

**An Assessment of Conditions, both Public and Private,
Affecting Fair Housing Choice for All Protected
Classes in the Lowcountry**

**Lowcountry Council of Governments
June 2007**

An Assessment of Conditions, Both Public and Private, Affecting Fair Housing Choice for All Protected Classes.

1. Methodology:

In order to identify impediments to fair housing choices in the four-county Lowcountry region that comprises Beaufort, Jasper, Hampton and Colleton 33 personal interviews were conducted with directors of public agencies and other organizations that serve low-income and moderate-income clients. They were selected because an element of housing is included in the services provided by each organization, either as direct providers, referral agencies or sources of housing education and financing. As such they represent a large number and a wide variety of client groups (see list on following page).

Small and unrepresentative returns can be expected from a survey mailed to residents of the geographically large study area, and therefore, would lack statistical validity. As a result, the Lowcountry Council of Governments (LCOG) decided to not administer one.

The interviews focused on the following areas:

- Description of community and clients served, including volume and unique needs as identified by the agency's focus.
- Affordable housing inventory available to clients
- Identification of greatest impediments for acquiring low income housing
- Trends in clients' housing needs

Appendix A is a table that lists each organization interviewed and the main impediments reported by each respondent.

Several impediments for housing were common as the interviews proceeded. They are listed below from the most frequently stated to the least. The impediments do not stand alone; they are interrelated and often inseparable.

- a. Inventory – Insufficient stock for low- and moderate-income population
- b. Transportation – Limited access
- c. Low wages – Housing affordability
- d. Shelters – Limited facilities
- e. Financial illiteracy - Prevalent
- f. Government participation – Efforts
- g. Special clients - Increasing
- h. Qualifying clients – Tighter requirements
- i. Construction and land costs - Escalating

After identifying the impediments through interviews, the most recent data available was then assembled and assessed for each subject to ensure that the opinions expressed are based on actual and quantitative conditions.

We also looked at both federal and local legislation that affects fair housing in the Lowcountry.

2. Interview Procedure:

In order to identify the multiple impediments to fair housing choices in the four-county South Carolina region of Beaufort, Jasper, Hampton and Colleton, 33 contacts were identified as providers or in some capacity involved with housing. Personal interviews were conducted with the administrator or executive director in charge of the agencies and organizations which served an array of clients including low income clients, moderate income clients and some having special housing needs. Many of the agencies have the provision of housing as a major focus: others refer their clients to agencies that directly assist with housing. Information was gathered from the following categories of providers of housing or providers of services relative to housing:

County Agencies:

Beaufort County:

Affordable Housing Coordinator
Alliance for Human Services
Senior Service of Beaufort County

Jasper County:

Jasper County Council on Aging
Department of Disabilities and Special Needs

Hampton County:

Hampton County Council on Aging
Hampton County Board of Disabilities & Special Needs

Colleton County:

Colleton County Board of Disabilities and Special Needs

Regional Agencies:

Lowcountry Community Action Agency (Colleton, Hampton)
Lowcountry Council of Governments – Family Caregivers
Lowcountry Council of Governments – Human Services
Lowcountry Workforce Investment
SC Regional Housing Authority #3

State Agencies:

Colleton County Department of Social Services
Hampton County Department of Social Services
Jasper County Department of Social Services
SC Human Affairs Commission

Non-profit Organizations:

Access Network
Beaufort Housing Authority, Inc.
Colleton County Council on Aging
Deep Well Project
Habitat for Humanity, Hilton Head
Habitat North of Beaufort County
Jasper County Neighbors United

Latin American Council of SC
Lowcountry Community Development Center
United Way of Beaufort and Jasper County

Mortgage Lenders:

Bank of America
MCAS Beaufort Federal Credit Union
Palmetto State Bank
Wachovia Bank

Federal Government:

Marine Corps Military Housing

State:

Colleton County Department of Social Services
Hampton County Department of Social Services
Jasper County Department of Social Services
SC Human Affairs Commission

3. Categories of Interviewees:

Interview groups were categorized by:

- A. Those that had housing inventory for clients.
 - a. Questions included:

The volume of clients was compared to the number of available units, waiting time for clients, interaction with governments and funding sources.
 - b. Number contacted: 11

- B. Those that did not have inventory but were able to refer clients to housing facilities in the area.
 - a. Questions included:

Availability of housing, client trends, interaction with local government
 - b. Number contacted: 18

- C. Mortgage lenders who finance first-time home buyers.
 - a. Questions included:

How sub-prime lenders and client qualifying will be affected by the current real estate market.
 - b. Number contacted: 4

4. Lowcountry Socio-Economic Environment

Because most of the impediments to fair housing in the Lowcountry region revolve around economic issues, the socio-economic structure of the area in itself serves as a major impediment to the rent or purchase of affordable housing by households with low or moderate incomes. This section assesses the various components of the regional economy within the context of fair housing.

4.1 Population Growth

Beaufort County had the fastest growth rate in the state (and one of the fastest on the Southeast coast) between 1990 and 2000, while Jasper County ranked fifth in South Carolina.

Population Growth in the Lowcountry

	1990 Census	2000 Census	% Growth
Beaufort County	86,425	120,937	39.9
Colleton County	34,377	38,264	11.3
Hampton County	18,191	21,386	17.6
Jasper County	15,487	20,678	33.5
Region Total	154,480	201,265	30.3
South Carolina	3,486,70	4,012,012	15.1

Source: US Census

Since 2000, the Census Bureau estimates population annually, with the results for the previous year available during the spring of the following year. From 2000 through 2006 growth in the Lowcountry was somewhat slower, although Beaufort County still grew at a very rapid pace.

Population Growth 2000-2006

County	Percent Change 2000- 2006	July 1, 2006 Population	July 1, 2005 Population	July 1, 2004 Population	July 1, 2003 Population	July 1, 2002 Population	July 1, 2001 Population	Census 2000 Population
Beaufort	17.45%	142,045	137,849	135,725	132,889	127,977	124,884	120,937
Colleton	3.14%	39,467	39,430	39,595	39,173	38,804	38,580	38,264
Hampton	-0.55%	21,268	21,153	21,301	21,391	21,316	21,384	21,386
Jasper	5.47%	21,809	21,409	21,193	20,998	20,969	20,831	20,678

Source: US Census Estimates

4.2 Incomes and Poverty

Incomes are distributed as unevenly as is growth in the Lowcountry, with Beaufort County ranking as the wealthiest and Hampton as the fourth poorest in South Carolina, according to data from the 2000 Census; only Beaufort County had incomes higher than the state average. However, without adjusting for the inflation that occurred over the course of the decade, the increases in incomes in all four counties were substantial, as shown by the following chart. Both household and per capita incomes grew at a greater rate in all four counties than the state average rate; Jasper County's increases were the largest in the Region.

		1989	1999	<u>% Change</u> 1989/1990--1999/2000
Beaufort				
	Median Household Income	\$30,450	\$46,992	54.3%
	Per Capita Income	\$15,213	\$25,377	66.8%
Colleton				
	Median Household Income	\$20,617	\$29,733	44.2%
	Per Capita Income	\$9,193	\$14,831	61.3%
Hampton				
	Median Household Income	\$18,615	\$28,771	54.6%
	Per Capita Income	\$8,578	\$13,129	53.1%
Jasper				
	Median Household Income	\$18,071	\$30,727	70%
	Per Capita Income	\$7,984	\$14,161	77.4%
State Average				
	Median Household Income	\$26,256	\$37,082	41.2%
	Per Capita Income	\$11,897	\$18,795	58%

Source: US Census

More recent data (below) show that these trends in per capita income have continued.

	Beaufort County	Colleton County	Hampton County	Jasper County	South Carolina	US
2000	\$32,464	\$19,106	\$18,549	\$17,683	\$24,426	\$29,847
2001	\$34,726	\$19,885	\$19,355	\$18,258	\$25,067	\$30,527
2002	\$34,935	\$20,298	\$19,920	\$19,171	\$25,502	\$30,906
Increase 2000-2002	7.6%	6.2%	7.4%	8.4%	4.4%	3.5%

At the same time, all four counties made progress in reducing the percentage of people living in poverty, with Hampton and Jasper counties showing the greatest improvement between 1990 and 2000. Nevertheless, only Beaufort County's poverty rates are lower than the state's averages.

Poverty Levels

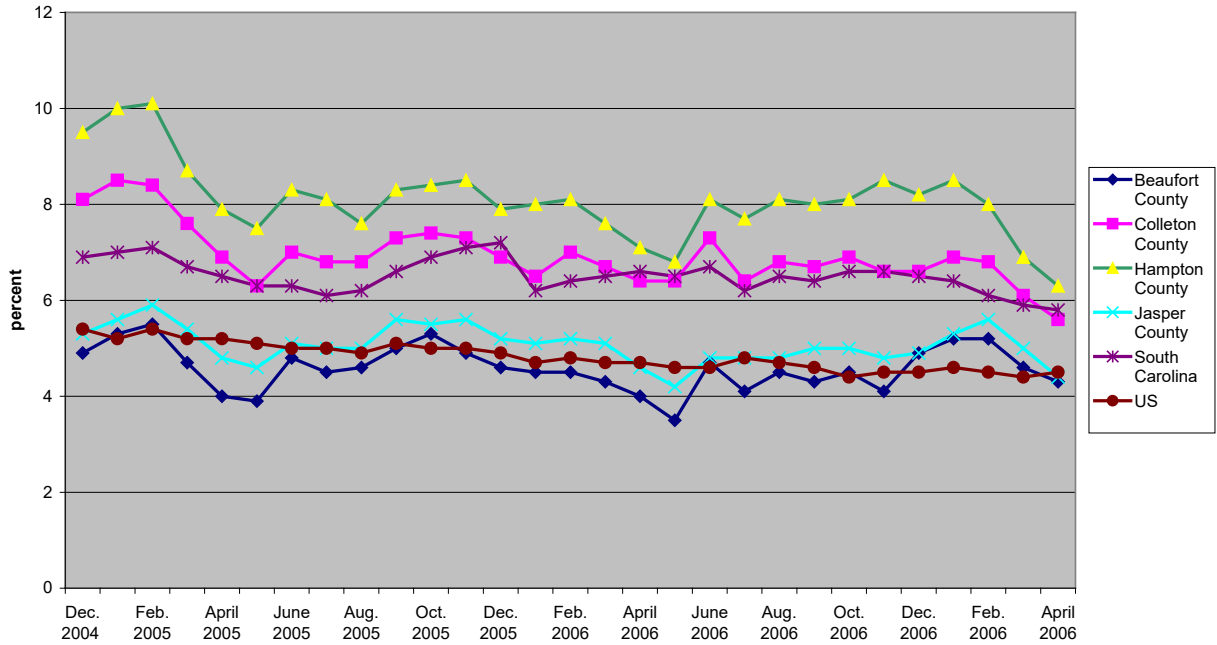
			1989/1990	1999/2000
Beaufort	All Individuals	Number	10,801	12,194
		Percent	13.6	10.7
Colleton	All Individuals	Number	7,950	8,014
		Percent	23.4	21.1
Hampton	All Individuals	Number	4,989	4,277
		Percent	27.7	21.8
Jasper	All Individuals	Number	3,866	3,996
		Percent	25.3	20.7
State Average	All Individuals	Number	517,793	547,869
		Percent	15.4	14.1

However, especially in Beaufort County, the income data paint a distorted picture of the economic situation for all residents, since the data includes retirement and investment income for wealthy individuals. Lowcountry average wages do not even meet the state's average, which negatively affects housing affordability.

4.3 Employment and Wages

Beaufort County consistently has among the lowest unemployment rates in the state, while Colleton and Hampton counties have continually had unemployment rates that are notably higher than the rest of the region and the state and US averages.

Lowcountry Unemployment Rates



Source: SCLMI

Unemployment rates do not tell the complete economic picture, though. This is because wage rates are low. The table on the next page shows average weekly private sector wages in the Lowcountry between 1995 and the third quarter of 2006. Even when unemployment is relatively low, as in Beaufort County, wages do not meet the state average because of the concentration of jobs in the tourism and retail sectors of the economy.

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	3rd Quarter 2006	Change 1995-2006
Beaufort County	\$404	\$423	\$440	\$460	\$480	\$493	\$516	\$505	\$525	\$560	\$564	\$565	39.85%
Colleton County	\$364	\$374	\$382	\$404	\$427	\$445	\$458	\$445	\$457	\$491	\$511	\$523	43.68%
Hampton County	\$393	\$411	\$434	\$460	\$468	\$497	\$536	\$524	\$531	\$570	\$581	\$560	42.49%
Jasper County	\$309	\$325	\$339	\$361	\$390	\$428	\$447	\$441	\$474	\$531	\$568	\$623	101.62%
South Carolina	\$448	\$462	\$481	\$501	\$523	\$541	\$562	\$567	\$582	\$602	\$623	\$627	39.96%

Source: SCLMI

4.4 Ethnic Diversity

Along with unprecedented growth, especially in Beaufort and Jasper counties, has come an equally significant change in the composition of the Region’s population. Formerly, and for many decades, the area population was almost entirely comprised of African-American and white residents, although there have been small Asian, Hispanic and Native American population segments living in the area for a number of years. The combination of rapid growth and low unemployment in the region attracted people to the Lowcountry during the 1990s and into the first years of the twenty-first century. As the 2000 Census and the 2005 Census estimates show, a relatively large number of persons of Hispanic/Latin origin have moved into the Region, especially to Beaufort and Jasper Counties. Although hard data is not available, anecdotal evidence points to low-paying jobs for a large portion of the Hispanic population here.

		Total Population	Total White	Total Black	Other Races		Total Hispanic
Beaufort	2000	120,937	89,065	29,340	2,532		16,534
	2005	137,849	104,351	30,141	3,357		24,064
	% Change 2000-2005	13.98%	17.16%	2.73%	32.58%		45.54%
Colleton	2000	38,264	21,478	16,180	606		1,113
	2005	39,605	22,794	16,276	535		1,483
	% Change 2000-2005	3.50%	6.13%	0.59%	- 11.72%		33.24%
Hampton	2000	21,386	9,301	11,918	167		1,101
	2005	21,329	9,278	11,923	128		1,225
	% Change 2000-2005	-0.27%	-0.25%	0.04%	- 23.35%		11.26%
Jasper	2000	20,678	9,472	10,941	265		2,381
	2005	21,398	10,319	10,825	254		4,277
	% Change 2000-2005	3.48%	8.94%	- 1.06%	-4.15%		79.63%
		Total Population	Total White	Total Black	Other Races		Total Hispanic
Lowcountry	2000	201,265	129,316	68,379	3,570		21,129
	2005	220,181	146,742	69,165	4,274		31,049
	% Change 2000-2005	9.40%	13.48%	1.15%	19.72%		46.95%

Note: The numbers of white, black, other and Hispanic add up to more than the total county populations because Hispanic residents have been counted as members of one or more of the other races as well.

4.5 Economic Diversification

To deal with these problems and to take advantage of the Lowcountry's transportation and other locational advantages, a four-county Economic Development Alliance is being formed to implement the recommendations of the recently completed *Lowcountry Economic Diversification Plan*, the key goals of which are to diversify the area's economy away from dependence upon the three local military installations and tourism to provide good jobs. This is in keeping with **Section 3**, a provision of the Housing and Urban Development (HUD) Act of 1968 that promotes local economic development, neighborhood economic improvement, and individual self-sufficiency.

5. Impediments

The significant impediments affecting fair housing for all protected classes in the Lowcountry are discussed in the following section. A review of all the interviews indicated a pattern of prevalence for certain impediments. A commonality surfaced. These variables are listed in order of most-to-least significance. It should be noted that the first three items were mentioned in 95% of the interviews. The relationship of these three prominent items to each other is inseparable.

5.1 Inventory

Although there is presently a surplus of both rental and purchase dwelling units in the Lowcountry, there is a scarcity of available low-income rental housing and affordable housing for purchase by moderate-income households in the Region.

Because of the shortage of such rental housing, the waiting list of those in immediate need of housing far surpasses the number of units available. It is not uncommon for a client to be on the list for twelve months, or even longer.

In Beaufort County, the Beaufort Housing Authority presently manages 293 public housing units. Section 8 provides vouchers for 574 units. Units range in size from efficiency to 4 bedrooms. Clients who cannot be accommodated immediately go on a waiting list which can take more than one year for results. Angela Childers, Operations Administrator of Beaufort Housing Authority reported as of May 2007 the waiting list for public housing was 140 families, and Section 8 had 470. She noted these numbers are fluid, depending on monthly activity.

SC Regional Authority #3 (which has responsibility for Hampton and Jasper counties) has assigned nine Section 8 vouchers to Jasper County and 14 for Hampton. Colleton County's Section 8 voucher program is administered by the SC State Housing Finance and Development Authority. Approximately 90 families are currently being assisted by means of Section 8 vouchers; a total of 106 families were assisted in FY 2005. Although the waiting list has been closed since March 30, 2005, at the time there were 249 families on that roster. In addition, there are 276 other project-based units in Colleton County, administered under HUD contracts.

Robert Thomas, Executive Director of SC Regional Authority #3 says that waiting lists for Section 8 are closed. As of May 2007, there were 52 households in Jasper County on the waiting list and 144 in Hampton. Factors such as local preferences, bedroom sizes required; and application dates are used to determine movement to the top of the waiting list. The waiting list for clients seeking housing through the SC Regional Authority #3 is evaluated at least annually to determine whether or not to re-open application processing. Based on present projections, there is a three year waiting period. The typical call for assistance is from potential clients “doubling up” and essentially being crowded out of present housing.

SC Regional Authority #3 has partnered with Southeastern Housing Foundation to expand housing needs.

“Southeastern Housing Foundation (SHF) is a non-profit foundation formed in 1976 to create quality, safe, and affordable housing opportunities. Reorganized in 1997, SHF works in partnership with SC Regional Housing Authority No. 3 to transform renters into homeowners through the Homeownership Program.

“In partnership with SC Regional Housing Authority No. 3, SHF has become a major force to both modernize older housing units as well as take responsibility for developing new rental housing. Through purchasing older housing complexes, SHF has utilized state and federal grants to renovate more than 460 units of 1970’s era housing. As a housing developer, SHF is working to develop projects across the state to alleviate critical shortages in affordable single, multi-family, and senior housing.”

5.2 Transportation

The ideal situation would be to have adequate numbers of affordably-priced housing units located within walking distance of the Lowcountry’s major employers and employment centers, as well as medical, educational, retail centers and services. This is not economically possible, because property values are actually higher nearer the places where jobs are most plentiful. (see Case Study, Appendix B). Consequently, those persons in lower-paying jobs cannot afford to live near their places of work, school, shopping and health care. As a result, transportation—or the lack thereof—emerges as an impediment to fair housing in the Lowcountry.

For more than 30 years Hilton Head has been considered the “economic engine” of the region; now nearby Bluffton and southern Jasper County have joined with the resort area to provide approximately 46,000 jobs for residents of all four counties, according to recent estimates. With Hampton and Colleton counties regularly having the highest unemployment rates in the Region, residents regularly travel from relatively inexpensive housing located as far away as Estill (in Hampton County) and Cottageville (in Colleton County) every day to and from jobs in southern Beaufort and Jasper counties. As a result, some people spend as much as four or five hours a day on buses or two to three hours in cars.

The following table, with data from the 2000 Census, provides an overview of commuting patterns that seem to be continuing.

	Percent in Car Pools	Percent Using Public Transportation	Mean Commuting Time (minutes)
Beaufort County	14.4	1.2	23.3
Colleton County	21.6	1.3	32.7
Hampton County	19.1	1.6	33.1
Jasper County	25.8	1.2	34.2

Population numbers have changed since 2000, especially in Beaufort County, but it is very likely that these patterns have continued to date because significant numbers of new jobs have not been added in Colleton and Hampton counties or in northern Beaufort and Jasper counties.

Palmetto Breeze, the new operating name for the Lowcountry Regional Transportation Authority (LRTA) and its predecessor, the Beaufort-Jasper Regional Transportation Authority, have operated public transit service in the area since the 1970's. Most of Palmetto Breeze's service is centered on Beaufort County, the home of 60% of the Region's population, the most densely populated county, and the location of major tourism and employment facilities, as well as medical, institutional, educational and government services. Service to the other three counties is limited to the rush hour commuter service linking several towns and areas with southern Beaufort County. It has not been financially feasible to provide other service in a widespread Region that, outside southern Beaufort County and the City of Beaufort-Town of Port Royal urban area, is largely rural. The following two tables, using Census data, show this quantitatively.

2000 Rural vs. Urban Population

	Total population: Urban	Total population: Rural	% Rural
Beaufort County	86,763	34,174	28.26%
Colleton County	10,064	28,200	73.70%
Hampton County	7,667	13,719	64.15%
Jasper County	3,585	17,093	82.66%

2006 Densities

County	Total Area	Land Area	2006 Total Population	Density (per square mile of land area)
Beaufort	922.88	535.27	142,045	265 persons
Colleton	1,133.21	1068.61	39,467	37 persons
Hampton	562.63	523.24	21,268	41 persons
Jasper	699.79	680.89	21,809	32 persons

Feedback from human service agencies, local planning officials, and businesses emphasized the important role that Palmetto Breeze plays in providing transportation to a number of Region’s residents to enable them to access employment, human and medical services, and shopping. However, the representatives indicated that there are many unmet transportation needs in the Region because of the limited service and the predominant pattern of the service – one-way commuter service to southern Beaufort County.

In spite of these and other obstacles, LCOG and Palmetto Breeze are working together and with SCDOT to provide more public transportation options to residents of the Lowcountry within the next few years, but transportation will remain an impediment to fair housing for the foreseeable future.

5.3 Housing Affordability

Several agency executives referred to “affordable housing” as a misnomer. Housing affordability was the third most common impediment identified by interviewees.

In sections 4.2 and 4.3 (above) the relatively high area poverty levels and income/wage discrepancies were discussed, pointing to any affordability issue.

Every year the National Low Income Housing Coalition (NLIHC) assesses the affordability of rental housing for all of the counties in the United States and issues a summary report titled “Out of Reach.”

Their data demonstrates the affordability of housing in the Lowcountry for households with low and moderate incomes.

The NLIHC assumptions for South Carolina are summarized as follow;

- In South Carolina, the Fair Market Rent (FMR) for a two-bedroom apartment is \$615. In order to afford this level of rent and utilities, without paying more than 30% of income on housing, a household must earn \$2,048 monthly or \$24,580 annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into Housing Wage of \$11.82.

- In South Carolina, a minimum wage worker earns an hourly wage of \$5.15. In order to afford the FMR for a two-bedroom apartment, a minimum wage earner must work 92 hours per week, 52 weeks per year. Or, a household must include 2.3 minimum wage earner(s) working 40 hours per week year-round in order to make the two bedroom FMR affordable.
- In South Carolina, the estimated mean (average) wage for a renter is \$9.77 an hour. In order to afford the FMR for a two-bedroom apartment at this wage, a renter must work 48 hours per week, 52 weeks per year. Or, working 40 hours per week year-round, a household must include 1.2 worker(s) earning the mean renter wage in order to make the two-bedroom FMR affordable.
- Monthly Supplemental Security Income (SSI) payments for an individual are \$603 in South Carolina. If SSI represents an individual's sole source of income, \$181 in monthly rent is affordable, while the FMR for a one-bedroom is \$540 .*A unit is considered affordable if it costs no more than 30% of the renter's income.*

The following NLIHC tables detail the affordability problem of rental housing in the four Lowcountry counties and compare the conditions here with the state's average.

2006 Area Median Income (AMI)

	South Carolina	Beaufort County	Colleton County	Hampton County	Jasper County
Annual	\$53,083	\$63,000	\$40,600	\$41,600	\$44,800
Monthly	\$4,424	\$5,250	\$3,383	\$3,467	\$3,733
30% of AMI ²	\$15,925	\$18,900	\$12,180	\$12,480	\$13,440

Maximum Affordable Monthly Rent as % of Family AMI

30%	\$398	\$473	\$305	\$312	\$336
50%	\$664	\$788	\$508	\$520	\$560
80%	\$1,062	\$1,260	\$812	\$832	\$896
100%	\$1,327	\$1,575	\$1,015	\$1,040	\$1,120

2007 Fair Market Rent (FMR)

Zero-Bedroom	\$491	\$590	\$325	\$416	\$460
One-Bedroom	\$540	\$710	\$405	\$423	\$499
Two-Bedroom	\$615	\$803	\$500	\$500	\$556
Three-Bedroom	\$781	\$979	\$707	\$617	\$663
Four-Bedroom	\$861	\$1,040	\$726	\$700	\$752

% Change from 2000 Base Rent to 2007 FMR

	South Carolina	Beaufort County	Colleton County	Hampton County	Jasper County
Zero-Bedroom	20%	20%	31%	33%	19%
One-Bedroom	20%	20%	31%	33%	19%
Two-Bedroom	20%	20%	31%	33%	20%
Three-Bedroom	20%	20%	32%	33%	20%
Four-Bedroom	20%	20%	31%	33%	20%

Annual Income Needed to Afford FMR

Zero-Bedroom	\$19,644	\$23,600	\$13,000	\$16,640	\$18,400
One-Bedroom	\$21,612	\$28,400	\$16,200	\$16,920	\$19,960
Two-Bedroom	\$24,580	\$32,120	\$20,000	\$20,000	\$22,240
Three-Bedroom	\$31,225	\$39,160	\$28,280	\$24,680	\$26,520
Four-Bedroom	\$34,435	\$41,600	\$29,040	\$28,000	\$30,080

Percent of Family AMI Needed to Afford FMR

Zero-Bedroom	37%	37%	32%	40%	41%
One-Bedroom	41%	45%	40%	41%	45%
Two-Bedroom	46%	51%	49%	48%	50%
Three-Bedroom	59%	62%	70%	59%	59%
Four-Bedroom	65%	66%	72%	67%	67%

2006 Renter Household Income

Estimated Median ⁵	\$28,522	\$39,445	\$22,169	\$21,989	\$25,036
Percent Needed to Afford 2 BR FMR	86%	81%	90%	91%	89%
Rent Affordable at Median	\$713	\$986	\$554	\$550	\$626
% Renters Unable to Afford 2 BR FMR ⁶	43%	40%	45%	45%	44%

2005 Renter Wage

Estimated Mean Renter Wage ⁷	\$9.77	\$9.92	\$7.89	\$9.42	\$9.67
Rent Affordable at Mean Wage	\$508	\$516	\$410	\$490	\$503

2006 Minimum Wage

Minimum Wage	\$5.15	\$5.15	\$5.15	\$5.15	\$5.15
Rent Affordable at Minimum Wage	\$268	\$268	\$268	\$268	\$268

2006 Supplemental Security Income

	South Carolina	Beaufort County	Colleton County	Hampton County	Jasper County
Monthly SSI Payment	\$603	\$603	\$603	\$603	\$603
Rent Affordable at SSI	\$181	\$181	\$181	\$181	\$181

Housing Wage

Zero-Bedroom	\$9.44	\$11.35	\$6.25	\$8.00	\$8.85
One-Bedroom	\$10.39	\$13.65	\$7.79	\$8.13	\$9.60
Two-Bedroom	\$11.82	\$15.44	\$9.62	\$9.62	\$10.69
Three-Bedroom	\$15.01	\$18.83	\$13.60	\$11.87	\$12.75
Four-Bedroom	\$16.56	\$20.00	\$13.96	\$13.46	\$14.46

Housing Wage as % of Minimum Wage

Zero-Bedroom	183%	220%	121%	155%	172%
One-Bedroom	202%	265%	151%	158%	186%
Two-Bedroom	229%	300%	187%	187%	208%
Three-Bedroom	291%	366%	264%	230%	248%
Four-Bedroom	321%	388%	271%	261%	281%

Housing Wage as % of Mean Renter Wage

Zero-Bedroom	97%	114%	79%	85%	91%
One-Bedroom	106%	138%	99%	86%	99%
Two-Bedroom	121%	156%	122%	102%	111%
Three-Bedroom	154%	190%	172%	126%	132%
Four-Bedroom	170%	202%	177%	143%	150%

Work Hours/Week at Minimum Wage Needed to Afford FMR

Zero-Bedroom	73	88	49	62	69
One-Bedroom	81	106	60	63	75
Two-Bedroom	92	120	75	75	83
Three-Bedroom	117	146	106	92	99
Four-Bedroom	129	155	108	105	112

Work Hours/Week at Mean Renter Wage Needed to Afford FMR

Zero-Bedroom	39	46	32	34	37
One-Bedroom	43	55	39	35	40
Two-Bedroom	48	62	49	41	44
Three-Bedroom	61	76	69	50	53
Four-Bedroom	68	81	71	57	60

Full-time Jobs at Minimum Wage Needed to Afford FMR

	South Carolina	Beaufort County	Colleton County	Hampton County	Jasper County
Zero-Bedroom	1.8	2.2	1.2	1.6	1.7
One-Bedroom	2.0	2.7	1.5	1.6	1.9
Two-Bedroom	2.3	3.0	1.9	1.9	2.1
Three-Bedroom	2.9	3.7	2.6	2.3	2.5
Four-Bedroom	3.2	3.9	2.7	2.6	2.8

Full-time Jobs at Mean Renter Wage Needed to Afford FMR

Zero-Bedroom	1.0	1.1	0.8	0.8	0.9
One-Bedroom	1.1	1.4	1.0	0.9	1.0
Two-Bedroom	1.2	1.6	1.2	1.0	1.1
Three-Bedroom	1.5	1.9	1.7	1.3	1.3
Four-Bedroom	1.7	2.0	1.8	1.4	1.5

The accelerating costs of land and construction and the cost of compliance with local building codes (particularly in Beaufort County) has caused and will likely continue to drive up the price for housing beyond the affordable range for low-income and moderate-income households. This is discussed in subsequent sections of this report.

5.4 Shelters and Homelessness – Limited Facilities

Homelessness, and the resulting need for shelters, has not received much attention from the general public in the Lowcountry. A survey of availability of homeless shelters in the four-county area indicates the following:

<u>County</u>	<u>Shelters</u>
Beaufort County	0
Jasper County	1 for men only
Hampton County	0
Colleton County	1 for women and children only

Some shelters are not open during the day, leaving the homeless to wander the community until evening admission to the shelter. This limitation severely impedes any stability the homeless might hope to achieve even on a temporary basis. Several agencies stated they occasionally provide a bus ticket for homeless who have a destination but can't get beyond the community where they are wandering.

HUD defines chronically homeless as an unaccompanied individual with a disabling condition who has either been continuously homeless for more than a year or at least four times during the past three years. Chronically homeless are the most problematic to the community as compared to a temporary homeless person who can get “back on track” with assistance from various agencies. Homeless data for the current year is now being collected. Becky Van Wie, Director

of the Lowcountry Continuum of Care Partnership, a non-profit located in Mt. Pleasant, S.C. which serves seven counties, including Beaufort, Jasper, Hampton and Colleton counties, has provided the 2007 homeless count:

County	Sheltered	Unsheltered
Beaufort	23	78
Jasper	13	14
Colleton	6	0
Hampton	0	3

Note: This data is pending analysis of raw data by HUD, subject to HUD’s definition of homelessness, and elimination of any duplication in count.

According to the South Carolina Council on Homelessness:

“Most providers would include people who temporarily are living with other people in the definition of homelessness. Often referred to as the “doubled up” population, this includes people who, lacking their own permanent housing, stay with friends or family for short periods of time. They may or may not contribute to the household materially or in-kind. National and local studies suggest that the experience of “doubling up” is closely associated with other forms of homelessness. Because “doubling up” is a coping strategy frequently adopted by families and used in rural areas that lack housing programs, it is important to consider this type of homelessness in the state’s plan to end homelessness.”

Doubling up may exceed a safe capacity of the housing unit and threat to all occupants of the building. Creative clients find shelter in wooded areas, shopping centers and wherever they perceive to be a warm, seclude and safe shelter. Temporary can turn into weeks, and is particularly intolerable if children are involved. Homeless families are the fastest growing segment of the homeless population. Beaufort County has taken the initiative to search and identify 26 homeless persons, ages 30-89 “residing” in the County. They identified 137 students in the public schools whose families were homeless.

Agencies which provide housing for physically or mentally challenged are limited by strict SC regulations concerning capacity, ratio of client to supervisors, mandatory live-in counselors, and proximity of agency to housing. Reduced state funding and acceptance in the community affect the size and placement of housing in the community. The placement of clients is sometimes determined in Columbia, SC and typically that placement is not sensitive to the nearness of family members. This is particularly true for special needs clients. Senior service agencies which do not have an inventory of housing units are challenged to make referrals to properties which are affordable and provide ADD modifications. Several agencies, including Deep Well and the Salvation Army, will provide a band-aid approach for clients in fear of losing their housing. They will provide the client with one or two nights housing at a cooperating motel, or assist with rental dollars one time to get over a crisis.

5.5 Financial Illiteracy

Because of lack of knowledge concerning financing—especially of home purchases—low-income persons may not be aware of all of the potential resources available, they may not be aware of all of the implications involved in complicated subprime financing or they may become victims of predatory lenders. They may pay premium rates and be subject to unreasonable penalties. This can cause low-income clients to have poor or no credit, which ultimately affects qualifying for rental housing or purchasing a home. Several agencies and organizations require or make easily available classes for educating their clients concerning budgeting, borrowing, responsible loan repayments, record keeping and saving. Literature and instructions are offered in Spanish when necessary.

An example of the homebuyers' education class as conducted by the Lowcountry Community Development Corporation, Inc. in conjunction with areas banks covers the following subjects:

- Defining needs and developing personal goals
- Advantages and disadvantages of homeownership
- Taking charge of your finances
- Learning to walk away if you can't afford it
- Predatory lending
- Tax advantages of homeownership
- Preparing and balancing a budget/types of expenses/Debt warning signs
- Cleaning up credit problems/Disputing errors/Credit "repair" clinics
- Consumer credit laws
- Foreclosure prevention
- Fair housing laws.

Without such education, low-income clients can fall prey to scams and predatory lenders. Predatory lenders most often seek out clients with low credit scores, minority purchasers, elderly persons and clients with little or no financial literacy. Melissa Sprouse Browne, of the Chip Browne's Real Estate School of S.C. states: "There are specific categories of abuse of which consumers should be aware: loan flipping, charging excessive fees and 'packing' (lending without regard to ability to repay)."

Several of the interviewees indicated that financial education was provided and often mandatory when housing assistance was provided. Included were Beaufort County Housing, Habitat North and Hilton Head, Deep Well, Latin American Council of SC, Workforce Investment, Jasper County Neighbors United, Lowcountry Community Development Corporation.

The issue of sub-prime mortgages and their impact on moderate income home-buyers reached national significance during the course of this study.

The HUD website discusses subprime lending:

"Subprime loans play a significant role in today's mortgage lending market, making homeownership possible for many families who have blemished credit histories or who otherwise fail to qualify for prime, conventional loans. A recent HUD analysis, based on

HMDA and related data, shows that the number of home purchase subprime applications increased from 327,644 in 1997 to 783,921 in 2000.

”While the subprime mortgage market serves a legitimate role, these loans tend to cost more and sometimes have less advantageous terms than prime market loans. Additionally, subprime lenders are largely unregulated by the federal government. Data shows blacks are much more likely than whites to get a subprime loan, and many of the borrowers who take out these loans could qualify for loans with better rates and terms.”

By 2005 the number of subprime mortgage loans in the US had climbed to more than 1,000,000. The ongoing weak real estate market, both nationwide and in the Lowcountry, is leading to more foreclosures. As a result, as a recent survey of banks by the Federal Reserve found, nearly half of the reporting banks are tightening their lending standards, which will make it more difficult for low- and moderate-income borrowers to obtain home mortgages.

5.6 Local Government Participation

Beaufort and Jasper Counties have provided the public with opportunities to learn about housing opportunities by conducting open forums. In recognition of Fair Housing Month (April 2007), the Beaufort County Government and the Beaufort County Affordable Housing Consortium held an open form for the public on April 13, with information on:

- Housing Discrimination
- Affordable Rental
- Housing Quality
- Home Ownership and Down Payment Assistance
- Home Repair
- Habitat for Humanity Program
- USDA Rural Development Program

County and municipal governments within the Lowcountry Region have long addressed the provision of affordable as a planning goal or objective in their Comprehensive Plans. Because the state of South Carolina’s 1994 Enabling Legislation requires a “Housing” element in all Comprehensive Plans, a review of the documents shows that most of them espouse planning policies that are supportive of the provision of affordable housing in the jurisdiction, although there are expressions of ambivalence in some. On the other hand, Zoning and Development Standards ordinances, as well as the ISO-required building codes in the southeastern coastal (i.e., hurricane-prone) areas of the Lowcountry, contain regulations of such stringency that the provision of affordable housing is constrained by the additional costs. In some jurisdictions, by means of goal-setting and/or incentives, the provision of affordable housing is actively encouraged.

Since, at the present time, most of the Comprehensive Plans and many of the Zoning or Development Standards Ordinances are being revised, existing policies and regulations may be changed considerably in the foreseeable future.

For instance, in 2006 Beaufort County took the lead in acknowledging and acting on the housing problem for low-income workers, as reported in an article in the *Beaufort Gazette* April 16, 2007:

“A revised draft of a plan to force developers to set aside some homes for lower income families will go before Beaufort County planning officials for review by the month’s end, county Housing Coordinator Shirley Wilkins said. The Workforce housing Ordinance would require builders of single-family home subdivisions of at least five units to set aside 20 percent of the new homes as affordable for households at or below the county’s median income. Likewise, in multi-family developments of at least five units, such as apartments, 5 percent of all the units must be affordable. The affordable homes must be blended throughout a subdivision and their exterior appearance must fit in with the other homes.

Housing is ‘affordable’ if the sum of monthly rent or mortgage payments, utilities, taxes and insurance is w30 percent or less than a household’s gross monthly income. The county’s median household earned \$48,932, according to 2005 U.S Census estimates; under this plan, that family could pay no more than \$1,223 a month for housing for it be deemed affordable...The lack of affordable housing options in the county has raised concerns among healthcare, law enforcement, education and firefighting -- fields that depend on moderate and low-income workers who are essential to the whole community’s well-being. ...

Economic development officials have also identified the county’s limited workforce who struggle to live in the county because of high housing costs, as a major problem hindering commercial and industrial development.”

This proposed ordinance was being reviewed as of May 2007.

5.7 Discrimination

The South Carolina Human Affairs Commission was contacted to determine the number and pattern of discrimination complaint activities. The following excerpt from the 2005-2006 Accountability Report of the South Carolina Human Affairs Commission indicates:

“The Commission’s key strategic goals are (a) to increase the number of discrimination complaint resolutions attained, while reducing the average processing time and maintaining the qualitative standards which have consistently ensured the agency’s actions withstand review by other relevant authorities, thereby providing our customers with timely, effective customer service.”

The state’s financial situation over several years of revenue shortfalls and the resulting state budget reductions reduced the Commission’s state appropriations by a cumulative total of over 43 percent, which resulted in staff reductions. The agency’s state appropriations still remain well below the level prior to the series of budget reductions experienced by state government,

although neither the demand for the agency’s services nor the responsibilities required of it by the Legislature have decreased.

The Compliance Programs Unit, one of the agency’s two principle line elements, is composed of the Intake Division, which provides intake, information and referral services; three divisions – Age and Disability; Private Sector; and Public Sector—which provides employment discrimination complaint investigation/resolution services; the Fair Housing Division, which provides fair housing complaint investigation/resolution services; and Mediation Services, which provides professional mediation assistance to Complainants and Respondents seeking to resolve complaints of employment discrimination without a formal investigation of the merits.

A major program of the Commission is compliance – to provide intake, referral, investigative, mediation and complaint resolution.

The following information was supplied by Delaine Frierson, Division Administrator, SC Human Affairs Commission for 2005, 2006 and the first quarter of 2007. The Fair Housing Commission activity in the four-county region was relatively limited during that period.

Case Closures by Basis and Issues				
Year	County	Basis	Issue	Resolution
2005	Beaufort (4)	R	Discriminatory loan	Conciliation
		NO	T & C	No jurisdiction Case filed in Court
		R	Refusal to sell	No Cause
	Hampton (1)	H	Failure to accommodate	Conciliation
		R	T & C	Conciliation
2006	Beaufort (1)	NO	T & C	Withdrawal w/o Settlement
	Hampton (1)	R	T & C	Conciliation
To				
3/2007	Beaufort (1)	NO	Coercion	Conciliation

Basis: R/Race, C/Color, S/Sex, F/Familial Status, NO/National Origin, R/Religion,

When asked if there were any fair housing complaints filed by clients, interviewees stated that clients were anxious to find housing without delay and chose not to file any claims with the Columbia office of The South Carolina Human Affairs Commission. There is no local representative in the Region.

5.8 Special Client Categories

Older Population

The Lowcountry’s population aged 65 years and older grew significantly both in absolute numbers and as a percentage of the population between 1990 and 2000, as the table on the following page demonstrates. The rate of increase in Beaufort County during that period was

more than three times as great as that of the state as a whole. There are long-term housing and social service implications related to the fact that large numbers of older persons are moving to the Lowcountry, especially as the number of very elderly persons (85 + years old) is also growing, as the second table shows. Especially in Beaufort County, affordable housing needs of the elderly population may be ignored because that segment of the population moving to the area is well able to purchase more expensive housing. However, there are long-time residents who are in need.

Lowcountry Age Structure: 1990-2000

		1990	2000	% Change
Beaufort	0 TO 4 years	8625	8110	-5.97%
	25 TO 44	27038	32867	21.60%
	45 TO 64	14083	26702	89.60%
	65+	10660	18754	75.93%
	<i>Median Age</i>	<i>30.5</i>	<i>35.8</i>	
Colleton	0 TO 4 years	3175	2649	-16.57%
	25 TO 44	9956	10299	3%
	45 TO 64	6694	9444	41.10%
	65+	4394	4928	12.15%
	<i>Median Age</i>	<i>32.9</i>	<i>36.5</i>	
Hampton	0 TO 4 years	1841	1431	-22.27%
	25 TO 44	5144	6342	23.29%
	45 TO 64	3232	4730	46.35%
	65+	2249	2595	15.38%
	<i>Median Age</i>	<i>31.6</i>	<i>34.8</i>	
Jasper	0 TO 4 years	1609	1499	-6.84%
	25 TO 44	4376	6345	45.00%
	45 TO 64	2767	4394	58.80%
	65+	1949	2269	16.42%
	<i>Median Age</i>	<i>30.7</i>	<i>33.8</i>	
South Carolina	0 TO 4 years	255,164	264,679	3.7%
	25 TO 44			
	45 TO 64			
	65+	396,129	485,333	22.5
	<i>Median Age</i>	<i>32.1</i>	<i>35.4</i>	

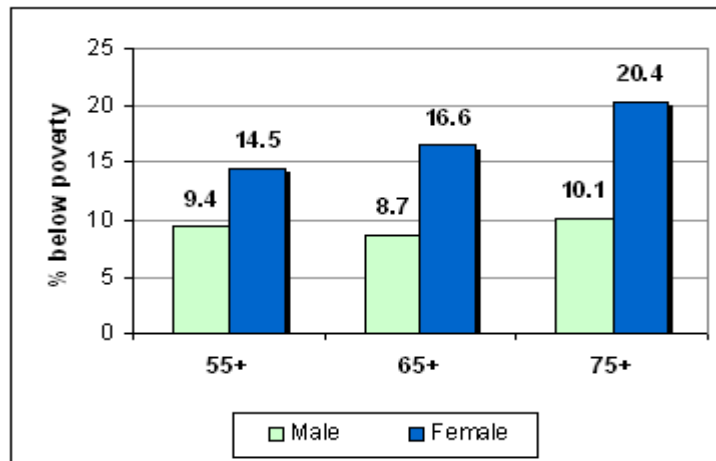
Aging Population: 2000-2004

	Total Population		Population 65+		% of Population 65+		Population 85+		% of Population 85+	
	2000	2004	2000	2004	2000	2004	2000	2004	2000	2004
Beaufort County	120,937	135,725	18,754	22,631	15.51%	16.67%	1,512	2,257	1.25%	1.66%
Colleton County	38,264	39,595	4,928	5,178	12.88%	13.08%	493	621	1.29%	1.57%
Hampton County	21,386	21,301	2,595	2,601	12.13%	12.21%	274	336	1.28%	1.58%
Jasper County	20,678	21,193	2,269	2,276	10.97%	10.74%	258	314	1.25%	1.48%

As the population ages, the percentage of people living below the poverty threshold increases. In 2004, 12.2 percent of South Carolinians aged 55 and older lived below the poverty level. In the same year, 13.3 percent of the population aged 65 and older and 16.4 percent of the population aged 75 and older lived below poverty. The 2004 poverty threshold was \$9,060 for a householder aged 65 and older living alone, and \$12,971 for a two-person family with a householder aged 65 and older.

Older women, who typically have a longer life expectancy than men, are especially vulnerable to poverty. Among women aged 75 and older, 20.4 percent lived below poverty in 2004, compared with only 10.1 percent of men in the same age range.

Population Below Poverty by Age and Sex in 2004



Source: U.S. Census Bureau, 2004 American Community Survey. Table B17001.

Population Below Poverty by Age – Year 2000

	Population for Whom Poverty Status is <u>Determined</u>	<u># Below Poverty</u>	<u>% Below Poverty</u>
<u>Beaufort County</u>			
Total population	120,937		
65 years and over	18,492	1,240	6.7
75 years and over	7,088	715	10.1
<u>Colleton County</u>			
Total population	38,264		
65 years and over	4,834	924	19.1
75 years and over	2,078	466	22.4
<u>Hampton County</u>			
Total population	21,386		
65 years and over	2,472	537	21.7
75 years and over	1,013	249	24.6
<u>Jasper County</u>			
Total population	20,678		
65 years and over	2,168	465	21.4
75 years and over	997	287	28.8

Source: South Carolina Mature Adults

Senior clients strive to keep and maintain their housing but are frequently faced with balloon payments, and insufficient insurance policies that don't cover damages. Sale of the home is sometimes hampered by the "Heirs Property" situation, which clouds title to property and results in the home being not marketable. Low-income seniors rely mainly on social security income and under the worst condition may have to choose between affording the housing or paying for medical services. Other housing impediments seniors face is the lack of ADA modifications in available units, such as safety bars in bathrooms, raised counters and wide doorways to accommodate wheel chairs. A safe environment, proximity to family and church, a social network, shopping and physicians are key elements for seniors' needs. Frequently the senior client is not open to major changes, such as relocating away from their present community. There is only one Advocate for Seniors program to cover the four counties which serves as a resource for senior services.

Disrepair of some homes is extremely apparent. Riann Mihiylov, Family Caregiver Advocate at The Area Agency on Aging (AAA) who works with the aged segment of the population in the counties of Beaufort, Jasper, Hampton and Colleton, explains their unique housing situation as follows: "If given the opportunity to relocate, the aged frequently choose to remain in their familiar environment, and suffer the consequences of sub-standard enhancements, such as lack of heating, water, sewage provisions and electricity."

The Home Repair grant is available to seniors age 60+ who are homeowners living in unsafe conditions. Funding of \$180,000 was provided by S.C. Supplemental Funds, with \$25,000 given to each of the four counties in the region, and \$80,000 kept at AAA for distribution, with \$1,500 allocated for each home, as needed. The program is designed to promote aging in place and

therefore attempts to remove safety barriers that would affect independent living. The implementation of the program came about after an area needs assessment, compared with commonalities of nursing home placement assessment, which dictated that interventions could have prohibited the removal of the senior from the home environment. The program is still in the primary stages and has thus far been successful in recognizing seniors at risk.

<u>2006</u>	
Total applications reviewed	81
Declined assistance:	
Cosmetic	5
Extreme	6
Heirs Property	2
Not qualified	2
Retracted application	1
Total declined	<u>-16</u>
Application eligible	65
Of the 65 eligible application, 41 were approved and 24 applications are on a waiting list pending review.	

Single Parents with children family unit has increased nationally, and Jasper, Beaufort, Hampton and Colleton counties are experiencing the same impact South Carolina Kids Count organization indicates the following single parent families residing in these counties and their working status.

<u>Single Parent Families</u>		<u>Parents not working</u>	
Beaufort	4,010	1,781	44.3%
Jasper	909	452	49.7%
Hampton	948	675	71.2%
Colleton	1,663	1,548	93.0%

In addition to financial burdens for housing, working parents are faced with providing childcare, having transportation for work and delivering the child to childcare, and living in a safe environment conducive to raising children.

Hispanic Residents seeking housing face problems with a language barrier, since few agencies have bi-lingual employees on staff. They are not familiar with housing agency procedures and have a basic fear of government and government agencies, particularly if they are illegal residents. The census indicates (see page 8, section 4.4) an increase in Hispanic residents. Along with unprecedented growth, especially in Beaufort and Jasper counties, has come an equally significant change in the composition of the Region’s population. Formerly, and for many decades, the area population was almost entirely comprised of black and white residents, although there have been small Asian, Hispanic and Native American population segments living in the area for a number of years. The combination of rapid growth and low unemployment in the region attracted people to the Lowcountry during the 1990’s and into the first years of the twenty-first century. As the 2000 Census and the 2005 Census estimates data show, a relatively

large number of persons of Hispanic/Latin origin have moved into the Region, especially to Beaufort and Jasper Counties.

The Latin American Council of S.C. helps to improve the standards of living of the Latin American community by promoting their educational and economic development. Acquiring housing and obtaining employment are inextricably tied together for the safety and cohesiveness of the Hispanic family, and a primary concern.. Without a homeless shelter in Beaufort County, new clients frequently “double up” with other Spanish speaking friends, family members or co-workers.

5.9 Qualifying Clients

Mortgage lenders reported that the key reasons for persons of low- and moderate-income not being qualified for traditional mortgage loans are:

- Inadequate incomes
- Poor credit ratings
- Lack of down-payments.

These are usually related to the income and financial literacy issues discussed in previous sections of this report.

5.10 High cost of Housing

During the past 10 years the rapidly accelerating costs of land and construction and the cost of compliance with local building codes (particularly in Beaufort County) have caused and will likely continue to drive up the price for housing beyond the affordable range for low-income and moderate-income households.

A number of indicators show how rapidly purchase prices have increased in Beaufort County and at a slower rate in Colleton, Hampton and Jasper Counties.

- Ⓢ The Beaufort County Association of Realtors Multiple Listing Service (MLS) maintains data for a large number of listings and sales in Beaufort County (except Hilton Head) and, to a lesser degree, for the three other counties.

During 1997, 699 single-family homes were sold through MLS in Beaufort County for an average price of \$133,426; 17 homes were sold in the other three counties for an average price of \$125,965.

During 2006, 915 single-family homes were sold through MLS in Beaufort County for an average of \$322,928; 59 homes were sold in the other three counties for an average price of \$179,975.

- Ⓢ Building permits for new single-family homes also demonstrate this trend between 1998 and 2005 (the earliest and latest years for which data have been tabulated).

	Year	
	1998	2005
Beaufort County		
SF Number	1,944	4,016
SF Value	\$352,364,818	\$962,236,649
Average SF (w/o Land)	\$181,258	\$239,601
	1998	2005
Colleton County		
SF Number	66	111
SF Value	\$6,135,912	\$16,764,886
Average SF (w/o Land)	\$92,968	\$151,035
Hampton County		
SF Number	14	35
SF Value	\$1,168,230	\$3,120,747
Average SF (w/o Land)	\$83,445	\$89,164
Jasper County		
SF Number	70	161
SF Value	\$8,045,768	\$16,505,249
Average SF (w/o Land)	\$114,940	\$85,000

© The Housing Offices at the Marine Corps Air Station (MCAS) Beaufort, Marine Corps Recruit Depot (MCRD) Parris Island and the Beaufort Naval Hospital provide information to all ranks wishing to rent or purchase homes off base. Those Marines and sailors are provided with a housing allowance (BAH) that is based on local housing costs, a policy which is followed throughout the country in order to make appropriate housing affordable to the many enlisted and commissioned ranks.

In the Lowcountry region that amount has increased considerably between 2002 and 2007, per the table on the following page. It provides a useful indicator of market rents and likely mortgage payments in the area.

BEAUFORT						
BASIC ALLOWANCE FOR HOUSING (BAH) RATES						
FROM 2002 THROUGH 2007						
RANK	2002	2003	2004	2005	2006	2007
E1-E4	\$698	\$875	\$900	\$971	\$961	\$994
E5	748	937	938	1013	984	1011
E6	828	1036	1084	1125	1271	1229
E7	886	1052	1092	1176	1298	1245
E8	950	1070	1101	1232	1328	1262
E9	1007	1105	1145	1305	1354	1304

RANK	2002	2003	2004	2005	2006	2007
W1	829	1036	1084	1126	1271	1229
W2	912	1060	1096	1199	1310	1252
W3	990	1081	1106	1267	1346	1273
W4	1014	1114	1160	1320	1358	1316
W5	1042	1151	1222	1380	1371	1366
01	\$757	\$948	\$954	\$1026	\$1017	\$1036
01E	899	1056	1094	1187	1304	1248
02	826	1034	1081	1122	1264	1224
02E	978	1078	1105	1257	1341	1270
03	987	1080	1106	1264	1345	1272
03E	1019	1119	1169	1329	1360	1324
04	1054	1167	1248	1406	1377	1388
05	1100	1228	1349	1505	1399	1469
06	1109	1238	1360	1517	1411	1481

6. Positive steps to reduce impediments: Progress has been made in the region to positively affect the conditions, both private and public for low-income housing. The Beaufort County Alliance for Human Services has brought together XX agencies in Beaufort and surrounding counties to share housing initiatives, funding information and creatively approach the low-income housing problems in the region.

a. Grants: Grants are an important source for housing improvements.

S.C. State Housing Finance and Development Authority: The Beaufort City Council in April 2007 formalized its partnership with LowCountry Habitat for Humanity and Operation Good Neighbor to revitalize the Northwest Quadrant neighborhood. The city was awarded a \$1 million grant from the S.C. State Housing Finance and Development Authority late last year to improve the condition of homes in a 12-block section of the Northwest Quadrant, a 39-block neighborhood in Beaufort's Historic District. The program is expected to aid 30 to 40 property owners in the program area, which is bounded by Bladen Street on the west and Charles Street on the east and includes properties on both sides of Greene and Congress streets, with priority will be given to owner-occupied properties. The City is required to provide a 100 percent match (which may be in the form of materials and labor), which will bring the project total to \$2 million.

b. Lowcountry Regional HOME Consortium

On the four-county regional level, creation of the Lowcountry Regional HOME Consortium (LRHC) provides funding for Community Housing Development Organizations (CHDO), which includes funding for nonprofit organizations that use the funds for eligible home activities in the capacity of either developer, sponsor or owner of home assisted housing.

CHDO designated non-profit organizations for the Lowcountry regional home Consortium are:

- Lowcountry Habitat for Humanity
- Jasper County Neighbors United
- Hampton County Habitat for Humanity
- Nails in Hand
- Beaufort County Black Chamber of Commerce

HOME fund allocations are distributed to each Consortia member of local government based on the distribution of population. CHDO funding is distributed via approval of proposed projects submitted to the HOME Consortia and the direct correlation of those proposed projects to the priority needs addressed in the Consolidated Plan.

Developing affordable, safe and decent housing for low income citizens is a challenge for the HOME Consortium and its members. Funding from the HOME Investment Partnership Program is an important resource for the LRHC to design and implement housing programs that address the local housing needs. The HOME Program provides flexibility to its participating jurisdictions by offering them the opportunity to choose what types of housing programs and activities are most important to meet the housing needs of their low and very low income residents. Homeownership development is a stabilizing force in a neighborhood.

From January 2007 to April 12, 2007 a total of \$320,000 was distributed by LRHC. An additional \$292,480 was distributed through Community Development Block Grant funds. CDBG is another resource for housing activities. Housing is the core component of the Neighborhood Revitalization in the CDBG Program. Housing projects are designed to support the development of decent, safe and affordable housing and contribute to the development of sustainable communities by preserving existing housing stock or promoting affordable rental or homeownership opportunities for low- and moderate-income families. Under the CDBG Program, there are a variety of ways that funding recipients may use CDBG funds for housing activities as part of a Neighborhood Revitalization Project including housing rehabilitation, down payment assistance, and affordable housing support activities. The table on the following page summarizes those activities.

COUNTY/ LOCATION	PROJECT NAME	REQUESTING ORGANIZATION	PROJECT ACTIVITY	NO. OF UNITS	TOTAL PROJECT COST	CDBG FUNDS	HOME FUNDS FROM LRHC
HAMPTON/ BRUNSON	*TOWN OF BRUNSON HOUSING	TOWN OF BRUNSON	REHAB/ OWNER OCCUPIED	11	\$333,695	\$292,480	\$50,000
BEAUFORT/ BEAUFORT	PRINCE & HAMAR STREETS	LOWCOUNTRY HABITAT FOR HUMANITY	NEW CONSTRUCTION HOMEOWNER- SHIP	5	\$432,000		\$15,000
BEAUFORT/ BLUFFTON	HALLMARK HOMES @ HAIGLER BLVD	ASHLAND GROUP	NEW CONSTRUCTION RENTAL	72	\$8,843,902		\$100,000
BEAUFORT/ BEAUFORT	MINT FARM	BEAUFORT HOUSING AUTHORITY	NEW CONSTRUCTION RENTAL	6	\$934,000		\$18,000
BEAUFORT/ BEAUFORT	OAKVIEW COMMONS	LOWCOUNTRY COMMUNITY DEVELOPMENT CORP	DOWNPAYMENT ASSISTANCE	10	\$462,000		\$50,000
HAMPTON/ CAMP BRANCH	HAMPTON PROJECT	HAMPTON COUNTY HABITAT FOR HUMANITY	NEW CONSTRUCTION HOMEOWNER- SHIP	4	\$163,184		\$12,000
JASPER/ HARDEEVILLE	DEERFIELD VILLAGE	JASPER COUNTY NEIGHBORS UNITED	NEW CONSTRUCTION INFRASTRUC- TURE	26	\$1,175,000		\$75,000
			TOTALS	108	\$11,005,597	\$292,480	\$320,000

COUNTY	2006 FUNDS	AVAILABLE BALANCE
BEAUFORT COUNTY	\$326,000	\$143,000
COLLETON COUNTY	\$154,000	\$154,000
HAMPTON COUNTY	\$93,375	\$31,375
JASPER COUNTY	\$82,125	\$7,125
TOTAL	\$655,500	\$335,500

AFFORDABLE HOUSING ACTIVITY	AVAILABLE FUNDING PER ACTION PLAN	UNIT GOAL PER ACTION PLAN	FUNDING COMMITMENT TO DATE	UNITS TO DATE	GOAL STATUS
AFFORDABLE HOUSING	\$375,000	21	\$133,000	83	MET GOAL
SINGLE FAMILY HOUSING REHABILITATION	\$240,000	10	\$50,000	11	MET GOAL
EMERGENCY REPAIR	\$65,000	13	\$0	0	HAVE NOT MET GOAL
HOME BUYER	\$100,156	10	\$50,000	10	MET GOAL
TOTAL	\$780,156	54	\$233,000	104	

2007-2008 Proposed available funding for the Lowcountry Regional Home Consortium addresses the need for increasing the volume and quality of housing and to provide for safe, decent and affordable housing.

**2007-2008 AVAILABLE FUNDING FOR
LOWCOUNTRY REGIONAL HOME CONSORTIUM**

HOME Funds	\$690,893
ADDI Funds	\$ 12,156
Local Funds	\$ 86,362
TOTAL	\$ 789,411

Division of Funds

	HOME	LOCAL	
Beaufort	\$248,722	+	\$51,818 = \$300,540
Colleton	\$124,361	+	\$17,272 = \$141,633
Hampton	\$ 77,725	+	\$ 8,636 = \$ 86,361
Jasper	\$ 67,362	+	\$ 8,636 = \$ 75,998
ADDI Region wide	\$ 12,156		
CHDOs	\$103,634		
Administration	\$ 69,089		
TOTAL	\$703,049	+	\$86,362 = \$789,411

Division of Funds by Activity

	<u>2007-2008</u>	<u>2006-2007</u>
1) Affordable Housing (new construction-single and multifamily/supportive activities)	\$ 392,000	\$375,000
2) Single Family Rehabilitation	\$216,166	\$240,000
3) Emergency Repairs	\$ 50,000	\$ 65,000
4) First Time Home Buyer/Down Payment Assistance	<u>\$ 62,156*</u>	<u>\$100,156*</u>
TOTAL	\$720,322	\$780,156

*includes ADDI funds (\$12,516)

d. Nonprofit organizations

1. LowCountry Habitat for Humanity: Brenda Dooley, Executive Director of LowCountry Habitat for Humanity (Beaufort, SC) advised that homes built by Habitat for Humanity are for long-term ownership, not rental. The organization requires home owners to take classes to learn about responsibilities associated with home ownership, such as timely mortgage payments, maintenance of the home to protect investment, insurance, budgeting, and financial and credit counseling. Applicants for habitat homes must agree to provide “sweat equity”, not only for their own construction but on future homes for others. Although the organization is not experiencing financing problems (they hold the mortgages), acquisition of land is the challenge. Escalating land and building costs are prevalent in Beaufort County, which is the fastest growing county in the region.

On April 11, 2007 the Beaufort Gazette reported

“The City of Beaufort approved an agreement with LowCountry Habitat and Operation Good Neighbor to revitalize the Northwest quadrant of the City. The city was awarded a \$1 million grant from the S.C. State Housing Finance and development Authority for revitalizing a 39-block neighborhood. LowCountry Habitat will essentially serve as the contractor for the project. The labor force will be provided mainly through Operation Good Neighbor.”

Even though this project does not address the difficulty in acquisition of land for new construction, it will provide safe and reduced home maintenance costs for approximately 35-40 homes. The State is requiring homeowners property insurance on each home which may be an impediment for the homeowner who does not have such insurance.

2. Beaufort County Alliance for Human Services is a partnership of non-profit, public and private agencies, organizations and community members created in 2003. Members include local leaders representing a diverse range of human service organizations. Community agencies which are members of the Alliance are developing new approaches to serve the homeless, such as Family Promise Initiative, a national non-profit organization now in Beaufort County. Their commitment is to help low-income and homeless families reclaim and maintain independence.

3. Jasper County Neighbors United (JCNU), a S.C. Community Housing Development, was organized in 2000, as a 501c3 and provides opportunity for home purchasing. An interview with Sister Lupe Stump, founder of JCNU, provided the following information:

A project to provide 26 homes was started in late 2005 with a goal date for occupancy at the end of 2007. Houses range from a purchase price of \$155,000 to \$185,000 for 2,3, and 4 bedrooms homes. Land purchase and horizontal improvements (infrastructure) was funded 80% from Sisters of Mercy Loan Foundation in Denver, CO, and 20% from Fannie Mae. Construction of the houses (vertical construction) was financed by Enterprise Foundation for tax credits investors. Such credits allow developers to build higher quality homes, with the obligation to keep rental costs down for a specific time. A main goal of JCNU is to provide affordable house and develop responsible home owners. To qualify for housing, clients must be 80% below HUD median income and required to attend first time homebuyer classes which are on-going during occupancy of the house. The client rents the home for 15 years, with a firm commitment to move their status from renter to home owner at the end of 15 years. During the rental period rent revenue is utilized for maintenance of the community and individual homes. It is an assurance that the home will be sound and the community value maintained. At the end of the 15 years, home equity is in the appreciated value of the home. The client's credit rating has been greatly improved due to the classes they must attend and subsequent financial responsibility acquired. With equity and improved credit, the client may not have to deal with the costly sub-prime lending market.

The organization's impediments to providing housing are:

- Increased construction costs as a result of compliance with local government building regulations. As the community develops compliance with the codes become more stringent and costly.
- Accelerated cost of land. Land values in Jasper County have increased
- Inventory that cannot accommodate the waiting list of 150-200 families, compared to the number of units they can provide.

4. Lowcountry Community Development Corporation, Inc. (LCDC) organized in 1998, a 501c3, and member of the NLIHC, has multi-faceted services to low-income home buyers. They cover the counties of Beaufort, Colleton, Hampton and Jasper. The Island Packet on February 15, 2007 reported:

“Lowcountry Community Development Corporation works with prospective buyers to provide down payment assistance to help bridge the gap between the amount of the mortgage loan for which they qualify and the cost to purchase their home, including closing costs. (Of course, the buyer-to-be must be able to qualify for enough of a mortgage loan to make the gap ‘bridgeable.’)”

The down payment assistance is provided in the form of a “forgivable loan.” This is a grant, with no interest and no monthly payment, but there is a forgiveness period during which the recipient is expected to continue to own, and live in, the home.

Via a block grant from the SC Housing Trust Fund, LCDC can access monies on a first-come, first-serve basis based on need. Up to \$20,000 for purchases in Beaufort County, and \$10,000 for purchases in Jasper County can be requested, per household.

Under the Federal Home Loan Bank of Atlanta program first-time homebuyer program, a homebuyer who meets the income requirements and is getting his or her loan from a member bank ...and has at least \$500 of his or her own savings, can get his or her money matched by the Federal Home Loan Bank at a ratio of five to one.”

Executive Director Joan Mustard identifies financial literacy as one of the major impediments for home buying. LCDC addresses this impediment by providing twelve hours of mandatory classes which addresses topics such as credit rating issues, the mortgage loan process, budgeting, choosing lenders and financial comprehension. LCDC has assisted 133 graduates since 2000 to purchase homes worth more than \$15 million, by securing grant monies exceeding \$1.9 million.

5. Beaufort Housing Authority (BHA), provides rental housing and section 8 vouchers. Clients suffer loan denials due to inability to qualify for loans, financial illiteracy leading to poor credit, and a limited supply of affordable housing to meeting clients’ increasing volume. The Authority inventory consists of 293 public housing units and 574 section 8 units. There are no plans to increase the inventory. The waiting list as of May 2007 is 470 for Section 8 vouchers and 140 for the housing units. Waiting time can exceed a year.

The following impediments were identified by Angela Childers, Operations Administrator of BHA as the most prominent:

- The limited inventory of units (with no plans for increasing housing) compared to the waiting list. Clients may be on the list for more than a year. Affordable housing in the Beaufort area exceeds the clients’ ability to afford the available housing in the area.
- Financial literacy is typically beyond the comprehensive ability of clients. This results in overpayment or high interest rates for major purchases such as automobiles, furniture and check cashing. Because of bad credit and budgeting skills, the clients may not have the money to pay utility deposits when a unit becomes available.

7. Client Issues

There are several impediments to housing which are not unique to this region but nonetheless impact the clients served by region agencies. Interviewees alluded to one or more of the following impediments as typical of what their clients encounter:

- Budgeting skills of client are limited. Low-income clients juggle payment of expenses, pool wages and go from one pay day to the next. The urgency of obtaining affordable housing is vital for survival of the family, followed closely by expenses for food, medical, transportation and childcare. The lack of budgeting skills results in poor credit ratings and the ability to have the required money to secure a lease and requisite deposits.
- Illiteracy to complete necessary documents is typical of the increasing Hispanic population in the region. Several agencies do provide bilingual forms and Spanish-speaking staff. However, this is the exception and not the norm.
- Childcare costs are not easily affordable based on the low wages typical of the area for unskilled labor. Parents frequently rely on family to provide childcare which is more like babysitting rather than professional childcare. Limited public transportation from home to childcare to work further compounds the problem.
- Waiting lists for occupancy are excessive in relation to inventory for rentals. Typically the list has a waiting time of a year or more.

8. Legislation

In general, Federal legislation eliminates barriers to obtaining fair housing that are related to race, color, gender, national origin, disabilities, age and similar issues. The laws and executive orders have been progressive in that successive acts have dealt with additional conditions or barriers as they have been identified as barriers.

8.1 Federal Laws and Presidential Executive Orders

The HUD web site contains an overview.

The Fair Housing Laws:

Fair Housing Act

Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents of legal custodians, pregnant women, and people securing custody of children under the age of 18), and handicap (disability). More on the Fair Housing Act

Title VI of the Civil Rights Act of 1964

Title VI prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving federal financial assistance.

Section 504 of the Rehabilitation Act of 1973

Section 504 prohibits discrimination based on disability in any program or activity receiving federal financial assistance.

Section 109 of Title I of the Housing and Community Development Act of 1974

Section 109 prohibits discrimination on the basis of race, color, national origin, sex or religion in programs and activities receiving financial assistance from HUD's Community Development and Block Grant Program.

Title II of the Americans with Disabilities Act of 1990

Title II prohibits discrimination based on disability in programs, services, and activities provided or made available by public entities. HUD enforces Title II when it relates to state and local public housing, housing assistance and housing referrals.

Architectural Barriers Act of 1968

The Architectural Barriers Act requires that buildings and facilities designed, constructed, altered, or leased with certain federal funds after September 1969 must be accessible to and useable by handicapped persons.

Age Discrimination Act of 1975

The Age Discrimination Act prohibits discrimination on the basis of age in programs or activities receiving federal financial assistance.

Title IX of the Education Amendments Act of 1972

Title IX prohibits discrimination on the basis of sex in education programs or activities that receive federal financial assistance.

Fair Housing-Related Presidential Executive Orders:

Executive Order 11063

Executive Order 11063 prohibits discrimination in the sale, leasing, rental, or other disposition of properties and facilities owned or operated by the federal government or provided with federal funds.

Executive Order 11246

Executive Order 11246, as amended, bars discrimination in federal employment because of race, color, religion, sex, or national origin.

Executive Order 12892

Executive Order 12892, as amended, requires federal agencies to affirmatively further fair housing in their programs and activities, and provides that the Secretary of HUD will be responsible for coordinating the effort. The Order also establishes the President's Fair Housing Council, which will be chaired by the Secretary of HUD.

Executive Order 12898

Executive Order 12898 requires that each federal agency conduct its program, policies, and activities that substantially affect human health or the environment in a manner that does not exclude persons based on race, color, or national origin.

Executive Order 13166

Executive Order 13166 eliminates, to the extent possible, limited English proficiency as a barrier to full and meaningful participation by beneficiaries in all federally-assisted and federally conducted programs and activities.

Executive Order 13217

Executive Order 13217 requires federal agencies to evaluate their policies and programs to determine if any can be revised or modified to improve the availability of community-based living arrangements for persons with disabilities.

8.2 County and Municipal Plans

Lowcountry county and municipal governments address affordable housing as a planning goal or objective in their Comprehensive Plans. Because the state of South Carolina's 1994 Enabling Legislation requires a "Housing" element in all Comprehensive Plans, a review of the documents shows that most of them espouse planning policies that are supportive of the provision of affordable housing in the jurisdiction, although there are expressions of ambivalence in some. On the other hand, Zoning and Development Standards ordinances, as well as the ISO-required building codes in the southeastern coastal (i.e., hurricane-prone) areas of the Lowcountry, contain regulations of such stringency that the provision of affordable housing is constrained by the additional costs. In some jurisdictions, by means of goal-setting and/or incentives, the provision of affordable housing is actively encouraged.

The following is an assessment of Beaufort County and two of its municipalities. In the other counties the approach to affordable housing is considerably more generalized, with a very few exceptions, such as the Town of Ridgeland, which has built incentives for providing affordable housing into its new Zoning Ordinance (2005).

Beaufort County

The County realizes the economic aspect of affordable housing with this excerpt from the 1997 Comp Plan:

Without affordable housing, Beaufort County may even decrease its drawing power to those new residents and tourists who prefer locations where the area is "more real" and the vacation experience more unique. Perhaps more pressing, for one of the County's major employers, the United States military, the continued viability of a Beaufort County location rests on the ability of the service personnel and civilians employed by the military to find adequate housing within a reasonable commuting distance (defined as a 20-to 30-minute travel time). And finally, Beaufort County's ability to attract new businesses and quality jobs to the area rests on the ability of these employers to secure housing for their employees.

This dichotomy was also found:

In the "Target 2010 Plan," affordable housing was not articulated as a key issue, yet the effects of a lack of affordable housing near the main employment centers were a critical issue.

Also:

The lack of affordable housing stock is growing more pronounced. The vast majority of housing constructed over the past ten years consists of single-family homes on large lots. Of the 4,688 housing units given building permits in the County between 1984 and 1995, only 261 have been multi-family--only 5 percent of the new building permits.

Beaufort County has identified the importance of workforce housing, particularly on two fronts: 1) housing for the tourism based service industry, and the military, which counted 700 families on waiting lists at the time the Comprehensive Plan was written.

The County has set outlined many policies and objectives in the Comp Plan that look to address affordable housing, such as recognizing the need for service industry housing, and the need to provide military housing, so that the next BRAC does not use the lack of housing as a reason to close the Air Station. Additionally, mention is made of developing “inclusionary zoning”, however, in the 10 years since the comp plan was written, no effort has been made to provide inclusionary zoning.

It is also interesting to note that the policy section of the affordable housing element states that:

Recognize that while the affordable housing need is much the same in all of the planning areas, it cannot be equally addressed without doing injustice to other compelling planning and development issues and priorities.” This may be a statement that is provided as an excuse NOT to provide affordable housing.

The recent Southern Beaufort County Plan (2/2006) states that over 89% of Southern Beaufort County is already either approved for the construction of Planned Unit Developments, or has an approved development agreement attached to the land. While the population of the area south of the Broad River will double in twenty years, there is NO mention of affordable housing, or any provision for such.

Hilton Head

The Town of Hilton Head adopted a new comp plan in May of 2004. In it, the issue of affordable housing was prominently addressed. In the inventory and analysis section, the following statement exists:

The lack of affordable housing is an often cited problem both within the Town and in Beaufort County. The dominance of the service industry has tended to keep wages lower for a large segment of the population. At the same time high land values have driven housing costs up significantly, particularly in comparison to the rest of South Carolina. The result has been erosion in the ability of many of the Island’s workers to find affordable housing on or near the Island. The consequences include heavy rush hour traffic volumes which necessitate the building of more transportation infrastructure, long commute times, the possibility of economic losses as businesses move mainland because of a lack of labor, and degraded quality of life for many area families.

In Permar & Ravenel's Hilton Head Island Affordable Housing Market Analysis, prepared in 1999, it was estimated that 1,950 units were in demand for purchase by Island employees on-Island and 2,040 on the mainland.

Of the above total demand, 51 percent of the demand was for on-Island single-family housing at a purchase price of \$125,000 or less, and 68 percent of the multi-family housing demand was at a similar price point.

As well as recognizing the need to collaborate region-wide on affordable housing issues, the Hilton Head com plan states that production affordable housing is critical:

NEED 3: The Town and the region need more affordable housing, both for purchase and rent.
GOAL 3: The construction of affordable housing to accommodate the needs of the Island and region.

Beaufort

The City of Beaufort is currently updating its 1998 comp plan. However, affordable housing was minimally addressed, and called for the creation of a community development corporation:

Affordable housing is needed:

Affordable housing is needed by both lower and middle income families in Beaufort. Most of the newly built housing is out of range for these families and there is likely to be an increased demand that will exhaust the current supply of affordable housing. The need for affordable housing in

Beaufort should be met by a combination of efforts from private, public and non-profit entities. The City's support placed behind a housing-oriented Community Development Corporation could have a major impact on areas targeted for rehabilitation with affordable housing infill and rehab, as well as some affordable housing development in existing stable and developing neighborhoods.

The following policy shows support for affordable housing:

3.B: Encourage Mechanisms for Development of Affordable Housing in Beaufort.

The City should support the development of a Community Development Corporation focused on the development of affordable housing and redevelopment of depressed neighborhoods. Such a Community Development Corporation should be a non-profit entity that cooperates with local government, other non-profits, and the private sector to raise support for and manage the development of affordable housing.

The City should pursue a solution to the problem of heirs rights and title clearance which would allow for redevelopment in circumstances where there is no clear title holder. This may be accomplished through a lobbying effort at the State level, an ombudsman program for property owners information, and a non-profit legal service for title clearance.

Appendix A--Agency Interviews

Organization	Greatest impediment	Next Greatest Impediment	Identified Client Trend
Beaufort County			
Alliance for Human Services S. Milne, Human Services Planner 2/21/2007	Housing inventory insufficient		Homeless increasing
Community Services/Housing Beaufort County S. Wilkins, Human Services Planner 2/21/2007	Government slow to respond	Low wages, housing unaffordable	Homeless increasing
Housing Consortium of Beaufort County S. Wilkins, Human Services Planner 2/21/2007			
Senior Service of Beaufort County J. Williams, Director 2/21/2007	ADD facilities limited	Limited referral properties	Medical needs
Jasper County			
Jasper County Board of Disabilities and Special Needs D. Welsh, Executive Director 4/8/2007	Transportation		
Jasper County Council on Aging C. Roache, Executive Director 3/5/2007	Add facilities limited	Long waiting list for clients	
Jasper County Dept. of Social Services M. Wrighten, County Director II 2/28/2007	Transportation	Lack of shelters	Increasing client volume
Hampton County			
Hampton County Board of Disabilities and Special Needs D. Mickle, Administrator/ Residential Director 2/2/2007	Government excessive regulations	Client list not local	
Hampton County Council on Aging A. Ayer, Executive Director 3/2/2007	Transportation		
Hampton County Dept. Social Services B. Zurenda, County Director 3/2/2007	Low wages, housing unaffordable	Increasing client volume	
Colleton County			
Colleton County Board of Disabilities and Special Needs D. Redd, Executive Director 3/2/2007	Government excessive regulations	Transportation	Older, more medical needs
Regional Agencies			
Lowcountry Community Action Agency for Colleton and Hampton Counties E. Mitchell, Community Service Director 3/8/2007	Transportation	Clients' poor credit	Increased client volume

Organization	Greatest impediment	Next Greatest Impediment	Identified Client Trend
Lowcountry Council of Governments Family Caregivers R. Mihiylov, Family Caregiver Advocate 4/13/2007	Limited income		
Lowcountry Council of Governments Human Services M. Thompson, Human Services Director 3/2/2007	Retaining ownership of home		Increased client volume
Lowcountry Council of Governments Workforce Development Initiative S. Fowler, Workforce Development Director 4/5/2007	Low wages, housing unaffordable	Clients' poor credit	
SC Regional Housing Authority #3 R. Thomas, Executive Director Telephone contact 3/29/2007	Housing inventory insufficient	Clients' poor credit	Clients doubling up
Non-profit Organizations			
Access Network G. Bampsfield, President 3/27/2007	Transportation	Literacy - financial, legal, language	
Beaufort Housing Authority, Inc. A. Childers, Operations Administrator 2/21/2007	Housing inventory insufficient	Financial literacy	
Colleton County Council on Aging E. Brown, Executive Director 3/8/2007	Low wages, housing unaffordable	Older client won't relocate	
Deep Well Project B. Doughtie, Executive Director 3/21/2007	Low wages, housing unaffordable	No shelters	Family size increasing
Habitat for Humanity, Hilton Head P. Wirth, Executive Director 3/15/2007	Land & construction costs	Available land	
Habitat North of Beaufort County B. Dooley, Executive Director 2/26/2007	Land & construction costs		Increase Hispanic clients
Jasper County neighbors United Sister L. Stump 2/27/2007	Land & construction costs	Government excessive regulations	
Latin American Council of South Carolina L. Bell, Executive Director 3/26/2007	Language	Employment	Family size increasing
Lowcountry Community Development Center J. Mustard, Executive Director 3/26/2007	Clients poor credit	Financial literacy	
United Way of Beaufort County C. Walker, President 3/1/2007	Low wages, housing unaffordable	Transportation	Single parents increasing

Organization	Greatest impediment	Next Greatest Impediment	Identified Client Trend
Mortgage Lenders			
Bank of America, Hilton Head M. Manasi, Mortgages 4/5/2007	Qualifying		No sub-prime activity
MSCA Beaufort Federal Credit Union, Walterboro B. Washington, Mortgages 4/5/2007	Qualifying		No sub-prime activity
Palmetto State Bank L. Geren, Mortgages 4/25/2007			No sub-prime activity
Wachovia, Hilton Head J. Gren, Mortgages 4/25/2007			no sub-prime activity
Federal			
Marine Corps Air Station - Housing Office M.E. Smith, Director 3/1/2007	Transportation	Limited family inventory	Family size increasing
State			
Department Social Services, Walterboro C. Sherman, Executive Director 3/8/2007	No Shelters		Increased client volume
S.C. Commission on Human Affairs, Columbia D. Frierson, Division Administrator telephone contact, 4/9/2007	Fair housing compliance		

Appendix B--Housing Economics Case Study

The City of Beaufort’s Northwest Quadrant is an example of how an area that used to provide housing opportunities for residents of low and moderate income has been changed because of its convenient location and stock of unrenovated historic buildings. In 2005 LCOG did a plan for this area with the support of the SC Department of Commerce, Community Development Block Grant 4-R-03-004.

The Northwest Quadrant was settled almost entirely by former slaves during and following the War Between the States. As such, it played a very special historic role that is not always recognized by both long-time residents and newcomers. This area is part of the City of Beaufort’s larger historic district and it abuts the City’s downtown, which is now the upscale retail, restaurant, banking and tourism center for the Beaufort area.

As a result, the Northwest Quadrant’s location is now considered by many investors and individual prospective homeowners as convenient and desirable, near the million-dollar (or more) homes on “The Point” and convenient to places of work (a key consideration as gasoline prices climb), including the growing medical complex centered on Beaufort Memorial Hospital, the Technical College of the Lowcountry and the downtown branch of University of South Carolina-Beaufort.

Decreasing affordability is now an increasing trend for housing in the study area.

Block Group 3, which is closer to the extremely expensive homes of “The Point” showed a rate of increase in median owner-occupied home prices between 1990 and 2000 that dwarfed even the large increases experience throughout the City of Beaufort during that decade, according to US Census data.

Median Value of Owner Occupied Homes			
	2000	1990	% Change 1990-2000
Beaufort County	\$168,100.00	\$112,100.00	49.96%
City of Beaufort	\$106,300.00	\$68,100.00	56.09%
<i>N-W Quadrant</i>			
Block Group 2	\$81,500.00	\$58,700.00	38.84%
Block Group 3	\$133,300.00	\$55,300.00	141.05%

Assuming a 7 percent mortgage, 100% financing for 30 years and a household spending 25% of its gross income on mortgage payments (principal and interest only), a home in Block Group 2 at the median price of \$81,500 would have required an annual household income of \$22,026; somewhat more than 60 percent of the households there would have been able to purchase a home at the median price. In Block Group 3, purchasing a home with a median price of \$133,300 would have required an annual household income of \$42,569; fewer than 30 percent of the households there would have been able to purchase a home.

Since the 2000 Census, home purchase costs have continued to increase, according to the prices for homes sold through the Multiple Listing Service (MLS) of the Beaufort County Association of Realtors. The table below summarizes what buyers paid between 2002 and 2005 in the Association's Area 103, which is approximately the Northwest Quadrant.

MLS AREA 103		
YEAR	AVERAGE PRICE	MEDIAN PRICE
2002	\$152,711	\$102,000
2003	\$174,200	\$128,000
2004	\$194,322	\$150,000
*2005	\$209,207	\$195,000

*(Jan.-Sept. 19)

A house at 2005's median price of \$195,000, using the same assumptions as above, would require an annual household income of \$62,272. Using the Census 2000 income data for the whole Northwest Quadrant, only 12 percent of the households would be able to purchase a home. A home at the average price of \$209,207 would take a minimum annual household income of \$66,809.