

2025 SRDP Application Workshop Session 1

SOUTH CAROLINA STATE HOUSING
FINANCE AND DEVELOPMENT AUTHORITY



SCHousing.SC.Gov

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SC Housing Community Development

*Presenters & Staff:

***Jennifer Cogan, Director of Community Development**

***Jessica Donald, Community Development Manager**

***Jeffrey Lauffer, Environmental Specialist, Program Coordinator**

John Thompson, Inspections Manager

Zach Tronco, Development Finance Manager

Eric Kiesling, Program Coordinator

Brenda Becraft, Program Coordinator

Teri Stohlberg, Federal Compliance Coordinator

2025 SRDP Application Workshop

This year the workshop will be held in a two part session format. If attending Session 1, the expectation is that you will also attend Session 2. We highly encourage architects to attend session 2, as it will be covering construction requirements.

Session 1: Application Process and Program Overview

Session 2: Construction Requirements

- *This session is applicable to both SRDP and HOME-ARP Programs*



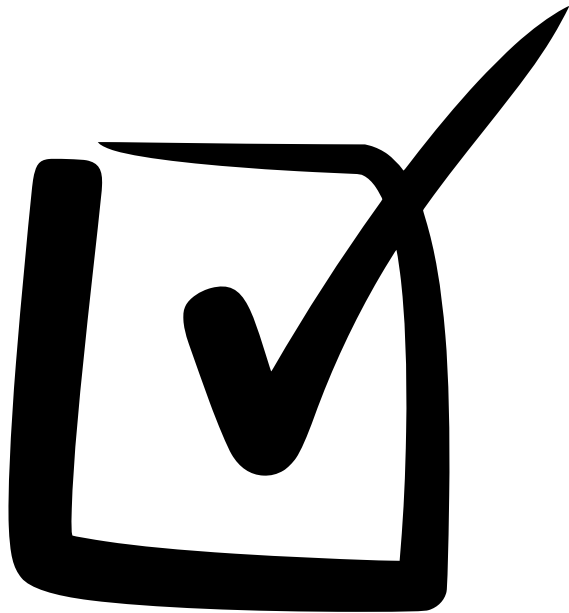
2025 SRDP Application Workshop

Notes and Updates:

*2025 SRDP Manual refers to the New Final HOME Rule that was published on January 6th, 2025. To be consistent with the President's January 20, 2025 memorandum titled "Regulatory Freeze Pending Review", HUD has announced that it is delaying the effective date of the New Final Rule until April 20, 2025. **Please note changes may be made to the 2025 SRDP Application Manual subject to the changes implemented by the new Rule as required by HUD.***

SC Housing has a new website that was just rolled out, new site link is www.SCHousing.SC.Gov

Eligible Applicants



- Local Governments
- Regional Councils of Governments (COGs)
- Public Housing Authorities (PHAs)
- Community Housing Development Organizations (CHDOs)
- Nonprofit Entities
- For-profit Entities

Community Housing Development Organizations (CHDO's)

- Applicants seeking designation as an SC Housing approved CHDO must complete a **CHDO Certification Application** and submit it with the **2025 SRDP Application**.
- Benefits of being a CHDO:
 - \$957,635 HOME Funds Set-aside
- Application and Forms can be accessed on the Authority's website:
<https://www.schousing.sc.gov/Home/Community-Housing-Development-Organizations>
 - CHDO's who have already been approved through the recent re-certification process will have to re-apply as CHDO's in the 2025 application cycle as HUD requires CHDO's to meet certification requirements at time of project commitment.
 - Once awarded CHDO Set-aside funds the CHDO must re-certify at least every 2 years during the affordability period.

2025 Program Schedule

SRDP Exhibit 7 Form	March 7, 2025
Application Submission Deadline	June 2, 2025
Missing Document Notifications	August 2025
Conditional Commitment Letters	October 15, 2025
Final Plans/Specs/Environmental	January 15, 2026
Award Agreements & Implementation	Summer 2026

Available Funding for 2025

Approximately \$32,902,503

HOME FUNDS \$21,752,321

NHTF \$ 5,660,696

SCHTF \$ 5,489,485



Application Set-Asides (page 8 of Application Manual)

1. General new construction (50% of funds, ~ \$16.4M)
 - 8 to 39 affordable rental units

2. Micro new construction (25% of funds, ~ \$8.3M)
 - 4 total affordable rental units

3. Rehabilitation (25% of funds, ~ \$8.3M)
 - 8 to 39 affordable rental units

Eligible Activities

- Acquisition
- Demolition
- New Construction
- Rehabilitation
- Site-Improvements
- Initial Operating Deficit Reserves – up to 18 months



Eligible Project Types:

- Permanent Rental Housing
 - Permanent Supportive Rental Housing
 - Transitional Rental Housing
- * HOME, SC HTF Funded Projects Only*

Eligible Building and Site Types:

- Single Family Dwellings = 1 - 4 Units
- Multi-Family Dwellings = 5 + Units
- SRO's and Group Homes
- Scattered and Single Sites



Ineligible Project Types:

- Public Housing Units (unless NHTF for RAD)
- Commercial Properties
 - Homeless Shelters
 - Nursing Homes, Assisted Living, Residential Treatment Facilities
 - **Complete List of Ineligible projects listed on pages 10 – 11 of the Application Manual. Read Carefully! Ineligible projects/sites get submitted every year.**



Geographic Distribution

SC Housing's intent is to promote fair and objective administration of the program and will result in the following restrictions:

- No county will receive an excessive share of funds in any one application cycle.
- SC HTFs – No county can receive more than 20% of the current year's available amount of funds.



2025

**SRDP Financial Feasibility
and Underwriting**

Financial Terms and Conditions

(page 11-13 of Application Manual)

Purpose:

- Underwriting that will produce the **highest and most efficient use** of all SC Housing funding sources.
- **Repayment** of SC Housing funds when financially feasible.
- No external debt service allowable
- Ensure underwriting analysis of HOME/NHTF Funds meet the **per unit subsidy limits outlined by HUD.**

Financial Terms and Conditions (cont'd)

Financial Terms:

- Funds are awarded as either a 20 or 30 year repayable loan, forgivable loan or combination of both.
- Repayable loans are amortized between 0% - 3%, and are deferred for 90 days following project completion.
- SC Housing HOME funds cannot be combined with HOME funds from any other Participating Jurisdiction (PJ).
- Funds are secured with a Note and Mortgage. The affordability periods are secured by a Land Use Restriction Agreement (formally known as Restrictive Covenants).
- Full list of financial terms, broken out by funding source can be found on pages 11-13 of the SRDP Application Manual.

Project Feasibility and Underwriting Guidelines

(Page 13-16 of Application Manual)

Developer Fees

- Are limited to \$30,000.00 per affordable housing unit.

Exhibit 10 – Construction Cost Addendum

- Located under Tab 9 of the Application checklist.
- **Must be *completed and signed* by an independent 3rd party estimator, contractor or engineer who cannot bid on the project.**
- **Must provided the credentials of the cost estimator.**
- **Cost estimator must certify** that the costs associated with geotechnical recommendations, lead and/or asbestos abatement if necessary, **have been included in the estimate.**
- **Contractor Cost Limits:** The combined total of general requirements (limited to 6%) and contractor profit & overhead (limited to 8%) may not exceed 14% of Hard Construction Costs.
- Will be reviewed by SC Housing for cost reasonableness.

Project Feasibility and Underwriting Guidelines (cont'd)

Total Development Cost Worksheet (TDC)

- Located on page 8 of the Application Excel Workbook
- **Hard Construction Costs** must be no less than 65% of total development costs.
- **Non-Authority Funding** Sources - The intent is to not allow funding with external debt service. However, other funding such as grants, in-kind contributions and owner equity are allowable. If a project is determined to not be feasible without conventional financing, underwriting could consider a waiver request. These requests will be reviewed on a case-by-case basis and additional information may be requested.

SRDP Application Exhibit 11 – Construction Design Certification

- All square footage listed on the Exhibit 11, must match those listed in the SRDP Application
- The heated and non heated square footage for the entire project must be included on the Exhibit 11 and be consistent with square footage listed on submitted plans, specs and other documentation in connection with the SRDP Project.

The development and site plans, Total Development Cost, SRDP Exhibit 10- Construction Cost Addendum, and the SRDP Exhibit 11 – Construction Cost Design Certification will be reviewed to determine cost reasonableness.

Project Feasibility and Underwriting Guidelines (cont'd)

Operating Costs

- Projected operating expenses for all projects must be \$5,000 per unit per year, excluding reserves, property taxes, property insurance and compliance monitoring fees.

Vacancy Rate

- No less than 7% and must be applied to both rental and other income

Debt Coverage Ratio (DCR)

- All proposals will be underwritten to reach a 1.30 DCR or to produce \$1,100 per unit per year in annual cash flow.

Annual Rent & Expense Trends:

- Rents trended upward - 2% annual increase
- Operating expenses trended upward - 3% annual increase
- Pro Forma Income Statement must demonstrate the project will maintain positive cash flow for the entire affordability period.

Project Feasibility and Underwriting Guidelines (cont'd)

Project Reserve Requirements:

Replacement Reserves

- \$300 per unit per year.
- Annual contributions are made from operating cash flow and are cumulative.
- Account must be replenished when depleted.
- Annual contributions are expected to begin as soon as the development achieves stabilized occupancy (93% occupied) and continue until the expiration of the affordability period.

Operating Reserves

- Funded initially from development costs and replenished when used from operating cash flow.
- Must be maintained at required levels throughout the affordability period:
 - **Less than 10 Units** = 3 months of projected operating expenses, including replacement reserves, property taxes, property insurance, annual C/M fees and annual debt service
 - **10 or more Units** = 6 months of projected operating expenses, including replacement reserves, property taxes, property insurance, annual C/M fees and annual debt service

Project Feasibility and Underwriting Guidelines (cont'd)

Cost Overruns:

- Contingency will be used to cover cost overruns in the amount equal to 10% of total hard construction cost for rehabilitation and new construction projects.
- Change Orders must be submitted for all changes, alteration and cost overruns and receive approval from SC Housing.
- Amounts needed exceeding the contingency budget will be covered by a reduction to the developer fee and then by the developer's liquid assets as confirmed at application.

Market Study Requirements:

- A market needs assessment report prepared by an SC Housing approved 3rd party is required for all projects.
- Market Study Guidelines are provided as **Appendix A**.
- List of approved providers is on SC Housing's website.

Project Feasibility and Underwriting Guidelines (cont'd)

Appraisals:

- Submitted with the Application.
- Must not be older than 6 months from date of application.
- Broker opinion of value is acceptable, if not requesting funds for acquisition.
- Complete list of appraisal requirements on Page 15 of the Application Manual.

Placed in Service Applications:

- Required for all projects.
- Must be approved prior to final disbursement of funds.
- Includes a Cost Certification Audit completed by an independent CPA.
- Includes *first year* payment of compliance monitoring fees (\$50 per unit).

Threshold Requirements (Page 20-24 of 2025 SRDP Manual)

Applications will be vetted to show that the entity applying meets minimum participation requirements such as; but not limited to, minimum financial and experience capacity requirements.

- Organizations must provide audited, reviewed, or compiled financial statements dated no earlier than **December 31, 2023** and are submitted with the Application.
- If individuals are required as financial guarantors, reviewed financial statements prepared by an independent CPA are acceptable.
- Minimum financial capacity standards are

outlined in the chart listed:

➤ Liquid assets = cash, cash equivalents, investments held in name of organization or financial guarantor including money market funds, U.S. Treasury Bills, and equities traded on the New York Stock Exchange or NASDAQ.

Project Size	Net Worth	Liquid Assets
4 Units	\$500,000	\$75,000
8 – 16 Units	\$1,000,000	\$150,000
17 – 24 Units	\$1,500,000	\$200,000
25 – 39 Units	\$2,000,000	\$250,000

Threshold Requirements (cont'd)

Previous Participation – *Applicant* must be in good standing with **all** Authority administered programs throughout the entire application process.

- **Exhibit 7** – Previous Participation Certification are due to Jessica Donald at Jessica.Donald@schousing.com no later than **March 7, 2025** . This form is required to be approved by SC Housing. The executed and approved Exhibit 7 is required to be submitted with the application.
- Awardees and their principals may not have more than two (2) open SRDP and/or SC HTF Supportive Housing projects at any time.
- Open awards must meet progress benchmarks as described on page 22 of the application manual and are as follows on or before **March 7, 2025**:
 - 1) All **2021** and prior projects must have passed their SC Housing final inspection.
 - 2) All **2022** projects must have 25% construction completed, as evidenced by a completed SC Housing inspection.
 - 3) All **2023** projects must have started vertical construction, as evidenced by a completed SC Housing inspection.

Threshold Criteria (cont'd)

Experience and Capacity Requirements:

Micro New Construction set-aside (4 Units)

- If proposing a micro-new construction development, applicant must have experience developing (2) single family rental homes or a minimum of (1) multi-family development consisting of at least five units, within the last 10 years.
- **New This Year** – Micro New Construction is no longer limited to non-profit participation, this set aside has been opened up to all eligible applicants.

New Construction set-aside (8 – 39 Units)

- If proposing single family units, Applicant must have experience developing 4 single family rental homes or one multi-family project with at least 5 units using at least one federal funding source.
- If proposing multi-family units, Applicant must have experience developing 2 multi-family projects with at least 5 units each or 8 single family rental units using at least one federal funding source in each development.
- Experience must have occurred within the last 10 years.

Threshold Criteria (cont'd)

Experience and Capacity Requirements:

Rehabilitation (8 – 39 Units)

- If proposing rehabilitation of single family homes, applicant must have experience completing the rehabilitation and operating of 1 single family rental home.
- If proposing rehabilitation of a multi-family development, applicant must have experience completing the rehabilitation and operating of 1 multi-family development of at least 5 units.
- If proposing rehabilitation of single or multifamily properties requiring the permanent relocation of tenants, Applicant must have experience successfully administering the permanent relocation of tenants in compliance with the Uniform Relocation Assistance and Real Property Acquisition Act (URA).
- Experience must have occurred within the last 10 years.



**ANY
QUESTIONS?**

[Email:CommunityDevelopmentPrograms@schousing.com](mailto:CommunityDevelopmentPrograms@schousing.com)

2025

SRDP Scoring Criteria

Begins on page 24 of SRDP Application Manual

Portfolio Performance Scoring Criteria

Both positive and negative point may be assessed.

Negative points will be awarded for any of the following:

- Prior suspension from any SC Housing program **(-20 points)**
- Proposing a project that includes the permanent relocation of existing tenants **(-20 points)**
- Prior de-obligation of SC Housing funds **(-15 points)**

(Negative points will not be assessed for de-obligated/rescinded funds that were beyond an awardee's control as determined by SC Housing)

- Prior SRDP projects awarded within the last 5 years that took more than 42 months to complete **(-10 points)**

Portfolio Performance Scoring Criteria (cont'd)

Section 3 Benchmarks for previously funded projects (Up to 15 Points)

That meet HUD's numeric targets as described by 24 CFR Part 75, Which became effective November 30, 2020.

- **10 points** if 25% or more of the total number of labor hours worked by all workers on a Section 3 project are Section 3 workers; and
- **15 points** if both the 25% benchmark is met **AND** 5% or more of the total number of labor hours worked by all workers on a Section 3 project are Targeted Section 3 workers.

New Construction Scoring Criteria

- A. Positive Site Characteristics (56 points)
- B. Negative Site Characteristics (point deductions)
- C. Affordable Housing Shortage (15 points)
- D. Sustainable Building (10 points)
- E. Leveraging (30 points)
- F. Site and Neighborhood Standards (5 points)
- G. Supportive Housing (5 points)
- H. Section 3 Benchmarks (15 Points)

Positive Site Characteristics – Item 1 (up to 41 points)

Distance to Amenities

The driving distance will be the mileage as calculated by Google Maps and must be a drivable route as of the application deadline. The drivable route must be shown in satellite view map format along with written directions. A labeled photo of each amenity must also be provided. The measurement will be at any point of the site's road frontage to or from the amenity entrance and the same site entrance will be used for all measurements. Driveways, access easements, and other distances in excess of 500 feet between the nearest residential building of the proposed development and road shown on Google Maps will be included in the driving distance.

Distance to Amenities (cont'd)

Up To – 26 Points	Distance in Miles			
Primary Amenities	<1	<1.5	<2	<3
Grocery	12	10	8	6
Shopping	7	6	5	4
Pharmacy	7	6	5	4
Up To – 15 Points	Distance in Miles			
Secondary Amenities	<1	<1.5	<2	
Other Primary Amenity	5	4	3	
Services	3	2	1	
Healthcare	3	2	1	
Public Facility	3	2	1	
Public Schools	3	2	1	
Retail	3	2	1	

Applicants must complete **Exhibit 28 – Distance to Amenities Form** and include directions from the site to the amenities along with photos of the amenities.

Positive Site Characteristics – Item 2 (up to 10 points)

Employment Opportunities

Number of jobs in proximity to the site paying between \$1,251 and \$3,333 per month within a 2 or 4 mile radius of the proposed project based on the county as outlined on page 25 of the application manual will receive the following points:

- At least 5,000 jobs: 10 points
- 4,000 to 4,999 jobs: 8 points
- 3,000 to 3,999 jobs: 6 points
- 2,000 to 2,999 jobs: 4 points
- 1,000 to 1,999 jobs: 2 points

** The U.S Census Bureau's OnTheMap tool for the Longitudinal Employment Household Dynamics database is what is utilized to make this determination, based on the most current year available as of the application deadline.*

Positive Site Characteristics – Item 3 (5 points)

Racially or Ethnically Concentrated Area of Poverty (R/ECAP)

- All projects located **entirely outside** of Racially/Ethnically Concentrated Areas of Poverty as defined by HUD, will receive **5 points**.

**HUD's open data site; arcgis.com is what will be utilized to determine if a project is located within a R/ECAP area.*

Negative Site Characteristics

For the detrimental characteristics listed below, the distance is the shortest straight line from the closed site boundary to the closest boundary line of the detrimental characteristic. The determination is as of the time of the site visit and may include characteristics under construction.

-1 point for each instance of a site within:

- a) 500 feet of an electric substation
- b) 1/2 mile of a commercial meat farm/plant
- c) 1/2 mile of a hazardous/solid waste facility
- d) 1/2 mile of a sewage treatment plant
- e) 1/4 mile of a correctional facility

Negative Site Characteristics (cont'd)

-2 points for each instance

Where any portion of the site contains or permits any easements for overhead power lines.

-3 points each instance of a site within

- a) 500 feet of a junkyard, landfill or other eyesore
- b) 1/2 mile of a operating industrial facility

-10 points for projects proposing

A new phase on an existing project. Does not apply to scattered sites.

Affordable Housing Shortage – (up to 15 points)

Up to **15 points** will be earned based on the shortage of affordable housing:

- **10 points** for developments located in a county that did **not** receive an SRDP award in the last five years (2020, 2021, 2022, 2023, and 2024).
- **5 points** for developments located in a county that did **not** receive an SRDP award in the last three years (2022, or 2023, or 2024).

Sustainable Building - (10 points)

Projects committing to one of the following green building standards will receive **10 points**:

- Enterprise Green Communities
- LEED for Homes
- National Green Building Standard
- EarthCraft Certification
- Passive House Certification



Leveraging - (Up to 30 points)

- **Item # 1**: For every percentage point of total development cost funded by a non-Authority source, an application will earn 1 point, up to 10 points. Funds must be provided as a grant, in-kind contribution, or equity investment.
- **Item # 2**: Up to 10 additional points may be awarded for contributions from a local government per low-income project:
 - \$300,001 or more: 10 points
 - \$200,001 to \$300,000: 8 points
 - \$100,001 to \$200,000: 6 points
 - \$50,001 to \$100,000: 4 points
 - \$1,000 to \$50,000: 2 points



Leveraging cont'd- (Up to 30 points)

- **Item #3**: Applicants will earn up to 10 points for having a written conditional commitment for project based rental assistance (PBRA).
Conditional commitments for the PBRA contract must be provided with the application.
 - **To earn 10 points**: The conditional commitment must provide PBRA to 100% of the SRDP units.
 - **To earn 5 points**: The conditional commitment must provide PBRA to at least 50% of the SRDP units.

Site and Neighborhood Standards - (5 points)

- Housing provided through the SRDP Program must promote greater choice of housing opportunities.
- Applications proposing developments that will **NOT** be located in area of minority concentration as defined by 24 CFR 983.57(e)(3), will receive **5** points. Refer to pages 30 – 32 of the SRDP Application Manual for information about Site and Neighborhood Standards requirements.
- To determine if a project is or is not located in an area of minority concentration the following report will need to be submitted with the application.
 - Go to <https://www.ffiec.gov/census/default.aspx>
 - Scroll down the list of states, select “45- SOUTH CAROLINA (SC),” then click “RETRIEVE BY COUNTY.”
 - Scroll down the list of counties, select the county in which you’re the site is located, then click “GET TRACT LIST.”
 - Scroll down the list of tracts, select the tract in which the site is located, then click “GET CENSUS DEMOGRAPHIC.”
 - Under the header labeled “Data Report Links,” click on the word “Population.”

Supportive Housing - (5 points)

- **5 Points** for Applicants agreeing to set-aside a minimum of twenty percent (20%) of the units for permanent supportive housing.
- **To qualify for points**, the supportive housing development must provide a minimum of three (3) supportive services, the development must meet the definition provided on page 5 of the SRDP Application Manual. A narrative must be provided explaining how the units will be affordable to the population identified and explain who will provide the services and how the services will be provided for the duration of the affordability period. In addition, commitment letters must be provided from the supportive service providers.

Total points available to receive for New Construction : 136

Rehabilitation Scoring Criteria

- A. Criterion A: Preventing conversion of units to market rate **(up to 40 points)**
- B. Criterion B: Extent of physical distress **(up to 30 points)**
- C. Criterion C: Concerted Community Revitalization Plan **(up to 20 points)**
- D. Criterion D: Project site characteristics **(25 points)**

Total points available to receive for Rehabilitation projects : 115

Criterion A: Preventing conversion of units to market rate (up to 40 points)

1. Insolvency on or before December 31, 2027 (20 points)
2. Expiration of existing rent restrictions (10 points)
3. Rent advantage relative to market rate (10 points)

Criterion B: Extent of Physical Distress (up to 30 points)

1. Risk to health and safety within the next five years (15 points)
2. Total replacement cost of items beyond useful life (10 points)
3. Improvements for persons with disabilities (5 points)

[Additional information can be found on page 27-28 of the SRDP Application Manual](#)

[On both Criterion A and Criterion B.](#)

Criterion C: Concerted Community Revitalization Plan (up to 20 points)

1. Existence of a Concerted Community Revitalization Plan (CCRP), up to **20 points**;
 - i. 4 points for map of area as outlined on pg. 28 of the SRDP Application Manual.
 - ii. Up to 8 points for including a plan for the next (5) years as outlined on pg. 29 of the SRDP Application Manual.
 - iii. 4 points for showing CCRP was developed involving extensive input from the general public, elected officials and private stakeholders.
 - iv. 4 points if at least (1) building in the development would be located in a Qualified Census Tract (QCT).
2. Alternatively, for **5 points**, the application may include a letter detailing measures taken by the local government to increase the quantity of affordable housing and develop a resilient community.

Criterion D: Positive Site Characteristics to Support Economic Empowerment of Low-Income Households (up to 25 points)

1. Sites score for distance to amenities as described on pg. 24 of the SRDP Application Manual **(up to 5 points)**
 - 1 - 20 = 2 points / 21 - 30 = 3 points / 31 - 41 = 5 points
2. Employment metric as described in Positive Site Characteristics, under item 2, of New Construction Scoring Criteria outlined on page 25 of the SRDP Application Manual **(5 points)**
3. Conditional Commitments for project based rental assistance (PBRA) **(Up To 10 points)**
 - PBRA Committed to 100% of the SRDP Units = 10 Points
 - PBRA Committed to 50% of the SRDP Units = 5 Points
4. 3 Supportive Services Provided to low-income households **(5 points)**



**ANY
QUESTIONS?**

[Email:CommunityDevelopmentPrograms@schousing.com](mailto:CommunityDevelopmentPrograms@schousing.com)

2025






**Application Review
Process**

Submitting Applications (Page 17-18 of 2025 SRDP Manual)






1. Application, Manual, Forms, and Checklists are all available on SC Housing's website.
2. **SRDP Exhibit 7** – Previous Participation Certification – **March 7, 2025**
3. **FULL Application due June 2, 2025 by 5:00 PM.**
4. **Applications must be submitted on a thumb drive.** Hard copies **WILL NOT** be accepted. Applications may be delivered by hand, mail, or shipping service.
5. Online application submissions such as email, fax, or secure file exchange, **WILL NOT** be accepted.
6. **Submit *ONE complete Full Application Packet on a thumb drive appropriately organized*** and separated with the tabs as outlined on the checklist. **Please note:** The electronic thumb-drive application **MUST** be tabbed out in accordance with the tabbing system on the checklist. Meaning each tab with its contents must be saved as an individual file folder containing the applicable document file. Submitting one .pdf file of the entire application will be deemed incorrect.
7. Application Fees are non-refundable. **Do not include application fees in the development budget.**
 1. Full Application = \$500 ; and for scattered site developments - an additional \$100 for each site.

Tabbing System Example

- Each Tab must be correctly labeled as outlined on the Application Checklist.

-  Tab 1 Applicant Entity Info_Experience
-  Tab 2 Applicant Entity Info_Experience
-  Tab 3 Non Profit
-  Tab 4 Financial Capacity
-  Tab 5 Site Control

- Contents within each tab should be saved as a .pdf and each document titled as outlined on Application Checklist.

-  Directions to_Development Name.pdf
-  Development Name_ Noise Assessment.pdf
-  Development Name_Site Photos.pdf
-  Development Name_ Site Specific Letter.pdf
-  SRDP Exhibit 21.pdf

SC HOUSING		SRDP Exhibit 1		2025 SRDP Full Application Tab Checklist	
Applicant Name: <input type="text"/>		Date: <input type="text"/>			
Applicants must check off each category for which documents are included and complete, or mark as N/A.					
Tab #	Tab Name	Comments	Complete: X or N/A	Refer to the Manual, page:	
1	Applicant Entity Information & Experience	Flash Drive with tabbed-out application		18, 19	
		Full Application Checklist (Exhibit 1)		18, 19	
		Application Processing Fee - Non-refundable cashier's check		18, 19	
		Application - Must be signed and notarized		18, 19	
		Executed W-9			
		Narrative describing the proposed project.			
2	Applicant Entity Information & Experience	Staff Information (Exhibit 2) - List of personnel who will play key roles in the proposed project's development along with their contact information and job title; there must be an identified Project Administrator/Manager.			
		Ownership Organizational Chart of applicant, broken down to Principal entities			
		Experience Certification (Exhibit 4)			
		Consultant Certification Form (Exhibit 5) along with a draft of the Consultant Contract		7	
		Conflict of Interest Certification (Exhibit 6)		7	
		Previous Participation Certification (Exhibit 7) signed by SC Housing Staff.		21	
		Debarment Certification Form (Exhibit 8) - Provide for Applicant Entity and each principal/partner.			
		Narrative describing Applicant's successful experience with affordable housing programs.			
3	Non Profit (if applicable)	For non-profit applicants, a copy of their IRS 501(c)(3) Status Letter			
		Board of Directors Information (Exhibit 3)			
4	Financial Capacity	Audited, Reviewed or Compiled Financial Statements, dated 12/31/2023 which must include an Income Statement and a Balance Sheet.		21	
		Audit Requirements Certification (Exhibit 22):			
		If applicable, copy of most recent audit required by 2 CFR Part 200, Subpart F			

Application Review Process (Page 18-19 of 2025 SRDP Manual)

Evaluation Criteria

1. Mandatory Threshold Criteria
2. Compliance with federal and state laws/regulations
3. Application Completeness
4. SRDP Program Requirements
5. Underwriting Evaluation
6. Construction Cost Analysis
7. Site Suitability



Application Deficiencies (page 18 of 2025 SRDP Application Manual)

Applications may be disqualified for any of the following reasons:

- Four or more missing and/or incomplete items.
- Failure to provide missing and/or incomplete information within 7 business days from date of notification provided by SC Housing.
- Applications that are determined to not be financially feasible.
- Sites determined by geotechnical reports to not be well suited for building, require cost prohibitive site work, or that will prolong the period of construction will be disqualified.
- Applications with Exhibit 10 – Construction Cost Addendums that do not include the cost necessary to complete the project in accordance with the requirements identified in the geotechnical reports.
 - **NOTE: Costs are commonly left off the Exhibit 10, resulting in disqualification.**
 - **Please make sure you are signed up for Session 2 of today's workshop that will cover these requirements in more detail.**

Threshold Criteria (cont'd)

- Applicants must be in Good Standing with all SC Housing administer programs.
- No uncorrected issues of non-compliance at any time during the application process.
- No delinquent loan payments or compliance monitoring fees.
- No financially troubled projects.
- No debarment and/or suspension from participation in any federal or state program.
- Non-profits and government entities that expended more than \$1,000,000 federal dollars in the most recent fiscal year must submit copy of the audit conducted as required by 2 CFR Part 200, Subpart F for that fiscal year.
- All non-profits and government entities must complete and submit an ***Exhibit 22 – Audit Certification Form*** with Application.
- Applicants with HOME Program Income and/or CHDO Proceeds may not apply for SRDP funds until those prior funds are expended or returned to SC Housing.

Threshold Criteria (cont'd)

Experience Requirements

- Applicants can use the experience of a consultant to meet minimum experience requirements.
- A draft of the consultant contract must be provided with the Application.
- Scope of work in the consultant contract must specify the consultant's responsibilities related to the administration of the project.
- Services of the consultant must be utilized for the entire development phase of the project from application submission to placed in service.
- If using a consultant, the ***Exhibit 5 – Consultant Certification*** is a part of and must be provided with the Application, along with a draft copy of the consultant contract and an ***Exhibit 6 – Conflict of Interest Certification***.

Threshold Criteria (cont'd)

Applicants can submit two Applications. Only one application will be awarded unless funding is not fully depleted in the 2025 SRDP funding round.

- If funds remain available after each Applicant organization has had the opportunity to be allocated at least one award for a qualified application, an organization's second application may be considered for funding.
- Allocation of a 2nd award will be determined by the Applicant's developmental and operational history and the geographic distribution of awards.

Threshold Criteria (cont'd)

- A Phase 1 ESA must be submitted with the application, and if required, a Phase 2 ESA.
- Applicants must have site control of the proposed project site(s).
 - Deed, Option, or Contract, must be submitted with the Application.
- Options, and contracts are only allowable prior to the completion of the environmental review if HUD's choice limiting action language is included in the document verbatim. Language is found on Page 22 of the 2025 SRDP Application Manual, Line item #7, bullet C.
- An ***Exhibit 15-Notice to Seller*** is required for all property being acquired. **Must be executed by the seller prior to or at time of contract execution of the option or contract** and must be submitted with the application.
- Zoning – Applicant must provide documentation with the Application that demonstrates the site(s) are properly zoned for the proposed project.

Threshold Criteria (cont'd)

Uniform Relocation Act Requirements (URA):

Applicants proposing projects with temporary or permanent relocation of tenants must provide the following with the Application.

- ***Exhibit 16A or 16B – General Information Notices***
 - Must be provided to each occupied unit.
 - Documentation of delivery must be provided.
- A **certified rent roll** current as of the date of the **Initiation of Negotiations**.
 - If acquiring property ION = Date of Option, Contract,
 - If property is already owned ION = Date the Application is submitted
- ***Exhibit 17 – Tenant Profile Forms*** completed for each tenant household.
- ***Exhibit 18 – Move-In Notices must be*** provided to each prospective or new tenant household after the General Information Notices were provided.

Threshold Criteria (cont'd)

Uniform Relocation Act Requirements (continued):

- **Written Relocation Plan** must be submitted that includes information on how the relocation of tenants will be administered in compliance with URA regulations.
 - Timely Notifications
 - Advisory Services
 - Moving Expense and Relocation Assistance Calculations
 - Comparable Replacement Units
 - Tenants that move as a result of not being provided timely notices are considered to be displaced.
 - Temporarily relocated tenants that do not return to a rehabilitated unit within 12 months are considered to be displaced.

Threshold Criteria (cont'd)

Physical Needs Assessment (PNA):

- Submitted with the Application.
- Must be prepared in accordance with requirements of **Appendix C – Rehabilitation Guidelines**.
- Cannot be older than 6 months.
- Must include a narrative explaining any construction costs included on the ***Exhibit 10 - Construction Cost Addendum*** that are not included in the PNA.
- *This requirement will be discussed in more detail in Session 2 of the 2025 SRDP Application Workshop.*

Threshold Criteria (cont'd)

HUD & EPA Lead-Based Paint Requirements:

- An ***Exhibit 19 – HUD Lead Safe Housing Rule Applicability Form*** must be submitted with each application, including new construction.
- Applicants proposing the rehabilitation or conversion of building built prior to 1978 must include a Lead-Based Paint Risk Assessment Report that is no older than 6 months.
- LBP Risk Assessment Reports must be completed by a HUD/EPA Certified Professional.
- Applicants proposing the rehabilitation or conversion of a building built in 1988 or earlier must have the pipes, solder, and flux tested for lead and include a copy of the test results with the Application.
- Applicants proposing the rehabilitation of building built prior to 1978 must be EPA Certified Lead Renovation, Repair and Painting Program Firms.

Asbestos:

- All applicants proposing the demolition, rehabilitation, or conversion of existing structures must provide an Asbestos inspection report not older than 6 months, completed by a DHEC licensed asbestos inspector.



**ANY
QUESTIONS?**

[Email:CommunityDevelopmentPrograms@schousing.com](mailto:CommunityDevelopmentPrograms@schousing.com)

2025

SRDP Regulatory & Programmatic Requirements

Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Site and Neighborhood Standards

- Housing must promote a greater choice of housing opportunities.
- Sites must be adequate in size, exposure, and contour to accommodate the number and type of units proposed.
- Sites must have utilities available and have adequate streets to service the site(s).
- All applicants must submit an ***Exhibit 20B - Site and Neighborhood Standards Certification*** with the Application.
- Sites may not be in areas of minority concentration if the project will result in a significant increase in the proportion of minority to non-minority residents.
- Areas of Minority Concentration are determined by the 2020 US Census Bureau Data at: <https://www.ffiec.gov/census/default.aspx>
- Step by Step instructions to determine percentages of minority populations for the project site are found on Page 30 of the SRDP Application Manual.
- **Print the Census Bureau Report and provide a copy with the Application.**

Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Site and Neighborhood Standards (cont'd)

- If the site is located in an area of minority concentration it is not eligible for funding unless at least one of the following exceptions are met:

Exception 1: Revitalization Areas

- The project is necessary to meet housing needs that can't be met in the area. The site is integral to an overall existing local strategy for the preservation or restoration of the immediate neighborhood that is experiencing significant private investment that is improving the economic character of the area.
- Projects eligible for **Exception 1** must provide a letter from the locality explaining that the site is located in an area of revitalization. Documentation of the revitalization activities must be provided with the letter.

Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Site and Neighborhood Standards (cont'd)

Exception 2: Housing Opportunities

- Sufficient, comparable opportunities exist for housing for minority families in the income range in areas outside of the area of minority concentration.
- **Opinion letters for exception 2 must be prepared and signed by the market study analyst.**

Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Income Targeting

HOME Unit Income Targeting:

Initial Occupancy:

4 or less units - 60% or below AMI

5+ units - 20% units @ 50% AMI
80% units @ 60% AMI

Long Term Occupancy:

4 or less units - 80% or below AMI

5+ units - 20% units @ 50% AMI
80% units @ 80% AMI

Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Income Targeting (cont'd)

NHTF Unit Income Targeting:

- Projects with 6 or more units that are eligible for a NHTF award will be required to have at least 25% of the units in the project designated as NHTF units.
- All NHTF units must be occupied by households at or below 30% AMI.

SC HTF Income Targeting:

- All SC HTF units must be occupied by households at or below 80% AMI.

Determining Income

Annual Income as defined by 24 CFR Part 5 Determining Income Manual located on *SC Housing website*

Rent & Income Limits - Published annually to *SC Housing website*

All Units are FIXED, meaning they will be designated to a specific program and restricted AMI

HOTMA – becomes effective January 1, 2025

(Housing Opportunities Through Modernization Act of 2016)

2025 Published HOME Final Rule – Paused until April 20, 2025

Affordability Periods

HOME New Construction Projects, SC HTF – **20 Years**

NHTF = **30 Years**

HOME Rehabilitation Projects

Under \$15,000 = **5 Years**

\$15,000 - \$40,000 = **10 Years**

Over \$40,000 = **15 Years**

Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Prohibited Costs

- Limitations on actions pending Environmental Clearance.
- Delinquent taxes, fees or charges to properties being proposed in the application.
- Costs not eligible under 92.206 – 92.209 and 93.201 – 93.202
- Off-Site Infrastructure Costs
- Playground Equipment
- Costs for Storing Materials/Stored Materials
- Purchase of Construction Equipment or Tools
- Office Furniture and Equipment
- Exercise Equipment
- Swimming Pools
- Homeownership and/or owner-occupied activities

Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Eligible Cost

- Eligible Construction & Soft Costs are listed on Page 36-37 of the 2025 SRDP Application Manual.
- **Predevelopment Costs** are eligible if:
 - Costs necessary to develop and prepare plans, drawings, specifications, or cost-estimates, etc.
 - Must be incurred by the project Owner.
 - Must be incurred within 24 months of signing a Written Agreement.
 - Must be included and identified in the development budget and documented through invoices and submitted with the application as part of the underwriting process.

Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Project Start and Completion Requirements

- The execution of the HOME and/or NHTF Written Agreements start the HUD 4-year clock.
- Written Agreements include an **Exhibit A - Implementation Schedule** that establishes completion benchmarks that must be met.
- SC Housing – 2 Year Deadline
- HUD – 4 Year Deadline
- Project **must start** construction **within 1 year** of executing the Written Agreements.
- Projects funded with HOME and NHTF must submit a Cost Certification Audit with the Placed-in-Service Application.
(Must include cost in Development Budget)

**Exhibit A –
Implementation Schedule**

National Housing Trust Fund Program Agreement between
the South Carolina State Housing Finance and Development Authority and

The National Housing Trust Fund Program Agreement shall remain in effect until the expiration of the affordability period as identified on the NHTF restrictive covenants. The project completion schedule for the project is agreed to as follows:

NHTF PROJECT COMPLETION SCHEDULE: **March 21, 2023 - March 21, 2025**

START-UP REQUIREMENTS:

Award Revisions Submit as needed
Notice of Award Published SRDP-1: 5/5/2023
Audit Certification Form SRDP-3: 5/5/2023
Section 3 Applicability Form SRDP-4: 5/5/2023
Unit Designation Form SRDP-14: 5/5/2023
Loan Closing Request SRDP-2: At least two weeks prior to closing

ACQUISITION REQUIREMENTS:
(if property not owned by applicant at time of application approval)

Recorded Copy of the Deed: Submit 60 days after closing
Executed HUD-1: Submit 60 days after closing
URA Documentation: As requested by coordinator *(if applicable)*

PRE-CONSTRUCTION REQUIREMENTS:

Procurement and Contract Documents:
Draft of Advertisement for Bids: 7/19/2023
Draft of Bid Package provided to Bidders: 7/19/2023
(Do not include full sized copies of plans)

Copy of Advertisement for Bids: 8/28/2023
Copy of Bid Package provided to Bidders: 8/28/2023
Bid Tabulation: 8/28/2023

Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Procurement & Contracting

- Procurement for construction services must be performed using a competitive sealed bid process.
- A copy of the Applicant's bid policy must be submitted with the Application. Please refer to page 38 of the SRDP Application Manual for addition details relating to the bid policy.
- Applicants with an Identity of Interest may request an exception to the procurement requirements with the Application if they wish to act as the general contractor.
 - Submit ***Exhibit 25A – Identity of Interest Certification***
 - Submit ***Exhibit 25B - Identity of Interest Request Form***

Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Contractor Requirements

General Contractors must meet the following requirements to be awarded a construction contract:

- Companies must have full-time employees and been in business for at least 5 years of continuous operation, under the same name.
- Must be in Good Standing with SC Secretary of State.
- Must have license issued by SC LLR and required insurance.
- Must not be debarred from participating in any state or federal programs.
- Must have experience constructing similar projects within the last 5 years and provide a list of those projects as outlined on page 39 of the 2025 SRDP Application Manual.



Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Construction Draws

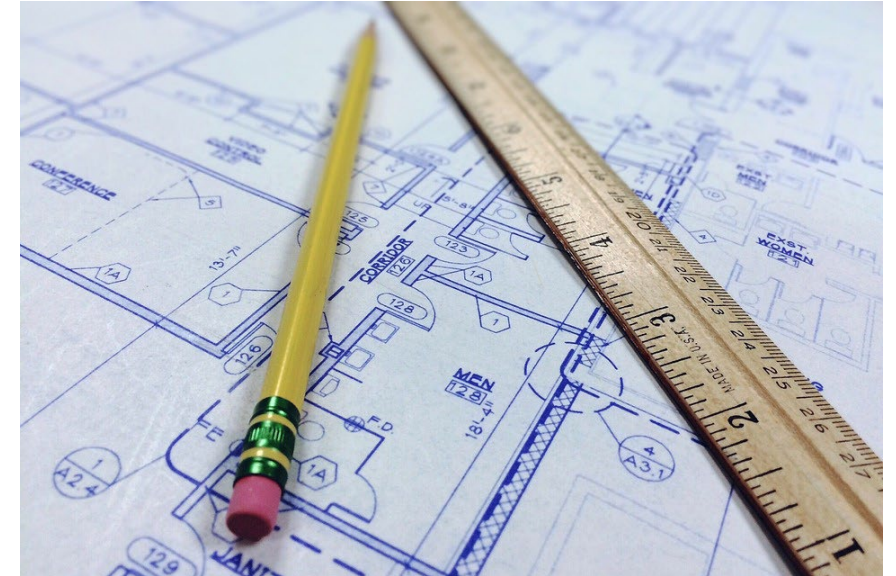
- Applicants are required to draw funds during construction and must provide one of the following:
 - A Direct Pay Irrevocable Letter of Credit, or
 - A Payment and Performance Bond.
- Draw During Construction:
 - No interest will accrue until after project completion for SC Housing loans.
 - Cost of PPB/LOC must be included in the Development Budget
 - Draws for soft costs not allowed until vertical construction has started
(*Vertical construction is defined as passing the SC Housing footing inspection.*)

Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Development Design Criteria

- Projects must be designed and built to meet the mandatory design criteria in:
 - **Appendix B: Development Design Criteria**
 - **Appendix C: Rehabilitation Guidelines**
- The Design Criteria must be provided to the project architect.
- Final plans/specs will be reviewed to ensure all requirements are met.
- All requirements and recommendations included in geotechnical reports must also be included.



Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Requirements for Geotechnical Reports

The soil report and boring site plan must reflect the results of the laboratory tests conducted on a minimum of:

- I. One Soil Boring Test with split-spoon samples and Standard Penetration Resistance test a minimum of 20 feet deep (borings must extend past all planned excavations and cut depths) per every 3,000 square feet of planned building('s) footprint, at least one boring per building regardless of square footage.
- II. One Soil Boring Test with split-spoon samples and Standard Penetration Resistance test a minimum of 10 feet deep (borings must extend past all planned excavations and cut depths) per every 300 linear feet of roadway.
- III. One Soil Boring Test with split-spoon samples and Standard Penetration Resistance test a minimum of 10 feet deep (borings must extend past all planned excavations and cut depths) for every 3,000 square feet of the planned paved parking areas of the development. **OR**

Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Requirements for Geotechnical Reports (cont'd)

- iv. One Cone Penetration Test (CPT) a minimum of 20 feet deep (probe/cone must be extended past all planned excavations and cut depths) per every 3,000 square feet of planned building ('s) footprint, at least one boring per a building regardless of square footage.
- v. One Cone Penetration Test (CPT) a minimum of 10 feet deep (probe/cone must be extended past all planned excavations and cut depths) per every 300 linear foot of road way.
- vi. One Cone Penetration Test (CPT) a minimum of 10 feet deep (probe/cone must be extended past all planned excavations and cut depths) for every 3,000 square foot of the planned paved parking areas of the development.

Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Environmental Review Requirements

- Completion of the Environmental Review process is **mandatory** before taking any action on a site. HUD considers the following to be “Choice Limiting Actions” that are **prohibited** until the Environmental Review has been **approved**, include but are not limited to.
 - Purchase of the site
 - Procuring for construction services
 - Executing construction contracts
 - Physical actions on a site



Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Environmental Review Requirements (cont'd)

Projects awarded SRDP funds must comply with 24 CFR Part 58 for the HOME Funds and CPD Notice 16-14 when project is funded with NHTF Funds.

Participants, recipients, owners, developers, sponsors or any third party partners **CANNOT** take any physical actions on a site, begin construction, commit, expend, or enter into any legally binding agreements that constitute choice limiting actions for any HUD or non-HUD funds before the environmental review process has been completed and an “Authority to Use Grant Funds” has been issued by HUD.

Any violation of the statutory regulation will result in the de-obligation of a conditional commitment of HOME funds.

Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Environmental Review Requirements (cont'd)

Projects involving acquisition – Options and sales contracts are only allowable prior to the completion of the environmental review if:

- Conditional language provided on Page 22 line (#7c) of the 2025 SRDP Application Manual is contained in the option, or sales contract.
- Language must be ***VERBATIM***.

If a proposed project is already underway all work, unless under contract, must cease immediately until the environmental review process is completed.

Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Environmental Review Requirements (cont'd)

Projects Receiving a Conditional Commitment of Funds:

- Must commission an Environmental Review consultant from the approved list on SC Housing's website.
- Environmental reviews will be due approximately **3 months** after the Conditional Commitments.
- HOME Written Agreements will be issued after HUD approval of the Environmental Review and SC Housing's approval of the Final Plans/Specs.
- If acquiring the property make sure to allow enough time for closing. The environmental review process on average takes 3-9 months.

Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Environmental Review Requirements (cont'd)

Activities that can be undertaken prior to the completion of the Environmental Review are:

- Environmental Studies
- Information and Financial Services
- Inspection and Testing of Properties for Hazards or Defects
- Purchase of Insurance
- Engineering or Design Services

Full list on page 3, section 3.1.1 of the Authority's Environmental Review Manual

Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Section 504

Section 504 of the Rehabilitation Act of 1973 Implements HUD Regulations requiring the following:

- New Construction Projects with 5 or more units and Rehabilitation Projects with 15 or more Units:
 - Must have a minimum of 5% of the total units accessible for individuals with mobility impairments **and** an additional 2% of the units accessible for individuals with sensory impairments. *(These percentages are rounded up to nearest whole number)*
- Federal Accessibility Standards at 24 CFR Part 8.
- Requires *full accessibility* of 504 Units & Common Areas

Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Section 3

- Section 3 Regulations apply to all SRDP projects.
- The purpose of Section 3 is to ensure that employment & contracting opportunities that are created by the development of the project to the greatest extent feasible are directed towards Section 3 businesses and Section 3 Workers.
- Section 3 Regulations were updated November 30, 2020.
- A Section 3 Project is one that has received more than \$200,000 in HUD funds consisting of HOME and/or NHTF, triggering required compliance with Section 3 as outlined in (24 CFR Part 75) for all contractors and subcontractors performing construction services on the project.
- Tracking of labor hours for all Workers, Section 3 Workers, and Targeted Section 3 Workers is required.

Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Affirmative Marketing Plan Exhibit 27 – (HUD-935.2A)

- Applicants must submit an **Exhibit 27 - Affirmative Marketing Plan** with the Application.
- Affirmative Marketing Plans must include:
 - Methods for informing and soliciting applications from persons in the housing market who are not likely to apply for the housing without special outreach.
 - Description of records that will be kept to document actions taken to affirmatively market the program and units as well as records to assess the results of the plan.

Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Monitoring & Compliance

- Projects are monitored throughout the affordability period. Reviews are conducted on-site to include:
 - Tenant records are reviewed for compliance with income certification and rent restrictions.
 - Inspections of the units and common areas are conducted to ensure property standard requirements are being adhered to.
 - NSPIRE (*National Standards for the Physical Inspection of Real Estate*) - Effective October 1, 2024 SRDP funded developments must meet HUD's new property standards during the affordability period.
 - Projects with 10 or more HOME and/or NHTF units must provide project specific financial statements annually so the financial health of the project can be evaluated.
- Additionally, there is an Annual Rent Approval process that consist of the submittal of the **M-66 Annual Rent Approval Form** to be submitted to Compliance Monitoring staff regardless if rents are increasing, decreasing or staying the same.

For further compliance monitoring guidance refer to the Compliance Monitoring Manual located on SC Housing's website.

Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Buy America Build America (BABA)

- Projects with 1-4 units are exempt.
- Projects with 5+ units must comply unless a waiver applies.
- HUD CPD Notice 25-01 Implementation Guidance for the BABA Act's Buy America Preference
- BABA applies to the entire project, not just the items being paid for with HUD CPD funds (HOME, NHTF).
- BABA applies to all developers, contractors, subcontractors, etc.
- If multiple funding sources trigger BABA compliance, the source with the largest investment takes the lead.
- Adding BABA compliant funding to a non-BABA triggered project after the project is underway triggers BABA.

Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Buy America Build America (BABA) continued....

- **HUD General Applicability Waivers:**
- Public Interest Exigent Circumstances – waiver applies when there is an urgent need by a CPD Grantee (SC Housing) to immediately complete a project because of a threat to life, safety, or property of residents and the community.
- *De Minimis* and Small Grants – waiver applies to projects whose total costs from all funding sources is equal to or less than the simplified acquisition threshold at 2 CFR 200.1 (\$250,000) and to projects where a *de minimis* portion of a project, meaning the cumulative total of no more than 5% of the total project cost of the iron, steel, manufactured products, and construction materials used, up to a maximum of \$1 million.

Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Buy America Build America (BABA) continued....

- **Federal Government-Wide Project/Product Specific Waivers:**
- Non-availability Waiver – may be requested if covered materials are not produced in the US in sufficient and reasonably available quantities or of a satisfactory quality.
- Unreasonable Cost Waiver – may be requested when the inclusion of BABA covered materials produced in the US will increase the total cost of the project by more than 25%.
- Public Interest Waiver – may be requested if the use of US made products would be inconsistent with the public interest.

Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Buy America Build America (BABA) continued....

All articles, materials, and supplies must be categorized into one of the below categories based on their status upon delivery at the project site:

- Iron or Steel
- Manufactured Products
- Construction Materials
- Section 7091(c) Materials

Regulatory and Programmatic Requirements

(pages 30-44 of the 2025 SRDP Application Manual)

Buy America Build America (BABA) continued....

Documentation of Compliance with BABA:

- Project records showing BABA language in Contracts, Procurement Documents, etc.
- Project Budget of the total project costs and a list of the project's Covered Materials subject to BAP with the costs of the identified Covered Materials.
- Documentation of the determination of BAP applicability to the covered materials, even if determined to be exempt.
- If subject to BAP, documentation that all Covered Materials subject to BAP were procured from BABA-compliant sources.
- If a general waiver applied to the project, documentation of how it meets the waiver.
- If a project/product specific waiver was obtained a copy of the approved waiver and market research supporting the need for the waiver.
- Product Labels - US Made verification, if available (Made in the U.S.A. label, product specification, BABA vendor, manufacturer, or contractor certifications).
- Results of market research and product sourcing such as supplier scouting conducted by NIST MEP or other supply scouting service. Copies of web searches and results, copies of emails or other correspondence with covered materials manufacturer and suppliers.

Implementation & Section 3 Training

- All awarded applicants will be provided additional technical assistance on specific federal and state requirements pertaining to the Implementation timeline of the project and Section 3 requirements.
- If at anytime, additional questions arise or staffing changes occur please do not hesitate to reach out to your Program Coordinator for answers or additional training.



**ANY
QUESTIONS?**

[Email:CommunityDevelopmentPrograms@schousing.com](mailto:CommunityDevelopmentPrograms@schousing.com)

**2025 SRDP Application Workshop
Session 2 Construction Requirements -
Begins @ 2pm**

**SOUTH CAROLINA STATE HOUSING
FINANCE AND DEVELOPMENT AUTHORITY**