

SC Housing HOME-ARP Allocation Plan Substantial Amendment #1

Background

In 2021, the U.S. Department of Housing and Urban Development (HUD) awarded the South Carolina State Housing Finance and Development Authority (SC Housing) \$26,724,348 in HOME American Rescue Plan (ARP) program funds. These funds are designated to support activities primarily benefiting qualifying families and individuals who are homeless, at risk of homelessness, or part of other vulnerable populations. SC Housing prepared and submitted a HOME-ARP Allocation Plan outlining the proposed use of these funds, which was subsequently accepted by HUD on May 2, 2023.

SC Housing now proposes a substantial amendment to the HOME-ARP Allocation Plan to reallocate funding in accordance with the criteria established in HUD's CPD Notice 21-10. This amendment is required to implement activities not previously described in the original plan.

The original HOME-ARP Allocation Plan allocated the majority of funds toward the Development of Affordable Rental Housing, as detailed below:

Original HOME-ARP Allocation Plan	Funding Amount	Percent of the Grant	Statutory Limit
Supportive Services	\$ 0.00		
Acquisition and Development of Non-Congregate Shelters	\$ 0.00		
Tenant Based Rental Assistance (TBRA)	\$ 0.00		
Development of Affordable Rental Housing	\$ 22,715,696	85%	
Non-Profit Operating	\$ 0.00	0 %	5%
Non-Profit Capacity Building	\$ 0.00	0 %	5%
Administration and Planning	\$ 4,008,652	15 %	15%
Total HOME ARP Allocation	\$ 26,724,348		

Following the acceptance of the initial plan, SC Housing made these funds available through a competitive application process conducted in June 2025 and was only able to award funding to one rental project. Based on the initial community input and subsequent feedback from community partners, SC Housing has determined that a reallocation of the remaining HOME-ARP funding toward Tenant-Based Rental Assistance (TBRA) and Supportive Services is warranted. Consistent with HUD guidelines, SC Housing will maintain the allocation of 15% of the HOME-ARP funds for administrative expenses and may reallocate any unspent administrative funds to program activities.

The following table presents the proposed reallocation of HOME-ARP funding under the substantial amendment:

Substantial Amendment Reallocation Plan	Funding Amount	Percent of the Grant	Statutory Limit
Supportive Services	\$1,302,151.26	4.88%	
Acquisition and Development of Non-Congregate Shelters	\$ 0.00	0 %	
Tenant Based Rental Assistance (TBRA)	\$ 15,926,263.02	59.59%	
Development of Affordable Rental Housing	\$ 5,487,281.72	20.53 %	
Non-Profit Operating	\$ 0.00	0 %	5%
Non-Profit Capacity Building	\$ 0.00	0 %	5%
Administration and Planning	\$ 4,008,652	15 %	15%
Total HOME ARP Allocation	\$ 26,724,348		

Preferences

Identify whether the PJ intends to give preferences to one or more qualifying populations or a subpopulation within one or more qualifying populations for any eligible activity or project.

In addition to the revised activity set-aside amounts for the TBRA and Supportive Housing activities SC Housing is incorporating the allowance for Public Housing Authorities (PHAs) that receive HOME-ARP funding to elect to have a preference to serve members of the “Other Populations” Qualifying Population, specifically, the subpopulation identified in Section IV(A)4 of CPD Notice 21-10 referred to as “Other Families Requiring Services or Housing Assistance to Prevent Homelessness.” Funding for HUD’s Emergency Housing Voucher Program (EHV) is being exhausted much sooner than anticipated and there are many beneficiaries that are facing the unexpected early termination of their rental assistance. The State’s HOME-ARP funds may serve all qualifying populations, with prioritization given on a project level based on demonstrated need, while ensuring compliance with fair housing, civil rights and other anti-discriminatory laws. Funding at the state level will not be prioritized for specific qualifying populations or a subset of members of qualifying populations over another; however, PHAs awarded funding for TBRA and/or Supportive Services may elect to prioritize households previously qualified as “homeless” as defined in 2 CFR 91.5 that are currently housed due to temporary or emergency assistance, including financial assistance, services or temporary rental assistance or some type of other assistance or supportive services to avoid a return to homelessness. Given that needs vary across different regions of the state PHAs will have differing needs and capacity to meet those needs. Any prioritization put in place at the project level must specifically address the needs of the local community and be demonstrated by the PHA in its application for funding.

If a preference was identified, explain how the use of a preference or method of prioritization will address the unmet need or gap in benefits and services received by individuals and

families in the qualifying population or category of qualifying population, consistent with the PJ's needs and gap analysis.

In addition to the unmet needs and gaps described in the original allocation plan regarding the Housing Choice Voucher Program, HUD's Emergency Housing Voucher Program (EHV) which was expected to provide voucher assistance through 2030 is ending earlier than expected. The EHV Program, which was created in 2021 under the American Rescue Plan to assist households and individuals who are experiencing homelessness, at risk of homelessness, are fleeing domestic violence or dating violence is ending years earlier than originally planned. All EHV participants will lose their voucher assistance by December 2026 leaving PHAs struggling to find alternative sources to fund vouchers or transition recipients to the Housing Choice Voucher (HCV) Program. Many PHAs lack the funding to be able to do so, which places vulnerable housed households at risk of falling back into homelessness.

If a preference was identified, describe how the PJ will use HOME-ARP funds to address the unmet needs or gaps in benefits and services of the other qualifying populations that are not included in the preference.

All 43 of the PHAs in South Carolina that meet eligibility requirements will be able to apply for HOME-ARP TBRA and Supportive Housing funding. Of the 43 PHAs in South Carolina, there are only 9 that received EHV allocations that may be faced with finding alternative funding to keep EHV voucher holders housed after the funding is terminated. According to HUD's [HUD's EHV Dashboard](#), in SC there are currently 341 voucher households facing funding termination. This leaves an ample amount of HOME-ARP funding available to assist the unprioritized QP households in South Carolina.

The notification of the Draft Substantial Amendment to the HOME-ARP Allocation Plan was published in The State Newspaper on May 17, 2026. The notice provided a 15-day comment period from May 17, 2026 to June 1, 2026 and a public hearing was held on Thursday, May 21, 2026 at 10:30 a.m. Additionally, the Draft Substantial Amendment to the HOME-ARP Allocation Plan is available for review at SC Housing's office during normal business hours and is posted on SC Housing's website at [HOME-ARP Program | South Carolina Housing](#).