SRDP Application Manual is posted for public comment. At the expiration of the public comment period the input received is contemplated and decisions are made on whether or not to adjust the program as a result of the input received. Once the [SRDP Application Manual](#) is finalized, SC Housing hosts an application workshop during which, staff provide technical assistance to potential applicants on program requirements and how to complete the application. Topics covered during the workshop include: threshold requirements, applicant experience and financial capacity, project financial feasibility reviews, in-eligible sites, application scoring criteria, environmental review process, independent cost analysis, procurement, development budget, inspection requirements, compliance during the affordability period, and federal cross-cutting regulations such as Section 3, Davis-Bacon, VAWA, lead-based paint, Uniform Relocation Act requirements, fair housing, Section 504, and accessibility requirements, etc.

SC Housing prioritizes awards through scoring criteria and minimum threshold requirements that must be met in order for an application to be considered for funding. Threshold and scoring criteria are designed to prevent project delays to ensure timely completion and ensure projects are located in areas that are the most advantageous to tenants. SRDP applicants must meet the following threshold criteria to be considered for the funding competition:

- Minimum financial capacity requirements regarding net worth and liquid assets based on the number of proposed units.
- Must be in good standing with SC Housing – no issues of non-compliance, delinquent loan or compliance monitoring fee payments, no federally suspended or debarred applicants.
- Must meet minimum experience and capacity requirements developing and operating projects similar in nature to the proposed project using federal funds.
- Must meet completion benchmarks for previously awarded projects.
- Applicants must have site control and meet Uniform Relocation Act Notice to Seller requirements.

- Sites must be appropriately sized and zoned for the proposed project.
- Projects triggering relocation must meet all Uniform Relocation Act notification requirements and provide a written relocation plan for the proposed project.
- Rehabilitation projects must provide a physical needs assessment.
- Pre-1978 rehabilitation or conversion projects must provide lead-based paint risk assessments and pre-1988 projects must test the pipes, solder, and flux for lead and remediate if positive.
- Rehabilitation and conversion projects must provide asbestos test reports and abate if positive.
- New construction projects and rehabilitation projects proposing to extend building footprints must provide geotechnical reports.

The scoring criteria in the SRDP program is a tool used to incentivize developers to (1.) select project sites in locations that are the most beneficial to the quality of life for tenants, (2.) use sustainable building techniques, (3.) support underserved communities, (4.) leverage funds, and (5.) provide supportive housing services to tenants. Location considerations such as proximity to amenities (i.e. grocery stores, retail, healthcare, pharmacies, public schools, senior centers) and employment opportunities are prioritized to encourage developers to propose sites that will support the economic empowerment of very low and low-income tenants. The scoring criteria is also used as a deterrent to disincentivize developers from locating projects in areas in proximity to detrimental site characteristics (i.e. dumps, industrial sites, sewage treatment plants, electrical substations, junk yards, etc.) and areas of racially or ethnically concentrated poverty, and encourage previously awarded applicant's to promptly address performance issues, and to meet Section 3 numerical goals.

Submitted applications are evaluated by several departments at SC Housing. The initial application review is conducted by the Community Development team, which consists of the Director of Community Development, the Community Development Manager and three community development program coordinators. Applications are first reviewed for threshold items and completeness. Applicants are notified in writing of any deficiencies or clarifications that need to be addressed to move the application forward. Applications that pass the initial review process are provided to SC Housing's construction inspection team to schedule a visit to the proposed site(s) and to review the preliminary construction documents. Preliminary plans and specifications are reviewed to ensure SC Housing's mandatory design criteria, rehabilitation standards, and accessibility requirements are being met. In addition, the independent cost analysis is reviewed for cost reasonableness and geotechnical reports are reviewed to ensure the soil conditions are suitable for building and all recommendations in the geotechnical reports have been taken into consideration by the cost estimator.

Once all noted deficiencies or clarifications related to construction documents or the project site have been addressed by the applicant, the application is evaluated by SC Housing's team of underwriting staff. Underwriters review the applications for financial feasibility, eligible costs, subsidy limits, subsidy layering, rent and income limits, utility allowances and reserve requirements. Applications that are determined to be financially feasible are then scored, ranked and recommend for funding. Successful applicants are provided conditional commitments for HOME and HTF funding. The commitment is conditioned upon the completion of the

environmental review process and SC Housing's approval of the final plans and specifications. Applicants are then responsible for selecting an environmental consultant from SC Housing's list of approved consulting firms to prepare and submit the environmental review.

Upon completion of the environmental review, SC Housing issues written agreements for each funding source awarded to the project. Each awarded applicant is required to attend a mandatory Implementation Training during which, the Applicant is provided a copy of SC Housing's [SRDP Implementation Manual](#). The following topics are covered during the training to ensure the applicant understands what is required to successfully complete the project: written agreements, project completion benchmarks, regulatory requirements, loan closings, restrictive covenants, procurement, contractor credential requirements, inspection requirements, disbursement requests, federal and state reporting requirements, placed-in-service application, project close-out, and compliance monitoring requirements. After the Applicant participates in the Implementation Training, they are responsible for commencing the procurement process to select a contractor. Applicants are also responsible for utilizing the services of an accessibility consultant to ensure the project meets all fair housing, ADA, and accessibility requirements. After the project passes its final inspection SC Housing conducts a final underwriting review (placed-in-service application) and it is transferred to SC Housing's team of compliance monitoring staff who monitor the project during the affordability period.

Neighborhood Stabilization Programs 1 and 3

SC Housing administered the Neighborhood Stabilization Programs (NSP 1 & 3) on behalf of the South Carolina Department of Commerce, the State's CDBG grantee. Over \$57.2 million of NSP 1 and 3 funding was awarded by SC Housing through a competitive application process during which, twenty-two Lead Entities (Subrecipients) identified forty-one high capacity non-profits, for-profits, municipalities, councils of government, and public housing authorities to partner with to undertake NSP activities in their respective target areas. Activities undertaken included acquisition and rehabilitation of foreclosed properties, demolition of blighted properties, redevelopment (new construction), and land banking. The successful administration of the NSP programs resulted in 276 foreclosed properties being acquired and rehabilitated into affordable housing units, 378 blighted properties being demolished, 97 properties redeveloped into affordable housing, and 67 properties land banked to meet a CDBG national objective. SC Housing's design of the NSP programs created opportunities for low- and moderate-income households to lease affordable rental units, purchase affordable homes, and see blight removed from neighborhoods. In addition, SC Housing has utilized over \$3.6 of program income earned from NSP activities to fund projects in the SRDP rental program.

While administering NSP 1 and 3, SC Housing was responsible for: submitting the action plan amendment to HUD, creating a request for proposals to solicit applications, utilizing data to identify the areas of greatest need in the state to prioritize funding, evaluating received proposals and determining award amounts, creating program materials (i.e. program implementation manual and associated forms, training materials, written agreements, loan documents, restrictive covenants, internal and external application file checklists, etc.) completing environmental reviews, evaluating projects for eligibility, hosting technical assistance workshops, developing a database to track program progress, produce reports, track data, document the 18 month obligation deadline was met, perform reviews of plans and specifications, inspect new construction and

rehabilitation projects, review and process disbursement requests, entering data into DRGR and submitting quarterly reports to HUD, reviewing income certifications, underwriting for rental and homeownership projects, compliance monitoring reviews during the affordability periods, and ensuring record retention periods are met. Awarded applicants were responsible for responding to the requests for proposals, identifying partners to take on NSP eligible activities, submitting progress reports, attending mandatory trainings, identifying eligible properties in the target areas, acquiring properties, following federal procurement requirements to hire contractors, completing and submitting state and federal reports, such as the HUD-2516 and Section 3 reports. In addition, awardees were responsible for ensuring rental properties meet occupancy and property standard requirements during the affordability periods.

Neighborhood Initiative Program

The Neighborhood Initiative Program (NIP) was created in 2014 by SC Housing in partnership with its non-profit affiliate, SC Housing Corp. The goal of the Neighborhood Initiative Program was to stabilize property values through the removal of blighted properties in strategically targeted areas in an effort to prevent future foreclosures for existing property owners in assisted communities by stemming the decline of home values and acting as a catalyst to initiate redevelopment and revitalization in areas suffering from blight and decline. NIP was made possible by the U.S. Department of the Treasury through the Hardest Hit Fund. SC Housing's NIP program was successful due to its partnerships with twenty-six Lead Entities and their thirty-four nonprofit partner organizations, which were able to acquire and demolish 882 blighted properties and expend \$22,897,363 in funding.

To implement the program, SC Housing was responsible for creating the program design and submitting it for approval to the U.S. Department of the Treasury. SC Housing implemented a competitive application process and required local governments that were designated as "Lead Entities" to apply for funding with at least one non-profit Partner. Partners were required to hold title to the blighted property and complete the demolition. In an effort to provide funding opportunities that best allowed for the equal distribution of funding to qualified applicants throughout all areas of the state, funding amounts were made available by region in amounts proportionate to population size. Application scoring was determined by the applicant's Experience and Capacity, Blight Elimination Plan, Acquisition Strategy, Demolition Strategy, Property Maintenance Strategy, Leveraging Funds, and Redevelopment and Greening Strategies. Lead Entities were responsible for identifying Targeted Areas of Greatest Need within their communities and were required to provide the following with the application:

- Color maps that clearly define the boundaries of the Target Area(s); and
- Anticipated source(s) of properties to be acquired and the Partner(s) that will be acquiring them; and
- Reasons each Target Area was selected and how its inclusion in the *Blight Elimination Plan* will reduce foreclosures for existing homeowners, stabilize or increase the value of surrounding properties, attract private investment and development, or support current investment and development; and
- For each Target Area, include the number/percentage of owner-occupied residential units and foreclosures and provide evidence of a decline in property values; and

- Describe any assets located in the Target Area(s) including recent and proposed public or private investments, proximity to employment, major institutions, and amenities; and
- Describe the expected impact of the proposed demolitions on the fabric of the neighborhoods. Include the metrics that will be used to measure program outcomes, such as crime statistics, fair market values, reduced foreclosure listings, lower unemployment rates, and reduced number of emergency response calls.

SC Housing was responsible for onboarding a database solution to track activities, expenditures, and produce reports. SC Housing was also responsible for creating all program materials such as manuals, written agreements, legal documents, forms, training materials and reports. NIP staff provided technical assistance to Lead Entities and Partners. Partners identified blighted properties located within the target areas, contacted property owners to negotiate sales prices, acquired properties, followed federal procurement requirements to solicit contractors to conduct asbestos testing and remediation when necessary and demolish and green the properties. After the properties were demolished, the Partner was responsible for maintaining the properties for the duration of the three-year compliance period. SC Housing's NIP staff were responsible for reviewing property applications to determine eligibility, approve sales prices, evaluate work-write ups for cost reasonableness, review compliance documentation to ensure asbestos and lead-based paint regulatory requirements were met, conduct inspections, process disbursement requests, prepare legal documents, track progress of awards, conduct compliance reviews (monitoring), and maintain program records in accordance with state and federal record retention requirements.

SC Housing Trust Fund Program

The South Carolina Housing Trust Fund (SC HTF) is a state funded resource designed to provide financial assistance for the development and preservation of affordable housing for low-income households in South Carolina. The South Carolina Housing Trust Fund Act allocates a portion of the state's documentary stamp tax on property transactions (20 cents per \$500 in valuation) to be placed in a dedicated account for the SC HTF program. The legislation requires a compliance period of twenty years for all projects assisted with the SC HTF and all beneficiaries must have annual incomes that do not exceed 80% of area median income. The SC HTF currently allocates funding to three primary activities: The Small Rental Development Program (SRDP), Home Repair Programs, and Supportive Rental Housing.

Through its administration of the SC HTF, SC Housing provides financial assistance to low-income homeowners to make essential repairs to their primary residence through two home repair programs. The [Home Repair Program](#) and the [Critical Home Repair Program](#) provide financial assistance to assist low to very low-income homeowners with essential interior and exterior home repairs to correct life, health and safety issues so that they can live safely in their homes. These programs help to repair or replace major housing systems, including roofs, water heaters and HVAC equipment. Eligible assistance also includes home modifications, such as ramps to provide accessibility for persons who are disabled or other modifications necessary to allow seniors to age in place. A home inspection is conducted to identify necessary repairs that are needed to provide the homeowner with safe and decent living conditions. Assistance is provided through a network of SC HTF Sponsors which include, nonprofits, municipalities, councils of government, and municipal associations that are approved to participate in the programs through a participant qualification process. In the past five years, the SC HTF through its partnerships with approved

Sponsors has expended \$14,214,968 to provide funding to 1,566 homeowners to repair their homes. SC Housing currently has a network of 28 approved Sponsors working in the Home Repair and Critical Home Repair programs.

SC Housing's responsibilities for the administration of the SC HTF home repair programs entail designing and implementing programs, creating application manuals and associated documents, providing technical assistance to Sponsors, reviewing and awarding applications, conducting inspections, tracking the number of homes and households assisted and dollars expended, record retention, monitoring for compliance during the affordability period and providing the [SC HTF Annual Report](#) to the SC General Assembly. Sponsors are responsible for the intake and submission of home repair applications to SC Housing which includes: determining household income, property eligibility, verifying property ownership, and conducting an initial walk-through inspection of the home to determine if the home can be repaired into a safe and habitable condition within the funding limitations of the programs and developing a preliminary rehabilitation budget. Once the application is approved, the Sponsor is responsible for hiring contractors to complete the repairs and notifying SC Housing when the work is complete and ready to be inspected.

SC Housing's SC HTF staff are responsible for reviewing the applications for completeness and to determine if the household and property are eligible for the programs. When it's determined that a home qualifies for assistance an initial inspection is conducted by SC Housing's inspection staff to determine the scope of work and evaluate the contractor's credentials to ensure they are appropriately licensed and insured to complete the work. Once the work-write ups and contractors are approved, SC Housing provides the Sponsor a funding agreement and restrictive covenants to secure a lien on the property for the 20-year compliance period. After the documents are returned, a notice to proceed is issued by SC Housing to the Sponsor to notify the contractor(s) to begin work. Sponsors are then responsible for requesting an inspection and submitting a disbursement request to pay the contractor(s) when the work is complete. Additional responsibilities of the Sponsors include being the primary point of contact for the homeowner, providing the homeowner copies of all warranties for work completed and equipment installed, maintaining waiting lists in compliance with fair housing laws and maintaining their EPA Renovation, Repair and Painting Program firm certification when working on homes built prior to 1978.

Through its administration of the SC HTF Program SC Housing has become acutely aware of the need for programs like PRICE to assist homeowners residing in homes and manufactured housing units that cannot be assisted with SC Housing's home repair programs due to their dilapidated condition. SC Housing's Home Repair program offers financial assistance up to \$75,000 per home, which unfortunately is not enough funding to assist homeowners residing in homes with the most deplorable living conditions. The most prevalent reason that homes do not qualify for assistance in SC Housing's home repair programs is that they need repairs beyond the program's funding limitations to be brought back into safe and habitable condition. As of July 1, 2022, SC Housing received 144 home repair applications of which, 63 were determined to be ineligible for funding. Of those ineligible, 52% (33) were denied assistance because of the condition of the home. Through the administration of the home repair programs SC Housing sees evidence that there is a substantial amount of housing stock in South Carolina that in such horrid condition it makes more sense economically to replace it vs. preserving it.

Experience Using Grant Funds: *The SC Stay Program*

SC Housing administered the SC Stay Program on behalf of the S.C. Department of Commerce, the state's CDBG Grantee. SC Stay was funded with CDGB-CV funds and provided rental and mortgage assistance payments during the COVID-19 pandemic. The program deployed \$10,749,944 in rental and mortgage assistance payments to low-income tenants and homeowners that faced financial hardships as a result of the pandemic. The assistance enabled 2,236 households (5,266 individuals) to remain in their homes by bringing their past due rent and mortgage payments current. Although the SC Stay program's eligible activities are not acutely similar to PRICE, it is an excellent example of SC Housing's capacity to overcome challenges and successfully launch a new program and begin deploying funding expeditiously. SC Housing was able to implement the SC Stay program in under four months, which included, building a database that had the ability to accept and process applications on-line directly from households in need of assistance, maintain program records, disburse funds, produce reports, generate funding agreements and route documents and forms electronically for signature by the applicants and landlords. In addition, to address the high volume of calls received from residents, SC Housing established the SC Stay hotline which was manned by a staff of twenty-one people. Hotline staff were trained to manage the hundreds of calls received daily from residents looking for assistance and needing help to complete their applications. To award funds, SC Housing deployed a competitive application process that resulted in a network of thirty-two Processing Agencies that were selected based on their demonstrated experience and financial capacity to evaluate and process SC Stay applications.

The network of Processing Agencies, which consisted primarily of nonprofit Community Action Agencies were responsible for the initial application reviews to determine eligibility and calculate assistance amounts. To ensure compliance, secondary reviews of applications were completed by SC Housing staff and the Guidehouse firm to ensure funds were expended in compliance with regulatory requirements.

SC Housing staff have extensive experience implementing and launching newly introduced grant programs. Previous experience and lessons learned have given staff the perspective necessary to anticipate challenges and develop solutions to overcome them. When launching new initiatives, staff and external partners have come to expect programmatic changes and policy updates along the way that alter initial program design and require staff and partners to pivot from the originally planned path of implementation. Launching a new program is always a challenging endeavor; however, adding to the mix the complexities brought forth by the pandemic significantly exacerbated the challenge. Staff and program partners had to adjust their daily work routines during the pandemic to institute social distancing measures and transition to working remotely.

As anticipated, the pandemic was not the only challenge faced implementing the SC Stay program. Developing the software platform took longer than expected and it was necessary for staff to work extended hours to test and implement the software solution. The software was built as two separate components. To expedite the launch of the program, the decision was made to open up the program and begin accepting applications before the back end of the software solution was fully functioning. This decision enabled the Processing Agencies to begin reviewing applications and start collecting missing documentation from applicants, landlords, and lenders. In the meantime, staff finalized the software implementation and were able to begin promptly processing payments.

Additional difficulties faced were the quantity and quality of applications received, vendor registration issues, stimulus payments/tax refunds, and competing programs such as the U.S. Department of Treasury's rent and utility assistance programs. SC Housing received 7,353 applications for SC Stay assistance. SC Housing anticipated the high volume and designed the software to pre-screen applications to automate as much of the process as possible. The screening tool was very efficient in routing out ineligible applications that Processing Agency staff did not need to take the time to review manually. Although the high volume of applications was anticipated, the quality of the applications was not. Many applicants failed to provide required documents or uploaded documents that were not legible. To address these issues, SC Housing reopened the application portal and notified applicants via an email script written in the software to upload the missing items into their applications.

An unanticipated challenge that arose was related to the state's vendor registration process. To receive payments, landlords and lenders had to register as vendors through the state's Division of Procurement Services. This process can take up to 30 days when volume is high. The influx of landlords and lenders registering in the system caused significant delays and payments became back logged. Many landlords became frustrated with the process and became impatient waiting to receive payments. To address the situation, SC Housing altered the process and began working directly with the state's Division of Procurement Services to handle the registration process internally through an automated process that enabled registration numbers to be processed more efficiently.

SC Stay was one of many similar programs administered in the state that offered housing assistance payments to those affected financially by COVID-19. Ensuring applicants did not receive a duplication of benefits had its challenges. Processing Agency staff as well as SC Housing staff communicated with other programs when necessary to verify if applicants had received assistance from other programs. Fortunately, SC Housing also administered the SC Stay Plus Program which was funded through the U.S. Department of the Treasury. Administering both programs enabled SC Housing to quickly verify whether or not an applicant had received or applied for assistance in the other program.

Issuing payments to mortgage lenders to assist homeowners also had its challenges. Payments processed by SC Housing are automatically sent out to the payee by the state's Treasurer's Office. The system utilized to process and route the payments did not have the capability to input a sufficient amount of data on the checks to notify lenders who and what the payments were for. Homeowner assistance payments were being returned by lenders who did not have enough information to know which accounts the payments needed to be applied to. To correct the problem SC Housing adjusted the process and began having the Treasurer's Office return the checks to SC Housing in lieu of sending them out directly to the lenders. SC Housing then mailed the payments to the lenders and included the information necessary with the check to ensure the lender was aware of how to apply the payments.

Key Staff: SC Housing is a state agency with a staff of approximately 150 people. The agency administers a diverse portfolio of affordable housing programs such as the Housing Choice Voucher Program, Low Income Housing Tax Credits, SC State Tax Credits, Multi-Family Tax Exempt Bond Program, HOME-ARP, and several Homeownership Programs financed through

mortgage revenue bonds. In addition to the program staff, SC Housing also has several departments within the agency to support staff that administer programs. The primary divisions of the agency that provide support to program staff are the Executive Division, Marketing and Communications, Public Outreach, Human Resources, Finance, Procurement, Facilities Management, Legal Services, Mortgage Production and Servicing, Rental Assistance and Compliance, and Information Technology.

SC Housing's Leadership Team

Richard Hutto, Executive Director In June 2023, Richard Hutto was named the interim executive director at the SC State Housing Finance & Development Authority (SC Housing), where he provides strategic leadership, oversight and financial direction for the agency. In March 2024, he was subsequently appointed executive director. In this role, Hutto brings his expansive experience in finance and affordable housing to bear, making SC Housing a dynamic and versatile institution that stays on the leading edge of affordable housing development in the state. Hutto is highly regarded in the financial industry, with a proven track record in accounting, finance, auditing and underwriting. He also brings vision, innovation, and an in-depth understanding of the affordable housing landscape, with more than 30 years of prior service with SC Housing as its deputy director of financial operations, director of contract administration and chief financial underwriter.

Prior to his appointment as interim executive director, Hutto served with the SC Office of the State Treasurer as a senior assistant state treasurer. In this role, he provided professional and technical advice to institutions and legislative staff on issues related to debt issuances, tax credits, and legislation. He also advised senior management on risk management related to agency systems, services and controls, including assessing and prioritizing risk for execution of internal audits. He also exercised leadership oversight of external audit functions as well. Hutto is a native South Carolinian and holds a bachelor of science degree in business administration from the University of South Carolina. He is a Certified Public Accountant and Certified Public Manager.

Marni Holloway, Deputy Director of Programs In November 2022, Marni Holloway was named deputy director of programs at the SC State Housing Finance & Development Authority (SC Housing), where she provides leadership and oversight for various affordable housing development, rehabilitation, rental compliance and housing assistance programs. Holloway has more than 20 years of professional experience in real estate finance and affordable housing with state and local governments, nonprofits, and for-profit developers. She is well-versed in the complexities of housing finance, using the Low-income Housing Tax Credit (LIHTC), HOME Investment Partnerships Program, Housing Trust Fund (HTF), Neighborhood Stabilization Program (NSP), Community Development Block Grant (CDBG), Private Activity Bonds (PAB) and various local and private funding sources to promote the production and preservation of both affordable homeownership and rental housing.

Prior to joining SC Housing, Holloway served as the Consulting Services Director for TDA Consulting, Inc., a nationally-recognized technical assistance provider for the affordable housing community. She has deep roots in the affordable housing industry, having held senior roles at the Texas Department of Housing and Community Affairs, most recently as the multifamily finance

director where she oversaw the development implementation of the state’s Qualified Allocation Plan and direct multifamily lending products. She also served as the Neighborhood Stabilization Program director at Texas Department of Housing and Community Affairs. Prior to this role, she designed and implemented the shared-equity homeownership and community land trust programs for the city of Austin, Texas. Holloway studied at St. Edward’s University and is a HOME Certified Specialist—Regulations, Administration and Rental Housing Compliance.

Lee Ann Watson, General Counsel In October 2022, Lee Ann Watson was hired as general counsel at the SC State Housing Finance & Development Authority (SC Housing), where she provides legal advice to leadership at the agency. In this role, Watson works with various departments and actively collaborates with stakeholders to ensure that agency programs are administered lawfully. Prior to her joining SC Housing, Watson served as the executive director for the South Carolina Retail Association, and as general counsel for the South Carolina Human Affairs Commission. She is a Certified Public Manager, graduate of Leadership Columbia and a graduate of the Riley Institute’s Diversity Leaders Initiative through Furman University. Watson holds a Bachelor of Arts from Furman University and a Juris Doctorate from the University of South Carolina.

Ellen Eudy, Deputy Director of Financial Operations In March 2020, Ellen Eudy was named Chief Financial Officer, now Deputy Director of Financial Operations, for the SC State Housing Finance & Development Authority (SC Housing), where she provides oversight for the banking, finance, and procurement functions, as well as financial leadership across all departments. In this role, Eudy ensures the financial integrity and soundness of the agency through proper oversight of accounting ledgers and reporting, housing debt, bonds, cash and investments, budgetary, compliance, and other financial matters. She ensures that proper systems of internal control are established, documented, and followed, and she develops organization prospects by studying economic trends and revenue opportunities.

Prior to her joining SC Housing, Eudy served as chief financial officer at the City of Houston Housing and Community Development Department. In this role, she had oversight responsibility for more than \$100 million in annual expenditures. She worked with developers, non-profits, and various city departments to fund the construction, renovation, and acquisition of affordable housing, public facilities, and improvements for the City of Houston. Eudy holds a bachelor of arts in business administration from the University of North Carolina, Charlotte. She is also certified as a Rental Housing Development Professional.

SC Housing’s Program Staff

Jennifer Cogan, Director of Community Development Jennifer joined SC Housing in 2001. She has over twenty years of experience administering affordable housing programs. As the Director of Community Development, she is responsible for the oversight of SC Housing’s HOME, Housing Trust Fund, HOME-ARP, Neighborhood Stabilization, Neighborhood Initiative, SC Stay, and SC Housing Trust Fund programs. She has been a Certified Public Manager since 2012 and also attended the Steps Leadership Development Program in 2014. Jennifer holds the following affordable housing industry credentials: National Development Council Housing Development Finance Professional 2009, National Development Council – CDGB Revolving Loans, Certified

HOME Specialist Administration & Regulations 2006/2008, Certified Environmental Officer, Lexington County CDBG Advisory Board Member

PRICE Responsibilities: Policy development, development of RFP to solicit applications, outreach, software development, develop written policies and procedures, risk management.

Jessica Donald, Community Development Manager Jessica has been with SC Housing since 2011. Prior to her current role as the Community Development Manager Jessica held the position of the Community Development Division's Auditor. Her experience and roles with SC Housing have enable her to develop a wealth of knowledge and experience regarding the successful administration of federally funded affordable housing programs. In addition to her work experience with SC Housing Jessica is a licensed realtor and residential contractor.

PRICE Responsibilities: Staff supervision, creation of program materials, subrecipient monitoring, review of disbursement requests, loan payment tracking, audit confirmation requests, liaison with mortgage servicing and compliance departments.

Brenda BeCraft, Program Coordinator and Section 3 Specialist Brenda joined SC Housing's Community Development team in 2021 as a program coordinator working with the agency's HOME, HTF, NSP, and SC HTF programs. She is responsible for the daily oversight and management of the projects and awarded developers that are assigned to her. She is highly proficient in Microsoft Excel, using that as a tool to help make processes more efficient and streamlined. She has a Bachelor of Science in Geology. She has participated in the following trainings and has become proficient on the following cross-cutting requirements and programs: Accessibility, Community Housing Development Organizations, Davis-Bacon, Disaster Recovery Grant Reporting System, Fair Housing, Building HOME, National Housing Trust Fund, Integrative Disbursement & Information System Use and Close-Out, Lead Based Paint Regulations & Remediation, Manufactured Housing, Neighborhood Stabilization Program, National Standards for the Physical Inspection of Real Estate, Section 3, Tax Credit 101, and Uniform Relocation Assistance.

PRICE Responsibilities: Creation of Excel Application and application forms, serve as back-up to disbursement coordinator, daily oversight and management of funding recipients and their projects. Assists with action plan updates and QPR submissions in DRGR.

Eric Kiesling, Program Coordinator and IDIS/Disbursement Specialist Eric has been a program coordinator working with SC Housing's Community Development Programs since 2019. He is responsible for the daily oversight and management of the projects and awarded developers that are assigned to him. Eric is also responsible for committing and expending funds in HUD's IDIS and DRGR systems and assists with the annual preparation of the HOME and HTF action plan and annual performance reports. He is proficient is federal regulatory requirements relative to HUD Community Planning and Development programs.

PRICE Responsibilities: Processes disbursements in DRGR, daily oversight and management of funding recipients and their projects, tracking funds awarded, disbursed and obligated.

Jeffrey Lauffer, Program Coordinator and Environmental Specialist Jeffrey has been the Community Development Environmental Specialist since 2018. He is responsible for the completion of environmental reviews conducted in accordance with the regulatory requirements of the HOME, HTF, NSP, and CDBG-CV programs. Jeffrey is very passionate about protecting

the environment and he stays current on regulatory changes and policy updates related to the environmental review process. He participates annually in the HUD WISER modules virtual trainings and has recently participated in the following environmental trainings: Avoiding Findings and Errors Part 58- Documentation, Avoiding Findings and Errors Part 58- Process, Environmental Assessment Factors eGuide Webinar, Request for Release of Funds Training, 24 CFR 58.6 Compliance Factors, Overall Rehabilitation Review Process Part 1, Overall Rehabilitation Review Documentation Part 2, Endangered Species Act, Farmland Protection, Floodplain Management, Wetland Protection, Wild and Scenic Rivers, Sole Source Aquifers, Inaugural Enterprise Resilience Academy for the Southeast Region. Sept 2021-Dec 2021

PRICE Responsibilities: Processing environmental reviews, maintaining SC Housing's list of approved environmental specialists, participating in environmental review trainings, updating SC Housing's environmental review manual as needed. Providing technical assistance and serving as a liaison between environmental consultants and developers. Providing recommendations for PRICE project requirements and incentives regarding sustainability and resilience.

Teri Stohlberg, Federal Compliance Coordinator Teri joined SC Housing in August of 2021 working with the SC Stay Plus Program, funded by the U.S. Department of the Treasury that deployed more than \$335 million in federal financial assistance to households experiencing financial hardships as a result of the COVID-19 pandemic. In November of 2023 upon the closure of the SC Stay Plus program Teri transferred to the Community Development Department to become the Federal Compliance Coordinator. In this position Teri specializes in compliance with Section 3 and Community Housing Development Organizations (CHDOs) regulatory requirements. Prior to joining SC Housing Teri worked in real estate management and as a realtor. Teri graduated from the University of Texas with a Bachelor's in Business Administration majoring in real estate.

PRICE Responsibilities: Providing technical assistance to PRICE Partners to ensure compliance with Section 3 and other federal requirements. Reviewing Section 3 reports and documents, informing management of issues of non-compliance.

Calvin Ford, Program Coordinator Calvin joined SC Housing's Community Development team in 2023 as the HOME-ARP Program Coordinator. He graduated from the University of South Carolina in 2023 with a Bachelor of Arts in Political Science and a minor in Business Administration. Calvin has experience working with exploratory data analysis and interpretation. He has experience working with Python, Tableau, and SQL.

PRICE Responsibilities: Assist with research necessary to develop programmatic policies and procedures for PRICE projects. Daily oversight funding recipients and their PRICE projects. Staying informed of all HUD guidance and notices issues regarding PRICE. Data tracking and record retention.

John Thompson, Inspections Manager John joined SC Housing as the Construction Inspection Manager in 2016. Prior to joining SC Housing he owned and operated a successful construction company and held several positions with Lowe's for seventeen years (millwork specialist, installation manager, commercial sales manager).

PRICE Responsibilities: Supervision of inspection staff. Create written requirements for mandatory development design criteria and rehabilitation guidelines for PRICE. Review and approval of construction related documents such as: plans, specifications, work write-ups,

independent cost analysis, bid documents, geotechnical reports, lead-based paint risk assessments, asbestos test reports, etc. Create mandatory inspection schedules for PRICE projects. Conduct inspections to review and approve completed work in place, change orders, and disbursement requests.

Terry Childers, Inspector Terry joined SC Housing as a construction inspector in 2024. He started his career as a rough carpenter in 1982 and framed houses for seventeen years. He was a member of the Carpenter’s Union and achieved journeyman status in 1986.

PRICE Responsibilities: Schedule and conduct inspections and report results back to program coordinators, developer, and contractors. Notify management of any serious deficiencies or items of concern that warrant management intervention.

Keith Morse, Inspector Keith joined SC Housing as a construction inspector in 2019. Prior to that he was a residential construction foreman for twelve years. He has attended trainings and received certifications for multi-family accessibility and INSPIRE.

PRICE Responsibilities: Schedule and conduct inspections and report results back to program coordinators, developer, and contractors. Notify management of any serious deficiencies or items of concern that warrant management intervention.

Gil Smith, Inspector Gil joined SC Housing as a construction inspector in 2016. He has an architectural engineering degree from Midlands Technical College in Columbia, SC. He also holds the following credentials from the SC Department of Labor and Licensing: licensed unlimited builder, water and sewer license, licensed home inspector, licensed construction estimator.

PRICE Responsibilities: PRICE Responsibilities: Schedule and conduct inspections and report results back to program coordinators, developer, and contractors. Notify management of any serious deficiencies or items of concern that warrant management intervention.

Chris McMillan, Director of Development Finance

PRICE Responsibilities: Supervision of underwriting staff. Development of underwriting guidelines for PRICE projects. Review of submitted applications for financial feasibility, cost eligibility, subsidy layering requirements, rent limits and utility allowances.

Amy Harmon, Development Administrative Assistant

PRICE Responsibilities: Posting and maintenance of materials and information to SC Housing’s PRICE webpage. Sending out notifications such as program notices and other relevant program information via Constant Contact. Creating email distribution lists. Assists with the logistics necessary to host the public hearing and other technical assistance workshops related to PRICE.

Renaye Long, Strategic Communications Director In February 2017, Renaye Long joined the SC State Housing Finance & Development Authority (SC Housing) as the Deputy Director of Administration with oversight responsibilities for marketing, procurement, human resources, information technology and legal. After agency realignments, Long was subsequently named communications and outreach director, now strategic communications director, in January 2020, where she provides leadership and oversight for the communications and outreach division. Long currently provides leadership for marketing and communications, media relations, creative design, digital media, community outreach, and public engagement. In May 2024, housing data trends,

policy and governmental affairs were added to her responsibilities in order to better support the agency's external relations work. She also leads housing disaster recovery efforts in partnership with the SC Emergency Management Division, along with other federal, state, and local partners, in order to explore housing solutions for impacted communities and plan for the long-term resilience and sustainability of efforts. Long serves as the Housing Recovery Support Function (RSF) chair for this critical state planning function. Her work also includes outreach and community capacity building through involvement with organizations like the SC Interagency Council on Homelessness, SC Department of Mental Health State Planning Council, SC Department of Health and Environmental Control's State Health Improvement Plan workgroup, SC Appleseed Legal Justice, South Carolina Legal Services, and a host of other community organizations. The voice of advocates and persons with lived experience are an integral part of these discussions. Long holds masters of social work and masters of public administration degrees from the University of South Carolina, as well as a Bachelor of Arts degree in psychology and sociology from Indiana University, Bloomington. Long is a graduate of the Certified Public Manager Program (May 2021) and also completed the Graduate Certificate Program in Primary-Behavioral Health Integration through the University of Massachusetts in December 2012. She currently holds a license as a Licensed Master Social Worker (LMSW) in South Carolina.

Price Responsibilities: Directing the overall marketing strategy for the program to ensure alignment with affirmative marketing and fair housing goals and strategies. Implementing engagement strategies to ensure access and equity on all communication channels. Ensuring alignment with the agency's marketing approach as outlined in Attachment B. Mobilizing existing partnerships around shared PRICE program goals.

Lisa Wilkerson, Director of Rental Assistance and Compliance Monitoring In December 2021, Lisa Wilkerson was named Director of Rental Assistance and Compliance at the SC Housing, where she directs and manages the overall design, implementation and daily operations of the Housing Choice Voucher (HCVP), Performance Based Contract Administration (CA), and the multi-family Compliance Monitoring programs at SC Housing. Wilkerson joined SC Housing in December 2003. She previously served as: the manager of the foreclosure, bankruptcy and REO department for five years; mortgage production and post-closing manager for four years; and quality control and compliance manager for an additional five years. In addition, she spent much of 2021 serving as joint operations manager for the newly established federal emergency rental and homeowner assistance programs at SC Housing. Wilkerson holds a bachelor of science degree in Financial Management from Clemson University and has earned Associate Public Manager and Certified Professional Manager designations through the S.C. Department of Administration. She has achieved her Uniform Property Conditions Standards Certification in addition to her Certified Professional of Occupancy designation. She completed the Development Dimensions International Leadership Program and is a graduate of SC Housing's STEPS Leadership Development Program. She is an FHA Direct Endorsement underwriter and is trained in Mediation Theory and Skills through the S.C. Department of Administration.

Tonya Holmes, Director of Compliance Monitoring Tonya has been with SC Housing for seventeen years and has been the Director of Compliance monitoring since 2021. She graduated from Limestone University with a Bachelor of Science in Business Administration and holds the following certifications: HOME Compliance Specialist – HCS; Certified Credit Compliance

Professional -C3P; Certified Professional of Occupancy – CPO; Housing Credit Certified Professional – HCCP; National Standards for Physical Inspection of Real Estate- INSPIRE.

PRICE Responsibilities: Supervision of compliance monitoring staff. Development of policies and procedures for monitoring PRICE projects.

Experience Promoting Racial Equity: The South Carolina Housing Finance and Development Authority (SC Housing), is committed to serving all of the state’s demographics, regardless of protected class. As discussed in the Affirmatively Furthering Fair Housing Narrative, the intent of SC Housing is to provide grant opportunities to local governments from any award obtained under this application. In selecting grant awardees, SC housing will pay special attention to those local government applicants with strong community contacts that serve target populations of black and brown communities, limited English proficient (LEP) individuals, disabled individuals, and families.

SC Housing has a strong track record of overcoming barriers, cultivating relationships, sustaining engagement, and delivering services and assistance to demographically diverse beneficiaries and communities. Our work also involves partnering with a broad range of public and private organizations to address emerging housing needs as the affordability gap widens even more in our state. South Carolina is a state that believes in “Communicating, Coordinating, and Collaborating,” as our Governor often states, before a disaster happens. As new opportunities for cross sector planning continue to occur, SC Housing is there to join these conversations about locally-driven solutions to the varying affordable housing needs in local communities. The agency also uses a diverse suite of marketing and outreach strategies to connect residents to resources and services.

In terms of SC Housing’s existing programs, approximately 40% of those individuals receiving Single-Family benefits by way of the SC Housing Mortgage Production and Mortgage Servicing departments are Black, which is a significantly greater percentage than the state’s population as a whole. Most recently, the agency administered two emergency housing programs funded by the Department of Treasury—SC Stay Plus (ERAP) and SC Homeowner Rescue (HAF) to address the urgent housing needs of South Carolinians who were at risk of losing their homes due to a COVID-19 pandemic-related hardship. Many families in arrears on their rent, mortgage and utilities and could not regain their footing even after businesses reopened, their working hours returned to normal or they found new employment. Still, others experienced lingering health or medical issues. The SC Stay Plus program provided emergency rental assistance to individuals living in a 39-county service area, that included some of the most rural, economically distressed, hard-to-reach communities in our state. Through the marketing strategies outlined below, the SC Stay Plus assisted 39 SC counties where SC Housing was authorized to administer these funds. SC Stay Plus has provided approximately 82,700 South Carolinians with \$335 million in rental and utility assistance before closing in FY 2023. The SC Homeowner Rescue Program also provided approximately 14,600 homeowners with more than \$116 million in mortgage, utility and other eligible assistance before closing. According to the program closeout reports, the demographic breakdowns were as follows:

SC Stay Plus (ERAP): According to the FY 2024 (Q1 Report), 75% or 66,480 of the 88,635 total households were Black or African American, greatly exceeding the 26.3% population figure for

the state. Only, 2,417 or 2.7% of beneficiaries were Hispanic or Latino, which is below the 6.6% population percentage based upon U.S. Census Bureau Quick Facts.

SC Homeowner Rescue (HAF): According to the FY 2024 (Q1 Report), 69.4% or 10,135 of the 14,597 total households were Black or African American again exceeding their population percentage for the state. Only, 379 or 2.6% of beneficiaries were Hispanic or Latino, which is below the percentage of the population.

Program metrics and marketing go hand-in-hand. In the SC Stay plus program, estimates of the projected number of individuals at the zip code level who might qualify for the program versus comparison of actual applicant volume were regularly evaluated. Marketing efforts were aligned to address low participation and/or low utilization. As a result, boots-in-ground outreach strategies and the inclusion of pop-up events in partnership with community organizations at familiar locations in the community because essential information portals for connecting with potential applicants. The SC Housing communications team also mobilized partners to “get the word out” and cobranded fliers to further legitimize the program to communities of color, who are oftentimes distrustful of “government programs” and skeptical of its ability to deliver what is promised. Informal support in the community, such as faith-based leaders or grass roots organizations, are often contacted after by residents after community events for validation of information shared and/or clarification on the process. Also, community outreach is not a single event, but a building block for continued discussion and dialogue. It was not uncommon for community leaders to pass the information on to another organization and/or facilitate additional connections that allowed messages to further penetrate the community.

Key Takeaways from Emergency Housing Programs Inclusionary Strategies:

- Get into the rhythm and flow of the community;
- Tap into various access points and information pathways;
- Meet people where they are;
- Listen, Learn, and ADAPT strategies;
- Connect with groups that have “earned trust” in the community;
- Honor cultural and community traditions, norms, and preferences for engagement;
- Cultivate relationships and sustain relationships with community partners;
- Build credibility by showing up beyond the 9-5, such as for evening and weekend events; and
- Once invited in, you may become a facilitator, connector, resource, and advocate to help residents work through housing issues and concerns.

Marketing Approach/Guiding Principles:

SC Housing’s communications team would apply similar marketing campaigns for the programs developed under this grant, such as social media, grassroots and community events, as well as traditional media opportunities (print, radio, websites, etc.) In conjunction with local governments, SC Housing believes the most successful marketing will involve community events across the state in or around areas of manufactured housing, that will educate community members (to include Spanish speakers) of opportunities for benefits and services available pursuant to any award.

Experience Completing Environmental Reviews: SC Housing has extensive experience completing environmental reviews. Jeff Lauffer, SC Housing's environmental specialist has completed forty-three environmental reviews since taking on the responsibility in 2018. Completing an environmental review is necessary to determine if proposed projects may have a negative impact on the surrounding environment or to determine if a proposed project site will have an adverse environmental or health effect on end users and a more suitable site should be considered. HOME, CDBG, and NSP regulations require that the environmental effects of activities carried out with these funds comply with HUD's regulations implementing the National Environmental Policy Act of 1969 (NEPA) and HUD's regulations at 24 CFR Part 58. HTF regulations require that environmental reviews are completed in accordance with 24 CFR 93.301(f)(1) and (2) for new construction and rehabilitation proposals. Each review must be conducted considering federal laws, authorities and regulations that address noise, air quality, historic properties, floodplains, wetlands, water quality, solid waste disposal, man-made hazards, farmlands protection, wild and scenic rivers, coastal areas, endangered species and others as different regulations indicate.

SC Housing requires applicants to use the services of an SC Housing approved environmental consultant firm to prepare the environmental reviews for proposed projects. A list of [NEPA Approved Providers](#) is maintained on SC Housing's website for applicants to select from along with the [SC Housing Environmental Review Manual](#). Environmental consulting firms are evaluated for experience, references, capacity, and knowledge of federal programs. Providers must have specific experience and training to exercise professional judgement to perform a Phase I Environmental Assessment per ASTM Standard E-1527-05; AND one of the following criteria to be included on the list of approved providers:

- a. Hold a professional engineer or professional geologist license, or other state, federal or tribal certification or environmental professional license and 3 years of relevant fulltime experience in the field.
- b. Hold a Bachelor of Science degree in science or engineering and 5 years of fulltime experience.
- c. Have 10 years relevant fulltime experience.

After a conditional commitment of funds is issued, SC Housing's environmental review preparer sends out an environmental memo that informs the developer of when the environmental review is due and provides a reminder to the developer not to take any choice limiting actions until the environmental review process has been completed. A mandatory meeting is then scheduled by SC Housing's environmental review preparer with the consultant and the developer to discuss the requirements for completing the environmental review. Once the review is submitted, SC Housing sends out the Tribal Historic Preservation Officer letters and while waiting for a response reviews all the compliance factors, asks questions of the consultant and/or developer if necessary, and contacts the HUD region four environmental specialist for guidance if needed. The review is then entered into HUD's HEROs system and a Finding of No Significant Impact (FONSI) is signed by SC Housing's Certifying Officer. The environmental review record is then generated and the NOIRROF is drafted and the review is posted for the first public comment period. Next the Request for Release of Funds and Certification 7015.15 are generated and sent to HUD for the second comment period. HUD then issues the Authority to Use Grant Fund (AUGF) 7015.16 and the

review process is complete. If mitigation is necessary, SC Housing's environmental review preparer coordinates with the developer to complete any mitigation follow-actions in HEROS.

Familiarity with Cross-Cutting Federal Requirements: Compliance with federal regulations is necessary to ensure the financial integrity of tax payer dollars while administering federal programs. Compliance also leads to improved performance results and reduces the risk of fraud, waste and abuse. In its role as the state administrator of several federal programs, SC Housing is very familiar with cross-cutting federal requirements and compliance with 2 CFR Part 200. Through its administration of the HOME, HOME-ARP, HTF, NSP 1 and 3, NIP, CDBG-CV, and Housing Choice Voucher Programs SC Housing easily expends more than \$750,000 of federal funds each fiscal year and is subject to the audit requirements of 24 CFR Part 200. Both finance and program staff are adequately trained and have expert level knowledge of the many strands of crossing cutting federal regulations the various federal programs must adhere too. As a member of the National Council of State Housing Agencies (NCSHA), SC Housing's staff have access to premier technical assistance and training opportunities. Staff attend annually NCSHA's Housing Finance Institute in Washington D.C. during which, they participate in invaluable trainings on topics such as: Section 3, Davis-Bacon, Violence Against Women Act (VAWA), EPA and HUD lead-based paint requirements, Fair Housing, Environmental, Non-Discrimination, Equal Opportunity, Disclosure Requirements, Debarred, Suspended or Ineligible Contractors, Drug-Free Work, Housing Counseling, and procurement.

SC Housing has established policies and procedures to ensure compliance with 2 CFR Part 200. The requirements necessary to comply with 2 CFR Part 200 and cutting regulations are incorporated into each federal program administered by SC Housing through its program design. Regulatory requirements are included in program materials such as manuals, forms, written agreements, loan documents, restrictive covenants, and training materials. As a best practice, SC Housing requires all awarded applicants to attend a mandatory Implementation Training during which, the requirements to comply with federal regulations are fully explained and discussed. Other tools used by SC Housing to ensure compliance are the subrecipient monitoring process and the agency's [Suspension and Debarment Policy](#). If awarded PRICE funding, SC Housing will initiate a risk based subrecipient monitoring system to evaluate awarded applicants in the areas of program, financial and regulatory performance.

South Carolina Exhibit F: Match or Leverage (5 points)

During their May 15, 2024 meeting, the South Carolina State Housing Finance and Development Authority (SC Housing) Board of Commissioners approved a Resolution pledging \$10,000,000.00 from the South Carolina Housing Trust as match for the PRICE application. A copy of the Resolution is included with Attachment F.

These funds are currently available and will be held in reserve until the outcome of the application process is completed and SC Housing is made aware of the award status. If less than the requested \$10,000,000 PRICE award is received, the SC Housing Trust Fund dollars will continue to be available as a 100% match for a lower award. The SC Housing Trust receives funding from a portion of documentary stamps paid at real estate closings across the state. It is authorized by South Carolina statute 31-31-400.

South Carolina Exhibit G: Long-term Effect

Research has repeatedly shown the negative health impacts on residents living with poor housing conditions. An article published by *Shelterforce* states, "Medical and public health research has established clear and persuasive links between poor housing conditions and negative outcomes for residents' physical and mental well-being. Inadequate housing can exacerbate chronic health issues, expose occupants to environmental toxins, and heighten injury risks, which are especially hazardous to children and older adults. Residing in substandard housing is also associated with increased risks of depression and anxiety, and may have a particularly demoralizing impact on children. In addition to these widely documented health impacts, inadequate housing can worsen residential instability among low-income renters, leading to poor health outcomes for both adults and children. For low-income homeowners, the inability to afford needed repairs is a common financial stressor, and evidence from the foreclosure crisis suggests a strong link between struggling with housing costs and worse self-reported health."³⁸

Through this proposal, the South Carolina State Housing Finance and Development Authority (SC Housing) seeks to assist households living in manufactured homes to avoid the long-term negative impacts created by their substandard homes.

SC Housing will ensure the long-term affordability of all units assisted with PRICE funds by recording restrictive covenants or similar documents that meet the minimum requirements of the HOME Program at 24 CFR 92.252(a), (e), and (f) (rental housing) and 24 CFR 92.254(a)(1)-(4) (homeownership).

The rehabilitation of an existing, or purchase of a new, manufactured home, along with potential infrastructure improvements will ensure that the unit will continue to be habitable for an extended period. Accessibility improvements will allow elderly or disabled household members to age in place, with improved safety and the ability to make full use of their homes. Weatherization and resilience work will reduce utility costs, and help households be safe from increasing climate threats.

As discussed in the Needs section of this proposal, many manufactured homes are owned or occupied by minority households, the PRICE funding would provide an opportunity for SC

³⁸ *Shelterforce* <https://shelterforce.org/2020/02/12/why-organizations-should-invest-in-home-repairs-to-improve-health/>

Housing to assist these households which has not been available in the past. In addition, assisting to clear clouds on title for families living in heirs' property will allow them to access a previously unavailable asset, which could easily break a cycle of poverty and begin to build wealth.

This proposal is designed to increase the livability, sustainability, and resilience of manufactured homes and MHCs across the state. Owners and renters will experience reduced costs, not only for the individual unit but also for utility costs. Additionally, resiliency work will protect the home, its contents, and most importantly, its occupants from rising climate threats. In many cases, rehabilitation or replacement will remove environmental hazards within the home, reducing health risks to the household.

South Carolina Attachment A: Advancing Racial Equity in Underserved Communities

South Carolina has a diverse demographic landscape. Among demographic categories, Asian households have the highest median household income at \$87,807, while Black or African American households represent the opposite end with the lowest median household income of \$44,187.³⁹ Figure 1, shown below from the 2022 American Community Survey shows South Carolina's median household income by race. In addition, the National Low Income Housing Coalition reports that the two largest sectors of South Carolina's extremely low-income renter households are comprised of seniors at 26% and disabled households at 17%, which demonstrates the need for housing that is both affordable and accessible.⁴⁰ SC Housing anticipates through the prioritization of assisting those located in the most distressed and impoverished areas of the state that the primary beneficiaries of PRICE funding will be low-income and very-low income households of color many of which, are expected to be seniors in need of assistance for accessibility improvements.

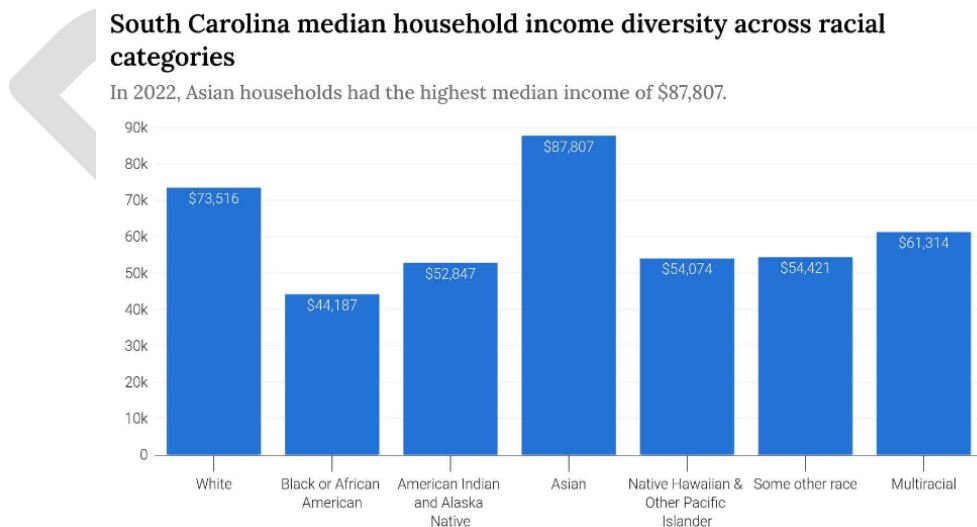


Figure 1: U.S. Census Bureau, American Community Survey (ACS) 2022-1-year estimates

³⁹ Research, N. (2024, January 4). *South Carolina median household income by race*. Neilsberg Research. <https://www.neilsberg.com/insights/south-carolina-median-household-income-by-race/>

⁴⁰NLIHC. (2024). *2024 SOUTH CAROLINA HOUSING PROFILE*. https://nlihc.org/sites/default/files/SHP_SC.pdf

The term “equity” as defined in Executive Order 13985 means the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment, such as Black, Latino, and Indigenous and Native American persons, Asian Americans and Pacific Islanders and other persons of color; members of religious minorities; lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons; persons with disabilities; persons who live in rural areas; and persons otherwise adversely affected by persistent poverty or inequality. All households and individuals assisted with PRICE funding will be 80% and below area median income as defined by HUD in 24 CFR Part 5.609. This in combination with the prioritization of targeting assistance to households residing in underserved areas of distress and poverty through a competitive application process will direct funding to South Carolinians with the greatest need. Advancing racial equity in underserved communities requires a systematic approach. If awarded PRICE funding, SC Housing will strongly incentivize and prioritize applications that propose to undertake PRICE activities in the following areas of greatest need:

- Areas of Racially or Ethnically Concentrated Areas of Poverty (R/ECAP) which are defined by HUD as census tracts that have a non-white population of 50% and have 40% or more of individuals living below the poverty line. There are sixty-five census tracts in South Carolina meeting these criteria.
- Other areas of minority concentration as defined by HUD, such as areas with census tracts where the total of the minority population and/or the population of any minority group (Black or African American, American Indian and Alaska Native, Asian, Native Hawaiian and other Pacific Islanders, Hispanic or Latino) is greater than or equal to twenty percentage points higher than the population of any minority group listed is greater than or equal to twenty percentage points higher than the population of the same group for the State as a whole.
- Areas of distress as described in 12 CFR 1805.201(b)(3)(ii)(D) that meet the below conditions as reported in the most recently completed Decennial Census published by the U.S. Bureau of the Census. As of FY 23, there are twenty-three census tracts in South Carolina meeting these criteria.
 - The percentage of the population living in poverty is at least 20 percent;
 - In the case of an Investment Area located:
 - Within a Metropolitan Area, the median family income shall be at or below 80 percent of the Metropolitan Area median family income or the national Metropolitan Area median family income, whichever is greater; or
 - Outside of a Metropolitan Area, the median family income shall be at or below 80 percent of the statewide non-Metropolitan Area median family income or the national non-Metropolitan Area median family income, whichever is greater;
 - The unemployment rate is at least 1.5 times the national average;
 - In counties located outside of a Metropolitan Area, the county population loss during the period between the most recent decennial census and the previous decennial census is at least 10 percent; or

- In counties located outside of a Metropolitan Area, the county net migration loss during the five-year period preceding the most recent decennial census is at least five percent.
- Community Disaster Resilience Zones as defined by the Federal Emergency Management Agency (FEMA) to be most at risk from the effects of natural hazards and climate change. Ten census tracts in South Carolina located in Horry, Berkeley, Dorchester, Charleston, and Beaufort Counties met the criteria to be identified as a Community Disaster Resilience Zone (45051050500, 45015020718, 45035010603, 45035010700, 45019003115, 45019003104, 45035010818, 45019003400, 45019003111, 45013002107).

There are many barriers that prevent or make it challenging for communities of color to access resources to improve their neighborhoods and quality of life. Low-income and very low-income households are more likely to have poor credit, lack access to affordable financing options, lack resources necessary to take advantage of educational opportunities to obtain higher paying jobs. Barriers specific to manufactured housing occupants include high land costs, restrictive zoning and land use requirements, not being included in resiliency and recovery planning, and NIMBYism (not in my backyard). In addition, heirs' property presents a significant barrier to low-income persons in South Carolina. Heirs' property is most commonly created when property is transferred from a deceased person to family members without a will. Low-income households often do not have the financial resources necessary to go through the appropriate legal channels to have the deed or title updated to identify the current owner(s). Without proof of ownership, residents of heirs' property are unable to access affordable loans and mortgages and are also prevented earning income from selling the timber on the land.

SC Housing's program design for PRICE will incorporate requirements to address and reduce these barriers. Home buyers will be required to attend home buyer counseling early in the process to ensure they are equipped with the knowledge necessary to make sound financial decisions. Eviction prevention and credit counseling will also be eligible services to provide to increase housing stability. Manufactured housing units will be required to be affixed to permanent foundations to provide home buyers and owners of rental units access to traditional mortgage products in lieu of chattel loans. Funding will be available for planning costs associated with addressing the need to revise restrictive land use and zoning polices. Down payment assistance will be available to address the rising cost of land and keep monthly mortgage payments and debt service on rental and owner-occupied properties affordable.

The state's 2018 Analysis of Impediments, included in South Carolina's Consolidated Plan for Housing and Community Development identifies impediments and barriers to fair housing choice. Of particular importance is the fact that disability is the number one reason fair housing discrimination complaints (52%) are filed in South Carolina. According to the Analysis of Impediments:

- Accessible and affordable housing choices for persons with disabilities and the elderly may not be keeping pace with demand.
- Minorities and persons with Limited English Proficiency are most at risk for discriminatory practices and affordability issues that limit choice.

- African American and Hispanic households are disproportionately more likely to have a housing problem.
- Race continues to be the basis cited in a high percentage of complaints filed with HUD FHEO (28%).

The analysis also identifies the following Fair Housing Impediments in South Carolina and the measures that will be incorporated into SC Housing’s PRICE program to reduce and/or eliminate them is awarded:

- Housing Discrimination – promote activities and actions to identify, monitor and eliminate discrimination by housing providers
- Disproportionate Housing Problems for Minorities – continue to evaluate data regarding disproportionate housing needs and the greater incidents of housing problems to identify factors contributing to the problem
- Affordability and Accessibility of Housing Choices – continue to produce new affordable housing with available state and federal resources ensuring that all federal accessibility regulations are adhered to
- Public Agency Policies and Coordination – coordinate at the state and local level to encourage local governments to evaluate housing related policies and zoning requirements
- Fair Housing Education – strengthen efforts to make the public aware of fair housing laws and regulations. SC Housing will require all funded PRICE Subrecipients and their Partners to participate in mandatory fair housing trainings provided by the South Carolina Human Affairs Commission
- Public Transportation – encourage transportation related planning and projects through the State’s federally funded community development programs

SC Housing will put measures in place to ensure accurate data is collected regarding the outcomes of PRICE funding. Subrecipients and Partners will be required to collect and report data for activities undertaken that will track the following:

- Location of Assistance – property addresses, census tract, Longitude/Latitude, County, Congressional District, State Senate District, State House District
- Project Size – number of units and bedroom sizes, site acreage
- End Use – homeownership, rental, owner-occupied
- Activity Type – installation of new or used MH units, rehabilitation, demolition, planning, support services, aging in place modifications, acquisition, down payment assistance, environmental resilience improvements
- Property Information – year built, type of MH
- Household Data – household income, household size, age of head of household, disability status, race, ethnicity
- Program Data – total number of units assisted, total number of households assisted, total amount of funding invested (including PRICE, SC Housing Trust Fund, and other financial resources) affordability period dates

To promote and ensure equitable economic opportunities are provided through PRICE, SC Housing will require program participants (Subrecipients/Partners) to follow federal procurement

requirements of 2 CFR Part 200.317-.327 to select contractors, installers, retailers, movers, service providers, etc. to perform work or provide services for PRICE activities. Participants will be required to give preference to hire contractors and service providers that are minority and women owned businesses and that employ or agree to hire workers that meet the regulatory requirements of Section 3.

South Carolina Attachment B: Affirmative Marketing Narrative

The South Carolina Housing Finance and Development Authority (SC Housing), is committed to serving all demographic populations in the state, regardless of protected class. As discussed in the Affirmatively Furthering Fair Housing Narrative, the intent of SC Housing is to provide grant opportunities to local governments from any award obtained under this application. In selecting grant awardees, SC housing will pay special attention to those local government applicants with strong community contacts that serve target populations of black and brown communities, LEP individuals, disabled individuals, and families.

SC Housing's existing programs, and racial demographics of beneficiaries within them, reflect a very diverse group of consumers receiving assistance from SC Housing. For example, approximately 40% of those individuals receiving Single-Family benefits by way of the SC Housing Mortgage Production and Mortgage Servicing departments are Black, which is a significantly greater percentage than the state's population as a whole. SC Housing's marketing team would apply similar marketing campaigns for the programs developed under this grant – through social media, grassroots and community events, and traditional media opportunities (print, radio, websites, etc.)

As a recipient of federal financial assistance, SC has taken reasonable steps to provide meaningful access to LEP individuals. Among the factors considered in determining what constitutes reasonable steps to ensure meaningful access are: (1) the number or proportion of LEP persons in the eligible service population; (2) the frequency with which LEP individuals come into contact with the program; (3) the importance of the service provided by the program; and (4) the resources available to the recipient. In the state as a whole, less than 5% of the population are considered to fall into the category of Limited English Proficiency. Of those, more than half are Spanish speakers. As a result, SC Housing's staff includes multiple Spanish-speaking employees who are able to work with the Spanish-speaking populations across all of SC Housing's programs. As a component of any award under this grant, additional staffing is contemplated, to include another Spanish-speaking employee.

In conjunction with local governments, SC Housing believes the most successful marketing will involve community events across the state in or around areas of manufactured housing, that will educate community members (to include Spanish speakers) of opportunities for benefits and services available pursuant to any award.

South Carolina Attachment C: Affirmatively Furthering Fair Housing Narrative

The concept of affirmatively furthering fair housing, ensuring nondiscrimination in housing and providing fair housing choice, is rooted in the Fair Housing Act of 1968, and other relevant federal law, such as Title VI of the Civil Rights Act of 1964, the Architectural Barriers Act of 1968, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act of

1990, and numerous Executive Orders, addressing issues such as language barriers. In the Fair Housing Planning Guide, HUD defines fair housing choice as “equal and free access to residential housing.” This applies to all individuals, regardless of race, color, religion, sex, disability, familial status, or national origin. It also applies to those whose limited English proficiency (LEP) is a barrier to full and meaningful participation in federally-assisted and federally conducted programs and activities.

As expressed in the State of South Carolina’s Analysis of Impediments, local government zoning, code enforcement, infrastructure needs, and resource barriers have impacted advances in affirmatively furthering fair housing in the state. These challenges result in limited growth potential for new residential development⁴¹, obstacles to rehabilitation of existing residences (especially for needed accessibility modification)⁴², and negative perceptions about the need for affordable housing in communities around the state. With a growing and aging population, South Carolina partners throughout fair housing and affordable housing networks, must seek opportunities to educate local governments that arguably wield the most power in reducing obstacles for healthy growth in residential construction.

In an effort to engage local governments, SC Housing has determined that, if funding under this NOFO results from its application, SC Housing would then hold its own competitive application round among local governments for funding smaller grants at a municipal or county level. SC Housing would also require that any application include a narrative statement on the locality’s intent to affirmatively further fair housing at the municipal or county level. In establishing this criteria, SC Housing anticipates that local governments seeking funds would address code issues and zoning issues that pose challenges in their respective communities. Further, this requirement would provide an educational opportunity for these local entities to review their manufactured housing-specific ordinances that may inhibit rehabilitation or land acquisition for manufactured housing sites.

Separately, SC Housing intends to use a portion of any award under this NOFO for technical assistance for nonprofits engaged in repairs pursuant to the funding, to include accessible design and reasonable modification/accommodation training. Partners such as the South Carolina Human Affairs Commission, the Office of Resilience, and the South Carolina Department on Aging would likely provide free or reduced-cost training to the nonprofit participants who would benefit from understanding more about accessible design and disability-based requests for housing alterations. Manufactured housing residents would benefit from training indirectly, since nonprofits receiving training would have greater knowledge related to adaptive and accessible construction for both manufactured and other residential housing. In existing programs at SC Housing, developers are required to use the services of an Accessibility Consultant to ensure compliance with design and construction. We will require the same for this grant.

⁴¹ See, for example, the Statement of Interest of the United States in *DHD Jessamine, LLC et al. v. Florence County South Carolina, et al.* found at [Statement of Interest - DHD Jessamine LLC v. Florence County \(D.S.C.\) \(justice.gov\)](#)

⁴² See, for example, the Settlement Agreement between the United State of America and the Town of Irmo, South Carolina (D.S.C.) No. 3:18-3106-JMC found at [Settlement - United States v. Town of Irmo, South Carolina \(D.S.C.\) \(justice.gov\)](#)

SC Housing also intends to advertise, and would require each subrecipient to advertise, any information related to the funding in both Spanish and English. SC Housing has bilingual staff members who are prepared to assist in this regard.

In conclusion, South Carolina has a strong network of partners at the state level who seek to advance the principles of affirmatively further fair housing; however, additional headway can be made, and would likely be made by way of this grant funding, towards including local government entities in this endeavor.

South Carolina Exhibit D: Eligible Applicants Documentation

All required information regarding the South Carolina State Housing Finance and Development Authority eligibility is included in Exhibit B: Threshold Requirements.

South Carolina Attachment E: Evidence of Partnerships

This section is not applicable.

South Carolina Attachment F: Match or Leverage Documentation

DRAFT

A RESOLUTION

AUTHORIZING A COMMITMENT OF NOT EXCEEDING \$10,000,000.00 FROM THE SOUTH CAROLINA HOUSING TRUST FUND TO MATCH AN AWARD OF NOT EXCEEDING \$10,000,000 FROM THE NEWLY CREATED HUD “PRICE MAIN PROGRAM”, TO ASSIST WITH THE PROVISION OF HOUSING IN ACCORDANCE WITH THE NOTICE OF FUNDING OPPORTUNITY TO WHICH THE SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY SEEKS TO APPLY.

WHEREAS, the South Carolina State Housing Finance and Development Authority (“Authority”) South Carolina Housing Trust Fund (“Fund”) was established pursuant to SC Code Section 31-13-450 (“HTF Act”) to be used to increase the supply of safe, decent, and affordable housing for members of the very low or lower income households within the State of South Carolina;

WHEREAS, the eligible projects from the Fund include encouraging affordable home ownership and preservation of housing through the provision of loans;

WHEREAS, the eligible projects from the Fund also include those which promote creativity and flexibility in the design of programs at the local level to bring about the creation of safe, decent, affordable, and sanitary home ownership and rental housing;

WHEREAS, the United States Department of Housing and Urban Development (“HUD”) and Congress have determined that Manufactured homes are safe, quality housing and an affordable alternative often indistinguishable from site-built homes, and as such, HUD has reserved \$200 million for its newly launched PRICE Main Program, offered by way of a Notice of Funding Opportunity (“NOFO”) with an application due date of June 5, 2024;

WHEREAS, the NOFO encourages matching funds for any awards from the PRICE Main Program, and indicates that applications which leverage other funds will receive more points than applications which do not; and

WHEREAS, the Authority intends to apply for an award of the PRICE Main Program for preserving and revitalizing existing manufactured housing in the State of South Carolina and increasing the resilience of manufactured housing, among other objectives, with a Period of Grant Performance running through September 30, 2032.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY IN MEETING DULY ASSEMBLED:

The Board considers the purposes set forth in this Resolution appropriate to meet the purposes of the HTF Act and the Board hereby determines that the programs set forth in this Resolution will increase the supply of safe, decent, and affordable housing for members of very low and lower income households in the State of South Carolina.

The Authority is hereby authorized to seek an award for HUD’s PRICE Main Program by way of the NOFO which does not exceed \$10,000,000.00, and shall commit to allocate a

matching amount from the Fund not exceeding \$10,000,000.00, or the amount of the award, whichever is lower. The Board hereby authorizes the Executive Director, Deputy Director of Programs, or Director of Community Development to sign any and all documents necessary to complete the application for the NOFO and programs resulting from it.

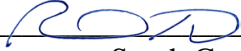
In the event no award is made by HUD to the Authority, then no allocation from the Fund will be made. However, should an award be made, the matching allocation from the Fund will remain available for the PRICE Main Program through the entire Period of Grant Performance, in accordance with HUD requirements.

STATE OF SOUTH CAROLINA

COUNTY OF LEXINGTON

I, the undersigned Secretary of the South Carolina State Housing Finance and Development Authority (the "Authority"), DO HEREBY CERTIFY that the foregoing is a true, correct, and verbatim copy of a Resolution duly adopted by the Authority at a duly called meeting held on May 15, 2024.

WITNESS MY HAND this 15th day of May, 2024.



Secretary, South Carolina State Housing
Finance and Development Authority