



# SC HOUSING TRUST FUND FY2022 ANNUAL REPORT





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## About SC Housing

The South Carolina State Housing Finance and Development Authority (SC Housing) is a self-sustaining agency committed to ensuring that South Carolinians have the opportunity to live in safe, decent, and affordable housing. SC Housing operations are supported by a funding base that includes fees and other revenue earned through the administration of agency programs.

**MISSION:** Create quality affordable housing opportunities for the citizens of South Carolina.

**VISION:** That all South Carolinians have the opportunity to live in safe, decent, and affordable housing.

**VALUES:** Every day, SC Housing serves the people of South Carolina with these values in mind:

**Community:** We help make big cities and small towns across the Palmetto State better places to live.

**Integrity:** We act ethically in everything that we do and treat our partners and customers with respect.

**Innovation:** We are deeply motivated to pursue new and better ways to serve the people of our state.

**Professionalism:** We perform our tasks effectively and efficiently and steward resources responsibly.

**Expertise:** We are capable, resourceful, and deeply informed about housing issues in South Carolina.

## Housing Trust Fund Advisory Committee

<b>Charlie Irick</b>	SC Low Income Housing Coalition
<b>Jessie Walker</b>	SC Community Development Association
<b>Emory Langston</b>	SC Association of Regional Councils
<b>Robert Thomas</b>	SC Association of Housing Authority Executive Directors
<b>Dan Ligon</b>	SC Citizens for Housing
<b>Yvonda Bean</b>	SC Housing Partnerships as a Nonprofit Organization
<b>Ruth Johnson</b>	Board Designee
<b>Maryam Shareef</b>	Board Designee – has resigned as of September 9, 2022

## Introduction

The South Carolina Housing Trust Fund (HTF) is a state funded program designed to provide financial assistance in the development and preservation of safe, decent, sanitary and affordable housing for low-income households within South Carolina.

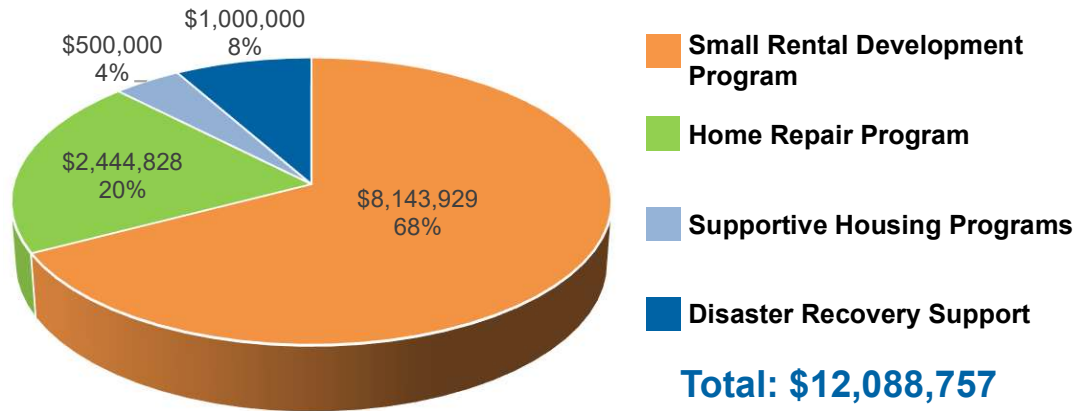
The South Carolina Housing Trust Fund (HTF) provides financial assistance to qualified for-profit and non-profit organizations and local governments in the construction and rehabilitation of affordable housing for low-income households throughout the state, often leveraging outside dollars to support these efforts. SC Housing administers these resources on behalf of the state, ensuring that funds are properly expended on eligible activities defined in the South Carolina Housing Trust Fund Act. That legislation allocated a portion of the state documentary stamp tax on property transactions (20 cents per \$500 in valuation) to be placed in a dedicated account for HTF; the state treasurer serves as the fund's trustee. All properties receiving HTF awards must remain affordable for low-income households for a compliance period of 20 years, ensuring that these programs serve their public purpose.

Low-income households are defined as those earning no more than 80 percent of area median income, or AMI. Very low-income households earn no more than 50 percent of AMI.

Currently, HTF allocates funds to four categories of activities:

- The Small Rental Development Program (SRDP), which combines HTF resources with those from the HOME Investment Partnerships Program and the National Housing Trust Fund to construct and preserve traditional rental housing consisting of between four and thirty-nine units;
- The Emergency Repair Program (ERP), which reimburses eligible grantees for essential repairs done on the owner-occupied home of a very low-income household;
- Forgivable loans for new construction, rehabilitation and acquisition of group homes and supportive housing serving people with disabilities and people experiencing homelessness; and
- Financial support to the South Carolina Office of Resilience's Disaster Recovery Program for the repair and replacement of homes damaged in federally designated natural disasters.

In total, during Fiscal Year (FY) 2022, \$12,088,757 in HTF awards were made by SC Housing and 272 families were served. There was \$1,000,000 disbursed for Disaster Recovery repairs and \$8.1 million funds were allocated to the Small Rental Development Program. The composition of these awards is summarized in the pie chart below:



## Small Rental Development Program

SRDP allows the agency to fund a wider array of rental housing by combining state and federal funding sources to provide a flexible source of financing for rental properties that are too small to be served economically by the Low-Income Housing Tax Credit. HTF is one of three funding sources used in SRDP, with the others being the National Housing Trust Fund and the HOME Investment Partnership Program, both coming from the U.S. Department of Housing and Urban Development.

During 2021-22, three projects received HTF awards totaling \$8,143,929; these properties will create 79 new affordable rental units, 36 of which are directly funded by the HTF once complete. A list of the properties is provided below.

Name	County	HTF Award	Units	HTF Units
<b>Limehouse</b>	Dorchester	\$3,446,932	38	16
<b>Parkway East Apartments</b>	Greenville	\$3,059,557	34	18
<b>Waites Way</b>	Richland	\$1,637,440	7	2

## Emergency Repair Program

ERP is designed to assist very low-income homeowners in making necessary repairs to their primary residence. While SC Housing administers ERP, it is community-based non-profit sponsor organizations that identify eligible participants and hire contractors to complete the work; these entities must be approved by SC Housing to ensure that those in need are properly served. As of the end of FY 2022, there were 29 active sponsors that participated in the Emergency Repair Program and 266 projects completed through the program.

The Home Repair Program has been revamped to address exterior and interior essential repairs. The **new** program will accommodate lead-based paint and asbestos regulations as required by the SC DHEC and EPA. Health and safety considerations will be the primary driver to determine the scope of the repairs, maximizing the impact of the HTF investment and providing homeowners with a home that will have an effective useful life of 20 years.

The new Home Repair Program for FY 2022-2023 provides up to \$50,000 to help low- and very low-income homeowners make essential interior and exterior repairs to correct life, health and safety issues, provide accessibility for persons who are disabled, and repair or replace major housing systems (including roofs, water heaters and HVAC equipment). An additional \$25,000 is available to help with any lead-based paint, asbestos, mold, and radon remediation required by federal and state regulations.

SC Housing's goal is to maximize the impact of the HTF investment to homeowners by addressing all deficiencies of the home.



<h2 style="text-align: center;">HOME REPAIR PROGRAM</h2> <p>The Home Repair Program has been revamped to address essential exterior and interior repairs. The <b>new</b> program will accommodate lead-based paint and asbestos regulations. Health and safety considerations will be the primary driver to determining the scope of the repairs, maximizing the impact of the HTF investment and providing homeowners with a home that will have an Effective Useful Life of 20 years.</p>		
"Current" Emergency Repair	"Current" Owner-Occupied Rehabilitation	NEW - Home Repair Program
\$10,000 maximum in repairs	\$25,000 maximum in repairs	<b>up to \$50,000</b> - Construction Cost <b>additional \$25,000</b> - Lead-Based Paint, Asbestos and Mold Remediation costs.
Program Overview		
Exterior Repairs Only - since March 2020	Exterior and Interior Repairs - program closed March 2020 due to COVID	Designed to correct life, health and safety issues, provide accessibility for disabled persons, and repair or replace major housing systems. Utilizing the Essential Property Standards Checklist to identify all deficiencies.
Eligible Repairs		
Exterior Repairs Only	Interior and Exterior Repairs	Repairs to meet the <b>Essential Home Rehabilitation Standards</b> by addressing all deficiencies
Eligible Beneficiaries		
(50%) of AMI	(50%) AMI	(80%) AMI
Developer Fee/Project Delivery Fee		
\$750	\$2250	15% construction costs (\$1,000 minimum)

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In FY 2022, SC Housing provided 266 ERP forgivable loans totaling \$2,444,828, serving homeowners in 38 counties statewide. The distribution of this activity by county is provided in the table below.

<b>County</b>	<b>Homes</b>	<b>Grants (\$)</b>
Aiken	2	15,847
Allendale	2	19,420
Anderson	14	130,144
Bamberg	2	18,217
Barnwell	3	24,917
Beaufort	10	90,590
Berkeley	3	26,065
Calhoun	2	18,205
Charleston	6	48,698
Chester	11	110,045
Clarendon	13	117,523
Darlington	1	10,363
Dillon	1	10,325
Dorchester	2	18,115
Fairfield	2	13,825
Florence	6	59,462
Georgetown	6	60,445
Greenville	59	542,046
Greenwood	10	86,371
Hampton	2	18,600
Jasper	1	10,315
Kershaw	7	66,912
Lancaster	2	17,731
Laurens	3	27,763
Lee	3	29,018
Lexington	2	20,299
Marion	2	19,721
Marlboro	1	104,035
McCormick	1	90,731
Newberry	3	189,189
Orangeburg	11	104,035
Pickens	10	90,731
Richland	20	189,189
Spartanburg	7	62,893
Sumter	19	178,288
Union	2	20,346
Williamsburg	6	55,576
York	9	75,917
<b>Total</b>	<b>266</b>	<b>2,444,828</b>



## Supportive Housing Program

The Supportive Housing Program has been revised for FY 2022 - 2023 to combine the former Group Home Program and Supportive Housing Program into one activity. The Program will provide funding opportunities for affordable rental housing with access to supportive services for special needs populations, such as people with disabilities and people experiencing homelessness. Supportive services may include but are not limited to: outreach, case management, childcare, job training/placement, health care and transportation.

The **new** Supportive Housing Program provides up to \$300,000 per unit of financial assistance for rehabilitation, new construction, conversion, adaptive reuse and/or acquisition with rehabilitation of multifamily developments.

<b>SUPPORTIVE HOUSING PROGRAM</b> The new Supportive Housing Program is revised to combine the former Group Home Program and Supportive Housing Program into one activity. The Program will provide funding opportunities for affordable rental housing with access to supportive services for special needs populations, such as people with disabilities and people experiencing homelessness.		
"Current" Group Home Program	"Current" Supportive Housing Program	NEW - Supportive Housing Program
The lesser of \$100,000 or 50% of total TDC	The lesser of \$300,000 or 75% of total TDC	Increase maximum subsidy to \$300,000 per unit for acquisition and construction expenses. Maximum 12 units per project.

In FY 2022, \$500,000 was allocated from HTF for the acquisition of two group homes that provide special needs housing for very low-income, severely mobility impaired, or sensory impaired individuals. The project must serve individuals with physical, mental, or emotional impairments for a twenty-year compliance period for the project to qualify as a group home. These awards are listed below.

Name	County	HTF Award	Developer	Units
<b>Drayton Place CTH II</b>	Berkeley	\$100,000	Berkeley Citizens	4
<b>Pepperidge CTH II</b>	Sumter	\$100,000	Sumter County DSNB	4
<b>Supportive Housing 2021 IHN</b>	Greenville	\$300,000	Homes of Hope	8

CTH II is short for Community Training Home-II Model.