SC Housing
HOME-ARP Allocation Plan

Describe the consultation process including methods used and dates of consultation:

The U.S. Department of Housing and Urban Development (HUD) requires HOME-ARP Participating Jurisdictions (PJs) to consult with organizations and service providers whose clientele include HOME-ARP qualifying populations during the planning process to identify unmet needs and gaps in housing and supportive service delivery systems. At a minimum, HUD required state PJs to consult with the following types of organizations:

- Continuum of Care (CoCs) Organizations
- Homeless Service Providers
- Domestic Violence Service Providers
- Veterans' Groups
- Public Housing Agencies (PHAs)
- Public Agencies that address the needs of the Qualifying Populations
- Public and/or Private Organizations that address fair housing, civil rights, and the needs of persons with disabilities

SC Housing began the consulting process in November of 2021. Consultations took place with stakeholders throughout the development of the HOME-ARP allocation plan through the use of a web-based survey, virtual meetings with individual organizations, and online presentations conducted during organizational meetings. During the consultation process stakeholders were asked to provide feedback on the needs, service gaps, and recommended best uses of HOME-ARP funds in their communities and geographic service areas. SC Housing's consultation efforts are summarized below:

- SC Housing launched a survey that was distributed via the digital marketing tool Constant Contact to 2, 166 recipients that included individuals, nonprofits, affordable housing developers, public housing authorities, other housing and real estate professionals, service providers, municipalities, and state and local agencies. Responses were accepted from interested stakeholders from January 6, 2022 through January 28, 2022. Responses were received from 31 organizations and individuals. In addition, SC Housing directly contacted the SC Association of Public Housing Authority Executive Directors and had the association directly email the survey all Public Housing Authority Executive Directors in South Carolina. Refer to **Appendix A** for survey questions and responses.
- SC Housing launched the HOME-ARP webpage on January 11, 2022. The webpage contains information about HOME-ARP program including the state of South Carolina's allocation amount, eligible activities, definitions of the qualifying populations, survey link, and the opportunity to sign up to receive email notifications about the program. The webpage also provides contact information

and encourages stakeholders and community members to provide input on how South Carolina's allocation can best be utilized to make the most significant impact for the qualifying populations in South Carolina. To date, 359 individuals and organizations have signed up to receive email notifications about the SC Housing's HOME-ARP program. The HOME-ARP listserv and webpage are ongoing outreach methods still available to the public to provide input and encourage engagement from interested stakeholders. SC Housing's HOME-ARP webpage is located at https://www.schousing.com/Home/HOME-ARP-Program

- SC Housing met virtually with each South Carolina's four Continuum of Care (CoC) organizations to request data and recommendations on the best use of HOME-ARP funds for the qualifying populations residing in South Carolina.
- In addition to meeting with South Carolina's four CoC entities, SC Housing reached out to five stakeholder organizations to request input and feedback by email and by presenting information about the HOME-ARP program in meetings. During these meetings staff informed meeting participants of HOME-ARP funding amounts, program requirements, eligible activities, proposed time line for program implementation and encouraged feedback and input from participants on how to best utilize HOME-ARP funding in South Carolina to best serve the qualifying populations. These meetings and communications took place with the SC Interagency Council on Homelessness, the SC Department of Mental Health's State Planning Council, the SC Emergency Management Division, SC Department of Education's McKinney-Vento Café Meeting, and the SC Association of Public Housing Authority Executive Directors.

List the organizations consulted:

Agency/Org Consulted	Type of Agency/Org	Method of Consultation	Feedback
SC Interagency Council on Homelessness (Mental Illness Recovery Center, Inc., United Housing Connections, Upstate CoC, Eastern Carolina Homeless Organization, SC Department of Mental Health, SC Housing, SC Department of	Statewide network of advocates, service providers committed to ending homelessness	Virtual Board Meeting 11/18/2021	Refer to Appendix A -Survey Results

Health and Environmental Control, United Way of the Midlands, SC Hospital Association, Alliance for Healthier SC, SC Department of Veteran's Affairs, SC Department of Health and Human Services, SC Department of Education, SC Department of Alcohol and other Drug Abuse Services, One 80 Place, Sunbelt Human Advancement Resources, SC Commission for Minority Affairs, SC Department of Corrections, SC Coalition Against Domestic Violence and Sexual Assault, City of Myrtle Beach Police Department, Nelson, Mullins, Riley & Scarborough, LLC, Spencer Thomas, SC Department of Social Services, One 80 Place Legal Services			

Eastern Carolina Homelessness Organization	CoC, homeless service provider	Virtual 11/30/2021	Gaps are lack of access to no/low barrier shelters, support services for homeless and those severely cost burdened, not enough landlords willing to rent to qualifying population clientele, lack of housing stock for larger families, communication and transportation barriers for supportive services, client distances to emergency shelters and providers, housing and support services for McKinney-Vento DOE children and families in a school setting.
Upstate Continuum of Care - United Housing Connections	Greenville, Anderson, Spartanburg, Upstate COC	Virtual 12/1/2021	Viable housing solutions for individuals who are employed/have income but living in shelters are non-existent. Housing that is affordable for those living on a fixed income is one of the most critical needs in our state. Specifically those households at or below 50% AMI. This sector of our population is at the greatest risk for being unstably housed. Many

			would argue that shelter beds are not an issue. The issue that is causing bottleneck in our shelters is the lack of affordable housing options. Permanent Supportive Housing for low to no income households is a critical need. The lack of transitional housing options or shared housing options is also an issue. Low or no income, lack of job skills, lack of transportation, lack of affordable housing solutions, lack of mental and substance abuse treatment in both congregant and non-congregant settings. Barriers to housing such as, criminal records, evictions, poor credit, generational poverty. Priority needs are housing for chronically homeless individuals, housing for domestic violence victims and their families, housing for unaccompanied youth.
Midlands Area Consortium for	Columbia/Midlands CoC	Virtual 1/11/2022	Refer to Appendix A -Survey Results

the Homeless - United Way of the Midlands			
Total Care Homeless Coalition, ECHO	COC regional/planning body that coordinates housing and services funding for homeless families and individuals. CoC serving Chesterfield, Clarendon, Darlington, Dillon, Florence, Georgetown, Horry, Kershaw, Lee, Marion, Marlboro, Sumter and Williamsburg counties	Virtual 1/18/2022	Gaps are lack of access to no/low barrier shelters, support services for homeless and those severely cost burdened, not enough landlords willing to rent to qualifying population clientele, lack of housing stock for larger families, communication and transportation barriers for supportive services, client distances to emergency shelters and providers, housing and support services for McKinney-Vento DOE children and families in a school setting.
One-Eighty Place	Charleston/Lowcountry COC	11/18/2021	Refer to Appendix A -Survey Results
SC Department of Mental Health – State Planning Council	State Agency	Email 1/20/2022	Refer to Appendix A -Survey Results
Lutheran Services Carolinas	Faith-based health and human services organization serving seniors in North Carolina and children and families in North and South Carolina.	Virtual 1/20/2022	Largest service gap is need for daycare. Need for Afghan refugees to find housing and employment.
SC Department of Education	State Agency	Virtual 1/20/2022 McKinney-Vento February Cafe	Refugees/immigrants are most vulnerable

		2/09/2022	
Mental Illness Recovery Center, Inc.	Behavioral healthcare, supportive housing, and essential needs provider	Virtual SC Youth Experiencing Homelessness Taskforce Meeting 2/10/2022	Preference is needed for specialized housing for young adults.
SC Emergency Management Division	State Agency	Virtual Quarterly Recovery Taskforce Meeting 2/17/2022	Refer to Appendix A -Survey Results
United Way of Kershaw County	Provides overarching services to the homeless including transitional housing	Virtual Survey 3/1/2022	Gaps are no barrier emergency shelters, Day service center for services and job skills, affordable, supportive housing units, supportive services for mental health and substance abuse, need case managers to provide support once permanent housing is secured
SC Department of Social Services	State Agency	Email 1/12/2022	Refer to Appendix A -Survey Results

Summarize feedback received and results of upfront consultation with these entities:

Feedback from the consultation process and survey results were taken into consideration in the State's planning process to determine the best approach to utilize the HOME-ARP funding resource to best serve the qualifying populations of South Carolina. The below comments were frequent themes provided during the consultation process that shaped and influenced the State's decisions on how best to design and implement the HOME-ARP program in South Carolina.

- The imperative need for the development of more affordable housing units.
- The lack of homeless shelters, especially non-congregate shelters that cater to families.
- Lack of supportive services and case management.

- Need for service providers to have financial assistance to increase staffing, increase capacity with training, and obtain resources to purchase computers, software, office equipment, etc.

Public Participation

Describe the public participation process, including information about and the dates of the public comment period and public hearing(s) held during the development of the plan:

- ***Date(s) of public notice: 3/12/2023***
- ***Public comment period:*** *start date -* ***3/13/2023*** *end date -* ***3/27/2023***
- ***Date(s) of public hearing: 3/21/2023***

Describe the public participation process:
In addition to the required HUD consultations, public hearing requirements SC Housing implemented a survey and created a Listserv to engage stakeholder organizations and the public. The survey was closed as of January 28, 2022, but the Listserv remains open to interested subscribers and will be used as the primary vehicle to disseminate information about SC Housing's HOME-ARP program. Anyone interested in providing input or learning about HOME-ARP can register for email notifications. To date, 359 individuals have registered to receive program notifications. In addition SC Housing has a state-wide partner network who received program notifications that requested permission to share information received with additional partners and community contacts.

Describe efforts to broaden public participation:
Public participation is a vital tool in evaluating the needs of and gathering feedback and input from interested stakeholders. SC Housing utilized multiple avenues to ensure the public was aware of HOME-ARP funding and encouraged participation in the planning and implementation of the program. SC Housing created the HOME-ARP specific webpage on which information about the allocation amount, eligible activities, HUD requirements, a PowerPoint Presentation, and a proposed timeline for program implementation was included. In addition, staff contact information was provided and interested parties were encouraged to provide feedback. SC Housing will continue to update the HOME-ARP webpage as the program develops and additional information becomes available about the program such as funding availability, application workshops, and application deadlines and materials. SC Housing also sent out a survey to 2,166 individuals and organizations requesting feedback regarding the best use of HOME-ARP funds to best serve the needs of the qualifying populations in South Carolina in the most impactful way. SC Housing posted a public notice which ran in the State Newspaper on March 12, 2023 to notify the public of when the state's HOME-ARP Allocation Plan draft was available for public review and comment. The notice also provided information on how to participate in the HOME-ARP public hearing, which was held online on March 21, 2023 at 10:00a.m. The public was notified that copies of the draft allocation plan were available at SC Housing's office during normal business hours and also available on line

on SC Housing's HOME-ARP webpage. Notification was also provided to the public that assistance would be provided to accommodate non-English speaking individuals, persons with Limited English Proficiency, and those with special needs requiring reasonable accommodations.

Summarize the comments and recommendations received through the public participation process either in writing, or orally at a public hearing:

SC Housing carefully considered all public comments and feedback submitted during the public comment period. A brief summary of comments received is provided below and all comments and responses have been provided in their entirety as **Appendix B**:

- The $20 million in State Housing Trust Fund could be used to fill funding gaps for shovel ready tax credit and bond developments instead of being used to leverage HOME-ARP funding.
- Why is it necessary to provide fifteen years of operating assistance when instead and additional 46 units could be produced?
- For future surveys SC Housing should consider using the University of South Carolina's Medial Center – Center for Disability Resources for designing surveys with accommodations to increase participation by those with disabilities.
- The population with disabilities in SC represents a large extremely low-income population that must be deemed eligible for rental units in approved HOME-ARP projects across our state.

Summarize any comments or recommendations not accepted and state the reasons why:

SC Housing took all comments received into thoughtful consideration. A majority of the comments received were questions and not recommendations or suggestions that were to be proscribed into the allocation plan. The questions and comments received will be considered in the development of the NOFA and associated program policies and program documents, such as the application, application manual, and associated program implementation materials.

Needs Assessment and Gaps Analysis

OPTIONAL Homeless Needs Inventory and Gap Analysis Table

Homeless													
	Current Inventory					Homeless Population				Gap Analysis			
	Family		Adults Only		Vets	Family HH (at least 1 child)	Adult HH (w/o child)	Vets	Victims of DV	Family		Adults Only	
	# of Beds	# of Units	# of Beds	# of Units	# of Beds					# of Beds	# of Units	# of Beds	# of Units
Emergency Shelter	808	16	1243	#	20								

Transitional Housing	305	80	673	#	249								
Permanent Supportive Housing	620	#	1490	#	5								
Other Permanent Housing	182	#	245	#	#								
Sheltered Homeless						602	1962	317	222				
Unsheltered Homeless						247	1457	111	144				
Current Gap										+1066	#	-562	#

Suggested Data Sources: 1. Point in Time Count (PIT); 2. Continuum of Care Housing Inventory Count (HIC); 3. Consultation

OPTIONAL Housing Needs Inventory and Gap Analysis Table

Non-Homeless			
	Current Inventory	**Level of Need**	**Gap Analysis**
	# of Units	# of Households	# of Households
Total Rental Units	#		
Rental Units Affordable to HH at 30% AMI (At-Risk of Homelessness)	#		
Rental Units Affordable to HH at 50% AMI (Other Populations)	#		
0%-30% AMI Renter HH w/ 1 or more severe housing problems (At-Risk of Homelessness)		#	
30%-50% AMI Renter HH w/ 1 or more severe housing problems (Other Populations)		#	
Current Gaps			#

Suggested Data Sources: 1. American Community Survey (ACS); 2. Comprehensive Housing Affordability Strategy (CHAS)

Describe the size and demographic composition of qualifying populations within the PJ's boundaries:

In general, HOME-ARP qualifying populations include persons who are homeless, at-risk of homelessness, fleeing domestic or other violence, or who face housing instability. This analysis will examine the size of the qualifying population and gaps in housing, using three different perspectives. First, PIT and inventory count data will be used to examine gaps for homeless individuals and will include a discussion of their demographic characteristics. Next, the analysis will examine the much larger at-risk population. That assessment will be based on the number of households in South Carolina with extreme low income and severe cost burden. Finally, internal SC Housing data is examined to determine the possible relative size of each of the qualifying populations

Homeless as defined in 24 CFR 91.5

The 2020 Point in Time (PIT) count is a census of persons experiencing unsheltered or sheltered homelessness on a single night in January. *Unsheltered homelessnes*s is categorized as any person residing in a place not meant for human habitation, such as the streets, a car, or an abandoned building. *Sheltered homelessness* includes individuals and families residing in Emergency Shelters, Transitional Housing, or Safe Havens. HUD requires CoCs to conduct an annual sheltered count every year and an unsheltered count at least every other year.

According to the South Carolina Interagency Council on Homelessness' *2020 State of Homelessness Report*, there were a total of 4,268 people were counted as experiencing homelessness on January 22, 2020.[i] This (PIT) count includes both sheltered and unsheltered persons experiencing homelessness. Sixty percent (60%) of the homeless population (2,564) were residing in emergency or transitional housing (sheltered); 40% (1704) were considered (non-sheltered). The PIT Count found that 63% of the persons experiencing homelessness were male and 37% were female. A total of 50.3% of the homeless population are African American; 44.1% are white, and 5.6% represent all other races.

At Risk of Homelessness as defined in 24 CFR 91.5

HUD defines those at risk of homelessness as individuals or families who have an annual income below 30% of area median income that do not have sufficient support networks or resources to prevent them from becoming homeless or live in unstable conditions as demonstrated by frequent moves or living in another household's home due to hardship. Although the PIT Count data does not measure all qualifying populations, it is useful for providing a sense of the demographic characteristics of those facing severe housing instability. Severe renter cost burden is defined as a household spending at least half of income on rent and utilities or not having any income at all, which was experienced by 141,551 households statewide, according to the 2015 – 2019 American Community Survey (ACS)[ii]. 2015 – 2019 ACS data also show South Carolina has 255,640 households earning below 30% of area median income of which, 143,805 are renter households. Data from the *Palmetto State Housing Study 2023 Supply and Demand Analysis* from the Darla Moore School of Business demonstrates that cost burdened households vary considerably by family structure.[iii] According the report, approximately 80% of households with one adult and three children that rent in South Carolina are housing cost burdened. This compares to just 12% for households with mortgage in which there are two adults and two children. Households with two adults are less likely to be cost burdened than household with one adult, while each additional child increases the likelihood that any given household will be cost burdened. In general, housing affordability challenges are greater for renters, regardless of family structure. The *2020 South Carolina State of Homelessness Report* states that nearly 13,000 public school students do have a permanent residence, or one in 60 statewide.

According to the *2020 South Carolina State of Homelessness Report* the United Way's 211 refers clients to a broad range of health and human services, but many requests and referrals

fall into the categories of Homeless Services and Homelessness Prevention Services. Prevention Services refers to a wider range of services aimed at assisting people who may be at risk of homelessness, including financial assistance and legal help. These two categories combined accounted for 62% of all calls to 211 from July 2019 to June 2020. The majority of SC 211 clients (51%) requested referrals for Prevention Services or Homeless Services. After COVID-19, Prevention Services accounted for a larger portion of calls and referrals than before. Demographic data from the report is provided below:

Age - Clients seeking Homeless Services were younger than clients seeking Prevention Services. The average age for a Homeless Services client was 41 years old while the average age for a Prevention client was 45 years old.
Gender - Homeless Services clients were more likely to identify as male than Prevention clients. 26% of Homeless Services clients identified as male, compared to 20% of Prevention clients.
Race/Ethnicity - In general, African Americans are overrepresented in 211 data, comprising about 50% of 211 callers, but only about 27% of the state population. Conversely white people are underrepresented, making up 37- 38% of callers, but nearly 70% of the SC population. With these baseline percentages in mind, African American clients were even more overrepresented as a share of 211 Prevention clients (55%). Although the share of African American people requesting Homeless Services (43%) was below the 211 baseline for African American clients, the share is still much higher than the overall African American population percentage in South Carolina. White clients accounted for a higher-than-baseline percent of Homeless Services clients (46%), and a lower-than-baseline percent of Prevention clients (34%), though both numbers are much lower than the overall white population percentage in South Carolina.
Income - While most 211 callers have a relatively low household income, Homeless Services clients were more likely to have incomes below $15,000 than Prevention clients (79% vs. 74%).
Education - The education data collected by 211 was similar for clients across the two service categories. Household composition differences in household composition between Prevention clients and Homeless Services clients are reflective of the differences in gender. Single male households were more common for Homeless Services clients (22%) than Prevention clients (14%).

Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking, as defined by HUD in the Notice

According to the *2020 South Carolina State of Homelessness Report* the South Carolina Coalition Against Domestic Violence and Sexual Assault (SCCADVASA) serves as the collective voice promoting the prevention of domestic violence and sexual assault in South Carolina. The report identifies housing instability as just one point of intersectionality with domestic violence. Noting that South Carolina consistently ranks within the top ten nationwide in the rates of women murdered by men, the issue of domestic violence is of key interest to homelessness services and housing providers. There are 13 Domestic Violence provider organizations which offer emergency shelter services for this population, offering a total of 432 beds statewide. A total of 5,527 survivors received

shelter of which 3,278 or 59% were adults and 2,249 or 41% were children under the age of 18. 2,794 survivors received shelter for the first time and 736 survivors were turned away due to lack of space. Statistics relative to this qualifying population made available by the SC Coalition Against Domestic Violence and Sexual Assault for 2021 are as follows:[iv]

- SC ranked 6th nationally for women murdered by men; 90% murdered by someone they knew.
- The average age in SC of domestic violence homicide victims is 40 years old.
- SC records an average of 32,563 cases of intimate partner violence per year.
- 43.3% of women in SC and 29.2% of men in SC experience intimate partner physical violence, intimate partner sexual violence, and/or intimate partner stalking in their lifetime.
- 27,809 survivors received supportive services consisting of 20,033 adults and 7,776 children.
- 3415 survivors are receiving shelter consisting of 1,900 adults (56%) and 1,515 children (44%).

Human trafficking involves the use of force, fraud, or coercion to obtain some type of labor or commercial sex act. The SC Coalition Against Domestic Violence and Sexual Assault identifies the following risk factors and vulnerabilities for sex trafficking:

1. Substance Abuse
2. Runaway/Homeless Youth
3. Unstable Housing
4. Mental Health Concerns
5. Recent Migration/Relocation

Data included in the *2022 Annual Report from the SC Human Trafficking Task Force*, which is headed by the SC Attorney General's Office states that in 2022 there was a substantial increase in labor trafficking cases while the number of children identified as sex trafficking victims continued to rise.[v] Data contained in the report from the National Human Trafficking Hotline specific to SC for 2021 stated there were 124 trafficking cases reported with 277 likely victims. In SC, most cases have been reported in Greenville, Charleston, Richland, Horry and Spartanburg counties. 2022 National Hotline data shows a significant increase in reported human trafficking incidents where Latino/Hispanic individuals were identified as victims. Data shows a 450% increase in victims for labor trafficking, a 44% increase of victims who identified as Latino/Hispanic, and an increase in labor trafficking within the forestry/reforestation venue from 2021 to 2022.

The SC Law Enforcement Division leads efforts in conducting human trafficking investigations. Data below from the *SC Human Trafficking Task Force's 2022 Annual Report* provides demographic information for the 416 human trafficking victims from 440 cases throughout South Carolina. Of the total victims 399 were minors and 17 were adults. Demographics for the 399 minors and 17 adults are provided below.

Males	87

Females	312

Demographics for the 17 adults are provided below.

Males	8
Females	9
U.S. Citizens	9
Foreign Nationals	8

Total Victims by Race and/or Ethnicity

Race and/or Ethnicity:	
Latino/Hispanic	152
Caucasian/White	141
African American/Black	135
Not Specified/Unknown	12

% by Trafficking Type:	
Sex Trafficking	98%
Labor Trafficking	2%

Other populations requiring services or housing assistance to prevent homelessness and other populations at greatest risk of housing instability, as defined by HUD in the Notice

According to the CHAS data, South Carolina has a total of 1,894,700 households, and of that total 124,275 or 6.6% of households have very low income and are severely cost-burdened (housing costs are 50 percent or more of income). There is some limited variation across CoCs in the state with regard to percentage of households at risk of homelessness. The Upstate Continuum of Care has the lowest percentage (6.03 percent) and the Midlands Area Consortium the highest (7.28 percent). Nevertheless, across CoCs, roughly 6-7 percent of households are at risk for homelessness. Finally, it is useful to note that the number of households at-risk for homelessness (124,275) is about 30 times the size of the homeless population, as measured by the PIT count. Thus, the at-risk measure is a broader or more general assessment of the population that could meet the qualifying criteria of HUD-ARP.

Identify and consider the current resources available to assist qualifying populations, including congregate and non-congregate shelter units, supportive services, TBRA, and affordable and permanent supportive rental housing (Optional):

According to HUD's Find a Shelter tool, there are 128 shelters located in South Carolina. Of those, 58 of them are located in the following counties: Charleston (10), Richland (10),

Lexington (10), Horry (8), Greenville (10), and Spartanburg (10). SC's rural counties have few or no shelters available to serve qualifying populations. The following (17) counties are identified as having to shelters: Hampton, Bamberg, Barnwell, Allendale, Chester, Newberry, Clarendon, Florence, Williamsburg, Chesterfield, Marion, Marlboro, Edgefield, Union, Abbeville, McCormick, and Saluda.[vi]

Describe the unmet housing and service needs of qualifying populations:

Homeless as defined in 24 CFR 91.5

For households experiencing homelessness a variety of interventions are needed such as supportive services, case management, housing assistance, and affordable housing units to transition homeless households into stable living environments. Rising housing costs, high eviction rates, the lack of affordable housing units, the number of unsheltered homelessness and children living without a permanent residence are all serious concerns. The outbreak of the COVID-19 pandemic has exacerbated the homelessness crisis. According to the South Carolina Interagency Council on Homelessness' *2022 State of Homelessness Report,* in South Carolina the number of people requesting assistance from providers utilizing the Homeless Management Information System (HMIS) increased 18% in FY 21 over FY 20. The report also states that in 2021 only 52% (5,747) of persons seeking housing were successfully housed.

At Risk of Homelessness as defined in 24 CFR 91.5

An underlying cause of housing instability and homelessness is the gap between housing costs and what households can afford to pay. The shortage of affordable housing in South Carolina continues to be a problem. As rents continue to increase, the gap between the cost of housing and what extremely low- income households can afford to pay widens, creating a shortage of affordable rental housing for extremely low-income renters. Data in SC Housing's *South Carolina Housing Needs Assessment 2021 Update: State Overview* report state that over 140,000 renter households experience severe cost burden, meaning they spend more than half their gross income on rent or have no income at all. This represents 24% of all renters is South Carolina. In addition, the report states there are 72,565 subsidized housing units in South Carolina, only enough to serve 20% of low-income renters statewide.[vii]

Supportive Housing is an effective tool that combines affordable housing and supportive services to help vulnerable households to overcome complex challenges and thrive in stable living environments. Supportive Housing can assist those at risk of becoming homeless to overcome barriers preventing them from accessing permanent housing by providing affordable housing and services such as, but not limited to access to employment and training opportunities, mental and physical health services, substance abuse services, education and childcare services, etc. Data provided by the Center for Supportive Housing states that South Carolina has a need for 14,816 Supportive Housing units. Total Supportive Housing Need by State - CSH

Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking, as defined by HUD in the Notice

As previously mentioned, according to the *2020 South Carolina State of Homelessness Report* there are 13 domestic violence organizations which offer emergency shelter services for this population, offering a total of 432 beds statewide. A total of 5,527 survivors received shelter of which 3,278 or 59% were adults and 2,249 or 41% were children under the age of 18. 2,794 survivors received shelter for the first time and 736 survivors were turned away due to lack of space. Data provided from the South Carolina Coalition Against Domestic Violence and Sexual Assault from it's *2021 Media Resource Sheet* states that 272 survivors were turned away from shelters due to lack of space in 2021.[viii]

Other populations requiring services or housing assistance to prevent homelessness and other populations at greatest risk of housing instability as defined by HUD in the Notice

Formerly homeless households that are currently housed as a result of receiving short-term assistance and/or emergency assistance that continue to have needs for housing assistance and/or supportive services to avoid a return to homelessness qualify for assistance through HOME-ARP. The United Way's 211 is a valuable resource that connects South Carolinians in need with health, human and social service organizations. Data included in the *SC Interagency Council on Homelessness' 2022 State of Homelessness Report* state that prevention services aimed at assisting people that may be as risk of homelessness in need of financial assistance and legal support accounted for 54% of calls to 211 during FY21 (10/1/2020 -9/30/2021). Also included in the report is data on service types by request. The majority of calls (77%) for homeless prevention assistance were from residents requesting rental and utility assistance, while calls for homeless assistance centered around shelter and shelter services.[ix]

The SC Stay Plus Program administered by SC Housing is a rental and utility assistance program made possible by the U.S. Department of the Treasury to provide financial assistance to low-income households facing financial hardships due to the COVID-19 pandemic. The program provided assistance to approximately 90,000 people in 39 counties in South Carolina and disbursed $267 million in rent and utility assistance payments. The program was launched in May of 2021 and was closed on December 16, 2022.[x] Currently, there are 11,677 households on the SC Stay Plus waiting list requesting assistance should it be determined at a later date that funding is available.

Public Housing Authorities, often referred to as PHAs are federally funded and regulated organizations that administer an array of programs and services in their jurisdictions to assist low-income citizens. PHAs are well known for administering HUD's Section 8 Housing Choice Voucher and Public Housing Programs. There are 43 PHAs in South Carolina managing 199 waiting lists that are often closed due to

overwhelming demand.[xi] SC Housing administers the Housing Choice Voucher Program (HCVP) for Clarendon, Colleton, Dorchester, Fairfield, Kershaw, Lee and Lexington Counties providing up to 2,000 vouchers. SC Housing's wait list was recently opened in January of 2023 and currently has 2,851 households requesting assistance. Those fortunate enough to receive vouchers often face challenges finding rental units due to lack of qualified housing units meeting HUD's physical condition standards, lack of landlord participation, landlord discrimination, availability of public transit, etc.

Identify any gaps within the current shelter and housing inventory as well as the service delivery system:

Availability of emergency or crisis housing in South Carolina varies based on geographic location. According to HUD's Find a Shelter tool, there are 128 shelters located in South Carolina. Of those, 58 of them are located in the following counties: Charleston (10), Richland (10), Lexington (10), Horry (8), Greenville (10), and Spartanburg (10). SC's rural counties have few or no shelters available to serve qualifying populations. The following 17 counties are identified as having no shelters: Hampton, Bamberg, Barnwell, Allendale, Chester, Newberry, Clarendon, Florence, Williamsburg, Chesterfield, Marion, Marlboro, Edgefield, Union, Abbeville, McCormick, and Saluda. Although shelters and the supportive services they offer may be available they are often only available to specific populations, such as domestic violence victims, veterans, individuals without children, etc.

Under Section IV.4.2.ii.G of the HOME-ARP Notice, a PJ may provide additional characteristics associated with instability and increased risk of homelessness in their HOME-ARP allocation plan. These characteristics will further refine the definition of "other populations" that are "At Greatest Risk of Housing Instability," as established in the HOME-ARP Notice. If including these characteristics, identify them here:
n/a

Identify priority needs for qualifying populations:

The lack of affordable housing in South Carolina continues to be a problem as the cost of rent continues to climb, increasing the shortage of rental homes available for extremely low-income renters. Extremely low-income renters, the most vulnerable sector of the population are often best assisted when affordable housing is provided in combination with supportive housing services. Data provided by the Center for Supportive Housing states that South Carolina has a need for 14,816 Supportive Housing units.

Data provided on the National Low-Income Housing Coalition's website state that the number of rental households in South Carolina with annual incomes at or below 30% of area median income is 159,862 and 244,488 households in South Carolina have annual incomes at or below 50% of area median income. South Carolina's minimum wage rate of

$7.25 per hour requires those making minimum wage to work 91 hours per week to afford a modest one-bedroom rental home paying fair market rent.[xii]

Explain how the PJ determined the level of need and gaps in the PJ's shelter and housing inventory and service delivery systems based on the data presented in the plan:

The ***gap analysis table*** provides a visualization of the PIT count that occurred January 22, 2020. The gap analysis will identify the strength and weakness of South Carolina's housing inventory. The PIT gap analysis doesn't fully capture housing insecurity in South Carolina, but will provide a small depiction of its needs. Each section is grouped by category; first by current inventory, based on the number of beds or by family units available, and then by the homeless population. The last section will display the gap between South Carolina's inventory and its homeless population.

HOME-ARP Activities

Describe the method(s)that will be used for soliciting applications for funding and/or selecting developers, service providers, subrecipients and/or contractors:

SC Housing will make HOME-ARP funds available for the production and preservation of rental housing. Eligible uses for rental development will include acquisition, demolition, new construction, conversion, rehabilitation, and operating costs. Funding will be allocated using a competitive application process. Eligible applicants will include nonprofits, for-profits, government entities, and public housing authorities that meet financial and experience capacity requirements. If necessary, funds may be allocated in multiple funding rounds until all funding is committed to eligible HOME-ARP developments.

A notice of funding availability (NOFA) will be posted on SC Housing's HOME-ARP webpage located at SC Housing. The NOFA will also be disseminated via Constant Contact to all parties signed up to receive notifications about the program. Along with the NOFA, the application, application manual including program guidelines and requirements and associated forms will be made available on the HOME-ARP webpage. Application materials will include information on the amount of funding available, threshold criteria, underwriting requirements, mandatory design criteria, rehabilitation standards, submission deadlines, application scoring, state and federal requirements, etc. SC Housing will also host an application workshop to provide training and guidance on how to complete the application, associated forms and documents as well as cover state and federal program requirements. Applications will be reviewed and evaluated by SC Housing staff. Applications meeting requirements to remain in consideration for funding will be scored and ranked. Applications scoring the highest that are within the amount of available funds will be recommended to SC Housing's Executive Director for funding approval.

Describe whether the PJ will administer eligible activities directly:
SC Housing will not administer eligible activities directly.

If any portion of the PJ's HOME-ARP administrative funds are provided to a subrecipient or contractor prior to HUD's acceptance of the HOME-ARP allocation plan because the subrecipient or contractor is responsible for the administration of the PJ's entire HOME-ARP grant, identify the subrecipient or contractor and describe its role and responsibilities in administering all of the PJ's HOME-ARP program:

SC Housing has not and will not provide a portion of HOME-ARP administrative funds to a subrecipient or contractor prior to HUD's acceptance of the HOME-ARP allocation plan.

Use of HOME-ARP Funding

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

Describe how the PJ will distribute HOME-ARP funds in accordance with its priority needs identified in its needs assessment and gap analysis:

As allowed by HUD, SC Housing will utilize 15% of the HOME-ARP allocation for administrative expenses. SC Housing may reallocate unspent administrative funds to program funding. SC Housing's Board of Commissioners has approved a set-aside of $20 million dollars of state Housing Trust Fund dollars to leverage HOME-ARP developments. During the consultation process SC Housing identified the need to develop and preserve affordable rental housing as the best use of HOME-ARP funding that will have the longest lasting impact for the qualifying populations in South Carolina. During the consultation process stakeholders repeatedly expressed the need for affordable rental units. The lack of affordable housing units is the most significant contributing factor of housing instability. Survey participants representing a wide variety of housing and service providers identified the lack of affordable housing units as being a significant issue when attempting to secure housing for their clientele.

Describe how the characteristics of the shelter and housing inventory, service delivery system, and the needs identified in the gap analysis provided a rationale for the plan to fund eligible activities:

Outreach efforts and data analysis identified the barriers and challenges faced when stakeholders work with qualifying populations to address homelessness and housing

instability issues in South Carolina Communities. Significant needs exist in South Carolina for all eligible HOME-ARP activities; however, the most consistent need voiced through the consultation process is the need to increase the supply of affordable rental housing. SC Housing is prioritizing rental housing development as the most effective long-term use needed to address the existing gaps in housing inventory while utilizing SC Housing's expertise in financing rental housing developments.

According to the *Palmetto State Housing Study 2023 Supply and Demand Analysis:*

- Over the last decade South Carolina's population growth has outpaced the national average. As a result, the state's population gains have let to high rates of household formation, which translates to into strong housing demand.
- The combination of strong housing demand coupled with relatively low levels of housing inventory has led to an imbalanced housing market in South Carolina, which has created affordability challenges for many South Carolinians.
- Approximately 90% of South Carolina's lower income households – defined as those earning less than $35,000 annually – are estimated to be housing cost burdened.

Affordable housing in South Carolina is becoming less attainable. Data provided on the National Low Income Housing Coalition's website show that the number of rental households in South Carolina with annual incomes at or below 30% of area median income is 159,862 and 244,488 households in South Carolina have annual incomes at or below 50% of area median income. South Carolina's minimum wage rate of $7.25 per hour requires those making minimum wage to work 91 hours per week to afford a modest one-bedroom rental home paying fair market rent. The shortage of affordable rental units in SC is a significant barrier to addressing homelessness. Household who receive rent assistance vouchers often face difficulties finding a qualified unit to rent while thousands of other households in need of vouchers can spend years on housing authority waiting lists. Through the administration of HUD's Housing Trust Fund program, which provides housing for households earning 30% AMI or less SC Housing has seen firsthand the challenges developers encounter putting together deals that can generate sufficient cash flow when rents are limited to amounts that are affordable to very low-income households. The eligibility to use HOME-ARP funds to provide operating assistance to these developments is a rare opportunity that should be utilized to ensure HOME-ARP rental developments can remain financially viable for the duration of the 15-year affordability periods.

HOME-ARP Production Housing Goals

Template

Estimate the number of affordable rental housing units for qualifying populations that the PJ will produce or support with its HOME-ARP allocation:

SC Housing will leverage $20 million of state Housing Trust Fund dollars with the HOME-ARP funding round. This state resource combined with the state's HOME-ARP allocation

set-aside for rental housing will make $42, 684,201 available for funding. SC Housing estimates the number of rental units to be produced will be approximately 105 units. This goal is estimated based on average total development cost of recently awarded supportive housing projects in SC Housing's Small Rental Development Program and the amounts estimated to provide operating assistance in the amount of $126,000 per unit for the duration of the 15-year affordability period. The estimate was calculated using a average rental income deficit of $700 per unit.

Describe the specific affordable rental housing production goal that the PJ hopes to achieve and describe how the production goal will address the PJ's priority needs:

The estimated 105 affordable housing units to be produced by the combination of HOME-ARP funds and state Housing Trust Funds will not fully address the gap of affordable housing units needed to house the qualifying populations residing in South Carolina; however, providing operating assistance funds for the HOME-ARP units will prevent the need for project and tenant-based voucher assistance to be required in order for the development to be financially feasible.

Preferences

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

SC Housing does not intent to give preference to one or more qualifying populations or subpopulations for any eligible activity or project.

If a preference was identified, explain how the use of a preference or method of prioritization will address the unmet need or gap in benefits and services received by individuals and families in the qualifying population or subpopulation of qualifying population, consistent with the PJ's needs assessment and gap analysis:
n/a

Referral Methods

Identify the referral methods that the PJ intends to use for its HOME-ARP projects and activities. PJ's may use multiple referral methods in its HOME-ARP program. (Optional):
SC Housing will require eligible members of qualifying populations to be referred to HOME-ARP rental units on a first come first served basis.

If the PJ intends to use the coordinated entry (CE) process established by the CoC, describe whether all qualifying populations eligible for a project or activity will be included in the CE process, or the method by which all qualifying populations eligible for the project or activity will be covered. (Optional):

SC Housing does not intend to use the coordinated entry process.

If the PJ intends to use the CE process established by the CoC, describe the method of prioritization to be used by the CE. (Optional):
n/a

If the PJ intends to use both a CE process established by the CoC and another referral method for a project or activity, describe any method of prioritization between the two referral methods, if any. (Optional):
n/a

Limitations in a HOME-ARP rental housing or NCS project

Describe whether the PJ intends to limit eligibility for a HOME-ARP rental housing or NCS project to a particular qualifying population or specific subpopulation of a qualifying population identified in section IV.A of the Notice:

SC Housing does not intend to limit eligibility for HOME-ARP rental housing.

If a PJ intends to implement a limitation, explain why the use of a limitation is necessary to address the unmet need or gap in benefits and services received by individuals and families in the qualifying population or subpopulation of qualifying population, consistent with the PJ's needs assessment and gap analysis:

SC Housing will not be implementing any limitations.

If a limitation was identified, describe how the PJ will address the unmet needs or gaps in benefits and services of the other qualifying populations that are not included in the limitation through the use of HOME-ARP funds (i.e., through another of the PJ's HOME-ARP projects or activities):
n/a

HOME-ARP Refinancing Guidelines

- ***Establish a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing to demonstrate that rehabilitation of HOME-ARP rental housing is the primary eligible activity***
  SC Housing's HOME-ARP program will not include refinancing as an eligible use of funds.

- ***Require a review of management practices to demonstrate that disinvestment in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving qualified populations for the minimum compliance period can be demonstrated.***
  n/a

- ***State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.***
  n/a

- ***Specify the required compliance period, whether it is the minimum 15 years or longer.***
  n/a

- ***State that HOME-ARP funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.***
  n/a

- ***Other requirements in the PJ's guidelines, if applicable:***
  n/a

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[i] 2020 South Carolina State of Homelessness Report - South Carolina Interagency Council on Homelessness (schomeless.org)
[ii] https://www.census.gov/programs-surveys/acs/data.html
[iii] Palmetto State Housing Study Timeline Flier.pdf (schousing.com)
[iv] South Carolina Coalition Against Domestic Violence and Sexual Assault (sccadvasa.org)
[v] 2022-annual-report_final-revised272023-03210772xd2c78.pdf (scag.gov)
[vi] Find Shelter | HUD.gov / U.S. Department of Housing and Urban Development (HUD)
[vii] SC Housing Needs Assessment - 2021 Update: State Overview by SC Housing - Issuu
[viii] Statistics (sccadvasa.org)
[ix] 2022 SCICH State of Homelessness Report - South Carolina Interagency Council on Homelessness (schomeless.org)
[x] https://www.schousing.com/Home/SC-Stay-Plus
[xi] https://affordablehousingonline.com/housing-authorities/southcarolina
[xii] Out of Reach: | National Low Income Housing Coalition (nlihc.org)