STATE OF SOUTH CAROLINA

2026 Annual Action Plan

SUBSTANTIAL AMENDMENT

October 1, 2026

Expected Resources

AP-15 Expected Resources – 91.320(c)(1,2)

Introduction

As a State Entitlement Grantee, federal housing and community development resources are expected to be available for the State of South Carolina through the U.S. Department of Housing and Urban Development under several federal block grant programs. These grants include the Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG), Housing Opportunities for Persons Living with HIV/AIDS (HOPWA) and the Housing Trust Fund (HTF).

The CDBG program provides funding for public facility and infrastructure improvements, economic development, and vital services for LMI persons in the State. The HOME program provides affordable housing for low- to moderate-income households through various activities such as new housing development and preservation of the affordable housing stock. ESG funds are provided for activities that address homelessness such as shelter services, street outreach, homeless prevention rental activities, and rapid-rehousing activities. HOPWA funds provide housing subsidies and supportive services for individuals and their families who are living with HIV/AIDS. HTF funds will help to produce and preserve affordable housing for extremely low- and very low-income households. PY 2026 is the first year of the 2026-2030 Consolidated Plan, and there are four more years remaining in the plan period.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Public Improvements Public Services	$20,295,542.00	$0.00	$0.00	$20,295,542.00	$81,182,168.00	PY 2026 is the first program year of the ConPlan. The funds expected for the remainder of ConPlan is 4x more years of the annual allocation and program income.
HOME	public - federal	Acquisition Multifamily rental new construction Multifamily rental rehab TBRA	$6,374,400.07	$10,386,713.00	$10,092,949.21	$26,854,062.28	$67,044,452.28	PY 2026 is the first program year of the ConPlan. The funds expected for the remainder of ConPlan is 4x more years of the annual allocation and program income.

HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	$3,210,536.00	$0.00	$0.00	$3,210,536.00	$12,842,144.00	PY 2026 is the first program year of the ConPlan. The funds expected for the remainder of ConPlan is 4x more years of the annual allocation.
ESG	public - federal	Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services	$2,391,835.00	$0.00	$0.00	$2,391,835.00	$9,567,340.00	PY 2026 is the first program year of the ConPlan. The funds expected for the remainder of ConPlan is 4x more years of the annual allocation.

HTF	public - federal	Acquisition Admin and Planning Multifamily rental new construction Multifamily rental rehab	$3,311,933.19	$0.00	$2,108,722.28	$5,420,655.47	$13,247,732.76	PY 2026 is the first program year of the ConPlan. The funds expected for the remainder of ConPlan is 4x more years of the annual allocation.

Table 48 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

Housing and community development programs in South Carolina rely on multiple funding streams from federal, state, local, private, and non-profit sources. The majority of this funding originates from federal programs administered by various agencies. Programs including HOME, HTF, CDBG, Low Income Housing Tax Credits (LIHTCs), Section 8 rental assistance programs, and Low Income Home Energy Assistance (LIHEAP) are allocated to states based on formulas.

State resources for housing incorporate a range of programs, including the State Housing Trust Fund administered by SC Housing. The SC HTF is a state-funded program created in 1992 to assist low-income households in all 46 counties. The fund receives a small portion of all documentary stamp taxes collected. In addition, HUD requires the State to provide matching funds for the HOME, and ESG Program allocations. The CDBG, HOPWA and HTF programs do not require a match from the State of South Carolina for their allocation.

CDBG: While the HUD does not impose a match requirement for CDBG funds, the State requires local match for CDBG-funded projects, unless a waiver is approved based on limited local financial capacity. Required State match and leveraging may include funds from other federal, state and local funding sources, private investment, or non-profit contributions. These resources may include cash, in-kind, force account labor, volunteer labor or donations, as well as grants, loans or waiver of fees.

HOME: The HOME program requires a 25 percent (25%) match. HOME program matching funds are provided by SC Housing through the State Housing Trust Fund.

ESG: The ESG Program requires a dollar-for-dollar match in non-ESG funds from the State for their allocation. To meet this requirement, the ESG Program requires that applicants provide a dollar-for-dollar match if they are awarded a grant. Match can be either in the form of a cash contribution or in other donated/in-kind resources such as the value of buildings, equipment, and volunteer services. The State is allowed to waive the match requirement for up to the first $100,000 of its allocation for applicants who are least capable of leveraging local resources to meet the match.

HOPWA: Although HOPWA does not require matching funds, it serves as a significant source of leveraged support each year. All South Carolina DPH HOPWA service providers—referred to as project sponsors—are either Ryan White program providers or work in close collaboration with them. Through this partnership, HOPWA project sponsors leverage additional resources to deliver the most comprehensive housing and support services possible. During the previous grant year, project sponsors who also served as Ryan White Part B providers expended over $2.1 million in Ryan White formula funds on case management and housing services. When individuals have access to safe and stable housing, they are better positioned to contribute to the economy and thrive as productive members of their communities.

If appropriate, describe publicly owned land or property located within the state that may be used to address the needs identified in the plan

The State does not own any land or property that may be used to address the needs identified in the plan.

Discussion

The State also receives several other federal grants which are not listed in the table above. These are:

CDBG-MIT: In April 2018, HUD announced an allocation of $157.6 million in CDBG Mitigation (CDBG-MIT) funds to South Carolina. During 2021, the State received an additional MIT allocation of $4,598,000 bringing total MIT funding for South Carolina to $162,198,000. The State's CDBG-MIT Action Plan, as amended for the additional funding, is posted on the SC Office of Resilience (SCOR) website at https://scor.sc.gov/. These funds will be used for acquisition and public infrastructure improvements needed to improve resiliency and reduce the future impacts of natural disasters.

RHP: The Recovery Housing Program (RHP) provides funding for stable, transitional housing for people recovering from substance use disorders. This support lasts up to two years or until permanent housing is found. The South Carolina Department of Alcohol and Other Drug Abuse Services (DAODAS) manages these funds, with separate planning and reporting rules. In FY 2025, $1,246,462 was received for this program. RHP funds are not listed in the resources table above because grantees submit a separate RHP Action Plan outlining needs, fund use, and program goals. These are tracked through Annual Performance Reports in the Disaster Recovery Grant Reporting (DRGR) system, which HUD uses to review progress, results, and spending.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	1A New Affordable Rental Housing	2026	2030	Affordable Housing	Statewide Low/Mod Eligible	Preserve & Develop Affordable Housing	HOME: $16,254,305.75 HTF: $3,155,466.54	Rental units constructed: 40 Household Housing Unit
2	1B Preservation of Existing Affordable Housing	2026	2030	Affordable Housing	Statewide Low/Mod Eligible	Preserve & Develop Affordable Housing	HOME: $9,962,316.46 HTF: $1,933,995.62	Rental units rehabilitated: 12 Household Housing Unit
3	2A Improve Public Facilities & Infrastructure	2026	2030	Non-Housing Community Development	Statewide Low/Mod Eligible	Improve Public Facilities & Infrastructure	CDBG: $18,836,677.00	Public Facility or Infrastructure Activities other than Low/Mod Income Housing Benefit: 50000 Persons Assisted
4	3A Economic Development & Sustainability	2026	2030	Non-Housing Community Development	Statewide Low/Mod Eligible	Economic Development & Sustainability	CDBG: $250,000.00	Jobs created/retained: 25 Jobs
5	4A Community & Regional Planning	2026	2030	Non-Housing Community Development	Statewide Low/Mod Eligible	Community & Regional Planning	CDBG: $500,000.00	Other: 40 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	5A Homeless Housing & Services	2026	2030	Homeless	Statewide Low/Mod Eligible	Homeless Housing & Services	ESG: $2,212,447.38	Tenant-based rental assistance / Rapid Rehousing: 100 Households Assisted Homelessness Prevention: 175 Persons Assisted Homeless Person Overnight Shelter: 4000 Persons Assisted Other (Street Outreach and Other Services): 1,500 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
7	6A Housing & Supportive Services for HIV/AIDS	2026	2030	Non-Homeless Special Needs	Statewide Low/Mod Eligible	Housing & Supportive Services for HIV/AIDS	HOPWA: $3,114,219.92	HIV/AIDS Housing Operations (STRMU/PHP/TH-FBH): 290 Household Housing Unit Tenant-based rental assistance / Rapid Rehousing: 125 Households Assisted Other (Supportive Services): 1400
8	7A Effective Program Management	2026	2030	Non-Housing Community Development	Statewide Low/Mod Eligible	Effective Program Management	CDBG: $708,865.00 HOME: $637,440.07 ESG: $179,387.62 HOPWA: $96,316.08 HTF: $331,193.31	Other: 1 Other

Table 49 – Goals Summary

Goal Descriptions

1	**Goal Name**	1A New Affordable Rental Housing
	Goal Description	The State will increase affordable rental housing opportunities for LMI households through new construction of rental units. Households benefitting from affordable rental housing units must meet income eligibility requirements.
2	**Goal Name**	1B Preservation of Existing Affordable Housing
	Goal Description	The State will fund activities that preserve the existing rental housing stock across the state, and ensure they remain safe, decent and affordable. Specific activities that will be undertaken involve the rehabilitation of affordable rental housing units. Households benefitting from affordable rental housing units must meet income eligibility requirements.
3	**Goal Name**	1C Tenant-Based Rental Assistance
	Goal Description	The State will help to make rental housing affordable for LMI households through tenant-based rental assistance services. The provision of tenant-based rental assistance will make housing more affordable for those at-risk of homelessness and for other low income households experiencing housing instability.
4	**Goal Name**	2A Improve Public Facilities & Infrastructure
	Goal Description	The State will improve and expand public infrastructure through activities in low- and moderate-income areas. Activities include improvements and expansion to streets, sidewalks, and water systems. ADA improvements will increase accessibility for persons with a disability. There is also a need to build infrastructure that supports the development of affordable housing, electrical utilities and power-grid upgrades. The State will also improve access to public facilities that will benefit LMI and special needs persons. Activities include improved access to community centers, neighborhood facilities and park facilities.
5	**Goal Name**	3A Economic Development & Sustainability
	Goal Description	The State will support small businesses in the creation or retention of jobs as a means of providing or expanding economic opportunity in the form of jobs to primarily low- and moderate-income individuals. The CDBG Business Development Program is the primary tool for accomplishing this by providing financial resources for local governments to pursue opportunities that create new jobs, retain existing employment, stimulate private investment, and revitalize or facilitate the competitiveness of the local economy.

6	**Goal Name**	4A Community & Regional Planning
	Goal Description	The State will assist local governments in developing plans and building local community development capacity to build the capacity to effectively determine community needs, establish both long-term goals and short-term objectives, and develop plans for carrying out effective strategies to address community needs. Accomplishments are measured in terms of the number of communities assisted.
7	**Goal Name**	5A Homeless Housing & Services
	Goal Description	The State will fund activities that help to end homelessness in South Carolina. These include rapid re-housing for households experiencing crisis; homeless prevention rental assistance for those at-risk; homeless overnight shelter operations for the homeless; and street outreach services.
8	**Goal Name**	6A Housing & Supportive Services for HIV/AIDS
	Goal Description	The State will fund activities to support persons living with HIV/AIDS and their families. These include supportive services such as case management, transportation and health services. Housing subsidy programs will secure housing for this vulnerable group and include short-term, mortgage, rental and utility assistance (STRMU), tenant-based rental assistance (TBRA), and permanent housing placement activities.
9	**Goal Name**	7A Effective Program Management
	Goal Description	The State will provide effective program management of the HUD grant programs that will ensure compliance with grant regulations and that the program activities meet their established objectives. Planning will involve the development of annual action plans, reports, fair housing outreach and citizen participation requirements.

AP-25 Allocation Priorities – 91.320(d)

Introduction:

Each Program has identified activities for funding in PY 2026. These activities will directly contribute to the goals defined in this plan. Details about funding for each activity are in the program-specific sections of AP-30, Method of Distribution. Each section also explains other allowable set-asides. These include funds for program administration and related delivery activities, as well as compliance with program caps. Examples are administration costs for each program, reserves for CHDOs (HOME), HOPWA sponsor administration (HOPWA), and HMIS (ESG). The maximum amount for administration costs by program is 20% for CDBG, 10% for HOME, 3% for HOPWA (each funded HOPWA sponsor agency may also use up to 7% of their allocation on admin), 10% for HTF and 7.5% for ESG. The table below shows 7% as the IDIS system does not accept decimals at this time in this table.

The percentages below reflect the relative share of PY 2026 funding for each program goal. Note that these percentages include allowable set-asides from each program and add up to 100% of all funds for each program. The table below and each Program's Method of Distribution reflect the FY 2025 allocations and has been updated along with the Resources and Goals sections, as described for each Program.

More information about set-aide amounts for each program are described in the AP-30, Method of Distribution. All comply with pertinent program regulations and caps, as described in AP-30.

CDBG-MIT, ESG-RUSH and HOME ARP are other federal funds received by the State that also address certain housing and community needs; however they are not included in the table below as these are special awards that are not part of the annual entitlement grant funds. The CDBG-MIT Plan can be found on the SC Office of Resilience website at https://scor.sc.gov/.

Funding Allocation Priorities

	1A New Affordable Rental Housing (%)	1B Preservation of Existing Affordable Housing (%)	1C Tenant-Based Rental Assistance (%)	2A Improve Public Facilities & Infrastructure (%)	3A Economic Development & Sustainability (%)	4A Community & Regional Planning (%)	5A Homeless Housing & Services (%)	6A Housing & Supportive Services for HIV/AIDS (%)	7A Effective Program Management (%)	Total (%)
CDBG	0	0	0	93	1	2	0	0	3	**100**
HOME	61	37	0	0	0	0	0	0	2	**100**
HOPWA	0	0	0	0	0	0	0	97	3	**100**
ESG	0	0	0	0	0	0	93	0	7	**100**
HTF	56	34	0	0	0	0	0	0	10	**100**

Table 50 – Funding Allocation Priorities

Reason for Allocation Priorities

The CDBG, HOME, and HTF programs for 2026 are designed to address the three priority needs: affordable and decent housing; a suitable living environment; and economic opportunities. Allocation priorities are based on funding and program evaluation of relative need amongst the related objectives identified in the Plan. ESG funds address the needs of individuals and families experiencing homelessness in South Carolina and support specific activities such as street outreach services, emergency shelter, homeless prevention for those at risk of homelessness, and rapid rehousing for those already homeless. HOPWA program funds will be used to address the critical housing needs of low-income individuals and families living with HIV/AIDS in South Carolina. SC Department of Public Health allocates funding for TBRA, Facility-based Supportive Housing, STMRU, PHP, Transitional/Short-term Housing, and Supportive Housing.

How will the proposed distribution of funds address the priority needs and specific objectives described in the Consolidated Plan?

CDBG

The State distributes CDBG funds annually through a competitive process. Funded programs and eligible project types reflect allowed uses of CDBG and are designed to meet the priority needs and objectives described in the Consolidated Plan. The State's process requires most CDBG awards to go to local governments through competitive funding rounds. Local governments that receive awards then carry out activities identified in the Consolidated Plan in accordance with program requirements, ensuring resources support priority activities that directly address identified needs and help achieve the Plan's goals.

The application process and competitive scoring determine which activities will be funded each year. Funded projects and applications are listed annually in the Consolidated Annual Performance and Accomplishment Report (CAPER). For detailed information on eligible activities and distribution methods, visit the CDBG website at www.cdbgSC.com.

HOME and HTF

SC Housing develops annual applications supporting providers who address the priority needs and specific objectives described in this plan. HOME and HTF funds are distributed to local governments, nonprofit organizations, faith-based organizations, and other entities to carry out activities identified in the Consolidated Plan in accordance with applicable program requirements. Each year, funds are made available for some or all of the priority activities identified in the Strategic Plan, as indicated in the HOME and HTF Method of Distribution sections and program documents available on the SC Housing website at www.schousing.com. Specific activities undertaken by HOME and HTF recipients are determined by applications received and program funding award decisions.

ESG

Although states can award ESG Program funding to various recipient types, including nonprofits and local governments, the SC ESG Program awards funding only to nonprofit organizations. All 501(c)(3) nonprofits registered in South Carolina are eligible to apply.

The SC Office of Economic Opportunity holds a competitive application process and enters into grant agreements with approved applicants who already provide ESG services or ESG-related services to people experiencing homelessness or at risk of becoming homeless. Approved applicants become subrecipients for funding in one or more of the following components: emergency shelter, street outreach, rapid re-housing, homeless prevention, and/or HMIS. While applicants may request funds for multiple service components, each component proposed in an application is individually considered for an award.

HOPWA

HOPWA project sponsors are selected through a competitive request for grant applications (RFGA) process. RFGAs are advertised on the SC DPH website and in the South Carolina Business Opportunities (SCBO) newsletter in the fall preceding the March 31 end of the contract period. Grassroots faith-based organizations and other community-based organizations are eligible to apply.

HOPWA project sponsors may be funded to provide the following activities: tenant-based rental assistance (TBRA); short-term rent, mortgage, and utility assistance to prevent homelessness (STRMU); permanent housing facilities (PHF); transitional housing facilities (THF); permanent housing placement services (PHP); and various supportive services eligible under the HOPWA program.

AP-30 Methods of Distribution – 91.320(d)&(k)

Introduction:

Method of distribution refers to the means by which the state will distribute funds expected to be received by the five formula grant programs, CDBG, HOME, NHTF, ESG and HOPWA, each year. For CDBG-DR and CDBG-MIT, please see the appropriate Annual Action Plan for these disaster programs.

Each program distributes funds to local governments, nonprofit organizations, and other entities to carry out the activities identified in the Consolidated Plan, in accordance with applicable program requirements. Funds are made available as described below for priority activities identified in the Strategic Plan that will directly address priority needs and help accomplish the goals and objectives described in this Annual Plan. Program regulations also allow for a specified amount, typically a percentage of the total allocation, to be set aside for state or local recipient administration and other eligible activities, such as ESG HMIS administration, that do not directly contribute to accomplishments that will be reported in the performance report, but rather facilitate program delivery and accomplishment of goals. Compliance with applicable program caps and regulations is also addressed in the sections below.

- CDBG, HOME, and NHTF have established programs for PY 2026 designed to address the three priority needs, Decent Housing, Suitable Living Environment and Economic Opportunity, and related objectives identified in this Annual Plan. Programs and funding levels are provided under the Federal Resources section of this plan. Strategies, or specific activities and project types that potential funding recipients may propose, are described in each program's Method of Distribution and annual plan, along with scoring criteria applicable to the competitive programs and any other criteria used to select projects for funding. HOME funds will be available for non-special needs as well as special needs, and NHTF funding will be available for rehab of existing affordable housing units. (HOME funding may also be used for this purpose, depending on the NHTF allocation.) This is in addition to HOME funding for new construction of rental units.
- ESG makes funds available through one competitive funding round each year. Eligible nonprofits in the state may operate homeless shelters, transitional housing (subrecipients who were grandfathered in as they had received funds under HUD FY Emergency Shelter grants), homeless services programs, street outreach programs, and/or homeless prevention and re-housing programs and may request funds for any eligible activity defined in the program annual plan. These activities correspond to priority activities identified in this Annual Plan, and to the requirements and regulations governing the Emergency Solutions Program. Funding decisions are based on prior performance, applicant capacity, financial capacity, the proposed project, and other factors, as described in the ESG Method of Distribution.
- SC DPH allocates HOPWA funding for TBRA, Facility Based Supportive Housing, STRMU, PHP, Short-term Temporary Facility Based Housing (hotel, motel, transitional housing), and Supportive Services. Each funded service is essential and successful in preventing homelessness of persons

with HIV, as described in the program’s annual plan.

- Activities to be undertaken by recipients of funds are subject to the specific applications received and program funding awards. For more detailed information on the types of eligible activities, as well as the method of distribution for each program, refer to the program documents on each Program's website.

Distribution Methods

Table 51 - Distribution Methods by State Program

1	**State Program Name:**	Community Development Block Grant Program
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The South Carolina Community Development Block Grant (CDBG) Program is designed to provide assistance to units of general local government in improving economic opportunities and meeting community revitalization needs, particularly for persons of low and moderate income. The CDBG program has been funded through the State since 1982 by the U.S. Department of Housing and Urban Development (HUD) under the Housing and Community Development Act of 1974, as amended (Title I). The CDBG program is governed by Title I of the Housing and Community Development Act of 1974, as amended, and its implementing regulations for the State Program at 24 CFR Part 570, Subpart I. All CDBG activities must be carried out in accordance with the requirements of Title I, Subpart I, the State Consolidated Plan and the Program Description. The SC Department of Commerce, Division of Business Incentives and Community Development, administers the annual allocation from HUD and the State CDBG program.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	For most Community Development Programs, the State scores applications against other applications submitted for the same program, using the following criteria: level of community distress, severity of the problem to be addressed using grant funds awarded, citizen participation, level of effort or return on CDBG investment, feasibility of the project, readiness of the project to proceed if funds are awarded, CDBG cost/benefit ratio, number and LMI percentage of project beneficiaries, project outcomes to be achieved and impact, sustainability of the project, degree to which the project reflects state priorities, and capacity of the potential recipient to administer a CDBG project. Some criteria are scored independently on a 1-3 scale as outlined in the CDBG Program Description. Others are ranked competitively against all applications in the same program category and assigned scores in logical increments (such as Level of Effort, Cost/Benefit, Total Beneficiaries, and Project Sustainability). The Selection Criteria are rated and assigned a score from 1 to 3 where 3 = the best response, 2 = average, and 1 = less than satisfactory. Zero points may be awarded to a criterion if minimum program requirements are not addressed. The ranked scores are calculated and also assigned 1 to 3 points, where 3 is the best. The point assignment is multiplied by the weight of each criterion to obtain a score. There is a maximum score of 300 points. Bonus points are added to the total score, where appropriate. For PY 2026, projects located in an Opportunity Zone will receive 10 bonus points. The State may utilize the expertise of other State agencies in deciding the above factors, and the State may request additional information from the applicant or other sources as necessary to evaluate the application and proposed project. The State reserves the right to negotiate or require changes in activities or funding to achieve program objectives. For water and sewer projects, the State may require that rates be adjusted to levels that ensure adequate funding for operation and maintenance or to facilitate borrowing some project costs if such rate increases are reasonable. In the event of a tie where there are more applications under consideration for funding than there are funds available, preference will be given first to those applications addressing the highest state priorities and second, to those with the highest Outcome score. If there continues to be a tie the one that benefits the most LMI persons will be funded. The highest scoring projects determined to be fundable will be recommended to the Secretary of the SC Department of Commerce, or his designee, for funding based on the amount of funds available. Projects generally should score at least 175 points to be considered for funding, but such projects are not guaranteed.

		funding. The Secretary, or his designee, will make final funding determinations based on a review of the projects utilizing the selection criteria and that best meet Department objectives.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Each year, the State updates its annual plan or CDBG Program Description and applicant guidance documents and posts them on the https://www.cdbgSC.com website. These include the CDBG Program Description, CDBG Application Guidelines and CDBG Implementation Manual, as well as other information helpful to potential applicants. Application request forms can also be found on the website. Note that both the CDBG Program Description and Application Guidelines define and describe all scoring criteria and provide a more in-depth discussion of application requirements and how each type of CDBG application will be reviewed.
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	N/A

	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A

	Describe how resources will be allocated among funding categories.	The State's FY 2026 allocation is $20,295,542 and distributed as follows: Spring Funding Round: • Community Infrastructure - $8,000,000 (note that funds remaining after the Spring funding round will become available for the Fall funding round) Fall Funding Round: • Community Enrichment - $8,000,000 • Local Priorities - $2,086,677 • Ready to Go - $750,000 • Business Development - $250,000 • Regional Planning - $500,000 • State Administration - $505,910* • State Technical Assistance - $202,955* Note that for AP-20 Goals funding and AP-25 Allocation Priorities percentage calculations, Local Priorities has been included with Community Enrichment for the Community Sustainability goal, and Ready to Go has been included with Community Infrastructure in the Public Infrastructure & Facilities goal. * The amount for State Administration is equal to the allowable amount, or 2% of the annual allocation plus $100,000, and all but the additional $100,000 will be matched by state funds. The amount for Technical Assistance is also equal to the allowable amount, or 1% of the annual allocation.

	Describe threshold factors and grant size limits.	**Grant Maximums:** CDBG grant maximums and minimums have been established for each Program: • Community Infrastructure - $1,000,000* maximum, $50,000 minimum • Community Enrichment - $750,000* maximum, $50,000 minimum • Local Priorities - $300,000** maximum, $50,000 minimum • Ready to Go - $500,000 maximum*, $50,000 minimum • Economic Development - $10,000 per job maximum and $50,000 minimum • Regional Planning - $50,000 maximum and $50,000 minimum * Waivers of the grant maximum for the Community Infrastructure, Community Enrichment and Ready to Go Programs will be considered in certain circumstances described in the CDBG Program Description. A written request explaining the rationale for a waiver of the grant maximum must be submitted for consideration along with the application. ** Due to federal caps on public services/equipment, the number and amount of grants for public services activities eligible under the Program may be limited. The grant award limits for all categories may be waived at the discretion of the State in order to provide the level of assistance required where other resources are not reasonably available to the unit of local government to address the need in a timely manner or where the State determines the amount is necessary and appropriate to achieve the State CDBG Program's objectives. **Threshold** As a performance-based incentive, a unit of local government can apply for an additional Community Development grant if it has no more than two open CDBG grants (excluding Business Development or Regional Planning grants). However, the open grants must not have exceeded a 30 - month grant period. Additionally, a grantee may only have one open streetscape project.

		For threshold purposes, a grant is considered open if it is not programmatically closed at the time of application submission. The applicant must submit a request for waiver prior to or with the application request. At the discretion of the State, a performance threshold waiver may be considered only for the following reasons: • There is an urgent or compelling need for immediate assistance, such as an imminent health threat to the public; or • It is determined that lack of performance on an open grant is due to unavoidable circumstances or conditions beyond the control of the local government. If problems are determined to be administrative, the local government may be allowed to apply if a different grant administrator is responsible for the new application/project. A unit of local government may not apply for CDBG funds if it has any open grant which has not been programmatically closed due to the local government's lack of compliance with significant programmatic or financial requirements of the program. A grant may not be awarded to a local government which has a serious, outstanding audit or monitoring finding involving the potential for significant monetary restitution or non-responsiveness on any previously funded CDBG grant.
	What are the outcome measures expected as a result of the method of distribution?	All projects are required to propose a level of benefit and performance outcomes they expect the project will achieve as a result of the use of CDBG funds. Projects are evaluated on this basis, along with all other scoring criteria, and projects must demonstrate that they have achieved performance goals once all project funds have been expended, as part of the grant closeout process. Accomplishments are reported annually in the State's Consolidated Performance and Evaluation Report (CAPER).

2	**State Program Name:**	Emergency Solutions Grant Program
	Funding Sources:	ESG
	Describe the state program addressed by the Method of Distribution.	The Emergency Solutions Grant program provides funding to: engage homeless individuals and families, provide funding to emergency shelters for homeless individuals and families and provide funding to help operate these shelters, provide essential services to shelter residents and outreach to unsheltered homeless persons, rapidly rehouse homeless individuals and families, and prevent families/individuals from becoming homeless.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	All applications will be scored based on the following criteria, with the exception of new applicants. New applicants will not be evaluated on prior performance and may receive up to a maximum of 170 points. Current ESG subgrantees applying for the current program year will be evaluated based on prior performance and may receive up to a maximum of 270 points. All applicants' points earned will then be converted to a percentage score (total points earned divided by maximum points = percentage score), which will then be used to determine the applicant's rank within the COC region. . Points will be awarded as follows: • Up to 100 points based on the applicant's prior year performance • Up to 40 points based on applicant capacity • Up to 60 points based on financial capacity • Up to 60 points for the proposed project • Up to 10 points for other factors* • Other factors are unique to each project

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	N/A
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	Although states can award ESG Program funding to various recipients types, including non-profits and local governments. the South Carolina ESG Program has opted to award funding only to non-profit organizations. All 501(c)3 non-profits registered in the state of South Carolina are eligible to apply. ESG holds an annual Virtual Applicant Conference to discuss the new year's funding opportunities. Past recipients are invited to attend, along with new organizations that have expressed interest in the program throughout the year. The purpose of the conference is to introduce potential applicants to the ESG Program, explain the basic rules and requirements of the Program, and provide information on how to apply and the deadline for doing so. After applications are received in April, a panel of OEO staff review all applications received and score them on a scale of 0 to 270 (new applicants from a scale of 0 to 170). Since 2018, applications are also ranked against applications received from other organizations within the local Continuum of Care region, and final funding decisions are made by the Program Management (currently the Director of the Office of Economic Opportunity, which administers the ESG Program).

	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A
	Describe how resources will be allocated among funding categories.	No supplemental funding is expected from additional sources, such as Continuum 501. The Emergency Solutions Grant Program plans to distribute the funds as follows: Administration-7.5%; Emergency Shelter and Street Outreach-55% (cannot exceed 60%); Homeless Prevention and Rapid Re-housing 27.5%; and HMIS 10%. • Emergency Shelter 46.1% or $1,103,500.00 • Street Outreach 8.9% or $212,000.00 • Rapid Re-housing 14.8% or $353,000.00 • Homeless Prevention 14.4% or $345,098.38 • HMIS 8.3% or $198,849.00 • State Program Administration 7.5% or $179,387.62
	Describe threshold factors and grant size limits.	There are no threshold factors for the Emergency Solutions Grant Program. The maximum award amount is $350,000, but in recent years, funding limitations have prevented the Program from issuing maximum awards. Instead, ESG strives to fund as many recipients as possible and to distribute funding throughout the state.

	What are the outcome measures expected as a result of the method of distribution?	Applicants for ESG funds identify measures of success and expected outcomes in their application. These must help achieve one or more ESG objectives, including street outreach to unsheltered homeless individuals and families, providing emergency shelter or essential services for individuals and families who have become homeless, rapidly rehousing individuals and families to shorten their episode of homelessness, and preventing homelessness for families and individuals at risk of becoming homeless. Actual proposed outcomes are refined after awards are announced, to reflect funds that will actually be available as a result of the amount awarded.

3	**State Program Name:**	HOME Investment Partnerships Program
	Funding Sources:	HOME
	Describe the state program addressed by the Method of Distribution.	HOME funding will be made available through a competitive process through the Small Rental Development Program (SRDP) by which the highest scoring applications submitted during an annual funding cycle will be awarded. South Carolina will not distribute HOME Investment Partnerships Program funds through subgrantees.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Points will be awarded as outlined in the HOME Attachments (SRDP Program Manual and Appendices). Both positive and negative points may be assessed for things such as performance issues, site characteristics, local affordable housing market conditions, project characteristics such as energy efficiency, sustainable building practices and planned mixed income units, leveraging, and local community factors such as revitalization and other pertinent local plans. In total, new construction projects are eligible to receive a total of 139 points. **Evaluation of Rehabilitation Applications** The Authority will also evaluate rehabilitation applications comparatively based on the criteria outlined in the HOME Attachments including elements such as prevention of conversion of affordable units to market rate/loss of government housing resources, extent of physical distress, local revitalization planning and contribution to economic empowerment of low income households. Applications proposing rehabilitation will be scored out of a total of 120 possible points, to be allocated as described in the HOME Attachments.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	N/A

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	N/A
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A

	Describe how resources will be allocated among funding categories.	In PY 2026, the Authority received $6,374,400.07 in HOME HUD funding, plus $10,386,713.00 in accrued program income and $10,092,949.21 in carry forward. The total of $26,216,622.27will be allocated into funding categories as shown below. But note that any increase or decrease will be reflected in funding available for rental activities in the Small Rental Development Program. • Allowable set aside of ten percent (10%) for the administration of the program, which will be used for the planning, administration, allocation of indirect costs and monitoring of the program. Funds will also be used to conduct workshops to assist participants in applying for and implementing HOME funded projects. • The required CHDO set-aside allocation is fifteen percent (15%) of the Authority's total HOME allocation. CHDOs wanting to request funding must apply in the 2026 Small Rental Development Program funding cycle. The CHDO set-aside amount is included in the total amount set-aside for the rental competition. The remaining HOME funds will be awarded to New Construction and Rehabilitation developments that are awarded in the 2026 Small Rental Development Program funding cycle for rentals.
	Describe threshold factors and grant size limits.	**Projects that do not meet threshold requirements will be excluded from further review**. Threshold requirements are described fully in the HOME Attachments but include financial capacity, good standing with all Authority and SC Housing Corporation administered programs, experience and capacity to develop an eligible SRDP project, site control and environmental review, participation and performance of previous funding recipients and having met required deadlines, proper zoning, compliance with the Uniform Relocation Act, and compliance with requirements to physical needs assessment, lead-based paint, asbestos, and safe drinking water. Applicants that are related entities, principals, and/or individuals and are applying for funds are only eligible to apply for two (2) SRDP awards and may only be allocated one (1) SRDP award. More details can be found in the HOME Attachments.

	What are the outcome measures expected as a result of the method of distribution?	All projects are subject to HOME/HTF/SC HTF compliance monitoring requirements. At a minimum, the owners of projects are responsible for conducting the following annually: • Maximum rent and utility allowances must be reviewed and recalculated annually upon the anniversary of the lease renewal date. Updated HOME/HTF rents are published annually by HUD and are provided on the Authority's website. Updated SC HTF rent allowances are updated annually by SC Housing. • The HOME Final Rule and the HTF Interim Rule requires approval of all rents on an annual basis for developments with such units. The approval process will be handled by the Compliance Monitoring Department. Annual Rent Approval Form M-66 will be submitted to Compliance Monitoring staff to begin the approval process. • HUD Utility Schedule Model. All utility allowance calculations on the Excel Spreadsheets as part of the HUD Utility Schedule Model must be provided. The Authority reserves the right to review all backup data used for calculations. HUD link: http://www.huduser.org/portal/resources/utilmodel.html. The annual income for all tenants must be reviewed and verified each year. Updated HOME/HTF incomes are published annually by HUD and are provided on the Authority's website. Updated SC HTF income limits are updated annually by SC Housing and also provided on the website. The annual income definition found at 24 CFR Part 5: income is the gross amount of income of all adult household members that is anticipated to be received during the coming 12 month period. • On-site inspections for compliance with the National Standards for the Physical Inspection of Real Estate (NSPIRE) should be conducted by the owners: The Authority conducts periodic on-site compliance reviews throughout the affordability period to ensure compliance with HOME/HTF/SC HTF rental program requirements. These reviews include, but are not limited to, occupancy requirements and property standards. Refer to the Multiple Programs Compliance Guidebook located on the Authority's website for further compliance monitoring requirements. Rental projects with 10 or more HOME units will be required to submit financial statements annually to determine the financial health of the project. • A draft of the 2026 SRDP Application Manual is provided as an attachment to this Action Plan.

4	**State Program Name:**	Housing Opportunities for Persons with HIV/AIDS (HOPWA)
	Funding Sources:	HOPWA
	Describe the state program addressed by the Method of Distribution.	Dependent on availability of funding, the SC Department of Public Health (SC DPH) allocates HOPWA funds to TBRA and Supportive Housing Facility operating costs necessary to continue current operations. Remaining funds are allocated through a formula based on prevalence by county and allocated to Project Sponsors providing STRMU, PHP, and Supportive Services. The allocation for each of these services is determined annually based on local needs. As HOPWA federal HOPWA funding increased, TBRA, STRMU, PHP, and Supportive Services are eligible for a proportional increase.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Project Sponsors are awarded through a competitive Request for Grant Application (RFGA) process. All HOPWA RFGAs are scored on the following criteria: Program Description, Organization History, Experience, and Qualifications, Community Assessment, and Reports and Evaluation. Within the application process, applicants must describe how they will serve all counties in their service area with STRMU, PHP, Supportive Services, Transitional Housing and referral to TBRA. All counties in the service area must be covered, ensuring that clients in every county of the state's jurisdiction have access to HOPWA funds. RFGAs are also used to award the TBRA and Facility Based Housing contracts. The TBRA provider must provide TBRA to all counties within SC DPH's HOPWA jurisdiction. The Facility Based Supportive Housing provider must be available to taking clients statewide.

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	N/A
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	N/A

	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	SC DPH distributes HOPWA funds to Project Sponsors, which are typically regional Ryan White Part B Service Providers, eligible non-profit organizations and/or local health departments that assist persons with HIV/AIDS. Grass-roots faith based organizations and other community–based organizations are eligible to apply. Project Sponsors for STRMU, PHP, Supportive Services, Transitional Housing and referral to TBRA are awarded through a competitive Request for Grant Application (RFGA) process. The RFGA process is also used to award the statewide TBRA and Facility Based Housing contracts. All RFGAs are advertised on the SC DPH website and in the South Carolina Business Opportunities (SCBO) newsletter in the fall, preceding the March 31st end of the contract period. HOPWA RFGA Award Notification is posted on the SC DPH website. Emails with the link to the Award Notification are sent to all applicants. After the dispute period, subaward agreements are made with the awarded entity. These contracts typically run for 3 years.

	Describe how resources will be allocated among funding categories.	SC DPH allocates funding for TBRA based on current utilization of the program and availability of funding. Operating costs for Facility Based Supportive Housing are established by DPH based on the reasonable needs of the program and historical costs to operate the facility. Remaining funds are allocated through a formula based on HIV prevalence rates by county, to Project Sponsors that provide STRMU, PHP, Transitional Housing and Supportive Services. The allocation for each of these services is determined by the Project Sponsor annually based on local needs. Estimates are initially provided. Then, once the final funding is known, if funding is reduced, all services are eligible for a proportional decrease. If funding is increased, TBRA, STRMU, PHP, Transitional Housing and Supportive Services are eligible for a proportional increase. For Program Year 2026, HOPWA received $3,210,536 and SC DPH will allocate funds to the TBRA provider and then to Project Sponsors based on HIV prevalence in the counties served. Project Sponsors will then allocate to activities based on projected local needs. 2026 allocation would be as follows: • Operating Costs for Facility Based Housing - $209,000 • TBRA - $1,134,995 • STRMU - $960,962 • Supportive Services (including Permanent Housing Placement) - $1,115,885 • Short-Term or Facility-Based Housing Services - $56,172 • Sponsor Admin - $187,312 • State Program Admin - $96,316.08 * As noted above, previous year's funding of $549,107 is included in the distribution above and Total Expected Funds on AP-15. These funds are allocated to TBRA, Facility Based Housing, and STRMU.

	Describe threshold factors and grant size limits.	The TBRA Project Sponsor maximum annual award is $1,134,995. The maximum annual award for Facility Based Supportive Services Operating costs is $209,000. Project Sponsor awards are dependent upon the HOPWA award amount and range from $36,038 to $501,602. The award is based on the prevalence of HIV/AIDS in the Project Sponsor service area
	What are the outcome measures expected as a result of the method of distribution?	The primary objective of SC DPH's statewide HOPWA program is to keep People Living with HIV/AIDs (PLWH) from becoming homeless and promote stable housing. HOPWA enables eligible persons with HIV/AIDS and their families to secure and sustain decent, safe and sanitary housing. HOPWA measures outcomes in terms of the numbers of clients served with TBRA, households provided with permanent housing placement, households provided with supportive services such as case management, employment assistance, transportation, and alcohol and drug abuse services, and the number of households residing in units supported with HOPWA operating funds. Other outcome measures for TBRA and STRMU services are housing stability and temporary stability with reduced risk of homelessness. For supportive services, HOPWA measures the percentage of clients served who receive support for stable housing, as well as the percentage that

5	**State Program Name:**	Housing Trust Fund
	Funding Sources:	HTF
	Describe the state program addressed by the Method of Distribution.	All of SC Housing's HTF funding (minus administrative funds) will be made available through a competitive process through the Small Rental Development Program (SRDP) by which the highest scoring applications submitted during an annual funding cycle will be awarded. South Carolina will not distribute Housing Trust Funds through subgrantees.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Points will be awarded as outlined in the HOME & HTF Attachments. Both positive and negative points may be assessed for things such as performance issues, site characteristics, local affordable housing market conditions, project characteristics such as energy efficiency, sustainable building practices and planned mixed income units, leveraging, and local community factors such as revitalization and other pertinent local plans. In total, new construction projects are eligible to receive a total of 139 points. **Evaluation of Rehabilitation Applications** The Authority will also evaluate rehabilitation applications comparatively based on the criteria outlined in the HOME & HTF Attachments including elements such as prevention of conversion of affordable units to market rate/loss of government housing resources, extent of physical distress, local revitalization planning and contribution to economic empowerment of low income households. Applications proposing rehabilitation will be scored out of a total of one hundred 120 possible points, to be allocated as described in the HOME & HTF Attachments. Points will be awarded as outlined in this section. Both positive and negative points may be assessed.

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	N/A
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	N/A
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A

	Describe how resources will be allocated among funding categories.	The Authority has been allocated $3,311,933.19 in PY 2026 for distribution plus $2,108,722.28 carried forward and carried forward from 2026, and $0.00 in accrued program income. HTF funding will be used as outlined below: • Allowable set aside of ten percent (10%) for the administration of the program. Administrative funds will be used for the planning, administration, allocation of indirect costs and monitoring of the program. Funds will also be used to conduct workshops to assist participants in applying for and implementing HTF funded projects. • The balance of funds along with Program Income and carry forward funds will be set aside for the 2026 Small Rental Development Program to fund affordable rental housing developments.
	Describe threshold factors and grant size limits.	**Applications that do not meet threshold requirements will be excluded from further review**. Threshold requirements are described fully in the HTF Attachments but include financial capacity, good standing with all Authority and SC Housing Corporation administered programs, experience and capacity to develop an eligible SRDP project, site control and environmental review, participation and performance of previous funding recipients and having met required deadlines, proper zoning, compliance with the Uniform Relocation Act, and compliance with requirements to physical needs assessment, lead- based paint, asbestos, and safe drinking water. Applicants that are related entities, principals, and/or individuals and are applying for funds are only eligible to apply for two (2) SRDP awards and may only be allocated one (1) SRDP award. More details can be found in the HOME Attachments.

	What are the outcome measures expected as a result of the method of distribution?	All projects are subject to HOME/HTF/SC HTF compliance monitoring requirements. At a minimum, the owners of projects are responsible for conducting the following annually: • Maximum rent and utility allowances must be reviewed and recalculated annually upon the anniversary of the lease renewal date. Updated HOME/HTF rents are published annually by HUD and are provided on the Authority's website. Updated SC HTF rent allowances are updated annually by SC Housing. • The HOME Final Rule and the HTF Interim Rule requires approval of all rents on an annual basis for developments with such units. The approval process will be handled by the Compliance Monitoring Department. Annual Rent Approval Form M-66 will be submitted to Compliance Monitoring staff to begin the approval process. • HUD Utility Schedule Model. All utility allowance calculations on the Excel Spreadsheets as part of the HUD Utility Schedule Model must be provided. The Authority reserves the right to review all backup data used for calculations. HUD link: http://www.huduser.org/portal/resources/utilmodel.html. • The annual income for all tenants must be reviewed and verified each year. Updated HOME/HTF incomes are published annually by HUD and are provided on the Authority's website. Updated SC HTF income limits are updated annually by SC Housing. and also provided on the website. The annual income definition found at 24 CFR Part 5: income is the gross amount of income of all adult household members that is anticipated to be received during the coming 12 month period. On-site inspections for compliance with the National Standards for the Physical Inspection of Real Estate (NSPIRE) should be conducted by the owners: • The Authority conducts periodic on-site compliance reviews throughout the affordability period to ensure compliance with HOME/HTF/SC HTF rental program requirements. These reviews include, but are not limited to, occupancy requirements and property standards. Refer to the SRDP Compliance Manual located on the Authority's website for further compliance monitoring requirements. • Rental projects with 10 or more HTF units will be required to submit financial statements annually to determine the financial health of the project. • A draft of the 2026 SRDP Application Manual is provided as an attachment to this Action Plan.

AP-35 Projects – (Optional)

Introduction:

The five Consolidated Plan Programs, CDBG, HOME, HTF, ESG and HOPWA, have each developed a plan for how they will distribute HUD funding for PY 2026. These plans are described more completely in the program and application documents available for download from each Program's website, as well as in AP- 25 Allocation Priorities and AP-30 Method of Distribution. Because funds are generally distributed through programs of competitive funding, specific projects are not known in advance of completion of the program year, receipt of all applications for funding and completion of all funding decisions.

#	Project Name

Table 52 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Each Program has identified various programs or activities that will be funded during PY 2026, and that will directly contribute toward achieving the goals defined in this plan. Funding for each of these programs or activities are described in program-specific sections of AP-30, Method of Distribution and the HOME and HTF Attachments to this Plan. But in general, the CDBG, HOME and HTF, and ESG programs for 2026 are designed to address the three priority needs: affordable and decent Housing; a suitable living environment; and provide economic opportunities.

Allocation priorities are based on expected funding and program evaluation of relative need amongst the related objectives identified in the Plan. For HOPWA, SC DPH allocates funding for TBRA, Facility based Supportive Housing, STMRU, PHP, Transitional Housing and Supportive Housing, as each of these are successful in providing stable housing and preventing homelessness of persons with HIV.

Please see AP-25, Allocation Priorities for more details on how the methods of distribution for each Consolidated Plan program will address priority needs.

The primary obstacle to meeting the needs for underserved housing and community development in South Carolina is funding. Many local governments have limited local resources, so funding from other sources is especially important, yet existing resources continue to shrink. Meanwhile, demand for assistance is growing as more low-income individuals, families, and neighborhoods need help, and the complexity of their issues is increasing the scale and cost of assistance. These factors place substantial new burdens on an already strained housing and community development delivery system.

Capacity and resource coordination are also significant obstacles. Infrastructure deficiencies persistently impede the State’s ability to address long-standing community needs. Insufficient expertise, funding, and planning affect many rural areas of South Carolina. Capacity constraints and inadequate resource

coordination hinder crucial improvements in quality of life. As a result, no new developments or upgrades are made in housing, infrastructure, or community facilities. Prolonged disinvestment and decline have led to economic and social decline in many communities across the state.

AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)

Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?

Not applicable. The State does not intend to apply for Section 108 loan funds to help non-entitlement governments within South Carolina.

Available Grant Amounts

Not applicable.

Acceptance process of applications

Not applicable.

AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)

Will the state allow units of general local government to carry out community revitalization strategies?

No

State's Process and Criteria for approving local government revitalization strategies

The State does not use Community Development Strategy Areas within its CDBG Program.

AP-50 Geographic Distribution – 91.320(f)

Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed

The State does not generally target funding by region; however, benefits must target eligible low- to moderate-income persons and households, or low/mod eligible areas. The target area identified in this plan, Statewide Low/Mod Eligible, covers the broad description of both categories of eligible targets.

For CDBG, the State doesn't fund projects in entitlement areas already receiving federal CDBG funds. Therefore, CDBG funds awarded to the State will generally be funded only to non-entitlement areas. However, HOME, HOPWA, ESG and HTF are based on the eligibility of applications, feasibility of each project and if households are eligible. See further below how each of the State's five entitlement programs allocates investments.

Low-Income Households

Households earning less than 80% of the area median income (AMI) are considered low-income. To be considered a tract with a concentration of low-income households, the tract's median household income is less than 80% of the AMI. The median household income in South Carolina is $66,818 and at 80%, low-income is estimated at $53,454. Tracts with a concentration of low-income tracts are scattered across rural areas of the State. Data was taken from the 2019-2023 ACS. A map of the Concentration of LMI Households is located in the MA-50.

Minority Concentrations:

For the purposes of this analysis, a concentration is any census tract where the racial or ethnic minority group makes up 10% more than the Statewide average. Data was taken from the 2019-2023 ACS. Minority race groups with less than 1% of the population were not included in this analysis. More information about race/ethnicity concentrations in South Carolina can be found in the MA-50.

Non-Hispanic Black and African-Americans comprise of about 25.1% of the population in South Carolina, and a tract with a concentration would be 35.1% or more. The majority of tracts are concentrated in the eastern half of the state, primarily the surrounding tracts of Orangeburg, Florence and Sumter; and on the Atlantic coastline running north and south from Myrte Beach to North Charleston. There is also a concentration north of Columbia.

Asians (non-Hispanic) make up 1.7% of the State population and a tract with a concentration would be 11.7% or more. There are very few tracts with a concentration of Asians, which are mainly located near the major urban cities in South Carolina. These include tracts nearby Greenville, Spartanburg, Columbia, Florence and the northern border of the state and Charlotte, NC.

Two or more races (non-Hispanic) comprise of 3.2% of the statewide population, and a tract with a

concentration would be 13.2% or more. Tracts with a concentration of two or more races are scattered throughout the State, however they are mostly located in rural areas.

The Hispanic population, which makes up 7.1% of the total population of South Carolina would make a tract with a concentration at 17.1% or more. Tracts with a concentration of this ethnic group are scattered across the State, primarily in surrounding tracts around urban centers. These include Greenville, Spartanburg, Charleston, Columbia and tracts along the border of the state and Savannah, GA. A map of the Concentration of the Hispanic Population is located in the MA-50.

Geographic Distribution

Target Area	Percentage of Funds
Statewide Low/Mod Eligible	100

Table 53 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The five HUD programs included in this Consolidated Plan generally do not allocate funding availability by region.

For CDBG, the State also does not allocate funding based solely on geographic requirements, however; it will implement its projects statewide to non-entitlement areas based on its priority needs and the income of beneficiaries. When a planned activity is intended to serve individuals or households directly, they must meet income qualifications, as well as residency requirements, in order to receive assistance from CDBG funded activities. In these instances, staff and/or one of its subrecipient partner agencies will complete an intake and eligibility review of the applicant before the activity is initiated. These eligible recipients are designated “low/mod clientele” (LMC) or “low/mod households” (LMH).

Certain activities such as public facility and infrastructure serve a special need community, and/or a “low/mod area-wide” benefit (LMA). Per HUD requirements, the service areas of these community centers must be within an eligible Census Block Group Tract, as defined by HUD-CDBG regulations, whereby the majority of the residents are at least 51% low- to moderate-income.

To determine these tracts, the State will be utilizing HUD CDBG Low Mod Income Summary Data (LMISD) from the HUD Exchange website, which has redefined the eligible tracts within South Carolina. The identified Census Block Group Tracts within the State that are considered low-moderate income can be found on the HUD Exchange website at: https://www.hudexchange.info/programs/acs-low-mod-summary-data/.

HOME and HTF funding will give preference to projects located in areas of the state that have the highest shortage of affordable housing, are located in close proximity to employment opportunities and other

amenities and are located in counties that have not been awarded funds within the last 5 years.

ESG makes funding available through one competition, with no regional targeting of funds but with a goal of distributing funds throughout the state. To that end, ESG's scoring process ranks applicants against others from the same Continuum of Care region.

HOPWA serves all areas of the state except the three areas that are HOPWA entitlement communities (Columbia, Charleston and Greenville) and the counties that fall in North Carolina and Georgia HOPWA.

Affordable Housing

AP-55 Affordable Housing – 24 CFR 91.320(g)

Introduction:

This section provides the State's estimate of the number of households that will receive affordable housing, based on the goals set forth in AP-20, Annual Goals and Objectives.

The annual goals listed in this section specify the following goals for affordable housing assistance for non-homeless populations. The terms for affordable housing are defined in 24 CFR 92.252 for rental housing and 24 CFR 92.254 for homeownership. This section only reports grant program activities under the CDBG and HOME programs.

As a result, HUD specifies that the number of households estimated in the tables below should not include those expected to benefit from emergency shelter, transitional shelter or social services. Also, the totals by household type (top table) and program or activity type (bottom table) must match. Related AP-20 goals include new affordable rental housing and preservation of existing housing (rehab), and TBRA assistance, as part of the goal for people living with HIV/AIDs.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	52
Special-Needs	0
Total	52

Table 54 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	40
Rehab of Existing Units	12
Acquisition of Existing Units	0
Total	52

Table 55 - One Year Goals for Affordable Housing by Support Type

Discussion:

Affordable housing goals, as defined by HUD guidelines, will be HOME and HTF funded new rental construction and rental housing rehabilitation supporting LMI and special needs households. See below the affordable housing goals for PY 2026, which are also consistent with the goals established in the AP-20.

Rental units constructed: 40 Household Housing Unit
Rental units rehabilitated: 12 Household Housing Unit

AP-60 Public Housing - 24 CFR 91.320(j)

Introduction:

SC Housing serves as the local Housing Authority in the administration and delivery of rental assistance under HUD's Housing Choice Voucher Program for the following counties: Clarendon, Colleton, Dorchester, Fairfield, Kershaw, Lee and Lexington, Community based Public Housing Authorities (PHAs) located in the states larger suburban and metropolitan areas own and manage public housing developments. SC Housing supports the local PHAs with financing and/or technical assistance and thereby helps the PHAs achieve the federal program objectives of encouraging homeownership, self-sufficiency, and youth development, but the state does not undertake public housing resident management or ownership initiatives.

During the development of the Consolidated Plan, the State reviewed the plans of public housing authorities in South Carolina. These plans indicate a general trend toward concepts of family self-sufficiency, individual development accounts, and homeownership programs.

To the State's knowledge, there are no outstanding court orders, consent decrees, or HUD sanctions that would either prevent or negatively impact the delivery of affordable housing to low income persons and families or impede implementation of the Consolidated Plan.

Actions planned during the next year to address the needs to public housing

See above. SC Housing supports the local PHAs with financing and/or technical assistance and thereby helps the PHAs achieve the federal program objectives of encouraging homeownership, self-sufficiency, and youth development, but the state does not undertake public housing resident management or ownership initiatives. Please refer to the local housing authority in the area.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

Not applicable. Please refer to the local housing authority in the area.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not applicable. Please refer to the local housing authority in the area.

AP-65 Homeless and Other Special Needs Activities – 91.320(h)

Introduction

The South Carolina Department of Administration-Office of Economic Opportunity coordinates outreach to homeless individuals and families through several strategies. The following section outlines the State's outreach to homeless individuals and families; how it will address emergency shelter and transitional housing needs for the homeless; how it will help homeless individuals and families transition to permanent and stable housing; and how it will help all homeless groups to avoid homelessness.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The South Carolina Department of Administration-Office of Economic Opportunity (OEO) attends the Homeless Coalition bi-monthly meetings, along with all the Continuums of Care (CoC); meets with each HMIS lead agency; attends policy meetings and staff volunteer for various Homeless Coalition committees. The four regional CoCs are: Total Care for the Homeless Coalition (TCHC), Lowcountry Homeless Coalition, Midlands Area Consortium for the Homeless (MACH), and Upstate Continuum of Care, which also acts as the CoC Lead Organization.

To further coordinate, Street Outreach is coordinate statewide by the office, which involves identifying places in each community where unsheltered homeless have been typically found, by law enforcement, community service workers or homeless count volunteers. Once identified, a street outreach worker will physically go to those places, in an attempt to locate unsheltered homeless persons, engage them, identify needs and connect them with emergency shelter, housing or critical services, or provide them with urgent, non-facility based care. Since homeless individuals are often distrustful and uneasy sharing personal information, this process takes time and effort. Initial efforts focus on small engagements like providing hygiene kits, and providers use that initial interaction to build trust. This in turn allows greater efforts at identifying specific needs and connecting individuals with services that can benefit them. Street outreach activities can include case management, emergency health and mental health services, transportation and services for special populations.

Addressing the emergency shelter and transitional housing needs of homeless persons

The Emergency Solutions Grant (ESG) Program addresses the need for emergency shelter by funding shelters who provide services outlined by HUD to those who are currently homeless. The State Office of Economic Opportunity works closely with all four regional CoCs to identify needs and direct funds for emergency shelter services.

Helping homeless persons (especially chronically homeless individuals and families, families

with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The Office of Economic Opportunity is responsible for administering the State ESG Program and meets regularly with State Continuums of Care to discuss homelessness needs and strategies, upcoming Annual Action Plans, and funding allocations across outreach, emergency shelter and transitional housing operations, homelessness prevention and re-housing, and HMIS. These coordination efforts help align objectives and policies and support a more integrated, statewide approach to addressing homelessness.

The ESG Program provides funding for services that specifically address the needs of homeless individuals and families, which include the transition to permanent housing and to prevent the recurrence of homelessness. The goal is to use housing relocation, stabilization services or short-term rental assistance to "re-house" individuals and families living in shelters or unsheltered situations. This involves assistance to help move them, as quickly as possible, out of homelessness into a more stable housing situation and to set them up for future success. Providers can use ESG funds to assist with short- term rental assistance, rental arrears, rental application fees, security and utility deposits, utility payments, moving costs, and a range of services including housing search and placement, case management, tenant legal services, landlord-tenant mediation and credit repair.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

The ESG Program has funds available for preventive services, to help eligible individuals and families avoid homelessness. Although the ESG Program has a prohibition against discharge planning that prevents the use of ESG funds to facilitate discharge, a person discharged from an institution can still benefit from the services ESG recipients can provide. Funds are available for housing relocation, stabilization services and short-term rental assistance, as necessary to prevent the individual or family from moving to an emergency shelter, onto the streets or into other places not meant for human habitation.

Recipients may use ESG funds to assist with short-term rental assistance, rental arrears, rental application fees, security and utility deposits, utility payments, moving costs, and a range of services including housing search and placement, case management, tenant legal services, landlord-tenant mediation and credit repair. The goal is to prevent an individual or family from moving to an emergency shelter or into an unsheltered situation and to achieve housing stability.

AP-70 HOPWA Goals – 91.320(k)(4)

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	250
Tenant-based rental assistance	125
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	10
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	30
Total	415

AP-75 Barriers to affordable housing – 91.320(i)

Introduction:

Below are state-level policies and conditions that can negatively affect affordable housing production, preservation, and residential investment in South Carolina. Local counties and jurisdictions have their own ordinances and fees; the items below reference policies that apply statewide (or are set in state law) and commonly shape local practice.

1) **Property-tax classification and caps (Act 388 and related statutes)**
   - **Higher assessment ratio on rental & new non-owner housing.** Owner-occupied homes are taxed at a 4% assessment ratio, while rental/second homes are taxed at 6%, increasing operating costs for rental housing relative to owner-occupied units and discouraging new rental investment. State guidance and county materials confirm the 4% "legal residence" classification and default 6% for other residential property.
   - **15% reassessment cap & "point-of-sale" reset.** Act 388 caps taxable value growth to 15% over five years, but removes the cap at assessable transfer of interest (i.e., point of sale). This combination can suppress taxes for long-held owner property while shifting burdens toward new buyers and new construction, complicating pro formas for affordable projects and preservation acquisitions.

2) **No statewide rent regulation and limited tenant-protections baseline**
   - **No statewide rent control / caps**. South Carolina law does not cap rent increases at the state level; increases are largely governed by lease terms and general good-faith standards, leaving affordability exposed in hot markets. (A 2025 bill proposing caps and notice requirements—H.3346—is pending and not enacted.)
   - **State fair-housing law does not include "source of income."** Because voucher/source-of-income discrimination is not currently a protected class under the state fair-housing statute, landlords may legally refuse Housing Choice Vouchers, which reduces lease-up options for low-income renters unless a locality adopts its own protections. (Bills to add SOI protection were introduced in recent sessions but not enacted.)

3) **Development Impact Fee Act (state authorization for local impact fees)**
   - **State law authorizes local governments to levy development impact fees (SC Development Impact Fee Act, §6-1-910 et seq.).** While impact fees fund needed infrastructure, they increase per-unit development costs when not calibrated with affordability objectives or offset by incentives/exemptions, affecting feasibility for income-restricted housing.

4) **Code adoption/energy compliance-cost timing (neutral baseline, practical frictions)**
   - **South Carolina adopts the 2021 International Codes with state modifications.** While modern codes improve safety and efficiency, implementation timing and compliance costs (e.g., plan review capacity, training cycles) can delay smaller affordable projects if not supported by technical

assistance and predictable schedules. This is a process risk rather than a policy flaw, but it can still hinder delivery if local enforcement capacity is constrained.

Together, these policies can raise the cost of supplying and operating affordable rentals (tax classification and impact fees), limit demand-side access (no SOI protection; no statewide rent caps), and reduce policy tools that localities can readily deploy. For preservation deals, point-of-sale reassessment and the 6% class can widen operating gaps just as a nonprofit or mission buyer acquires an aging asset, increasing the risk of conversion to higher rents if subsidies are insufficient. Addressing these headwinds typically involves state-level fixes (e.g., tax parity or exemptions for income-restricted/rent-capped properties, SOI protection) paired with local implementation that calibrates impact fees and streamlines code review for affordable projects.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The following strategies to remove affordable housing barriers will take place in the upcoming program year.

- SC Housing will continue the SC Mortgage Tax Credit Program to help homebuyers make their mortgages more affordable. It is a Mortgage Credit Certificate Program administered by SC Housing which provides a federal income tax credit to qualified homebuyers for every year they occupy the home as their primary residence. This program was begun in 2012.
- SC Housing's Palmetto Heroes Program will continue to assist local “heroes” to become homeowners. Eligible homebuyer “heroes” can vary year to year, but usually include essential public safety personnel, such as law enforcement officers, fire fighters and EMS personnel; medical personnel such as nurses, correctional workers and EMS personnel. The program provides a reduced mortgage interest rate and down payment assistance.
- Palmetto Home Advantage Program offers low fixed interest rates and down payment assistance for first time home buyers.
- Country First Initiative Program is a rural initiative available to homebuyers in specifically targeted rural counties.
- SC Housing will hold Lender Partner and SC State Housing Authority Certified Real Estate Professional training classes at locations throughout the state. The Lender Partner training covers program requirements such as home price limits, income limits, and the SC Housing loan process. Certified Real Estate Professional training covers SC Housing programs availability and eligibility and requirements for SC Housing loans. Legal and Real Estate continuing education sessions were also included in the Palmetto Affordable Housing Forum. The overall purpose is to increase awareness of housing programs and resources to expand the supply of affordable housing and increase homeownership opportunities in the state.
- SC Housing will maintain its expanded social media presence as a means of communicating

information to housing partners, homeowners and renters and others interested in housing in the state. The agency uses Twitter and Facebook and other innovative electronic tools and technologies have allowed it to operate more efficiently and communicate in a more dynamic and timely way.

- SC Housing will award funds for or to facilitate construction of new affordable rental housing units. HOME, HTF, and other SC Housing administered funds in these projects directly lower the cost of the unit and thereby make rental units more affordable. SC Housing will provide other funds (not HOME) for down payment and closing cost assistance and below market interest rate financing to make homeownership more affordable and financing simpler and more available.
- Authority staff will spend time meeting with Senators and Representatives on an ongoing basis to educate them on the various affordable housing programs the Authority administers as well as to review several annual reports with them: Accountability Report, Affordable Housing Statewide Impact Report, Investment Report, and HTF Annual Report. This interaction enables the Senators and Representatives to understand the need for, as well as the impact of, affordable housing in their areas, and this in turn helps them discuss the positives of affordable housing when their constituents call with NIMBY issues and concerns.
- In 2026 SC Housing and the SC Affordable Housing Coalition will host the South Carolina Affordable Housing Summit in Columbia on April 15 – 16. This will be a critical gathering of policymakers, developers, nonprofits, local governments, and public agencies to respond to the state's growing housing challenge for two days of strategy, innovation, and practical training.

AP-85 Other Actions – 91.320(j)

Introduction:

The Consolidated Plan regulations require the State to address other actions to meet specific initiatives identified by HUD. These actions are summarized below.

Actions planned to address obstacles to meeting underserved needs

The main obstacle to meeting the needs for underserved housing and community development is funding. Existing resources continue to shrink while demand for assistance grows and usually exceeds available resources. More low-income individuals, families, and neighborhoods are in need, and the complexity of their issues is rising in scale and cost. These factors place new burdens on an already strained system.

Capacity and resource coordination are also significant obstacles. The gap in basic services and facilities keeps the State from meeting important community needs. Many rural areas in South Carolina lack sufficient skilled workers, funding, or planning capacity. These limitations and the lack of coordination make it difficult to improve people's lives. Because of this, important work to repair or improve housing, roads, and community buildings does not take place. Years of underinvestment have led many communities in the state to lose jobs and see their neighborhoods decline.

The State's strategy to overcome deficiencies in housing and community development is based on collaboration, education, outreach, and comprehensive planning. By coordinating HUD funding (CDBG, HOME, ESG, HOPWA) with complementary federal resources such as CSBG and state programs, the State maximizes impact and reduces service gaps. Consumers, providers, funders, policymakers, advocates, and communities benefit from increased communication, training, and technical assistance to create meaningful solutions and improve the quality of life for lower-income populations.

Collaboration among partners is now emphasized as the most effective way to reach development goals. South Carolina is poised to transform its economy by leveraging resources across multiple funding streams to create positive change. CDBG is helping communities become more economically competitive through investments in infrastructure, economic development, and community facilities. To address limited funding, CDBG usually requires recipients to provide a match for most projects and encourages leveraging financial and other resources. This vested interest helps projects finish on time and meet community needs.

Actions planned to foster and maintain affordable housing

The primary resources for addressing affordable housing in SC are administered by SC Housing, which administers the HOME, HTF and ARP Programs, along with the other programs described below:

- SC Housing Trust Fund - Funding is available to eligible non-profit, local government for profit and Faith-Based Organization housing development sponsors in all 46 counties. Funds are awarded on an ongoing basis and can be used to finance the development of affordable group homes for the

disabled, emergency shelters, single room occupancy units for working homeless and disabled veterans, multifamily rental units for low-income individuals, families, the elderly, etc., and owner-occupied rehabilitation for homeowners that are at 80% or below the area median income for the county in which they live.

- Multifamily Tax Exempt Bond Program - provides permanent real estate financing for property being developed for multifamily rental use through the sale of tax-exempt revenue bonds. Financing is available to non-profit and for-profit sponsors, or developers, who agree to set aside: a) at least 20% of the units for households with annual gross incomes at or below 50% of the area median income, or b) 40% or more of the units for households whose annual gross income is at or below 60% of the area median.
- Low Income Housing Tax Credit Program - provides an incentive to owners developing affordable multifamily rental housing. Allocations of credits are used to leverage public, private and other funds in order to keep rents affordable. Developments that may qualify for credits include new construction, acquisition with rehabilitation, and rehabilitation and adaptive re-use. Developers who are awarded tax credits must agree to keep apartments affordable and available to lower income tenants for at least 30 years. Annually, SC Housing establishes priorities and needs in its QAP, or Qualified Tax Credit Allocation Plan. Ten percent of the State's annual LIHTC allocation is reserved for the exclusive use of joint venture projects that involve the substantive participation of qualified non-profit organizations.
- Section 8 - State-administered and includes Housing Choice Vouchers, Moderate Rehabilitation, and Homeownership Vouchers. The Voucher Program provides rental assistance in the private rental market to very low income individuals and families in Clarendon, Colleton, Dorchester, Fairfield, Kershaw, Lee and Lexington counties.

Actions planned to reduce lead-based paint hazards

The following are strategies and other resources available that the State will use to reduce lead based paint hazards present to children. Typically, Federal programs are limited in scope and are targeted to only certain population or housing sectors. Moreover, they often do not fully address testing children for elevated blood levels or abating lead from all housing, schools or childcare facilities. Attention should be focused first on units posing the greatest hazard and on strategies designed to meet the special needs of those populations feared most at risk. South Carolina's resources to reduce the lead-based paint (LBP) hazard include:

- Lead hazard abatement is an eligible activity under the HOME, Neighborhood Stabilization Program (NSP), and NHTF programs for projects involving repair, rehabilitation, or demolition of housing. All programs provide guidance regarding required steps to evaluate, address and/or abate lead, safe work practices, and notification procedures.
- Lead hazard requirements/guidelines consist of written notification via brochure notifying tenants and potential homebuyers of dangers of lead-based paint poisoning. All beneficiaries must read and sign the documentation prior to occupying the unit.
- SC Housing's Low Income Housing Tax Credit, Homeownership, Mortgage Assistance and Housing

Trust Fund Programs require compliance, disclosure and/or testing in accordance with federal requirements.

- Recipients of HOME are encouraged to identify additional sources of funding to assist with lead hazard activities related to projects where rehabilitation is not funded. Examples include HUD Lead Safe Homes and other grant programs and private sector resources that may be available.

The South Carolina Department of Public Health (DPH) participates in the Environmental Health Public Tracking System (EHPT) of the US Centers for Disease Control and Prevention. To facilitate its participation, the DPH had to streamline its own lead database so that it could provide required EHPT data and incorporate data from the Adult Blood Lead Epidemiology and Surveillance Program.

South Carolina law requires physicians to report conditions, including suspected lead poisoning, on the DPH List of Reportable Conditions to their local public health department, and laboratories are required to report all blood lead values in children less than six years of age. As a result, DPH now provides several data resources for the number and percent of children tested for lead by age group and children tested for lead with Elevated Blood Lead Levels (EBLL).

The state will also continue to take the following actions in addressing lead-based paint hazards in pre-1978 housing:

- Provide information and guidance related to lead-based paint hazard reduction to recipients of HOME, NSP, and NHTF, including training as necessary.
- Continue to require notification of residents and owners of all houses receiving HOME, NSP, and NHTF assistance regarding the hazards of lead-based paint.
- Incorporate lead hazard reduction strategies, in accordance with HUD requirements, in all HUD assisted housing rehabilitation and provide technical assistance on an as needed basis to ensure compliance with program policies and procedures and HUD notification requirements.

Actions planned to reduce the number of poverty-level families

Addressing poverty involves coordination among multiple state agencies including the Department of Social Services, the Department of Employment and Workforce, the Department of Public Health, the Department of Education, the Commission on Minority Affairs, and the Department of Commerce. Each agency has a mission and conducts planning activities that address root causes of poverty: insufficient education, limited economic opportunities, health and social problems, and lack of self-sufficiency.

The State's anti-poverty strategy integrates HUD-funded housing and community development activities with CSBG services administered by the SC Office of Economic Opportunity. While HUD programs provide infrastructure, housing stability, and economic development investments, CSBG delivers wraparound services including employment training, education support, emergency assistance, financial literacy, nutrition programs, and health care access. This coordinated approach addresses both immediate needs

and long-term barriers to economic mobility.

The main way the State can fight poverty in the short term is by creating economic opportunities through CDBG-funded infrastructure improvements, commercial rehabilitation, and job creation activities. The State also helps working-age adults improve their skills and compete for better-paying jobs through workforce development programs and Section 3 hiring requirements. In the long term, K-12 education and programs that tackle health and social problems are also important, though these extend beyond the scope of agencies involved in this Consolidated Plan.

More than $60 million has been allocated for Rural Development to target issues and funding in the state's most rural and distressed areas, where poverty rates often exceed 25%. The Department of Commerce manages this funding along with CDBG to ensure coordinated investment in economically distressed communities.

CDBG funds for PY 2026 will continue to be used to help achieve the economic opportunity objective by making funding available for projects that address low workforce skills, absence or inadequacy of basic public infrastructure and services needed to support economic growth, and downtown and commercial centers that lack vitality and are not conducive to small local business growth, residential growth, or a large employer base. HOME funds will support affordable housing development and rehabilitation, ESG funds will provide homelessness prevention and rapid rehousing services, and HOPWA resources will assist individuals and families living with HIV/AIDS. For areas which can support business and industrial growth, CDBG funds can also be used, where appropriate and feasible, to help facilitate job creation by new or existing expanding businesses.

The State's anti-poverty strategy will also include the Section 3 Policy, which provides economic opportunities for residents in the places where they reside. Activities that support and assist small businesses in target areas address both infrastructure needs and economically support the target population. The State will continue to support small business development through activities such as commercial rehabilitation, job incentive programs, technical assistance, and business planning and marketing directed toward job creation. Where there is need, the State will also provide technical assistance and outreach to encourage the use of Section 3 in the development of any new construction activity.

Actions planned to develop institutional structure

Each entity, public or private, pass-through or direct provider, offers services to low income persons and is considered a critical component of South Carolina's housing and community development delivery system. Both public and private sector agencies, organizations and institutions contribute to the State's delivery infrastructure for affordable housing and community development. These agencies and organizations are important development partners in South Carolina. Some have established histories as partners with the State; many more are new and emerging collaborators. All are tremendously vital

resources in South Carolina's continuing challenge to address the affordable housing and improved community and economic development needs of lower income households. The State will provide technical assistance to any local government or community development agency to increase their capacity in using federal funds to improve the lives of LMI residents in their communities.

SC Housing is the lead State agency for the administration of HOME and most other federal and state programs for housing. Community and economic development is the mission of the SC Department of Commerce, which manages CDBG as well as other state resources that can be used for these two purposes, notably including Appalachian Regional Commission funding and the State Rural Infrastructure Fund. The Secretary of the SC Department of Commerce also heads the board of the State Rural Infrastructure Authority.

ESG funds administered by the Office of Economic Opportunity (OEO) are planned in coordination with the state's four Continuums of Care (CoCs). The OEO will continue to promote a CoC-driven funding and prioritization process, in alignment with HMIS and the coordinated entry systems. A statewide coverage of core ESG components—street outreach, emergency shelter, homeless prevention, rapid re-housing, and HMIS support will be funded to end homelessness in the State.

The state HOPWA program is administered by the South Carolina Department of Public Health (DPH) which works in close collaboration with project sponsors, most of whom are established Ryan White service providers. This coordinated partnership enhances program alignment and fosters a comprehensive, integrated approach to service delivery for people living with HIV/AIDS (PLWH). SC DPH will continue to develop relationships with HOPWA sponsor agencies to reach local communities where there is a need to assist persons living with HIV/AIDS.

Actions planned to enhance coordination between public and private housing and social service agencies

The formula grant programs regularly collaborate with other state and federal agencies in the implementation of specific projects, including housing. HOME, local HOME Consortia and the State Housing Trust Fund are often coordinated at the project level, particularly with respect to housing rehabilitation or housing development. SHFDA and the US Department of Agriculture – Rural Development and HUD, both of whom are key federal housing partners, have increased communication between agencies, aligned requirements and have helped address the administrative and procedural barriers to affordable housing development.

All SC DPH HOPWA sponsors are Ryan White Part B service providers or collaborate closely with Ryan White Part B service providers, which contributes to the maintenance of coordinated services. The project sponsors, with the exception of two providers, all provide supportive services, primarily case management, for PLWHA statewide.

ESG-funded providers will coordinate with the regional CoCs, HMIS lead agencies, and mainstream service

systems that provide services such as behavioral health, healthcare, and workforce programs which will promote housing stability for individuals and families at-risk or experiencing homelessness.

Service providers utilize a comprehensive, standardized intake format for case managers working with persons affected by HIV, resulting in more thorough assessment of client needs and a corresponding increase in referrals to programs such as HOPWA, and/or other health care or social service agencies that can help clients stay in their homes or in shelters and off the streets where they are even more susceptible to opportunistic infections.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

Introduction:

The following section provides grant specific requirements for the CDBG, HOME, ESG, HOPWA and HTF program. All funds will primarily target low- to moderate-income individuals and households in South Carolina.

Community Development Block Grant Program (CDBG)
Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	**0**

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%

HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.320(k)(2)

1. **A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:**

   No other forms of investment are anticipated being used.

2. **A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:**

   There are no plans to finance homeownership activities.

3. **A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:**

   There are no plans to finance homeownership activities.

4. **Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:**

   There are no plans to refinance debt.

5. **If applicable to a planned HOME TBRA activity, a description of the preference for persons with special needs or disabilities. (See 24 CFR 92.209(c)(2)(i) and CFR 91.220(l)(2)(vii)).**

   N/A. The State does not intend to fund TBRA with HOME funds for PY26.

6. **If applicable to a planned HOME TBRA activity, a description of how the preference for a specific category of individuals with disabilities (e.g. persons with HIV/AIDS or chronic mental illness) will narrow the gap in benefits and the preference is needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2)(ii) and 91.220(l)(2)(vii)).**

   N/A. The State does not intend fund TBRA with HOME funds for PY26.

7. **If applicable, a description of any preference or limitation for rental housing projects. (See 24 CFR 92.253(d)(3) and CFR 91.220(l)(2)(vii)). Note: Preferences cannot be administered in a manner that limits the opportunities of persons on any basis prohibited by the laws listed under 24 CFR 5.105(a).**

   In accordance with 24 CFR 92.253(d)(3), an owner of rental housing assisted with HOME funds must comply with the affirmative marketing requirements established by the State of South Carolina (PJ)

pursuant to 24 CFR 92.351(a). The owner of the rental housing project must adopt and follow written tenant selection policies and criteria, which include that it may give a preference to a particular segment of the population if permitted in its written agreement with the PJ such as persons with a disability or other special needs. However, at this time, there is no limit to eligibility or preference given to any particular segment of the population with rental housing projects funded by the State HOME program funds. HOME funds must, however, target low- to moderate-income households.

Emergency Solutions Grant (ESG)
Reference 91.320(k)(3)

1. **Include written standards for providing ESG assistance (may include as attachment)**

   In order to receive ESG assistance, an individual or family must fit one of the HUD definitions of homeless, chronically homeless or at risk of homelessness. These definitions are included at the bottom of this section.

2. **If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.**

   All four CoC's have established a basic CES system. Right now State ESG staff, as well as a HUD representative, participate in the policy and procedures standards committee. Currently, highest ranking of VI-SPADAT + location and other various attributes will get an individual served first in CES.

3. **Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).**

   Awards will be made through an application and scoring process. Applications received from agencies in one Continuum of Care region will be compared to other applications from other agencies within their continuum as opposed to all applications from all areas of the State. This was new beginning in 2018, at which time State ESG staff also began consulting with each continuum to help identify specific needs in each continuum.

4. **If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.**

   Homeless participation is a requirement of the application. Failure to demonstrate this in an application means the application is incomplete and therefore not eligible.

5. **Describe performance standards for evaluating ESG.**

   Subrecipients are evaluated based on planned expenditures vs actual expenditures. While this is the most important aspect, ESG staff also look at planned number of people served vs actual people served and take into account accurate and timely submission of all requested reports and information.

Housing Trust Fund (HTF)
Reference 24 CFR 91.320(k)(5)

1. How will the grantee distribute its HTF funds? Select all that apply:

☑ Applications submitted by eligible recipients

2. If distributing HTF funds through grants to subgrantees, describe the method for distributing HTF funds through grants to subgrantees and how those funds will be made available to state agencies and/or units of general local government. If not distributing funds through grants to subgrantees, enter "N/A".

N/A

3. If distributing HTF funds by selecting applications submitted by eligible recipients,

a. Describe the eligibility requirements for recipients of HTF funds (as defined in 24 CFR § 93.2). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Eligible Recipient: An organization, agency, or other entity (including a public housing agency, a for profit or a nonprofit entity) that receives assistance as an owner or developer to carry out an affordable housing project. An eligible recipient must:

1. Make acceptable assurances to the Authority that it will comply with the requirements of all applicable federal and state housing programs during the entire period that begins upon selection of the recipient to receive funding, and ending upon the conclusion of all funded activities;
2. Demonstrate the ability and financial capacity to undertake, comply, and manage eligible activities;
3. Demonstrate its familiarity with the requirements of other federal, state, or local housing programs that may be used to ensure compliance with all applicable requirements and regulations of such programs; and
4. Have demonstrated experience and capacity to conduct eligible activities as evidenced by its ability to own, construct, and manage and operate an affordable multifamily rental housing development.
5. Meet the experience and financial capacity requirements described in the attached draft of the 2026 Small Rental Development Program draft of the Application Manual.

b. Describe the grantee's application requirements for eligible recipients to apply for HTF funds. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Please see the AP-30 HTF Method of Distribution.

c. Describe the selection criteria that the grantee will use to select applications submitted by eligible recipients. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Please see the AP-30 HTF Method of Distribution.

d. Describe the grantee's required priority for funding based on geographic diversity (as defined by the grantee in the consolidated plan). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

As described in the 2026-2030 South Carolina State Consolidated Plan for Housing and Community Development, there are no specified geographic priorities or regional targeting of funds as it pertains to HUD programs, with the exception of the HOPWA program. As such, HTF will be available statewide to the highest ranked applications until all HTF funds are exhausted. There will be a preference given to those counties in which SC Housing has not awarded HOME or HTF funds in the last three to five years.

e. Describe the grantee's required priority for funding based on the applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Eligible Applicants must demonstrate experience and capacity to develop an eligible SRDP project as evidenced by the ability to own, construct, or rehabilitate rental housing developments. Applicants must demonstrate the capacity to successfully develop the type of units being proposed in the SRDP application. Successfully developing means coordinating the development team in planning, financing and constructing a development through the receipt of Certificates of Occupancy (COs) and reaching stabilized occupancy. Applicants may use the experience of a consultant to meet these requirements. If using a consultant, the consultant must be under contract and the scope of work identified in the contract must specify the consultant's responsibilities related to the administration of the project. The services of the consultant must be utilized for the entire development phase of the project, from application submission to placed-in- service. If using the experience of a consultant the SRDP Application Exhibit 5 – Consultant Certification must be completed and submitted with the application.

a. Applicants proposing a **4-unit** new construction or conversion development must meet the following experience requirements:

- If proposing single family rental homes, the applicant must have experience within the last **ten years** of successfully developing and operating a minimum of two single family rental homes or a minimum of one multi-family development consisting of at least five units. If proposing conversion applicants must have experience within the last ten years of successfully converting non-residential to residential.

b. Applicants proposing **5-39** unit new construction or conversion developments must meet the following experience requirements:

- If proposing single family rental homes, the applicant must have experience within the last ten years of successfully developing and operating a minimum of four single family rental homes or one multifamily development consisting of at least five units using at least one federal funding source.
- If proposing conversion applicants must have experience within the last ten years of successfully converting nonresidential to residential. If proposing multi-family rental housing, the applicant must have experience within the last ten years of successfully developing and operating a minimum of two multi-family developments of at least five units each or eight single family homes, using at least one federal funding source in each development. If proposing conversion applicants must have experience within the last ten years of successfully converting non residential to residential.

c. Applicants proposing a **4 unit** rehabilitation development must meet the following experience requirements:
- If proposing single family rental homes, the applicant must have experience within the last **ten years** of successfully developing and operating a minimum of two single family rental homes or a minimum of one multi-family development consisting of at least five units.

d. Applicants proposing **5-39** unit rehabilitation developments must meet the following experience requirements:
- If proposing the rehabilitation of single-family homes, the applicant must have experience within the last **ten years** successfully completing the rehabilitation of and operating at least one single family rental home.
- If proposing the rehabilitation of a multi-family development requiring, the applicant must have experience within the last ten years of successfully completing the rehabilitation of and operating at least one multi-family rental development of at least five units.
- If proposing the rehabilitation of single family or multi-family developments that require the permanent relocation of tenants, the applicant must have experience within the last ten years of successfully administering the permanent relocation of tenants in compliance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) 49 CFR Part 24 and Section 104(d) 24 CFR Part 42 regulations.

f. Describe the grantee's required priority for funding based on the extent to which the rental project has Federal, State, or local project-based rental assistance so that rents are affordable to extremely low-income families. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

This year, SC Housing is including a preference for PBRA in SRDP.

g. Describe the grantee's required priority for funding based on the financial feasibility of the project beyond the required 30-year period. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

This year, SC Housing is not asking Applicants to voluntarily take on a longer affordability period than the required 30-year period. SC Housing will ensure all awarded applications are able to cash flow for the entire 30-year period, which is a difficult task.

h. Describe the grantee's required priority for funding based on the merits of the application in meeting the priority housing needs of the grantee (such as housing that is accessible to transit or employment centers, housing that includes green building and sustainable development features, or housing that serves special needs populations). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Please see the AP-30 HTF Method of Distribution.

i. Describe the grantee's required priority for funding based on the extent to which the application makes use of non-federal funding sources. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

All applications for HTF may also be eligible to receive SC HTF, which is a non-federal funding source administered by SC Housing. Using non-federal funding sources is such a priority that it has been made mandatory since 2018.

4. Does the grantee's application require the applicant to include a description of the eligible activities to be conducted with HTF funds? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

5. Does the grantee's application require that each eligible recipient certify that housing units assisted with HTF funds will comply with HTF requirements? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

6. Performance Goals and Benchmarks. The grantee has met the requirement to provide for performance goals and benchmarks against which the grantee will measure its progress, consistent with the grantee's goals established under 24 CFR 91.315(b)(2), by including HTF in its housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.

Yes

7. Maximum Per-unit Development Subsidy Amount for Housing Assisted with HTF Funds. Enter or attach the grantee's maximum per-unit development subsidy limits for housing assisted with HTF funds.

The limits must be adjusted for the number of bedrooms and the geographic location of the project. The limits must also be reasonable and based on actual costs of developing non-luxury housing in the area.

If the grantee will use existing limits developed for other federal programs such as the Low Income Housing Tax Credit (LIHTC) per unit cost limits, HOME's maximum per-unit subsidy amounts, and/or Public Housing Development Cost Limits (TDCs), it must include a description of how the HTF maximum per-unit development subsidy limits were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements specified above.

SC Housing is adopting the HOME Investment Partnerships Program's 2025 HOME Final Rule Subsidy Limits (240% of the basic mortgage limitations for Section 234 of the National Housing Act for condominium housing for elevator type projects). The HOME per-unit subsidy limits are being elected for consistency as HOME funds are also used in the Authority's Small Rental Development Program (SRDP).

Please see the AP-30 HTF Method of Distribution.

8. Rehabilitation Standards. The grantee must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must meet upon project completion. The grantee's description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes or they may establish requirements that exceed the minimum requirements of the codes. The grantee must attach its rehabilitation standards below.

In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; Capital Needs Assessments (if applicable); and broadband infrastructure (if applicable).

Yes. Please see the HOME & HTF attachments to this Action Plan for SC Housing's HTF Rehabilitation Standards, which are attached in the 2026 Small Rental Development Program Manual. Note that rehab policies were initially submitted with the 2020 Annual Action Plan and approved by HUD.

9. Resale or Recapture Guidelines. Below, the grantee must enter (or attach) a description of the guidelines that will be used for resale or recapture of HTF funds when used to assist first-time homebuyers. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A".

N/A

10. HTF Affordable Homeownership Limits. If the grantee intends to use HTF funds for homebuyer assistance and does not use the HTF affordable homeownership limits for the area provided by HUD, it must determine 95 percent of the median area purchase price and set forth the information in

accordance with §93.305. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A".

N/A

11. Grantee Limited Beneficiaries or Preferences. Describe how the grantee will limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population to serve unmet needs identified in its consolidated plan or annual action plan. If the grantee will not limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population, enter "N/A."

Any limitation or preference must not violate nondiscrimination requirements in § 93.350, and the grantee must not limit or give preferences to students. The grantee may permit rental housing owners to limit tenants or give a preference in accordance with § 93.303(d)(3) only if such limitation or preference is described in the action plan.

N/A

12. Refinancing of Existing Debt. Enter or attach the grantee's refinancing guidelines below. The guidelines describe the conditions under which the grantee will refinance existing debt. The grantee's refinancing guidelines must, at minimum, demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. If the grantee will not refinance existing debt, enter "N/A."

N/A

Discussion:

HOPWA project sponsors are selected through a competitive grants request for applications (RFGA) process. The RFGAs are advertised on the SC DPH website and in the South Carolina Business Opportunities (SCBO) newsletter in the fall preceding the March 31st end of the contract period.

Grass-roots faith based organizations and other community–based organizations are eligible to apply.

HOPWA RFGA Award Notification is posted on the SC DPH website. Emails with the link to the Award Notification are sent to all applicants. After the dispute period, grant agreements are made with the awarded entity. These contracts typically run for 3 years.

SC DPH distributes the funds to regional Ryan White Part B Service Providers, eligible non-profit organizations and/or local health departments that assist persons with HIV/AIDS.

HOPWA Goals are specifically addressed on AP-70 HOPWA Goals – 91.320(k)(4).