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INTRODUCTION

The process of developing a local housing needs assessment and strategy involves three stages: 1) assessing current and projected housing conditions – the diagnosis; 2) setting goals – the vision; and 3) selecting appropriate program approaches to achieve those goals – the action. The purpose of the study is to identify areas of need in Allendale County, focusing primarily on housing conditions in specified target areas, in order to set goals for a housing strategy. This report will identify areas of low and moderate income households, assess the housing needs of these target areas, and summarize findings to include an inventory and rehabilitation assessment for houses in the target neighborhoods, a community facilities assessment, detailed GIS maps, census data, and funding sources and recommendations.

The goal of a housing needs assessment is to help focus a community's efforts on its most critical local problems.

This document is intended as a tool for local governments and community agencies to incorporate as part of a larger, overall long-term planning process that combines the elements of focused needs assessments with comprehensive and strategic planning processes. The local government's goal for the resultant strategies may be to ensure that decent, affordable housing is available to meet the needs of specific targeted households (e.g., low and moderate income families). This study should be not merely an inventory of the existing housing conditions in the county, but a planning instrument for local decisionmaking.

METHODOLOGY

The main source for the demographics and income data is the United States Census of Housing and Population, broken down by block level in order to obtain data for the specific neighborhood boundaries. Though it has an historical propensity for error, the US Census has long provided the most comprehensive and accurate statistical benchmark of the population. Census data is used as the point of reference for several federally based funding programs. With the recent release of Census 2000 data, current population and select household characteristics can be obtained.

Current population of the neighborhoods was estimated by multiplying the average persons per household as per the Census 2000 by the number of occupied housing units. Although Census 2000 population counts are available at the block level, the blocks in the unincorporated areas are rather large – encompassing an area much greater than the target neighborhood – and as a result the population count in the block is higher than the target area.

In addition to the Census 2000 data, 1999 estimates are used through National Decision Systems, which bases estimates on historical US Census data in addition to other private and public sources. These estimates, along with HUD data, are used primarily for income estimates, which at the time of this writing are not available for Census 2000.

The analysis of housing conditions was undertaken initially through a "windshield" survey of the entire county, which was then expanded with intensive field studies in the target neighborhoods. Field studies are helpful in quantifying existing conditions of the housing and can be used to monitor general neighborhood conditions such as roads, drainage, dumping sites, and vacant lots.

GENERAL ECONOMIC CONDITIONS

The economic environment of Allendale County is noticeably lagging behind that of South Carolina. According to 2001 HUD data, Allendale County is 45th in the state in median family income levels. The county's estimated median family income in 2001 was $29,900, which was 56% lower than the state average ($46,600). According to HUD data, in 1990 56.3% of the county population was in the low and moderate income (LMI) range, making Allendale County the only county in the state with an LMI population of more than 51%. According to the 1990 Census, 41% of households in the county have a yearly income between $0 and $15,000, while the state percentage for the same income group is 20%. Table 1 below reflects household characteristics of Allendale County and how the county compares to state averages.

Allendale County has the highest percent of population in poverty in the state (34.4%). (SC State Data Center)

Table 1. HOUSEHOLD CHARACTERISTICS AND STATE RANKINGS

	South Carolina	Allendale County	State Ranking
Population (2000)	4,012,012	11,211	45
Population % change, 1990 to 2000	15.1%	-4.4%	46
Households (2000)	1,258,783	3,784	45
Families (2000)	935,575	2,714	45
Median Household Income (1989)	$26,256	$15,013	46
Median Family Income (1989)	$30,797	$18,227	46
% Persons Below Poverty (1989)	15.4%	35.8%	1
% Families Below Poverty (1989)	11.9%	33.5%	1
% Minority population (2000)	32.8%	72.6%	1
% With <9th grade education (1990)	13.6%	25.0%	1

Source: US Census Bureau; SC 1999 Statistical Abstract

The housing conditions of the county reflect the depressed economic state in both condition and value. Although the percentage of vacant housing units in the county is comparable to the state (11% and 12% respectively, as per the 1990 US Census), the 1990 median property value in Allendale County ($39,100) was 56.3% lower than that of the state ($61,100). While this indicates that affordable housing in the county is plentiful, the county's oppressive poverty levels and poor

housing conditions negate the ability of low income citizens to obtain safe, affordable housing.

Another indicator of the economic need in Allendale County is the population decrease that occurred between 1990 and 2000 (see Table 2 below). The county had a population decrease of 4.4% during that decade, while the state population increased by 15.1%. Additionally, the county saw an overall loss in population between 1950 and 2000 (-4.8%) while the state's population increased by 89.5% during the same period.

Table 2. POPULATION

	1950	1960	1970	1980	1990	2000
Allendale County	11,773	11,362	9,692	10,700	11,722	11,211
Percent Change	n/a	-3.9%	-14.7%	10.4%	9.6%	-4.4%
South Carolina	2,117,027	2,382,594	2,590,516	3,121,820	3,486,703	4,012,012
Percent Change	n/a	12.5%	8.7%	20.5%	11.7%	15.1%

Source: US Census Bureau

As evident in the above table, while Allendale County had population increases in the 1970's and 1980's, there exists a disparity between the growth of the state as compared to the county.

Due to the fact that more than 35% of the county population lives below the poverty level, affordable housing is a prominent concern. According to HUD data, the maximum allowable housing cost by family income in Allendale County for the year 2000 is $234 per month for an extremely low-income household. In the state, this average is $353 per month. The 2000 National Low Income Housing Coalition found that 52% of renters in Allendale County are unable to afford fair market rent, as compared to 36% in the state.

The population in Allendale County in 2000 was 11,211 – ranking 45 of 46 counties in the state. (SC State Data Center)

Although the average value of new single family housing is much lower than the state average, the relationship between income and housing cost reflects a great disparity in the county. The SC State Data Center estimates the average value of new single family housing units in 1995-99 to be $45,125 for Allendale County and $103,001 for the state – a 128% difference. But with 35% of the county population below the poverty level – compared with 60% in the state – even such relatively low housing costs become unattainable. These statistics, along with

findings of this study, make it all too clear that there is a great need for affordable housing in Allendale County.

Cost of available housing and income levels cannot be the only variables examined when determining the need for affordable housing. Housing cost averages reflect neither the *conditions* of the available housing units nor the barriers in obtaining decent housing. The low housing value in the county can make affordability easier, but quality of life is still lacking because available housing stock is uninhabitable and in many cases unattainable.

TARGET AREAS AND HOUSING CLASSIFICATIONS

The target areas were initially outlined through a field survey of the county. The areas were chosen based on overall visible conditions of housing and community facilities and with the input of local government and the Allendale County Housing Committee. Allendale County's Rural Development Enterprise Community – Allendale County ALIVE – also provided assistance in locating target neighborhoods. The target areas all show signs of neighborhood decline, abandoned and/or neglected houses, and a need for community facilities. There are many houses in need of rehabilitation scattered in the remote rural areas of the county, however, for the purposes of this survey only clusters of low and moderate income (LMI) areas were considered so that the study could include as many needy households as possible in a defined area. This is not to say that the remote households are not in need; several homes in the scattered areas are also in different stages of abandonment or neglect. Maps 1, 2 and 3 on pages 10-12 show the location of the target neighborhoods within the county.

The average value of new single family housing units in Allendale County is $45,125. The average value of new single family housing units in South Carolina is $103,001. (SC State Data Center, 2000)

Upon delineation of target areas, characteristics were observed to include total number of houses, number of manufactured homes, number of vacant houses, and condition of each house. Houses in the target areas were broken down into four categories based on condition: standard, in need of minor repair, in need of major repair, and dilapidated. For the scope of this survey, these terms are defined below:

- *Standard* – Those site built or manufactured houses that appear to be well maintained, do not appear to have code violations, and are not in need of structural work.

- *In need of minor repair* – Those houses that appear to need minimal maintenance repairs and may have structural and/or code deficiencies that are estimated to an average of $20,000 for site built houses and $5,000 for manufactured houses.

- *In need of major repair* – Those houses that appear to have extreme maintenance needs and have serious structural and/or code deficiencies that are estimated to cost an average of $40,000 for site built houses and $10,000 for manufactured houses.

- *Dilapidated* – Those site built or manufactured houses that appear to be beyond repair and are considered to be a public health and safety threat, or all "mobile homes" as defined below.

For the purpose of this survey, manufactured homes are defined as: a structure manufactured after June 15, 1976, bearing certification of compliance with HUD standards pursuant to S.C. Code section 40-29-70, transportable in one or more sections, and which is built on a permanent chassis and designed to be used as a dwelling with or without permanent foundation when connected to the required utilities, and includes the plumbing, heating, air conditioning, and electrical systems contained in it.

A mobile home is defined as a structure manufactured prior to June 15, 1976, or manufactured after June 15, 1976 without certification of compliance with HUD standards pursuant to S.C. Code section 40-29-70, which is a movable or portable dwelling unit over thirty (30) feet in length constructed to be towed on its own chassis, without permanent foundation, consisting of a single or two or more connected components. The term does not include prefabricated, modular or unitized dwelling on a permanent foundation, or travel trailer, camper, or similar recreational unit. Since mobile homes defined as such are inherently non-compliant with HUD standards, all obvious examples of these structures are categorized as "dilapidated" in this study.

A survey that rates structures based on the number and degree of visible housing code violations provides a fast overview of housing conditions within the community. A field survey may also achieve a variety of other objectives such as preliminary identification of deteriorating housing suitable for rehabilitation and quantity of abandoned housing units.

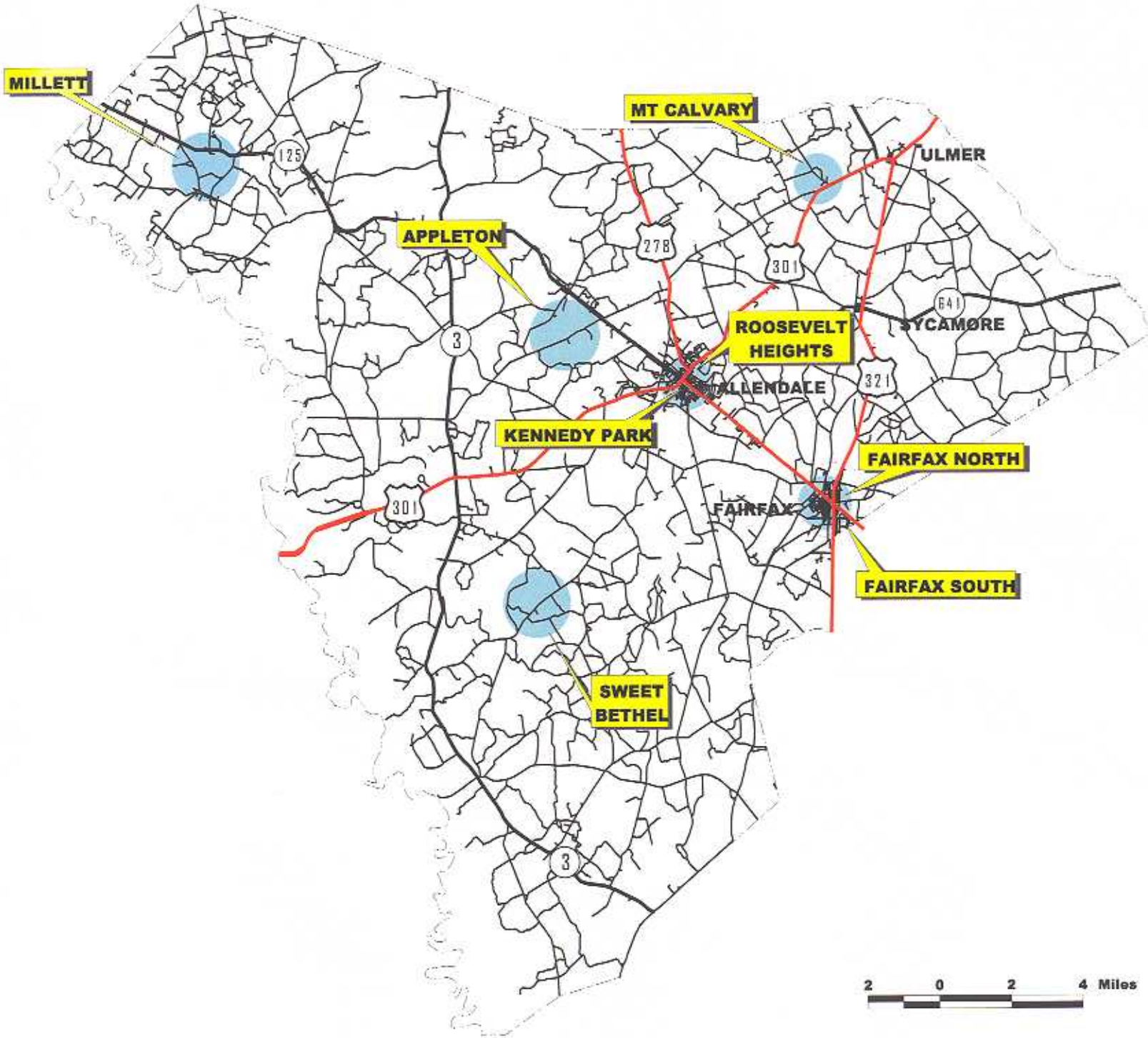
The field survey can produce reliable, current documentation of housing conditions when the surveyor is familiar with housing construction. However, it must be noted that a complete evaluation of housing units for purposes of judging suitability for rehabilitation or demolition must include an interior assessment as well.

LEAD-BASED PAINT

The US Department of Housing and Urban Development (HUD) has recently revised lead-based paint abatement regulations concerning projects funded by HUD monies. Without a certified lead inspection undertaken on each house in the target neighborhoods, it is nearly impossible to estimate the cost of lead-based paint mitigation. However, it can be assumed that those houses built before 1978 will need to undertake some mitigation measures during the rehabilitation process. Since estimates need to be detailed by a certified lead-based paint inspector, they are not included as part of the rehabilitation costs in this study with the assumption that HUD guidelines for lead-based paint inspection and mitigation will be followed in future rehabilitation activities.

Allendale County

Study Areas



MAP 1

- US Hwys
- SC Hwys
- Roads
- Incorporated Limits
- County Boundary
- Study Areas

Prepared by the
Lower Savannah COG GIS
Date: April 23, 2002
Source: LSCOG, TIGER

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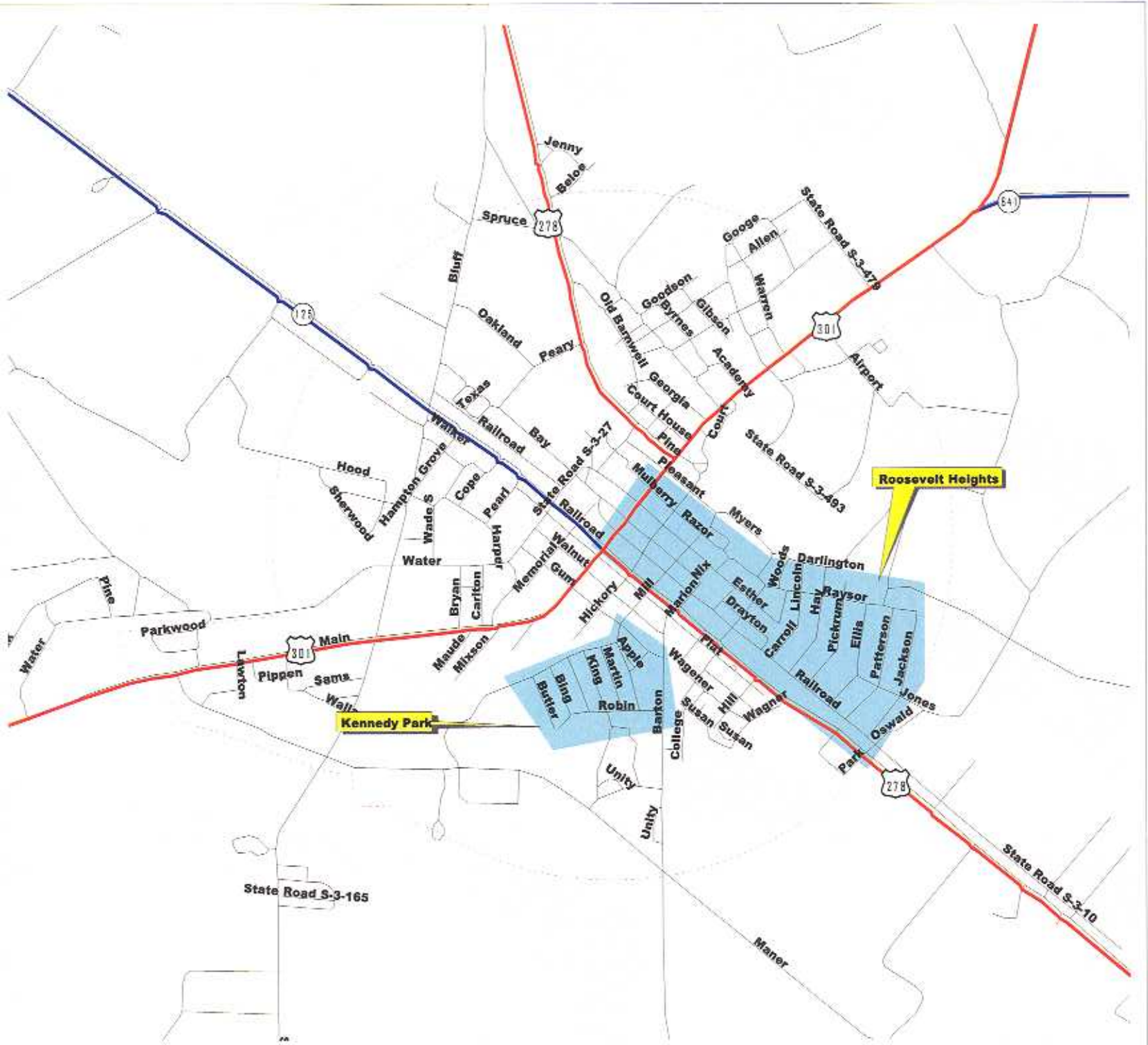
Town of Allendale

Study Areas



- US Hwys
- SC Hwys
- Roads
- Incorporated Limits
- Study Areas

MAP 2

2 0 2 Miles

N

Prepared by the Lower Savannah COG GIS
Date: April 23, 2002
Source: LSCOG, TIGER

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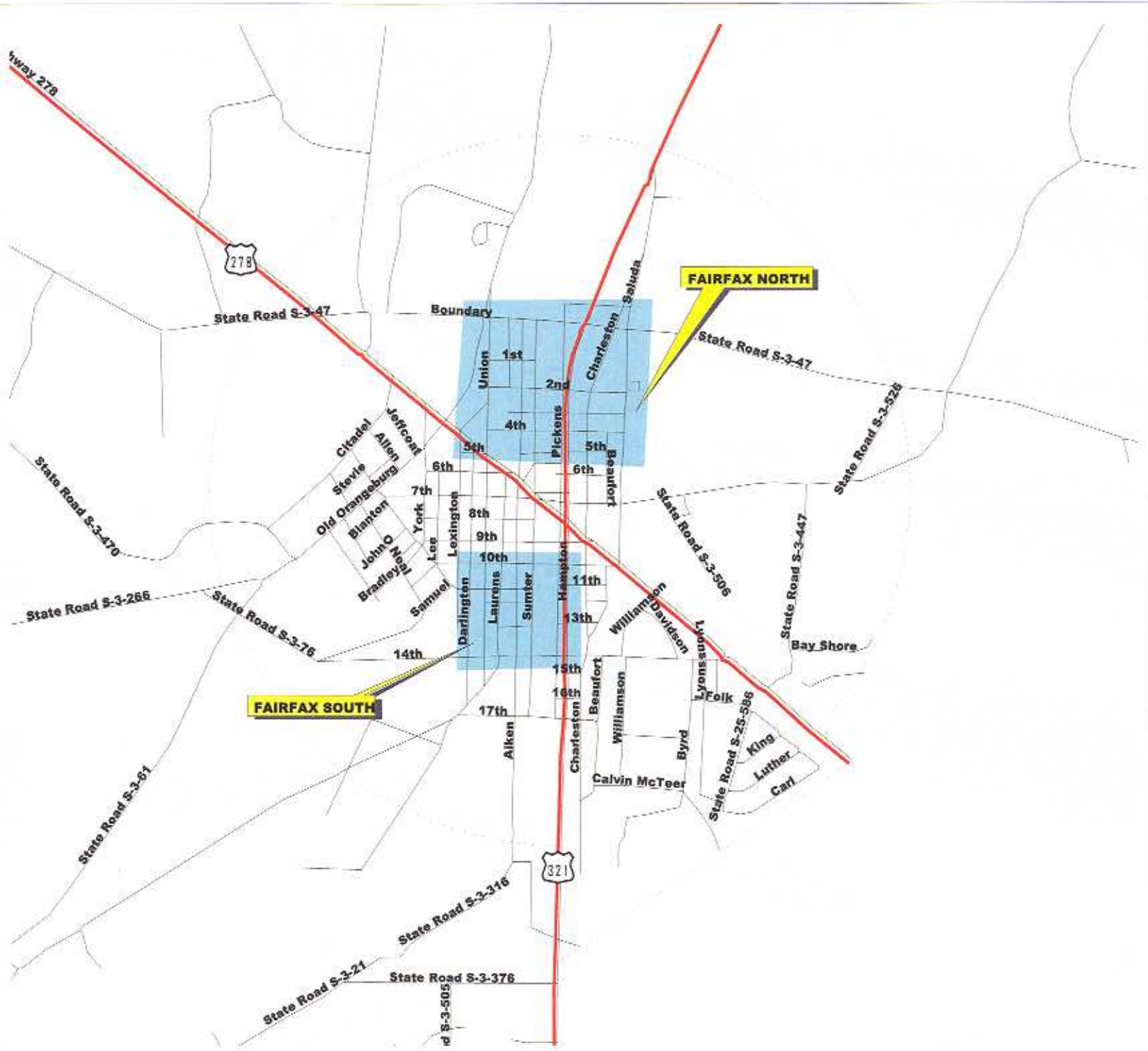
Town of Fairfax

Study Areas



- US Hwys
- SC Hwys
- Roads
- Incorporated Limits
- Study Areas

MAP 3

2 0 2 Miles

Prepared by the
Lower Savannah COG GIS
Date: April 23, 2002
Source: LSCOG, TIGER

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ROOSEVELT HEIGHTS

Estimated Population:	888
Number of Housing Units:	384
Vacancy Rate:	10%
Percent Standard Housing:	24%
Housing Rehabilitation Estimate:	$4,580,000
Average Cost Per Unit:	$11,927

The Roosevelt Heights neighborhood is located in the southeastern section of the Town of Allendale and can be reached by US 301 or US 278. Of the seven neighborhoods in the survey, Roosevelt Heights is the largest in both population and geography. The neighborhood is bounded on the north by Razor Road, on the east by Jackson Street, on the south by Railroad Avenue, and on the west by Hickory Street. The field survey established that there are approximately 384 residential housing units within the neighborhood. Of this total, 291 (76%) appear to be conventional site built homes. The remaining 93 housing units are single or doublewide manufactured homes.

Roosevelt Heights Site Built Houses

Housing Condition	Units	Percent
Standard condition	69	24%
Needs minor repair	78	27%
Needs major repair	67	23%
Dilapidated	50	17%
Vacant	27	9%
TOTAL	**291**	**100%**

Source: LSCOG field survey, 2001

Roosevelt Heights Manufactured Homes

Housing Condition	Units	Percent
Standard condition	22	24%
Needs minor repair	18	19%
Needs major repair	25	27%
Dilapidated	18	19%
Vacant	10	11%
TOTAL	**93**	**100%**

Source: LSCOG field survey, 2001

HOUSING CONDITIONS

Maps 4 and 4A on pages 16-17 reflect the housing conditions and vacancy of the Roosevelt Heights neighborhood. The neighborhood has a relatively high percent of housing – nearly 42% – that is either dilapidated or in need of major repair. More manufactured homes in the neighborhood fall into the "major repair" category than any housing condition category. Rather than being clustered in one section, the manufactured homes in the major repair and dilapidated categories are scattered throughout the target area. Jackson Street on the eastern most boundary of the neighborhood – particularly along the unpaved section north of Jones Street – contains almost exclusively manufactured homes. However, the majority of these homes fall into the standard and minor repair categories, despite the several vacant

homes. Several standard condition homes, both site built and manufactured, also lie along Patterson Street south of Jones Street and parallel to Jackson Street.

The majority of conventional site built housing in poor condition (major repair or dilapidated categories) can be found along Carroll Street, Railroad Avenue, Razor Road, Ellis Street, and south Pickrum Street.

The overall estimate of housing rehabilitation for the Roosevelt Heights neighborhood is $4,580,000. Although this seems like a prohibitive figure, the average cost of rehabilitation per house is $11,927, ranking the neighborhood fifth of seven target areas in terms of estimated rehabilitation cost per housing unit.

GENERAL CONDITIONS

The conditions of the neighborhood are typical for a low to moderate income area of a rural town. There are 37 vacant housing units spread throughout the neighborhood that is generally in poor condition. In addition to the vacant and presumed abandoned homes, there are several empty lots scattered in the neighborhood. Most of these vacant lots are strewn with debris and are overgrown and unkempt. Additionally, derelict cars can be found in yards of occupied housing as well as vacant lots.

The Town of Allendale provides water and sewer service to the majority of the residences in Roosevelt Heights. The water system is comprised primarily of six-inch water lines, with some two-inch lines running along Marion Street, Esther Street, and parts of East Bay Street. The sewer system is comprised primarily of eight-inch service lines throughout the neighborhood.

Though the majority of the roads in the neighborhood are paved, there are some populated areas with unpaved roads. The most obvious area is Jackson Street at the easternmost boundary of the target area. This road has approximately 22 housing units (manufactured houses), although several are vacant. Parts of Esther Street are unpaved (between Mill and Alberon streets), and there are three short roads – Graham, Nix, and Stoney – that are unpaved. Though unpaved, these roads are generally in good condition and with the exception of Jackson Street, largely unpopulated.

Stormwater drainage appears to be inadequate in the neighborhood due to the flat topography of the area. During the course of the field study, stormwater drainage culverts throughout the target area were holding water despite weeks of little or no precipitation. Additionally, drainage culverts were extremely overgrown with vegetation, prohibiting proper drainage and creating a breeding environment for mosquitoes (see photographs on following pages).

The Roosevelt Heights neighborhood appears to be adequately lit with streetlights mounted on utility poles. Several streets have few streetlights; at least two minor roads have no lights at all. There are no sidewalks in the neighborhood. A number of streets, Pickrum Street in particular, have housing units sited close to the lot lines due to small lot sizes (see photographs).

Since the community lies within town limits, the Town of Allendale provides the residents of the community with access to solid waste collection, social services, emergency medical transportation, police, and fire services. The town has three park and recreational areas that include basketball courts, baseball fields, and playground equipment.

Allendale County

Town of Allendale
Roosevelt Heights
Housing Conditions

- Site Built--Dilapidated
- Double Wide--Dilapidated
- Single Wide--Dilapidated
- Site Built--Major Repair
- Double Wide--Major Repair
- Single Wide--Major Repair
- Site Built--Minor Repair
- Double Wide--Minor Repair
- Single Wide--Minor Repair
- Site Built--Standard
- Double Wide-- Standard
- Single Wide--Standard

Road Surface
- Dirt
- Paved
- Roads

MAP 4

Prepared by the Lower Savannah COG GIS
Date: August 15, 2001
Source: LSCOG, TIGER

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Allendale County

Town of Allendale
Roosevelt Heights
Housing Conditions

Vacant
Occupied

Road Surface
Dirt
Paved
Roads

MAP 4A

N

Prepared by the Lower Savannah COG GIS
Date: August 15, 2001
Source: LSCOG, TIGER

General Disclaimer

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KENNEDY PARK

Estimated Population:	384
Number of Housing Units:	157
Vacancy Rate:	4%
Percent Standard Housing:	43%
Housing Rehabilitation Estimate:	$1,625,000
Average Cost Per Unit:	$10,350

The Kennedy Park neighborhood is located in the southern section of the Town of Allendale and can be reached by US 278 or US 301. The neighborhood is bounded on the north by Mill Street and Gum Street, on the east by Barton Road, on the south by Robin Street, and on the west by Butler Street. The field survey established that there are approximately 157 residential housing units within the neighborhood. Of this total, 120 (76%) appear to be conventional site built homes. The remaining 37 housing units are single or doublewide manufactured homes.

Kennedy Park Site Built Houses

Housing Condition	Units	Percent
Standard condition	61	47%
Needs minor repair	47	36%
Needs major repair	14	11%
Dilapidated	8	6%
Vacant	5	3%
TOTAL	**130**	**100%**

Source: LSCOG field survey, 2001

Kennedy Park Manufactured Homes

Housing Condition	Units	Percent
Standard condition	7	26%
Needs minor repair	5	19%
Needs major repair	10	37%
Dilapidated	5	19%
Vacant	2	7%
TOTAL	**27**	**100%**

Source: LSCOG field survey, 2001

HOUSING CONDITIONS

Maps 5 and 5A on pages 24-25 reflect the housing conditions and vacancy of the Kennedy Park neighborhood. Twenty-four percent of the housing in the neighborhood is either dilapidated or in need of major repair. More manufactured homes in the neighborhood fall into the "major repair" category than any housing condition category. The 37 manufactured homes in the target area are clustered primarily along Fairdale and King streets. Within the scope of this survey, the neighborhood has a relatively large number of quality housing units – 76% are in standard condition or need minor repairs, ranking it the highest of the target areas.

The majority of conventional site built housing units in Kennedy Park lies along Butler Street, Bing Street, Moore Street and Robin Street is generally in standard condition. There appear to be

dilapidated homes scattered along Platts Street, Gum Street, and King Street (see map).

The overall estimate of housing rehabilitation for the Kennedy Park neighborhood is $1,625,000. The average cost of rehabilitation per unit is $10,350, ranking the neighborhood sixth of seven target areas in terms of estimated rehab cost per housing unit.

GENERAL CONDITIONS

Kennedy Park as a whole appears to be a clean, quiet community. There are several vacant lots evident in the target area, and these lots are by and large free of debris and not used for illegal dumping. Only seven of the 137 housing units appear to be vacant. This 4% vacancy rate is low; particularly in comparison to the other six low to moderate income neighborhoods in this study. Though the majority of the homes have well tended yards, there are several lots with derelict cars or other junk items. These can be found in yards of occupied housing as well as vacant lots.

The Town of Allendale provides water and sewer service to the majority of the residences in Kennedy Park. The water system is comprised primarily of six-inch service lines around the perimeter of the neighborhood and two-inch lines along the inside streets. The sewer system is comprised primarily of ten-inch service lines along Mill Street and Butler Street, with the other streets in the target area being served with eight-inch lines.

All but two short roads in the Kennedy Park neighborhood are paved. Apple Street and Platts Street are both unpaved; however, there are only approximately nine housing units along these roads. Though these roads are unpaved, at the time of the field survey they were in relatively good condition.

Stormwater drainage appears to be adequate in most areas of the neighborhood. However, there were several areas that appeared to have poor drainage of stormwater due to the flat topography of the area. Although the stormwater drainage culverts were relatively clear of vegetative growth at the time of the field survey, some of the culverts contained a significant amount of trash and debris (see photographs on the following pages).

The Kennedy Park neighborhood appears to be adequately lit with streetlights mounted on utility poles along the majority of the streets. A small number of streets have sidewalks.

Similar to the Roosevelt Heights neighborhood, the community lies within town limits, giving the residents access to solid waste collection, social services, emergency medical transportation, police, and fire services within the Town of Allendale. The town has three park and recreational areas that include basketball courts, baseball fields, and playground equipment.

FAIRFAX NORTH

Estimated Population:	271
Number of Housing Units:	131
Vacancy Rate:	16%
Percent Standard Housing:	5%
Housing Rehabilitation Estimate:	$2,255,000
Average Cost Per Unit:	$17,214

The Fairfax North neighborhood is located in the north section of the Town of Fairfax and can be reached by US 321. The neighborhood is bounded on the north by Boundary Street, on the east by Saluda Street, on the south by 5th Street, and on the west by Union Avenue. The field survey established that there are approximately 131 residential housing units within the neighborhood. Of this total, 94 (72%) appear to be conventional site built homes. The remaining 37 housing units are single or doublewide manufactured homes.

Fairfax North Site Built

Housing Condition	Units	Percent
Standard condition	5	5%
Needs minor repair	40	43%
Needs major repair	31	33%
Dilapidated	18	19%
Vacant	13	14%
TOTAL	**94**	**100%**

Source: LSCOG field survey, 2001

Fairfax North Manufactured

Housing Condition	Units	Percent
Standard condition	1	3%
Needs minor repair	8	22%
Needs major repair	21	57%
Dilapidated	7	19%
Vacant	7	19%
TOTAL	**37**	**100%**

Source: LSCOG field survey, 2001

The neighborhood has a 16% vacancy rate – far greater than the vacancy rate in the other six neighborhoods in the survey. Vacant housing units are most prevalent along Aiken and Laurens streets. The majority of these vacant units (both site built and manufactured homes) are dilapidated and presumed abandoned. These factors make the area a considerable public health and safety concern.

HOUSING CONDITIONS

Maps 6 and 6A on pages 32-33 reflect the housing conditions and vacancy of the Fairfax North neighborhood. The neighborhood has a high percent of housing – nearly 60% – that is either dilapidated or in need of major repair. More manufactured homes in the neighborhood fall into the "major repair" category than any housing condition category (57%). The manufactured homes in the major repair and dilapidated

categories are generally clustered in certain areas, noticeably Union Avenue and Boundary Street. There are also several deteriorating manufactured homes scattered throughout the target area. Three large parcels contain several manufactured homes on the same lot (see Map 6). There is only 5 conventional site built homes and 1 manufactured home within the target area that appear to be in standard condition. Of the 43% of site built homes that are in need of minor repair, most lie along parts of Sumter Avenue and Hampton Avenue.

The majority of conventional site built housing in poor condition (major repair or dilapidated categories) can be found along Aiken Avenue, Laurens Avenue, and Union Avenue. Like the deteriorating manufactured homes, these housing units appear in clusters within the neighborhood.

The overall estimate of housing rehabilitation for the Fairfax North neighborhood is $2,255,000. The average cost of rehabilitation per house is $17,214, ranking the neighborhood second highest of seven target areas in terms of estimated rehab cost per housing unit.

GENERAL CONDITIONS

The conditions of the neighborhood are typical for a low to moderate income area of a rural town. While some streets contain lots that are neat and free of debris, other lots are unsightly. There are 20 vacant housing units spread throughout the neighborhood that are generally in poor condition and presumably abandoned. In addition to the vacant and presumed abandoned homes, there are many empty lots scattered in the neighborhood. Most of these vacant lots are strewn with debris and are overgrown and unkempt. Additionally, derelict cars can be found in yards of occupied housing.

The Town of Fairfax provides water and sewer service to the majority of the residences in Fairfax North. The water system is comprised primarily of six-inch and two-inch water lines. Ten fire hydrants located throughout the neighborhood provide fire protection. The sewer system is comprised primarily of eight-inch lines. The town currently contracts with the Town of Allendale to provide wastewater treatment.

Though the majority of the roads in the neighborhood are paved, there are two roads that are unpaved – Laurens Avenue

between 2nd and 4th streets and Beaufort Avenue between 2nd and 4th streets. These roads have approximately 8 housing units along them. Though unpaved, these roads are for the most part in good condition, with a few areas having dips and pooled water at the time of the survey.

Stormwater drainage appears to be somewhat inadequate in the neighborhood due to the flat topography of the area. During the course of the field study, stormwater drainage culverts throughout the target area were holding water despite weeks of little or no precipitation. Additionally, drainage culverts were extremely overgrown with vegetation, prohibiting proper drainage and creating a breeding environment for mosquitoes (see photographs on following pages).

The Fairfax North neighborhood appears to be adequately lit with streetlights mounted on utility poles. Several streets have few streetlights and may be poorly lit at night. A small number of streets have sidewalks. A number of streets, primarily those in the older sections of the neighborhood, have housing units sited close to the lot lines (see photographs). The entire target area contains many small, wood frame historic houses that are typical of an historic railroad town. Care should be taken to apply sensitive rehabilitation techniques so as to maintain the historic nature of the neighborhood.

Since the community lies within town limits, the Town of Fairfax provides residents with access to solid waste collection, social services, emergency medical transportation, police, and fire services. There are two public housing developments in the town, both of which are located in the northwest quadrant. The town has park and recreational areas that include basketball courts, baseball fields, and playground equipment.

FAIRFAX SOUTH

Estimated Population:	233
Number of Housing Units:	99
Vacancy Rate:	8%
Percent Standard Housing:	12%
Housing Rehabilitation Estimate:	$1,940,000
Average Cost Per Unit:	$19,596

The Fairfax South neighborhood is located in the southern section of the Town of Fairfax and can be reached by US 278 or US 321. The neighborhood is bounded on the north by 10th Street, on the east by Beaufort Avenue and Saluda Avenue, on the south by 14th Street, and on the west by Darlington Avenue. The field survey established that there are approximately 99 residential housing units within the neighborhood. Of this total, 83 (84%) appear to be conventional site built homes. The remaining 16 housing units are single or doublewide manufactured homes.

Fairfax South Site Built

Housing Condition	Units	Percent
Standard condition	10	12%
Needs minor repair	19	23%
Needs major repair	30	36%
Dilapidated	24	28%
Vacant	8	10%
TOTAL	**83**	**100%**

Source: LSCOG field survey, 2001

Fairfax South Manufactured Homes

Housing Condition	Units	Percent
Standard condition	0	0%
Needs minor repair	2	13%
Needs major repair	13	81%
Dilapidated	1	6%
Vacant	0	0%
TOTAL	**16**	**100%**

Source: LSCOG field survey, 2001

The neighborhood has an 8% vacancy rate – which is average within the scope of this survey. The majority of these vacant units (both site built and manufactured homes) are dilapidated and presumed abandoned. These factors make the area a considerable public health and safety concern.

HOUSING CONDITIONS

Maps 7 and 7A on pages 40-41 reflect the housing conditions and vacancy of the Fairfax South neighborhood. The neighborhood has a very high percent of housing – nearly 68% – that is either dilapidated or in need of major repair. Only two manufactured homes in the neighborhood are categorized as needing minor repairs, while none fall into the standard category. Additionally, while 23% of site built homes appeared to need only minor repairs, at the time of the survey 10 appeared to be in standard condition. Of the 23% of site built homes that are in need of

minor repair, most lie along parts of Darlington Avenue and Beaufort Avenue.

A cluster of conventional site built homes in the dilapidated category can be found along Charleston Avenue between 12th and 14th streets. Although categorized as dilapidated, there are many of these dilapidated homes in this area and scattered throughout the target area that are lived in – indicating the extreme poverty of the area.

The majority of manufactured homes in poor condition (major repair or dilapidated categories) can be found scattered in the target area. Since the neighborhood was developed prior to the proliferation of the manufactured housing industry, the manufactured homes are not as ubiquitous in the Fairfax South area as compared to the other target neighborhoods in the study.

The overall estimate of housing rehabilitation for the Fairfax South neighborhood is $1,940,000. The average cost of rehabilitation per house is $19,596, ranking the neighborhood highest of the seven target areas in terms of estimated rehab cost per housing unit.

GENERAL CONDITIONS

The conditions of the neighborhood are typical for a low to moderate income area of a rural town. While some streets contain lots that are neat and free of debris, other lots are unsightly. There are 8 vacant housing units spread throughout the neighborhood that are generally in poor condition and presumably abandoned. In addition to the vacant and presumed abandoned homes, there are many empty lots scattered in the neighborhood. Many of these vacant lots are strewn with debris and are overgrown and unkempt.

The Town of Fairfax provides water and sewer service to the majority of the residences in Fairfax South. The water system is comprised primarily of six-inch and two-inch water lines. Nine fire hydrants located throughout the neighborhood provide fire protection. The sewer system is comprised primarily of eight-inch lines. The town currently contracts with the Town of Allendale to provide wastewater treatment.

Since the target area lies within an older section of town, all roads in the neighborhood are paved with the exception of a small block on Saluda Avenue between 13th and 14th streets. This section has only one developed lot with one residence.

Stormwater drainage appears to be somewhat inadequate in the neighborhood due to the flat topography of the area. While some streets in the target area have curbs and gutters, the majority of the streets are drained through culverts.

The Fairfax South neighborhood appears to be adequately lit with streetlights mounted on utility poles. Several streets have few streetlights and may be poorly lit at night. There are several streets with sidewalks throughout the neighborhood. Like the Fairfax North neighborhood, a number of streets, primarily those in the older sections of the neighborhood, have housing units sited close to the lot lines (see photographs). The entire target area contains many small, wood frame historic houses that are typical of an historic railroad town. Care should be taken to apply sensitive rehabilitation techniques so as to maintain the historic nature of the neighborhood.

Since the community lies within town limits, the Town of Fairfax provides residents with access to solid waste collection, social services, emergency medical transportation, police, and fire services. There are two public housing developments in the town, both of which are located in the northwest quadrant. The town has park and recreational areas that include basketball courts, baseball fields, and playground equipment.

APPLETON

Estimated Population:	31
Number of Housing Units:	13
Vacancy Rate:	8%
Percent Standard Housing:	23%
Housing Rehabilitation Estimate:	$170,000
Average Cost Per Unit:	$13,077

The Appleton neighborhood is located west of the Town of Allendale and can be reached by US 278. The neighborhood lies along Concord Church Road (SR 53) between US 278 and SR 52. The field survey established that there are approximately 13 residential housing units within the neighborhood. Of this total, 9 (69%) appear to be conventional site built homes. The remaining 4 housing units are single or doublewide manufactured homes.

Appleton Site Built Houses

Housing Condition	Units	Percent
Standard condition	3	33%
Needs minor repair	4	44%
Needs major repair	2	22%
Dilapidated	0	0%
Vacant	1	11%
TOTAL	**9**	**100%**

Source: LSCOG field survey, 2001

Appleton Manufactured Homes

Housing Condition	Units	Percent
Standard condition	0	0%
Needs minor repair	2	50%
Needs major repair	0	0%
Dilapidated	2	50%
Vacant	0	0%
TOTAL	**4**	**100%**

Source: LSCOG field survey, 2001

HOUSING CONDITIONS

Maps 8 and 8A on pages 46-47 reflect the housing conditions and vacancy of the Appleton neighborhood. Four of the houses in the area are either dilapidated are in need of major repair. None of the site built homes fall into the dilapidated category. Almost half of the houses are in need of at least minor repair, there are four site built houses and two manufactured homes that fall into the minor repair category. There is only one vacant site built house in Appleton. Of the thirteen total houses, only three are considered in standard condition.

The Appleton community, though rural, is identifiable as a neighborhood by the clustering of residence. The overall estimate of housing rehabilitation for the Appleton neighborhood is $170,000. The average cost of rehabilitation per house is $13,077, ranking it fourth among the neighborhoods in terms of cost per housing unit.

GENERAL CONDITIONS

The general conditions of Appleton are typical for a low to moderate income, rural neighborhood. While some of the homes in the area are neat and tidy, several are rundown and in need of work. Many of the lots are scattered with debris and litter as well as being overgrown. Also, many of the lots contain derelict and abandoned vehicles. Although there were some overhead lights, adequate lighting for the area as a whole is lacking.

Because of its location in an unincorporated area, the community of Appleton relies on wells and septic tanks for water and wastewater.

MT. CALVARY

Estimated Population:	51
Number of Housing Units:	21
Vacancy Rate:	5%
Percent Standard Housing:	29%
Housing Rehabilitation Estimate:	$280,000
Average Cost Per Unit:	$13,333

The Mt. Calvary neighborhood is located in north Allendale County, just west of the Town of Ulmer, and can be reached by US 301. The neighborhood lies along Mt. Calvary Church Road between US 301 and Mt. Calvary Church. The field survey established that there are approximately 21 residential housing units within the neighborhood. Of this total, 18 (88%) appear to be conventional site built homes. The remaining 3 housing units are single or doublewide manufactured homes.

Mt. Calvary Site Built Houses

Housing Condition	Units	Percent
Standard condition	5	28%
Needs minor repair	9	50%
Needs major repair	2	11%
Dilapidated	2	11%
Vacant	1	6%
TOTAL	**18**	**100%**

Source: LSCOG field survey, 2001

Mt. Calvary Manufactured Homes

Housing Condition	Units	Percent
Standard condition	1	33%
Needs minor repair	0	0%
Needs major repair	2	67%
Dilapidated	0	0%
Vacant	0	0%
TOTAL	**3**	**100%**

Source: LSCOG field survey, 2001

HOUSING CONDITIONS

Maps 9 and 9A on pages 52-53 reflect the housing conditions and vacancy of the Mt. Calvary neighborhood. Housing conditions in Mt. Calvary, as a whole, are not as bad as some of the other communities in Allendale County. There are six (29%) houses that are either dilapidated or in need of major repair. Nine site built homes are in need of minor repair. Minor repair represents the highest statistic of site built homes. Six houses are considered in standard condition. This includes five site homes and one manufactured home. Mt. Calvary has only one vacant site house and zero vacant manufactured homes.

The overall cost of rehabilitating Mt. Calvary is estimated at $280,000. The average rehabilitating cost per unit is $13,333, ranking it fifth among communities in terms of per unit cost.

GENERAL CONDITIONS

Mt. Calvary is another typical rural community in Allendale County. The upkeep of the property varies from house to house; some are clean and neat while others are poorly maintained and trashy. It is not unusual to see debris cluttering porches and yards in the area. Lighting of the community is not sufficient. There are only a few streetlights on the Mt. Calvary Church Road and some of them seem to be damaged or broken. The road that runs through Mt. Calvary is paved but is in need of repair or repaving. Furthermore, residents must walk on the road due to the fact that there are no sidewalks in the community.

The town of Ulmer provides Mt. Calvary with water but personal septic tanks are used in handling waste.

SWEET BETHEL

Estimated Population:	**38**
Number of Housing Units:	**16**
Vacancy Rate:	**6%**
Percent Standard Housing:	**44%**
Housing Rehabilitation Estimate:	**$130,000**
Average Cost Per Unit:	**$8,125**

The Sweet Bethel neighborhood is located in the southern section of Allendale County, south of the Town of Allendale, and can be reached by SR 22. The neighborhood lies along Bluff Road (SR 22) between Terry Road and Best Loop. The field survey established that there are approximately 16 residential housing units within the neighborhood. Of this total, 10 (63%) appear to be conventional site built homes. The remaining 6 housing units are single or doublewide manufactured homes.

Sweet Bethel Site Built Houses

Housing Condition	Units	Percent
Standard condition	3	30%
Needs minor repair	2	20%
Needs major repair	2	20%
Dilapidated	3	30%
Vacant	1	10%
TOTAL	**10**	**100%**

Source: LSCOG field survey, 2001

Sweet Bethel Manufactured Homes

Housing Condition	Units	Percent
Standard condition	4	67%
Needs minor repair	0	0%
Needs major repair	1	17%
Dilapidated	1	17%
Vacant	0	0%
TOTAL	**6**	**100%**

Source: LSCOG field survey, 2001

HOUSING CONDITIONS

Maps 10 and 10A on pages 58-59 reflect the housing conditions and vacancy of the Sweet Bethel neighborhood. Housing conditions in Sweet Bethel represent a problem for the community. Seven out of the sixteen total units are either dilapidated or in need of major repair, this is almost half of the homes in the community. Of the remaining houses in Sweet Bethel, two are in need of minor repair while the remaining seven are in standard condition. Of the six manufactured homes in the community, four are in standard condition, one is in need of major repair, and one is dilapidated. There was only one vacant house in Sweet Bethel at the time of the field survey.

The Sweet Bethel community is pretty spread out down Bluff Road. The overall estimate of housing rehabilitation for the Sweet Bethel neighborhood is $130,000. The average cost of rehabilitation per house is $8,125, ranking it the cheapest among the neighborhoods in terms of cost per housing unit.

GENERAL CONDITIONS

Sweet Bethel is another rural Allendale community. The upkeep of the property varies from house to house; some are clean and neat while others are poorly maintained and trashy. It is not unusual to see debris cluttering porches and yards in the area. Most of the vacant lots are overgrown and unkempt. Also, derelict cars can be found in yards of occupied housing. Furthermore, lighting of the community is not sufficient.

The community of Sweet Bethel relies on wells and septic tanks for water and wastewater.

FINDINGS AND RECOMMENDATIONS

In order to address the housing needs of Allendale County's low and moderate income residents; goals should be developed so that strategies for housing progress can be developed. Needs should be prioritized so as to have attainable goals and standards that can be addressed through public policy and periodically measured and reevaluated.

Using this study as a tool, local officials can target a small number of neighborhoods in the county for rehabilitation of substandard units, code enforcement, beautification projects, low-interest loans, federal rental assistance, coordination of public-private interests, and other similar projects designed to promote neighborhood viability and stability.

SUGGESTED GOALS AND STRATEGIES

In the process of establishing guidelines for housing policy, it is essential for the county to adopt goals that address the housing needs. Additionally, specific, measurable strategies should be developed and responsibility assigned so that housing progress can be monitored and periodically evaluated. HUD suggests the following general goals as a fundamental base for housing policy:

- Changing negative development dynamics (e.g., disinvestment)
- Eliminating affordable housing shortages
- Encouraging location of additional employment opportunities in the area
- Facilitating and controlling future growth
- Increasing the supply of dispersed very low income housing near employment
- Increasing homeownership rates and real estate tax revenues
- Making neighborhoods attractive places to live
- Rehabilitating deteriorating housing units
- Replacing dilapidated housing with in-fill development
- Revitalizing declining neighborhoods

In addition to the goals suggested above, the county may want to consider the adoption of more focused goals and associated strategies. Several examples of specific goals and strategies are listed below:

Community life: To provide and maintain safe, sanitary, and satisfactory housing together with efficiently and economically organized community facilities to support it.

> ***Strategies***: Manage housing and its development via zoning, subdivision control, building and housing codes. Design and coordinate local facilities, including schools, fire and police stations, infrastructure, parks, and roads to meet housing needs.
>
> Support public and private actions that increase housing choices for city residents, with emphasis on housing and public improvement programs that 1) improve the balance in the county's population by attracting and keeping families with children; 2) increase the number of housing alternatives for both renter and owner; and 3) improve the physical and environmental conditions of all neighborhoods.
>
> Consider the interplay between state, local, and federal housing policies and actions in when creating local housing policy.

Social and equity concerns: To provide safe, satisfactory housing opportunities to all households, at costs they can afford, without regard to income, race, religion, national origin, family structure, or disability.

> ***Strategies***: Eliminate exclusionary zoning that prohibits multifamily housing, mobile homes, or other housing for lower income groups. Encourage affordable housing development for low income, minority, and other special population groups. Support tax abatement programs to aid needy households.
>
> Support and assist in planning for subsidized housing opportunities primary for households that cannot compete in the market for housing, utilizing all available federal and state aid.

Stability of production: To stabilize housing production or reduce fluctuations in construction, ensure a predictable supply of new units, provide steady employment, reduce inflationary trends, and direct a reliable flow of credit into the housing industry.

> ***Strategies***: Housing production and investment are primarily determined by federal policies dealing with the money supply, interest rates, tax codes, and regulation of financial institutions. But local and state governments can work with economic development agencies to offer financial incentives.

Design and environmental quality: Plan housing to accommodate household needs, optimize the quality of life, use land and resources efficiently, and create minimal adverse impact on the natural environment.

> ***Strategies***: Design to meet specific human needs (e.g., wheelchair accessibility). Develop/evaluate local regulations to deal with stormwater runoff, flood management, wetlands preservation, protection of endangered species, and preservation of open space, agricultural land and forests.

Fair Housing: To ensure fair lending and fair housing rental practices in the community under the Fair Housing Act directive.

> ***Strategies:*** Encourage and support equal access to housing throughout the county for all people, regardless of race, color, national origin, religion, sex, familial status, or physical or mental disability, and encourage the responsible state and federal agencies to enforce state and federal civil rights and fair housing laws.

Existing Housing Maintenance: Encourage and assist the continuing maintenance of existing residential properties, both single and multifamily. This maintenance will be accomplished through a voluntary housing maintenance code program to include marketing, inspection, and financial assistance aimed primarily at safety, sanitation, structural integrity, and energy conservation. To sustain quality housing stock through homeowner education and code enforcement.

> ***Strategies:*** Establish maintenance education program for homeowners, enforce building codes through housing inspections, and consider incentives for low-income homeowners to assist them with code requirements. Utilize

the housing committee to assist homeowners with a home maintenance plan.

Existing Housing Rehabilitation: Revitalize declining low and moderate income neighborhoods through a comprehensive housing rehabilitation plan.

Strategies: Establish a low-income housing rehabilitation plan for the county. Utilize a county housing specialist to manage a housing program that coordinates and administers grants and other sources of community investment funding.

New Housing Production: Assist the private sector in maintaining an adequate supply of single and multifamily housing units at affordable cost to low and moderate income households. Facilitate and control future growth while ensuring affordable housing opportunities for the community.

Strategies: Provide better housing opportunities for families, neighborhoods, and communities by finding ways to increase the role of the private sector in providing affordable housing. Consider neighborhood services, the economy, economic development and job creation, education, health care, crime, and safety policies in neighborhood development plans.

FUNDING SOURCES

Community Development Block Grant Program

The Office of Community Grant Programs of the South Carolina Department of Commerce, administers the Community Development Block Grant (CDBG) Small Cities Program. The purpose of the program is to improve economic opportunities and to meet community revitalization needs of low and moderate income persons.

"We promote a multipronged strategy to solving the affordable housing crisis: improve incomes, expand and improve housing vouchers, preserve viable assisted and public housing, integrate housing and services where necessary for housing stability, and build new housing that the lowest income households can afford. Above all else, the Commission should recommend substantial new federal investment in housing for the lowest income households." (National Low Income Housing Coalition Comments Submitted to the Millennial Housing Commission, July 2001)

Cities and counties, with the exception of the cities of Aiken, Anderson, Charleston, Columbia, Florence, Myrtle Beach, North Charleston, Rock Hill, Spartanburg, Sumter, and Greenville County and all municipalities within Greeneville County, qualify for CDBG funds.

Grants are available in two categories. Under Community Revitalization, grants are awarded on a competitive basis once each year. The maximum grant available is $500,000 and the minimum grant is $50,000. Each project must benefit a minimum of 51% low and moderate income persons. A $5,000 match is required.

The Economic Development Assistance Grant Program is available for projects that will support economic development activities resulting in the creation or retention of jobs for low and moderate income persons. The maximum grant amount is $500,000 and no match is required. Projects are funded on an as needed basis.

The definition of a low and moderate income person varies by county and family size. It is usually necessary to conduct a door-to-door survey to determine if an area to be served by a project can be qualified as low and moderate income. Each of the neighborhoods included in this study should qualify for CDBG funding. Counties are limited in the number of grants that they may receive at any given time.

Rural Development

The Rural Development program of the US Department of Agriculture (formerly Farmers Home Administration) has a program of loans and grants to assist in financing water and waste disposal system improvements to serve both rural residential and business customers. Reapplications may be submitted at any time and funding is provided on a first come, first served basis.

To qualify for funding, applicants must have projects that are located in non-urbanized areas. Some of the neighborhoods included in this study should qualify for funding. Interest rates for Rural Development loans are currently around 5% for the market rate, 4.75% for the intermediate rate and 4.5% for the poverty rate. These interest rates are subject to adjustment each fiscal quarter. The rate applied to a particular project depends upon the median household income of the area being funded. Funds may be borrowed for up to 40 years.

Grants of up to 75% are available if the service need area meets certain income requirements and if water or sewer system monthly rates meet or exceed rates for other comparable systems. Rates averaging $18.00 to $20.00 per month for residential customers generally meet the rate requirement.

The second requirement for a grant is that income for the system must be under a certain level. That amount is determined utilizing census data for the area. However, even though an applicant is eligible for 75% grant, Rural Development may choose to grant an amount less than that is the applicant has the ability to incur additional debt.

The USDA also offers the rural housing service. This includes the Housing Preservation Grant, the Repair and Rehabilitation Grant, and the Community Facilities Grant.

The Housing Preservation Grant (HPG) program provides grants to sponsoring organizations for the repair or rehabilitation of low- and very low-income housing. The grants are competitive and are made available in areas where there is a concentration of need.

Those assisted must own very low- or low-income housing, either as homeowners, landlords, or members of a cooperative. Very

low income is defined as below 50 percent of the area median income (AMI); low income is between 50 and 80 percent of AMI. Eligible sponsors include state agencies, units of local government, Native American tribes, and nonprofit organizations. The objective of the HPG program is to repair or rehabilitate individual housing, rental properties, or co-ops owned and/or occupied by very low- and low-income rural persons.

HPG funds received by the sponsors are combined with other programs or funds and used as loans, grants, or subsidies for recipient households based on a plan contained in the sponsor's application. Funds must be used within a two-year period.

Housing Preservation Grant assistance is available from grantees to assist very-low and low-income homeowners to repair and rehabilitate their homes. Assistance is also available to rental property owners to repair and rehabilitate their units providing they agree to make such units available to very-low and low-income families. Financial assistance provided by the grantee may be in the form of a grant, loan, interest reduction on commercial loans, or other comparable assistance.

Rural Housing Repair and Rehabilitation Grants are funded directly by the Government. A grant is available to dwelling owner/occupant who is 62 years of age or older. Funds may only be used for repairs or improvements to remove health and safety hazards, or to complete repairs to make the dwelling accessible for household members with disabilities. The amount of the grant is based on the applicant's ability to repay and must be used in conjunction with the Repair and Rehabilitation Loan. The lifetime maximum grant amount is $7,500.

The Very Low-Income Housing Repair program provides loans and grants to very low-income homeowners to repair, improve, or modernize their dwellings or to remove health and safety hazards.

To obtain a loan, homeowner-occupants must be unable to obtain affordable credit elsewhere and must have very low incomes, defined as below 50 percent of the area median income. They must need to make repairs and improvements to make the dwelling more safe and sanitary or to remove health and safety hazards. Grants are only available to homeowners

who are 62 years old or older and cannot repay a Section 504 loan.

Loans of up to $20,000 and grants of up to $7,500 are available. Loans are for up to 20 years at 1 percent interest. A real estate mortgage is required for loans of $2,500 or more. Full title services are required for loans of $7,500 or more. Grants may be recaptured if the property is sold in less than three years. Grant funds may be used only to pay for repairs and improvements resulting in the removal of health and safety hazards. A grant/loan combination is made if the applicant can repay part of the cost. Loans and grants can be combined for up to $27,500 in assistance.

Repaired properties do not need to meet other RHS code requirements, but the installation of water and waste systems and related fixtures must meet local health department requirements. Water supply and sewage disposal systems should normally meet RHS requirements. Not all the health and safety hazards in a home must be removed with Section 504 funds, provided that major health and safety hazards are removed. All work must meet local codes and standards.

Community Programs provides grants to assist in the development of essential community facilities in rural areas and towns of up to 20,000 in population. Grants are authorized on a graduated scale. Applicants located in small communities with low populations and low incomes will receive a higher percentage of grants.

Grants are available to public entities such as municipalities, counties, and special-purpose districts, as well as non-profit corporations and tribal governments.

In addition, applicants must have the legal authority necessary for construction, operation, and maintenance of the proposed facility and also be unable to obtain needed funds from commercial sources at reasonable rates and terms.

Grant funds may be used to assist in the development of essential community facilities. Grant funds can be used to construct, enlarge, or improve community facilities for health care, public safety, and community and public services. This can include the purchase of equipment required for a facility's operation. A grant may be made in combination with other CF

financial assistance such as a direct or guaranteed loan, applicant contributions, or loans and grants from other sources.

The Community Facilities Grant Program is typically used to fund projects under special initiatives, such as Native American community development efforts; child care centers linked with the Federal government's Welfare-to-Work initiative; Federally-designated Enterprise and Champion Communities, and the Northwest Economic Adjustment Initiative area.

The amount of grant assistance for project costs depends upon the median household income and the population in the community where the project is located and the availability of grant funds. In most instances, projects that receive grant assistance have a high priority and are highly leveraged with other loan and grant awards. Grant assistance may be available for up to 75% of project costs. Grant funding limitations are based on population and income, economic feasibility, and availability of funds.

Projects will be selected based on a priority point system. Projects that will receive priority are those that: serve small communities - with the highest priority going to projects located in a community with a population of 5,000 or less; serve low-income communities - with the highest priority going to projects serving communities with median household incomes below the higher of the poverty line or 60% of the State non-metropolitan median household income; or provide healthcare, public safety, or public and community services.

Grant funds cannot be used to pay any annual recurring costs, including purchases or rentals that are generally considered to be operating and maintenance expenses; construct or repair electric generating plants, electric transmission lines, or gas distribution lines to provide services for commercial sale; pay costs to construct facilities to be used for commercial rental where the applicant has no control over tenants and services offered; construct facilities primarily for the purpose of housing State, Federal or quasi-Federal agencies; or finance recreational facilities or community antenna television services or facilities.

Applications are filed with the USDA Rural Development field offices. Rural Development staff will be glad to discuss a community's needs and the services available from Rural Development and sister agencies within USDA. Detailed

information and applications for financial assistance are available through Rural Development State Offices.

State Water Pollution Control Revolving Fund

The state Water Pollution Control Revolving Fund (SRF) is a low interest loan program jointly administered by the South Carolina Budget and Control Board and the South Carolina Department of Health and Environmental Control. Funds may be used for wastewater system projects to include wastewater treatment plants, interceptors, and collection systems. Eligible applicants are municipalities, counties and special purpose districts. Financing is available at below market interest rates at terms up to twenty years. Rates as low as 2% may be available for the neighborhoods listed on SCDHEC's Community Survey.

The sewer system improvements proposed for each of the neighborhoods include in this study should qualify for SRF financing. To be eligible, the project must be listed on the SRF Priority List. The SCDHEC Community Survey for Sewer Need is a part of that priority list. Applications are accepted on a first come, first served basis. Applicants must have a Facilities Plan and construction plans and specifications approved prior to approval of loan funds.

State Budget And Control Board Rural Improvement Fund

The Division of Local Government of the State Budget and Control Board administers a grant program to assist cities, counties and other political subdivisions. The highest priority is given to water, sewer and other economic development related projects. The purpose of the program is to assist in projects that cannot find funding elsewhere, or which have a gap in available funding and would not be able to proceed without additional assistance.

State appropriations for this fund have dropped in recent years. There is not a set deadline for the submission of applications nor and established minimum or maximum amount of funding available.

Power Companies And Electric Cooperatives

Each of the major electrical power companies and cooperatives has grant programs available to assist infrastructure projects.

They do generally have to be tied to economic development activities. Grants are awarded in amounts of around $425,000 or less and are directed toward projects with their principal financing coming form other sources. Other means of financing water and sewer system improvements include revenue bonds and special assessment districts.

Revenue Bonds

South Carolina law allows counties to issue revenue bonds for financing of water and sewer systems. Revenue debt is secured by a pledge of and lien upon the revenues of the system that is financed. User charges or rates of the system must be sufficient for operation and maintenance of the system. While it may be possible to issue bonds for construction of the water and sewer improvements necessary to provide service to the areas included in this study, the interest rates and terms are unlikely to be as favorable as those of Rural Economic and Community Development or the State Revolving Loan Fund.

Special Assessment Districts

For those areas which do not qualify for grant funds, and as a practical matter, due to the size of the project it may not be advantageous to utilize state SRF loan funds, the counties may wish to establish special assessment6 districts. Charges would be established for property owners in the area to offset the cost of constructing facilities, the cost of connection users to the system and the cost of operating and maintaining the facilities if they are not turned over to another utility system. This could allow the counties to issue bonds to cover the cost of construction with payments made from funds collects as a result of the charges levied on user of the facilities.

South Carolina Housing Trust Fund

The South Carolina Housing Trust Fund provides financial assistance for the development of safe, decent, sanitary and affordable housing for lower income and very low-income households. The Fund strives to maximize the utilization of federal, state and/or other housing assistance programs and leverage all other public and private resources. It seeks to establish a spirit of partnership between government, qualified non-profit sponsors, for-profit sponsors, and those in need of affordable housing.

Funding by a portion of the documentary stamp tax (an increase of 20 cents per $500 on real estate sold), the Trust Fund is a resource to finance affordable rental and homeownership opportunities for South Carolinians with low and very low incomes. The Housing Trust Fund Act of 1992 established the State Treasurer as Trustee and named the South Carolina State Housing Finance and Development Authority as the Fund's administrator.

Housing Trust Fund applications are designed to be useful resources for establishing a spirit of partnership between government, qualified non-profit sponsors, for-profit sponsors, and those in need of affordable housing. The applicant submits an application on behalf of a low-income beneficiary at least thirty days prior to the Authority's monthly Board of Commissioners meeting. Staff presents the proposal to the Board at the monthly meeting for approval. Once approved, the money becomes available after certain threshold requirements are met.

Currently, there exist no policy for approving conventional lenders within Housing Trust Fund. With the increase in activity within our homeownership activity, staff is seeing more and more unfamiliar mortgage brokers willing to provide the first conventional mortgage, often at excessive interest rates. In an effort to insure our recipients are being best served, effective immediately, for new homeownership applications submitted after November 20, 2001, all conventional lenders, with the exception of Rural Housing Service, participating with HTF in homeownership must be lenders approved under our single family MRB program (participating lenders). Additionally, the first mortgage interest rates, as of the date of the commitment letter, cannot be greater than 375 basis points above the ten (10) year Treasury Rate. Currently, the maximum rate is 8.21%. Staff will be implementing additional homeownership criteria in the future to further streamline the approval process.

Home Investment Partnerships Program (HOME)

The Authority's HOME Program is designed to promote partnerships among the federal government (HUD), state and local governments, and those in the nonprofit and for-profit sectors who build, own, manage, finance, and support low income housing initiatives. HOME provides the flexibility needed to fund a wide range of low income housing initiatives through

creative and unique housing partnerships.

The HOME Program Goals are: strengthen the abilities of state and local governments to design and implement strategies for achieving adequate supplies of decent, affordable housing; increase the supply of decent, safe, sanitary, and affordable housing with the primary focus on rental housing for very low and low-income households; and encourage public, private, and non-profit partnerships in addressing affordable housing needs.

The Authority competitively awards HOME funding each calendar year. Although South Carolina's HOME funding fluctuates year-to-year, an average of $10 million is available. All HOME funds must benefit households at 80% or below the county median income.

Low Income Housing Tax Credit Program

The Low Income Housing Tax Credit Program (LIHTC) is designed to provide an incentive to owners developing multifamily rental housing. Developments that may qualify for credits include new construction, acquisition with rehabilitation, rehabilitation and adaptive reuse.

Owners of and investors in qualifying developments can use the credit as a dollar-for-dollar reduction of federal income tax liability. Allocations of credits are used to leverage public, private and other funds in order to keep rents to tenants affordable.

Candidates eligible for Tax Credits include: individuals, partnerships, corporations, for-profit or nonprofit organizations, and other legal entities. A special set aside allocation is available for qualified nonprofit organizations and developments financed through the Rural Housing Service.

Eligible applicants must submit proposals to be ranked in accordance with the Qualified Allocation Plan (QAP). Authority staff will evaluate all applications for LIHTCs to determine if the proposed development meets the State's housing need priorities.

To be eligible, a development must have at least 20% of its units occupied by households earning at or below 50% of the area median income, or 40% of its units occupied by households

earning at or below 60% of the area median income. Income limits are adjusted for household size.

Maximum rents are set for each unit size based upon 30% of the area's maximum allowable income for specified household sizes. Tenant paid utilities are counted as part of the maximum rent.

Owners must participate in the Authority's Compliance Monitoring Program. Monitoring includes actual physical inspections of housing units as well as a review of tenant records and certifications. The compliance period is 15 years with an agreement to keep the development low-income for an additional 15 years.

Eligible developers must submit proposals to be ranked in accordance with the Qualified Allocation Plan. That ranking is based on housing need priorities and other criteria. The evaluation will also ensure a development does not receive more tax credits than are needed for it to be financially feasible.

Developers must comply with federal guidelines governing tenant income. To be eligible, a development must have at least 20% of its units occupied by households earning at or below 50% of the area median income, or 40% of its units occupied by households earning at or below 60% of the area median income. Income limits are adjusted for household size in certain unusually high- or low-cost housing areas.

Maximum rents are set for each unit size based upon 30% of the area's maximum allowable income for specified household sizes. Tenant paid utilities are counted as part of the maximum rent.

Developers must participate in the Authority's Compliance Monitoring Program. The compliance period is 15 years with an agreement to keep the project low-income for an additional 15 years.

The Authority announces the availability of credits through a series of public notices. Interested persons may request the Authority's Low-Income Housing Tax Credit Manual and Application in person or by writing the Housing Development Division. Submittal procedures and deadlines are located in the Program Schedule of the Qualified Allocation Plan.

Historic Rehabilitation Tax Incentives

Historic buildings reflect a community's past and define its unique character. Two federal tax incentives administered by the National Park Service, the historic rehabilitation tax credit and the charitable contribution deduction, encourage the rehabilitation and preservation of these irreplaceable resources. The State Historic Preservation Office (SHPO) at the South Carolina Department of Archives and History assists owners who apply for these incentives and recommends properties and projects to the National Park Service.

Historic Rehabilitation Tax Credit

The Tax Reform Act of 1986 permits owners and some lessees of historic buildings to take a 20 percent federal income tax credit on the cost of rehabilitating those buildings, allows a period of 27.5 years for the depreciation of improvements to rental residential property, and a period of 31.5 years for nonresidential property.

The building must be a certified historic structure. That means it is individually listed in the National Register of Historic Places or certified by the National Park Service as contributing to a National Register historic district. The building must be substantially rehabilitated; cost of rehabilitation must be greater than the adjusted value of the building and greater than $5,000. Generally, you must spend this money within two years. After rehabilitation, the building must be used to produce income (commercial or rental residential) for at least five years. Certification must be obtained from the National Park Service saying that the rehabilitation meets the Secretary of the Interior's 'Standards for Rehabilitation. The standards ensure that rehabilitation respects the historic character of the building.

Special Property Tax Assessments for Rehabilitated Historic Buildings

State law allows municipal and county governments to give property owners tax incentives for the rehabilitation of historic buildings and low and moderate-income rental property (Sections 4-9-195 and 5-21-140, Code of Laws of South Carolina, 1976, As Amended). Local governments can use special property tax assessments to encourage the revitalization of neighborhoods and downtown commercial districts. The State

Historic Preservation Office (SHPO) at the South Carolina Department of Archives and History helps administer the rehabilitated historic property section of the law.

If a property owner completes a "substantial rehabilitation" of a historic building in a municipality or county that has adopted the special tax assessments law, the local government will place a temporary ceiling on the property's assessed value. Without that temporary ceiling, the improvements made during the rehabilitation would increase the property's assessed value and therefore increase the owner's property taxes.

Under the law, a local government will freeze the tax assessment for up to two years on a historic property if the building is substantially rehabilitated during the two years. After the rehabilitation is complete the property will be taxed for the next eight years on the greater of 40 percent of the post-rehabilitation assessment, or 100 percent of the pre-rehabilitation assessment. At the end of the eight years, the property is taxed on 100 percent of the post-rehabilitation assessment.

The local government must have designated the property as "historic." Historic properties may include: properties listed individually in the National Register of Historic Places; contributing properties in districts listed in the National Register; or properties that are fifty years old or older and meet the local government's criteria for historic designation.

Work done during the rehabilitation or at any time while the special assessment is in effect must not destroy the qualities and features that gave the building its "historic" designation. The SHPO or its designee must approve rehabilitation work. The SHPO can delegate this approval to a local government.

The local governing body must first adopt an ordinance implementing the law within its jurisdiction. The local government must have criteria for determining which properties in its jurisdiction qualify as "historic" and a process for designating properties as "historic." The SHPO must approve the system for designating "historic properties," unless the local government is a Certified Local Government.
assessments.