



**STATE OF SOUTH CAROLINA
CONSOLIDATED PLAN FOR
HOUSING AND COMMUNITY DEVELOPMENT
PROGRAM YEARS 2011-2015**

E X E C U T I V E S U M M A R Y



COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
HOME INVESTMENT PARTNERSHIPS
EMERGENCY SOLUTIONS GRANT PROGRAM
HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

F E B R U A R Y 2 0 1 1

**2011-2015
South Carolina Consolidated Plan
for Housing and Community Development**

**Community Development Block Grant
HOME Investment Partnerships
Emergency Solutions Grant Program
Housing Opportunities for Persons with AIDS**

EXECUTIVE SUMMARY

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The State of South Carolina's Consolidated Plan (Consolidated Plan) for the program year beginning April 1, 2011 was prepared in accordance with Sections 91.300 through 91.330 of the U.S. Department of Housing and Urban Development's (HUD) Consolidated Plan regulations in 24 CFR Part 91 and applicable HUD guidance regarding Consolidated Plans for State Programs. A primary objective of the Consolidated Plan is to satisfy the statutory requirements for continuing to receive funding allocations for four HUD programs:

- Community Development Block Grants (CDBG)
- HOME Investment Partnerships (HOME)
- Emergency Solutions Grant (ESG) Program
- Housing Opportunities for Persons with AIDS (HOPWA).

The plan also helps address state goals and objectives for housing and community development in the following ways:

- Assists prospective local government and non-profit grantees in preparing their grant applications by providing information on housing and community development needs.
- Assists the four grant administering agencies in evaluating those applications.
- Describes the current strategies to meet housing and community development needs, and describes what new strategies may be considered.
- Raises awareness about housing and community development issues among the state's citizens and policy makers, and, to the extent practical, coordinates available resources to address identified needs.

The focal points of the four major HUD funded programs are meeting the needs of low and moderate income persons and special needs persons and families through various housing and community development programs. This plan assesses the identified needs and proposes strategies to address those needs through the resources of the four state administered HUD programs, CDBG, HOME, ESG and HOPWA.

DESIGNATION OF LEAD AGENCY

The Department of Commerce, Grants Administration Division, administers the Community Development Block Grant Program for the state and is designated as the lead entity responsible for overseeing the development of the state's Consolidated Plan. The Consolidated Plan partner agencies and the programs they administer are outlined below.

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Agency	Program Administered
South Carolina Department of Commerce, Grants Administration Division (Lead Agency)	CDBG
South Carolina State Housing Finance and Development Authority (SHFDA)	HOME
South Carolina Governor's Office of Economic Opportunity (OEO)	ESG
South Carolina Department of Health and Environmental Control, STD/HIV Division (DHEC)	HOPWA

This plan integrates and coordinates the efforts of various state agencies, citizens and other organizations. It is a comprehensive report, spanning multiple cross-jurisdictional areas of need, and involving multiple agencies, programs and funding sources. In addition to the Consolidated Plan partner agencies identified above, numerous other state agencies, non-profit organizations, public housing authorities, and continuums of care contributed to the development of the plan. Citizen participation is also necessary to accurately identify the needs of communities across the state. Several methods were utilized to maximize citizen participation:

- Community/Citizen Surveys
- Regional Focus Groups Meetings
- Public Hearing
- Online Public Forum

GEOGRAPHIC AREA

The Consolidated Plan generally covers the areas of the state that are not designated as HUD entitlement areas, and which do not receive funds directly from HUD. This geographical area is referred to as the SCPA, or the State Consolidated Planning Area, but it varies by program since direct recipients of HUD funding vary by program. Generally, the SCPA includes the less urban and less developed areas of the state, excluding some or all of the larger metropolitan cities and urban counties, as well as the unincorporated areas of counties encompassing the state's larger Metropolitan Statistical Areas.

South Carolina and State Con Plan Area Comparison of Selected Statistics

	State	SCPA	SCPA % of State
Total Population	4,403,175	2,503,159	57.46
Race:			
White	2,971,558	1,709,206	57.52
African American	1,245,609	723,682	58.11
All Other Races	186,008	97,091	52.20
Ethnicity:			
Hispanic	169,239	87,447	51.67
Gender:			
Male	2,144,837	1,238,628	57.75
Female	2,258,338	1,291,531	57.19
Age:			
65 and Older	574,176	351,227	61.17
Households with Incomes Under \$15,000	263,443	158,617	60.21
Number of Families	1,135,830	662,181	39.26
Number of Households	1,686,571	951,816	83.80

Source: American Community Survey 2006-2008 3-Year Estimates

DEMOGRAPHIC AND ECONOMIC PROFILE

South Carolina is one of the fastest growing states in the nation. As of July 2009, the state's population is estimated to be now just over 4.5 million, or 4,561,242. This is a growth rate of 13.7% since 2000. Approximately one-third of the state's population is in areas designated as "non-metropolitan," more or less corresponding to the State Consolidated Planning area. Much of the population growth is being fueled by net in-migration.

South Carolina is approximately two-thirds white (68.9%) and one-third African American (28.2%), with no other racial or ethnic groups representing a significant percentage of the population. Much of the change in South Carolina's population has centered around the additional classifications representing "persons of two or more races," the Asian and Pacific Islander sub-population, which has increased three-fold, and the state's Hispanic population has increased more than 500 percent.

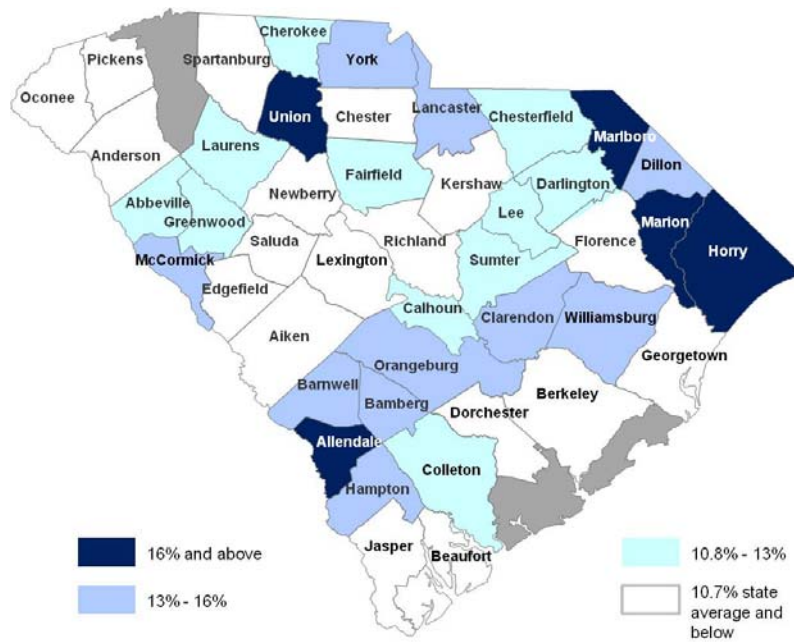
There has also been a shift in the age of the population. Working age adults make up almost 60% of the population, while children under 19 represent 28% and older adults over 65 is 12%. However, the fastest growth rates have been in adults approaching retirement age and older adults.

Per capita income in South Carolina has historically trailed behind the US and the Southeast Region. However, significant resources have been dedicated to attracting new and higher paying jobs and stabilizing the economies of the state's more rural counties, and as a result, for 2008, the state's non-metropolitan per capita was \$29,667 compared with \$28,545 for the Southeast and the national non-metropolitan per capita at \$31,098.

In 2008, fifteen of the state's 46 counties had poverty rates in excess of 20 percent, compared with the overall state rate of 15.7 percent. Generally, these are the same counties that had poverty rates over 20 percent in 2005 and ten years prior in 1995, reflecting persistently high unemployment and low income levels in these counties. These highest poverty counties are shown on the map below.

The State has been affected by the recession, with unemployment surging upward in 2009 and peaking in early 2010. As Figure 1.23 shows, statewide unemployment reached 12.5% in January 2010, at which point it was the fourth highest in the nation, and has since gradually declined, dropping to 10.7% as of October 2010. The smaller and more rural areas of the state have even higher unemployment rates.

South Carolina Unemployment Rates by County, October 2010



Source: US Bureau of Labor Statistics, Local Area Unemployment Statistics

HOUSING MARKET AND NEEDS

South Carolina’s population and housing growth has been largely concentrated in the urban centers and coastal regions. From 2000-2008, owner- and renter-occupied housing units increased by 7 percent and 18 percent, respectively. South Carolina has a total housing inventory of 2,018,762 units. The largest net and percentage increases in the State’s inventory are in single-family, detached units (181,736 units/17 percent increase), multi-family units of 5-9 units (22,624 units/29 percent increase), multi-family units of 10-19 units (21,234 units/51 percent increase) and multi-family units of 20-49 units (14,225 units/63 percent increase). The housing supply is relatively new with 55 percent of the housing built since 1980. However, 28 percent (573,564 units) of the State’s housing is now 40 years and older. The State has experienced a growing number of housing vacancies.

The national home foreclosure crisis and accompanying economic effects have affected most states. The initial rise in home foreclosures was the result of several factors, including the proliferation of the subprime lending market during the height of the building boom, speculative investment and predatory lending practices. The second wave of home foreclosures came about because of the prolonged economic recession and accompanying rises in job loss and unemployment. Foreclosure activity has forced many families and individuals from their homes and has increased the demand for rental units, whether apartments or rental homes. The recent decline in housing prices and the increase in the number of foreclosures do not necessarily have a positive effect upon affordability. Though the decline in price might well be significant, the decrease does not typically eliminate the affordability gap, nor

make the ownership and maintenance of the property any easier for a low-income household. Much of the State's foreclosure activity occurred in the coastal areas and some of the faster growing urban and suburban areas, where housing prices were beyond the affordable range in any event.

Disparities between household income and housing costs can create "affordability gaps" in homebuyer and renter demand along with increasing levels of cost-burdened households. From 2000-2008, the State's median household income increased by 20 percent, while the median price of a single-family home and the median gross rent increased by 63 percent and 33 percent, respectively. The disproportionate rise in housing costs has created homebuyer and renter affordability issues and increased levels of cost-burdened households. From 2000-2008, cost-burdened owner-occupied households increased by 85 percent and "severely" cost-burdened owner households by 101 percent. Likewise, cost-burdened renter households increased by 46 percent and severely cost-burdened renter households by 49 percent. The rise in housing costs has influenced housing affordability, particularly for extremely low income (ELI) and very low-income (VLI) households. As noted above, substantial housing affordability gaps exist for homebuyers and renters in the ELI and VLI household income categories.

Growth is anticipated to continue in the coastal and urban areas, but statewide an estimated 77,050 additional housing units will be needed over the coming five years. Assuming percentages of low-income households remain constant over the coming five-years, South Carolina will require 31,590 housing units for low-income households. Almost 10,800 of these will be for extremely low-income households, and it is reasonable to assume that these would be rental units. Low-income households in the 51 to 80 percent of AMI group will require an additional 12,328 units in a mix of rental and affordable ownership units.

BARRIERS TO AFFORDABLE HOUSING

The following are barriers to affordable housing in South Carolina:

- Local Government Zoning and Land Use Policy - Units of local government regulate the use of land in South Carolina. Each local government zoning policy and practice has a significant effect on the availability and development of affordable housing including lot sizes and setbacks.
- Administration and processing - Timing is an important issue in the development of affordable housing. Securing permits (building, environmental, etc.), multiple layers of reviews, and lengthy approval processes all can increase housing costs.
- Local Code Enforcement - Unified building codes or local codes are a significant factor in the quality and quantity of housing stock available.
- Local land development and site planning costs - Since there is no state-wide subdivision and site plan standard, policies are the responsibility of the local government including standards for streets, sidewalks, drainage, parking, water and sewer requirements and fees, landscape and other costs.
- Infrastructure - Before housing can be constructed, basic infrastructure must be in place. The land must have road access, sanitary water supply, and wastewater treatment. Infrastructure costs can be significant and may prohibit some production of affordable housing units.

- Lack of Resources – The State lacks adequate federal, state, local or private resources to address all housing needs. Greater resources are required to assist low and very low income households and to address housing, particularly in rural markets.

In South Carolina, housing market conditions and needs have been changing, first as housing costs soared and became “out of reach” for many lower income residents of the state, making the absence of affordable housing a primary obstacle to fair housing choice. Recognizing the importance of ensuring equal opportunity in housing for all citizens of South Carolina, and the persistence of impediments to fair housing identified in the state’s Analysis of Impediments to Fair Housing Choice, funds were made available to assist units of local government and regional councils of government with research necessary to identify impediments to fair housing on a local, regional or statewide basis, and to develop specific strategies and actions to mitigate or eliminate impediments in communities throughout the state.

HOMELESS NEEDS

As of the November 2010 homeless count, a total of 4,664 people were identified as either sheltered or unsheltered homeless, consisting primarily of 1,285 (27.6%) family members and 3,143 (67.4%) adults, the majority of which were male. Family households numbered 470, indicating an average family size of 2.73 persons per household. Single adults were, by comparison, somewhat more likely to be in emergency shelters and transitional housing than to be unsheltered. Amongst single adults, males outnumbered females by over 2.5 to 1. Of the total homeless, slightly more than half (53%) were African American and 40% were white. Hispanics represented 3% of the homeless. While the number of homeless individuals in the state decreased between 2007 and 2009, the number of homeless families with children increased by 35.8%. Single individuals continue to be the majority of the homeless in this state, representing between 70 and 73% of all homeless individuals. The data also indicates an average rate of homeless per 10,000 population of 8.67% for metropolitan counties and 4.99% for non-metropolitan counties.

The overall goal of the state’s homeless strategy is a complete and sustainable continuum of housing options for people experiencing or at risk of homelessness. Specific goals include:

- Establish a seamless integrated housing and service delivery system that effectively links individuals and families with the public and private programs needed to prevent homelessness.
- Assess the number and needs of persons being discharged from prisons, jails, public and private psychiatric hospitals and private hospitals to homeless shelters to determine the scope of issue statewide.
- Research successful models of state discharge/release policies and secure technical assistance by national intermediaries to provide on-site training to develop effective discharge policies for SC.
- Assess the need for new or reallocation of existing resources to implement state discharge policies (e.g. staff training).

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- Partner with the Board of Realtors, Apartment Association, Applesseed Legal Justice Center to amend the Residential Landlord-Tenant Act based on the Ohio model.
- Identify sources of funding for emergency rent/mortgage payments, security/utility deposits to prevent eviction of renters or foreclosure of homeowners.
- Partner with the SC Vocational Rehabilitation Department and Department of Employment and Workforce to address the training/retraining needs of displaced workers to prevent homelessness.
- Identify or develop new resources to increase rent support or operating subsidy to sustain housing developments or programs targeting homeless individuals and families.
- Pursue partnerships with public housing authorities to prioritize homelessness for public housing programs, including the targeting of HUD Section 8 rent subsidies (tenant-based and project-based) for permanent supportive housing for homeless persons.
- Encourage Continuum of Care coalitions to apply for HUD Shelter Plus Care and Supportive Housing Program funds that will provide rental assistance to supportive housing developments for disabled homeless individuals and their families.

SPECIAL NEEDS POPULATIONS

There are several groups of persons who have special housing needs due to various characteristics and conditions:

- Elderly and extra-elderly (frail elderly) adults
- Persons with a developmental or physical disability
- Persons with a mental illness
- Persons who are chemically dependent and
- Persons with HIV/AIDS

These groups face similar obstacles including: limited income, independent living arrangements, need for social services, isolation, and transportation issues.

As of December 2009, an estimated 14,795 persons in South Carolina are living with HIV (including AIDS, but excluding persons diagnosed in other states and now living in South Carolina). Of these, just over half are living with AIDS, though the number of new cases of AIDS reported in 2009 was down slightly from 2008. Of the 19,195 AIDS cases, just over half, or 10,193, cases are still living and dealing with the complications of AIDS.

A total of 23,862 HIV/AIDS cases had been reported through December 2009, including 771 cases newly diagnosed during 2009. Excluding Charleston County (2,818 cases) and Richland County (4,563 cases) yields an estimate of 16,481 cases of HIV/AIDS in the HOPWA Program Area through 2009. According to the SC Department of Health and Environmental Control, this is a fairly high rate of occurrence in the population compared with the nation. In its most recent report on the epidemic nationwide, the US

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Center for Disease Control 2008 HIV Surveillance Report ranked South Carolina tenth in the nation with a 15.5% rate of occurrence per 100,000 in state population. Men have consistently made up the majority, or approximately 70%, of all people with HIV/AIDS in South Carolina.

The statewide planning process for the Ryan White 2009 Statewide Coordinated Statement of Need (SCSN) identified housing needs across a continuum of housing options, including emergency housing and temporary shelter, extended care housing options, in-patient hospice and an inventory of affordable housing. In addition to increasing the numbers of people with HIV/AIDS needing services, specific barriers have been identified by communities that impact efforts to serve clients. These include:

- Affordable quality housing, including Section 8 properties, is limited, particularly for females, and people with prior criminal convictions do not have access to Section 8 housing.
- The typical waiting list for public housing is months to years in length, and without "preference" listing, people with HIV/AIDS often run out of housing assistance funds or die before reaching the top of the list.
- HIV/AIDS-based disability decisions are often not made before available funds are expended.
- Public housing projects often have significant alcohol and drug abuse problems, which further limits the availability of affordable housing that is also safe for families.
- Stigma and discrimination, real and perceived, can result in more limited housing options.
- Affordable housing is not typically located near employers and supportive services, making lack of affordable public transportation a factor.
- Disposable income for people with HIV/AIDS is limited by high healthcare and medication costs, requiring even more affordable housing.

COMMUNITY DEVELOPMENT NEEDS

In addition to the housing needs described in this plan, there is a wide variety of other, often interrelated community and economic development needs throughout the state. These needs relate directly to quality of life for low and moderate income residents and to:

- Making a suitable, high quality living environment both available and sustainable,
- Addressing and helping to eliminate barriers to economic development and the ability, particularly for the state's most rural communities, to compete for new jobs and investment, and
- Creating communities where there is viable and sustainable economic opportunity for low and moderate income residents, as well as for the community as a whole.

Economic conditions of recent years have revealed how important jobs and employment are to the health and sustainability of South Carolina's communities. Unemployment has been at record high levels in many of the state's most rural and least developed counties, contributing to continuing high levels of

poverty and per capita incomes that continue to lag behind the nation and other parts of the state. In the past, many of the state's rural areas were anchored by a major industrial, often textile, employer and the transition away from these types of high-labor, low-wage employers will continue if not accelerate in the future. Technology and innovation, requiring higher levels of workforce skills, will combine with economic changes and continue to impact the face of manufacturing employment. Rural areas will need to develop small businesses, create economic opportunity through non-traditional means like downtown revitalization and asset-based development, upgrade skill levels amongst the existing workforce, and encourage more diversified economic development. For all areas, this means revitalizing communities holistically, supporting and growing small businesses, and developing economic opportunity for local businesses that will be sustainable into the future.

Notwithstanding the critical need for improved economic opportunity throughout the state, other community development needs also persist and must be addressed in order to develop vital, sustainable communities. Needs vary amongst regions, and local governments within regions, and include but are not limited to:

- Basic public infrastructure, including clean drinking water, water for fire protection and other business and residential uses, adequate and reliable wastewater treatment, and storm drainage facilities
- Essential community and neighborhood facilities and services such as libraries and facilities dedicated to training and skill development, fire protection and public safety, transportation, and other related public facilities, and
- Vision, leadership and planning, both at the community and regional levels, to build a sense of ownership among residents and to generate enthusiasm, confidence, and a commitment for action.

FIVE YEAR STRATEGIC PLAN

As a result of the analysis of needs and the public consultation process, the state has identified three broad priority needs related primarily to low and moderate income residents in South Carolina, which are consistent with HUD's three key objectives:

- Provide decent housing,
- Create suitable living environments, and
- Expand economic opportunities

The state has also identified specific objectives to address these priority needs over the five-year period covered by the Consolidated Plan. These objectives have been developed to achieve measurable progress toward one of three HUD outcomes:

- **Availability/accessibility** – making new or improved infrastructure, services, public facilities, housing, shelter, other basics of daily living, jobs or economic opportunity available or

accessible, or more available or accessible, to low and moderate income people, including those with disabilities, in the areas where they live.

- **Affordability** – improving the affordability or lowering the cost to obtain or maintain housing, a suitable living environment or economic opportunity through a variety of means, such as: making basic infrastructure more affordable by lowering the cost, providing assistance to developers to lower the rent or cost of ownership of housing or to homeowner or renters to directly lower the cost of housing, lowering the cost of community services like fire protection by improving ISO ratings and lowering insurance costs, etc.
- **Sustainability** – preserving existing housing, infrastructure and community facilities that directly contribute to quality of life and making them more sustainable, through activities such as owner and renter housing rehabilitation, repairs or energy efficiency improvements, upgrading deteriorated, dilapidated and/or inadequate infrastructure and facilities and improving their ability to support a suitable living environment, as well as and businesses and jobs necessary to economic opportunity, revitalizing and improving communities and neighborhoods, eliminating obstacles to economic growth and competitiveness, and overall making communities and neighborhoods more livable, more viable, more economically diverse and more sustainable, especially for low and moderate income persons.

HOUSING

The highest priority housing need is the availability of decent, safe and affordable housing, particularly housing that is close to transportation and/or offers easy access to community services and employment centers, rental housing and transitional and permanent supportive housing for households emerging from homelessness or with special needs, such as the elderly, disabled and those living with HIV/AIDS.

Preservation and sustainability of existing affordable owner and renter housing is also important, and repairs, rehabilitation and energy efficiency improvements are needed to address this need. Improvements to existing housing can also address the need for housing that is physically more accessible for the elderly and disabled, as both are indicated as areas of need by the Community Survey and the focus groups conducted as part of the development of this Consolidated Plan, recent Fair Housing surveys which indicated a number of property owners are still unaware of the standards and housing accessibility requirements under the American with Disabilities Act, and data indicating disability has been the basis of up to 40% of fair housing complaints since 2006. A particular concern in some areas of the state is rapid growth in the state's older adult population and the additional challenges this presents for housing, such as allowing residents to age in place and providing adequate universally accessible housing and supportive housing and services to accommodate the expected increase in need. Supportive housing for people with special needs thus remains a priority need, particularly since affordability is often an issue given the typically very low incomes of the elderly, disabled and other special needs sub-populations. Availability is also an issue, since development of new housing is constrained by the limited number of low income housing developers with experience and capacity and limited targeted funding.

Emergency shelter remains a priority need as homelessness in South Carolina persists. Despite new production and a slight decrease in the state's homeless population from the 2007 to the 2009 count,

the worsening economy has made more families homeless or at risk of becoming homeless. In addition, transitional and permanent supportive housing is a need indicated by the Community Survey and the focus groups, and will become more important as the state's homeless providers continue or expand implementation of Housing First strategies. Homeless prevention and rapid re-housing will also emerge as higher priorities under the new Emergency Solutions Grant Program, and the state anticipates that HUD will issue regulations that will make re-housing an eligible activity and require additional set-asides for prevention. For this reason, the state has developed objectives that include prevention and re-housing for the 2011-2015 plan period, but there is no re-housing goal for the first program year. Since HUD has not yet issued regulations for the Emergency Solutions Program, the Emergency Shelter Grant program requirements and regulations will still be in effect at the start of the program year. The state anticipates that HUD will issue regulations consistent with guidance provided to date, and the state will establish goals for this objective for years subsequent to the issuance of final guidance. Should re-housing not be eligible during the plan period, the related objective will not be implemented.

Finally, as South Carolina continues to demonstrate a high incidence of HIV/AIDS, and as the life expectancy of people living with the disease increases, the need for housing assistance is ongoing. In particular, the need for longer-term housing assistance is increasing. These solutions include tenant based rental assistance and operating and development funding for facilities with housing units dedicated to people with HIV/AIDS. Short-term assistance to defray rent, mortgage and utility costs continues to be important, but over the last plan period, HOPWA sponsors have consistently increased the number of households provided with longer-term housing assistance.

HOUSING OBJECTIVES AND STRATEGIES

The state has identified objectives for improving the availability, affordability and sustainability of decent, affordable housing, as follows.

AVAILABILITY/ACCESSIBILITY OF DECENT HOUSING

- OBJECTIVE DH-1.1: Increase the supply of affordable rental units for LMI households
 - Strategies will include providing funds for development, development support including the provision of infrastructure, acquisition of suitable land or in-fill sites, clearance of sites, as well as for such activities undertaken as part of a project also requesting assistance under the State Housing Trust Fund or other rental development programs of the SC State Housing Finance and Development Authority, such as Low Income Housing Tax Credits.
- OBJECTIVE DH-1.2: Increase the supply of homeowner units affordable for LMI households
 - Strategies for accomplishing this objective will include providing funds for development, development support including the provision of infrastructure, acquisition of suitable land or in-fill sites, clearance of sites, etc.
- OBJECTIVE DH-1.3: Support transitional and supportive housing for people with special needs
 - Strategies include using HOPWA operating funds to support facility-based units that are dedicated to individuals living HIV/AIDS and their families and provide permanent or transitional housing and needed supportive services. HOME funds also may be used, as

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competitive applications for funding for supportive or transitional housing are received under homeownership or rental programs.

AFFORDABILITY OF DECENT HOUSING

- OBJECTIVE DH-2.1: Improve affordability of owner and renter housing for LMI families
 - Strategies will include down payment, closing cost or rental assistance to help low income families achieve homeownership or afford to rent safe, decent and suitable housing.
- OBJECTIVE DH-2.2: Provide tenant-based rental assistance (TBRA) to help persons with HIV/AIDS access housing
 - HOPWA sponsors are all closely linked with Ryan White Part B Service providers to ensure a coordinated system of delivery to eligible persons and families with HIV/AIDS. Sponsors are aware of eligible activities, including tenant based rental assistance, and will be encouraged to use funds as appropriate for TBRA, particularly for those persons likely to continue with the housing for an additional year.
- OBJECTIVE DH-2.3: Prevent homelessness or assist with rapid re-housing
 - Strategies will include providing funds for activities eligible for Emergency Shelter Grant or Emergency Solutions Grant funds, as appropriate given the regulations in effect for the program year. Homeless prevention strategies will include short-term subsidies for rent, utility and security deposit assistance, payments to avoid foreclosure, legal services and landlord-tenant dispute mediation, credit repair and other activities to assist and stabilize eligible families at risk of homelessness.
 - Specific strategies for re-housing will be developed once HUD issues final regulations for the Emergency Solutions Grant program and re-housing activities become eligible for funding, and these strategies will be implemented in program years subsequent to the issuance of the final guidance. Based on the new legislation and interim, unofficial guidance provided by HUD, the state anticipates that strategies may include assisting with housing search, rental assistance for permanent or transitional housing, and assistance with moving expenses and security or utility deposits.
- OBJECTIVE DH-2.4: Address short-term housing instability by providing emergency assistance for people living with HIV/AIDS
 - Strategies will include providing short-term rent, mortgage and utility assistance through a network of local organizations also implementing medical case management and primary care services funded primarily through the federal Ryan White Part B program.

SUSTAINABILITY OF DECENT HOUSING

- OBJECTIVE DH-3.1: Make existing affordable housing more sustainable and preserve affordable housing stock
 - Potential strategies include repairs, rehabilitation, exterior improvements, energy efficiency or accessibility improvements to existing LMI occupied housing units, connecting LMI occupied units to safe and reliable public infrastructure, improving access of LMI occupied

housing units to area services, and comprehensive improvement of surrounding neighborhoods to improve safety and protect and support housing values, etc.

SUITABLE LIVING ENVIRONMENT

Suitable living environment refers to the quality, condition and capacity of facilities and services provided by or available within the community, neighborhood, town, county or region where people live and work. In particular, this plan is concerned with those factors as they apply specifically to low and moderate income residents, and to communities that are predominantly low and moderate income. Basic, essential needs beyond shelter must be met in order to ensure health and safety.

Elements of a suitable living environment must also be sustainable, meaning that they are functional, sufficient in capacity to support current and future growth, are safe and efficient, and pose no potential public health, safety or environmental concerns. As existing infrastructure and facilities in many communities age, and as growth in South Carolina continues at a pace consistent with the rest of the Southeast, quality of life erodes if the key elements supporting it are deteriorated, dilapidated or insufficient to meet current needs. Suitable quality of life is also essential for a community to create and sustain economic opportunity for its residents.

There is an overriding need to strengthen communities and help prepare them for a sustainable future by:

- Investing wisely in infrastructure, community facilities, services and neighborhoods comprehensively, by building on and improving existing assets while also helping to improve health and safety or economic opportunity.
- Working collaboratively within regions to develop regional economies of scale, maximize limited resources, especially as relates to existing infrastructure which needs to be modernized and upgraded to make existing systems more financially viable, energy efficient and sustainable.
- Limiting the financial impact on communities and tight municipal and county budgets by identifying, upgrading and maintaining existing facilities, or adaptively re-using existing facilities, and by avoiding the creation of new facilities that might create additional or undue financial operating burdens.
- Invest in and revitalize existing neighborhoods in established communities to make them more livable and sustainable, with an emphasis on public safety, appearance, impact on community as a whole, and access to goods, services, housing and jobs.

Data and community input provided through the Community Survey and the regional focus groups reinforced these overall priorities for developing sustainable communities.

More specifically, the importance of infrastructure to communities ranked third, just behind affordable housing and economic development. Water and sewer infrastructure is the greatest need, with upgrades of deteriorating, dilapidated and inadequate infrastructure emerging this plan period as a top priority. For areas where public infrastructure does not exist, provision of new water and sewer infrastructure is also often needed, as are roads, drainage. CDBG will continue to prioritize infrastructure

and make funding available for infrastructure projects, but the competitive nature of the program means that local governments may apply for CDBG funding to address a variety of infrastructure needs. This allows local governments the flexibility to apply for CDBG assistance to help respond to unique local needs and conditions, but it also means that program objectives must also be broad and flexible.

Community facilities and services rank highly in terms of community need, and the CDBG program focuses on the community facilities necessary to support high priority services, such as health care, public safety and workforce education, and encourages communities to think creatively about comprehensive ways to include these facilities in efforts to revitalize entire neighborhoods. This not only expands the availability and/or improves the quality of services in low to moderate income neighborhoods, but it also leads to an improved quality of life for residents, stabilizes and preserves housing values in existing neighborhoods, and contributes to the vitality and sustainability of the community as a whole. Public safety and health care, in particular, are crucial building blocks of a suitable living environment, which also provide services critical to support economic growth. Other public facilities, such as libraries and workforce centers, connect local residents with the wealth of opportunities for learning, skill development, commerce and development beyond a community's physical boundaries.

For those who are homeless, a much more basic need for shelter takes precedence, and ESG will continue to prioritize funding for operations and essential services provided by emergency shelters for the homeless. For those living with HIV/AIDS, supportive services such as case management, transportation, educational and employment services, and substance and drug abuse are needed to promote independent living. The life expectancy for people with HIV/AIDS has increased, and so has the need for longer term housing solutions and the supportive services that are provided in conjunction with housing dedicated to this special needs population.

SUITABLE LIVING ENVIRONMENT OBJECTIVES AND STRATEGIES

Considering the overarching need to incorporate the principles of smarter growth, develop more financially viable and sustainable regional solutions, and invest in existing communities and neighborhoods to make them safer and healthier, more sustainable and better able to support economic opportunity, the state has identified objectives for improving the availability and sustainability of a suitable living environment, as outlined below. Potential strategies for achieving each of these objectives have also been established, but the state will continue to evaluate changing community needs and conditions, local resources for addressing needs, and local and state priorities and will develop additional strategies as needed to the greatest impact and to achieve measurable results benefiting the state's low and moderate income residents and communities. Objectives and potential strategies include:

AVAILABILITY/ACCESSIBILITY OF A SUITABLE LIVING ENVIRONMENT

- OBJECTIVE SL-1.1: Provide CDBG funding for new or improved infrastructure, facilities or services

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- Strategies to address this broad objective will include existing proven strategies, as well as new strategies as appropriate and merited by achievable outcomes and impact. The state will continue to encourage the construction of new infrastructure for previously un-served areas where there are public health threats and the cost to do so is not unreasonable given the number of families that will benefit, and where the area is not so remote as to conflict with sustainable and smart growth principles, but the state will also encourage modernization and upgrade of existing systems to make deteriorated, dilapidated and/or inadequate infrastructure more efficient, viable and sustainable and to improve service and to meet quality standards. The state will particularly encourage regional solutions to infrastructure needs and/or projects based on regional planning and collaboration. Other new or upgraded infrastructure, such as drainage, may also be addressed where eligible and appropriate. Other strategies may address transportation oriented facilities, energy efficiency and accessibility improvements to public facilities and facilities that help expand educational opportunities for children and youth.
- OBJECTIVE SL-1.2: Support shelters that provide essential services to homeless individuals and families
 - Strategies will include making ESG funds available to shelters for services and encouraging shelters that receive operational funds to provide such services, including education, counseling, employment assistance, food/nutrition and health/medical services, case management, etc.
- OBJECTIVE SL-1.3: Provide emergency shelter for homeless persons and families
 - Strategies will include making ESG funds available to entities that operate emergency shelters and/or provide transitional housing for families and individuals that are homeless. Funds will be made available for eligible activities including facility maintenance, operations and services directly involved in providing shelter.
- OBJECTIVE SL-1.4: Provide supportive services to persons with special needs to promote independent living
 - Strategies involve capitalizing on the linkage between HOPWA-funded service providers and Ryan-White care providers. Ryan White providers serve the HIV/AIDS population and can also provide supportive services such as case management, transportation to health and other service providers and employment, educational and employment assistance, drug and substance abuse services, etc.

SUSTAINABILITY OF A SUITABLE LIVING ENVIRONMENT

- OBJECTIVE SL-3.1: Support community and regional planning and coordination initiatives
 - Strategies will include making CDBG funds available for local and regional planning aimed at improving community sustainability, revitalizing residential neighborhoods and making them safer, revitalizing commercial cores and key business areas, eliminating obstacles to competitiveness, improving critical services (like safety/healthcare), addressing workforce needs and facilitating workforce improvement, planning for smart growth/sustainable development, etc.

- OBJECTIVE SL-3.2: Preserve neighborhoods through revitalization, development and elimination of blight
 - Strategies will involve investing in existing neighborhoods to make them more livable and making CDBG funds available for planning for and implementing a comprehensive revitalization of existing neighborhoods and communities. A variety of activities may be necessary, depending on the specific community and neighborhood needs and conditions, to address issues and ensure sustainability. Activities may emphasize public safety, overall neighborhood appearance, availability of goods and services, or other priorities, and may include extending or upgrading water/sewer infrastructure, providing or improving streets, sidewalks and transportation and accessibility, code enforcement and elimination of blighting conditions, facilities such as call boxes and cameras/monitors that are needed to improve public safety,.. or other needed or inadequate community facilities. Housing improvements and/or development The focus will be on stabilizing primarily LMI residential neighborhoods, especially neighborhoods adjacent to business centers, located at community gateways, with high crime or other compelling needs, or where improvements will impact the larger community as well.

ECONOMIC OPPORTUNITY

Economic opportunity refers not just to economic opportunity for individuals in the form of jobs, but also to economic opportunities for local businesses who provide goods and services. As population and commercial activity increases, the ability of a community to be economically competitive, and the success of the community in sustaining and growing existing, local business and employers and attracting new ones, also increases. Jobs are often the result of projects less directly related to job creation, such as downtown revitalization projects that inject new life and energy into town centers, enabling them to generate more traffic for local businesses, which in turn can attract residential development, support new business startups and help existing businesses grow, expand, and create jobs.

Many factors contribute to whether or not a community can generate and sustain economic opportunity, including community quality of life, the appearance and vitality of the downtown area, business centers and surrounding residential neighborhoods, infrastructure availability and capacity, availability and capacity of essential services such as health and public safety, education and skill level of the workforce, ability of the community to provide for current and future workforce needs, transportation providing access to markets and linking employers, customers and employees, and so forth. The existence of obstacles to development, such as abandoned and dilapidated buildings that dominate decaying town centers, can impede economic growth if they are not identified and eliminated. Gaps or weaknesses in critical elements supporting economic growth, such as workforce skills or water infrastructure to adequate fire protection, are likewise barriers that must be identified and addressed in order to move the community forward. Even the availability of adequate housing that is affordable for the employees of community services and businesses plays a role.

Creating an environment conducive to economic growth is a complex process, requiring planning, community leadership and involvement, and innovative thinking. Jobs alone will not necessarily

generate sustainable economic opportunity, as evidenced by the many declining and deteriorating mill villages surrounding abandoned textile plants in many rural South Carolina towns. New approaches are constantly necessary as the economy, local economic conditions, and business and employer needs all change. What worked twenty years ago will not necessarily create a solid economic base today, particularly in rural, less developed areas. South Carolina's smaller rural communities are those which are most in need of economic development, but they are also the areas where challenges are greatest, owing to above average levels of poverty and unemployment, gaps in education and skill levels, and limitations in the form of scarce resources, capacity and vision.

CDBG, as the only HUD resource to address the entire spectrum of needs supporting economic opportunity, will continue to prioritize activities that directly or indirectly impact economic competitiveness and make funding available for an array of needs, such that communities have the flexibility to use multiple approaches to address their economic development needs. CDBG will continue to make funding available to assist communities with efforts to recruit or retain employers, particularly in rural areas, through the provision of critical infrastructure, business assistance or other forms of public or private assistance that will directly result in new or retained jobs, particularly for low and moderate income residents. CDBG will also continue to make funding available for projects and activities that enrich communities, revitalize neighborhoods and communities, and holistically address elements that impact the community's attractiveness to business and industry, its ability to grow local businesses and industry, and its overall ability to support economic activity and growth.

ECONOMIC OPPORTUNITY OBJECTIVES AND STRATEGIES

Strategies related to individual economic opportunity, or jobs, must be flexible and based on economic conditions, local and regional priorities, availability of other funds, and past successes. Strategies must also encourage the use of public-private partnerships and activities that serve as a catalyst for further investment in local communities and regions.

Specific objectives are aimed at making jobs more available and more accessible, particularly for the state's low and moderate income workers, and this involves multiple approaches. This can be accomplished by supporting local business growth, as well as by more traditional forms of job creation assistance, such as infrastructure or other public or private assistance aimed at helping communities attract new employers and jobs. Workforce development must also be advanced, to ensure skills, education and training levels qualify the state's workers for jobs in today's economy, and employment assistance, childcare and other programs and services are needed, particularly for those who are homeless or have special needs, to improve access to existing jobs, ability to compete for jobs and ability to maintain employments. Job support for those who already have jobs, in the form of child care, healthcare and training, can help maintain employment. The linkages between people, homes and jobs and services also need to be improved, and strategies to accomplish this may focus on improving transportation systems or by encouraging transit-oriented housing development and the location of housing and services closer to employment.

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Making economies sustainable necessitates broad community approaches and ultimately should result in community businesses and jobs associated with them which are also sustainable. The state has therefore identified broad objectives to encompass the multiple strategies that may be employed during the plan period to address economic opportunity. These include:

AVAILABILITY OF A ECONOMIC OPPORTUNITY

- OBJECTIVE EO-1.1: Support the creation or retention of jobs for LMI persons
 - Strategies include providing CDBG funding to help communities assist economic development projects that will create or retain jobs through infrastructure, other commercial/industrial improvements, and other types of public or direct business assistance. Potential additional strategies include revitalizing business centers within communities to make them better able to support growth by existing businesses, allowing them to create jobs, or to retain existing businesses and jobs.
- OBJECTIVE EO-1.2: Support programs or services that improve the availability of or access to jobs for LMI persons
 - Potential strategies include employment assistance at homeless shelters, employment assistance for people with special needs (HIV), which may include training centers for people with disabilities, equipment or facilities to enable programs or services needed for employment assistance, training, transportation or other forms of job support (including childcare, one stops, libraries, training facilities, multi-functional centers, business incubators, etc.), planning needed to better link people and jobs, create sustainable local jobs or local job growth, and recruit more employers, etc. Life skills and training aimed at improving skills and employability are important; internet access or assistance may be needed to locate jobs, write resumes and succeed in interviews or once employed; and smaller businesses may benefit from planning or facilities where programs and services can help expand markets, address challenges, and improve efficiency. Transportation, childcare or healthcare may be needed either to access or maintain employment, particularly for those with lower incomes. Additional strategies may evolve as HUD evolves its own partnership with the US Department of Transportation and US Environmental Protection Agency, and may include providing CDBG funds for transportation-oriented public facilities or housing initiatives, public transportation or road improvements, workforce housing, or related planning, and so forth.

SUSTAINABILITY OF A ECONOMIC OPPORTUNITY

- OBJECTIVE EO-3.1: Improve community economic competitiveness and ability to support sustainable economic opportunity for residents
 - Strategies may include providing the necessary public facilities to support economic development or redevelopment, allowing the community to build on existing assets and resources, identifying and eliminating obstacles to economic competitiveness, such as abandoned and dilapidated buildings within the town commercial core, revitalizing key business corridors, providing facilities and/or resources to support workforce skill development, development of new community facilities which support essential services, etc.

GEOGRAPHICAL ALLOCATION OF FUNDING

The four HUD programs included in this Consolidated Plan do not allocate funding availability by region. Instead, CDBG and HOME allocate funding availability by program, with each year's programs designed to address the various objectives and priority needs described in this plan.

OTHER STRATEGIES

The State's strategy to overcome existing deficiencies in its housing and community development efforts is based on collaboration, education, outreach, and comprehensive planning. Consumers, providers, funders, policy makers, advocates and communities can benefit from increased communication, training and technical assistance to establish meaningful solutions to the housing and community development needs and improved quality of life among lower income populations.

Both public and private sector agencies, organizations and institutions contribute to the State's delivery infrastructure for affordable housing and community development. These agencies and organizations are important development partners in South Carolina. Some have established histories as partners with the State; many more are new and emerging collaborators. All are tremendously vital resources in South Carolina's continuing challenge to address the affordable housing and improved community and economic development needs of lower income households.