

Regional Housing Trust Fund Proposal

I. Goal

The goal of the Regional Housing Trust Fund (RHTF) is to establish a dedicated local funding source for the creation, rehabilitation, and preservation of affordable housing.

II. Introduction

The Regional Housing Trust Fund will provide more opportunities for the development of affordable housing in Charleston County, the City of Charleston, the City of North Charleston, and the Town of Mount Pleasant. This fund will have consistent annual funding to incentivize and subsidize affordable housing developments in the Greater Charleston Area.

III. Dedicated Revenue Sources

The key to success for housing trust funds is having a dedicated annual revenue. Funding can come from a variety of sources. The coalition recommends the establishment of a Regional Housing Trust Fund with potential dedicated revenue sources, including, but not limited to the following:

- General Budget Allocation
- Bond
- Commercial Impact Fee
- Parking Revenue
- Document Recording Fee
- Accommodation Tax
- Residential Impact Fee

In addition, the RHTF will accept philanthropic and private investments.

Target Funding Amount: At least \$30 million in seed money for the regional housing trust fund and \$30 million annually in public funds. Funds that have been allocated in the housing trust fund that have not been spent will rollover to the next year.

IV. Leveraging

Public investment in housing trust funds drives other available funding from federal and state programs, private capital, and philanthropic funding to meet specifically identified local need, as well as to attract funds that might not otherwise come to the Greater Charleston Area.

Sources leveraged by the Housing Trust Fund include: Governmental bonds, Grants, State Funding, Federal Funding, Low Income Housing Tax Credits, Philanthropic Donations, and Bank Loans.

V. Oversight Board

An oversight board will consist of representation from the City of Charleston, City of North Charleston, Town of Mount Pleasant, Charleston County, non-profit stakeholders, for-profit stakeholders, or other contributing entities.

The oversight board will be responsible for supervising the funding and have authority to recommend changes.

VI. Administration

Administration of the regional housing trust fund will be through an existing non profit, one possibility being the South Carolina Community Loan Fund. The South Carolina Community Loan Fund was established as an affordable housing trust fund and has the capacity to administer this fund.

The selected nonprofit will provide services, including the following:

- Announce the availability of funds through issuing requests for proposals (RFPs)
- Create and maintain funding applications and processes
- Review applications for funds to determine project eligibility
- Assist applicants with development plans
- Make recommendations for funding award decisions to the Oversight Board

The selected non-profit will provide an annual accounting report of funds to the City of Charleston, City of North Charleston, Town of Mount Pleasant, Charleston County, and any other contributing entity. This report must be made available to the public.

VII. Eligible Uses and Applicants

Eligible uses:

- New construction
- Construction financing
- Rehabilitation
- Acquisition of land and homes
- Transitional housing

Eligible applicants include: governmental subdivisions, community development corporations, local housing authorities, community action agencies, and non-profit housing organizations.

For profit entities are eligible to apply for funding from the RHTF if affordability of the housing included is guaranteed, through deed restrictions or agreement, with the RHTF for a period of at least 30 years.

VIII. Distribution of Funds

Disbursements of funds from the RHTF shall be made in the form of grants or loans for uses and activities identified as eligible under this program.

The oversight board will determine the funding guidelines. The required match and what will be allowed as match, and under what terms, will be determined by the administering agency.

IX. Income Qualifications

- \$10 million of the funds will serve households at or below 80% AMI.
- \$10 million of the funds will serve households at or below 50% AMI.
- \$10 million of the funds will serve households at or below 30% AMI.