

HUD used a household size of four (4) as an average. A family of four at 80% AMI (low) earned at or below \$71,200 per year; a one (1) person household earned \$49,850 or less per year. A household of four at 50% AMI (very low) earned at or below \$31,150 per year. For households at 30% AMI (extremely low), a one-person household earned at or below \$18,700 per year; a four-person household earned at or below \$30,000 per year. Mr. Brown stated a recent Bureau of Labor statistic report indicated that the majority of households in Greenville County who were in need of affordable housing earned between 50% to 80% AMI. The majority of those households were considered “very low” and earned 50% AMI or \$31,150 to \$44,500 per year. The remaining households earned 60 – 80% AMI. Greenville Housing Fund was able to assist most of those households in obtaining affordable housing given the number of dwellings that were being produced and preserved. Mr. Brown stated Greenville County Redevelopment Authority (GCRA) was also able to assist many of those households. The report from the Bureau of Labor also indicated that 9.2% of Greenville County workforce population were at or below 30% AMI. Mr. Brown stated that figure represented a deep level of need, it was an achievable gap that could be filled if all interested parties worked together.

Mr. Brown stated at the deep level of need, most of the individuals and households worked in the tourism or hospitality sector, to include food preparation and the service industry. Those workers drove Greenville County's economy and should be afforded attainable housing. He stated a large number of people in the community worked very hard on a daily basis and struggled to find affordable housing. Mr. Brown stated affordable housing was part of the County's economic development infrastructure; Greenville County could not compete in a global economy if attainable housing was not available for its workforce. The individuals and families in need of affordable housing, or workforce housing, served the community through their jobs; they should be supported with high-quality, safe and stable places to live.

The Greenville Housing Fund, in conjunction with the City of Greenville, was developing “mixed income” housing in the Unity Park area. Plans were to create a market-rate housing product by taking advantage of the County's Affordable Housing Policy that allowed for some incentives for specific percentages of affordability. Mr. Brown stated a low income tax credit application, requesting a 9% credit, would be submitted to SC Housing in the next few weeks. Housing for low-income seniors was planned for the development.

Mr. Brown stated since he had been in the Greenville area, there had not been an intentional community conversation regarding allocation of the scarce resources available for affordable housing and how to prioritize the level of need. Other communities in the country prioritized homeless individuals and families as they are unsheltered and vulnerable; their situation considered “life or death.” Mr. Brown stated the area's homeless shelters were usually at capacity, leaving many homeless people without access to shelter and other needed services to find obtainable housing. He stated there was no obtainable housing for those individuals based on their extremely limited income. Mr. Brown stated the next level of need was seniors. Most were on fixed incomes and vulnerable due to age and the inability to acquire additional income sources. Families were the next level of need.

The Greenville Housing Fund wanted to do more by targeting available resources to meet the true needs of the community. Mr. Brown stated they had studied the zoning codes of both the City of Greenville and Greenville County and had been deeply engaged in state programs that supported programs available through the State Housing Finance and Development Authority. Mr. Brown stated each county was eligible to received two (2) 9% Low-Income Housing Tax Credit (LIHTC) awards per year. The 4% bond program was non-competitive federally; however, it was competitive in the state and had to be used in conjunction with the State Housing Tax Credit Program. That program had a \$20 million per year cap, which limited the amount Greenville County could receive.

The state's Housing Trust Fund supported the Small Rental Development Program. In addition to funding the Small Rental Development Program, it was also used to fund permanent supportive housing, a national best practice. Permanent supportive housing was a service-enriched environment for people who were chronically homeless. Mr. Brown stated Greenville County needed to develop more housing of that type in order to get people out of shelters. In doing so, more of the unsheltered population could access area shelters. Most people in shelters in Greenville County were employed, but, unable to find affordable housing.

Councilor Kirven requested Mr. Brown describe a “shelter.”

Mr. Brown stated Miracle Hill Faith Mission was an example of a shelter. It consisted of dorm-style rooms with a total of 180 beds. Residents paid \$60 per week to stay in the shelter. Mr. Brown stated the gymnasium was opened for a “cold shelter” when the temperature fell below 40 degrees; typically, 150 additional individuals accessed the shelter.

Councilor Kirven inquired about a typical length of stay for the residents.

Mr. Brown stated, nationally, best practice was 90 days. Some individuals in Greenville County had resided in a shelter for two (2) years, causing a “blockage” for shelter availability. He stated it was necessary to pursue the resources needed to create a platform of permanent supportive housing. Mr. Brown stated he would like to present a Housing Continuum Presentation to the committee. He suggested a workshop for discuss the Low-Income Housing Tax Credit (LIHTC); there was a lot of misunderstanding about the program. Mr. Brown stated, on a personal level, he was opposed to any form of property tax being imposed on a Low-Income Housing Tax Credit property. Those properties were very hard to build and they served a huge need in the community. Greenville County had a tax exempt policy in place; it should be available to properties financed by the Low-Income Housing Tax Credit program for a variety of reasons. He stated those properties were a benefit to any neighborhood and a qualitative study had proven affordable housing was not a detriment to property tax values. An affordable housing development should not look affordable housing. He pointed out The Sullivan, located in District 19, as an example. He stated most of the affordable housing developments he had recently visited were well designed and well built, as they should be.

The Greenville Housing Fund was partnering and pursuing mixed-income and limited, affordable, multi-family developments. Staff also planned to work with the community to build a certain number of permanent supportive housing units within a specified amount of time; for example, 60-90 units over a period of 3-5 years at \$200,000 for each unit. Affordable housing units generally cost more in South Carolina, due to the funding requirements used to produce them. Mr. Brown stated the cost to produce 60-90 units was roughly \$12-18 million. A neighborhood-based strategy was being explored to develop more affordable housing within the City of Greenville. Some of the area’s historic neighborhoods were losing their character. A home trust was being developed and would be launched later in 2024 to address that issue. The trust would promote affordable home ownership. Mr. Brown stated in the City of Greenville, more people rented their homes as opposed to owned. There were fewer rental opportunities in the County; more people owned their homes. The Greenville Housing Fund worked with the Greenville Affordable Housing Coalition. Its priorities for 2024 centered around community engagement, education and rent stabilization. He stated some of the area’s affordable housing partners needed access to lower cost capital.

Councilor Mitchell inquired about rates for market rate housing versus affordable housing.

Mr. Brown stated the City of Greenville had donated land to the Greenville Housing Fund in the Unity Park area. Planned projects for that area included some all affordable housing and deeply affordable housing, with some especially for seniors. He stated 69 project-based vouchers were obtained from the Greenville Housing Authority to better support the development. An individual on Supplemental Security Income (SSI) or Social Security would pay very low rent. Mr. Brown stated another development was planned for the Washington Avenue area near the train station; it would include a mix of housing typology. All mixed income projects would be at least 20% affordability, with some projects at 30% affordability. The project at Unity Park (Parkside Unity) was a large footprint development with 25% affordability. Mr. Brown stated if that project contained 200 units, 50 would be affordable and would follow the County’s Affordable Housing Policy. He stated plans were being discussed for affordable townhome developments that would be available to purchase. He stated the goal was to have market rate housing that offered the amenities people wanted, such as a pool.

Councilor Mitchell inquired about the restrictive law in place regarding two affordable housing complexes. He asked Mr. Brown if it had been “on the books very long”; if so, his thoughts on getting it changed.

Mr. Brown stated the policy document governing the administration of the Federal Income Housing Tax Credits was called the Qualified Allocation Plan (QAP). As part of a federal requirement, public hearings regarding the plan were held annually and the Governor was required to sign it. Mr. Brown stated there were competing interests in the program. Smaller, more rural communities, wanted to get their fair share of funding; however, it was important to be realistic about the greatest level of need for affordable housing in the State. He stated it would be where the most people lived, Greenville, Charleston, and Columbia. Urban population centers had the greatest need. Mr. Brown stated Greenville County sent a lot of state tax dollars to Columbia, and, should get its fair share in return; he stated he was not sure it was. It was important to have good partnerships at the state level to address the housing needs in the County.

Vice-Chairman Harrison stated he was “big believer” in County Council; however, there were a lot of businesses in which Council should not be involved. One of those was affordable housing. Mr. Harrison stated Council goals were achieved faster and more efficiently when the private sector was included and incentivized to do so. He stated it was Council’s job to incentivize and encourage private development, along with accessible state and federal programs, to address the needs of the community. He asked Mr. Brown to address how the Greenville Housing Fund partnered with private sector in regard to its developments as well as programs that encouraged private input into affordable housing homeownership.

Mr. Brown stated he attributed Greenville Housing Fund’s impact in such a short time to the fact that they had entered into public private partnerships, leveraging the expertise, resources, competence, and efficiency of the private sector. Mr. Brown stated, in his opinion, private developers delivered superior products more efficiently than burdensome, regulated government programs. The Columbus Metropolitan Housing Authority in Columbus, Ohio, his former employer, targeted its Low Income Housing Tax Credit (LIHTC) applications for special needs populations, such as the chronically homeless, elderly and disabled. That agency discovered that by working with the private sector, it could deliver two units of housing for the cost of one LIHTC unit, because of the burdensome regulatory requirements of that program. Mr. Brown stated the LIHTC program was very misunderstood; it was essential in order to provide the number of affordable housing units Greenville County needed. It was essential in order to provide the number of affordable units needed in Greenville County. Private developers should be incentivized to deliver high quality projects with good amenities, making 20% of the units affordable. Mr. Brown stated the Greenville Housing Fund was in the process of launching its neighborhood strategy, the Home Trust Model, an effort to make homeownership more affordable, have less tax burden, and be more sustainable. For example, Habitat for Humanity built affordable homes that people could buy. Those homes had to be sold at the appraised value in the community, regardless of efforts to lower the cost. He stated home appraisals were increasing because the demand was so high; currently, Habitat for Humanity homes were appraising at a beginning price of \$300,000. For a Habitat for Humanity house, it was required to be sold to a family earning no more than 50% AMI. He stated a family of four could earn no more than \$44,000 per year; Habitat for Humanity was filling the income gap by holding soft second mortgages. Mr. Brown stated Greenville County had created an Affordable Housing Policy incentive for rentals; he would love to brainstorm ideas for offering tax incentives for affordable homeownership.

Councilor Kirven asked Mr. Brown to discuss how the Greenville Housing Fund was organized and operated. He asked if the agency was part of the City of Greenville.

Mr. Brown stated the Greenville Housing Fund was not part of the City of Greenville; however, the city was its largest public investor. The Greenville Housing Fund was an independent, stand-alone, private, nonprofit, 501c3 organization. It was not constrained by geography and could operate anywhere. The focus of its work was to benefit Greenville County. Currently, the Greenville Housing Fund was doing work in Greer on a development called the Vinings at Brushy Creek, a public private partnership at Brushy Creek and Buncombe. It was a 120 unit, mixed income, market-rate development that looked like any other apartment community in the City or County.

Councilor Kirven inquired about other funding sources for the Greenville Housing Fund.

Mr. Brown stated the Greenville Housing Fund had raised additional dollars. Greenville County had invested through Greenville County Redevelopment Authority. By working with GCRA, the agency had “rescued” a 40-unit building for the elderly in Travelers Rest. The property was in danger of having its restrictive covenants stripped and was going to be sold. Mr. Brown stated 40 frail, elderly people would have been displaced from their homes.

Councilor Kirven inquired about recurring income, such as donations, trusts and grants.

Mr. Brown stated the Greenville Housing Fund had raised approximately \$6 million from private investors through its Social Impact Fund. He stated they did quite a bit of fundraising and put a lot of effort into securing capital resources.

Chairman Fant inquired about affordable housing for those citizens working in the service economy, which was 9.2% of the County’s population.

Mr. Brown stated there were individuals who worked every day and were chronically homeless. He stated someone who made \$18,000 a year could afford rent of \$500 a month. The beginning price point for an apartment in Greenville County was \$700 - \$750 each month, resulting in a gap of \$200 or more. The only solution to fill that gap was rental assistance. Some of the work being done at the Greenville Housing Fund was engaging the Greenville Housing Authority. That agency administered the Housing Choice Voucher Program and had 3000 vouchers that were federally funded; the City of Greer had an additional 200 or so. Mr. Brown suggested ways to create rental assistance programs, particularly targeting the needs of area employers. He recently met with the CEO of Prisma who employed 30,000 people throughout the State. The greatest challenge around housing affordability for Prisma’s staff was the most acute in Greenville. That lack of housing created employee instability; people who were housing insecure, but, trying to maintain employment. Mr. Brown stated it was important to get creative about supporting housing that was attainable to the lowest income denominator, by identifying additional rental assistance resources that could fill those of those gaps that existed.

Chairman Fant stated the Greenville Housing Fund and Council, with its tax abatement program, had done a good job trying to address rental needs. Mr. Fant stated he wanted everyone to consider being more intentional about homeownership. The average net worth of a renter in Greenville County was \$6,400; the average net worth of a homeowner was \$245,000. He stated the only way to accomplish real wealth was through homeownership.

Mr. Brown stated he agreed with Mr. Fant’s statement. The Greenville Housing Fund tracked the reasons why individuals moved out of affordable housing. He was proud to say that there were people moving out of affordable apartment communities in Greenville because they had purchased a home; they were able to do so because they had saved money while renting an affordable apartment.

Chairman Fant introduced John Castile, Executive Director of the Greenville County Redevelopment Authority.

Mr. Castile stated GCRA was happy to partner with the Greenville Housing Fund. That agency could do things and say things that GCRA could not; it was an advocacy group and a welcome addition to the community. Mr. Castile stated GCRA built houses and did it for homeownership; the problem that needed to be discussed was the area’s wage rate. He stated it had to increase. In March the AMI for a family of four was \$72,000 and it would continue to increase every year. Mr. Castile stated when he started with GCRA approximately six years ago, they were selling homes for \$110,000; the going rate was at \$245,000. A single female with two children could not qualify for a house at that price, especially given the current 7% interest rate. Mr. Castile stated it was important to start a discussion about incentives for financing homeownership in the Greenville community. The federal government had indicated that homeownership was a local issue and was not willing to give additional HUD monies; that amount had remained constant for about 10 years. The State of South Carolina had stated Greenville County would only receive two LIHTC projects and the community had benefited from those dollars. Mr. Castile stated no one was talking about how to build wealth in the community for homeownership. It was crucial to focus on how to make housing affordable for everyone.

Mr. Castile stated affordable housing was so important in Greenville County because everyone knew someone looking for a home in the \$225,000 - \$300,000 range and were unable to find one. Economic development policies brought in jobs and moved wages. Mr. Castile stated it was such a good feeling for people to know they were homeowners. He stated when it happened to him, he sat in his car and cried. He owned a piece of the community. Mr. Castile stated he had seen County Council “put its money where its mouth is” and knew things could get done if they all worked together.

Councilor Kirven stated Mr. Castile made a good point about people’s income. He stated when GADC recruited industries, they focused on companies that paid more than minimum wage.

Mr. Castile stated higher wages had moved into the service industry. He stated there needed to an advocacy and focus on affordable housing and workforce housing. It was very complex. Within affordable housing there was new construction, rentals and homeownership; there was also leakage. When LIHTC deals were no longer regulated, they could turn themselves off. Mr. Castile stated it was important for people to stay in their homes, not have to sell them and be able to pass them down to future generations. He stated there had to be a push to keep bringing jobs and opportunities to Greenville County in order for people to be able to afford more, even in the service industry.

Vice-Chairman Harrison stated Mr. Castile’s comments were perfectly stated in regards to affordable housing and wages, everything went “hand in hand”; all involved entities needed to “connect the dots” and make sure it all played together. Mr. Harrison stated if a new company planned to pay \$20 per hour, it was easy to “do the math” and figure out if that wage would allow an employee to purchase a home in Greenville County. If not, it needed to be addressed.

Chairman Fant stated he planned to set up a workshop in March to discuss the issue in more detail.

Mr. Castile stated he slightly disagreed with Mr. Harrison in the sense that he looked at affordable housing as an economic development tool. Greenville County was in the economic field and had committed to making the community better. It was time to take the next step. He commended Council for all they had done and would do in the future.

Item (3)

Adjournment

Action:

Vice-Chairman Harrison moved to adjourn.

Motion carried and the meeting was adjourned at 6:00 p.m.

Respectfully submitted:

Jessica Stone
Deputy Clerk to Council