

**HUD PATHWAYS TO REMOVING OBSTACLES TO HOUSING (PRO HOUSING)  
FR-6700-N-98 APPLICATION FROM THE SOUTH CAROLINA OFFICE OF  
RESILIENCE (SCOR)**

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## **EXHIBIT A: EXECUTIVE SUMMARY**

The South Carolina Office of Resilience (SCOR) is grateful for the opportunity to apply for the HUD’s Pathways to Removing Obstacles to Housing grant. The proposed grant project is informed by the agency’s statewide [Resilience Plan](#), completed in June 2023; its CDBG-DR housing recovery and CDBG-MIT buyout operations; and the agency’s overall mission and vision. SCOR will utilize this grant to plan, develop and construct resilient affordable housing near a current SCOR CDBG-MIT Buyout Program in a historically black community that, unfortunately, suffers from repetitive flooding losses. SCOR will establish a creative pilot program which braids the CDBG-MIT and HUD PRO programs in a way that may serve as a model for creating affordable housing in under-resourced disaster impacted areas.

SCOR envisions a South Carolina where the risks of adverse impacts from extreme weather events are significantly reduced, empowering citizens and communities to withstand and recover from disasters. However, vulnerable citizens residing in HUD’s Identified Priority Counties in South Carolina are currently having to make a serious decision: participate in a buyout program that will remove them out of harm’s way or face the chance of becoming homeless. The affordable housing stock across these communities is literally slim to nonexistent. Not only is the affordable housing stock lacking, but many residents are also facing a rise in rental rates as their pay rates decline.

SCOR presents HUD an application for \$6,539,000 in PRO Housing funds to eliminate barriers to affordable, resilient housing. Awarded funds will be used to develop and implement a pilot project to bridge the gap between buyout programs and affordable housing obstacles. “Bridging the Gap Between Buyout and Affordable Housing Obstacles: Pilot Project in a HUD Identified Priority Area” (Project) is designed to overcome barriers to affordable housing in Marlboro County, South Carolina. Additionally, awarded funds will ensure that these homes constructed to the Fortified™ standard and would thus be resilient to environmental change and natural hazards, which is critical for this location.

SCOR has reviewed and identified the following for this grant proposal:

Need

- There is an acute demand for affordable housing in South Carolina’s HUD identified Priority areas. The need has become evident from discussions between SCOR CDBG-MIT Buyout Case Managers and participating homeowners in the program, as well as with appraisers and local county and city officials. Where, despite a fair market value and the Buyout Program incentives provided for LMI persons, participants are still unable to find any affordable housing.
- In conjunction with program involvement in the area through SCOR’s CDBG-MIT and DR grants, the SC Consolidated Plan, Marlboro County, City of Bennettsville, and SC Department of Employment and Workforce (SC DEW) SCOR has identified ways in which affordable housing availability has not met the needs of these areas.
- Though SCOR has made efforts to address the South Carolinians access to affordable housing across the state, three key barriers still exist and need to be addressed to produce and preserve more affordable housing in the HUD and state identified MID areas, specifically Marlboro County, SC. As we have encountered in our program in the City of Bennettsville (Marlboro County), these barriers to affordable housing and capacity can be broken down into three categories: socioeconomic, environmental, and infrastructure.

#### Soundness of Approach, Capacity and Leverage

- SCOR envisions awarded PRO Housing funding will be twofold: Develop a Bridge the Gap Plan and overcoming affordable housing obstacles through creating new housing stock. The new construction will be developed on a 10-acre tract of land donated by the City of Bennettsville in Marlboro County, South Carolina.
- SCOR will lead the implementation of the proposed affordable housing activities and manage the grant at the state level. SCOR has extensive expertise in home construction and infrastructure through its experience in running both HUD CDBG-MIT and DR programs since 2015. SCOR has successfully implemented and been on-time for these grants in excess of \$455 million. The SCOR CDBG-DR programs have rebuilt or repaired more than 3,370 homes. SCOR completed and published South Carolina’s first Strategic Statewide Resilience and Risk Reduction Plan with the mission of helping the state to anticipate, absorb, recover, and thrive. Due to the increase in active workload for this state-run Project, SCOR would hire a program coordinator to meet the upcoming workload demands. In tandem with SCOR’s efforts, the City of Bennettsville, and Marlboro County Housing

Authority will enact local government assistance and tax incentives for the affordable housing Project.

- The anticipated timeline for this Pilot Project is projected to run four years after receipt of award notification.

#### Long-Term Effect

- The permanent and long-term effects of this project will forever benefit a community that is in dire need of help. In addition to removing citizens out of harm's way, avoiding displacement and possible homelessness for participants in the CDBG-MIT Buyout Program, PRO Housing fund will be used as a stepping-stone to the development of an inclusive and affordable community for persons of all ages and needs.

## **EXHIBIT B: THRESHOLD REQUIREMENTS AND OTHER SUBMISSION REQUIREMENTS**

### **Threshold Eligibility Requirements**

N/A

### **Other Submission Requirements**

#### Code of Conduct

SCOR will provide the most recent version of their Code of Conduct to be submitted to the HUD program contact for this NOFO and submitted with this application.

## **EXHIBIT C: NEED**

### EFFORTS

Following the historic floods of 2015 resulting from Hurricane Joaquin, the South Carolina Disaster Recovery Office ([SCDRO](#)) oversaw the disbursement of HUD Community Development Block Grant Disaster Recovery (CDBG-DR) funds to provide long-term housing recovery assistance to South Carolinians whose homes were damaged by the federally declared disaster. Subsequent declared disasters, Hurricane Matthew in 2016 and Hurricane Florence in 2018, and the resulting need to administer CDBG-DR funds to aid citizens from impacts from those federally declared disasters led, in part, to the creation of SCOR with SCOR absorbing the former SCDRO.

SCOR exists to increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, damage to and loss of property, and suffering and hardship, by lessening the impact of future disasters. The Disaster Relief and Resilience Act ([S.C. Code Ann. § 48-62-30 et seq.](#)), passed in 2020, transferred the South Carolina Disaster Recovery Office into SCOR and directed the agency to develop, implement, and maintain the Resilience Plan.

Currently, SCOR's Disaster Recovery Division is responsible for administering \$293 million in federal funding, prioritizing aid to low-and-moderate-income (LMI) South Carolinians whose homes were damaged by federally declared disasters. SCOR has successfully managed and timely closed the CDBG-DR program for the 2015 historical flooding event following Hurricane Joaquin; has timely completed construction and closeout for the Hurricane Matthew (2016) disaster; and is currently implementing the Hurricane Florence (2018) grant program which will also finish on time. To date, the Disaster Recovery program has rebuilt or repaired more than 3,370 homes. The SCOR Mitigation Team utilizes over \$162 million in HUD Community Development Block Grant Mitigation (CDBG-MIT) funding to perform mitigation activities to increase resilience to future disasters in South Carolina within seventeen (17) HUD and state identified most impacted and distressed (MID) counties.

Through its disaster recovery, mitigation, and resilience efforts, SCOR staff observed homes that were repetitively flooded and damaged in presidentially declared disasters, leaving many communities still rebuilding today. Many homeowners have continued living in homes that are no longer decent, safe, sanitary, or secure. The SCOR Mitigation Buyout Program allocated over \$37 million to be used throughout six project areas across the state. From the onset of the Buyout

Program, affordable housing options have been a concern. SCOR has hosted and attended round table discussions, shared resources, and developed working relationships with agencies such as the South Carolina Housing Authority, S.C. Sea Grant Consortium, and the Environmental Protection Agency (EPA), South Carolina Department of Employment and Workforce (SC DEW) along with county and city administrators, planners, and zoning officials to continue its ongoing efforts to identify, remove, and mitigate barriers to remove citizens out of harm's way and restore the natural function of the floodplain.

From SCOR's inception, programmatic experience including efforts to conduct surveys, questionnaires, participate in round table discussions, and "boots-on-the-ground" activities have revealed the barriers to affordable housing. The barriers include the lack of available housing stock; lack of decent, safe, and sanitary housing; insufficient or suitable land to build on due to repetitive flooding events and environmental and geographic changes; housing costs; and the fact that qualified affordable housing recipients are often elderly and/or disabled and do not receive income or benefits that are competitive with the current housing market. All these issues and others have made it difficult to produce, preserve, and access affordable housing. In addition, the lack of affordable housing in buyout communities results in displaced homeowners or tenants facing the challenge of where to reside post buyout.

The number of underserved, vulnerable, and low- and moderate-income individuals, families, and communities in need, coupled with the complexity of issues they face, is steadily increasing in both scale and cost. These factors place substantial new burdens on an already strained housing and community development delivery system ([SC 2016-2020 Consolidated & 2016 Action Plan for Housing and Community Development, p. 169](#)).

With PRO Housing award dollars, SCOR can pilot a project that removes barriers to affordable housing and abate the affordable housing crisis through financing the construction of affordable housing options in a buyout area through collaborative efforts with local governments in HUD and state identified MID areas.

Through the administration of the CDBG-MIT Buyout Program, SCOR has encountered the extreme affordable housing barrier facing its applicants within the 17 MID counties and has taken measures to lessen the burden on these low- and moderate-income (LMI), underserved and communities. In particular, the SCOR CDBG-MIT Buyout Program observed there was a gross

difference between the payment the Buyout Program could offer applicants through the fair market valuation of their property and the cost of surrounding available housing in real estate markets where property values have skyrocketed.

In 2021, after witnessing the inequity in affordable housing that the program applicants faced, the SCOR Buyout Program adopted a new, innovative strategy for the CDBG-MIT buyout process. After internal agency discussion, incorporation of the new process within the agency's Policy and Procedures, and amendment approval, the SCOR Mitigation Team increased the monetary benefit that would be provided to LMI and underserved Buyout Program applicants through further monetary incentives in addition to a fair market value payment of their property. This new practice was implemented and used throughout the Buyout Program to better facilitate its applicants' ability to find decent and safe housing that meet their needs and allowed them to remain within or near their communities.

Nevertheless, the extreme increase in the real estate market without an increase in affordable housing production has still made our actions insufficient to meet the need.

#### ACUTE DEMAND

The US is experiencing a shortage of affordable rental housing, according to the National Low Income Housing Coalition. No state in the USA has enough affordable rental homes for the demand. In some states, there are less than a third of the rental properties available than are needed, especially in high-risk states. This situation is only exacerbated by the impacts to housing stock and prices in local areas following a disaster ([Dundon and Camp, 2021](#)).

There is an acute demand for affordable housing in South Carolina's HUD and state identified MID areas. The need has become evident from discussions between SCOR CDBG-MIT Buyout Case Managers and participating homeowners in the program, as well as with appraisers, and both county and city officials.

The most recent, finalized South Carolina Analysis of Impediments to Fair Housing, published in 2018, was conducted in conjunction with the [2016-2020 Consolidated Plan](#). The State, including multiple stakeholders such as the South Carolina Human Affairs Commission (SCHAC), the South Carolina Department of Consumer Affairs (SCDCA), and the South Carolina State Housing Finance Development Authority (SHFDA), have conducted Fair Housing Surveys on a regular and ongoing basis, and has also undertaken public awareness activities, such as fair housing fairs and



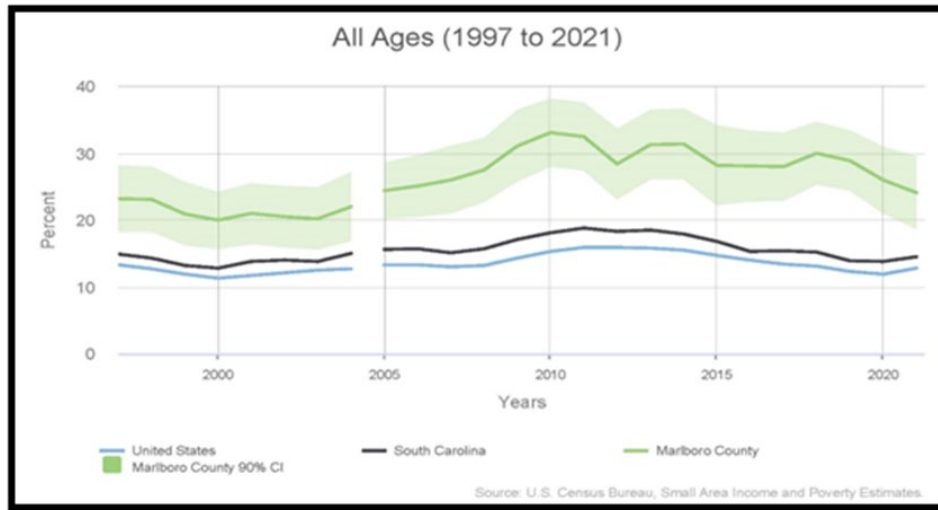
roundtable discussions. The State's fair housing efforts related to HUD funding have been detailed each year in the State's Consolidated Annual Performance and Evaluation Report, as required by HUD. The State's [2018 Analysis of Impediments to Fair Housing](#) notes that: "The continued availability of federal and state funding is perhaps the single most important factor affecting whether and how well the state can implement its strategies for fair housing and removal of impediments. Federal dollars, which were shrinking in prior years, are now severely threatened as the national budget shortfall worsens. The future remains uncertain, particularly as new discussions emerge over whether to increase the federal debt limit and ways to balance the federal budget" ([2018 Analysis of Impediments to Fair Housing, Part III, p. 47](#)). Addressing the housing needs of the impacted residents is a priority to ensure housing stock is maintained and housing quality is improved. This will in turn create the foundation for livable, resilient communities.

The SCOR CDBG-MIT Buyout Program provides a means to remove citizens out of harm's way, but to many eligible participants, the question is where they will live after the buyout. While offering a way out of unsafe living conditions is necessary, homeowners are hesitant due to limited affordable housing options. Project wide, SCOR recognizes that all housing options are limited, but affordable housing options especially fall short.

Within the intended state-identified MID area and HUD priority geographic area, Marlboro County, SCOR's CDBG-MIT buyout project area spans over two historically Black neighborhoods (dating back to the 1940s) within the City of Bennettsville. Many of these homes are generational homes, which fosters homeowners' strong ties to the community. Due to location, age, and condition of the homes post federally declared disasters, SCOR estimated the value of homes within the proposed program would range between \$30,000 and \$40,000; however, appraisals reveal much lower values (\$15,000) than projected. After performing an internal market analysis, SCOR staff estimated homes outside of the proposed project areas were averaging over \$115,000. Even with the innovative Buyout Program incentives, LMI, vulnerable, and underserved homeowners cannot afford the few available homes on the market in the surrounding area.

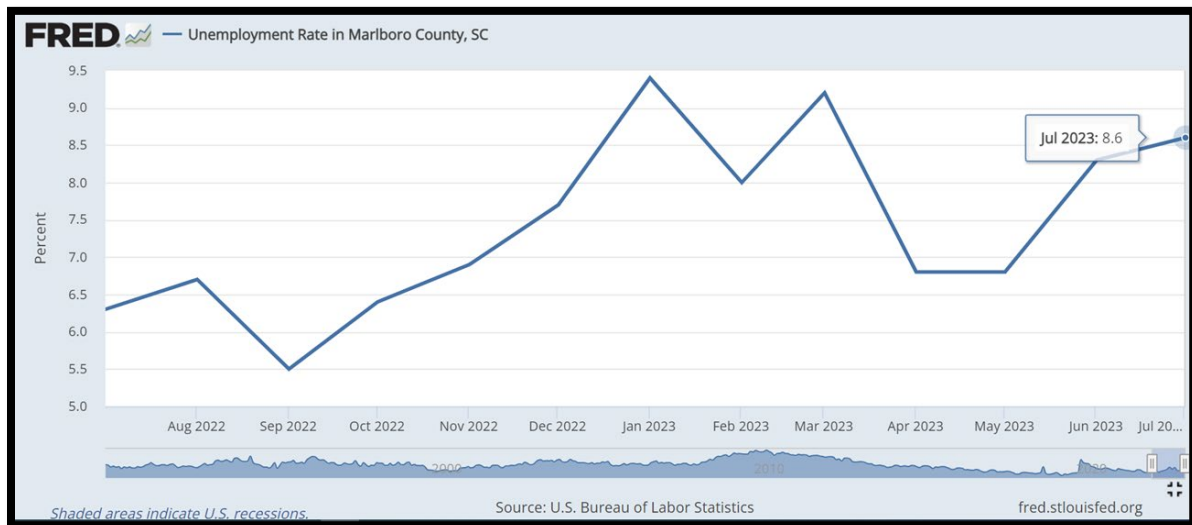
The implementation of the proposed Project in Marlboro County, South Carolina will affect an area where both the median income and the availability of affordable housing have decreased. Buyout program applicants and future applicants, who are already cost burdened by the real estate market, are also vulnerable citizens facing extraordinarily detrimental outcomes. For example, the median household income in Marlboro County decreased from \$33,586 in 2019 to \$31,528 in

2020. During this same time period, the median property value in Marlboro County increased 5.93% from \$67,500 to \$71,500; however, this is nearly a third of the value of the national average median property value of \$229,800 ([DataUSA](#)). The graph below depicts Marlboro County’s income and poverty levels (estimate) from 1997-2001.



Marlboro County Income and Poverty Estimate

As shown in the graph below, the unemployment rate in Marlboro County, SC has risen to 8.6% in July 2023 from 6.3% in July 2022. In comparison with the national average, 29.4% of Marlboro County’s residents are considered at or below the poverty line, more than twice as many as the national average of 12.8% ([DataUSA](#)).



## KEY BARRIERS

Though SCOR has made efforts to address South Carolinians access to affordable housing across the state, key barriers still exist and need to be addressed in order to produce and preserve more affordable housing in the HUD and state identified MID areas, specifically Marlboro County, SC. These barriers can be broken down into three categories: socioeconomic, environmental, and a community development Planning. Lack of capacity, resources, and funding plague low-and moderate-income (LMI) and underserved and vulnerable communities. Many LMI and underserved populations would like to implement affordable and resilience projects in their communities but lack the resources to plan and develop these types of projects.

### Socioeconomic Barriers

Large and ongoing increases in South Carolina's population, driven primarily by people moving from other states, are contributing factors for the demand for housing. During the height of the COVID-19 pandemic, South Carolina was one of the fastest-growing states in the nation ([Post and Courier](#)). South Carolina has experienced significant population growth throughout the previous decade that has far outpaced the national average ([2023 Palmetto State Housing Survey, p. 5](#)). For instance, the number of households in South Carolina increased by 16.4% between 2010 and 2021; the average throughout the United States was 11.3%. (Id.)

The significant population growth has led to a strong housing demand. The South Carolina Housing Needs Assessment 2021 Update reported that there are 72,565 subsidized housing units in South Carolina, only enough to serve 20 percent of low-income renters statewide (SC Housing Needs Assessment, 2021 Update: [State Overview, p. 3](#)). In addition to the lack of housing stock, construction prices have skyrocketed due to the COVID-19 pandemic and LMI and underserved communities cannot afford the increased building options.

Three of SCOR's buyout programs serve communities that lie within priority geography for HUD's PRO Housing grant program: Chesterfield County, Horry County, and Marlboro County. In all areas, housing demand is high and there is a limited range in rental homes. A shortage of affordable rental homes has been identified during SCOR's searches under the URA provisions for comparable dwellings in the three counties. Latest research resulted in locating zero

comparable dwellings in Chesterfield County which were less than a 36-mile radius of the tenant's displaced dwelling. Chesterfield County is adjacent to Marlboro County which includes the proposed pilot project area. Research in Marlboro County also indicates few options for comparable dwellings. As these counties lie close to the North Carolina border, the lack of stock drives citizens out of their communities, crossing state lines in order to find affordable housing elsewhere. As an aside to comparable dwelling searches, the Town of Cheraw administrator (Chesterfield County) indicated the lack of housing stock has resulted in securing living accommodations for a new church minister in a local hotel.

It should be noted that with the passing of [Senate Bill 284](#) in May 2023, local governments can now utilize the revenue from both hospitality and accommodations taxes for the development of workforce housing. "Workforce Housing" is defined as housing geared towards those making between 30 percent and 120 percent of the Area's Median Income. To use the money, local governments must conduct a review of how their zoning and land use policies impact the affordability of new housing; local governments can also spend the money to fund a grant program that caters to workforce development ([WLTX, 2023](#)). As Marlboro County is mostly rural and lacks the tourist attractions (beaches, aquariums, large malls and retail shopping centers, sports events, etc.) that would generate revenue from both hospitality and accommodations taxes, this area hasn't seen a boon in affordable workforce housing from the new law, leaving this area to fall further economically behind compared to other larger, more populated, and 'heavy tourism' counties in the state. Therefore, the intended target area for the proposed project in Marlboro County is essentially foreclosed from this "workforce affordable housing" avenue of relief.

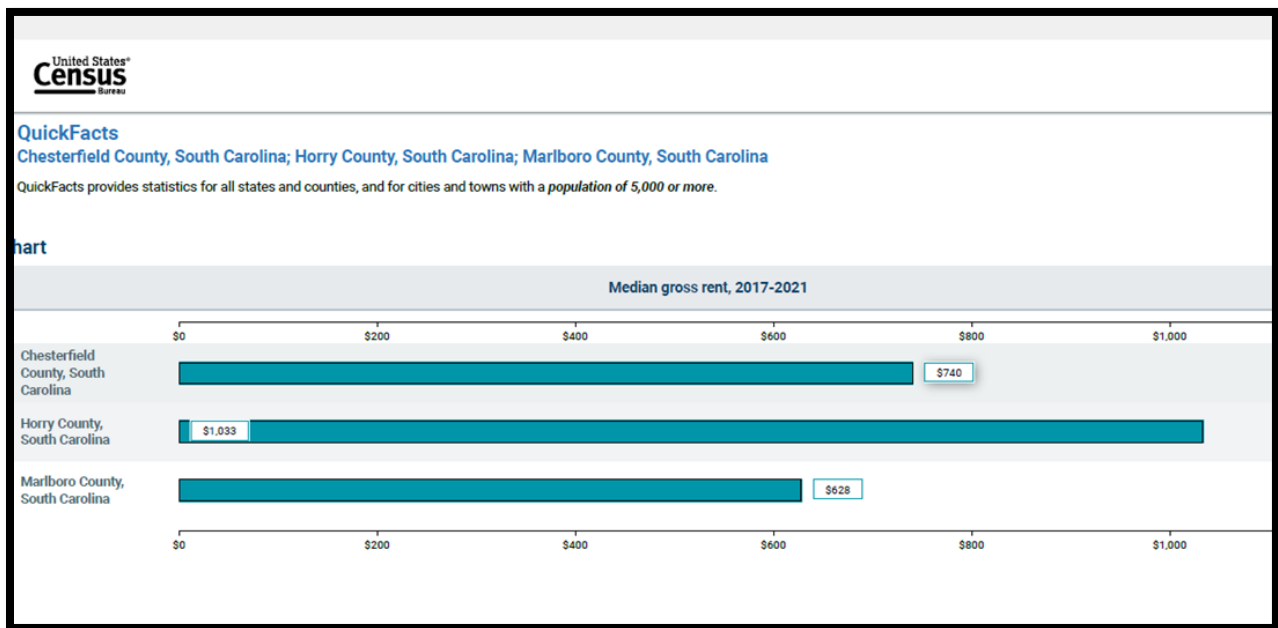
As stated earlier, within the intended state identified MID area for the proposed Project, Marlboro County, SCOR's CDBG-MIT buyout project area spans over two historically Black neighborhoods (dating back to the 1940s) within the City of Bennettsville. The poor infrastructure and ill-developed land zoning policy in the city has led to repetitive flooding, causing damage to homes that are often left unrepaired. Despite the repeated damage, the applicants often wish to remain in their homes due to their ties to the community, as oftentimes these homes have been lived in for generations and passed down to family members. With PRO Housing funds, affordable and safe housing can be constructed to allow these applicants the ability to uphold these community ties.

SCOR has firsthand knowledge of the economic barrier these neighborhoods face to affordable housing, as the Buyout Program Case Managers perform fair market value assessments of the homes in the program. The buyout process reveals that due to location, age, and condition post-natural disasters, home values average \$15,000, which is lower than had been originally projected. The low valuation of their current homes makes finding affordable housing in a nearby area nearly impossible for the residents of the two historically Black neighborhoods. After performing an internal market analysis, SCOR staff discovered that homes outside of the proposed project areas were averaging over \$115,000 in appraisal cost. Even with additional Buyout Program incentives, homeowners are unable to afford the few homes that are on the market.

Housing studies conducted across South Carolina indicate that the population in rural areas of the state began to decrease in 2018. As reported in a press release by the South Carolina Department of Employment and Workforce (SC DEW), the 2022 U.S. Census Bureau Estimates indicate that rural areas of the state saw gradual losses in their local populations in 2021, and many of the remaining residents consist of older adults who have aged out of the labor force. (SCDEW, 2022). Additionally, from 2010 to 2020, Marlboro County lost about 8% of their population over the 10-year period from 2010-2020. This decrease in rural populations can be traced to an imbalance between housing stock, community desirability and market demand.

Since 2011, the number of Black residents has decreased. The median household income for Black residents is almost half that of white residents; furthermore, increasing housing prices are adversely impacting Black renters. The total number of households has decreased over the last decade and is projected to continue decreasing. The decreasing number of households may indicate that the housing market has not been able to accommodate or retain prospective and past residents due to pricing, inventory or amenities. Blight removal efforts have reduced the total number of housing units, outpacing new development. Older residents owning homes who may want to downsize to smaller units cannot find suitable affordable housing. The median rent for the state is \$868 monthly (SCOR DR Hurricane Florence Action Report, p.43). Of the FEMA applicants to the Individual Assistance Program for the state-assessed area, more than 4,356 live in rental housing; 3,442 of whom declared an income less than \$30,000 (SCOR DR).

Data compiled by The South Carolina State Housing Finance and Development Authority, indicates an increasing number of individuals and families are struggling to meet their basic need for shelter. According to the most recent federal data, nearly a quarter of South Carolina rental households spend more than half their income on housing; in all but six of the state’s counties, the average renter cannot afford a basic two-bedroom apartment. All these factors accelerate the state’s eviction situation; for example, in 2019, more than 151,000 eviction cases were filed statewide in 2019, or about one for every four renter households ([SC Housing Needs Assessment 2021 Update: State Overview, pp. 2-3](#)). The eviction crisis in the state creates a likelihood that even more families will be displaced or possibly face homelessness.



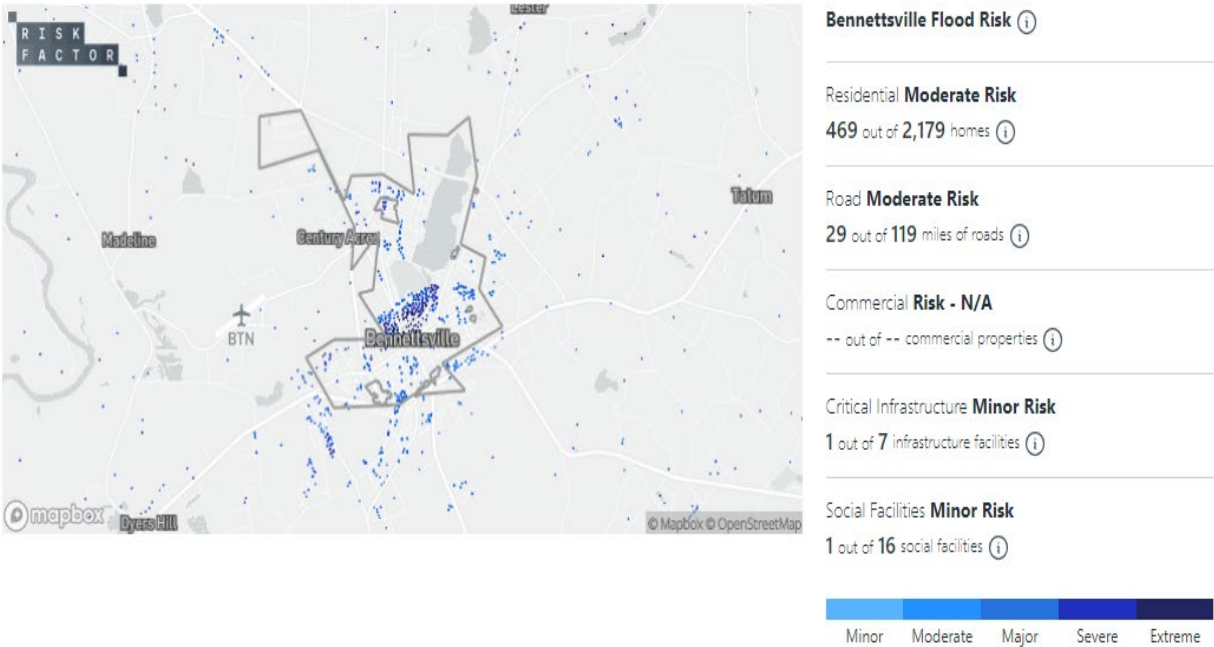
Median Gross Rent in Marlboro County from 2017-2021, U.S. Census Bureau

In addition to lack of housing stock and citizens being cost burdened, another challenge has been citizen opposition. Rezoning requests for multi-family residential dwellings have been met with citizen pushback, expressing the rezoning would bring in crime and poverty to the area.

Environmental Barriers

In addition to the multiple disasters affecting South Carolina residents, environmental changes have made an impact across the state. Since 2000, there have been 440 flash flood events in South Carolina, as recorded in NOAA's Storm Event Database ([NOAA, 2023](#)). Surface water floods are specifically associated with urban environments and occur when there is insufficient drainage and the water discharges into the streets or surrounding structures ([National Oceanic and Atmospheric Association \(NOAA\), 2021](#)). Urbanization has been linked to an increase in flash flooding due to the increase in impermeable surfaces ([Konrad, 2003](#)). Many communities have been developed in areas that are not resilient to environment change and/or natural hazards. Homeowners living in flood prone areas and facing obstacles to affordable housing often remain in homes that are deplorable and dilapidated, while some homeowners have had to abandon their homes due to costly repairs and repetitive damage and are forced to move in with relatives or friends.

The proposed program location in Bennettsville, Marlboro County, had a projected flood impact of approximately 1,002 properties impacted by Hurricane Florence in 2018, based on a [recreated model](#) (depicted in the image below) by First Street Foundation, Risk Factor. Moreover, if a low-likelihood storm resulting in severe flooding (a 1-in-100-year flood event) occurred today, it could affect 842 properties in Bennettsville. This type of event has a 26% chance of occurring at least once over the life of a 30-year mortgage. 30 years from now, an event of this same likelihood would affect 868 properties due to a changing environment. (Id.)



First Street Foundation, Risk Factor Model – City of Bennettville Flood Risk

Through the MIT Buyout Program, SCOR has firsthand knowledge of the environmental barrier LMI and underserved communities face to affordable housing. While the age of the home can help inform the valuation, location and the condition of the home are huge factors, as many of these homes are in flood prone areas and have been damaged by repetitive flooding.

SCOR has undertaken the responsibility for developing and implementing a [Strategic Statewide Resilience and Risk Reduction Plan](#) (Resilience Plan) for the entire state of South Carolina. The Resilience Plan identifies major flood risks around the state and potential losses that could occur as a result of extreme weather events. The Resilience Plan also outlines resilience strategies for local governments to implement into their communities to mitigate the identified potential flood risks. The Plan includes recommendations for resilient community development that will alleviate the capacity barrier less equipped counties are lacking by providing significant, data-driven recommendations that they would otherwise not have had. One of the goals of the Resilience Plan is that counties and municipalities will adopt policies that restrict new development in high-risk, flood prone geographical areas so that vulnerable communities will not continue to live in unsafe areas.



Overcoming the environmental barrier LMI and underserved-communities face to accessing affordable housing will require added capacity at the local level and technical assistance from the state and federal government.

#### Community Development Planning Barriers

The number of low-and moderate-income (LMI) and underserved individuals, families, and neighborhoods in need, coupled with the complexity of issues they face, is steadily increasing in both scale and cost. The combination of these factors place substantial new burdens on an already strained housing and community development delivery system ([SC Consolidated Plan, p.169](#)) that cannot evolve to meet the current needs of its vulnerable areas. Additional impediments across affordable housing are due to poor or dated infrastructure.

Community Development planning deficiencies are persistent impediments to the State's ability to address long-standing community needs. Insufficient expertise, funding, and planning plague a disproportionate number of South Carolina's rural areas. Consequently, much needed new development or upgrades in housing, infrastructure, and community facilities are not made. Prolonged periods of disinvestment and decline have resulted in some economic and social decline in many communities across the state. 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. A greater emphasis is being placed on collaboration among partners as the most effective means to reach community and economic development goals ([SC Consolidated Plan, p. 169](#)).

There is currently a shortage of affordable rental housing in the United States, according to the National Low Income Housing Coalition. No state in the USA has enough affordable rentals for the demand. In some states, there are less than 1/3 of the rental properties available than are needed, especially in high-risk states. This situation is only exacerbated by the impacts to housing stock and prices in local areas following a disaster. Rental housing is an important component of affordable housing for impacted area. Much of the rental housing (approximately 84%) in South

Carolina was built prior to 1999 (SCOR DR [Hurricane Florence Action Plan, p.43](#)). US Census data shows only seven new building permits in Marlboro County in 2022 ([US Census Estimates, 2022](#)). Dated building code, and in some cases, the lack of regular maintenance, adds to the vacancy rate and therefore the rental housing needs. The rental housing vacancy rate for South Carolina was 16% according to the US Census Bureau ([American Community Survey \(2014-2018\)](#)).

The SCOR CDBG-MIT Buyout Program has offered solutions to remove citizens out of harm's way, but oftentimes the homeowners are incapable of participating due to the availability of housing within their community and/or the housing that is available is not within their financial means. As SCOR's Buyout Program is focused on the LMI and underserved communities, it has become evident that the rising prices of homes and current housing market does not allow buyout participants a viable financial option of purchasing a new home. Additionally, it has been noted across local council meetings, another barrier for participation of applicants derives from citizen opposition and lack of trust in government involvement, which only delays efforts in overcoming affordable housing obstacles.

With PRO Housing funds, SCOR will advance affordable housing options which will aid in reducing inequalities throughout the state. By developing affordable housing policies and procedures for the project, the community development will strengthen vulnerable citizens to better protect themselves and give the opportunity for them to experience inclusive communities. Through this project, replacing homes that were in the buyout area and expanding opportunities for affordable housing will affirmatively further fair action. Increasing affordable housing opportunities would lessen financial burdens brought on by high mortgages or rental payments. Expanding opportunities for affordable housing allows for citizens to build savings and creates opportunities for homeownership.

SCOR's implementation and running of this Project will overcome the socioeconomic, environmental, and community development planning barriers inhibiting access to affordable housing of the community both in the short-term and make lasting impact on access and resilience for future homeowners and renters. Three of SCOR's buyout programs serve communities that lie within HUD's priority geography: Chesterfield County, Horry County, and Marlboro County. In

all areas, housing demand is high and there is a limited range in rental homes. A shortage of affordable rental homes have been identified during SCOR's searches under the URA provisions for comparable dwellings. Latest research resulted in locating zero comparable dwellings in Chesterfield County which were less than a 36-mile radius of the tenant's displaced dwelling. Research in Marlboro County also indicates few options for comparable dwellings. As these counties lie close to the North Carolina border, the lack of stock drives citizens out of their communities, crossing state lines. It should be noted that throughout South Carolina, various counties are awarded dollars from a local tourism development sales and use tax to be used towards affordable housing. Unfortunately, Marlboro County does not meet qualifications for this incentive, therefore leaving this area falling further behind economically.

For homeowners unable to overcome the housing obstacles, they often remain living in homes that are deplorable, dilapidated and in an environment that is not resilient to natural disasters. Some buyout participants have abandoned their home due to costly repairs and repetitive damage. To avoid being homeless, these homeowners have moved in with relatives or friends. Through SCOR's Buyout Program, the cycle of vulnerable communities of low income facing repeated harm from flooding is stopped and people who have endured through those economical, physical, and geographical hardships, may find reprieve.

Housing studies throughout SC have revealed population in rural areas began decreasing in 2018. A decrease in residents indicate a mismatch between housing stock, community desirability and market demand. Since 2011, the number of Black residents has decreased. Median household income for black residents is almost half that of white residents. Increasing housing prices are adversely impacting Black renters. The total number of households has decreased over the last decade and is projected to continue decreasing. The decreasing number of households may indicate that the housing market has not been able to accommodate or retain prospective and past residents due to pricing, inventory or amenities. Blight removal efforts have reduced the total number of housing units, outpacing new development. Older residents owning homes who may want to downsize to smaller units cannot find suitable affordable housing. Lower income renter households face several challenges that range from paying rent and finding affordable housing options in an escalating expensive market. (Chesterfield County – Cheraw Housing Study (draft), August 2023, RKG Associates, Inc).

## **EXHIBIT D: SOUNDNESS OF APPROACH**

### Program Vision

As current stewards of federal CDBG funds, the State of South Carolina complies with HUD's National Objectives to develop viable communities by the provision of decent housing, a suitable living environment and expanding economic opportunities, principally for low-and moderate-income (LMI) persons and underserved communities. To this end, all funded activities administered by the State of South Carolina will meet HUD national objectives: 1) Benefitting LMI Persons; 2) Preventing or Eliminating Slum or Blight; or 3) Meeting Urgent Needs. Where practicable, vulnerable and special needs populations will be given urgent attention.

SCOR proposes that the City of Bennettsville levy a reduced property tax assessment on the new housing, require all new development to use resilient building practices and products consistent with The Resilience Plan, continue to work with local and county non-profit agencies for land donation for further construction of affordable housing. SCOR's implementation of the Project will overcome the socioeconomic, environmental, and infrastructural barriers inhibiting access to affordable housing of the community both in the short-term and make lasting impact on access and resilience for future homeowners and renters. In response to this Pilot Project and SCOR's interaction with the City of Bennettsville, SCOR will aid, instruct, and advise best strategies for the City in establishing zoning requirements for future development of homes. SCOR promotes a forward-looking approach to flooding threats and recommends not building in hazardous areas as identified in the Resilience Plan. The effects of the immediate increase of available affordable housing in tandem with the reduced tax assessment, resilient building, and advisement for future resilient building, in addition to the future resilient focused housing development, will create a safer, financially healthier, and less vulnerable community.

SCOR, in partnership with the City of Bennettsville and Marlboro County, will benefit the LMI and underserved individuals, families, and communities overcoming affordable housing barriers through:

- Increasing awareness to local government and citizens – develop a plan that continues to bridge a gap between communities that have experienced repetitive flooding or climate impact damage and offer a buyout program to ensure barriers to affordable housing are

removed prior to setting in place a voluntary buyout program. The planning funds will be used for general operational planning needs as well as to develop, maintain, and amend the Action Plan, policies and procedures, other necessary program documents, as needed. Any remaining planning funds will be made available to address unmet planning needs in the Most Impacted and Distressed Counties.

- Removing citizens through a voluntary buyout. The buyout property acquired will be dedicated and maintained in perpetuity for a use that is compatible with open space, recreational, or floodplain and wetlands management practices, which will:
  - Offset the created open greenspace through the buyout program by creating affordable housing in the project area;
  - Construction of a Project for developing affordable housing community in areas that engage in buyout programs;
  - Voluntarily Remove citizens residing in a hazardous areas;
  - Reduce threat of homelessness;
  - Create resilient and safe neighborhoods;
  - Promote community inclusivity and healthy living in Project area.
- Chart a path forward for implementing strategies to incentivize further affordable housing development

The PRO Housing awards will be twofold: Develop a Bridge the Gap Plan and Constructing Affordable Housing stock. The Plan will delineate a strategic approach to assist buyouts program overcome affordable housing barriers. It will incorporate resilient housing and green infrastructure recommendations. The Plan will be considered a living document as to encompass best practices and lessons learned during the life of the grant. The Plan will be set in action the day any award may be granted and will be finalized after closeout of the grant.

#### Priority One: Prioritize Homeowner/Tenant

Priority One will focus on buyout participants, including homeowners, landlords, and/or tenants. Due to lack of affordable housing options, buyout participants are limited to relocating within their community. Participants that have completed the Buyout Program will be given priority to purchase a home in the new affordable housing area.

The first homes constructed will be offered to primary residents and/or tenants of the SCOR CDBG-MIT Buyout Program who currently dwell within their property.

Eligible Buyout Program homeowners will sign an Intent to Purchase at the time of closing on the buyout property. The homeowner will then be responsible for using a percentage of their buyout funds towards the acquisition of the affordable housing as provided through this Pilot Project. The participating homeowner will pay these monies to the City of Bennettsville who will use the accrued money as program income towards the Project to maintain affordable housing in the long term. Moreover, priority one homeowners must agree to own the home and use the home as their primary residence for a period of five years after the conclusion of all construction and they take possession of the property, as secured through a forgivable promissory note and lien.

The forgivable lien will remain upon the property for the value differentiation between what the homeowner pays and the actual cost for the property for the entire duration of the encumbrance. The forgivable lien to be placed upon the property is to ensure that the intent of the Project to provide affordable housing to LMI, underserved, and vulnerable persons in need, will meet its objective and not become an asset used and sold instead for the purpose of making a profit or offering the home for sale at a price that would diminish the intent of the program. Additionally, the intent and flexibility of the lien would allow for exceptions to the enforcement thereof under extenuating circumstances. Through the PRO Housing grant, SCOR will advise and assist Marlboro County and the City of Bennettsville to develop and implement this Affordable Housing program, including providing home buying and selling training for participating participants.

A homeowner using a dwelling as rental property in the Buyout Program may be eligible to continue as a landlord contingent upon participation with requirement that the home be certified by the local housing authority as Section 8 rental or participate in the HOME TBRA program. SCOR will assist the local Housing Authority in determining which best suits the community's ability to overcome the barriers as provided in Exhibit C (Need) Part iii while providing Affordable Housing. Housing counseling will be available to landlord participants.

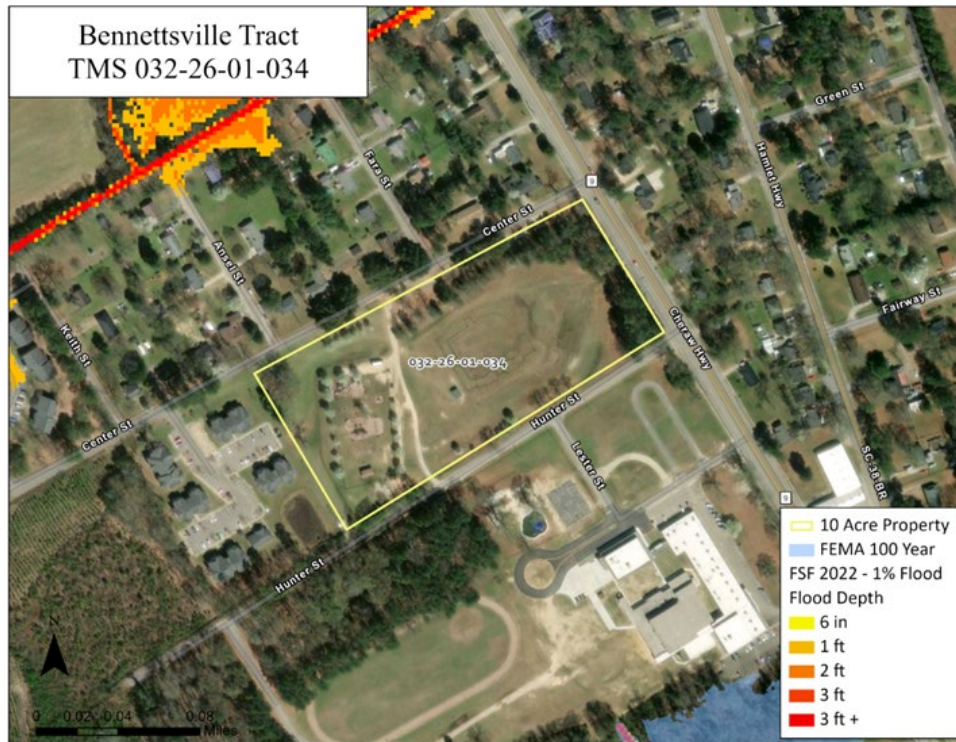
Priority Two: LMI Households with Incomes Below 100 Percent of Area Median Income and Tenants

Through this Pilot Project, SCOR will also coordinate with and assist Marlboro County and the City of Bennettsville Housing Authority in the development and execution of providing affordable housing to households with incomes below 100 percent of the area median income for those who did not participate in the SCOR CDBG-MIT Buyout Program. The dwelling may be offered for purchase through the affordable housing program or as a rental for that specific LMI community. Advertisements of homes for sale or rent will be posted on the City's and housing authority's website, social media, and listed in the local newspaper. Flyers will be distributed to local faith organizations and displayed in the community center.

Geographic Scope Through incorporating strategies from SCOR's Resilience Plan, and Disaster Recovery and Mitigation practices, the Project will focus on the eligible grant activity of financing the construction of affordable housing in Marlboro County. The City of Bennettsville is donating a ten-acre tract (IMAGES BELOW) of land for the development of an affordable housing community. The land is located within Marlboro County, which is a HUD's Identified Priority area. Development on this land will create affordable housing stock used to rehome community members that participate in SCOR's CDBG-Mitigation Buyout Program. All efforts to create additional affordable housing in this area will benefit low-and-moderate income persons. In both theory and practice, this plan will remove the barriers preventing those who suffer from repeated flooding to be able to relocate to an area located near their community. Moreover, this plan will provide affordable homes constructed to incorporate the resilience standards SCOR promotes throughout the state. The homes acquired through the Buyout Program will be converted into perpetual green space, both protecting future homeowners from similar flood problems and increasing the ability for water absorption, cumulatively improving flood resilience in the surrounding area.

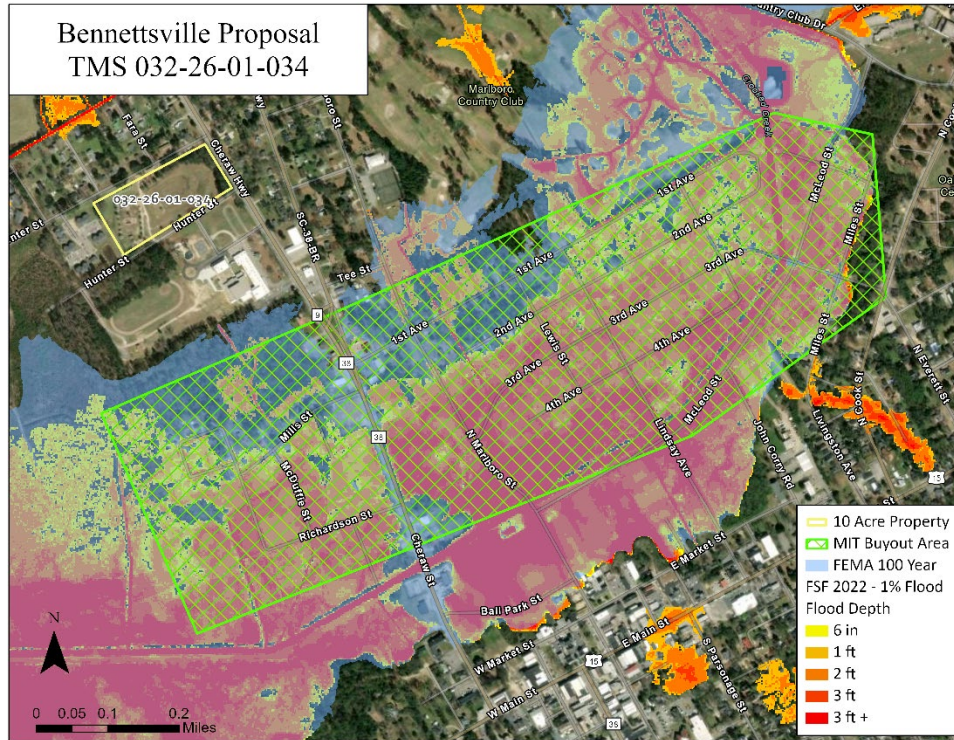
Two City of Bennettsville neighborhoods, Richardson Park and Shady Rest (the largest subdivision for blacks platted in 1944) (SHPO), lie within the 100-year floodplain and are eligible for a voluntary buyout. These neighborhoods have been heavily impacted by flooding events. The donated land from Marlboro County and the City of Bennettsville will expand opportunities and enhance health and safety of the residents currently living in the floodplain. The donated land currently contains a park with playground equipment. The vicinity of the park to the new affordable housing will encourage a healthy lifestyle for citizens and promote community development. The

playground equipment will be updated to meet the American Society for Testing Materials (ASTM) standards and will be upfitted to be accessible for all community members. In addition to updating the tract to meet safety standards, green infrastructure will be incorporated to strengthen the land's resilience to natural hazards and environmental change. An added benefit to this area of affordable housing is that the tract of land is adjacent to and within walking distance to the local middle school, Bennettsville Middle School. Because of this accessibility, none of the participants of this Pilot Project for affordable housing will be geographically disadvantaged.



Aerial View of 10 Acre Bennettsville Tract





Bennettsville Tract Showing Current CDBG-MIT buyout location and Outer Flood Zone

The State acknowledges that demand for incorporating mitigation and resilient measures exists. The State has determined that the cost of incorporating these measures into the Housing Programs is prudent. Through a wholistic approach, SCOR will implement construction methods that emphasize quality, durability, energy efficiency, sustainability and mold resistance. All rehabilitation, reconstruction, and new construction will be designed to incorporate principles of sustainability, with use of Low Impact Development practices (LID) including water and energy efficiency, resilience and mitigation against the impact of future disasters. Projects will be evaluated to determine adequate compliance with modern and resilient building codes and mitigation of hazard risk, including possible sea level rise, high winds, storm surge, and flooding. In South Carolina, all counties and some localities require permits. All counties and the localities with such requirements have standing offices to process the required permits. There are currently no known local capacity issues which would prevent the needed permits from being processed and issued. Green and energy efficiency standards will be met, if not exceeded, such as those provided by the U.S. Department of Energy's Guidelines for Home Energy Professionals. For all new construction or for substantially rehabilitated structures, the State will require construction to meet

ENERGY STAR certification standards and green building standards. Newly constructed homes will meet the Fortified™ standard.

This donated parcel is currently outside of the FEMA floodplain and no documented flood events have affected the project in the past. However, SCOR understands if development upstream continues to grow, flooding may encroach into areas currently outside of the designated floodplain. To account for future unknown conditions, SCOR will construct the homes on elevated crawlspaces.

#### Construction Warranties and Quality Appeals

South Carolina will provide assisted homeowners with a one-year warranty on the work performed and funded by the PRO Housing Project. Applicants will have access to a robust and agency wide appeals process that will address construction quality concerns identified by the homeowner during the construction process. Construction quality appeals will be verified by inspection, decided, and recorded by SCOR. Resilient home construction standards will be implemented as recommended by the statewide guidance provided within the SCOR Resilience Plan.

#### Key Stakeholders

SCOR, in collaboration with state and local stakeholders, envisions creating ongoing workshops to educate community members on benefits of affordable housing, with hopes of eliminating false stereotypes.

SCOR values citizen and stakeholder engagement, with a prioritization of citizen involvement, with actions to encourage participation and allow equal access to information about the PRO application by all citizens. With PRO Housing funds, SCOR will facilitate participation from individuals of low-and moderate-income, those living in slum and blighted areas, those living in areas identified through CDBG-Mitigation, non-English speaking persons, and other disadvantaged populations. Postings will be made in local newspapers, shared at the local level in community centers, faith-based organizations, website, and social media. Translation, interpretation, and other services for persons with disabilities will be offered free of charge and accessible to the public in accordance with all HUD regulations and program guidelines.

SCOR maintains a public-facing website with program information pertaining to applicants and stakeholders posted on an ongoing basis. Website information will be updated on an as needed basis, and at a minimum monthly. The SCOR website can be found at <http://www.scor.sc.gov>. It is a powerful tool for public participation and engagement. The State of South Carolina follows ADA-compliant standards for website accessibility and readability. Content and webpage layout is designed with best practices for adaptive aids use in mind. The State also supports accommodation for citizens with limited English proficiency and will publish program documents to the public website in languages other than English based on the need of non-English speaking communities. The following program information that will reside on the website includes but is not limited to; announcements of Public Hearings, Action Plan and Action Plan Amendments, Solicitations for public comment, an electronic portal for citizen complaints and concerns, programmatic announcements, and executed contracts.

There are a variety of key stakeholders in the commitment to increasing safe and affordable housing in Marlboro County. SCOR has hosted Town Halls to engage residents that are suffering due to current living conditions and lack of affordable options. State, county and city officials, administrators, zoning and planning managers have worked collaboratively to identify how to meet the needs of affordable housing for vulnerable citizens in South Carolina. In addition to joining neighbors and community members into Town Hall meetings, boot-on-the-ground efforts have been made by meeting individually in residents' homes to gain perspectives from the resident's viewpoint.

SCOR has developed the first Statewide Resilience Plan which is intended to serve as a framework to guide state investment in flood mitigation projects and the adoption of programs and policies to protect the people and property of South Carolina. The Resilience Plan will guide SCOR and other key stakeholders on future community endeavors.

#### Requirements to Affirmatively Further Fair Housing

The State of South Carolina has created an Unmet Needs Assessment and Action Plan to address a general program design that targets assistance funding to citizens with the most recovery need as determined by geographic concentration of damage, financial impact and social vulnerability indicators. These criteria cover a broad spectrum of characteristics, none of which will be

considered in isolation. The state will remain highly agile throughout the planning and implementation process to ensure program design is consistent with need as identified through public engagement. South Carolina has conducted comprehensive resilience planning that considers regional drivers of short and long-term resilience and fair housing practices to the smallest possible geographic level. The state will execute resilience planning methods that incorporate data analyzed via social vulnerability as well as public involvement. Resilience planning will incorporate measures to strategically align resources in a way that emboldens drivers of resilience, especially those that provide protection for the most vulnerable, consistent with HUD's direction to Affirmatively Further Fair Housing ([SCOR DR Hurricane Florence Action Plan, p. 49](#)).

In accordance with the Fair Housing Act and implementing regulations, SCOR has affirmatively performed all its programs in CDBG-MIT and CDBG-DR, and will continue to perform through this Pilot Project, without discrimination or segregation in housing based upon race, color, religion, sex, or disability. SCOR, Marlboro County, and the City of Bennettsville will put forward and fulfill their duty to affirmatively further fair housing and ensure the actions extend to all the program participant's activities and programs relating to housing and urban development through the actions as discussed in this section. All proposed actions shall be consistent with this jurisdiction's fair housing planning and compliment the Assessment of Fair Housing goals.

A major priority for the SCOR is the fair and equitable treatment of the vulnerable populations which are historically neglected during disaster recovery and disaster mitigation activities. To that end, at the onset of the Disaster Recovery division, SCOR devised a strategy to ensure that CDBG-MIT funds positively impact members of protected classes under fair housing and civil rights laws, racially and ethnically concentrated areas, as well as concentrated areas of poverty. SCOR partnered with the [South Carolina Hazard & Vulnerability Research Institute](#) to target outreach efforts to maximize the benefit to protected classes. Additionally, SCOR has coordinated with the South Carolina Commission for Minority Affairs for the purpose of using data-driven outreach efforts to identify areas where concentrations of protected classes exist. The South Carolina Commission for Minority Affairs exists to maintain a comprehensive database of statistics

regarding minority populations throughout South Carolina and they utilize this data to inform policy decisions for decision makers in the state. Of significant concern is long term resiliency and mitigation which may serve vulnerable populations, such as minorities and low-and moderate-income individuals and households who have historically been discriminated and marginalized by housing policies, lack of public investment, forced into outer, more rural areas due to lack of affordable housing units. Vulnerable populations are also areas that have high concentrations of poverty and minorities, transitional housing, permanent supportive housing, permanent housing serving individuals and families (including subpopulations) that are homeless and at-risk of homelessness, persons with accessibility issues, including transportation and access to healthcare and services that have been cut off due to poor infrastructure such as roads, those persons with Limited English Proficiency and public transportation, and public housing development areas.

SCOR has a history of serving the most vulnerable citizens in the ongoing 2015 and 2016 CDBG-DR housing programs as evidenced by the table below.

| Summary of Construction Complete Applicants |            |                |
|---|------------|----------------|
| Demographics                                | 2015 Flood | 2016 Hurricane |
| Race- White                                 | 4.55%      | 6.65%          |
| Race- African-American                      | 92.92%     | 92.12%         |
| Race- Other                                 | 2.54%      | 1.23%          |
| Female-Led Households                       | 78.97%     | 83.50%         |
| Households Containing Disabled Members      | 93.06%     | 56.65%         |
| Average Applicant Age                       | 69 years   | 63 years       |
| Average Household Size                      | 1.97       | 2.12           |

2015-2016 CDBG-DR Construction Complete Applicants Demographic Breakdown

As SCOR’s Buyout Program offers to acquire homes in repetitively flooded areas, this proposal provides an option for buyout participants have access to affordable housing. Funds from the PRO

grant would enable Marlboro County the means to develop an affordable housing community. As previously mentioned, the availability of housing stock is minimal. This new housing development will also fill a gap for buyout participants. These residents can now be assured that should they participate in the Buyout Program, they will have the opportunity to reside in a safe and affordable environment after leaving their original homes. SCOR’s City of Bennettsville buyout population, based on applicant participation, is comprised of almost 100% Black residents. By constructing affordable housing options near the City’s Middle School and through incorporating an existing park/playground, the Project will encourage the integration of all citizens.

As discussed in Exhibit D, Soundness of Approach, ADA compliance will be incorporated into housing plans; parks will be accessible for elderly and needs-based residents.

If awarded PRO Housing funds, SCOR will continue to follow the guidance of HUD’s Section 3 requirements to engage minority-, woman-, and veteran-owned businesses.

**Budget and Timeline Proposals**

The budget (Attached separately) for this project is derived from estimates based on unit prices compiled from data through SCOR’s Disaster Recovery and Mitigation programs. Data is compared agency-wide and continually monitored in conjunction with professional design services procured from private design specialists. If awarded, SCOR will require updated cost estimates through the entire process, specifically at key milestones such as 30%, 60%, 90% and final stages. The proposal has built in flexibility to ensure the base resilient home model is provided with standard features, but alternative solutions will be available, depending on award amount and/or funds remaining. Milestones and timelines are reflected in the following table.

| <b>MILESTONE</b>  | <b>TIMELINE</b>   |
|---|---|
| Award Announcement  | January 2024  |
| Execute Grant Agreement   | February 2024   |
| Project Initiation  | January 2024- May 2024  |
| <ul style="list-style-type: none"> <li>• Develop Action Plan</li> </ul> | <ul style="list-style-type: none"> <li>• (January – February 2024)</li> </ul> |

|  |   |
|--|---|
| <ul style="list-style-type: none"> <li>• Procure Design Teams</li> </ul>   | <ul style="list-style-type: none"> <li>• (February – May 2024)</li> </ul>   |
| <p>Design</p> <ul style="list-style-type: none"> <li>• Survey &amp; Existing Conditions Assessment</li> <li>• Conceptual Site Design</li> <li>• Schematic Design</li> <li>• Design Development</li> <li>• Construction Documents &amp; Permitting</li> </ul> | <p>May 2024 – August 2025</p> <ul style="list-style-type: none"> <li>• (May – July 2024)</li> <li>• (August 2024)</li> <li>• (September 2024 – December 2024)</li> <li>• (January – May 2025)</li> <li>• (May – August 2025)</li> </ul> |
| <p>Environmental Review</p> <ul style="list-style-type: none"> <li>• Conduct Environmental Review</li> <li>• Agency Consultations &amp; Public Notices</li> <li>• Final EA Report</li> <li>• RROF to HUD (between DD &amp; CD)</li> <li>• AUGF</li> </ul>    | <p>July 2024 – July 2025</p> <ul style="list-style-type: none"> <li>• (July – May 2025)</li> <li>• (May – June 2025)</li> <li>• (June - July 2025)</li> <li>• (July 2025)</li> <li>• (July 2025)</li> </ul>                             |
| <p>Public Outreach (Ongoing)</p> <ul style="list-style-type: none"> <li>• Initial Public Outreach</li> <li>• Public Meeting following DD</li> <li>• Updates to Project Materials</li> <li>• Updates to Project Website</li> </ul>                            | <p>Throughout Life of Project</p> <ul style="list-style-type: none"> <li>• (August – September 2024)</li> <li>• (May – June 2025)</li> <li>• (Ongoing)</li> <li>• (Ongoing)</li> </ul>  |
| <p>Site Construction</p> <ul style="list-style-type: none"> <li>• NTP &amp; Mobilization</li> <li>• Site Preparation Complete</li> <li>• Infrastructure Complete</li> <li>• Final Site Work Complete</li> </ul>  | <p>November 2025 – December 2027</p> <ul style="list-style-type: none"> <li>• (November 2025)</li> <li>• (January 2026)</li> <li>• (August 2026)</li> <li>• (December 2027)</li> </ul>  |
| <p>Housing Construction</p>  | <p>August 2026 – October 2027</p>   |

|   |   |
|---|---|
| <ul style="list-style-type: none"> <li>• Pour Foundation</li> <li>• Framing &amp; Rough-in Inspections Complete</li> <li>• Final Construction Complete</li> </ul> | <ul style="list-style-type: none"> <li>• Average 4 months per house from start to finish. Multiple houses will be constructed at a time.</li> </ul>             |
| <p>Real Estate</p> <ul style="list-style-type: none"> <li>• Real Estate Closing</li> <li>• Key Turn Over</li> </ul>   | <p>November 2026- December 2027</p> <ul style="list-style-type: none"> <li>• Following house passing final Inspection</li> <li>• To occur at closing</li> </ul> |

Environmental Review

SCOR has extensive experience conducting HUD Environmental Reviews as a responsible entity under 24 CFR Part 58 for CDBG-DR grants in 2015, 2016, and 2018, and a CDBG-MIT grant. SCOR will apply our vast environmental experience with previous HUD grants to this project to ensure accurate and timely completion of an Environmental Assessment in accordance with all HUD requirements. SCOR will oversee the environmental review, public notices, completion of the final report, and submittal of the request for release of funds (RROF) to HUD through the HUD Environmental Review Online System (HEROS). SCOR will not take choice limiting actions on the project until Authority to Use Grant Funds (AUGF) is received from HUD. During construction, SCOR will monitor the work to ensure all mitigation measures identified in the environmental assessment are conducted as required. SCOR will update the Environmental Review Record (ERR) throughout the project as necessary.

The environmental assessment will be conducted concurrently with the design. SCOR estimates RROF will be submitted to HUD around the 90% design, or 9-12 months from project implementation start.

Base Model Home



A Resilient Base Model home will be developed for use throughout the project; the model will come with optional features that can be added, if funding allows. The base model will align with Fortified™ and resilient standard. Homes will be designed to ADA compliancy supporting handicap accessibility, but flexibility will be built into the construction plan, ensuring the cost of life over the design phase is scaled to fit within the budget along the way. Green infrastructure options to be considered could include, but are not limited to, permeable driveways, rain gardens, bioswale, sunken basketball court in the playground area. Solar efficiency will also be planned and developed, if funding allows. This donated parcel lies outside of the FEMA floodplain and no documented flood events have affected the project in the past. To account for future unknown conditions, SCOR will construct the homes on elevated crawlspaces.

Each dwelling will be considered one unit and will be stick-built, elder cottages along with standard-sized homes will be intermingled. Site work will include utility installation and upfitting, creation of roadways, driveways and sidewalks. SCOR envisions a phased construction approach. The first phase will be single family, stick-built homes. Additional phases may include multi-family, stick-built dwellings.

## **EXHIBIT E: CAPACITY**

As stewards of federal CDBG-MIT funds, the State of South Carolina complies with HUD's National Objectives to develop viable and equitable communities by the provision of decent housing, a suitable living environment, and expanding economic opportunities, principally for LMI persons. To this end, all funded activities administered by the State of South Carolina will meet a HUD National Objective. SCOR will maintain records showing that funded activities meet one of the National Objectives.

Grant funds will be managed responsibly, efficiently, and transparently. The State has the financial management systems, policies, procedures, and practices necessary to uphold fiscal responsibility. DRGR collection and a system of record is used for file maintenance and reporting purposes.

SCOR will follow all program specific reporting through HUD-provided templates and HUD's Disaster Recovery Grant Reporting (DRGR). All program activities will meet HUD requirements for national objectives, which will be supported by documentation in the program file system of record.

Given the potential complex nature of some of the projects undertaken with CDBG-MIT funding, the state may procure technical expertise to fill any knowledge gaps identified during the execution of the program.

SCOR will lead the implementation of the proposed affordable housing activities and manage the grant at the state level. However, The City of Bennettsville will participate in-kind in the operation of the Project.

As SCOR has been awarded over \$162 million in HUD CDBG-MIT funds, the agency has the experience and capacity to efficiently and expeditiously manage additional funding. Experience working on similar projects is noted in Exhibit C of the application narrative. SCOR currently reports data through the DRGR system.

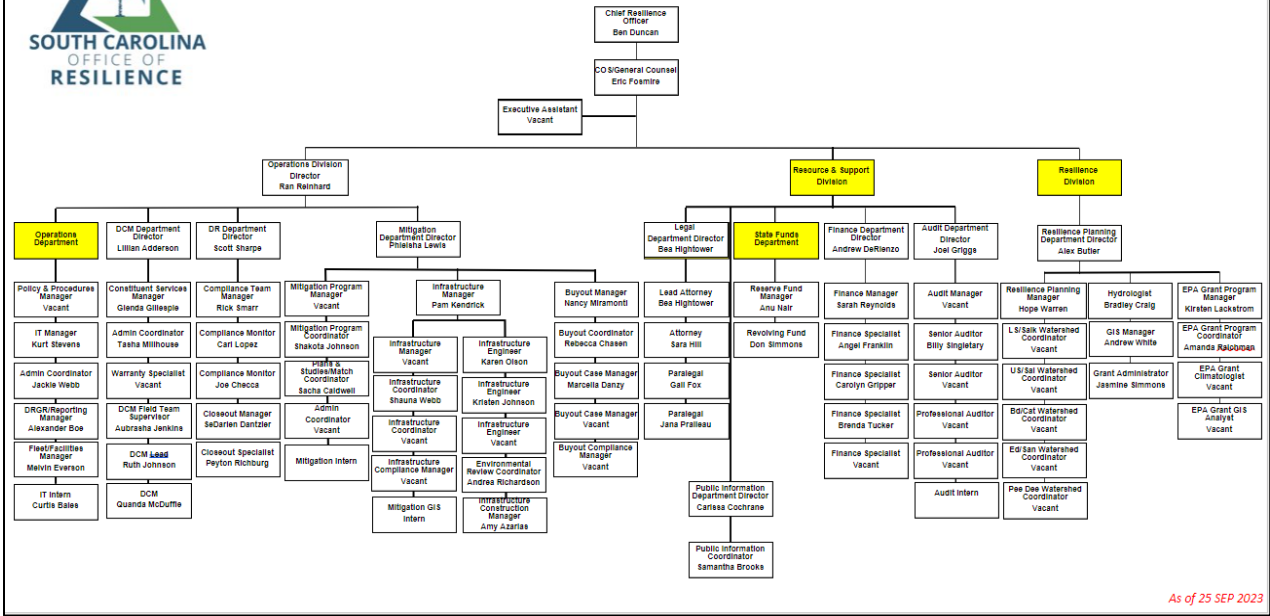
This application was written collaboratively by SCOR team members: Jasmine Simmons, Grant Administrator; Sara Hill, Attorney; Pam Kendrick, Infrastructure and Environmental Program

Manager, Phleisha Lewis, Mitigation Director, and Nancy Miramonti, Buyout Program Manager. The application was reviewed and approved by SCOR's Chief Resilience Officer, Ben Duncan and the Chief of Staff and General Counsel, Eric Fosmire.

For the PRO Affordable Housing Activities, SCOR will employ a full-time Temporary Grant program coordinator in the mitigation department. Additional key, full-time staff that will conduct PRO Housing activities are Mitigation Director, Phleisha Lewis; Mitigation Buyout Program Manager, Nancy Miramonti; Mitigation Environmental and Infrastructure Program Manager, Pam Kendrick; Mitigation Environmental Coordinator Andrea Richardson; Construction Program Coordinator, Amy Azarias. Other staffing needs such as finance, legal and audit are available within the agency. Please see the attached SCOR organizational chart.



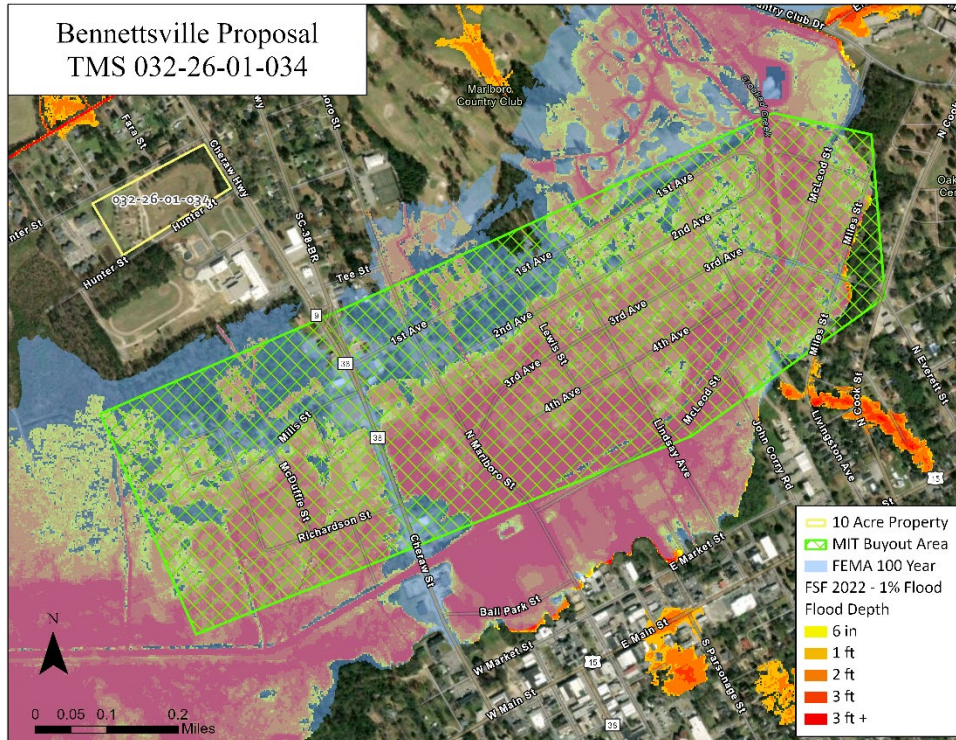
# Organization Chart



As of 25 SEP 2023

## EXHIBIT F: LEVERAGE

As indicated in Exhibit D, Soundness of Approach, The City of Bennettsville in Marlboro County is donating ten acres of land to be used for the PRO Housing project. All City activity delivery on grant activities will be done in-kind. Marlboro County has the land value assessed at \$350,000. A Letter of Commitment is included with this application.



## **EXHIBIT G: LONG-TERM EFFECT**

As stewards of federal CDBG-MIT funds, the State of South Carolina complies with HUD's mission to develop viable and equitable communities by the provision of decent housing, a suitable living environment, and expanding economic opportunities, principally for LMI persons. To this end, all funded activities administered by the State of South Carolina will meet a HUD National Objective. SCOR will maintain records showing that funded activities meet one of the National Objectives.

### Long-Term Effect

This application serves to provide a model for other communities participating in HUD's CDBG-Mitigation Buyout Programs. The permanent and long-term effects this project will forever benefit a community that is in dire need of help. In addition to removing citizens out of harm's way, avoiding displacement and possible homelessness for participants in the Buyout Program, PRO Housing funds will be used as a stepping-stone to the development an inclusive community for persons of all ages and needs. The development of this Project will not only provide a tangible asset but will also empower citizens county wide; it will demonstrate positive effects on a community and will encourage local and state stakeholders to duplicate efforts.

Through this project, citizens will have the opportunity to move out of a neighborhood developed in a floodplain for Black citizens in the 1940s and provide safe housing and thriving community where integration is encouraged. These housing opportunities will aid in building generational wealth for citizens, as they will not be fearful of becoming homeless if they elect to participate in the buyout program, as housing stock will be available; nor will they be burdened by the cost of housing that otherwise would be outside of their financial means.

Removing citizens out of the floodplain and creating affordable housing opportunities in a safer area in their community will benefit the area twofold: 1) the buyout area will be returned to greenspace, allowing for natural floodplain functions and 2) adding affordable housing stock to the area.

With any project, roadblocks are possible. In particular to this Project, the Buyout Program is voluntary, participants may elect to forgo the buyout opportunity. Despite this result, the City

would offer the homes to the priority two category, as mentioned in Section D, Soundness of Approach. Additionally, construction delays are common and often anticipated, especially where there is deficient infrastructure. The Project will be developed using a base model that will allow flexibility for additional features where financially feasible. Additionally, the Project may be constructed in phases, dependent on funding. The proposed budget and timeline is preliminary for this Project.

As noted in Exhibit D, Soundness of Approach, SCOR will incorporate green infrastructure and building standards to ensure the longevity of efforts made from the PRO Housing award funds while offering sustainable and resilient housing to a community that greatly needs affordable housing.

#### Metrics to track success of Project:

- Chart number of people facing voluntary displacement through the Buyout Program v. number of people that will be rehomed.
- Measure lack of stock pre and post Project: how many of the homes built were either sold or rented.
  - Track rental applications through Housing Authority
- Compare eviction filings for rentals outside of the project area to ones inside the area annually.
- Send an annual questionnaire to residents in affordable housing inquiring about cost burden, (ex: Are utility bills higher or lower in project area; are property taxes a burden; maintenance required in project area versus prior dwelling.)
- Send an annual questionnaire to the City inquiring about zoning changes proposed versus number approved or rejected.
- Review census information for number household members residing in homes. The goal is for number to reduce as housing stock grows (Ex: residents displaced due to home damaged due to disaster would no longer be living with friends or relatives.)
- Track number of homes stated to be built versus number actual built.
- Create a post-Project plan for additional development and preservation of area. Plan will incorporate tracking of goals, milestone and budget on a quarterly and annual basis.
- Conduct market studies to support affordable housing homeownership

### Program Income

During the course of the grant, The City of Bennettsville will offer a sales price that aligns with affordable housing pricing. SCOR will permit any program income generated under grant activities to remain with the City of Bennettsville for further production and preservation of affordable housing development.