



LEGISLATIVE OVERSIGHT COMMITTEE

Economic Development, Transportation, and Natural Resources Subcommittee

Study of the State Housing Finance and Development Authority

February 4, 2020

FULL COMMITTEE OPTIONS STANDARD PRACTICE 12.4	FULL COMMITTEE ACTION(S)	DATE(S) OF FULL COMMITTEE ACTION(S)
(1) Refer the study and investigation back to the Subcommittee or an ad hoc committee for further evaluation; (2) Approve the Subcommittee's study; or (3) Further evaluate the agency as a full Committee, utilizing any of the available tools of legislative oversight.		

Legislative Oversight Committee



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AGENCY SNAPSHOT

S.C. Housing

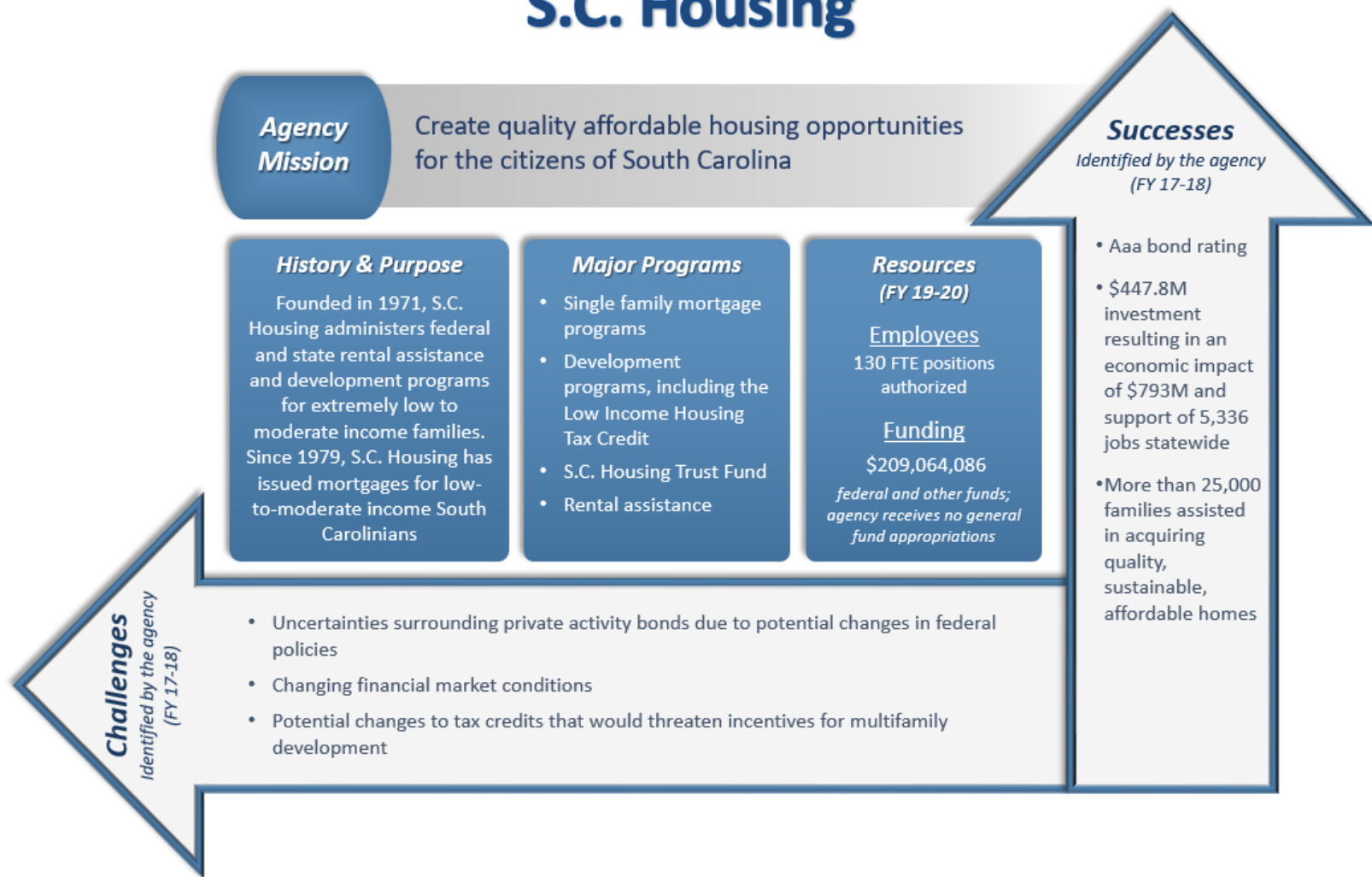


Figure 1. Snapshot of agency's mission, history and purpose, major programs, FY 2019-20 resources, successes, and challenges¹

LEGISLATIVE HISTORY

The following are significant legislative events pertaining to the State Housing Finance and Development Authority (S.C. Housing):

- | | |
|-------------|---|
| 1971 | Originally named the South Carolina State Housing Authority, the agency is created by Act No. 500 on June 22, 1971. |
| 1977 | Act No. 76 of 1977 is signed into law by Governor James Edwards, permitting the issuance of bonded indebtedness to support certain housing programs. The first bond issue raises \$75 million in mortgage revenue, and a subsequent issue raises twice that much. |
| 1986 | The Low Income Housing Tax Credit (LIHTC) is established as part of the U.S. Tax Reform Act of 1986. The tax credits are an incentive to encourage individuals as well as corporations to invest in the acquisition, development and rehabilitation of affordable rental housing. |
| 1988 | Act No. 538 of 1988 officially changes the name of the agency to the South Carolina State Housing Finance and Development Authority.

Act No. 575 of 1988 permits the agency to make home equity conversion loans. |
| 1992 | The Housing Trust Fund (HTF) is created by the General Assembly and funded with dollars collected from a dedicated portion of the deed stamp tax (20 cents of every \$500 dollars). ² The HTF provides funding to assist in the creation and preservation of safe, decent, affordable, and sanitary housing, in addition to affordable rental housing opportunities for low-income South Carolinians. Eligible activities include the rehabilitation of owner occupied single-family homes, acquisition and construction of rental housing, group homes for the disabled and emergency shelters. This is accomplished by building partnerships among government agencies, qualified nonprofit sponsors, for profit sponsors and those in need of affordable housing. |

Figure 2. S.C. Housing timeline of significant legislative events

RECOMMENDATIONS

The following **recommendations continue, curtail, and/or eliminate agency programs**, and include areas for **potential improvement**. The **Economic Development, Transportation, and Natural Resources Subcommittee (Subcommittee) recognizes these recommendations will not satisfy everyone nor address every issue or potential area of improvement at the agency**. These recommendations are based on the agency's self-analysis requested by the House Legislative Oversight Committee (Committee), discussions with the agency during multiple meetings, and analysis of the information obtained by the Subcommittee. This information, including, but not limited to, the Accountability Report, Restructuring Report and videos of meetings with the agency, is available on the Committee's website.

The **Subcommittee has ten recommendations**. They are adopted at the meetings on September 12 and December 5, 2019.³ The Subcommittee makes eight recommendations to S.C. Housing, which fall into three categories: (1) effectiveness, (2) efficiency, and (3) transparency. Additionally, the Subcommittee makes two recommendations related to transparency to the Department of Administration's Division of State Human Resources.

Several of these recommendations are informed by findings and recommendations of the Office of the State Inspector General (SIG). At the request of the Committee, the SIG investigates a number of issues raised in anonymous constituent input during the study process.⁴

An overview of the Subcommittee's recommendations is provided in the Executive Summary and in Tables 1 and 2 on the following pages. Discussion of the recommendations follows each table.

Recommendations to S.C. Housing

The Subcommittee makes eight recommendations to S.C. Housing.

Table 1. Subcommittee recommendations to S.C. Housing

Recommendations to S.C. Housing	
Topic	Recommendations
Effectiveness	<ol style="list-style-type: none"> 1. Revise its management structure to reduce the executive director’s span of control and clarify division responsibilities, as recommended by the Office of the State Inspector General. 2. Adopt an appropriate reporting structure allowing direct interaction between the agency’s internal auditor and its board, as recommended by the Office of the State Inspector General. 3. Utilize management training offered by the Department of Administration, such as the Certified Public Manager Program, for its executive leadership. 4. Allow the Office of the State Inspector General to conduct an independent, anonymous employee climate survey and report the results to the Committee by March 2020. ✓ 5. Consider the issues discussed during the Subcommittee study related to property management and crime at affordable housing properties and present recommendations for possible solutions by January 10, 2020. 6. Obtain final approval of the agency strategic plan by a board vote.
Efficiency	<ol style="list-style-type: none"> 7. Develop, with the approval of the board, a policy regarding minimum cash reserves for bond debt service, operations, and emergency funds, as recommended by the Office of the State Inspector General.
Transparency	<ol style="list-style-type: none"> ✓ 8. Post email addresses for individual board members on the agency website.

Table Note: ✓ indicates the recommendation has been implemented by agency action.

Effectiveness

1. **The Subcommittee recommends S.C. Housing revise its management structure to reduce the executive director’s span of control and clarify division responsibilities, as recommended by the Office of the State Inspector General (SIG).** During the July 18, 2019, Subcommittee meeting, S.C. Housing Executive Director Bonita Shropshire testifies she has intentionally structured the agency to have eleven employees reporting directly to the executive director, including ten division directors and an executive assistant.⁵ The SIG observes this number of direct reports “contribute[s] to a belief among senior managers the executive director lack[s] trust in senior management” and “burden[s] the executive director with excessive day-to-day management decisions.”⁶ Also, the SIG notes some confusion within the agency about each division’s responsibilities.⁷ Director Shropshire testifies while she does not disagree with the SIG’s recommendation, she feels more time may be needed to build the executive leadership team

before reorganizing.⁸ As of January 2020, Director Shropshire's number of direct reports has been reduced to nine, including seven division directors, an executive assistant, and a part-time executive coordinator (see [Organizational Chart](#)).⁹

2. **The Subcommittee recommends S.C. Housing adopt an appropriate reporting structure allowing direct interaction between the agency's internal auditor and its board, as recommended by the Office of the State Inspector General (SIG).** The SIG observes having the agency's internal auditor report directly to the executive director is inconsistent with industry best practices as it allows the opportunity for the agency's executive leadership to filter information transmitted by the internal auditor to the governing board. The SIG recommends the S.C. Housing board "determine the core functions and duties required of the internal audit role and review available models designed to ensure the internal auditor's independence" and "adopt an appropriate reporting structure."¹⁰
3. **The Subcommittee recommends S.C. Housing utilize management training offered by the Department of Administration, such as the Certified Public Manager Program, for its executive leadership.** During the study, concerns are raised about the level of turnover among executive leadership.¹¹ The SIG reports two deputy directors, an internal auditor, two chief financial officers, and two program managers have left the agency since August 2017.¹² In January 2020, two of S.C. Housing's seven division director positions are vacant (see [Organizational Chart](#)). Director Shropshire is in her second year as executive director, and her predecessor served for less than a year.¹³ The Department of Administration describes its Certified Public Manager Program as "a nationally accredited management development program for managers and supervisors in South Carolina state government."¹⁴ State agencies pay \$2,150 per employee who participates in the 18-month program.¹⁵ Director Shropshire testifies the agency sends approximately two employees per year to this training, and she intends for her entire executive management team, including herself, to complete it eventually.¹⁶
4. **The Subcommittee recommends S.C. Housing allow the Office of the State Inspector General to conduct an independent, anonymous employee climate survey and report the results to the Committee by March 2020.** The SIG notes the turnover discussed in relation to Recommendation 3, above, has had a negative effect on morale among S.C. Housing employees. Although the agency conducted an employee survey in October 2019, the SIG notes indications that employees found it confusing and doubted its anonymity. The SIG offers to conduct an independent employee survey for S.C. Housing.¹⁷ Director Shropshire accepts this offer.¹⁸ As of January 2020, S.C. Housing staff are working with SIG staff to develop survey questions.¹⁹
5. **The Subcommittee recommends S.C. Housing consider the issues discussed during the Subcommittee study related to property management and crime at affordable housing properties and present recommendations for possible solutions by January 10, 2020.** During the study, Subcommittee members discuss concerns about crime and other issues at affordable housing properties that may contribute to local communities' concerns about the development of these types of properties.²⁰ S.C. Housing representatives testify about the agency's efforts to monitor compliance and the steps the agency can take to address issues at different types of properties. For example, if a development has received federal tax credits, the agency can report issues to the IRS, which can recapture some of those tax credits. The agency can also remove the management company at these properties.²¹ However, an agency representative notes current agency staff are not aware of S.C. Housing ever removing a management company. Further, the

agency representative states the agency finds similar jurisdictions have never removed a management company due to criminal activity at a development.²²

In the agency's January 10, 2020, correspondence to the Subcommittee pertaining to this recommendation, it outlines steps it is currently taking to address issues at affordable housing developments:²³

- facilitating discussions about solutions among property owners, managers, and other relevant parties;
- involving U.S. Department of Housing and Urban Development (HUD) representatives in properties involving HUD contracts; and
- updating the requirements for the 2020 Low Income Housing Tax Credit Program to require the use of management companies with a record of good performance and encourage provision of security enhancements such as fencing and security cameras.

Also, the letter notes agency representatives will review potential safety and security measures to include in the requirements for the 2021 Low Income Housing Tax Credit Program, "such as lighting, security cameras, fencing, proximity to police, neighborhood watch models, [and] education from local law enforcement."²⁴

6. **The Subcommittee recommends S.C. Housing obtain final approval of the agency strategic plan by a board vote.** During the September 12, 2019, Subcommittee meeting, Director Shropshire testifies the board has been informed of revisions to the agency's strategic plan in the past. While the board has had the opportunity to provide feedback, it has not taken a formal vote to adopt the plan. She indicates the agency does not have a current strategic plan, but she intends to develop one soon.²⁵

Efficiency

7. **The Subcommittee recommends S.C. Housing develop, with the approval of the board, a policy regarding minimum cash reserves for bond debt service, operations, and emergency funds, as recommended by the Office of the State Inspector General.** The SIG notes S.C. Housing is solely responsible for the debt it incurs when issuing bonds, as the S.C. Supreme Court has held the state may not use appropriated money to repay those bonds. Therefore, the agency's financial reserves are a crucial factor used by credit rating services.²⁶ The agency's mortgage revenue bonds currently have a Aaa rating from Moody's.²⁷ However, the SIG finds the agency has no established policy regarding minimum cash reserves.²⁸

Transparency

8. **The Subcommittee recommends S.C. Housing post email addresses for individual board members on the agency website.** At the Subcommittee meeting on December 5, 2019, Subcommittee members and Director Shropshire discuss the lack of contact information for board members on the agency's website.²⁹ As of January 2020, the agency has posted links to email each board member directly.³⁰

Recommendations to the Division of State Human Resources

The Subcommittee makes two recommendations to the Division of State Human Resources (DSHR) within the Department of Administration.

Table 2. Subcommittee recommendations to the Division of State Human Resources within the Department of Administration

Recommendations to the Division of State Human Resources	
Topic	Recommendations
Transparency	<p>9. Consider updating state human resources regulations related to personnel settlements to clarify the types of agreements that require review, as recommended by the Office of the State Inspector General. The division should report its conclusions to the Committee within six months after approval of the full Committee’s report.</p> <p>10. Consider providing guidance to state agencies on obtaining outside counsel.</p>

9. **The Subcommittee recommends the Division of State Human Resources consider updating state human resources regulations related to personnel settlements to clarify the types of agreements that require review, as recommended by the Office of the State Inspector General. The division should report its conclusions to the Committee within six months after approval of the full Committee’s report.** During the study process, the Subcommittee receives anonymous input expressing concern about an agreement S.C. Housing made with a former employee.³¹ This agreement allowed the employee, a deputy director, to continue full-time employment with the agency for approximately eight months without ever reporting to the S.C. Housing offices.³² The SIG reports the employee “performed a minimal level of work” outside of attendance at one conference during those eight months while receiving \$88,000 in salary, in addition to benefits.³³ The SIG also notes that Director Shropshire did not seek approval from the Department of Administration’s Division of State Human Resources (DSHR) prior to executing the agreement.³⁴

Karen Wingo, Director of DSHR, testifies DSHR has the authority to review and approve personnel settlements that do not include a lump sum payment exceeding \$10,000, and the S.C. Housing agreement discussed above constitutes a personnel settlement subject to review by DSHR. However, she states many agencies were confused about the requirement to have settlements that do not include any lump sum payment reviewed prior to DSHR’s issuance of guidance on this topic in May 2019.³⁵ Notably, the S.C. Housing agreement was executed in May 2018 and concluded in February 2019, prior to the issuance of this guidance.³⁶

The applicable state regulation, S.C. Code Ann. Regs. 19-718.11, outlines conditions in which personnel settlements must be approved by either the State Fiscal Accountability Authority or DSHR, and states DSHR “may review and approve any personnel settlement of \$10,000 or less.” However, it does not define the term “personnel settlement” or explicitly address non-monetary settlements. DSHR has information for state agencies about personnel settlements on its website.³⁷

10. **The Subcommittee recommends the Division of State Human Resources consider providing guidance to state agencies on obtaining outside counsel.** The SIG reports the personnel settlement discussed above was drafted by outside legal counsel, and S.C. Housing’s internal general counsel was not notified in advance.³⁸ During the December 5, 2019, Subcommittee meeting, DSHR Director Karen Wingo testifies her office often encourages agencies to seek legal counsel but does not advise them on whether it should be internal or external to the agency. In response to questions from a Subcommittee member, she states she and her team will consider issuing guidance to agencies about the approvals that are necessary from the Attorney General’s office in order to make use of outside counsel.³⁹

STUDY-RELATED INTERNAL CHANGES

During the study process, S.C. Housing reports the director of the Department of Health and Environmental Control (DHEC), who holds an *ex officio* seat on the S.C. Housing governing board, has not participated in board meetings or named a designee to do so since the retirement of the previous DHEC designee in 2012.⁴⁰ When contacted by the Committee, a DHEC representative indicates the DHEC director or his designee will begin attending S.C. Housing board meetings.⁴¹

STUDY PROCESS

Agency Selection

S.C. Housing is an agency subject to legislative oversight.⁴² On December 5, 2018, during the 123rd General Assembly, the Committee prioritizes the agency for study.⁴³ The entire study process is summarized in Figure 3 on the next page.

As the Committee encourages **collaboration in its legislative oversight process**, the Committee notifies the following individuals about the agency study: Speaker of the House, standing committee chairs in the House, members of the House, Clerk of the Senate, and Governor.

Subcommittee Membership

The **Economic Development, Transportation, and Natural Resources Subcommittee** of the House Legislative Oversight Committee studies the agency during the 123rd General Assembly.⁴⁴ Throughout the study, the Honorable William M. (Bill) Hixon serves as chair. Other Subcommittee members include:

- The Honorable Lee Hewitt;
- The Honorable Mandy Powers Norrell; and
- The Honorable Marvin R. Pendarvis.

Agency Reports to Legislative Oversight Committee

During the legislative oversight process, the **Committee asks the agency to conduct self-analysis** by requiring it to complete and submit annual restructuring reports, a seven-year plan for cost savings and increased efficiencies, and a program evaluation report. Per the exemption granted to agencies with revenue bonding authority by S.C. Code Ann. § 2-2-60(E), S.C. Housing elects to submit several publicly available reports to the Committee in lieu of completing the program evaluation report.⁴⁵ Details about each report, including the submission dates, are included in [Appendix B](#). The Committee posts each report on the agency page of the Committee's website.

Information from the Public

Public input is a cornerstone of the House Legislative Oversight Committee's process.⁴⁶ There are various opportunities for public input during the legislative oversight process. Members of the public have an opportunity to participate anonymously in a public survey, provide comments anonymously via a link on the Committee's website, and appear in person before the Committee.⁴⁷ During the study, media articles related to the agency are compiled for member review. Details about each form of input are included in [Appendix C](#).

Meetings Regarding the Agency

The Committee meets with, or about, the agency on two occasions, and the Subcommittee meets with, or about, the agency on five occasions. All meetings are open to the public and stream live online; also, the videos are archived and the minutes are available online. A timeline of meetings and other actions is set forth in Figure 3, followed by a description of each meeting.

December 5, 2018	Committee prioritizes the agency for study at Meeting 1
January 9, 2019	Committee provides the agency with notice about the oversight process
February 27 – April 1, 2019	Committee solicits input from the public about the agency in the form of an online survey
July 18, 2019	Subcommittee holds Meeting 2 with the agency to discuss an overview of its mission, history, resources, and major programs
July 22, 2019	Subcommittee holds Meeting 3 with the agency to continue the overview of its major programs, successes, challenges, and emerging issues
August 13, 2019	Committee holds Meeting 4 with the agency to receive public input
September 9, 2019	Subcommittee holds Meeting 5 with the agency to discuss follow-up information provided and agency expenditures and performance measures
September 12, 2019	Subcommittee holds Meeting 6 with the agency to discuss agency personnel statistics, strategic plan, and suggested law changes
December 5, 2019	Subcommittee holds Meeting 7 with the agency to discuss the State Inspector General’s response to the Subcommittee’s referral of allegations raised in anonymous public input as well as Subcommittee recommendations

Figure 3. Summary of key dates and actions in the study process

December 5, 2018
Full Committee

The full Committee selects the agency for study at **Meeting 1**.⁴⁸

July 18, 2019
Subcommittee

The Economic Development, Transportation, and Natural Resources Subcommittee holds **Meeting 2** with the agency.⁴⁹ S.C. Housing Executive Director Bonita Shropshire presents an **overview of the agency**. Accounting Manager Paul Linhardt provides a **financial overview**. Director of Home Ownership Steve Clements provides an overview of the agency's **single family mortgage programs**. Ms. Tracey Easton, General Counsel and former Acting Director of Development, provides an overview of the agency's **development programs**. The S.C. Housing representatives respond to questions from Subcommittee members throughout the presentations.

July 22, 2019
Subcommittee

The Subcommittee holds **Meeting 3** with the agency.⁵⁰ **Thirteen constituents testify** about their experiences with S.C. Housing, and a Subcommittee member shares a statement from another constituent. Director Shropshire responds to a number of **questions from Subcommittee members** related to those comments.

Mr. John Tyler, SC Housing Director of Housing Initiatives and Innovation, presents an overview of the agency's **trust fund programs**. Mr. Carl Bowen, SC Housing Director of Rental Assistance and Compliance, provides an overview of the programs he supervises, including **Project-Based Contract Administration** and the **Housing Choice Voucher Program**. Dr. Bryan Grady, SC Housing Chief Research Officer, provides an overview of the **South Carolina Housing Needs Assessment** the agency is preparing. Agency representatives respond to questions from Subcommittee members throughout the presentations.

August 13, 2019
Full Committee

The Committee holds **Meeting 4** with the agency to receive **public input**.⁵¹ One constituent testifies regarding his company's relationship with S.C. Housing. Director Shropshire provides brief comments and answers questions from Committee members.

September 9, 2019
Subcommittee

The Subcommittee holds **Meeting 5** with the agency.⁵² A number of agency representatives respond to Subcommittee member questions regarding the **follow-up information provided by the agency** on August 26, 2019.⁵³ S.C. Housing Communications Director Clayton Ingram presents the agency's **performance measures**. Mr. Linhardt presents details about the agency's **expenditures** and responds to questions from Subcommittee members.

September 12, 2019
Subcommittee

The Subcommittee holds **Meeting 6** with the agency.⁵⁴ **Two constituents provide testimony** about their company's experience with S.C. Housing and answer Subcommittee members' questions. Director Shropshire and S.C. Housing Development Director Sara Martinez also respond to questions from Subcommittee members related to the testimony.

Director Shropshire provides comments and reviews the agency's **strategic plan**, then answers additional questions from Subcommittee members. The Subcommittee votes on and approves a motion to make **Recommendation 6** (see [Recommendations](#) section). All members present vote in support of the recommendation.⁵⁵

Ms. Easton presents information about **personnel statistics**. Mr. Tyler presents information about the update to the agency's **Qualified Allocation Plan for the Low-Income Housing Tax Credit program**. Dr. Grady presents information on the **impact of SC Housing programs by county**. Agency representatives respond to questions from Subcommittee members throughout the presentations.

Subcommittee Chair Hixon announces that the **Subcommittee has referred anonymous allegations** it received about S.C. Housing to the Office of the State Inspector General for consideration.

Chair Hixon, Representative Pendarvis, and SC Housing representatives **tour the Veranda on North Main**, an affordable housing development in Columbia.

December 5, 2019
Subcommittee

The Subcommittee holds **Meeting 7** with the agency.⁵⁶ **State Inspector General Brian Lamkin** provides an overview of his findings related to the allegations the Subcommittee referred to his office and then answers questions from Subcommittee members. Ms. Karen Wingo, Director of the Division of State Human Resources within the Department of Administration, provides brief comments related to **personnel settlements**, then answers questions from Subcommittee members. Director Shropshire responds to **questions from Subcommittee members** related to the Inspector General's report as well as other topics.

Subcommittee members vote on and approve motions to make **Recommendations 1-5 and 7-10** (see [Recommendations](#) section). All members present vote in support of the recommendations.⁵⁷

Study Process Completion

Pursuant to Committee Standard Practice 11.8, **any Subcommittee member may provide a separate written statement for inclusion with the Subcommittee's study report.** After receipt of any written statements, the Subcommittee Chair, pursuant to Committee Standard Practice 11.9, notifies the Committee Chair in writing that a Subcommittee study is available for consideration by the full Committee.

Pursuant to Committee Standard Practice 12, the Committee Chair includes the Subcommittee Study on the agenda for a full Committee meeting after receiving written notice from the Subcommittee Chair. During a full Committee meeting at which the Subcommittee study is discussed, the Committee may vote to (1) refer the study and investigation back to the Subcommittee for further evaluation; (2) approve the Subcommittee's study; or (3) further evaluate the agency as a full Committee, utilizing any of the resources of legislative oversight available.

When the Committee approves a study, **any member of the Committee may provide a written statement for inclusion with the study.** The study, and written statements, are published online and the agency receives a copy.⁵⁸

To support the Committee's ongoing oversight by maintaining current information about the agency, the agency may receive an annual Request for Information.

SELECTED AGENCY INFORMATION

S.C. Housing. “Restructuring and Seven-Year Plan Report, 2015.”

<https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/2015AgencyRestructuringandSevenYearPlanReports/2015%20State%20Housing%20Finance%20and%20Development%20Authority.pdf> (accessed December 31, 2019).

S.C. Housing. “Agency Accountability Report, 2018-19.”

<https://www.scstatehouse.gov/reports/aar2019/L320.pdf> (accessed December 31, 2019).

S.C. Housing. “Agency Accountability Report, 2017-18.”

<https://www.scstatehouse.gov/reports/aar2018/L320.pdf> (accessed December 31, 2019).

S.C. Housing. “Audited Financial Statements, FY 2017-18.”

https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/HousingFinanceandDevelopmentAuthority/1-FY18_Audited_Financial_Statements.pdf (accessed December 31, 2019).

S.C. Housing. “Statewide Impact Report, 2018.”

https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/HousingFinanceandDevelopmentAuthority/3-2018_Impac_%20Report.pdf (accessed December 31, 2019).

S.C. Housing. “Housing Trust Fund Annual Report, FY 2017-18.”

https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/HousingFinanceandDevelopmentAuthority/4-FY18_Housing_Trust_Fund_Report.pdf (accessed December 31, 2019).

S.C. Housing. “Investment Report, FY 2017-18.”

https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/HousingFinanceandDevelopmentAuthority/5-2018_Investment_Report.pdf (accessed December 31, 2019).

S.C. House of Representatives, Legislative Oversight Committee. “March 2019 Survey Results.”

[https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/AlcoholDrugAbuse/Survey%20Results%20\(February%2027%20-%20April%201,%202019\).pdf](https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/AlcoholDrugAbuse/Survey%20Results%20(February%2027%20-%20April%201,%202019).pdf) (accessed December 31, 2019).

APPENDIX A. AGENCY OVERVIEW

The Committee requests the agency provide background information via the program evaluation report, accountability report, and correspondence. Per the exemption granted to agencies with revenue bonding authority by S.C. Code Ann. § 2-2-60(E), S.C. Housing elects to submit several publicly available reports to the Committee in lieu of completing the program evaluation report.⁵⁹ The sections below provide an overview of the agency, as reflected in these submissions. It is augmented by information provided by other state agencies that aggregate statewide data.

History

S.C. Housing provides the Committee with an overview of the agency's history.⁶⁰ In addition, Committee staff confirms the accuracy of assertions of legislative action.

1971 In his inaugural address on January 19, 1971, Governor John C. West pledges that, "We can and we shall in the next four years initiate new and innovative programs which will, in our time, provide adequate housing for all citizens of our state."

Originally named the South Carolina State Housing Authority, the agency is created by Act No. 500 on June 22, 1971.

1972 The Basic Home Program is launched.

1977 Act No. 76 of 1977 is signed into law by Governor James Edwards, permitting the issuance of bonded indebtedness to support certain housing programs. The first bond issue raises \$75 million in mortgage revenue, and a subsequent issue raises twice that much.

1986 The Low Income Housing Tax Credit (LIHTC) is established as part of the U.S. Tax Reform Act of 1986. The tax credits are an incentive to encourage individuals as well as corporations to invest in the acquisition, development and rehabilitation of affordable rental housing.

1988 Act No. 538 of 1988 officially changes the name of the agency to the South Carolina State Housing Finance and Development Authority.

Act No. 575 of 1988 permits the agency to make home equity conversion loans.

1992	<p>The Housing Trust Fund (HTF) is created by the General Assembly and funded with dollars collected from a dedicated portion of the deed stamp tax (20 cents of every \$500 dollars).⁶¹ The HTF provides funding to assist in the creation and preservation of safe, decent, affordable, and sanitary housing, in addition to affordable rental housing opportunities for low-income South Carolinians. Eligible activities include the rehabilitation of owner occupied single-family homes, acquisition and construction of rental housing, group homes for the disabled and emergency shelters. This is accomplished by building partnerships among government agencies, qualified nonprofit sponsors, for profit sponsors and those in need of affordable housing.</p>
1995	<p>S.C. Housing introduces the "Stepping Home" Program, a low interest rate (3%) home mortgage and counseling program for persons residing in Section 8 subsidized housing.⁶² The agency receives national recognition for establishing this program.</p>
2008	<p>The Neighborhood Stabilization Program begins, allowing communities across the state blighted by abandoned and foreclosed property to improve through a \$44 million dollar infusion from the U.S. Department of Housing and Urban Development.</p>
2010	<p>The SC HELP program, a foreclosure prevention program for responsible borrowers, begins. This program is no longer accepting applications due to exhausting the federal funding source.</p>
2012	<p>The Mortgage Tax Credit Program launches. It offers a federal income tax credit to qualified homebuyers of up to \$2,000 per calendar year for every year they occupy the home as their primary residence.</p>

Figure 4. S.C. Housing timeline of significant events

Legal Obligations

In the Annual Accountability Report, the Committee asks the agency to list the laws applicable to it. Table 3 includes a brief summary of some of the information the agency provides.⁶³

State Statutes	
Title 31, Chapter 13	Establishes the agency and its duties and powers
Title 31, Chapter 3	Establishes the powers and duties of housing authorities
Title 31, Chapter 11	Outlines powers related to housing for people engaged in national defense
Title 31, Chapter 21	Fair Housing law
Title 27, Chapter 40	Residential Landlord and Tenant Act
Title 37, Chapter 23	High-cost and Consumer Home Loans Act
Title 29, Chapter 4	Reverse Mortgage Act
Title 29, Chapter 3	Establishes requirements related to mortgages in South Carolina
Title 37, Chapter 22	Mortgage Lending Act
Title 39, Chapter 5	Unfair Trade Practices Act
Title 37, Chapters 1 and 3	Consumer Protection Codes
§ 12-24-90	Establishes the funding stream for the Housing Trust Fund
State Regulations	
Chapter 64	Defines terms and outlines the procedures for expenditure of certain funds
Federal Laws and Regulations	
Various federal laws establish and govern programs the agency administers	

Table 3. Summary of selected applicable laws provided by S.C. Housing

Agency Organization and Employees

Governing Body

As outlined in S.C. Code Ann. § 31-13-30, S.C. Housing is governed by a nine-member board of commissioners. Seven members are appointed by the Governor for four-year terms. The Governor and the Director of the Department of Health and Environmental Control, or their designees, serve *ex officio*. Table 4 includes the current board members, as reported on the Secretary of State’s website.⁶⁴ One seat is currently vacant.

Commissioner Name	Date of Appointment	Expiration Date of Appointment
Gardner, Charles E.	4/26/2018	8/15/2021
Goodall, David C.	6/17/2015	8/15/2018
Sieck, Mary L.	2/27/2017	8/15/2021
Ormand, Kenneth E. Jr.	4/22/2016	8/15/2020
Shannon, Sue Ann	4/22/2016	8/15/2020
Allen, Bradley J.	6/17/2015	8/15/2018
VACANT (Board Chair)		
Mickle, Robert D. Jr.* (Governor’s Designee)	5/31/2019	N/A <i>(ex officio)</i>
Director of the Department of Health and Environmental Control, Rick Toomey, or designee	N/A <i>(ex officio)</i>	N/A <i>(ex officio)</i>

Table Note:

*Robert D. Mickle, Jr. has been appointed by the Governor as the board chair, pending confirmation by the Senate.⁶⁵

Table 4. Members of the S.C. Housing Board of Commissioners

Agency Organizational Units

In its Annual Accountability Report, S.C. Housing reports having three major functional areas. The Single-Family Programs issue mortgages and provide down payment assistance in addition to funding for rehabilitation and emergency repair of homes. The Multifamily Programs consist of construction and rehabilitation of properties for low-income and/or special needs renters. Lastly, Housing Assistance administers project-based rental assistance contracts on behalf of the U.S. Department of Housing and Urban Development as well as the Housing Choice Voucher program in seven S.C. counties.⁶⁶ The agency’s organizational chart is shown in Figure 5.⁶⁷

Organizational Chart

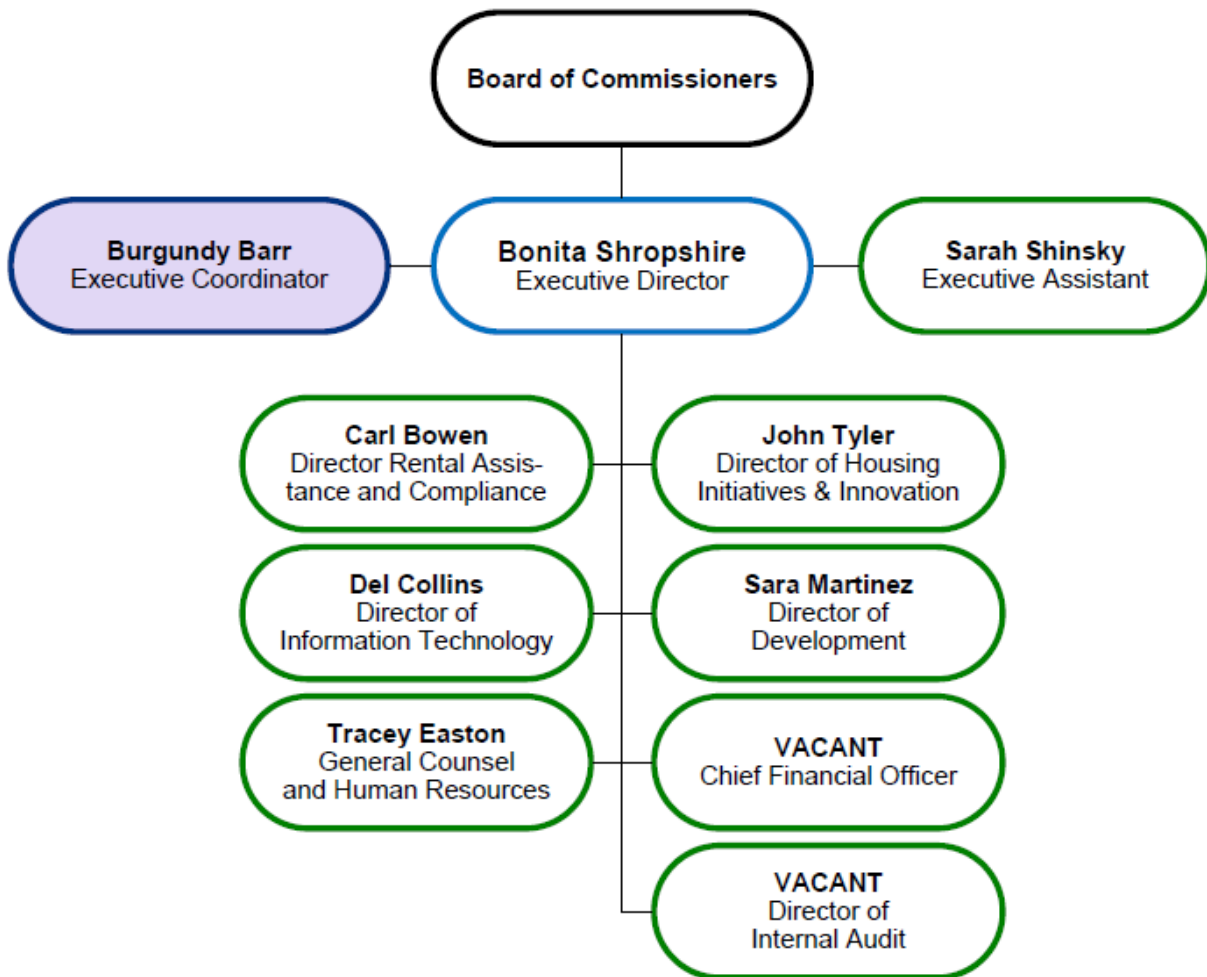


Figure 5. S.C. Housing organizational chart (accurate as of January 17, 2020)

Internal Audit Process

S.C. Housing has an Internal Audit division that audits its operations, ensures compliance with laws and regulations, and performs quality control.⁶⁸ The director of that division reports directly to the executive director. As of January 2020, that position is vacant (see *Organizational Chart* on the prior page).

The Subcommittee adopts a recommendation related to the agency's Internal Auditor (see *Recommendation 2*).

Services and Customers

S.C. Housing’s mission is to assist citizens in obtaining quality, affordable, and safe housing. To fulfill this purpose, the S.C. Housing provides deliverables (products or services) to a variety of customers. In its Annual Accountability Report, the agency provides the following information.⁶⁹

Service/Product Provided to Customers	Customer Description [^]	Division or Major Program
Administration of U.S. Department of Housing and Urban Development (HUD) subsidy contract for project-based rental properties	Extremely low and very low income families	Project-Based Contract Administration
Mortgage financing (multifamily)	Very low and low income families	Multifamily Tax Exempt Bond Program
Tax credits; mortgage financing (multifamily)	Very low and low income families	Low Income Housing Tax Credit
Administration of HUD rental assistance program	Extremely low and very low income families	Housing Choice Voucher Program
Mortgage financing (single and multifamily)	Very low and low income tenants, homeowners and special needs population	HOME Investment Partnerships Program
Program administration	Very low and low income tenants, homeowners and special needs population	South Carolina Housing Trust Fund Program
Program administration	Local governments	Neighborhood Stabilization Program (NSP) - assistance to local governments with the reduction or elimination of blight
Mortgage financing (single-family)	Low to moderate income homebuyers; this program also assists industry in the form of home builders, lenders, real estate professionals and the state's economy in general	Mortgage Bond Program
Market rate mortgage program	Homebuyers with income up to approximately 150% of state median income	Palmetto Home Advantage
Mortgage assistance	Homeowners experiencing temporary to long-term mortgage payment difficulty	SC HELP*
Mortgage financing (new construction multifamily)	Extremely low income families and individuals	National Housing Trust Fund

Table Notes:

[^]Household income levels are based on area median income defined by HUD:⁷⁰

Extremely low income: ≤30% of area median or below federal poverty line

Very low income: >30% but ≤50% of area median

Low income: >50% but ≤80% of area median

*SC HELP is now in wind-down phase and will be closed by 2020.

Table 5. S.C. Housing deliverables, as reported by the agency

Key Federal and Local Partners

S.C. Housing provides a list of partner entities on pages 31-32 of its [FY 2018-19 Annual Accountability Report](#).⁷¹ In response to Subcommittee member questions, it also provides a list of state agencies with which it collaborates on pages 4-5 of its [January 10, 2020, letter to the Subcommittee](#).⁷² The agency has the following counterparts at the federal and local level.

Federal Counterparts

The majority of the agency's budget comes from federal funds provided for rental assistance and rental development programs the agency administers for the U.S. Department of Housing and Urban Development and the U.S. Department of the Treasury.⁷³

Local Counterparts

There are numerous local public housing agencies throughout South Carolina.⁷⁴ However, S.C. Housing has no authority over these local agencies.⁷⁵

APPENDIX B. AGENCY REPORTS TO COMMITTEE

During the legislative oversight process, the **Committee asks the agency to conduct self-analysis** by requiring it to complete and submit annual restructuring reports, a seven-year plan for cost savings and increased efficiencies, and a program evaluation report. Per the exemption granted to agencies with revenue bonding authority by S.C. Code Ann. § 2-2-60(E), S.C. Housing elects to submit several publicly available reports to the Committee in lieu of completing the program evaluation report.⁷⁶ The Committee posts each report on the agency page of the Committee’s website.

Seven-Year Plan for Cost Savings and Increased Efficiencies

S.C. Code Ann. § 1-30-10 requires agencies to submit “a seven year plan that provides initiatives and/or planned actions that implement cost savings and increased efficiencies of services and responsibilities within the projected seven-year period.”⁷⁷ S.C. Housing submits its plan on March 31, 2015.⁷⁸

Restructuring Report

The Annual Restructuring Report fulfills the requirement in S.C. Code Ann. § 1-30-10(G)(1) that annually each agency report to the General Assembly “detailed and comprehensive recommendations for the purposes of merging or eliminating duplicative or unnecessary divisions, programs, or personnel within each department to provide a more efficient administration of government services.” The report, at a minimum, includes information in the following areas: history, mission and vision, laws, strategic plan, human and financial resources, performance measures, and restructuring recommendations.

S.C. Housing submits its first Annual Restructuring Report on March 31, 2015.⁷⁹ The agency’s Fiscal Year 2018-19 Annual Accountability Report to the Governor and General Assembly, which it submits in September 2019, serves as its most recent Annual Restructuring Report.⁸⁰

APPENDIX C. PUBLIC INPUT

Public input is a cornerstone of the House Legislative Oversight Committee’s process.⁸¹ Members of the public have an opportunity to participate anonymously in a public survey, provide comments anonymously via a link on the Committee’s website, and appear in person before the Committee.⁸² During the study, media articles related to the agency are compiled for member review.

Public Survey

From February 27 - April 1, 2019, the Committee posts an **online survey to solicit comments from the public about S.C. Housing** and five other agencies. The Committee sends information about this survey to all House members to forward to their constituents. Additionally, in an effort to communicate this public input opportunity widely, the Committee issues a statewide media release.⁸³ The media release is shared with the South Carolina State Library, which disseminates it to local libraries across the state.

There are 450 responses to the survey, with 90 of these relating to the agency. The responses relating to the agency come from 15 of South Carolina’s 46 counties.⁸⁴ These comments are not considered testimony.⁸⁵ As the survey press release notes, “input and observations from people who interact with these agencies are important because they may help direct the Committee to potential areas for agency improvement.”⁸⁶ Survey results are posted on the Committee’s website. The **public is informed it may continue to submit written comments about agencies online** after the public survey closes.⁸⁷

Of those survey participants that respond to questions related to S.C. Housing, **70% have a positive or very positive opinion of the agency.** Employment or business experience with the agency is the basis of seventy percent of the respondents’ opinions. Positive comments relate to the agency’s customer service, staff, and website. Negative comments include criticisms of the agency’s governing board, hiring practices, and executive leadership.⁸⁸

Public Input via Committee Website

Throughout the course of the study, people are able to submit comments anonymously on the Committee website. The Committee posts comments verbatim to the website, but they are not the comment or expression of the House Legislative Oversight Committee, any of its Subcommittees, or the House of Representatives.⁸⁹ Nine comments are received in this way and published on the [agency page](#) of the Committee’s webpage.⁹⁰

Public Input via In-Person Testimony

During the study, the Committee offers the opportunity for the public to appear and provide sworn testimony.⁹¹ A press release announcing this opportunity is sent to media outlets statewide on July 26, 2019.⁹² The media release is also shared with the South Carolina State Library, which disseminates it to local libraries across the state. The Committee holds a meeting dedicated to public input about S.C. Housing and other agencies on August 13, 2019.⁹³ Further detail on the public input meeting is in the [Meetings Regarding the Agency](#) section of this report.

CONTACT INFORMATION

Committee Contact Information

Physical:

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Legislative Oversight Committee
1105 Pendleton Street, Blatt Building Room 228

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Columbia, South Carolina 29211

Telephone: (803) 212-6810

Online:

You may visit the South Carolina General Assembly Home Page (<http://www.scstatehouse.gov>) and click on "Citizens' Interest" then click on "House Legislative Oversight Committee Postings and Reports". This will list the information posted online for the Committee; click on the information you would like to review. Also, a direct link to Committee information is <http://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee.php>.

Agency Contact Information

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South Carolina State Housing Finance &
Development Authority
300-C Outlet Pointe Boulevard
Columbia, SC 29210

Telephone: (803) 896-9001

Online: <https://www.schousing.com/>

ENDNOTES

¹ State Housing Finance and Development Authority, "2017-18 Accountability Report" (September 2018), under "Committee Postings and Reports," under "House Legislative Oversight Committee," and under "Housing Finance and Development Authority, S.C. State" <https://www.scstatehouse.gov/reports/aar2018/L320.pdf> (accessed December 20, 2019). Hereinafter, "FY 2017-18 Agency Accountability Report."

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² Act No. 410 of 1992.

³ S.C. House of Representatives, House Legislative Oversight Committee, "Meeting Minutes" (September 12, 2019), under "Committee Postings and Reports," under "House Legislative Oversight Committee," under "Housing Finance and Development Authority, S.C. State," and under "Meetings,"

https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/SubcommitteeMinutes/EconomicSub/9.12.19_Minutes_EDTNR.pdf (accessed December 20, 2019). A video of the meeting is available at <https://www.scstatehouse.gov/video/archives.php?key=9761&part=1>. Hereinafter, “9/12/19 Subcommittee Minutes and Video.”

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⁴ S.C. House of Representatives, House Legislative Oversight Committee, “Committee Letter to State Inspector General (9/10/19),” under “Committee Postings and Reports,” under “House Legislative Oversight Committee,” under “House Legislative Oversight Committee,” under “Housing Finance and Development Authority, S.C. State,” and under “Correspondence,” https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/HousingFinanceandDevelopmentAuthority/Committee_Letter_to_IG_9.11.19.PDF (accessed January 8, 2020). Hereinafter, “Committee Letter to State Inspector General (9/10/19).”

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⁵ 7/18/19 Subcommittee Minutes and Video Part 2 at 24:30.

⁶ State Inspector General Response to Committee (11/8/19), p. 10.

⁷ Id.

⁸ 12/5/19 Subcommittee Minutes and Video at 1:39:12.

⁹ John Tyler, S.C. Housing Director of Housing Initiatives and Innovation, email message to Kendra Wilkerson, House Legislative Oversight Committee Analyst, February 5, 2020.

¹⁰ State Inspector General Response to Committee (11/8/19), p. 9.

¹¹ 12/5/19 Subcommittee Minutes and Video at 1:42:32;

7/18/19 Subcommittee Minutes and Video Part 2 at 08:31;

Committee Letter to State Inspector General (9/10/19), p. 1.

¹² State Inspector General Response to Committee (11/8/19), p. 5.

¹³ State Inspector General Response to Committee (11/8/19), p. 2.

¹⁴ S.C. Department of Administration, “Certified Public Manager Program Overview,” under “Services,” under “Service Areas,” under “Training,” and under “Certifications,” <https://admin.sc.gov/Training/Certifications> (accessed January 9, 2020).

¹⁵ S.C. Department of Administration, “Certified Public Manager Program Overview,” under “Services,” under “Service Areas,” under “Training,” and under “Certifications,” <https://admin.sc.gov/Training/Certifications> (accessed January 9, 2020).

¹⁶ 12/5/19 Subcommittee Minutes and Video at 1:22:26.

¹⁷ State Inspector General Response to Committee (11/8/19), p. 5.

¹⁸ 12/5/19 Subcommittee Minutes and Video at 1:21:08.

¹⁹ Bonita Shropshire, S.C. Housing Executive Director, email message to Brian Lamkin, State Inspector General, and copied to Kendra Wilkerson, House Legislative Oversight Committee Analyst, January 3, 2020.

²⁰ 12/5/19 Subcommittee Minutes and Video at 2:02:15;

7/18/19 Subcommittee Minutes and Video Part 2 at 1:56:32;

9/12/19 Subcommittee Minutes and Video at 14:18.

²¹ 12/5/19 Subcommittee Minutes and Video at 2:21:15.

²² S.C. House of Representatives, House Legislative Oversight Committee, “S.C. Housing Response to Subcommittee (1/10/20),” under “Committee Postings and Reports,” under “House Legislative Oversight Committee,” under

“Housing Finance and Development Authority, S.C. State,” and under “Correspondence,” https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/HousingFinanceandDevelopmentAuthority/1.10.20_Housing_Response.PDF (accessed January 17, 2020). Hereinafter, “S.C. Housing Response to Subcommittee (1/10/20).”

²³ S.C. Housing Response to Subcommittee (1/10/20).

²⁴ S.C. Housing Response to Subcommittee (1/10/20), p. 3.

²⁵ 9/12/19 Subcommittee Minutes and Video at 50:49.

²⁶ State Inspector General Response to Committee (11/8/19), p. 9.

²⁷ State Housing Finance and Development Authority, “2018-19 Accountability Report” (September 2019), under “Committee Postings and Reports,” under “House Legislative Oversight Committee,” and under “Housing Finance and Development Authority, S.C. State” <https://www.scstatehouse.gov/reports/aar2019/L320.pdf> (accessed December 31, 2019). Hereinafter, “FY 2018-19 Agency Accountability Report.” See p. A-4.

²⁸ State Inspector General Response to Committee (11/8/19), p. 10.

²⁹ 12/5/19 Subcommittee Minutes and Video at 3:40:12.

³⁰ S.C. Housing, “Board of Commissioners,” <https://www.schousing.com/Home/Commissioners> (accessed January 9, 2020).

³¹ Committee Letter to State Inspector General (9/10/19), p. 1.

State Inspector General Response to Committee (11/8/19), pp. 13-16.

³² State Inspector General Response to Committee (11/8/19), pp. 13-16.

³³ State Inspector General Response to Committee (11/8/19), p. 4.

³⁴ State Inspector General Response to Committee (11/8/19), p. 3.

³⁵ 12/5/19 Subcommittee Minutes and Video at 1:08:30;

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³⁶ State Inspector General Response to Committee (11/8/19), pp. 13-16.

³⁷ S.C. Department of Administration, “Back Pay and Personnel Settlements,” under “Services,” under “Service Areas,” under “State Human Resources,” and under “Alternative Dispute Resolution,”

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³⁸ State Inspector General Response to Committee (11/8/19), p. 3.

³⁹ 12/5/19 Subcommittee Minutes and Video at 1:14:59.

⁴⁰ John Tyler, S.C. Housing Director of Housing Initiatives and Innovation, email message to Kendra Wilkerson, House Legislative Oversight Committee Analyst, January 3, 2020.

⁴¹ Rick Caldwell, DHEC Director of Legislative Affairs, email message to Kendra Wilkerson, House Legislative Oversight Committee Analyst, January 6, 2020.

⁴² S.C. Code Ann. § 2-2-10(1).

⁴³ S.C. House of Representatives, House Legislative Oversight Committee, “Meeting Minutes” (December 5, 2018), under “Committee Postings and Reports,” under “House Legislative Oversight Committee,” under “Housing Finance and Development Authority, S.C. State,” and under “Meetings,”

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⁴⁴ S.C. House of Representatives, House Legislative Oversight Committee, “Subcommittees -2019,” under “Committee Postings and Reports,” under “House Legislative Oversight Committee,” and under “Committee Information,”

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⁴⁵ S.C. House of Representatives, House Legislative Oversight Committee, “S.C. Housing Letter to Committee Staff (4/17/2019),” under “Committee Postings and Reports,” under “House Legislative Oversight Committee,” under “Housing Finance and Development Authority, S.C. State,” and under “Correspondence,” https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/HousingFinanceandDevelopmentAuthority/4.17.19_Letter-Reports.pdf (accessed December 27, 2019). Hereinafter, “S.C. Housing Letter to Committee Staff (4/17/2019).”

⁴⁶ A brochure about the House Legislative Oversight’s Committee process is available online. Also, there are ongoing opportunities to request notification when meetings are scheduled and to provide feedback about state agencies under study that can be found online.

<https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/Brochure%202019-2020%20updated%2010.8.19.pdf> (accessed December 30, 2019).

⁴⁷ S.C. House of Representatives, House Legislative Oversight Committee.

<http://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee.php> (accessed December 30, 2019).

⁴⁸ 12/5/18 Full Committee [Minutes](#) and [Video](#).

⁴⁹ 7/18/19 Subcommittee [Minutes](#) and [Video](#).

⁵⁰ 7/22/19 Subcommittee [Minutes](#) and [Video](#).

⁵¹ S.C. House of Representatives, House Legislative Oversight Committee, “Meeting Minutes” (August 13, 2019), under “Committee Postings and Reports,” under “House Legislative Oversight Committee,” under “Housing Finance and Development Authority, S.C. State,” and under “Meetings,”

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<https://www.scstatehouse.gov/video/archives.php?key=9747&part=1>. Hereinafter, “8/13/19 Full Committee [Minutes](#) and [Video](#).”

⁵² S.C. House of Representatives, House Legislative Oversight Committee, “Meeting Minutes” (September 9, 2019), under “Committee Postings and Reports,” under “House Legislative Oversight Committee,” under “Housing Finance and Development Authority, S.C. State,” and under “Meetings,”

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⁵³ S.C. House of Representatives, House Legislative Oversight Committee, “S.C. Housing Response to Subcommittee (8/26/19),” under “Committee Postings and Reports,” under “House Legislative Oversight Committee,” under “Housing Finance and Development Authority, S.C. State,” and under “Correspondence,”

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⁵⁴ 9/12/19 Subcommittee [Minutes](#) and [Video](#).

⁵⁵ Rep. Norrell, Rep. Pendarvis, and Chair Hixon are present for the vote to approve Recommendation 5.

⁵⁶ 12/5/19 Subcommittee [Minutes](#) and [Video](#).

⁵⁷ Rep. Hewitt, Rep. Pendarvis, and Chair Hixon are present for the vote to approve Recommendation 7. All Subcommittee members are present for the votes to approve Recommendations 1-4, 6, and 8-9.

⁵⁸ Committee Standard Practice 12.

⁵⁹ [S.C. Housing Letter to Committee Staff \(4/17/2019\)](#).

⁶⁰ John Tyler, S.C. Housing Director of Housing Initiatives and Innovation, email message to Kendra Wilkerson, House Legislative Oversight Committee Analyst, December 23, 2019.

⁶¹ Act No. 410 of 1992.

⁶² Section 8 of the U.S. Housing Act of 1937 (42 U.S.C. § 1437f).

⁶³ [FY 2018-19 Agency Accountability Report](#), Legal Standards Template.

⁶⁴ S.C. Secretary of State, “Search South Carolina State Boards and Commissions,” <https://search.scsos.com/boardsandcommissions> (accessed December 31, 2019).

⁶⁵ John Tyler, S.C. Housing Director of Housing Initiatives and Innovation, email message to Kendra Wilkerson, House Legislative Oversight Committee Analyst, February 5, 2020.

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- ⁶⁶ [FY 2018-19 Agency Accountability Report](#), p. 4.
- ⁶⁷ John Tyler, S.C. Housing Director of Housing Initiatives and Innovation, email message to Kendra Wilkerson, House Legislative Oversight Committee Analyst, February 5, 2020.
- ⁶⁸ 7/18/19 Subcommittee [Minutes](#) and [Video](#) Part 2 at 32:00.
- ⁶⁹ [FY 2018-19 Agency Accountability Report](#), p. 29.
- ⁷⁰ John Tyler, S.C. Housing Director of Housing Initiatives and Innovation, email message to Kendra Wilkerson, House Legislative Oversight Committee Analyst, January 22, 2020.
- ⁷¹ [FY 2018-19 Agency Accountability Report](#), pp. 31-32.
- ⁷² [S.C. Housing Response to Subcommittee \(1/10/20\)](#), pp. 4-5.
- ⁷³ S.C. House of Representatives, House Legislative Oversight Committee, “Meeting Packet” (July 18, 2019), under “Committee Postings and Reports,” under “House Legislative Oversight Committee,” under “Housing Finance and Development Authority, S.C. State,” under “Meetings,” and under “Thursday, July 18, 2019,” https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/DMV/7.18.19_Meeting_Packet_EDTNR.PDF (accessed January 17, 2020), p. 35.
- ⁷⁴ U.S. Department of Housing and Urban Development, “PHA Contact Information,” under “Program Offices,” under “Public and Indian Housing,” and under “Public Housing Agency (PHA) Plans,” https://www.hud.gov/program_offices/public_indian_housing/pha/contacts (accessed January 17, 2020).
- ⁷⁵ 7/18/19 Subcommittee [Minutes](#) and [Video](#) Part 2 at 1:55:17 and 2:06:47.
- ⁷⁶ [S.C. Housing Letter to Committee Staff \(4/17/2019\)](#).
- ⁷⁷ S.C. Code Ann. § 1-30-10.
- ⁷⁸ State Housing Finance and Development Authority, “2015 Restructuring and Seven-Year Plan Report” (March 31, 2015), under “Committee Postings and Reports,” under “House Legislative Oversight Committee,” and under “Housing Finance and Development Authority, S.C. State” <https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/2015AgencyRestructuringandSevenYearPlanReports/2015%20State%20Housing%20Finance%20and%20Development%20Authority.pdf> (accessed January 2, 2020). Hereinafter, “2015 Restructuring and Seven-Year Plan Report.”
- ⁷⁹ *Id.*
- ⁸⁰ [FY 2018-19 Agency Accountability Report](#).
- ⁸¹ A brochure about the House Legislative Oversight’s Committee process is available online. Also, there are ongoing opportunities to request notification when meetings are scheduled and to provide feedback about state agencies under study that can be found online. <https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/Brochure%202019-2020%20updated%2010.8.19.pdf> (accessed January 2, 2020).
- ⁸² S.C. House of Representatives, House Legislative Oversight Committee. <http://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee.php> (accessed January 2, 2020).
- ⁸³ S.C. House of Representatives, House Legislative Oversight Committee, “Press Release announcing Public Survey (February 27, 2019),” under “Committee Postings and Reports,” under “House Legislative Oversight Committee,” under “Housing Finance and Development Authority, S.C. State,” and under “Public Survey and Public Input,” <https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/AlcoholDrugAbuse/March%202019%20-%20Press%20Release.PDF> (accessed January 2, 2020). Hereinafter, “Press Release announcing Public Survey - February 2019.”
- ⁸⁴ S.C. House of Representatives, House Legislative Oversight Committee, “Survey Results” (February 27-April 1, 2019), under “Committee Postings and Reports,” under “House Legislative Oversight Committee,” under “Housing Finance and Development Authority, S.C. State,” and under “Public Survey” [https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/AlcoholDrugAbuse/Survey%20Results%20\(Feb%2027%20-%20Apr%201,%202019\).pdf](https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/AlcoholDrugAbuse/Survey%20Results%20(Feb%2027%20-%20Apr%201,%202019).pdf) (accessed January 2, 2020). Hereinafter “Results of February 2019 Survey.”
- ⁸⁵ Committee Standard Practice 10.4.1.
- ⁸⁶ [Press Release announcing Public Survey - February 2019](#).
- ⁸⁷ S.C. House of Representatives, House Legislative Oversight Committee, “Submit Public Input,” under “Committee Postings and Reports,” under “House Legislative Oversight Committee”

<http://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee.php> (accessed January 2, 2020).

⁸⁸ [Results of February 2019 Survey](#).

⁸⁹ Committee Standard Practice 10.4.5 allows for the redaction of profanity and any known references to minors or vulnerable adults.

⁹⁰ S.C. House of Representatives, House Legislative Oversight Committee, “Input Received via Committee Webpage,” under “Committee Postings and Reports,” under “House Legislative Oversight Committee,” under “Housing Finance and Development Authority, S.C. State,” and under “Public Survey and Public Input”

<https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyPHPFiles/HousingFinanceandDevelopmentAuthority.php> (accessed January 2, 2020).

⁹¹ Also, the chair of either the Committee or the Subcommittee has the discretion to allow testimony during meetings.

⁹² S.C. House of Representatives, House Legislative Oversight Committee, “Press Release Inviting the Public to Provide Testimony (July 26, 2019),” under “Committee Postings and Reports,” under “House Legislative Oversight Committee,” under “Housing Finance and Development Authority, S.C. State,” and under “Public Survey and Public Input,”

[https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/AlcoholDrugAbuse/Press%20Release%20-%20Inviting%20the%20Public%20to%20Provide%20Testimony%20\(July%2026,%202019\).PDF](https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/AlcoholDrugAbuse/Press%20Release%20-%20Inviting%20the%20Public%20to%20Provide%20Testimony%20(July%2026,%202019).PDF) (accessed January 2, 2020).

⁹³ 8/13/19 Full Committee [Minutes](#) and [Video](#).

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Committees:

Agriculture, Natural Resources and
Environmental Affairs
Legislative Oversight

House of Representatives
State of South Carolina

Member Statement

for the Subcommittee Study of the State Housing Finance and Development Authority

Ensuring access to safe, affordable housing for the residents of South Carolina is an issue I have been advancing throughout my tenure as a state legislator. Participating in the Economic Development, Transportation, and Natural Resources Subcommittee's study of the State Housing Finance and Development Authority (S.C. Housing) has been a valuable opportunity for me to further advance this fundamental issue that is so important to the individuals, families, and businesses of our state.

I believe the Subcommittee's eight recommendations to S.C. Housing will help to move the agency in a purposeful way toward more effective, efficient, and transparent fulfillment of its crucial mission. In the future, I hope to see S.C. Housing continue to expand the availability of affordable housing and access to home ownership in this state. As no one agency should tackle this challenge alone, I expect the agency to leverage partnerships with local governments, charitable groups, and others to achieve the best results. I will continue to work within the state government to support S.C. Housing's mission, and I urge local communities to do the same.

I encourage policymakers and members of the public to learn more about the need for affordable housing in South Carolina through these study materials and resources such as S.C. Housing's recent statewide [Housing Needs Assessment](#). Armed with this data, we can better work together to confront this complex issue.

Marvin R. Pendarvis
House District 113 (Charleston and Dorchester Counties)