

# Richland County Blue Ribbon Committee

October 6, 2016





1. Welcome
2. FMA & HMGP Updates
3. Program Guidelines Review:
  - Single Family Rehabilitation Program
  - Small Rental Rehabilitation Program
  - Economic Development Program
  - Buyout Match Program
4. Meeting Schedule
5. Adjourn

# FMA and HMGP Update





## As a result of the October 2015 Storm/Flood Event:

- Richland County identified seventy-five (75) properties eligible for future hazard mitigation through property acquisition.
- Two (2) separate FEMA Grant Programs were identified as possible funding sources.
  - Flood Mitigation Assistance (FMA)
  - Hazard Mitigation Grant Program (HMGP)
  - Both are designed to reduce or eliminate long-term risk of flood damage to people and property from natural hazards.



- Eleven (11) of the seventy-five properties met the specific eligibility requirements for FMA Grant consideration. An FMA Grant applications were submitted for these eleven properties.
- On August 31, 2016, Richland County was notified we were not selected to receive funding from the FMA Grant Program.
- FEMA selected properties for FMA buyout that were repetitive loss properties. We had no repetitive loss properties eligible for the FMA grant.



## South Carolina Department of Natural Resources



**DNR**

Alvin A. Taylor  
Director

Ken Rentiers  
Deputy Director for  
Land, Water and Conservation

September 1, 2016

Ms. Heather Brown  
Richland County  
2020 Hampton Street  
Columbia, SC 29204

Dear Ms. Brown,

This letter is to inform you that Richland County's FMA Acquisition 2016 grant application was not selected for funding. FEMA received over \$380 million in grant applications with only \$199 million available for funding. Therefore, they chose only projects that met their 1<sup>st</sup> and 2<sup>nd</sup> priorities, at least 50% Severe Repetitive Loss properties and at least 50% Repetitive Loss properties, respectively. Since the Richland County properties within this application did not meet this criteria, it was not selected for funding this grant cycle.

SCDNR encourages the County to apply for the next grant cycle in 2017. The County may use the same grant application to apply again. SC DNR will let communities know when the grant opens next year. Should you have any questions or concerns please feel free to contact me at my office [803-734-4012](tel:803-734-4012)/[artzi@dnr.sc.gov](mailto:artzi@dnr.sc.gov).

Sincerely,

A handwritten signature in cursive script, appearing to read "Jessica Artz".

Jessica Artz  
Flood Mitigation Specialist  
SC DNR

1000 Assembly Street • P.O. Box 167 • Columbia, SC 29202

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[www.dnr.sc.gov](http://www.dnr.sc.gov)

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- HMGP Grant applications were submitted for all of the seventy-five (75) properties to include the eleven (11) of the seventy-five properties.
- Friday, September 23<sup>rd</sup>, State announced a change in the HMGP timeline.
  - **January 3 - Full Applications Due to FEMA (pushed back 90 days)**
  - **June – Anticipated Timeframe for FEMA Approval**
  - **July – Buyout Process Begins for Approved Projects**

# Single Family Rehabilitation & Small Rental Rehabilitation





# Program Purposes



## Purpose

- 1) Provide decent, safe, and sanitary housing
- 2) Ensure housing needs of low, very low and extremely low-income households addressed
- 3) Prioritize housing for low to moderate income, elderly (age 62 or older) and disabled populations.

## Delivery Method

- 1) Secured deferred forgivable loans (5 year compliance periods)
- 2) Construction assistance program (no \$ directly to property owners)

# Beneficiaries



	Single Family Rehab	Small Rental Rehab
<b>Beneficiaries</b>	Homeowners	LMI Renters & Landlords
<b>Structure Types</b>	Stick built, mobile and modular homes	Stick built only
<b>Performance Goals</b>	143 homes	28 homes
<b>Compliance Period</b>	5 years	5 years
<b>Grant Type</b>	Secured forgivable loan	Secured forgivable loan
<b>Grant Size Limits</b>	85/75/105	85
<b>Match Requirement</b>	NONE	25%

# Threshold Criteria



	Single Family	Small Rental
October 2015 storm or flood damage	X	X
Location of damaged property within Richland County (excluding City of Columbia)	X	X
US Citizen or Qualified Alien Status	X	X
Proof of ownership at the time the disaster damage occurred and have maintained ownership	X	X
Property taxes are current or current on an approved payment plan (including exemptions under current law)	X	X
Current on any child or spousal support obligation	X	X
Property is not a second home	X	X
Property is a single family property	X	X

# Threshold Criteria



	Single Family	Small Rental
Damaged structure is principal place of residence	X	
Income Eligible	X	
Property is owner-occupied	X	
Damaged structure is used as rental property and not as a second home or seasonal rental		X
Property is vacant as of date of application		X
Current on all loan obligations for all properties owned		X

# Eligible Structures



	Single Family	Small Rental
Single Family Structures as defined by HUD and FHA	X	X
Attached structures under common roof	X	X
Residential properties only	X	X
Mobile homes	X	
Manufactured housing units	X	
Current on all loan obligations for all properties owned	X	X

# Ineligible Structures



- ❌ No condominiums, co-operatives, townhomes, or other housing units that share any common wall or area will be eligible under the SFHRP.
- ❌ Garage, sheds and outbuildings, not attached to the main dwelling unit are not eligible for repair. Improvements must be physically attached to the house and be permanent in nature.
- ❌ Recreational Vehicles and camper trailers used as a residence are not eligible for the program.
- ❌ Houseboats used as a residence are not eligible for the program.
- ❌ Second homes are not eligible.
- ❌ Housing units located where federal assistance is not permitted by federal regulation or within runway clear zones of either a civil or military airport are not eligible.

# Housing Program Processes (Generally)



## Both Programs



## Single Family



## Rental





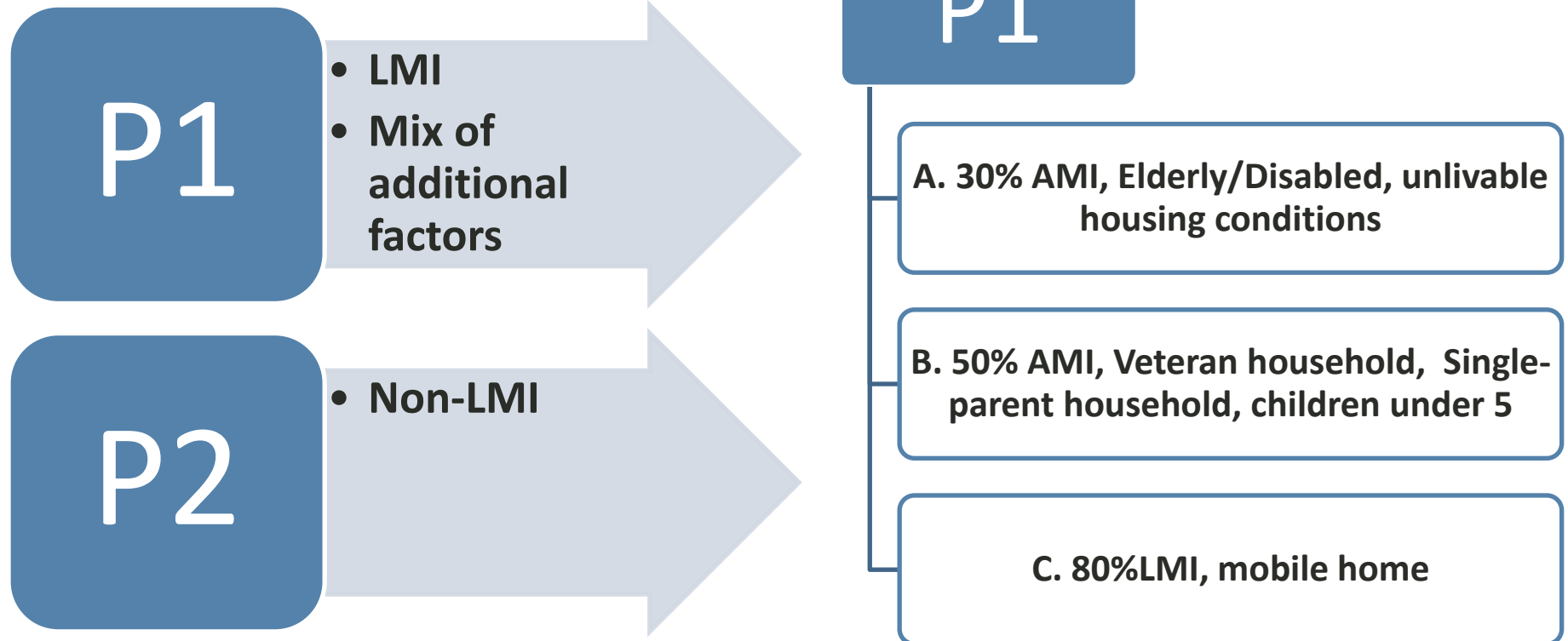
## Applications Required (Both Programs)

**Only completion and submission of the official SRRP application form, including the submission of all supporting documentation will be considered as application for program benefits.**

- Any citizen who has submitted a prior application for disaster recovery assistance through a non-profit organization, federal, state or local agency **will not** automatically become an applicant of the SRRP.
- Submission of a public comment form or other written documentation of damage during public meetings or hearings **does not** constitute application to the SRRP.
- Registration with 2-1-1 **does not** constitute application for the SRRP.
- *Applicants are not guaranteed assistance, but will be served based on availability of funds and qualification for those benefits.*



# Prioritization (Single Family)



# Prioritization (Rental)



Priority will be given to applications that:

- Expand the affordable housing stock with priority given to vacant units in a condition that is not suitable for occupancy by bringing uninhabitable units back into the low to moderate income rental market.
- Encourage a vested interest in the projects, priority is given to projects where the landlord contributes at least 25% of the funds necessary to repair or reconstruct the property unit.
- Encourage housing for the elderly and disabled; priority is given to projects with dedicated units for elderly and disabled tenants.

# Economic Development Business Assistance Program



# Business Assistance Program



## BAP Overview

**Loans up to \$75,000, minimum of 14 businesses assisted**

The business must have been damaged and/or financially or operationally impacted by the storms and/or flooding of October 2015

Must have an identified need that has not been met through other funding sources.

Applicant must provide proof of ownership at the time the disaster damage occurred and have maintained ownership.

Businesses will be required to comply with annual reporting requirements

National chains or franchises are not eligible

Businesses must certify that a minimum of 51% of their employees will qualify as LMI according to HUD's established income limits for a period of 5 years

Business must be located within Richland County (excluding City of Columbia).

# BAP Loan Forgiveness



- Within the maximum loan amount of \$75,000 the following forgiveness schedule will be followed:
  - Loans up to \$15,000: amortized for 1 year with the full balance forgiven upon proof of program compliance one year after loan closing.
  - Loans of \$15,001 - \$30,000: amortized over 2 years with 1/2 of the loan amount forgiven upon proof of program compliance each year for two years after loan closing.
  - Loans of \$30,001- \$45,000: amortized over 3 years with 1/3 of the loan amount forgiven upon proof of program compliance each year for three years after loan closing.
  - Loans of \$45,001 - \$60,000: amortized over 4 years with 1/4 of the loan amount forgiven upon proof of program compliance each year for three years after loan closing.
  - Loans of \$60,001- \$75,000: amortized over 5 years with 1/5 of the loan amount forgiven upon proof of program compliance each year for three years after loan closing.

# BAP Loan Types



- Considering structuring loans for:
  - Working capital
  - Rental reimbursement for period of displacement
  - Loan interest supplement

# HMGP Match Program



# HMGP Buyout Local Match



- **Program Purpose:** Provide the 25% local match for the voluntary buyout of homes located in the SFHA that were impacted by the severe storms and flooding of October 2015
- **Eligible structures:** 63 homes with pending HMGP applications
- **Assistance Type:** Local match contribution
- **Program budget:** \$1,680,000
- **Performance Goals:** 63 homes
- **Guidelines to be developed at later date based on HMGP funding timing**





# Grant Status



# Status of the CDBG – DR Action Plan



Step 1

## Initial Planning and Coordination

- Collect disaster data, information and reports
- Coordinate staff, resources and planning partners
- Develop recovery goals



Step 2

## Identify Unmet Needs and Recovery Gaps

- Public and stakeholder outreach
- Evaluate damage and impact data (FEMA, insurance, local reports etc.)
- Catalogue completed and ongoing recovery efforts and funding
- Identify unmet needs and remaining recovery “gaps”



Step 3

## Funding Allocation and Program Development

- Initial Recovery Area Allocations
- Develop recovery program concepts
- Develop program details



Step 4

## Submit Action Plan and Begin Recovery Program Implementation

- Publish draft Action Plan public comment (14 days) - **August.26,2016**
- Submit Action Plan to HUD - **September 19, 2016**



# Next Steps



HUD

## Review and Comment on Action Plan

- Expect Response by Nov. 20
- HUD rarely approves an Action Plan without comment and required revision

Very likely

County

## Final revision to Action Plan and Risk Analysis, resubmission

- 45 days to revise and resubmit to HUD

HUD

## Approval of Action Plan & Forwarding of Grant Agreement

County

## Sign Grant Agreement



## Meeting Schedule

- Oct 20, 2016

*All meetings are scheduled on Thursdays from 2:00-4:00 PM in the 4<sup>th</sup> floor conference room at the County Administration building (2020 Hampton Street).*

**Other**

**Adjourn**