

AFFORDABLE HOUSING OPPORTUNITY ASSESSMENT



**United Way
of Greenville County**

Prepared by

Randolph McKetty & Associates

October 2005

Table of Contents

1.0	Executive Summary	1
2.0	Introduction	7
2.1	Project Overview	
2.2	Methodology	
3.0	Data Review and Analysis	9
3.1	Housing Studies	
3.2	Demographics	
3.2.1	Population	
3.2.2	Income	
3.2.3	Housing	
3.2.4	Summary of Findings	
3.3	Interviews with Housing and Neighborhood Leaders	
4.0	Affordable Housing Needs and Issues	19
4.1	Rental Housing	
4.2	Owner-occupied	
4.3	Neighborhood Development	
5.0	Affordable Housing Goals	28
	Vision	
	Rental Housing	
	Homeownership	
	Resources, Education, Technical Assistance	
	Neighborhood Development	
6.0	Recommendations	31
6.1	Opportunities	
6.2	Advocacy and Leadership	
6.3	Training and Capacity Building	
6.4	Funding and Production	
6.5	Next Steps	

Executive Summary

The United Way of Greenville County *Affordable Housing Opportunity Assessment* concludes a six-month strategic planning and development process to address the present and future housing needs of low and moderate-income residents of Greenville County. Together community leaders, housing officials, and other stakeholders participated in an interactive process to examine the affordable housing problem and identify opportunities to move local affordable housing efforts to the next level. Opportunities and recommendations that emerged from the plan include forming a local housing trust fund and land bank, building the production capacity of local developers, and developing a neighborhood training initiative.

Overview of the Opportunity Assessment

In February 2005, The United Way Strengthening Families and Neighborhoods Impact Council asked local housing professionals to join the Affordable Housing Task Force. The purpose of the task force was to advise the Impact Council on housing issues and to oversee the Opportunity Assessment. Members of the task force consisted of housing professionals from the City of Greenville, Greenville County, and the Greenville Housing Authority. Other participants included bankers, housing advocates, developers and community leaders. Members of the Strengthening Families and Neighborhoods Impact Council and Affordable Housing Task Force are included in Appendix 1.

Additionally, the United Way engaged a local community development consultant, Randolph McKetty & Associates to:

- Analyze existing housing studies and data;
- Review existing housing goals and priorities;
- Research community development models and best practices;
- Identify opportunities to further affordable housing goals; and
- Recommend implementation strategies

Methodology

The methodology for the Opportunity Assessment included collecting and analyzing data, conducting neighborhood tours, interviewing key informants, researching best practices, and reporting findings to the Affordable Housing Task Force and the Strengthening Families and Neighborhoods Impact Council.

Local Housing Analysis

Task Force members recommended that Randolph McKetty & Associates (RMA) review seven recent housing studies to learn more about local demographic and housing data, housing needs, and local affordable housing efforts. Below are some highlights from the studies:

- The City and County Consolidated Plans¹ state that affordability is the most prominent housing problem in Greenville, especially for very low-income renter households earning 50% or below (\$24,350) the area median income.²
- There are 34,650 rental households (excluding the City of Greenville) in Greenville County. Forty-eight percent (48%) are very low-income households earning less than 50% (\$24,350) of the MSA.
- In Greenville County, an extremely low-income household earning \$16,480, (30% of the area median income) can afford a monthly rent of no more than \$412, while the Fair Market Rent (FMR) for a two-bedroom unit is \$571.
- 17,128 or 36% of renters in Greenville County cannot afford a two-bedroom unit and more than 31% of renters spend more than 30% of their gross monthly income on rent.
- The Greenville Housing Authority has 2,939 persons on the waiting list for public housing and 1,455 applicants in need of Section 8 rental assistance. The waiting list for Section 8 is closed for 28 months.
- Almost 24% (8,316) of the rental housing stock in the county (excluding the City of Greenville) is considered substandard.

Housing Needs and Priorities

- **Rental Housing for Households Earning 50% or below the Area Median and the Extremely-Low Income Below the Poverty Level**

Families renting 0-3 bedrooms have the greatest number of housing problems among all renter household types. This is most evident from the Greenville Housing Authority's waiting list of over 2,000 families for 2 and 3 bedroom units. Rental housing for extremely low-income residents below the poverty level is a high priority as these residents are considered to be the "at risk" homeless in our community. Increasing affordable housing opportunities for the working poor is the most critical housing issue and challenge for the Greenville community.

¹ U.S. Department of HUD requires the City and County to submit five year plans for addressing affordable housing and other community development needs

² MSA includes Anderson, Spartanburg, and Greenville

- **Owner-Occupied Rehabilitation**

Owner-occupied households up to 80% of the area median income experience significant housing problems. This is especially true of homeowners in Greenville's older low-and moderate-income neighborhoods. About 63% of the owner occupied housing stock in the City of Greenville was built before 1959 and suffers from deferred maintenance. It is critical for the community to develop strategies to assist current homeowners with home repairs to prevent further decline of existing housing stock. Emergency home repair for the elderly is also a major priority for City and County Housing programs.

- **Homeownership for Low and Moderate Income Residents**

As the median values of homes increase in Greenville County, the homeownership opportunities for minorities and low-moderate income families decrease. This problem is of particular concern for the City's low and moderate-income neighborhoods where homeownership rates continue to decline. The rising costs of developing in the City's urban core and the up-front costs of homeownership are prohibitive for many families.

- **Rental for Special Needs such as elderly, homeless, handicapped, and disabled**

There is a need for more transitional housing for the homeless and housing that includes supportive services for the mentally ill, drug and alcohol addicted, AIDS or HIV persons, and the frail elderly. Recent studies show that there has been an increase in these special needs population over the past ten years.

- **Neighborhood Development and Sustainability**

The City of Greenville has targeted eleven neighborhoods and Greenville County has targeted 2 neighborhoods for revitalization. Most of the neighborhoods are located in the older sections of the City and County and have experienced significant decline. Neighborhoods targeted for revitalization must have at least 51% low and moderate-income residents and have significant housing problems. Other social problems contribute to the neighborhood's decline such as crime, unemployment, and absentee landlords. Unfortunately, community residents lack the expertise and resources to redevelop their neighborhoods.

Housing Goals

During the strategic development process the United Way and the Affordable Housing Task Force decided it was important to articulate a vision for affordable housing. The new vision for affordable housing in Greenville is "*to provide decent, safe affordable housing within healthy self-sustaining neighborhoods*".

Below are specific affordable housing goals:

Rental Housing

- **Increase** the availability and production of small rental units for low-income families and the elderly.
- **Increase** the number of assisted rental units using resources such as LIHTC, subsidies for rental development, and tenant-based rental assistance.
- **Increase** assistance for absentee landlord to rehabilitate rental properties.
- **Increase** the availability and production of affordable housing with supportive services for persons with Special Needs (i.e., elderly, homeless, disabled, persons with HIV/AIDS).
- **Increase** tenant counseling, including information about financial literacy and predatory lending.

Homeownership

- **Increase** homeownership opportunities for low and moderate-income residents through new construction and acquisition/resale strategies.
- **Increase** homeownership retention through home improvement assistance for low-and moderate-income homeowners.
- **Increase** emergency repairs assistance for low-income seniors.
- **Increase** pre-purchase and post-purchase counseling for low-income homebuyers.

Resources, Education, and Technical Assistance

- **Educate** the broader community about the need and economic benefits of Affordable Housing in Greenville.
- **Leverage** existing resources and seek other credit enhancements to finance the new construction and rehabilitation of affordable housing.
- **Provide** incentives and training for non-profit and for-profit developers to develop affordable housing.
- **Streamline** the construction and development process in urban neighborhoods.

Neighborhood Development

- **Strengthen** and empower neighborhoods through training, leadership resource development, and capacity building to help redevelop and sustain neighborhood improvements.
- **Improve** infrastructure in low and moderate-income neighborhoods to support new housing development.
- **Reduce** displacement of existing residents and **Encourage** new residents to move into urban neighborhoods
- **Demolish** and **Replace** substandard housing and other neighborhood nuisances through stricter code enforcement.

Opportunities and Recommendations

After careful review and consideration of the available data, the Affordable Housing Task Force recommends the following:

Opportunities

- *Opportunity to increase the availability and affordability of housing for low and moderate-income residents*
- *Opportunity to build strong collaboratives and partnerships to further promote an affordable housing industry in Greenville*
- *Opportunity to leverage resources to assist in housing and community development*
- *Opportunity to strengthen and sustain neighborhoods and communities*

Recommendations

Advocacy and Leadership

1. Identify and organize key affordable housing advocacy group(s) to:
 - Study the “Affordable Housing Problem”
 - Educate the broader community about the needs and economic benefits
 - Issue a public statement about the problem
 - Build coalitions with business, education, and community groups
 - Lobby local government and policy-makers
 - Market and publicize local efforts
2. Develop a county-wide policy level Affordable Housing Task Force to:

- Review recommendations from housing advocacy groups
- Determine the achievability of the housing trust fund
- Identify revenue sources for a housing trust fund
- Develop framework and propose legislation for housing trust fund
- Make recommendations to City and County Councils
- Recommend appointees to the trust fund campaign steering committee

Training and Capacity Building

1. Develop a Neighborhood Training Institute to help build the capacity in low wealth communities to revitalize and sustain their communities
2. Develop Local Non-Profit Community Development Corporation's (CDC) Capacity for Real Estate Development

Affordable Housing Production

1. Create a local housing trust fund to help finance affordable housing production and coordinate housing programs and services
 - Develop a bank consortium for multi-family projects
 - Develop a land bank to assure long-term affordability
 - Develop various loan and grant programs to meet local affordable housing needs
2. Through the United Way and other funding sources provide soft second deferred mortgages for city and county pilot projects in designated neighborhoods.

Introduction

Overview

The Greenville Community Impact Agenda developed by the United Way and other community partners includes the vision that *every resident will have a decent, safe and affordable housing*.³ To address the problem of housing affordability, the Strengthening Families and Neighborhoods Impact Council of the United Way of Greenville County identified the need to learn more about housing issues in Greenville. They retained the services of Randolph McKetty & Associates (RMA) in March 2005 to help identify opportunities to advance local affordable housing efforts.

An Affordable Housing Task Force was formed in February 2005 to advise the Impact Council on local affordable housing needs and issues and provide oversight for the affordable housing study. The Task Force membership consisted of local housing experts including housing professionals, service providers, developers, bankers, and community leaders. The Affordable Housing Task Force worked closely with RMA to complete the *Affordable Housing Opportunity Assessment*.

Methodology

RMA used several tools and techniques to conduct the Affordable Housing Opportunity Assessment. The Affordable Housing Task Force helped identify local housing studies, resources, and initiatives. RMA used the following methodology:

Analysis of Existing Data

The Affordable Housing Task Force recommended that RMA review seven recent housing studies. RMA reviewed and analyzed the housing data from the reports with the objective of obtaining a comprehensive view of the “affordable housing problem” in Greenville.

Neighborhood Tours

Another key element of the opportunity assessment was to conduct tours of low-and moderate-income neighborhoods to visually inspect housing conditions, infrastructure, and neighborhood capacity and sustainability.

Interviews with Key Informants

Key informant interviews were held with 27 people identified by the United Way and the Affordable Housing Task Force. These informants included housing professionals, housing developers, neighborhood leaders, housing and service providers, and lenders.

³ The Community Impact Agenda published in June 2003 is a summary of the Greenville County’s most urgent needs based on the Community Needs Assessment

Identify Best Practices and Model Initiatives

RMA researched innovative strategies that could be replicated in Greenville to help move local affordable housing efforts to the next level. RMA introduced several model initiatives that have been successfully implemented in other cities and counties.

Identify Opportunities and Recommendations

Based on findings from the data analysis and input from the key informants, a summary of affordable housing opportunities and recommendations was presented to members of the Affordable Housing Task Force and the Strengthening Families and Neighborhoods Impact Council.

Data Review and Analysis

The Affordable Housing Task Force members recommended that RMA review recent housing reports to learn more about the affordable housing problem in Greenville. Below is a list of reports that were reviewed and analyzed as part of the Opportunity Assessment:

Greenville County Consolidated Plan, 2005-2009

Federal regulations require the County to submit a strategic plan every five years for U. S. Department of Housing and Urban Development (HUD) funded programs such as the Home Investment Partnership Program, the Community Development Block Grant Program, and the Emergency Shelter Program. The plan includes a housing and homeless needs assessment, a housing-market analysis, goals and objectives, and a one-year action plan. The Greenville County Redevelopment Authority (GCRA) prepares the Greenville County Consolidated Plan that covers all unincorporated Greenville County areas, and the cities of Greer, Fountain Inn, Simpsonville, Travelers Rest, and Mauldin.

City of Greenville Consolidated Plan, 2005-2009

The City of Greenville through its Community Development Division prepares the Consolidated Plan and administers HUD programs within the city limits. The Strategic Plan outlines the City's goals, objectives, strategies, and benchmarks to meet HUD's three national objectives. The national objectives are 1) to benefit low-to-moderate income persons, 2) to eliminate slum and blight and 3) to meet an urgent need. Additional goals include the provision of decent, affordable housing, improved living environment, and economic development. The plan contains an analysis of existing housing conditions, including public housing and special needs housing. The City will focus many of its efforts over the five years on its master planned neighborhoods – Viola, Green Avenue, West Greenville, Greenline-Spartanburg, Haynie-Sirrine, and Nicholatown.

City of Greenville Housing Strategy, 2003

On August 4, 2003, Greenville City Council adopted a Housing Strategy to guide the residential development in the City of Greenville for the next ten years. The Housing Strategy includes demographic research, community input, recommendations from other city planning efforts, and best practices from other cities. The plan was developed by the City's Economic and Community Development Department.

Appalachian Council Multi-Family Survey, 2004

The S.C. Appalachian Council of Governments conducts an annual survey of multi-family housing in Greenville County. The survey contains an inventory and analysis of all known conventional, public and subsidized apartment complexes with forty or more units. The report provides information on market analysis and trends from year to year.

Greenville HIV/AIDS Housing Plan, 2003

The City of Greenville Community Development Division retained consultants to conduct a needs assessment and planning process for the housing needs of individuals living with HIV/AIDS in a seven county area in the Upstate (Greenville, Spartanburg, Anderson, Pickens, Oconee, Union, and Cherokee). This report includes a summary of needs and critical issues and recommendations for housing this special needs population.

Blueprint to End Homelessness in Greenville, 2005

This report was prepared by the Homelessness Planning Committee of the Greenville Chapter of the Upstate Homeless Coalition in March 2005. The report includes demographics about the local homeless population, assesses local needs and resources, and proposes benchmarks for providing shelter for homeless individuals and families in the Greenville community.

United Way Transitional Housing and Emergency Shelter Survey, 2005

The United Way conducted a survey to determine the availability of transitional housing in our community and the need for additional units. The survey results were compiled and distributed to housing providers.

Below are key findings from the reports based on local demographics:

Greenville Demographics

Table 1. Greenville City and County Demographics

	County	City
Total	380,000	56,000
Male	49%	47%
Female	51%	53%
Median Age	35.5	34.6
Under 18	21%	17%
Over 60 Years	21%	18%

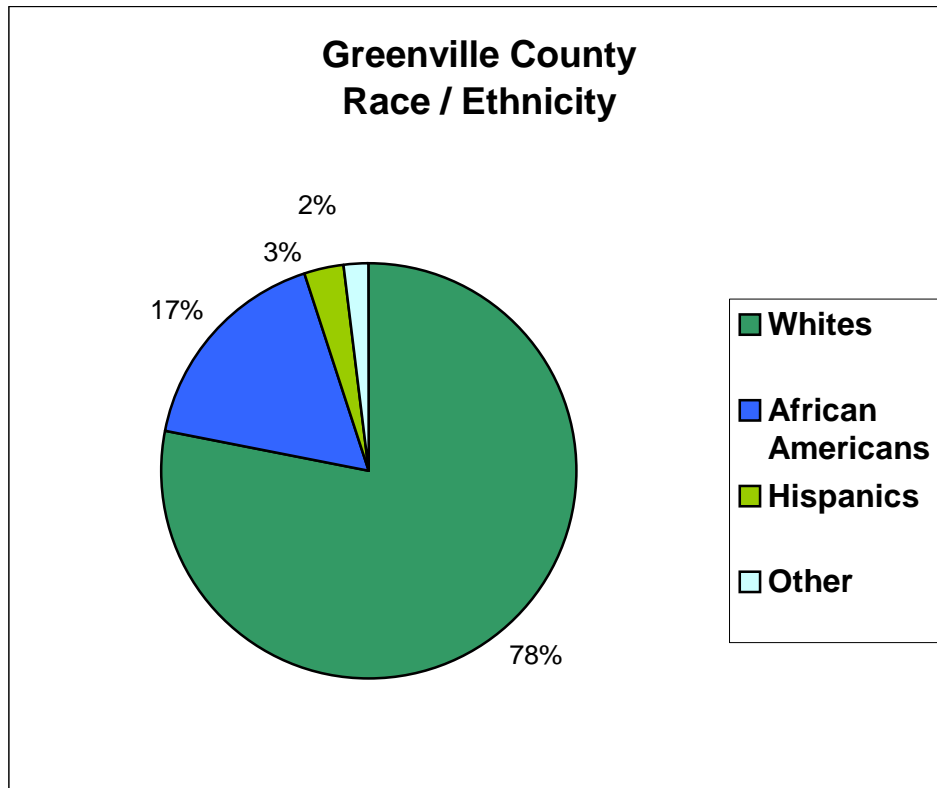
Population

According to the 2000 Census there are approximately 380,000 residents in Greenville County. This represents a 26.3% increase since 1990. Table 1 shows that there are more women than men in both the City and County. The median age is approximately 35 years old. The population under 18 is 17% in the City and 21% in the County. Twenty-one percent of county residents and 18% of City residents are over the age of 60.

Race and Ethnicity

Table 2 shows the racial and ethnic makeup of Greenville County. Whites comprise 78% of the population, African Americans comprise 17%, Hispanics comprise 3%, and other racial minorities comprise 2% of the population.

Table 2. Racial and Ethnic Makeup of Greenville County



Income

There is a direct correlation between income and housing affordability. Families earning 50% or less of the median household income are more likely to spend more than 30% of their monthly income on housing expense. The HUD area median income for the Greenville Metropolitan Statistical Area shown in Table 3 has increased from \$43,800 in 1998 to \$54,900 in 2004.⁴ According to the 2004 census estimates, approximately 30% of the households in Greenville County earn less than 50% or \$25,000.⁵ Over 26% of households in the City of Greenville earn less than \$25,000 annually.⁶

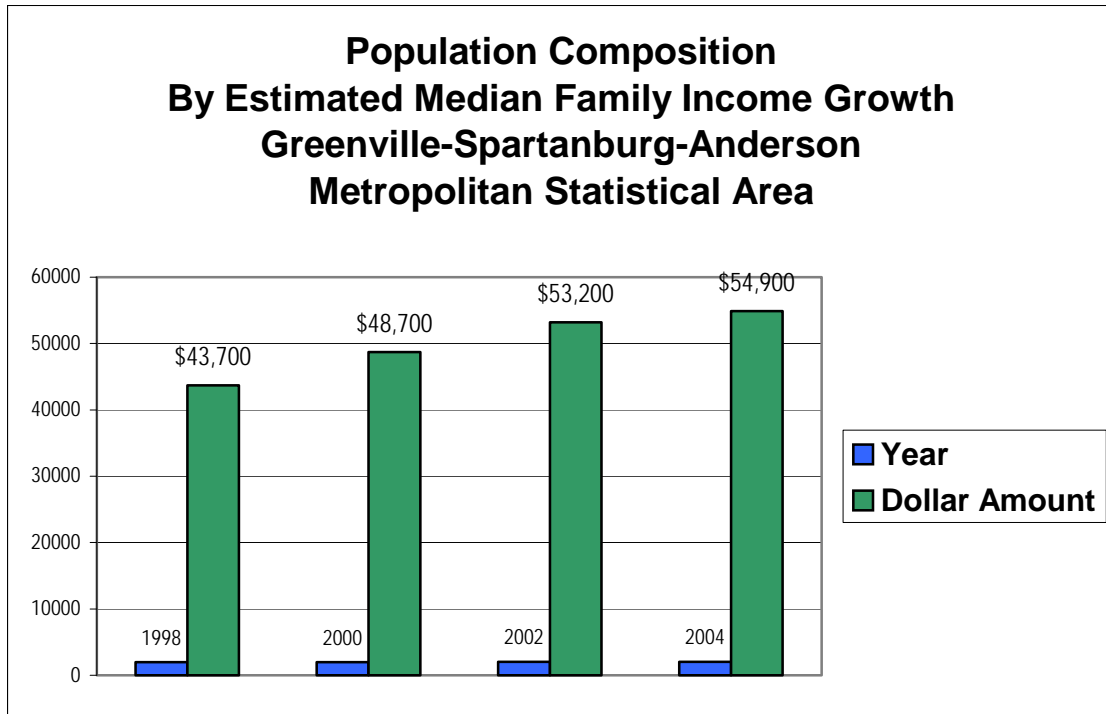
⁴ 2004 HUD area median family income for a family of four.

⁵ 2004 Census Information-American Community Survey

⁶ 2000 Census Information- 2004 Estimates not available for City

Income is a major determinant of the type and quality of housing. The 2000 median family income (MFI) of Greenville County was \$50,332. This compared favorably with the Greenville-Spartanburg-Anderson area MFI of \$46,365 and with the statewide Median Family Income of \$44,227. The \$50,332 figure also surpasses the 2000 national Median Family Income of \$50,046. Although Greenville County appears to be prosperous compared to other areas, a discrepancy still exists between the incomes of Whites and Minorities.⁷

Table 3. HUD Median Family Income for Greenville MSA



Per Capita Income

Table 4 shows the per capita income for Greenville County in 2000 compared to the state and the nation. The per capita income (total personal income of the residents of an area divided by the resident population of that area) of Greenville County is higher than that of the state and the nation.⁸

⁷ 2005-2009 Greenville County Consolidated Plan

⁸ 2005-2009 Greenville County Consolidated Plan

Table 4. Per Capita Income Comparison

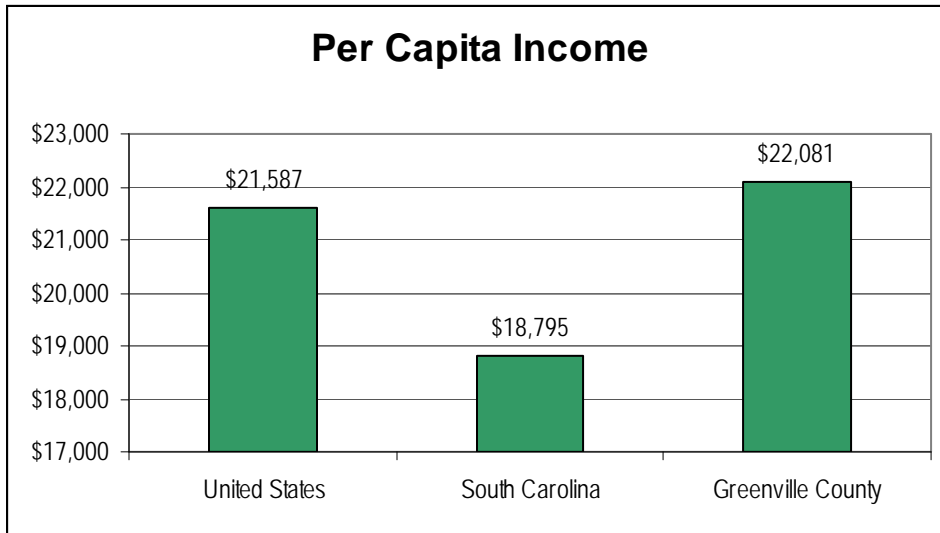
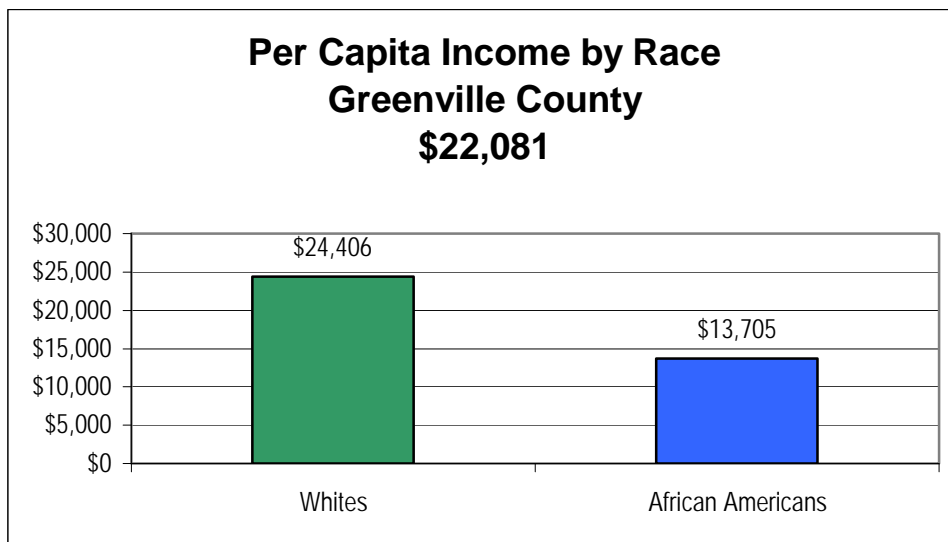


Table 5. Per Capita Income By Race



Although Greenville County's per capita income compares favorably to the state and nation, Table 5 shows a major discrepancy in the per capita income for Whites and African Americans. This helps explain the disproportionate number of minorities with excessive housing costs.⁹

⁹ 2005-2009 Greenville County Consolidated Plan

HUD Income Definitions

Eligibility for most HUD programs requires that the beneficiary’s income fall within the low and moderate income definitions described in Table 6. It is important to note that households earning up to \$43,920 annually live and work throughout the Greenville Community.

Low and moderate-income neighborhoods may also benefit from Community Development Block Grant (CDBG) funding if at least fifty one percent of the households have incomes at or below 80% of the Metropolitan Statistical Area’s (MSA) median income. HUD estimates median income for MSAs and publishes the information each year for regulatory purposes.

Table 6. HUD Income Definitions

Extremely Low Income	(30% or Less AMI)	\$16,470 or Less
Low Income	(31% - 50% of AMI)	\$16,471 to \$27,450
Moderate Income	(51% - 80% of AMI)	\$27,451 to \$43,920

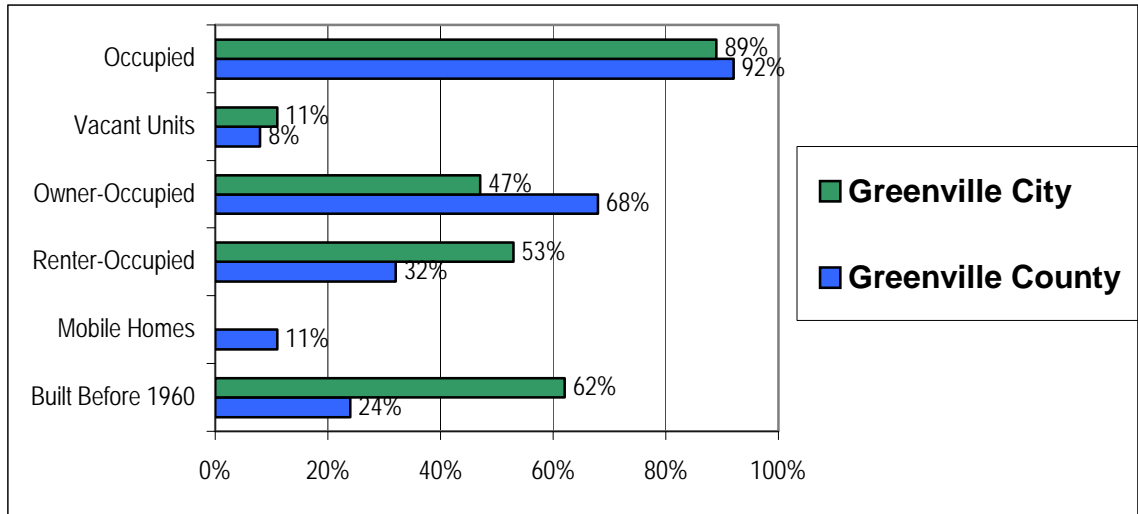
Housing Data

There are 149,556 housing units in Greenville County. Almost 24,454 are located within the City of Greenville. Table 7 shows an 8% vacancy rate in Greenville County and 11% vacancy rate in the City of Greenville. Eleven percent of homes in Greenville County are mobile homes. At least 68% of the housing units in Greenville County were owner-occupied while 47% in the City of Greenville were owner-occupied. Thirty-two percent of the housing in Greenville County are renter-occupied and fifty-three percent in the City are renter occupied.¹⁰ Homeownership rates in Greenville County exceed national homeownership rates. However, like most municipalities across the country, there is a large discrepancy between the homeownership rates of Whites and Minorities.¹¹

¹⁰ 2000 U.S. Census Data

¹¹ 2005-2009 City of Greenville Consolidated Plan

Table 7. Greenville City and Greenville County Housing Types



Summary of Other Findings¹²

- In the 1990's Greenville County grew by 40% and the MSA almost doubled population. The population in the City of Greenville declined by about 9%. The number of households in the City increased by more than 20% as the persons per household decreased.¹³
- The median age for the City of Greenville has increased from 28 in 1970 to 35 in 2000. The median age for Greenville County is 35.5.
- Almost 80% of the City's population had a high school diploma and 34% had earned college degrees compared to 26% with college degrees in the county, 20% in SC, and 24% nationally.
- Almost half of the households in the City of Greenville are non-traditional defined as households containing non-married individuals and no children. Thirty-two percent of households in the County are non-traditional.
- Residents over 65 years old occupy 23% of owner-occupied units in Greenville County and 33% in the City of Greenville.
- The African American population comprises about 18% and Hispanics, 3.8% of the Greenville County population. African Americans comprise about 34% and Hispanics about 3.4% of the City of Greenville population.
- Almost half of the City's housing stock was built before 1959 compared to 24% of Greenville County's housing stock.

¹² 2000 US Census Data

¹³ City of Greenville Housing Strategy, 2003

Interviews with Key Informants - Housing

RMA conducted interviews with various stakeholders involved in affordable housing in Greenville. The United Way provided RMA with a directory of housing providers and neighborhood association leaders from special emphasis neighborhoods. Each informant was interviewed using a written survey. Key informants were selected from the following:

- City of Greenville Housing and Community Development
- Greenville County Redevelopment Authority
- Greenville Housing Authority
- Nonprofit and for profit developers
- Housing service providers
- Homeownership and Credit Counselors
- Housing Advocates
- Lenders
- Neighborhood leaders

Interviews with Key Housing Informants

RMA interviewed 16 key informants all of whom were selected from the United Way Housing Directory and knowledgeable about Greenville's affordable housing needs. Many of these housing and service providers offer emergency and supportive services for homeless and special needs population. They have become important advocates for affordable housing.

One of the key issues for service providers is the coordination of services. Though many providers coordinate services through informal partnerships, there is no formal coordination of services or shared tracking system. Some providers think that a one-stop client referral source or an intra-agency client tracking system would improve the delivery of service for the homeless and residents with special needs.

The informants were asked to identify the two most critical affordable housing needs in Greenville. The majority identified the need for affordable rental for extremely low-income households and the need for more transitional and supportive housing for special needs persons.

Other informants representing the homeownership and credit counseling agencies identified a need to increase education and counseling services for low and moderate-income residents to overcome barriers to homeownership. They noted that the biggest obstacles to homeownership are poor credit history and money management. There is also a need to develop a comprehensive tenant-counseling program to teach financial literacy to residents before they make the decision to buy a home.

Interviews with Neighborhood Leaders

RMA toured most of the 22 special emphasis neighborhoods targeted by the City of Greenville and Greenville County Redevelopment Authority. A map of the City of Greenville's neighborhoods is included in Appendix 2. The neighborhood tours provided an opportunity to visually inspect affordable housing conditions in low and moderate-income neighborhoods. Most of the housing stock in Greenville's older neighborhoods is comprised of small 1-2 family wood frame bungalows and mill houses. Many were built prior to 1960 and many suffer from deferred maintenance. The neighborhood leaders are proud of their history and demonstrate a strong commitment to restoring these important neighborhoods. They identified the following housing and neighborhood concerns:

Decreased Homeownership – residents have observed a steady decline in owner-occupied units over the years. In many of the neighborhoods the homeownership rates are less than 30%.

Absentee Owners - as homeownership declines there has been a substantial increase in absentee owned properties. Many of these properties have been neglected and become neighborhood eyesores.

Substandard Housing - in some of the more deteriorated neighborhoods a majority of the housing stock is substandard or in need of major repairs. These houses have a blighting influence on the neighborhoods.

Excessive Code Violations - there are numerous code violations in some of the communities including abandoned cars, overgrown lots, trash dumping, and dangerous buildings.

Inadequate Infrastructure - many of the older neighborhoods lack adequate infrastructure including streets, sidewalks, sewer, and drainage to support new development. The City and County have made substantial investments in capital improvements in targeted neighborhoods, however, there is still much to do.

Resident Apathy - most of the neighborhood leaders complained about the lack of resident involvement in the community organization and other revitalization activities.

High Crime and Unemployment - the unemployment rate in most of the neighborhoods exceed the rate for Greenville County. There is a direct correlation between high unemployment and crime. Neighborhood leaders spend a great deal of time combating criminal activity in their communities.

Vacant Lots - there are numerous vacant lots in these neighborhoods where substandard units were demolished and not replaced. Many of the vacant lots become eyesores in the community.

Limited or No Operating Capital - the neighborhood associations do not have sufficient working capital to address community problems. Greenville's older neighborhoods lack deed restrictions that include provisions for mandatory homeowner dues. The lack of funds severely limits revitalization activities.

Future of Neighborhood Plans - neighborhood leaders expressed concern about the future of their neighborhoods. The neighborhoods that have master plans were more optimistic about their neighborhood's future. It was evident that none of the neighborhood leaders felt empowered to lead the revitalization efforts in their communities.

Affordable Housing Needs and Issues

Most of the local affordable housing development efforts have been focused on increasing homeownership opportunities for low-and moderate-income residents. Homeownership for all residents is desirable, but not always realistic for low-income families. Insufficient income is usually one of many barriers that low-income families must address before owning a home. Therefore, it is critical that Greenville provide housing opportunities to meet the needs of all its residents.

Although the need for affordable rental housing has been identified and prioritized by both the City and County, the complexities involved in rental housing development has been a deterrent in developing a comprehensive rental housing development strategy. Using the information gathered from the data analysis and the needs assessment, the Affordable Housing Task Force helped summarize the most critical housing needs and issues in the Greenville community.

Rental Housing

As fair market rents for rental housing continue to rise, it is unlikely that housing affordability issues will ease. Many of the newer low wage jobs created by the economy do not pay enough for low and moderate-income households to afford a two-bedroom rental unit. An increasing number of families earning 50% or less the area median income (\$27,450) are spending more than 30% of their monthly income toward rent. These working families are employed in local restaurants, hospitals, banks, manufacturers, government, nonprofits, and business offices throughout Greenville.

Below is a summary of Affordable Housing Problems and Issues:

Affordable Rental for Extremely Low Income

The extremely low-income group consists of households whose incomes are 30 % or less of the area median income. For a family of four in 2004 the dollar amount was \$16,470. The Greenville County Consolidated Plan estimates that there are approximately 6,520 extremely low-income renter households (2000) in Greenville County, excluding the City of Greenville. This figure represents about 18.8% of all renters in the Consolidated Plan area. The City of Greenville estimates that almost 11.8% of all renters in the City are extremely low-income households.

Historically, the Greenville Housing Authority (GHA), the Greer Housing Authority, and the SC Regional Housing Authority have addressed the housing needs of extremely low-income households in Greenville County. In fact, GHA reports that almost eighty-six (86%) percent of public housing applicants earn at or below 30% of the AMI. The three public housing agencies manage and operate 4,074 of public housing units. Over the past several years the demand for public housing and Section 8 rental assistance has grown tremendously. Low-income renters with Section 8 or housing choice vouchers find their own place to rent, using the voucher to pay for all or part of the rent. GHA has a list of 2,939 persons waiting for public housing and a separate list of 1,455 households seeking Section 8 assistance. The Section 8 waiting list has been closed for 28 months.

Given the strong demand for increased affordable housing and the threat of future Federal budget cuts, it is doubtful that the local public housing agencies can continue to address the housing needs of the extremely low-income households in Greenville County without significant support from the community.

It is critical that Greenville works with the public housing authorities and other housing developers to seek strategies to address the housing needs of the extremely low-income as they are considered to be “at risk” of becoming homeless, contributing to the growing problem of homelessness in our community.

Affordable Rental for Very Low-Income Households

The Greenville County Redevelopment Authority (GCRA) estimates that there are 10,442 very low-income renter households (31-50% of the area median income) in Greenville County, excluding the City of Greenville. This figure represents about 30% of all renters in the plan area. About 37% of the renters in the City of Greenville are very low-income households. The income range for low-income households is \$16,471 to \$24,750.

Again, the public housing authorities have been the primary agency meeting the housing needs of low-income households. Another source of affordable housing for low-income households have been multi-family units funded through the Low Income Housing Tax Credit (LIHTC) program. LIHTC is the Nation’s primary tool for developing affordable rental housing. More than 114,000 units a year are developed using LIHTC.¹⁴ The credits are sold to investors (corporations and wealthy individuals) to reduce their federal tax liability. The sale proceeds are used as equity to finance low-income housing. The state of South Carolina receives an annual allocation of LIHTC. From 1988-2004 almost 1,221 units in Greenville County were funded through LIHTC.¹⁵ A complete list of LIHTC awarded projects can be found at www.sha.state.sc.us.

Single-family houses in Greenville’s older neighborhoods are another major source of rental housing for low-income households. Absentee investors own most of them. Unfortunately, many of the properties are in serious disrepair and investors are unwilling to make substantial repairs without rent increases. As the older rental housing stock deteriorates, it is critical for Greenville to develop a replacement housing strategy.

Affordable Housing for Persons with Special Needs

Major subgroups of the extremely low-income households are “People with Special Needs” . These subgroups include the elderly, homeless, persons with physical and mental disabilities, persons diagnosed with HIV/AIDS, and persons with addictions. In addition to affordable housing, they require other supportive services for daily living. Table 8 shows the needs for additional affordable housing for persons with special needs.

¹⁴ NCCED Practitioner’s Guide to Federal Resources for Community Economic Development, 2003

¹⁵ 2004 Greenville County Multi-Family Survey, Appalachian Council of Governments

Elderly

Affordable rental housing for the elderly will become more critical as baby boomers approach retirement age. Retirement incomes and social security payments are so small that many seniors will face heavy housing costs on top of rising healthcare costs.

For example, a disabled person on SSI receiving \$552 monthly can afford monthly rent of no more than \$166, while the Fair Market Rent for a one-bedroom unit is \$471.¹⁶

Low-income elderly who can no longer live independently are considered to be “frail elderly”. They require affordable housing that includes some assisted living. There will be a growing demand for this type housing as Baby Boomers age.

Homeless

According to the Blueprint to End Homelessness in Greenville County, “all of the homeless shelters are full – meaning that for many people who need shelter, there are no beds”. Three types of shelter exist for the homeless: emergency shelter, transitional housing, and permanent supportive housing. Emergency shelter is basic, temporary overnight sleeping accommodations, which may include support services. The maximum stay varies by shelter, but may not exceed 30 days. Transitional housing programs seek to increase the self-sufficiency of participants by providing a place to stay while they work on attaining additional education, job training, or improving other life skills. Typically, transitional housing programs encourage participants to stay between six months and two years. Permanent supportive housing includes long-term acute care for homeless persons with serious disabilities.¹⁷

Persons diagnosed with HIV/AIDS

According to Greenville County’s STD/HIV AIDS Data for 2003, 2,677 persons were tested for HIV/AIDS with 323 persons diagnosed with the disease and fifty-six (56) persons were confirmed HIV-positive cases. Counts between 2001 and 2003 reported there were 905 prevalence cases. Prevalence counts are cumulative cases of HIV/AIDS victims affected and still living. These numbers do not account for persons who have not been tested or those who are HIV positive and infected with AIDS who relocated to Greenville.¹⁸

¹⁶ 2005-2009 Greenville County Consolidated Plan

¹⁷ 2005-2009 City of Greenville Consolidated Plan

¹⁸ 2005-2009 City of Greenville Consolidated Plan

Other Supportive Housing Rental Needs

Disabled - Greenville County Disabilities and Special Needs Board (GCDSNB) served Two thousand ten (2,010) disabled adults and children in 2004. Of these, 1,690 were mentally retarded, 193 were autistic, and 127 were victims of head and spinal cord injury. Many persons with disabilities are unable to manage everyday activities like toileting, cooking, and personal care.¹⁹

Mentally Ill - The Greenville Mental Health Center reports that they monitor the status and whereabouts of about 66 severely mentally ill individuals, and according to the Upstate Homeless Coalition's Homeless count, 66 of the homeless individuals surveyed (6%) suffered from some form of mental illness. It is estimated that 50-85% of these persons are also affected by alcohol or drug addictions. Both of these categories of the homeless are severely under-sheltered due to restrictive policies regarding drug and alcohol consumption at the existing shelters.²⁰

¹⁹ 2005-2009 City of Greenville Consolidated Plan

²⁰ 2005-2009 City of Greenville Consolidated Plan

Table 8
Homeless and Special Needs Populations ²¹

Continuum of Care: Housing Gap Analysis Chart

		Current Inventory	Under Development	Unmet Need/ Gap
Individuals				
Beds	Emergency Shelter	332	25	262
	Transitional Housing	220	12	229
	Permanent Supportive Housing	118	11	104
	Total	670	48	595
Persons in Families With Children				
Beds	Emergency Shelter	52	34	104
	Transitional Housing	157	7	103
	Permanent Supportive Housing	6	0	31
	Total	215	41	238

Continuum of Care: Homeless Population and Subpopulations Chart

Part 1: Homeless Population	Sheltered		Unsheltered	Total
	Emergency	Transitional		
1. Homeless Individuals	249	263	208	720
2. Homeless Families with Children	23	45	70	138
2a. Persons in Homeless Families with Children	63	130	163	356
Total (lines 1 and 2a)	312	393	371	1076

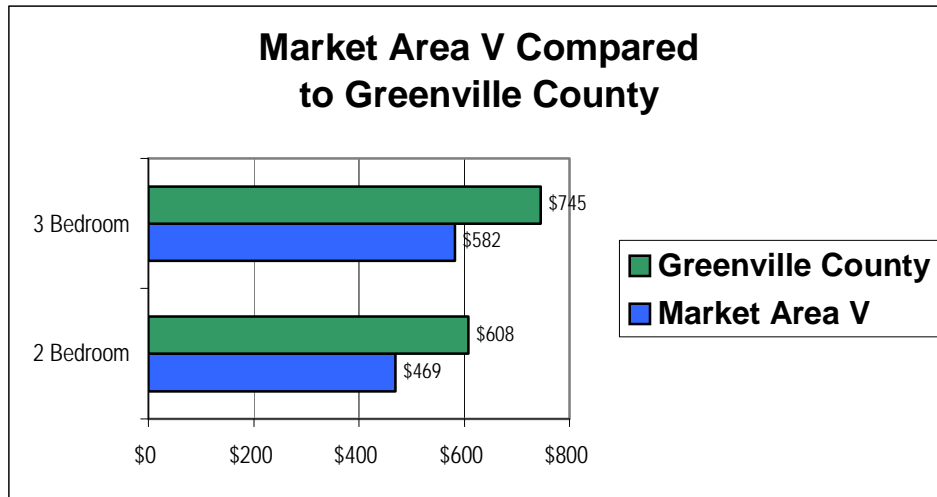
Part 2: Homeless Subpopulations	Sheltered	Unsheltered	Total
1. Chronically Homeless	140	28	168
2. Seriously Mentally Ill	66		
3. Chronic Substance Abuse	349		
4. Veterans	69		
5. Persons with HIV/AIDS	16		
6. Victims of Domestic Violence	85		
7. Youth	122		

²¹ Upstate Homeless Coalition, based on Feb. 2004 'point in time' counts in Greenville City and Greenville County.

Renter Affordability

The 2004 Multi-Family Survey indicates that rents in low-income neighborhoods are more affordable than those throughout Greenville County. Table 9 shows the 2003 mean rents for Market V (a low income area) for a two-bedroom and a three-bedroom unit compared to Greenville County's mean rent for a two and three bedroom unit.²²

Table 9. Market Area V Compared to Greenville County



Source: National Low Income Housing Coalition, 2004

Even though rents in lower income areas are more affordable, there are still some affordability problems for extremely low-income households in Greenville County. Table 10 shows that the maximum rent for an extremely low-income household in Greenville County is \$412. The fair market rent for a two-bedroom unit in Greenville is \$571.²³

Table 10. Maximum Affordable Monthly Housing Cost by % of Family AMI

Location	30% MFI	50% MFI	80% MFI	100% MFI
South Carolina	\$396	\$661	\$1,057	\$1,321
Greenville County	\$412	\$686	\$1,098	\$1,373

Source: National Low Income Housing Coalition, 2004

²² 2005-2009 Greenville County Consolidated Plan

²³ 2005-2009 Greenville County Consolidated Plan

Table 11 below shows the percentage and number of renters unable to afford the unsubsidized Fair Market Rents for a two-bedroom unit. Thirty-six percent of renters in Greenville County, or 17,128 households, are unable to afford a two-bedroom unit at Fair Market Rent, which is \$571. Greenville County's figure is slightly lower than that of South Carolina, where 39% of renters are unable to afford the Fair Market Rent on a two-bedroom unit.²⁴

Table 11. Renter Households Affordability

Location	Percent of Renters Unable to Afford 2BR FMR	Number of Renters Unable to Afford 2 BR FMR
South Carolina	39%	166,232
Greenville County	36%	17,128

Source: National Low Income Housing Coalition, 2004

The National Low Income Housing Coalition translates the unsubsidized Fair Market Rents and the 30% of income affordability standard into an implied "housing wage." This is the minimum income needed to afford rents of variously sized units. The housing wage varies across housing markets.²⁵

**Table 12. Annual Income Needed to Afford Fair Market Rent
Housing Wage**

Location	Amount				
	0 BR	1 BR	2 BR	3 BR	4 BR
South Carolina	\$16,301	\$18,834	\$21,908	\$28,349	\$32,880
Greenville County	\$16,720	\$20,240	\$22,840	\$28,720	\$33,840

Source: National Low Income Housing Coalition, 2004

There is a large gap between incomes needed to afford fair market rents and the housing wage in Greenville County. Table 12 above shows that to be able to afford a 2 BR unit, a household would need to earn over \$22,840 per year. This translates into an hourly wage of \$10.98/hour for 40 hours per week.²⁶

²⁴ 2005-2009 Greenville County Consolidated Plan

²⁵ 2005-2009 Greenville County Consolidated Plan

²⁶ 2005-2009 Greenville County Consolidated Plan

Owner-Occupied Housing

There were approximately 101,977 owner occupied housing units in Greenville County in 2000. About 11% of the owner occupied units are within the City of Greenville. Greenville County estimates that about 27.6%, of owner occupied households have incomes of 80% or less the MSA median family income, and therefore meet eligibility requirements for the CDBG and HOME programs. Homeownership rate for Greenville County is 71% compared to the national homeownership rate of 66%. According to the 2000 Census the homeownership rate for the City of Greenville is 47%.

Even though homeownership rates have increased in many areas of Greenville County, homeownership rates have declined in the most low and moderate-income neighborhoods. As the housing stock in Greenville's older neighborhoods deteriorate and eventually get demolished, the pattern of disinvestments continues. These disinvestments have resulted in one of the greatest owner-occupied housing problems in the community – homeownership retention in low and moderate-income neighborhoods.

It was evident through the neighborhood tours that many of the houses in Greenville's older neighborhoods suffer from deferred maintenance. Homeowners are challenged with maintaining these older houses on a limited income. This is particularly true for elderly homeowners. Greenville County estimates that almost 24% of owner occupied units belong to elderly households. Almost 53% of the elderly owner-occupied households are low-and moderate income.

Owner occupied rehabilitation is a high priority for both the City and County housing programs. The age of a housing unit, as well as the lack of complete plumbing, complete kitchen facilities, central heating and overcrowded conditions are indicators of substandard housing conditions.²⁷ As the housing stock continues to age, it is anticipated that more rehabilitation will need to be done in low and moderate- income areas.

Unfortunately, the need exceeds the City's and the County's financial resources. Managing an owner occupied rehabilitation program is expensive and labor intensive. There is a critical need to find other resources to leverage the City and County efforts to address deteriorating housing conditions and help retain and increase homeownership in low-and moderate neighborhoods.

The second major challenge for the community is increasing homeownership opportunities for low and moderate-income households, particularly among African Americans and Hispanics. The City and County Housing programs have identified homeownership as a major priority for Greenville's older neighborhoods. Additionally, Greenville County's Community Impact Agenda has identified the goal of increasing African American homeownership from 47.5% in 2000 to 51% by 2010, and Hispanic homeownership rates from 44.7% in 2000 to 48% by 2010.²⁸

²⁷ 2005-2009 Greenville County Consolidated Plan

²⁸ United Way Community Impact Agenda, 2003

The City of Greenville, through real estate developers, has initiated the construction of new homes in several low-income neighborhoods with moderate success. The greatest challenges have been overcoming the negative image of the neighborhoods and finding qualified homebuyers. The Greenville County Redevelopment Authority (GCRA) has also focused its homeownership program to specific neighborhoods. GCRA has been more successful in selling their homes as they act as developer and lender for homebuyers unable to obtain a conventional mortgage.

The challenge of finding qualified low and moderate-income homebuyers is a major concern for those committed to increasing homeownership for low and moderate income and minority households. As a rule, the lower the income the greater the barriers for that family. From an affordability factor, moderate-income households earning 51-80% of the area median have a greater chance of becoming homeowners. Many of the moderate-income households must overcome problems with their credit history and overall money management. This is the primary reason that homebuyer counseling is critical for these households. There are several homeownership and credit counseling services in Greenville, however, the outreach and accessibility of these programs should be expanded.

The rising cost of construction in Greenville is also a major factor in the construction of new homes in low and moderate-income neighborhoods. New construction in the city limits is more costly due to land costs and more restrictive building codes. The only way to make new homes affordable for low and moderate-income families is through subsidies that are used to reduce the principal, pay for upfront closing costs, or lower actual construction costs. To realize its dreams of increasing homeownership for low and moderate-income families and minorities, Greenville must identify and increase subsidies to reduce the costs of homeownership.

Neighborhood Development

The City of Greenville has targeted 11 low and moderate-income neighborhoods for revitalization. These neighborhoods are called Special Emphasis Neighborhoods (SENS) and are shown in Appendix 2. The City's five focus neighborhoods are Nicholtown, Green Avenue, West Greenville, Haynie-Sirrine, and Greenline-Spartanburg. Thirty-one percent of the City's population resides in the special emphasis neighborhoods. About 84% of the residents in SENS are minority and 33% live below the poverty level.

Greenville County is currently targeting its revitalization efforts in the Freetown and Brutontown communities. Over the years they have worked in 42 targeted low and moderate-income neighborhoods. Almost 24,000 (6%) of the county's population reside in these communities. At least 50% of the residents in County of Greenville's targeted neighborhoods are minority and 21% live below the poverty level.

The greatest challenge in revitalizing these neighborhoods is limited resources. Both the County and City receive annual allocations of (HUD) Community Development Block Grant (CDBG) funding, but it is clearly not enough to address the multi-faceted problems in these neighborhoods.

It is imperative that the limited federal funding be leveraged with other capital for revitalization efforts to be successful. Other funding sources include private capital, local public dollars, and philanthropic and other investments.

Another major challenge to revitalizing Greenville's older neighborhoods is the absence of resident-led revitalization efforts. Community groups in low-income communities across the country have been empowered to make substantial changes in their neighborhoods from the inside out. Resident-led revitalization efforts lead to healthy self-sustaining neighborhoods. Interviews with the neighborhood leaders revealed a strong commitment to neighborhood revitalization but a lack of knowledge and limited resources to empower residents.

It was apparent during the interviews with neighborhood leaders that they understood that their neighborhoods are in transition and will look very different in 10 years. A majority of the leaders are open to and welcome mixed-income redevelopment as long as current residents can afford to stay in the neighborhood. Given all the new development in Downtown Greenville, it is easy to see that gentrification will soon begin to creep into many of Greenville's older neighborhoods. Even though the City has helped some of the neighborhoods develop master plans, the Greenville community should develop policy guidelines to help manage the redevelopment and potential gentrification of low and moderate-income neighborhoods.

Housing Goals

“To provide decent, safe affordable housing within healthy self sustaining neighborhoods”

Rental Housing

The American dream of homeownership remains out of reach for many families in our community. As the local economy transitions from a manufacturing to a knowledge-based economy, it will take years to increase the household incomes for the working poor. Downtown Greenville as well as other parts of the county are experiencing unprecedented growth in residential construction. Unfortunately, most of this new housing is beyond the reach of families earning 50% or below the area median income. It is critical for the Greenville Community to address the affordable rental housing needs for households earning less than \$27,450 a year. The Greenville community should:

- **Increase** the availability and production of small rental units for low-income families and the elderly.
- **Increase** the number of assisted rental units using resources such as LIHTC, subsidies for rental development, and tenant-based rental assistance.
- **Increase** assistance for absentee landlords to rehabilitate rental properties.
- **Increase** the availability and production of affordable housing with supportive services for persons with Special Needs (i.e., elderly, homeless, disabled, persons with HIV/AIDS).
- **Increase** tenant counseling, including information about financial literacy and predatory lending.

Homeownership

Increasing homeownership opportunities for low-and moderate-income families is a major priority for the City of Greenville and Greenville County. Experience has shown that even though these families may have sufficient income to buy a home, there are still several barriers to homeownership. Major barriers to low and moderate households are home prices, down payment and closing cost, and credit worthiness. Education through homeownership counseling is critical to increasing the number of eligible homebuyers.

Another major problem facing the community is homeownership retention, especially in declining neighborhoods. Identifying resources to assist existing homeowners with home repairs and improvements is critical to preserving housing and neighborhoods. Local banks may consider adding more flexible home improvement products to their CRA portfolios to meet the needs of bankable residents. CDCs and other non-profit developers should develop low cost home improvement products for homeowners who are not eligible for bank financing. Many of the elderly homeowners on fixed incomes require emergency home repairs.

Emergency home repairs are usually funded through federal or local grant programs or volunteer efforts. Greenville should continue to promote homeownership to:

- **Increase** homeownership opportunities for low and moderate-income residents through new construction and acquisition/resale strategies.
- **Increase** homeownership retention through home improvement assistance for low and moderate-income homeowners.
- **Increase** emergency repairs assistance for low-income seniors.
- **Increase** pre-purchase and post purchase counseling for low-income homebuyers.

Resources, Education, and Technical Assistance

Despite the numerous affordable housing activities in Greenville, there is limited infrastructure to coordinate and support local affordable housing efforts. The broader community has limited knowledge about the affordable housing problem and there is no formal affordable housing advocacy organization. United Ministries and the Upstate Homeless Coalition have taken the lead to organize housing professionals to coordinate local efforts, but there needs to be a stronger advocacy group with one voice to educate the broader community about the affordable housing problem in Greenville.

There are limited public funds to address the affordable housing problems in most communities. For affordable housing and community development to be successful, other resources must be identified to leverage public funds. For example, the City of Greenville receives about \$1.7 million annually from HUD Community Development Block Grant funds. Approximately 1/3 of those funds are allocated to meet the affordable housing needs of 11 low-and moderate-income neighborhoods. The same budget is used to pay for capital improvement, social services, and other community development activities. It is imperative that the City's funds be leveraged with private capital and other funds to develop and renovate affordable housing. Greenville has not maximized its use of programs such as the Affordable Housing Program, the Low Income housing Tax Credit.

Community Development Corporations (CDCs) have been used successfully across the nation to address affordable housing and community development in low wealth communities. CDCs leverage public sector funds to attract private capital and investment to low-income communities. Affordable housing and community development is complex and requires skills in the areas of financing, construction, fund-raising, community building, and real estate development. Typically, an affordable housing development will have numerous funding sources with different requirements and partnerships. There are a limited number of active CDCs in Greenville with experience and expertise in real estate development. Nor is there local training or technical assistance to help groups develop partnerships and build the capacity to revitalize neighborhoods.

Below are goals related to Resources, Education, and Capacity Building:

- **Educate** the broader community about the need and economic benefits of Affordable Housing in Greenville.
- **Leverage** existing resources and seek other credit enhancements to finance the new construction and rehabilitation of affordable housing.
- **Provide** incentives and training for non-profit and for-profit developers to develop affordable housing.
- **Streamline** the construction and development process in urban neighborhoods.

Neighborhood Development

The City and the County have designated 22 low-and moderate-income neighborhoods for revitalization. As HUD eligible CDBG areas, they are eligible for federal funding.

Greenville's older neighborhoods have experienced significant decline over the years. Once vibrant communities, many of these historical neighborhoods are rapidly declining due to increased absentee ownership, crime, poor housing conditions, and high unemployment. Neighborhood leaders are struggling to reverse the deteriorating conditions but have limited knowledge and resources. The Greenville Community should seek strategies to:

- **Strengthen** and empower neighborhoods through training, leadership resource development, and capacity building to help redevelop and sustain neighborhood improvements.
- **Improve** infrastructure in low-and moderate-income neighborhoods to support new housing development.
- **Reduce** displacement of existing residents and **Encourage** new residents to move into urban neighborhoods
- **Demolish** and **Replace** substandard housing and other neighborhood nuisances through stricter code enforcement.

Opportunities and Recommendations

After learning more about the Affordable Housing Needs and Issues in the Greenville Community, RMA and the Affordable Housing Task Force identified the following opportunities and recommendations to advance local affordable housing efforts:

Opportunities

- ✓ To increase the availability and affordability of housing for low and moderate-income residents
- ✓ To build strong collaboratives and partnerships to further promote an affordable housing industry in Greenville
- ✓ To leverage resources to assist in housing and community development
- ✓ To strengthen and sustain neighborhoods and communities

Recommendations

Advocacy and Leadership

Identify and organize key affordable housing advocacy group(s) to:

- Study the “Affordable Housing Problem”
- Educate the broader community about the needs and economic benefits
- Issue a public statement about the problem
- Build coalitions with business, education, and community groups
- Lobby local government and policy-makers
- Market and publicize local efforts

Develop a county-wide policy level Affordable Housing Task Force to:

- Review recommendations from housing advocacy groups
- Determine the achievability of the housing trust fund
- Identify revenue sources for housing trust fund
- Develop framework and propose legislation for housing trust fund
- Make recommendations to City and County Councils
- Recommend appointees to the trust fund campaign steering committee

There have been a growing number of partnerships between housing groups to achieve community-wide affordable housing goals. One of the best examples includes the Upstate Homeless Coalition’s “Blueprint to End Homelessness in Ten Years”. These partnerships have been sporadic and there continues to be a number of affordable housing “splinter groups” working on all types of affordable housing problems in the community.

Beyond the affordable housing professionals, there is limited community awareness about the affordable housing problems in Greenville. We recommend that the local housing groups and professionals form an advocacy group to help form “one voice” for affordable housing issues. They should develop an affordable housing policy statement and educate the broader community about affordable housing.

The Affordable Housing Advocacy group should also lobby one or more of the local community and economic development policy boards to help address affordable housing issues with local government. This will become particularly important if the Advocacy group recommends the development of a local housing trust fund.

Training and Capacity Building

- Develop a Neighborhood Training Institute to help build the capacity in low wealth communities to revitalize and sustain their communities
- Develop Local Non-Profit Community Development Corporation’s (CDC) Capacity for Real Estate Development

Building capacity at the community level to revitalize neighborhoods and increase affordable housing production is vital to meeting our Affordable Housing and Neighborhood Development goals. We recommend developing a local neighborhood-training program to include grassroots leadership training and strategies for managing neighborhood revitalization

Training to build the capacity of local non-profit developers to engage in real estate development is critical to the production and sustainability of affordable housing in Greenville.

Affordable Housing Production

1. Create a local housing trust fund to help finance affordable housing production and coordinate housing programs and services
 - Develop a bank consortium for multi-family projects
 - Develop a land bank to assure long-term affordability
 - Develop various loan and grant programs to meet local affordable housing needs
2. Through the United Way and other funding sources provide soft second deferred mortgages for city and county pilot projects in designated neighborhoods.

The affordable housing industry can best be described as “specialized residential real estate development and construction”. It should be approached in much the same way as any other residential real estate development. There is not a separate set of construction costs for affordable housing development. The difference between the market cost of construction and the client’s ability to pay for that housing is known as “gap financing”. Gap financing is usually financed through subsidies or grants that are used to buy down the cost of housing for low and moderate-income families. Depending

on the size of the development, there could be up to 15 sources of gap financing in a project to make it affordable.

In an effort to create a permanent source of gap financing for affordable housing in Greenville, we recommend the development of a local housing trust fund. Housing trust funds are distinct funds established by legislation, ordinance or resolution to receive dedicated public revenues, which can only be spent on housing. Over \$750 million annually is committed to affordable housing through more than 400 housing trust funds across the country.²⁹

There are two housing trust funds in South Carolina. The City of Charleston established a fund that now operates regionally. The State of South Carolina also established a housing trust fund that is used to support affordable housing throughout the state. The fund is supported through a half cent of the real estate transfer tax for all real estate transactions in the state. This yields about \$8-10 million annually.

We recommend that a local housing trust fund be established to help finance affordable housing in Greenville and provide a one-stop assistance for affordable housing development.

²⁹ Center for Community Change

Appendix 1

Strengthening Families & Neighborhoods Impact Council United Way of Greenville County

AFFORDABLE HOUSING TASK FORCE

<p>Craig Robinson, Chairman First Citizens Bank P.O. Box 3028 Greenville, SC 29602 255-3762 Fax: 235-2643 craig.robinson@firstcitizenonline.com</p>	<p>Eleanor Welling, Vice-Chairman 121 McDaniel Greene Greenville, SC 29601-2962 467-1183 eleanorwelling@charter.net</p>
<p>Mary Blackstone-Ross Greenville Housing Authority P.O. Box 10047 Greenville, SC 29603 467-4273 Fax: 467-3088 mary@tgha.net</p>	<p>Harold Carey Greenville Housing Futures P.O. Box 1812 Greenville, SC 29602 370-2020 Fax: 370-5553 hacarey@bellsouth.net</p>
<p>Michael Chesser Upstate Homeless Coalition P.O. Box 17738 Greenville, SC 29606 241-0462, ext. 10 Fax: 241-0464 mdc@upstatehomeless.com</p>	<p>Charles Gardner 127 Haviland Avenue Greenville, SC 29607 232-1937 chargard12@aol.com</p>
<p>Martin Livingston Greenville County Redevelopment Authority 301 University Ridge, Suite 2500 Greenville, SC 29601 242-9801 ext. 114 Fax: 232-9946 mlivingston@gcra-sc.org</p>	<p>Jeff Randolph The Randolph Group P.O. Box 10168 Greenville, South Carolina 29603 239-6683, ext. 25 jbrandolph@therandolphgroup.com</p>
<p>Chris Riley Wachovia Bank, N.A P.O. Box 969 Greenville, SC 29602 255-8730 chris.riley@wachovia.com</p>	<p>Sharon Smathers Greenville County Human Relations Commission 301 University Ridge, Suite 1600 Greenville, SC 29601 467-7095 Fax: 467-5965 ssmathers@greenvillecounty.org</p>

<p>Ginny Stroud City of Greenville Community Development P.O. Box 2206 Greenville, SC 29602-2207 467-4570 stroudg@greatergreenville.com</p>	<p><u>Resource Person:</u> Beth Templeton United Ministries 606 Pendleton Street Greenville, SC 29601-3320 232-6463 ext. 20 Fax: 370-3518 director@united-ministries.org</p>
--	--

Consultant:

Deborah McKetty, Principal
Randolph McKetty and Associates, LLC.
848-6058
dmcketty@hotmail.com

Cynthia Hines
Randolph McKetty and Associates, LLC.
chines@hinesluxury.com

United Way Staff:

Weldon Mikulik, Director
Strengthening Families and Neighborhoods Council
301 University Ridge, Suite 5300
Greenville, SC 29601
467-3501
wmikulik@unitedwaygc.org

Gitonya Bolden
Community Impact Associate
Strengthening Families and Neighborhoods Council
301 University Ridge, Suite 5300
Greenville, SC 29601
467-3536
gbolden@unitedwaygc.org

Appendix 2

Map of the City of Greenville's Special Emphasis Neighborhoods

