

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

**ANNUAL ACCOUNTABILITY REPORT
FISCAL YEAR 1999-2000**

Submitted to
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EXECUTIVE SUMMARY

Major Program Goals, Outcomes, and Customer Focus

The Authority's six major programs are Homeownership, Multi-Family Tax Exempt Bond Financing, Rental Assistance (Section 8) and Compliance Monitoring, Low Income Housing Tax Credits, HOME Investment Partnerships and Restructuring. The Authority receives no general fund appropriations; these programs are financed in one of the following ways: funds generated by the sale of revenue bonds; Federal programs funded by the U.S. Department of Housing and Urban Development (HUD); user fees; and State documentary tax funds transferred to the SC Housing Trust Fund.

These six major programs are established to serve low to moderate-income South Carolinians through providing housing assistance and producing affordable housing units. The assistance to the families is offered through provision of affordable home mortgage loans and downpayment assistance loans, rental assistance, or the construction or rehabilitation of single and multi-family housing units. The agency provides housing maintenance services for families through loan servicing, tenant certification, and unit inspections during the reporting period.

The **Homeownership Program**, the core of the Authority's operations, provides affordable homeownership opportunities for persons and families of low- and moderate-to-low income in South Carolina, primarily through the sale of tax-exempt mortgage revenue bonds. The combination of funds generated by the sale of these bonds and prepayments support the homeownership program. These funds are recycled to finance new reduced interest rate mortgages for first-time homebuyers and used for other related affordable housing activities.

The **Multi-Family Tax Exempt Bond Financing Program** provides affordable rental housing opportunities to lower income South Carolinians through the construction of new units or the preservation of existing units through rehabilitation. These housing developments are monitored annually to ensure compliance with governing Federal and State regulations including, but not limited to, the review of tenant records, financial documentation, and physical site inspections. From 1984-1987, the Authority played a major role in the production of affordable rental housing via the Multi-family Tax Exempt Bond Financing Program. In 1999-2000, one development containing 108 units was financed using bond cap to leverage low income tax credits.

The **Rental Assistance (Section 8) and Compliance Program** provides housing and utility assistance to low and very low income South Carolinians to enable them to rent a decent and safe place to live. The program has reorganized over the last year to accept the responsibility for Contract Administration of over 200 apartment complexes from HUD. The Rental Assistance program is funded directly by the Department of Housing and Urban Development and administered by the Authority. The Authority serves 19 mostly rural counties across the State with the Rental Assistance program. The program assists low and very-low income individuals and families.

The **Restructuring Program** otherwise known as **Mark-to-Market** began when the Authority was selected as Participating Administrative entity and given the task of administering the program at the ground level. Mark-to-Market is a Federal program designed to reduce outlays for project based Section 8 rental assistance while preserving affordable housing. The Authority has accepted restructuring assignments for 26

properties located in 19 counties across the state. The properties contain 2,028 units of affordable housing. Nine properties have entered the program for full-debt restructuring and 17 for rent restructuring. Full-debt restructuring requires tenant meetings; rent restructuring requires owner notification only.

The Authority allocates and monitors the **Low Income Housing Tax Credit Program** for the State of South Carolina. The Tax Credit Program, which is managed by the Internal Revenue Service, is the primary source of new affordable rental housing production in the State and nationwide. Rental units financed with tax credits are created primarily through new construction or rehabilitation. Housing credits are allocated based on the State's population and annual credit awards are calculated at \$1.25 per resident. South Carolina's 1999 per capita credit amount was \$4.8 million. The program encourages private development of quality rental housing offering income tax credits as an incentive to private real property owners and developers to construct, rehabilitate, or purchase units for rent to lower income families or individuals.

The **HOME Investment Partnerships Program** is designed to promote partnerships between and among the public and private sectors to support a wide range of affordable housing activities from owner-occupied housing rehabilitation, to home buyer assistance, to rental unit construction, to tenant-based rental subsidy. Through a competitive process, participants receive HOME funding for rental, homeownership, and owner-occupied replacement housing. The HOME program is funded directly by the Department of Housing and Urban Development and administered for the State by the Authority. Funds in the form of loans and grants are awarded to units of government, traditional nonprofit agencies, for-profit developers, and special nonprofit organizations called Community Housing Development Organizations (CHDOs). Since the program's implementation in 1991, the Authority has qualified 30 CHDOs as housing development partners primarily by providing direct technical assistance and training. The Authority received \$11 million in HOME funds in 1999. HOME funds must be leveraged at 25% with private or other resources.

The **Housing Trust Fund** makes financial assistance available for increasing or improving the supply of housing for the very low or lower-income citizens. Within the last year the Housing Trust Fund built 615 housing units allocating a total of \$9,353,659.

Cooperative Efforts with Other Agencies

The amount of funding available for affordable housing is limited and has been decreasing since the early 1980's. Therefore, establishing partnerships and leveraging financial resources is crucial in addressing the challenge of providing affordable housing for lower income citizens. Some significant partnerships are listed below:

- The Authority serves as a partner in financing projects through HOME and the South Carolina Trust Fund, which provide group homes and other facilities for the **Department of Mental Health (DMH)** clients.
- The Authority accesses the **Department of Social Services (DSS)** database to facilitate administration of the Section 8 Program and consults with DSS regarding client-housing needs.
- The Authority and the **Department of Disabilities and Special Needs (DDSN)** have developed an informal partnership to provide financing for projects in support of DDSN clients.

- The Authority works cooperatively with the **Department of Health and Environmental Control (DHEC)** to ensure that safe and sanitary housing conditions exist and that developers comply with the necessary criteria for water and wastewater infrastructure, and lead hazard evaluation and reduction.
- The Authority supports the **State Human Affairs Commission (SHAC)** in sponsoring the Tri-State Housing and Equal Employment Opportunity Conference playing a pivotal role in ensuring that South Carolina Citizens are afforded equal opportunities to avail themselves of safe, decent, and affordable housing without threat of discrimination or retaliation.
- The Authority serves as the coordinator and quarterly convener of the **South Carolina Partners In Homeownership**. The **Partnership** is a statewide, public-private alliance of over forty members dedicated to expanding homeownership opportunity through structured education, outreach, advocacy, and policy reform initiatives.

In addition, the Authority works with the **Governor's Office, DHEC**, and the **Department of Commerce** to develop and promulgate the State Consolidated Plan. The Authority is an active member of the **SC Rural Development Council**, which coordinates the efforts of federal and state agencies to serve the needs of rural areas, and of the **Human Services Coordinating Council**. The Authority also works cooperatively with the **Commission on Minority Affairs**, the **Department of Consumer Affairs**, the **Department of Labor, Licensing and Regulation**, and various other state and federal agencies to address housing needs.

Although the Authority has no mandated relationship with or authority over the 43 local and regional housing authorities throughout the State, a strong and effective relationship has been developed which has affected shared resources and mutual support for on-going programs.

Criteria Used in Ranking Programs

Each year, programs offered by the Authority are evaluated based on need, demand, and effectiveness in reaching target populations. Modifications are made in those priorities, as necessary, to reflect economic and community development trends specifically addressed in the State's Consolidation Plan, as amended.

Every program offered by the Authority contributes significantly in addressing the wide range of housing needs in South Carolina. Each of the six major programs of the Authority was reviewed in the context of the Authority's mission and strategic plan and ultimately ranked on the basis of the number of families assisted during fiscal year 1999-2000. The ranking formula considers two workload factors: new families served and maintenance. The number of new families served added to the maintenance factor yielded the total number of families assisted by each program during the fiscal year. This formula was applied to each of the major programs and is the basis on which priority was determined. Programs are listed in priority order using the following ranking formula: $\text{New Families} + \text{Maintenance (Families/Units)} = \text{Total Housing Assistance}$.

Working with the Center for Education, Quality and Assessment of the State Budget and Control Board, the Authority has established benchmarks and will track performance indicators to measure the degree to which objectives are being met. Future performance measures will continue to focus on the Authority's progress in the areas of

Homeownership, Rental Assistance Programs, Development Programs, Compliance Monitoring, and Services.

Challengers, Barriers, and Opportunities

While the Authority is successful in achieving its mission of providing affordable housing through sound resource investments, there are real challenges that impact our ability to fully meet the state’s growing demand. The increasing need for affordable housing in South Carolina continues to outpace supply. Low wages, rising housing costs, transportation, migration, educational attainment, discrimination, aging, zoning, land use planning and other local government policies, administrative capacity, as well as social behaviors are just some of the issues that directly impact affordable housing opportunity and the overall quality of life in South Carolina.

However, the most direct challenge to efforts to keep pace with the housing demand is limited bond revenue for home mortgage loans and inadequate resources to attract private investment in rental housing production. Leveraged private investment is the Authority’s most effective tool to help expand housing opportunity in South Carolina. Inflation, competition for resources, and increased demand are persistent challenges. Passage of the Mortgage Revenue Bond and housing Credit Cap increase bills currently pending in Congress would have a profound and positive impact on homeownership opportunity and rental housing development in South Carolina. The additional resources and private sector investment incentives cap increases create could facilitate increased housing assistance in every county, but especially in hard-to-serve rural and low-wealth communities

MISSION STATEMENT

The vision of the South Carolina State Housing Finance and Development Authority is that all South Carolinians have the opportunity to live in safe, decent, and affordable housing. The mission of the Authority is to promote and provide safe, decent, and affordable housing for the citizens of South Carolina. The Authority exists for the primary purpose of expanding housing opportunities for lower income South Carolinians as defined by governing State and Federal legislation. The Authority accomplishes its mission by offering quality housing programs and services, working collaboratively with other public agencies and nonprofit organizations, and forging effective partnerships with the private sector.

The South Carolina State Housing Finance and Development Authority was created by Code Section 31-13-20, *et seq.* and is designed to provide technical assistance, serve as a vehicle for receiving federal housing funds, function as a financial institution, act as a housing development entity, and undertake other activities in order to provide new and renovated homeownership and rental housing for moderate to low income citizens of South Carolina. Code Section 31-13-160, *et seq.* gave the Authority its ability to issue bonds to finance housing for low and moderate to low income individuals and families. In addition, the Authority, in accord with Code Section 31-13-400, administers the SC Housing Trust Fund.

LEADERSHIP SYSTEM

The leadership of the State Housing Finance and Development Authority is clearly focused on the vision that “all South Carolinians have the opportunity to live in safe, decent, and affordable housing.” Dave Leopard has been the Executive Director for over seven years and brought to the Authority his direct experience from the Budget and Control Board in human resource management, staff development and training, and quality improvement. Senior leaders join the Executive Director in continually reinforcing the values the Authority has identified as guiding principles, which underlie mission accomplishment.

Values

Public Trust. We take responsibility for our actions and protect the public trust by upholding the constitution and laws of our nation and our state. As guardians of public funds and resources, we will exercise competent and judicious management. We value integrity and ethical conduct above all else.

Quality and Innovation. We are dedicated, committed, and competent public servants. We are visionary, creative, and open to change. We constantly seek to improve our knowledge and ability to serve our customers. Professionalism, Quality, and Innovation are the hallmarks of the Authority.

Employee Focus. We value our employees and treat them with dignity and respect. We ensure that our staff has the tools and the training they need to be successful. We recognize and reward them for their outstanding contributions to our mission. We empower them to improve upon the systems and processes which they control.

The Authority Staff Development and Training Plan specifies required training for each individual with the organization and includes both technical (including computer technology) and general training. All employees receive training in communications and team skills. All supervisors and managers must complete the Associate Public Manager Program and other advanced management training. Managers are encouraged to complete the Certified Public Manager Program and many are graduates of the Executive Institute.

Customer Focus. We strive to know and understand our customers and their needs. We respect all persons and value their diversity. We continually seek ways to improve our service. We encourage and appreciate our partnerships.

Strategic Planning

Strategic planning is a common-sense process that results in a statement of our strategic direction. The process does not produce a detailed, step-by-step plan, but encourages teamwork, and binds us together so that we all proceed with a common understanding of values and vision.

This process, which required nine months to complete, began with a Management Team retreat in 1996, during which we developed the values, vision, and mission statements that served as a foundation for the steps that followed.

A small team of six people guided the agency through the internal and external analysis phases. The team drew on the entire agency for ideas. The Management Team was involved with each major step that was taken.

A second Management Team retreat was used to identify strategic issues and develop strategies to deal with these issues.

Every employee had the opportunity to review the major products produced during this planning cycle and make suggestions for improvement. The Authority's Board of Commissioners reviewed the major products and voiced support for the entire process.

CUSTOMER FOCUS AND SATISFACTION

The Authority has at its core a sincere commitment to quality customer service and constituent satisfaction. Customer focus is one of four stated values in the agency's Strategic Plan. The Authority strives to continually improve its processes, programs and the services it delivers to internal and external customers through regular assessment and reform.

The Authority measures success in meeting customer and stakeholder expectations using formal and informal feedback methods. Surveys are the primary method for assessing customer satisfaction. Internal and external customers and stakeholders are surveyed. Internal customers are defined as agency staff, commissioners, and professional service providers. Housing development partners, stakeholders and consumers represent our external customers. Surveys are the primary method used to measure customer satisfaction. The Authority also utilizes a variety of other feedback methods to include advisory councils, project-specific planning and development teams, focus groups and public hearings.

The Authority conducts an annual *Customer Satisfaction Survey*. The most recent survey was conducted in November 1999. The survey is designed to elicit qualitative information on the effectiveness of agency processes and programs, in addition to new product and service suggestions our customers consider important. Survey questions range from those related to departmental responsiveness and cycle times – to the effectiveness of our programs and services – to the quality to the quality of training materials and publications.

OTHER PERFORMANCE EXCELLENCE CRITERIA

Strategic Planning, Information Collection and Analysis, HR Focus, Process Management

There are five strategic issues that are facing the Authority. First, we are dedicated to strengthening our internal environment through maintaining a clear understanding of financial position; improving communication channels and teamwork at all levels; promoting and encouraging problem solving at the lowest practical level; and developing individual training plans for each employee.

Secondly, we necessitate making effective use of information technology through clearly defining the role of the IT division and ensuring staffing is appropriate for that role; developing a long-range plan for IT to include hardware/software environment to best serve the Agency; as well as through providing key Agency information and services to the public via the Internet.

Thirdly, the Agency seeks to maintain effective programs through responding to changing political environment and related program changes with flexibility and optimism; keeping abreast of how other states are operating through the National Council of State Housing Agencies (NCSHA) and other channels, adopting good ideas where possible; continuously reviewing housing paradigms and trends and being open to new opportunities, even though drastically different from historical approach; connecting the housing mission with the State's overall goals in economic development and rural development.

Next, the Authority is concerned with improving community relations through building and strengthening partnerships through education, training, recognition programs, and other community-focused activities; working effectively through the media to promote Agency programs and initiatives; gaining full support of our Congressional Delegation for critical Federal programs; developing a core constituency of affordable housing advocates in the General Assembly and throughout the State; building local capacity for developing affordable housing through continued training and outreach activities.

Finally, we seek to continuously improve our processes through simplifying and combining procedures and forms; reducing paper handling and storage through use of technology; establishing performance measures; and designing feedback mechanisms to track performance.

Each of the four directors, who represent the line management of the Authority, are charged each year with developing a business plan, which is based on the broad strategies outlined in the Strategic Plan. The business plan focuses directly on actions that will be taken to implement the broad strategies. Additionally, each director is asked to identify one process, within his or her area, that will be reviewed for improvement during the calendar year.

Surveys are an essential element of the Authority's management process. The Customer and Employee Satisfaction surveys serve an important role in delivering effective housing programs and value added services. Management and programmatic effectiveness, resource efficiency, and service consistency remain hallmarks of the Authority's quality management and customer service goals.

The information revealed by the surveys is used not only to identify successes but, perhaps more importantly, to correct deficiencies or address other identified problems. The Employee Satisfaction Survey is a crucial element of our internal review process that helps: 1) identify expectations and perceptions of management performance; 2) assess the quality of technical and support services; and 3) measure program efficacy and staff proficiency. Survey results are analyzed, discussed among management and staff, and ultimately used to improve agency processes and procedures (management and programmatic), reform operational policies, or to revise programs to insure continued consumer relevance.

BUSINESS RESULTS

In 1999, public funds leveraged private capital at an overall ratio of 5:1. The economic impact of this five-to-one ratio is that every \$1 federal program dollar invested by the Authority in affordable housing activities attracted another \$5 in private or other capital. The investment of these additional resources significantly increased housing unit production, quality, and economic impact across South Carolina. Affordability, choice and accessibility were improved for lower income citizens statewide as a result of the Authority's investment decisions and the ability to attract substantial private resources.

Of the total \$114 million dollars invested in 1999, \$70 million financed first-time home loans under the MRB program. This represents the Authority's single largest investment category in 1999. The second largest category was \$25 million dollars in Section 8 subsidies for very low-income heads-of-households. Sources of the remaining \$19 million dollars in investment capital are the Housing Credits, HOME, and Housing Trust fund programs. These resources financed various initiatives targeted to the housing needs of moderate and lower income population. The activities financed included mortgage and downpayment assistance for first-time homebuyers, apartment and other multifamily construction, housing preservation, community-based special needs housing development for the homeless, veterans, disabled, and elderly. There were 1,699 housing units constructed or rehabilitated, 1,059 home mortgage and downpayment assistance loans financed, and rental housing made more affordable for 4,051 very low-income households in 1999. Over 50,000 South Carolinians were served by the six programs.

DESCRIPTION OF PROGRAMS

Priority ranking: 1

Program Name: **Homeownership**

Program Cost: Operating cost \$1,241,000

Program Goal: To provide expanded homeownership opportunities for low and low-to-moderate income families and persons in South Carolina.

Program Objectives: To enhance homeownership opportunities by providing mortgages at below market rate interest and down payment assistance to lower income families and persons in South Carolina. Special programs have been implemented to provide additional homeownership assistance to the traditionally under-served rural and single parent households. Work directly with communities to provide creative mortgage financing programs to enhance the affordability of homeownership in South Carolina. Provide mortgage servicing to give a firm but gentler approach in dealing with mortgagors who have delinquent loan payments.

Outputs:

Number of Mortgage Loans Purchased:	1,703 First Mortgages 913 Second Mortgages
Number of Mortgages Managed:	10,180 First Mortgages 2,846 Second Mortgages
Number of Mortgages Serviced:	6,068 First Mortgages 2,846 Second Mortgages

Outcomes:

% Eligibles Served as Compared to Last Year: (580,000 households eligible)
 FY 1997-1998 – 484 first mortgage loans – 0.22% of eligible households.
 FY 1998-1999 – 536 first mortgage loans – 0.24% of eligible households.
 FY 1999-2000 – 1,703 first mortgage loans–0.29% of eligible households.

Customer Satisfaction: (Measured by number of complaints received concerning loan purchase turn-around time and servicing errors as a % of total loans serviced)

Loan Purchase response time	Goal – 3 days or less Actual – 2 days Complaints – None
Escrow – Property Taxes	Goal – 50 or less Actual – 5
Escrow – Insurance	Goal – 50 or less Actual – 12

Foreclosures	Goal:	–	Below MBA Average
	MBA Avg.	–	2.33%
	Actual	–	1.51%

Customer Focus and Satisfaction

Customer satisfaction in our Loan Purchase Department is based on our loan turn around period. The goal is to respond to the lender within a three-day period and either issue a letter of approval/disapproval or advise the lender of missing or needed additional information. Satisfaction is based on complaints received from lenders.

Customer satisfaction in our Mortgage Servicing Department is based on the numbers of errors made in our escrow accounts compared to an established goal.

Foreclosures are to be kept at a rate that is lower than the foreclosure rate as published by the Mortgage Bankers Association of America for the State of South Carolina.

Human Resource Focus:

Performance reviews and procedures used are those approved by the Human Resources Department of the Authority.

Training consists of seminars recommended by our Human Resources Department. Employees are periodically asked to attend technical seminars taught by outside organizations.

Process Management

Work process used in the Homeownership Division is that of a computer software program purchased from Application Oriented Designs. All work processes are limited to this software.

A recent improvement and an upgrade to this system was made recently by the implementation of an on line loan reservation system. This new system was installed to better serve the lenders and also as a work improvement process in the Loan Purchase Department.

Priority Ranking: 2

Program Name: **Multi-Family Tax Exempt Bond Financing**

Program Cost: \$633,046 Other Funds (Monitoring Fees)

Program Goal: To provide affordable rental housing opportunities to lower income South Carolinians; and to increase the availability and quality of affordable rental units through new construction or the rehabilitation of existing units and the monitoring of such units to ensure compliance with governing Federal and State regulations.

Program Objective: To increase the availability of affordable rental housing units by providing permanent financing through the issuance of tax exempt bonds; to advise and assist housing sponsors seeking an allocation through the state bond ceiling; and to meet the required property and management review criteria to ensure compliance with applicable State and Federal legislation.

Outputs:

Physical inspections performed for 100% of developments (30 developments containing 7,001 units)
Tenant records and annual financial statements reviewed for 100% of developments
Program training provided to on-site management personnel.

Outcomes:

Number of quality units at affordable rents available for low- to moderate-income individuals or families:
1999-2000: 7,001 units
1998-1999: 6,893 units

Priority Ranking: 3

Program Name: **Rental Assistance (Section 8) and Compliance**

Program Cost: Direct operating cost, \$2,029,617, Federal Funds. Indirect (agency overhead) operating cost, \$790,595.

Program Goal: To provide rent and utility assistance to allow low and very-low income families and individuals to live in safe, decent, and sanitary rental housing; to increase the quantity of quality affordable rental housing; and to ensure that the Authority consistently meets or exceeds the Federal program requirements.

Program Objective: To ensure that program participants are eligible in accordance with program regulations and to maintain full occupancy/usage of the approximately 23,000 program slots; to ensure that units occupied by participants under the program meet HUD housing quality standards; to expend program funds in accordance with program regulations; to select new program participants in accordance with program regulations and Authority policy; to monitor participant and unit compliance with program regulations; to enhance tenant family compliance through interagency cooperation with the Department of Social Services and the Department of Revenue; and to promote a safe, decent and sanitary rental for low-income renters.

Outputs (1999-2000):

Number of Families Served:	23,000 (A)
Amount of Section 8 Assistance Paid Out:	\$19,260,530
Number of Inspections:	4,600 (A)
Number of Families on Section 8 Waiting List:	3,300 (A)

(A) – Approximate

Outcomes: Customer Satisfaction, Section 8 Tenants:
218 surveys mailed; 56% response rate; 74% satisfaction
Customer Satisfaction, Section 8 Owners/Property Managers:
224 surveys mailed; 40% response rate; 85% satisfaction
Customer Satisfaction, Compliance Property Managers:
35 surveys mailed; 92% response rate; no negative responses

The Rental Assistance and Compliance (RAC) Division performs three basic functions:

1. HUD Contract Administration (CA). Rental housing subsidy is provided to over 1,000 very low to extremely low income individuals and families at 18 apartment complexes in 11 counties. RAC reviews and audits records concerning the complex's financial status, family eligibility and inspects a sample of the rental

units for Housing Quality Standards compliance. RAC reports its findings to HUD. During the last year, RAC has been preparing to assume the responsibility to administer the housing contracts and monitor over 200 additional properties for HUD. This Contract Administration contract began July 1, 2000. This contract encompasses approximately 15,000 units in 45 counties.

2. HUD Section 8 Tenant Based Rental Assistance (Section 8). Rental housing subsidy is provided for very low to extremely low income individuals and families in mostly rural areas across the state. In November 1999, RAC began a process of transferring some of its more outlying jurisdictions to local Housing Authorities. This was done in an effort to improve customer service and to reallocate resources in preparation for the addition of the HUD Contract Administration contract. RAC transferred 11 counties to six local Authorities. RAC now administers the Section 8 program in 11 counties for approximately 2,500 families.
3. Compliance Monitoring. Assistance, in the form of below market rental rates, is provided for low to extremely low income families at properties constructed, rehabilitated or purchased through the Authority's Low Income Tax Credit, Housing Trust and Multifamily Bond programs. Almost 20,000 units at over 200 complexes in 46 counties are reviewed as required by program rules.

Priority Ranking: 4

Program Name: **Restructuring**

Program Goal: To preserve and maintain existing affordable housing at a cost savings to the federal government.

Program Objective: To create restructuring plans for properties assigned to our agency by the Office of Multifamily Housing Assistance Restructuring that provides the assurance of safe decent and affordable housing at a cost savings to the federal government.

Outputs: Restructuring plans completed and forwarded to the Office of Multifamily Housing Assistance Restructuring for 19 properties.

Outcomes: Three properties restructuring plans approved and new Section 8 rental assistance contracts signed that will provide an annual savings of \$91,680 in Section 8 rental assistance. This provides for the preservation of 216 units of affordable housing for 666 citizens of the State of South Carolina.

Priority Ranking: 5

Program Name: **Low Income Housing Tax Credits**

Program Cost: \$589,760 Other Funds (Agency Fees)

Program Goal: To provide affordable rental housing opportunities to lower income South Carolinians; and to increase the availability and quality of affordable rental units through new construction or the rehabilitation of existing units.

Program Objective: To increase the supply of affordable rental housing units by maximizing the allocation of LIHTC; to target proposals from rural areas and those that are sponsored by qualified nonprofit organizations; as required by the Revenue Reconciliation Act of 1993, to consider the reasonableness and appropriateness of the developmental and operational costs of a development as an additional factor in making its determination as to the proper amount of LIHTCs to allocate to a development; and to exceed the minimum applicable monitoring requirements necessary to ensure compliance with program legislation.

Outputs:

Allocated \$4.8 million (10 year total of \$48 million) in LIHTC, 100% of LIHTC available.
795 units providing 1,679 bedrooms for an anticipated 2,519 persons to be served.
Over 30% of the 362 placed in service LIHTC developments monitored for compliance with applicable federal and state requirements for maximum rent and income limits as well as inspected for housing quality standards.

Outcomes:

Allocated \$48.5 million (10 year total of \$485 million) to 380 developments containing 15,020 units in 44 counties
Performed compliance monitoring inspections for over 30% of the LIHTC developments annually

Satisfied property and management reviews of all developments with a minimum of follow-up inspections necessary.

Priority Ranking: 6

Program Name: **HOME Investment Partnerships Program**

Program Goal: To promote partnerships among the federal government (HUD), state and local governments, and non-profit and for-profit sectors who build, own, manage, finance, and support affordable housing initiatives.

Program Objective: To support participants who design and implement strategies for achieving adequate supplies of affordable housing statewide by maximizing federal assistance and leveraging other public and private resources.

Outputs: Number of Units Developed, by Type

Rental Housing	76
Homeownership	249
Lease/Purchase Housing	54
Technical Assistance Contacts	41

Total of \$7,771,505 awarded to 29 developers

Outcomes: Counties Served (by Activity), Combined 43%

Rental Housing	17%
Homeownership	28%
Lease/Purchase Housing	8%

Rural Areas Served (by Activity), Combined	28%
Rental Housing	13%
Homeownership	15%
Lease/Purchase Housing	1%

Priority Ranking: Not Ranked

Program Name: **Housing Trust Fund**

Program Goal: To provide financial assistance to increase or upgrade the supply of safe, decent, and affordable housing for members of the very low or lower income households within the state.

Program Objective: To encourage affordable home ownership and rental housing opportunities for the very low and lower income individuals and households; assist in the creation and preservation of safe, decent, affordable housing for the very low and lower income persons through the provision of loans and grants; increase the availability of affordable rental and owner-occupied housing for special needs populations, including housing for the elderly, the handicapped and the homeless; to promote creativity and flexibility in the design of programs at the local level to bring about the creation of safe, decent, and affordable home ownership and rental housing in quality living environments; to maximize the utilization of federal housing assistance programs and leverage other public and private resources; establish a spirit of partnership among government, nonprofit, and for profit concerns and those in need of affordable housing.

Outputs:

Applications processed:	183
Housing units built/rehabilitated:	615
Total HTF allocations:	\$9,353,659

Completed 29 property or management reviews of the 56 units placed in service for compliance with applicable state legislation and program requirements.

Allocated \$9,353,659 to 183 developments to provide safe, decent housing for over 1,860 persons.

Revised Housing Trust Fund applications in response to input from housing partners and Authority staff.