Accountability Report Transmittal Form

Agency Name: SC State Housing Finance and Development Authority

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SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY

ACCOUNTABILITY REPORT
FY 2007-2008

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"Housing South Carolina Is Our Business"

For 36 years, the South Carolina State Housing Finance and Development Authority (hereinafter referred to as the "Authority") has been helping low and low-to-moderate income families, older adults, persons with disabilities, and others who are frequently underserved find quality, safe, and affordable housing. The Authority is able to do this by using its proven financial strength to sell securities to investors all over the country. This allows the Authority to make mortgage loans to sponsors of affordable multifamily rental units and enables first-time and special needs home buyers to get their piece of the American Dream. Additionally, the Authority administers a number of federal and state programs providing housing help where it is needed most.

The Authority takes pride in knowing that it has been able to serve the State of South Carolina for over three decades and in knowing that its work also helps the state's local economies – and not just with jobs in the construction, financial, or real estate industries.

The Authority's programs offer opportunities from rental assistance to homeownership and have made the quality of life better for tens of thousands of South Carolinians. But it has not accomplished all this by working alone. The Authority enjoys significant partnerships with the Governor and his Administration, a wide spectrum of individuals, agencies, businesses, and other affordable housing advocates – all working together to help fulfill a basic need for the citizens of South Carolina.

MISSION, VISION AND VALUES

The mission of the Authority is to create quality affordable housing opportunities for the citizens of South Carolina through a vision that all South Carolinians have the opportunity to live in safe, decent, and affordable housing. In order to accomplish our mission and fulfill our vision, the Authority operates within four core values.

- **Customer Focus**: We strive to know and understand our customers and their needs. We respect all persons and value their diversity. We continually seek ways to improve our service. We encourage and appreciate our partnerships.
- **Public Trust**: We take responsibility for our actions and protect the public trust by upholding the constitution and laws of our nation and state. As guardians of public funds and resources, we will exercise competent and judicious management. We value integrity and ethical conduct above all else.
- **Employee Focus**: We value our employees and treat them with dignity and respect. We ensure that our employees have the tools and the training they need to be successful. We recognize and reward them for their outstanding contributions to our mission. We empower them to improve upon the systems and processes that they control.
- **Quality and Innovation**: We are dedicated, committed, and competent public servants. We are visionary, creative, and open to change. We constantly seek to improve our knowledge and ability to serve our customers. Professionalism, Quality, and Innovation are the hallmarks of the Authority.

MAJOR ACHIEVEMENTS OF FY07-08

Measuring achievement does not always mean measuring dollars. While economic impact is certainly an important outcome, achievement can also be measured by partnerships, participation, leadership and social impacts. With a mission to create affordable housing opportunities for the citizens of South Carolina, the Authority is able to, in addition to administering its own programs, evaluate a multitude of other projects that may uniquely address other housing needs. It is this flexibility that has afforded the Authority the opportunity not only to achieve success in its Contract Administration, HOME Investment Partnerships, Housing Trust Fund, Mortgage Revenue Bond (MRB), Multifamily Tax Exempt Bond, Low Income Housing Tax Credit, and Section 8 Housing Choice Voucher Programs but also play a critical role in other equally far-reaching initiatives. The highlights of some of these initiatives follow.

- Issuance of $140 Million (AAA) bonds to benefit potential homebuyers.
- Partnership with the Department of Education on a $20 Million initiative offering low-interest home loans and down payment assistance to South Carolina teachers called the Palmetto Hero Program.
- Issued over $27 Million in bonds for a first of its kind in the nation pooled bond transaction to save over 830 affordable housing units deemed at risk of exiting under the USDA's Rural Development Section 515 program.
- Partnership with the Lieutenant Governor's Office on Aging to offer rental assistance to senior citizens.
- Partnership with the Lieutenant Governor's Office and other housing professionals as a member of the South Carolina Affordable Housing Study Committee.
- Partnership with Department of Mental Health to assist with the housing cost of clients transitioning into the community.
- Partnership with the Department of Health and Human Services to support the Community Long Term Care Program that addresses targeted home modifications.
- Execution of the State Housing Authority Disaster Relief Fund that has assisted approximately 26 families with funds for temporary housing assistance, the need for which resulted from the effects of natural disasters, man-made disasters and catastrophic events.
- The Homeownership Voucher Program, which provides vouchers to assist first-time homebuyers with their monthly home ownership expenses in lieu of a rental subsidy, had eight additional families participate in the program during FY 07-08 and currently has twelve families participating in the program.

KEY STRATEGIC GOALS FOR PRESENT AND FUTURE YEARS

The Authority has outlined a set of four strategic planning objectives with associated action plan initiatives that collectively will achieve the four primary goals set forth below.

- Create and maintain a positive work culture that reinforces our mission, encourages innovation and is based on a spirit of cooperation and teamwork.
- Constantly review processes and the use of technology to improve customer service and enhance employee performance.

- Develop mutually supportive relationships that expand our ability to provide affordable housing while enhancing the value of investments.

- Actively seek new and innovative ideas to improve affordable housing opportunities.
  Table 2.2-1 Strategic Planning Chart outlines the objectives and initiatives and Table 1.5-1 Performance Measures By Program outlines the performance measures that will be evaluated in order to determine the success rate of achieving these goals. Some goals will only be accomplished through the combination of successes of two or more objectives and initiatives.

KEY STRATEGIC CHALLENGES

The Authority has been measurably successful over its 36-year existence because its mission has been broad enough and flexible enough to shift with adjustments in needs, opportunities, market conditions, organizational transitions and the ever-changing environment of the affordable housing industry and the priorities of legislative bodies. This breadth and flexibility ensures that the Authority will be able to react appropriately and address effectively situations that affect its business functions, to originate programs and initiatives that are timely and relevant and to participate in opportunities that extend beyond the core components of its major programs.

That is not to say, however, that the Authority does not have challenges to its potential success. The most significant challenges to the Authority, in achieving its mission are the limitations incurred by being a governmental agency and the uncertainty of bond cap allocation. While the Authority has certainly been successful in achieving its mission, these two issues exist as constraints sufficient for notation.

First, the issue of limitations associated with being a governmental agency and its associated complications, many housing finance agencies have found this to be the case and have been allowed by their sponsoring states to become quasi-governmental agencies and, in some cases, to become private organizations. This allows the agencies, which are essentially financial institutions, to react more quickly to changing market conditions, similar to more traditional financial institutions.

Second, the uncertainty of bond cap allocation, many other states, including some in the southeast, have set allocations of the state's bond cap that are earmarked for Mortgage Revenue Bond (MRB) programs. This allows the housing finance agency to effectively manage the allocation of bond proceeds within a fixed budget so that the flow of resulting mortgages can be reasonably controlled through the use of forecasting and loan production models. At present, the Authority must request bond cap each year, with no guarantee or expectation in advance as to the amount or availability of said bond cap. This method of allocation necessitates a more cumbersome process for controlling activity and production.

The highlights of the Authority's major achievements and business results for FY07-08 are not indicative of a serious constraint from the limitations mentioned above, but noticeable improvements to program performance and Authority overall effectiveness could be achieved if these challenges were removed.

USING THE ACCOUNTABILITY REPORT TO IMPROVE PERFORMANCE

The Accountability Report, in the form it has taken over the past several years, has afforded the Authority the ability to not only measure its performance over successive years and to evaluate the trends associated with such performance, but to also evaluate the performance measures themselves. Such evaluation has lead to a review of supplemental measures during FY07-08 that not only measured employee efficiency, but also program inputs, activities, outputs and most importantly, outcomes.

MAIN PRODUCTS AND SERVICES AND PRIMARY DELIVERY METHODS

The Authority has seven major 'products and services' that represent its core business functions and that are delivered by various methods depending on the guidelines set forth in each program's rules and regulations (see also Section III, Category 7 – Business Results).

- The Mortgage Revenue Bond Program is delivered through lenders and brokers who offer mortgages secured by bond proceeds from bonds issued under the Authority's name that are subsequently used to purchase said mortgages.
- The South Carolina Housing Trust Fund Program is delivered primarily through developers (private sector and non-profit) who act according to the rules set forth in state guidelines and who are regulated through the draw-down of funds by Authority staff
- The HOME Investment Partnerships Program is delivered through developers (private sector, public sector and non-profit) who act according to the rules set forth in federal guidelines and who are regulated under the administrative oversight of both the Authority and the Department of Housing and Urban Development.
- The Multifamily Tax Exempt Bond Program is delivered through developers (private sector and non-profit) who act according to the rules set forth in federal guidelines and who are monitored by Authority staff.
- The Low Income Housing Tax Credit Program is delivered through developers (private and non-profit) who act according to the rules set forth in federal guidelines and who are under the Administrative oversight of both the Authority and the Internal Revenue Service.
- The Section 8 Housing Choice Voucher Program is delivered through Housing Assistance Payments Contracts with landlords and property owners who are under the administrative oversight of both the Authority and the Department of Housing and Urban Development.
- The Contract Administration Program is delivered through property owners and management agents who are under administrative oversight by both the Authority and the Department of Housing and Urban Development.

KEY CUSTOMER GROUPS AND KEY REQUIREMENTS AND EXPECTATIONS

The Authority's end-point key customer groups are primarily dependent on the program under which the customer is classified. For the Contract Administration, Multifamily Tax Exempt Bond, Low Income Housing Tax Credit and Section 8 Housing Choice Voucher Programs, the primary customers are very low and low income tenants. For the HOME Investment Partnerships Program, and South Carolina Housing Trust Fund Programs, the primary customers are tenants, home owners and special needs populations. For the Mortgage Revenue Bond Program, the primary customers are low to moderate income borrowers.

The key requirements and expectations of these customer segments are broad, but can be assimilated into the summary expectation of financing being available to produce appropriate affordable housing units for their respective needs.

KEY STAKEHOLDER LINKED TO KEY SERVICES

The Authority's intermediate key stakeholders are primarily dependent on the program under which they are identified. For the Contract Administration Program, the stakeholders are the federal government, property owners and management agents. For the HOME Investment Partnerships Program, the stakeholders are the federal government, local governments, nonprofit entities and private sector entities. For the South Carolina Housing Trust Fund Program, the stakeholders are state government, local governments, nonprofit entities and private sector entities. For the Mortgage Revenue Bond Program, the stakeholders are lenders, brokers, bond investors and qualified borrowers. For the Multifamily Tax Exempt Bond Program, the stakeholders are non-profit entities and private sector entities. For the Low Income Housing Tax Credit Program, the stakeholders are the federal government, local governments, non-profit entities and private sector entities. For the Section 8 Housing Choice Voucher Program, the stakeholders are the federal government and private sector property owners.

KEY SUPPLIERS

Listed in the table below are the Authority's key suppliers by service or product vended.

Service or Product	Supplier
Computer Software	Applications Oriented Design (AOD), Housing Development Software (HDS), Yardi Voyager, Easy Track Inspection System
Computer Hardware	Dell Computers, HP Direct, Compaq Computers, CDW Computer Supplies
Office Supplies	Lorick Office Supplies, Forms & Supply, J M Grace Peachtree Business Products, United Product Distributors Staples
Office Equipment	Xerox Corporation, Pitney Bowes
Office Furniture	SCDC Division of Industries, Lorick Office Supplies, J M Grace
Printing and Binding	SCDC Printing & Graphics, Professional Printers, University of South Carolina Press, Colonial Printers, Lexington Printers
Mail, Freight and Courier Services	U S Postal Service, Federal Express, United Parcel Service, DHL Express
Temporary Services	Find Great People, Flemming Group, TEMPO
Travel Services	Travel Network, Forest Lake Travel
Promotional Supplies	Paper Pro, Adstreet Specialties, Palmetto Promotions, Joe Henry Company

OPERATION LOCATIONS

The Authority's operations are located at 300-C Outlet Pointe Boulevard, Columbia, South Carolina 29210. This is its only location.

EMPLOYEES SEGMENTED BY CATEGORY

The Authority staff consists of 117 filled classified positions, 1 unclassified position, 5 vacant classified positions and 12 Authority temporaries.

REGULATORY ENVIRONMENT

The Authority operates under the regulatory oversight of the South Carolina General Assembly, the Department of Housing and Urban Development and the Internal Revenue Service.

KEY STRATEGIC CHALLENGES

The primary key strategic challenges for the Authority can be easily articulated by evaluating the action plan initiatives outlined in Table 2.2-1. These action plan initiatives are the direct results of key strategic challenges that have presented themselves to such a degree that some resolution was required, whether that resolution be immediate and singular or continual, requiring a solution that provided sufficient flexibility to remain relevant as the key strategic challenge evolved over time.

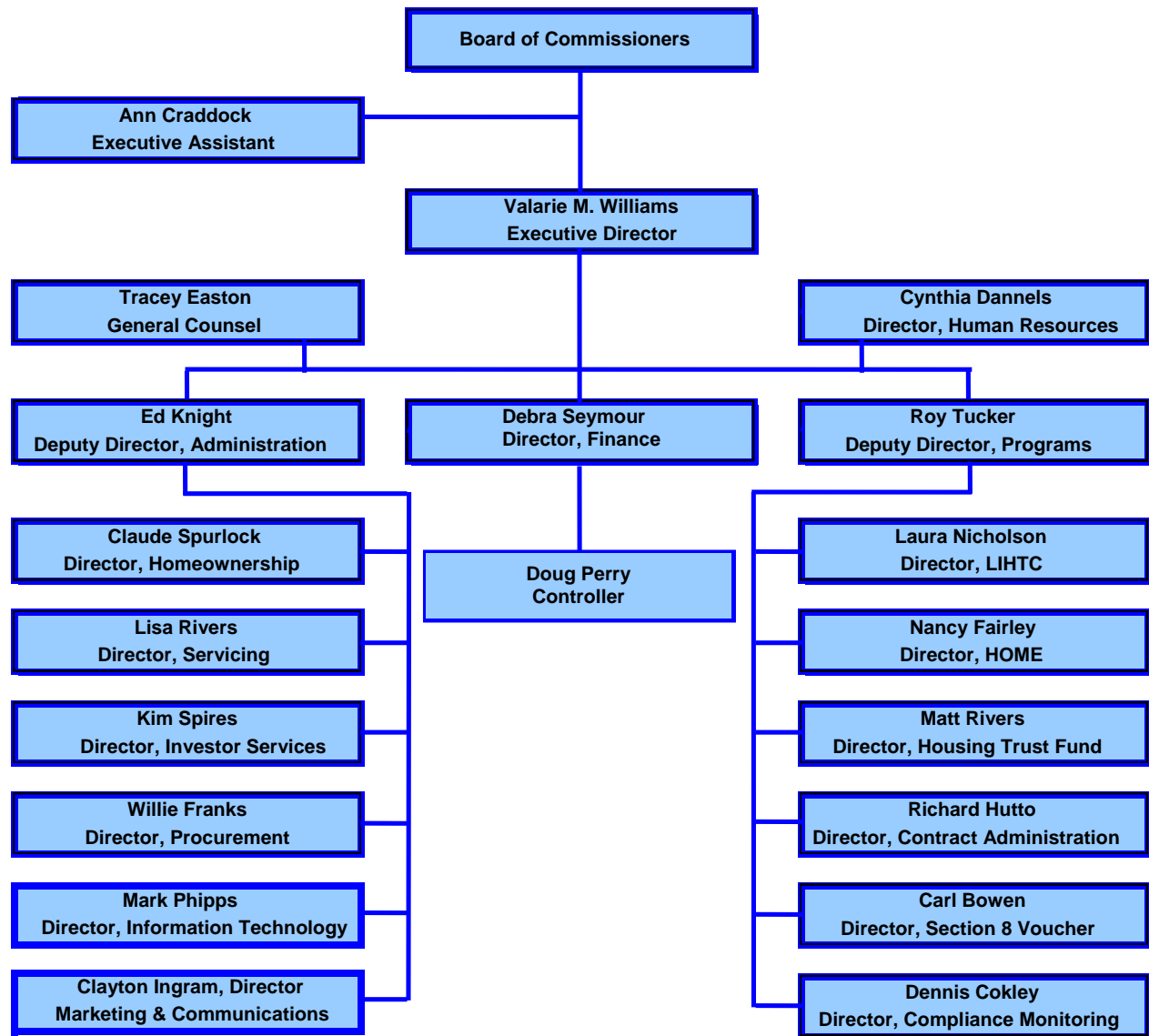## PERFORMANCE IMPROVEMENT SYSTEM

The Authority utilizes the Employee Performance Management System (Section III, Category 5 – Human Resource Focus) as a performance improvement system for all employees. The Executive Director is evaluated by the Agency Head Salary Commission.

The Authority utilizes program appropriate performance measures (Table 1.5-1) as a performance improvement system for all programs.

SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY

Board of Commissioners	

Ann Craddock **Executive Assistant**	

Valarie M. Williams **Executive Director**

Tracey Easton **General Counsel**	**Cynthia Dannels** **Director, Human Resources**

Ed Knight **Deputy Director, Administration**	**Debra Seymour** **Director, Finance**	**Roy Tucker** **Deputy Director, Programs**

Claude Spurlock **Director, Homeownership**	**Doug Perry** **Controller**	**Laura Nicholson** **Director, LIHTC**
Lisa Rivers **Director, Servicing**		**Nancy Fairley** **Director, HOME**
Kim Spires **Director, Investor Services**		**Matt Rivers** **Director, Housing Trust Fund**
Willie Franks **Director, Procurement**		**Richard Hutto** **Director, Contract Administration**
Mark Phipps **Director, Information Technology**		**Carl Bowen** **Director, Section 8 Voucher**
Clayton Ingram, Director **Marketing & Communications**		**Dennis Cokley** **Director, Compliance Monitoring**

EXPENDITURES AND APPROPRIATIONS

The Authority is a self-sustaining agency that does not rely on state general fund revenues for its operations. It is supported through proceeds generated by the sale of revenue bonds; funds provided by the Department of Housing and Urban Development and tax credits authorized by the Internal Revenue Service and user fees. All notes and bonds issued by the Authority are special obligations of the Authority and do not constitute a debt, grant, or line of credit by the State of South Carolina, or any political subdivision thereof. The Authority works in partnership with the private sector and operates in a fashion that more closely resembles a private financial institution than a governmental entity.

The only allocation to the Authority from the State of South Carolina comes in the form of a portion of deed recording fees transferred to the South Carolina Housing Trust Fund to be used for award allocations.

BASE BUDGET EXPENDITURES AND APPROPRIATIONS

	06-07 Actual Expenditures		07-08 Appropriations Act		08-09 Appropriations Act	
Major Budget Categories	**Total Funds**	**General Funds**	**Total Funds**	**General Funds**	**Total Funds**	**General Funds**
Personal Service	$5,333,932	$0	$5,537,051	$0	$6,345,000	$0
Other Operating	$3,916,462	$0	$ 2,117,834	$0	$3,521,960	$0
Special Items	$0	$0	$0	$0	$0	$0
Permanent Improvements	$0	$0	$0	$0	$0	$0
Case Services	$100,353,282	$0	$105,520,231	$0	$106,500,000	$0
Distributions to Subdivisions	$15,426,086	$0	$25,754,332	$0	$27,500,000	$0
Fringe Benefits	$1,474,281	$0	$1,583,204	$0	$1,962,025	$0
Non-recurring	$ 0	$0	$0	$0	$0	$0
Total	**$126,504,043**	**$0**	**$140,512,652**	**$0**	**$145,828,985**	**$0**

OTHER EXPENDITURES

Sources of Funds	06-07 Actual Expenditures	07-08 Actual Expenditures
Supplemental Bills	$0	$0
Capital Reserve Funds	$0	$0
Bonds	$0	$0

MAJOR PROGRAM AREAS

Program Number and Title	Major Program Area Purpose (Brief)	FY 06-07 Budget Expenditures		FY 07-08 Budget Expenditures		Key Cross References for Financial Results*
II.A. Contract Administration and Compliance	Monitor and disburse rental assistance under HUD contract; monitor other government assisted affordable housing.	State: Federal: Other: Total: % of Total Budget:	0.00 91,301,066.74 1,402,324.18 92,703,390.92 73%	State: Federal: Other: Total: % of Total Budget:	0.00 94,870,763.38 1,630,035.53 96,500,798.91 69%	7.0-1, 7.1-6, 7.2-1, 7.2-2, 7.2-3, 7.2-4
II.C. Housing Initiatives	HOME and Housing Trust Fund promote partnerships to support development and maintenance of affordable housng.	State: Federal: Other: Total: % of Total Budget:	0.00 12,444,511.13 2,283,455.50 14,727,966.63 12%	State: Federal: Other: Total: % of Total Budget:	0.00 17,210,127.00 3,577,595.20 20,787,722.20 15%	7.0-1, 7.1-7
II.B. Rental Assistance	Voucher Program provides rental assistance to very low income families.	State: Federal: Other: Total: % of Total Budget:	0.00 9,865,621.98 0.00 9,865,621.98 8%	State: Federal: Other: Total: % of Total Budget:	0.00 11,519,504.94 0.00 11,519,504.94 8%	7.0-1, 7.1-1, 7.1-2, 7.1-3, 7.1-4, 7.1-5
III. Homeownership	Homeownership provides below market home mortgages to low to moderate income families.	State: Federal: Other: Total: % of Total Budget:	0.00 0.00 2,517,302.16 2,517,302.16 2%	State: Federal: Other: Total: % of Total Budget:	0.00 0.00 1,494,883.36 1,494,883.36 1%	7.0-1, 7.1-2, 7.1-8
		State: Federal: Other: Total: % of Total Budget:		State: Federal: Other: Total: % of Total Budget:		

Below: List any programs not included above and show the remainder of expenditures by source of funds.

Low Income Housing Tax Credit Program, Housing Trust Fund, Compliance Monitoring and Administration

Remainder of Expenditures:	State: Federal: Other: Total: % of Total Budget:	0.00 317,769.98 6,371,992.72 6,689,762.70 5%	State: Federal: Other: Total: % of Total Budget:	0.00 306,163.42 9,903,579.27 10,209,742.69 7%

1. LEADERSHIP

1.1   How do senior leaders set, deploy, and ensure two-way communication for: a) short and long term direction and organizational priorities, b) performance expectations, c) organizational values, d) ethical behavior?

The Board of Commissioners provides policy direction for the Authority, and executive and senior management are responsible for translating this direction into strategic and tactical plans. Most direction is set by senior leaders during regularly scheduled meetings, as well as monthly Board meetings. The Board of Commissioners utilizes several committees composed of Board members to address important decisions regarding organizational direction that must be dealt with outside of the normal planning process. Although goals and plans are published and disseminated to all employees, it is the ultimate responsibility of all managers to communicate these goals and their importance. The most effective way in which senior leaders set, communicate, and deploy direction at the individual level is through the annual review process using the Employee Performance Management System (EPMS). This review ensures that the employee is aware of the goals of the Authority, and the responsibilities of the employee toward helping the Authority meet those goals.

Senior leaders have set the tone for setting, deploying and communicating performance expectations by requiring that each employee's objectives and success criteria as outlined in the employee's EPMS align with the Authority's strategic goals. Senior leaders also communicate a high standard for performance by placing a strong emphasis on maintaining excellent standing with our stakeholders, particularly the Department of Housing and Urban Development which conducts annual audits of the Authority's performance in several departments.

Organizational values are the nucleus of the Authority's operations. New employees are introduced to our core values of public trust, quality and innovation, employee focus, and customer focus at an orientation program designed to instill the importance of these values and their importance to the Authority's mission. These values are reinforced in Authority newsletters and other internal communiqués. As role models, senior leaders display these values by remaining good stewards of public funds and resources, by always endeavoring to improve processes and services and encouraging the same of their employees, by cultivating their employees to be contributors and treating them with respect, and by realizing and communicating a strong customer focus, remembering that meeting the often divergent needs of our customers is at the center of what they do.

Organizational and professional development is encouraged through access to professional certification, seminars and other training. All supervisors and managers are encouraged to participate in the Associate and Certified Public Manager courses and all employees are encouraged to make use of the Authority's Tuition Assistance program. The amount of training each employee and each department receives annually is tracked by the Human Resources Division. Each employee follows an individualized training plan to ensure consistency and thoroughness.

Ethical behavior standards are endorsed and communicated by the actions and examples of Authority leadership, and through personnel policies. Progressive discipline and proper conduct are addressed in accordance with the Authority's discipline policy while performance deficiencies are addressed through the substandard performance process in conjunction with performance reviews and on an ongoing basis as needed. *Public trust* is one of our four core stated organizational values.

1.2   How do senior leaders establish and promote a focus on customers and other stakeholders?

The Authority has continued its emphasis on special initiatives in order to affect the expansion of knowledge and awareness of Authority products by reaching out to current and prospective customers and stakeholders. The senior staff continues to create technical assistance functions to assist customers and stakeholders in their utilization and application of Authority products.

1.3   How does the organization address the current and potential impact on the public of its products, programs, services, facilities and operations, including associated risks?

Public trust is a core value of the Authority; therefore, addressing the impact of its programs and services on the public is of great importance. The Authority gauges the current and potential impact of its programs and services on the public in a variety of ways. Perhaps the most important tool for determining impact is through our annual Stakeholder Investment Report which outlines the amount of money that has been invested in the state through Authority programs that create affordable housing. This report measures the impact these programs have on job creation, expansion of tax base, generation of tax revenues and, most importantly, families assisted. This report not only serves as a means to address the Authority's impact on the public, but is also a method of being held accountable to Authority customers and stakeholders.

The Authority also makes use of "roundtables" and public hearings to outline proposed program enhancements. These forums are used to garner public input that is incorporated into any final decisions.

1.4   How do senior leaders maintain fiscal, legal, and regulatory accountability?

Fiscal accountability is accomplished via a comprehensive internal budgeting process. This process is conducted in addition to the usual agency-level budgets required by the Comptroller General's office. The internal budgeting process requires each program director to carefully review past and expected revenues and expenses and to provide a detailed estimate for each line item.

Legal and regulatory accountability is driven by both external and internal forces. Externally, each program area is subject to various compliance audits by the Department of Housing and Urban Development or other outside parties. These audits generally focus on process compliance in addition to results. The results of all audits are reviewed in detail by the program director, the Executive Director, Internal Audit Services, and any other affected staff.

Internally, each program area carefully coordinates new processes or products with internal and external legal counsel to ensure compliance with all legal and regulatory requirements. In addition, our Internal Audit Services periodically reviews different areas of the Authority for compliance.

1.5 What key performance measures are regularly reviewed by your senior leaders?

Performance measures vary by program. Table 1.5-1 outlines the key performance measures regularly reviewed by senior staff:

TABLE 1.5-1 PERFORMANCE MEASURES BY PROGRAM

Program or Support Area	Measure
Rental Assistance	Percent of Voucher Program Participant Satisfaction
	Percent of Voucher Program Owner Satisfaction
	HUD SEMAP Score
	Percent of Administrative Fees Earned
	Number of Annual Compliance Review Findings
	Number of Families Assisted
	Dollar Cost Per Voucher
	Dollar Cost Per Contract Administration Unit
Homeownership	Number of Mortgage Loans Purchased
	Number of Mortgage Loans Managed
	Number of Mortgage Loans Serviced
	SCSHFDA Foreclosure Rate
	Number of Serviced Loans Per Servicing FTE
	Dollar Cost Per Service Loan
	Pull Through Rate
	Dollar Cost Per Purchased Loan
HOME	Number of Awards
	Dollar Value of Awards
	Number of Units Produced
	Percent of Budget Awarded
	Dollar Awards Per FTEs
	Dollar Cost Per Dollar Award
Low Income Housing Tax Credit	Dollar Value of Awards
	Number of Developments Awarded
	Number of Units Produced
	Dollar Cost Per Dollar Award
Housing Trust Fund	Number of Awards
	Dollar Value of Awards
	Number of Units
	Percent of Budget Awarded
	Dollar Awards Per FTEs
Human Resources	State Percent Turnover
	SCSHFDA Percent Turnover

1.6 How do senior leaders use organizational performance review findings and employee feedback to improve their own leadership effectiveness, the effectiveness of management throughout the organization including the head of the organization, and the governance board? How do their personal actions reflect a commitment to the organizational values?

Senior leaders compare organizational performance with either industry standards or historical data to determine progress and effectiveness, where possible. Senior leaders regularly review findings collected as part of the EPMS process, and exit interviews to evaluate leadership effectiveness. All senior leaders are also encouraged to complete the Certified Public Manager program. Within this curriculum is the Edge 360 class which includes a formal assessment by peers, supervisors, and employees. As role models, senior leaders reflect a commitment to organizational values by remaining good stewards of public funds and resources, by always endeavoring to improve processes and services and encouraging the same of their employees, by cultivating their employees to be contributors and treating them with respect, and by realizing and communicating a strong customer focus, remembering that meeting the often divergent needs of our customers is at the center of what they do.

1.7 How do senior leaders promote and personally participate in succession planning and the development of future organizational leaders?

Senior leaders provide leadership opportunities through which staff members are able to showcase their innovation, ideas and leadership potential. Employees who demonstrate thought that is not constrained by convention or status quo, who are creative and foster an inventive atmosphere that is receptive and adaptive to new and different ideas, who are solution- and goal-oriented and who seek out opportunities to improve processes and procedures are rewarded with opportunities to attend leadership skills building workshops and conferences, such as those offered through NCSHA.

1.8 How do senior leaders create an environment for performance improvement and the accomplishment of strategic objectives?

Major organizational priorities for improvement are generally set and addressed through regular meetings of the senior management group. Depending on the complexity of the improvement task, the Authority may assemble a team comprised of employees from across the organization working collectively to come up with a final solution. Of course, the EPMS process is another very effective way in which senior leaders communicate the organizational priorities that have been chosen for improvement.

1.9 How do senior leaders create an environment for organizational and workforce learning?

Innovation and employee focus are among our most important stated organizational objectives. Senior leaders empower their employees with the information, education, resources, and flexibility employees need to do their jobs to best of their abilities. Creativity and innovation in the services the Authority provides, the delivery of those services, and process management are encouraged through awards and recognition. Organizational and workforce learning is

encouraged through access to professional certification, seminars and other training. All supervisors and managers are encouraged to participate in the Associate and Certified Public Manager courses and all employees are encouraged to make use of the Authority's Tuition Assistance program. The amount of training each employee and each department receives annually is tracked by the Human Resources Division. Each employee follows an individualized training plan to ensure consistency and thoroughness.

1.10   How do senior leaders communicate with, engage, empower, and motivate the entire workforce throughout the organization? How do senior leaders take an active role in reward and recognition processes to reinforce high performance throughout the organization?

Senior leaders communicate at the individual level through the annual review process using the Employee Performance Management System (EPMS) to ensure the employee is aware of the goals of the Authority and the responsibilities of the employee towards helping the Authority achieve those goals. Senior leaders also advocate an open door policy to all staff to encourage open communication. The Authority offers several recognition programs in order to encourage, motivate and recognize employees. Each program stresses the importance of individual contributions, teamwork creativity and innovation. The "Outstanding Employee of the Year" award recognizes two outstanding employees who are nominated by their peers; "Kudo" awards are given for short term, immediate impact employee contributions; and Safe Driving awards are given to employees ho have not received a ticket or who have not been charged in an automobile accident during the year. Employees also take part in agency wide socials and fundraising activities, regular staff meetings, the ability to post news on the internal email server and are encouraged to participate in the Tuition Assistance program.

1.11   How does senior leadership actively support and strengthen the communities in which your organization operates? Include how senior leaders and employees contribute to improving these communities.

Providing affordable housing is, by its nature, a community strengthening public service. Every time our employees place a very low-income family in an affordable apartment, each time we are able to finance the new home of a low-income single parent, each time we help a nonprofit build an affordable housing complex for elderly, disabled, or low-income individuals, the Authority is strengthening the community. Beyond this, the Authority supports many community activities benefiting low-income individuals and families. Community activities sponsored by the Authority and its staff concentrate on helping individuals who are in the same economic positions as our customers. Some of these activities include an annual children's coloring and essay contest that benefits many children whose families are served by our various programs; supporting Harvest Hope Food Bank by holding food drives; participation in the Angel Tree Charity supporting orphaned children; fundraising for Salvation Army; participation in Red Cross blood drives; and the Authority's Education and Outreach Program which includes a Speaker's Bureau. In addition to these, senior leadership encourages voluntary payroll deductions to charity causes such as the United Way Campaign and Community Health Charities.

2. STRATEGIC PLANNING

2.1   What is your Strategic Planning process, including KEY participants, and how does it address:

　　　　a.   Your organization's strengths, weaknesses, opportunities and threats
　　　　b.   Financial, regulatory, societal and other potential risks
　　　　c.   Shifts in technology, regulatory, societal, other risks and customer preferences
　　　　d.   Workforce capabilities and needs
　　　　e.   Organizational continuity in emergencies
　　　　f.   Your ability to execute the strategic plan

Strategic planning is accomplished through regular meetings among the senior staff of the Authority. For FY07-08, this process included a two-day offsite planning session where the management group evaluated current program area operations, identifying needs that were not met by current program guidelines, and allocated resources through special initiatives in order to capitalize on opportunities to address those needs. Some results from these planning sessions include a new Community Outreach Initiative and the Palmetto Hero Program for certified teachers in South Carolina. Prior to the senior staff planning session, an offsite retreat was held for the Authority's Board of Commissioners which set the direction and goals for us to follow.

The strategic planning process is simplistic in its execution so as to provide the maximum opportunity for senior staff involvement. All program directors and support department directors are represented during these periodic meetings and are afforded the opportunity to express their comments, views and feedback on issues that are brought before the group. This creates an environment of free-flowing dialogue that facilitates out-of-the-box thinking and conceptually philosophical debate. The simplicity of the process should not, however, be mistaken for a lack of focus or attention to detail. Minutes are recorded and information subsequently disseminated to effect continual consideration of the issues at hand. By directly involving senior staff with programmatic, regulatory, oversight, and support responsibilities, this planning process ensures that all internal and external needs and risks are addressed.

2.2   How do your strategic objectives address the strategic challenges you identified in your Executive Summary?

The strategic objectives addressed in Table 2.2-1 provide the Authority with a means to operate within the key strategic challenges that manifest themselves through the action required by the action plan initiatives identified in said table. Essentially, the Authority has identified its key strategic challenges and those strategic challenges are reflected in the action plan initiatives. There is a direct correlation between the achievement of the Authority's action plan initiatives, the achievement of the key strategic objectives, the accomplishment of the Authority's key strategic goals and the resolution of the Authority's key strategic challenges.

TABLE 2.2-1 STRATEGIC PLANNING CHART

Program Number and Title	Supported Agency Strategic Planning Goal/Objective	Related FY 07-08 Key Agency Action Plan/Initiative(s)	Key Cross References for Performance Measures*
All	Maintain Effective Programs	- Quickly disseminate information regarding program changes - Use all available resources to identify best practices and programs, as well as needs and opportunities - Actively seek new business partners to expand the reach and depth of the programs offered by the Authority - Insure that the housing mission of the Authority operates in harmony with the State's overall goals of economic development	7.0-1, 7.1-1, 7.1-2, 7.1-3, 7.1-4, 7.1-5, 7.1-6, 7.1-7, 7.1-8, 7.1-9, 7.2-4, 7.2-5, 7.3-1
All	Continuously Improve Our Processes	- Actively involve employees at all levels in simplifying our processes both internally and for our external partners - Identify common processes and missions within the Authority to eliminate redundant and/or conflicting requirements and to streamline operations - Establish quantifiable benchmarks to measure performance across the organization	7.0-1, 7.1-1, 7.1-2, 7.1-3, 7.1-4, 7.1-5, 7.1-6, 7.1-7, 7.1-8, 7.1-9, 7.2-4, 7.2-5, 7.3-1
All	Strengthen Our Internal Environment	- Maintain a clear understanding of our current financial position, and institute planning and monitoring to accommodate and anticipate market changes - Provide defined communication channels at all levels of the organization - Promote an environment that values cross-training and learning across traditional organizational lines - Promote an environment that encourages teamwork and problem-solving at all levels of the organization - Create and maintain a project management discipline throughout the organization to insure that expectations and results are quantifiable and measured.	7.0-1, 7.1-1, 7.1-2, 7.1-3, 7.1-4, 7.1-5, 7.1-6, 7.1-7, 7.1-8, 7.1-9, 7.2-4, 7.2-5, 7.3-1, 7.4-1
All	Improve Community Relations	- Actively seek partnerships within our communities that expand the reach of the Authority's programs - Work through established media channels to promote the Authority's programs and public perception - Maintain effective relationships with our Congressional Delegation to insure that they are kept abreast of Federal programs and regulations that impact the mission of the Authority - Maintain effective relationships within the General Assembly to further the mission of the Authority - Expand outreach efforts to other state and local agencies to promote affordable housing	7.0, 7.2-1, 7.2-2, 7.2-3
All	Make Effective Use of Information Technology	- Define the role of the Information Technology division as business-centric and include the IT organization in the business processes - Implement recognized "best practices" in the IT sector to include formal business analysis and project management - Use technology as a measure to rapidly disseminate information inside and outside the Authority	

2.3   How do you develop and track action plans that address your key strategic objectives? Note: Include how you allocate resources to ensure accomplishment of your action plans.

Action plans are developed by small groups of Authority staff members, usually led by a member of the senior staff, who are charged with analyzing the strategic objective, including gathering all relevant data, and developing an action plan. The action plan is then shared with senior staff for consensus. In most cases, the group responsible for creating the action plan is also responsible for creating performance measures and tracking performance.

2.4   How do you communicate and deploy your strategic objectives, action plans and related performance measures?

The senior staff of the Authority meets periodically to discuss a variety of issues. Part of this process involves periodic updates on objectives, plans and measures from the strategic plan. Work groups from across the Authority are assembled to address specific strategic objectives or related tactical issues, and the progress and results generated by these teams are communicated both to the senior staff group and all employees in general. Specific objectives or duties that directly relate to components of the strategic plan are also included in the EPMS. By including these objectives in each employee's planning document, objectives, plans and measures are pushed down to all levels of the organization.

2.5   How do you measure progress on your action plans?

Progress on action plans is measured through the accomplishment of specified objectives with accompanying performance measurements, if applicable, periodic updates that are provided to senior staff, executive staff and periodically to the Board and identifiable outcomes that may be reflected in financial performance, change in productivity, change in outputs, identification of additional opportunities or barriers, and allocation of resources that will ultimately reflect in a rating of performance on an employee's EPMS.

2.6   How do you evaluate and improve your strategic planning process?

Depending on the scope of the strategic goal, group exercises and strategy sessions are regularly conducted throughout the agency. These may include all agency personnel (usually broken into two or three self selected smaller groups so as not to be unwieldy) or may be management or divisional focus groups or volunteer committees. New ideas and/or consensus is gathered. During this fiscal year the agency conducted a survey to gauge how management viewed the effectiveness of the various agency divisions in key strategic areas. Detailed results of this survey were shared with the managers of the specific units. These managers were asked to review and share these with staff and use them in future planning and improvement for their strategic goals. General results were shared agency wide. This was well accepted and generally viewed as a valuable tool.

2.7   If the Authority's strategic plan is available to the public through the Authority's internet homepage, please provide an address for the plan on the website.

The Strategic Plan is located at www.schousing.com, "About the Authority", "Strategic Plan".

3. CUSTOMER FOCUS

3.1 How do you determine who your customers are and what their key requirements are?

Regulatory guidelines and enabling legislation of the various Authority programs mandate the beneficiary class and corresponding awards. The beneficiary classes range from extremely low-income households (less than 30% of the area median income, or AMI) to low-income households (less than 80% of AMI). Some beneficiaries include moderate-income individuals and families. Intermediary customers and stakeholders are determined by the services the Authority must provide in order to effectively administer its housing programs.

In an effort to stay abreast of changing customer/business needs, the Authority administered random sampling surveys and implemented quality assurance programs to streamline processes with more user friendly products. These changes reflect the Authority's desire to tailor industry products with new trends. In addition to customer service interaction and workshops, the Authority encourages customers to submit suggestions, comments and concerns. Builders, investors and owner-agents in the Multifamily Tax Exempt Bond Program and lenders and brokers in the Mortgage Revenue Bond Program participate in training, "wellness" meetings and periodic workshops to ensure intermediary customers' needs have been met.

The annual Palmetto Affordable Housing Forum continues to provide helpful, thought provoking opportunities for affordable housing professionals from across the state. This is an excellent opportunity for customers and stakeholders to share best practice techniques and voice opinions, needs and concerns.

3.2 How do you keep your listening and learning methods current with changing customer/business needs and expectations?

In an effort to stay current regarding changes in the business environment, staff employees routinely attend local and national conferences. Interaction with such organizations as the National Council of State Housing Agencies (NCSHA), Southeastern Affordable Housing Management Association (SAHMA), the Department of Housing and Urban Development, and industry groups such as the Southeast Regional Section 8 Housing Association (SERSHA) and Nan McKay and Associates provides feedback from customers and stakeholders that encourages change. This exchange of information has prompted changes in the development of products that better meet customers' needs. Quality control, changes in regulatory guidelines and monthly conference calls with Department of Housing and Urban Development liaisons allow staff to learn and share information with other agencies. This, too, helps meet changing customer needs.

3.3 What are your key customer access mechanisms, and how do these access mechanisms enable customers to seek information, conduct business, and make complaints?

Key customer access mechanisms include telephone (local number, toll free number and a TTY/TTD number for the hearing impaired); customers may visit our office location at 300-C Outlet Pointe Blvd.; and we may also be accessed via the internet at www.schousing.com. If necessary, customers may file a complaint over the phone or in person at our physical location.

We also have a drop-box located in the parking area where customers may drop off their mortgage payments after hours and on weekends.

3.4   How do you measure customer/stakeholder satisfaction and dissatisfaction, and use this information to improve?

Customer satisfaction is measured differently according to program areas. For example, the Authority's Contract Administration Program measures performance by annual Department of Housing and Urban Development audits and sporadic Inspector General audits. The determination of fees earned as a ratio of potential fees is the primary indicator of customer satisfaction. The Authority's Section 8 Housing Choice Voucher Program is evaluated by the Department of Housing and Urban Development on key performance indicators that reflect stakeholder satisfaction. In addition, surveys for both participants and owners in the Section 8 Housing Choice Voucher Program are conducted each year to measure customer satisfaction. Suggestions from lenders and production volume serve as direct and indirect indicators of customer satisfaction for homeownership. The Authority Servicing Complaint Log is also an indicator of customer feedback received. The Authority also measures internal satisfaction with support services and management. Continuous communication, trust and respect are key elements in establishing customer/stakeholder satisfaction. Satisfaction is then measured against past performance and, where relevant, changes are made to address needs. The Authority also measures informal satisfaction levels of support services and management.

3.5   How do you use information and feedback from customers/stakeholders to keep services and programs relevant and provide for continuous improvement?

The Authority receives information and feedback from customers and stakeholders that is reflected in the action plans, applications and criteria of its programs. Periodically, the Authority produces brochures and publications that are designed to enhance an understanding of its products. These publications range from loan processing guides for our lending partners to step by step homeownership information for our current borrowers. Also, coordinated visits by Low Income Housing Tax Credit, Contract Administration, HOME Investment Partnerships and Housing Trust Fund Program staff make it possible for owners and agents to schedule fewer visits to properties in an effort to save time and money. Workshops to interested developers, Housing Trust Fund Advisory Committee meetings and public hearings also encourage continuous improvement. The Authority strives to incorporate customer and stakeholder feedback, when it is possible, into program criteria to accommodate necessary adjustments.

3.6   How do you build positive relationships with customers and stakeholders? Indicate any key distinctions between different customer groups.

The Authority hosts a statewide annual conference, The Palmetto Affordable Housing Forum, that brings affordable housing stakeholders together to network, share best practices and develop business strategies in an effort to expand and improve affordable housing opportunities. Authority staff participate in public hearings, NCSHA conferences and SAHMA events that also build positive relationships. Lender, developer and builder relationships are fostered through timely turn around of transactions. The Department of Housing and Urban Development, the Internal Revenue Service and other regulatory agencies are primarily interested in compliance

with rules and regulations and timely reporting and are satisfied when those expectations are met. Property owners and managers look for correct and timely payments and consistent application of the rules. Finally, the Authority builds positive relationships through its willingness to consider partnerships and programs that achieve positive results from across industry spectrums. The Authority believes that building and maintaining positive relationships through interaction, availability, mutual respect, trust, and cooperation are the only means to achieve success in an environment with so many demands and so few resources.

4. MEASUREMENT, ANALYSIS AND KNOWLEDGE MANAGEMENT

4.1 How do you decide which operations, processes and systems to measure for tracking financial and operational performance, including progress relative to strategic objectives and action plans?

Federal and state legislation mandates many of the financial and operational measurements for the Authority's programs. In 2005, the Board requested that the program areas establish additional performance measures that primary focused on employee effectiveness and efficiency (Table 1.5-1). Since that time, staff has begun to evaluate the inclusion of additional performance measures that focus on inputs, activities, outputs and outcomes with an emphasis on quantifying economic impact and articulating social impact. In April 2005, the Department of Housing and Urban Development, Office of Policy and Research issued a report prepared on its behalf by Economic Systems, Inc. entitled "Promising Practices in Grantee Performance Measurement". This report forms the basis for the performance measures that are currently being evaluated.

4.2 How do you select, collect, align, and integrate data/information for analysis to provide effective support for decision making and innovation throughout your organization?

Data analysis is instrumental in the decision making activities of the Authority. The support services department whose responsibility it is to provide such data analysis has shifted from a reactive mode in which program areas requested data to be analyzed to a proactive mode in which data is collected and evaluated primarily for decision support on a more frequent basis – monthly rather than annually. In support of this effort, a data repository is being built to house data from each of the seven core programs and benchmarking comparisons, so that more robust analytical programs, such as SAS, can be utilized to not only trend past activity but predict and forecast future behavior. Data analysis and the resulting information will become critical to the decision making process as reliable and integrated systems are developed.

4.3 What are your key measures, how do you review them, and how do you keep them current with business needs and direction?

The Authority's key program measures deal primarily with utilization, efficiency, and effectiveness (Table 1.5-1). Common program measures are production (housing units served), investment (program dollars awarded or disbursed), customer satisfaction (number of complaints and commendations), budget utilization, and quality control (error rates and timeliness). These measures are primary measures of output. The Authority has begun an evaluation that extends these measures to include those that will measure outcomes, including the quantification of economic impact and the articulation of social impact. To these ends, the Authority will also

begin to incorporate these measures more integrally into its monthly processes and establish a primary importance on the accuracy, integrity and timeliness of the information.

4.4   How do you select and use key comparative data and information to support operational and strategic decision making and innovation?

The selection of comparative data varies from program to program. The Authority selects comparative data from external sources based on the appropriateness of the information and the applicability of its comparisons. Examples of comparative data are bond and loan yield rates, homeownership rates, Department of Housing and Urban Development performance-based contract fees, and the ratio of operating costs to production. The Authority staff also compares internal data across years as a measurement of performance and quality. With the institution of measures of outcome, internal comparative data will become critical to strategic decision making.

4.5   How do you ensure data integrity, timeliness, accuracy, security and availability for decision making?

The Authority uses a series of checks and balances to ensure data integrity, accuracy, security and availability for decision making. For programs and support areas, the Authority utilizes quality control software that audits the data, generating summary reports reviewed by Authority staff. Staff also manually reviews workloads and collaboratively evaluates the work products to ensure not only data integrity, but program integrity. Customer feedback is also an indicator of data integrity and quality control. Customer responses support or refute report audits and findings generated by Authority software.

4.6   How do you translate organizational performance review findings into priorities for continuous improvement?

Organizational performance review findings are translated into priorities for continuous improvement when the finding is relevant either to the key strategic goals, the strategic planning objectives or the action plan initiatives set forth in the Authority's strategic plan. However, should an organizational performance review finding detect a strategic challenge for the organization, or expose a critical flaw, then the review finding is immediately evaluated for its short-term and long-term impacts. If the resulting evaluation determines that the impact of the review finding is significant, measures are developed to address the issue and it is appended to the strategic plan as a supplemental item.

4.7   How do you collect, transfer, and maintain organizational and employee knowledge (your knowledge assets)? How do you identify and share best practices?

The Authority uses cross-training, on-the-job training, annual reviews, certification classes, training and development plans, and work teams to manage organizational knowledge in program and support areas. The collaboration of these efforts effects retention and transfer of critical knowledge.

5. WORKFORCE FOCUS

5.1 How does management organize and measure work: to enable your workforce to develop to their full potential, aligned with the organization's objectives, strategies, and action plans; and to promote cooperation, initiative, empowerment, teamwork, innovation and your organizational culture?

The Authority has developed a strong EPMS process that is aligned with the organizational objectives. The process encourages employees to develop their full potential. Strategies and action plans are incorporated into the EPMS process. The EPMS process outlines job duties and characteristics necessary to produce desired outcomes. Deficiencies in the job duties or characteristics are addressed by a work improvement tool that outlines a course of action for obtaining the desired objectives. Innovation and employee focus are among our most important organizational objectives. Senior leaders empower employees with the information, education and resources necessary to succeed. Creativity, teamwork, and innovation are encouraged through awards and recognition.

5.2 How do you achieve effective communication and knowledge/skill/best practice sharing across departments, jobs, and locations?

A hallmark of our discipline is the sharing of information and best practices amongst similar and related organizations locally, statewide, regionally and nationally. Internally, regular staff meetings are held within each department, as well as full staff meetings after each monthly Board Meeting. Cross training and best practice sharing is conducted within each department to ensure both internal and external needs and services are being conducted in a timely manner. Duties are often shared or executed in tandem to foster better understanding and skill set sharing within departments. Many senior staff members have worked in and supervised numerous departments and are able to share this institutional memory and knowledge throughout Authority staff. Staff attend workshops (i.e. NCSHA) and trainings to ensure industry standards are being met. This is simplified by the fact that the Authority operates from a single location.

5.3 How does management recruit, hire, place, and retain new employees? Describe any barriers you may encounter.

The Authority uses the state's on-line employment system (Neogov) to post all vacancies on-line. In addition to this system, we will post difficult to fill positions on industry specific association websites. All applicants are required to apply for vacancies via the state's on-line employment website at http://www.jobs.sc.gov. Neogov has a supplemental question feature that allows us to screen applicants based on the core job requirements. This assists us in screening applications.

Human Resources screen all incoming applications and refer the top tier applicants to the hiring director. The Authority generally interviews approximately 6 applicants. All first interviews are panel interviews, consisting of the department director, hiring manager and a manager or director from another department within the Authority. Human Resources screens interview questions to ensure that there are situational and behavioral questions. Candidates are generally asked to

bring examples of their work to the interview. In addition, many interview processes include on-site or off-site skills based exercises that the candidate must complete.

Based on the information gathered during the interview, the panel recommends the most qualified candidate for hire. All recommendations for hire are approved by the Department Director, Deputy Director, Executive Director and Human Resources Director.

The Human Resource department has a formal orientation with each new employee within 3 days of hire. The manager of the new employee has a checklist of tasks that must be completed with the employee over the first month of employment. In addition, the manager determines what training is needed for the new employee and we offer those and additional training opportunities throughout the career of the employee.

One barrier that we encounter is that our jobs require very specific skill sets. While an applicant may have property management experience, it is more difficult to find an applicant who has experience in the specific programs we offer.

5.4   How do you access your workforce capability and capacity needs, including skills, competencies, and staffing levels?

 The Authority had made significant changes to its EPMS process which incorporates individual employee success criteria. These success criteria are based on department and organizational goals. Agency level goals are evaluated on a quarterly basis.   Employees receive mid-year and year end evaluations. Analysis of performance and accomplishment of goals allows the Authority to evaluate compatibility and capacity needs.

5.5   How does your workforce performance management system, including feedback to and from individual members of the workforce, support high performance work and contribute to the achievement of your action plans?

The Authority uses the combined Position Description (PD)/ EPMS form that is instrumental in ensuring that employee job descriptions and objectives are aligned. The EPMS reflects what the employee's position responsibilities include and position descriptions are updated annually. This gives constructive feedback to employees on work behaviors. The EPMS has a July 1 universal review date which coincides with accountability report timeframes and action plans.

5.6   How does your development and learning system for leaders address the following:
      a.   development of personal leadership attributes
      b.   development of organizational knowledge
      c.   ethical practices
      d.   your core competencies, strategic challenges, and accomplishment of action plans

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- **Development personal leadership attributes**
  The Authority enrolls management level employees in a variety of leadership training opportunities each year. Employees attend leadership training offered by the state office of Human Resources including Certified Public Manager and Associate Public Manager Certification programs as well as various other leadership training opportunities. In addition to training, our employees are given opportunities to take the lead in various projects at the Authority levels and with external stakeholders and partners throughout the state and on a national level within the affordable housing industry.

- **Development of organizational knowledge**
  Management level employees are continually exposed to opportunities which will expand their knowledge of the Authority and the affordable housing industry. The Executive Director holds bi-monthly management meetings for Senior and Executive staff. An annual planning session retreat is also held for Senior and Executive staff members during which strategic initiatives, problem solving and collaborative sharing occurs. In addition, management staff participate on cross functional teams including the Authority's Employee Satisfaction Committee, Imaging Implementation, New Initiatives Development teams and cross divisional initiatives.

- **Ethical practices**
  Ethics training is available to all employees and required for management level staff.

- **Your core competencies strategic challenges and accomplishment of action plans**
  Executive staff meets on a weekly basis to discuss status of the Authority. These meetings include detailed discussions of strategic challenges and the progress of action plans.

5.7   How do you identify and address key developmental training needs for your workforce, including job skills training, performance excellence training, diversity training, management/leadership development, new employee orientation, and safety training?

The Authority encourages and supports each employee in developing their ambition, commitment and ability to meet current and future Authority needs. Training is outlined on each employee's performance document (EPMS) and evaluated after completion of the training on the document as it relates to work performance. On the job use of the training is encouraged through the EPMS document.

Supervisors are required to complete the Associate Public Manager (APM) course and all Managers are encouraged to complete the Certified Public Manager (CPM) course. Senior Managers are also encouraged to complete the Executive Institute.

5.8   How do you encourage on the job use of new knowledge and skills?

Training is outlined on each employee's performance document (EPMS) and evaluated after completion of the training on the document as it relates to work performance. On the job use of the training is encouraged through the EPMS document.

5.9 *How does employee training contribute to the achievement of your action plan?*

Employee training has a circular relationship to the achievement of the Authority's action plans. Employee training is proactive in formulating the action plan through the benefit that an increase in knowledge and training brings to an organization. New best practices and procedures will create, augment or change the action plan and those are skills that are developed and discovered through training. Employee training is reactive in responding to the identified action plans and adjusting activities to achieve the goals and objectives of the action plan. Essentially, employee training is a process of action/response evaluation/reaction so that the process is constantly evolving as stimuli are introduced.

5.10 *How do you evaluate the effectiveness of your workforce and leader training and development systems?*

The amount of training each employee and each department receives is tracked by the Human Resources Division. Each employee follows an individualized training plan to ensure consistency and thoroughness. On the job use of training is evaluated through the EPMS document.

5.11 *How do you motivate your workforce to develop and utilize their full potential?*

The Authority offers several recognition programs in order to encourage motivate and recognize employees. Each of these programs stresses the importance of individual contributions in productivity and teamwork.

- The Outstanding Employee of the Year award recognizes two outstanding employees who are nominated by their peers.
- "Kudo" awards which are given for short term, immediate impact employee contributions. It consists of a twenty-five dollar gift certificate.
- Safe Driving awards for employees who have not received a ticket or who have not been charged in an automobile accident during the year.

The hard work of all employees is recognized each year with an annual picnic, a holiday luncheon, and an Employee Recognition luncheon. In addition, the Authority also offers flexible work hours and casual dress Fridays.

5.12 *What formal and/or informal assessment methods and measures do you use to obtain information on workforce well being, satisfaction, and motivation? How do you use other measures such as employee retention and grievances? How do you use this information?*

The Human Resource Staff performs exit interviews with each employee leaving the Authority to measure and assess Authority weaknesses and strengths. These interviews have resulted in valuable input for training for future employees. Our tuition assistance program and flexible work schedule program allows employees to balance and pursue developmental needs. We have a turnover rate of 7.75% percent, well below the state average of 14.06%, which indicates we are retaining our employees. We had no grievances during last fiscal year.

5.13   How do you manage effective career progression and effective succession planning for your entire workforce throughout the organization?

Workforce focus is among our most important stated organizational objectives. Professional development is encouraged through access to seminars and professional certifications. Cross-training is encouraged within each department to not only promote a teamwork environment, but to ensure that operations function smoothly should an employee have to undergo an extended absence from work.

5.14   How do you maintain a safe, secure, and healthy work environment?

The Authority follows OSHA guidelines to maintain a safe working environment. In addition, employees are offered: annual health screenings, walking club, on-site CPR training, and Body Bulletin (a monthly health magazine delivered to each employee). We have a written emergency response plan that gives detailed accounts of exiting the building and maintaining a safe workplace.

6. PROCESS MANAGEMENT

6.1   What are your key processes that produce, create or add value for your customers and your organization? How do you ensure that these processes are used?

From an external perspective, the Authority program areas provide workshops on and off-site to applicants interested in program resources and information. The Authority holds public hearings and feedback sessions to evaluate program changes. The Palmetto Affordable Housing Forum provides an environment for customers to meet staff and exchange information on general and specific topics. Customers also have the option of discussing program information with staff via telephone and e-mail.

From an internal perspective, the Authority automates many support processes including payroll, procurement, and human resources. Authority staff can access human resource information, including policies and forms via the intranet. Benefits information and leave are now automated and accessible via external websites. The Authority also uses the state's new employment website (www.jobs.sc.gov). Career opportunities at the Authority are shared via email and are subsequently posted online at www.schousing.com, "Human Resources", "SHA Vacancy Postings." In addition, newsletters and other information are periodically distributed to the staff. These communiqués provide instrumental information regarding staff and program changes that result in the continuity of program effectiveness.

6.2   How do you determine and what are your key work processes that produce, create, or add value for your customers and your organization and how do they relate to your core competencies? How do you ensure these processes are used?

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6.3   How do you incorporate organizational knowledge, new technology, cost controls, and other efficiency and effectiveness factors, such as cycle time, into process design and delivery?

The Authority's website is the culmination of the integration of organizational knowledge, new technology, changing customer and mission-related requirements, cost controls and other efficiency and effectiveness factors into process design and delivery in its functionality and availability.   It provides access for customers to program applications and guides, staff directories, press releases and publications, and the Extranet, a customer-based intranet access portal. The Authority uses the Extranet to deliver information that is targeted to each partner's specific interest and to create new ways for partners to interact with our data systems and staff from any internet-ready computer. Through the Authority's Extranet, customers can obtain such information as subsidy look-ups and business partner information. The website also provides counseling resources through information on the High Cost Home Loan Counseling Program and connects landlords with renters through SCHousingSearch.com. The effect is the provision of information in a real-time environment and the utilization of a process that provides for instantaneous mass communication. These work practices all originate from the innovative environment of the Authority and from its staff and are the products of attending workshops and conferences nationally and statewide, utilizing feedback from our internal and external customers, and following best practice standards established by industry experts, such as NCSHA. The Authority's website represents a vast library of information available at the customer's convenience whenever the customer needs it.

6.4   How does your day-to-day operation of these processes ensure meeting key performance requirements?

The delivery of information is one of the primary day-to-day operational functions of the Authority, whether the recipient is external or internal to the Authority. The Authority's website is a key component in the transfer of that information. Information drives each of the strategic planning objectives set forth by the Authority: maintain effective programs, continuously improve our processes, strengthen our internal environment, improve community relations and make effective use of information technology. The focus of the Authority is to leverage daily operational activities in a way that maximizes the accomplishment of its strategic plan.

6.5   How do you systematically evaluate and improve your key product and service related processes?

The focus of the Authority is to leverage daily operational activities in a way that maximizes the accomplishment of its strategic plan. It is these daily activities that provide the framework and content for systematic evaluation and improvement of the Authority's key products and services. Upstream and downstream open communication lines between executive staff and production staff affords the flexibility and fluidity to react to situations as they arise and to adjust workflows and business processes as appropriate. These daily activities also translate into operational procedures over time that are discussed and evaluated in periodic meetings of senior staff, during employee evaluations and during the strategic planning process.

6.6   What are your key support processes, and how do you improve and update these processes to achieve better performance?

The Authority's key support processes are in legal, human resources, finance, payroll, information technology and procurement. While many of the processes that dictate the performance of these functions are either mandated by the State, governed by laws on both the federal and state level, scrutinized through the establishment of generally accepted principles and practices, or enforced through common standards, these key support processes are afforded enough latitude to ensure that while certain elements of their functions are not subject to consideration, those that are subject to interpretation can be adjusted to deliver maximum performance and superior process quality. As with other processes, these are evaluated and adjusted to ensure that they contribute to the overall success of the Authority in attaining its strategic goals through its strategic plan.

7. BUSINESS RESULTS

The Authority is comprised of seven core programs whose missions are to create quality affordable housing opportunities for the citizens of South Carolina through the unique means that were established at their inception.

The Mortgage Revenue Bond Program is the flagship program offered by the Authority. The sale of tax exempt bonds to investors provides the bulk of the funding available to qualified homebuyers. Our loans offer qualified borrowers three tiered, fixed, below market interest rate options. These options allow us the flexibility to adjust interest rates as the market dictates and insures the financial integrity of the program, while putting homeownership within the reach of more low to moderate income South Carolinians. Like all of the Authority's homeownership programs, persons purchasing homes under the Mortgage Revenue Bond Program must not exceed income restrictions. In addition, they must meet minimum credit standards, as well as income and purchase price restrictions which vary by county.

The South Carolina Housing Trust Fund was created by the General Assembly in 1992. This landmark legislation is funded with dollars collected from a dedicated portion of the deed stamp tax and provides an important resource for affordable rental housing and homeownership opportunities for low income South Carolinians by funding the acquisition or construction of single family homes, group homes for the disabled as well as emergency housing for battered

women and their children. The Fund also provides single room occupancy apartments for the working homeless and disabled veterans; multifamily rental apartments for single parent households, families and the elderly. All of this is accomplished by building partnerships among government agencies, qualified nonprofit sponsors, for-profit sponsors and those in need of affordable housing.

The HOME Investment Partnerships Program promotes partnerships between the federal government, state and local governments and those in the nonprofit and for-profit sectors who support affordable housing initiatives. A program of the Department of Housing and Urban Development, its primary focus is rental housing for very low and low income families; although, homeownership initiatives are also eligible activities. South Carolina has received over $179 million in HOME Investment Partnerships Program funding since 1992. An average of $10 million is allocated each year.

The Multifamily Tax Exempt Bond Program provides financing for affordable multifamily rental housing. A percentage of the property's units must be set aside at all times for occupancy by low-to-moderate income individuals and families. This program has provided permanent financing for apartments in more than 50 rental complexes located throughout the state.

The Low Income Housing Tax Credit Program provides financial incentive to owners developing multifamily rental housing. Allocations of credits are used to leverage public, private and other funds in order to keep rents for tenants affordable. Developments that may qualify for credits include new construction, acquisition with rehabilitation, rehabilitation and adaptive re-use. Owners may take the credit for up to ten years if the rental property remains in compliance with occupancy and rent restrictions for 30 years. These credits are used as a dollar-for-dollar reduction in federal income tax liability.

The Section 8 Housing Voucher Program is the federal government's major program for assisting very low-income families, the elderly and the disabled to afford decent, safe and sanitary housing in the private market. The Authority administers the program through an Annual Contributions Contract (ACC) with the US Department of Housing and Urban Development (HUD) in seven South Carolina Counties: Clarendon, Colleton, Dorchester, Fairfield, Kershaw, Lee and Lexington. Qualified families pay approximately 30% of their income toward rent and utilities; the remainder is paid by the program. On an annual basis, the eligibility of the tenant family and the conditions of the unit are examined in accordance with standards established by HUD.

The Contract Administration Program is responsible for the administration of much of the Department of Housing and Urban Development's South Carolina portfolio – approximately 270 properties serving as many as 17,926 very low and low income households. Contract Administrators work on behalf of the Department of Housing and Urban Development with owners and management agents who provide Department of Housing and Urban Development-subsidized apartments in privately-owned complexes. Administration includes reviewing and approving monthly assistance payments, conducting annual management and occupancy reviews for each property within the portfolio, responding to tenant complaints and providing follow-up for inspections conducted by the Department of Housing and Urban Development's Real Estate Assessment Center, processing actions related to subsidy contracts and reporting and tracking

processes required under the contract between the Authority and the Department of Housing and Urban Development.

Through its seven core programs, the Authority is able to promote and provide housing opportunities for very low, low and low-to-moderate income South Carolinians. Noteworthy accomplishments for FY07-08 included:

- Helping maintain South Carolina's homeownership rate at a level above 70.0% to 74.1%, a rate that continues to surpass the national average of 68.1%
- Purchase of $145 million in mortgage loans through the Mortgage Revenue Bond Program
- Awards of $24,024,609 million through the Housing Trust Fund
- Provision of rental subsidies to 20,100 eligible families and individuals amounting to $105.2 million
- Surpassing the Authority Standard (90%) on both the Participant and Owner satisfaction rates for the fifth straight year with a Participant satisfaction rating of 99% and Owner satisfaction rating of 97%. In addition the Voucher Program has received an overall agency rating as a High Performer (90%-100%) for the seventh straight year on the HUD Section 8 Management Assessment Program (SEMAP).
- Earning 100% of Administrative Fees for the sixth straight year in the Contract Administration Program

Table 7.0-1 presents the direct results of program activity as measured by the performance measures outlined in Table 1.5-1. Subsequent details in Category 7. Business Results provides additional information related to the activity that created these results.

TABLE 7.0-1 PERFORMANCE MEASURES BY PROGRAM WITH SUBSEQUENT RESULTS

Program or Support Area	Measure	Value		
		FY05-06	FY06-07	FY07-08
Rental Assistance	Percent of Voucher Program Participant Satisfaction	98.00%	99.00%	99.00%
	Percent of Voucher Program Owner Satisfaction	100.00%	100.00%	97.00%
	HUD SEMAP Score	100	100	100
	Percent of Administrative Fees Earned	100.00%	100.00%	100.00%
	Number of Annual Compliance Review Findings	3	2	0
	Number of Families Assisted	20,872	20,129	20,100
	Dollar Cost Per Voucher	$392.71	$400.02	$400.87
	Dollar Cost Per Contract Administration Unit	$98.74	$73.94	$100.46
Homeownership	Number of Mortgage Loans Purchased	2,801	3,668	3,114
	Number of Mortgage Loans Managed	13,504	15,815	17,592
	Number of Mortgage Loans Serviced	12,068	14,400	16,379
	SCSHFDA Foreclosure Rate	2.37%	1.28%	1.47%
	Number of Serviced Loans Per Servicing FTE	928	1,029	1,092
	Dollar Cost Per Service Loan	$85.51	$78.55	$80.65
	Pull Through Rate	85.56%	84.00%	80.50%
	Dollar Cost Per Purchased Loan	$207.41	$206.64	$160.07
HOME	Number of Awards	112	58	26
	Dollar Value of Awards	$10,236,433.00	$14,697,734.00	$9,503,590.00
	Number of Units Produced	114	1,406	1,075
	Percent of Budget Awarded	73.12%	96.80%	97.41%
	Dollar Awards Per FTEs	$1,204,286.24	$2,099,676.00	$1,357,655.00
	Dollar Cost Per Dollar Award	$0.05	$0.03	$0.05
Low Income Housing Tax Credit	Dollar Value of Awards	$8,889,219.00	$8,257,701.00	$8,618,570,.00
	Number of Developments Awarded	26	22	19
	Number of Units Produced	1,392	1,085	1,112
	Dollar Cost Per Dollar Award	$0.04	$0.04	$0.04
Housing Trust Fund	Number of Awards	165	293	388
	Dollar Value of Awards	$17,125,183.00	$21,543,958.00	$24,024,609.00
	Number of Units	893	1,225	1,477
	Percent of Budget Awarded	85.63%	105.57%	117.87%
	Dollar Awards Per FTEs	$2,140,648.00	$4,308,792.00	$4,368,110.00
Human Resources	State Percent Turnover	15.23%	13.99%	14.06%
	SCSHFDA Percent Turnover	10.61%	11.40%	7.75%

7.1 What are your performance levels and trends for the key measures of mission accomplishment/product and service performance that are important to your customers? How do those results compare to those of comparable organizations?

The South Carolina State Housing Finance and Development Authority is the State's single largest public developer of affordable multifamily and single-family housing. Authority resources were invested in a wide range of programs in order to address the growing demand for affordable housing across South Carolina. Activities included mortgage purchases, down payment assistance, multifamily and single family housing development, preservation, rental and utility payment assistance, and special needs housing development for the homeless, disabled and elderly.

According to the most recent US Census Bureau data, in 2007, South Carolina had a homeownership rate of 74.1%. This is significantly higher that the national average for the same time period of 68.1%. In fact, for the past six years, South Carolina has remained at least five percentage points above the national average; in 2002, it was 9.4 percentage points higher. In 2007, South Carolina led the Southeast in homeownership rates, as evidenced in Table 7.1-1 below.

TABLE 7.1-1 HOMEOWNERSHIP RATES IN THE SOUTHEAST

	2001	2002	2003	2004	2005	2006	2007
South Carolina	**76.1**	**77.3**	**75.0**	**76.2**	**73.9**	**74.2**	**74.1**
Alabama	73.2	73.5	76.2	78.0	76.6	74.2	73.3
Florida	69.2	68.7	69.5	72.2	72.4	72.4	71.8
Georgia	70.1	71.7	71.4	70.9	67.9	68.5	67.6
North Carolina	71.3	70.0	70.0	69.8	70.9	70.2	70.3
Virginia	75.1	74.3	75.0	73.4	71.2	71.1	71.5
National Average	**67.8**	**67.9**	**68.3**	**69.0**	**68.9**	**68.8**	**68.1**

Mortgage Revenue Bond Program

The continued success of South Carolina in leading the national average in homeownership is due in part to the continued success of the Mortgage Revenue Bond Program. During FY07-08, the Authority purchased a total of 3,379 mortgages, amounting to $145M. See Table 7.1-2.

TABLE 7.1-2 HOMEOWNERSHIP PROGRAMS: MORTGAGE LOANS PURCHASED

Program	FY01-02	FY02-03	FY03-04	FY04-05	FY05-06	FY06-07	FY07-08
MRB	$61,721,394	$48,963,976	$56,640,341	$106,979,981	$132,532,534	$187,366,260	$145,029,383
Special	$23,807,772	$2,246,811	$12,445,055	$6,056,294	$3,093,000	$0	$0
Total	$85,529,166	$51,210,787	$69,085,396	$113,036,275	$135,625,534	$187,366,260	$145,029,383

Mortgages	FY01-02	FY02-03	FY03-04	FY04-05	FY05-06	FY06-07	FY07-08
First	1,089	635	774	1,157	1,336	1,791	1,489
Second	238	350	611	1,132	1,465	1,877	1,890
Total	1,327	985	1,385	2,289	2,801	3,668	3,379

A contributing factor to the success of the program stems from the Authority's ability to adjust its mortgage interest rates on an as-needed basis. This allows the Authority to offer below market interest rates while maintaining the financial integrity of the program. These rates can be viewed daily by participating lenders and borrowers on the Authority's website and are updated on a weekly basis.

The Authority's portfolio contains a total of 17,734 first and second mortgages that are serviced by one private sector provider in addition to in-house servicing. The in-house department services the complete portfolio of second mortgages. See Tables 7.1-3 and 7.1-4 below.

TABLE 7.1-3 HOMEOWNERSHIP PROGRAMS: MORTGAGE LOANS MANAGED

	FY01-02	FY02-03	FY03-04	FY04-05	FY05-06	FY06-07	FY07-08
Principal Balances (Millions)	529	500	483	526	592	726	817
Number of Mortgages	13,266	12,339	11,649	12,314	13,504	15,815	17,734

TABLE 7.1-4 HOMEOWNERSHIP PROGRAMS: MORTGAGE LOANS SERVICED

	FY00-01	FY01-02	FY02-03	FY03-04	FY04-05	FY05-06	FY07-08
First Mortgages	6,591	6,784	6,704	6,377	7,314	7,812	9,644
Second Mortgages	2,974	2,827	2,731	2,788	3,389	4,256	6,735
TOTAL	9,565	9,611	9,435	9,165	10,703	12,068	16,379
Number of Loans Per FTE	797	801	786	764	892	928	1,092

The Mortgage Servicing Department has set a goal to keep Authority foreclosure rates below that of the Mortgage Bankers Association of America. The Authority has maintained a ratio equal to or below that of the Mortgage Bankers Association (MBA) for several years. See Table 7.1-5 and Graph 7.1-1 below.

TABLE 7.1-5 FORECLOSURE RATES: SCSHFDA AND MBA

Quarter, Year	SCSHFDA	MBA
1Q '01	1.13	1.87
2Q '01	0.85	1.80
3Q '01	1.01	2.20
4Q '01	1.19	2.58

Quarter, Year	SCSHFDA	MBA
1Q '02	1.42	3.00
2Q '02	1.18	3.02
3Q '02	0.85	2.82
4Q '02	1.79	3.00

Quarter, Year	SCSHFDA	MBA
1Q '03	2.02	3.18
2Q '03	2.10	3.13
3Q '03	2.12	3.08
4Q '03	2.48	3.33

Quarter, Year	SCSHFDA	MBA
1Q '04	3.14	3.42
2Q '04	2.88	3.30
3Q '04	2.96	3.42
4Q '04	2.96	3.59

Quarter, Year	SCSHFDA	MBA
1Q '05	2.71	2.98
2Q 05	2.43	2.77
3Q '05	2.46	2.48
4Q '05	2.37	2.71

Quarter, Year	SCSHFDA	MBA
1Q '06	2.18	2.60
2Q 06	1.89	2.67
3Q '06	1.67	2.54
4Q '06	1.28	2.53

Quarter, Year	SCSHFDA	MBA
1Q '07	1.16	5.52
2Q 07	1.02	2.54
3Q '07	1.20	2.54
4Q '07	1.47	2.39

Quarter, Year	SCSHFDA	MBA
1Q '08	1.99	2.14
2Q 08	1.80	2.26
3Q '08	N/A	N/A
4Q '08	N/A	N/A

GRAPH 7.1-1 HOMEOWNERSHIP FORECLOSURE RATES
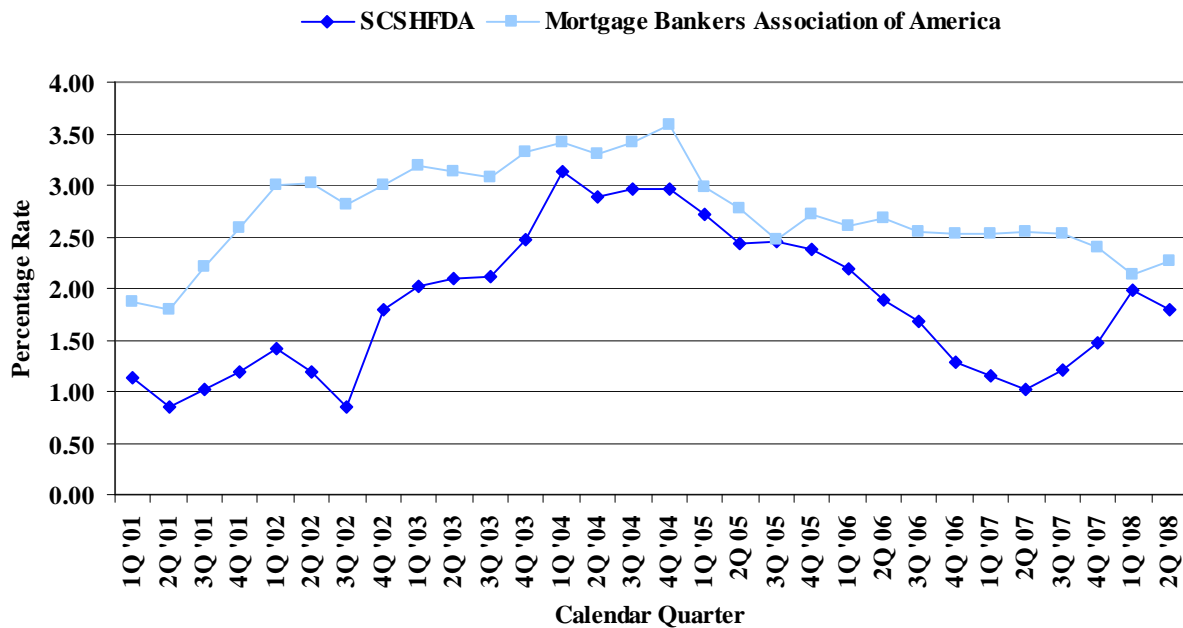
Contract Administration and Section 8 Housing Choice Voucher Program

Over 20,000 families received housing assistance through the Authority's administration of the Contract Administration and Section 8 Housing Choice Voucher Programs. Tenants pay approximately 30% of their income toward rent and utilities and the remainder is subsidized. During the FY07-08, this subsidy amounted to over $105M. The level of rental assistance activity has remained at a fairly consistent level for the past several years. See Table 7.1-6.

TABLE 7.1-6 RENTAL ASSISTANCE AND SUBSIDY PAYMENTS

|	FY02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08
Families Assisted	20,265	20,280	20,478	20,872	20,129	20,100
Subsidy Payments	$96,804,747	$92,400,782	$93,767,001	$96,278,577	$101,166,688	$105,232,876

HOME Investment Partnerships Program

Table 7.1-7 shows the awards made by the HOME Investment Partnerships Program during FY98-99 to FY07-08. These awards are made to non-profits, for-profits, local governments, Community Housing Development Organizations, Public Housing Authority participants and single-family direct assistance.

TABLE 7.1-7 HOME INVESTMENT PARTNERSHIPS PROGRAM AWARD ACTIVITY

| FY	Awards	Dollars	Units	Dollars Per Award	Dollars Per Unit
98-99	37	$11,008,013	573	$297,514	$19,211
99-00	27	$7,751,051	539	$287,076	$14,380
00-01	31	$9,387,612	704	$302,826	$13,335
01-02	36	$11,099,889	648	$308,330	$17,129
02-03	56	$14,806,448	1,119	$264,401	$13,232
03-04	57	$14,826,448	1,120	$260,114	$13,238
04-05	42	$12,226,686	606	$291,112	$20,176
05-06	112	$10,236,433	114	$91,396	$89,793
06-07	58	$14,697,734	1406	$253,409	$10,454
07-08	26	$9,503,590	1075	$365,522	$8,840

GRAPH 7.1-2 HOME INVESTMENT PARTNERSHIPS PROGRAM AWARD ACTIVITY
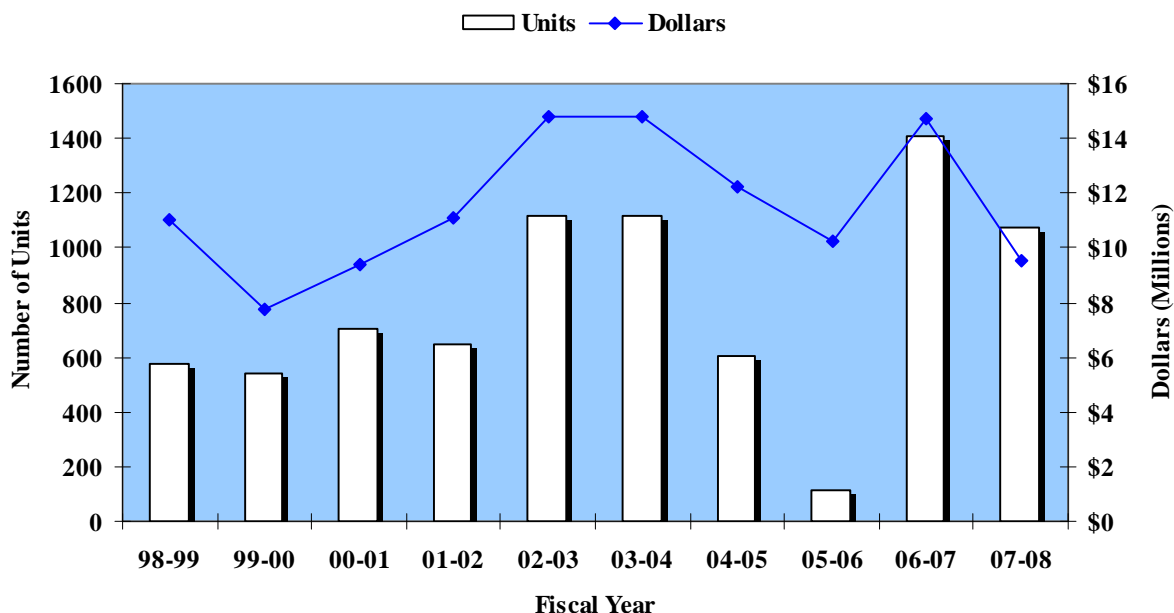
Low Income Housing Tax Credit Program

Prior to FY01-02, the Low Income Housing Tax Credit Program operated at a level of approximately $4M in tax credits allocated. In late 2000, Congress passed legislation that significantly increased the per capita tax credit amount from $1.25 to $1.50 in 2001 and to $1.75 in 2002. It also provided for per capita amount increases in future years. This funding increase, along with the State of South Carolina's subsequent population growth, has increased the program to over $8M in annual tax credits allocated. In FY07-08, the per capita tax credit amount was $1.95 with the program funding an allocation of $8.6M. The 19 housing developments awarded in 2007 will produce 1,112 low income rental units. See Graph 7.1-3 and Table 7.1-8 on the following page.

GRAPH 7.1-3 LOW INCOME HOUSING TAX CREDIT PROGRAM ALLOCATIONS

LI Rental Units — **Tax Credits Allocated**
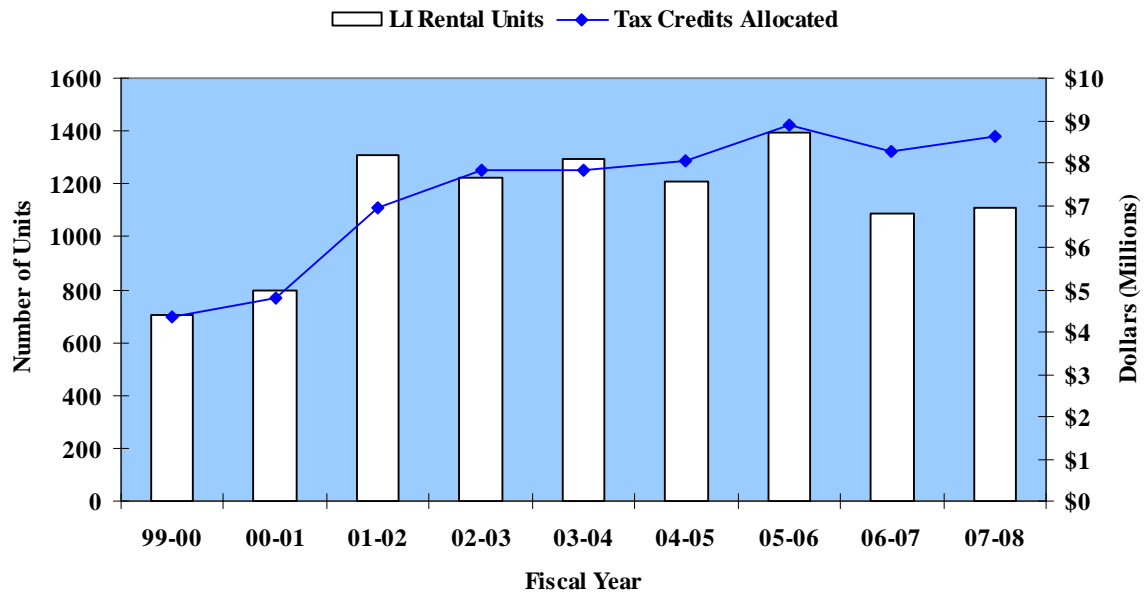
GRAPH 7.1-8 LIHTC PROGRAM AWARD ACTIVITY

FY	Number of Developments	Tax Credits Allocated	LI Rental Units	Average Credits Per Development	Average Credits Per Unit
99-00	17	$4,356,487	706	$256,264	$6,171
00-01	17	$4,782,482	798	$281,322	$5,993
01-02	28	$6,954,101	1,312	$248,360	$5,300
02-03	29	$7,812,886	1,220	$269,410	$6,404
03-04	25	$7,803,567	1,297	$312,143	$6,017
04-05	21	$8,045,471	1,212	$383,118	$6,638
05-06	26	$8,889,219	1,392	$341,893	$6,386
06-07	22	$8,257,701	1,085	$375,350	$7,611
07-08	19	$8,618,570	1,112	$453,609	$7,751

Housing Trust Fund

South Carolina Housing Trust Fund awards were made throughout the state with a total of 293 awards for $21.5M in FY06-07 and 388 awards for $24M in FY07-08. This represents an increase in total award amounts of 12%. See Graph 7.1-4 and Table 7.1-9.

GRAPH 7.1-4 HOUSING TRUST FUND PROGRAM AWARD ACTIVITY
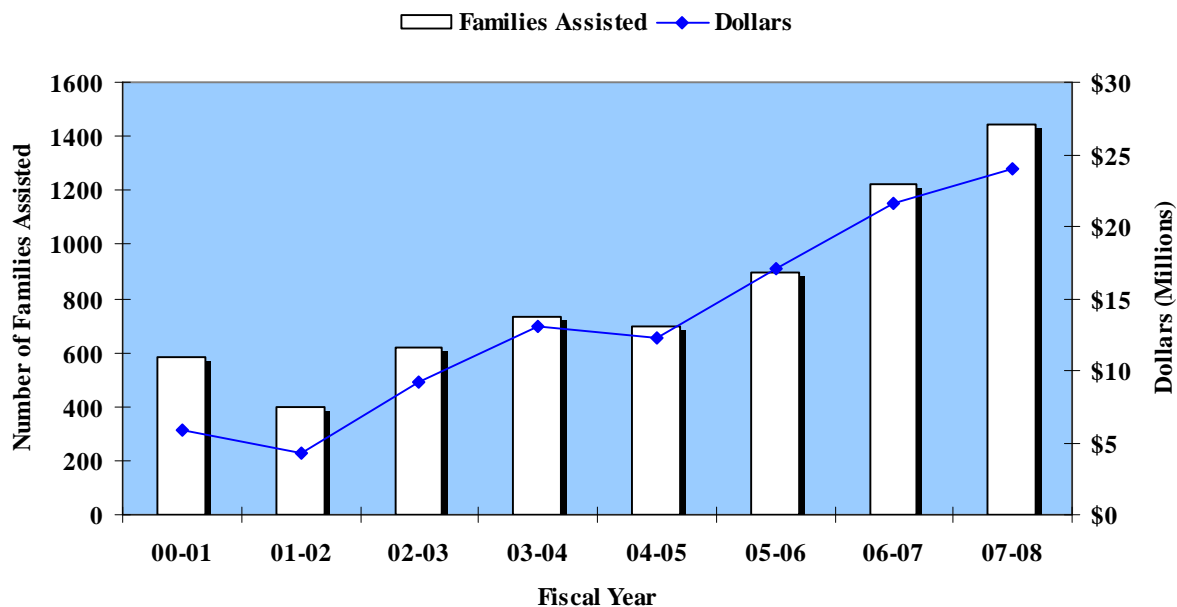
A decrease in awards funding occurred in 2002 in an effort to restrict awards to ensure that the South Carolina Housing Trust Fund did not become depleted, as the revenue source for the fund is economy-driven based on real estate transfers and anticipated income for this year was less than originally expected. Reliance on economy-driven proceeds can be a significant complication. It creates an unpredictable fluctuation in award activity because the amount of underlying proceeds is unpredictable. FY07-08 was a successful year for the South Carolina Housing Trust Fund but there is no guarantee from year to year. See Table 7.1-9.

TABLE 7.1-9 HOUSING TRUST FUND PROGRAM AWARD ACTIVITY

FY	Dollars Awarded	Families Assisted	Dollars Per Unit	Dollars Per FTE
00-01	$5,834,487	585	$9,973	$486,207
01-02	$4,318,595	396	$10,906	$359,883
02-03	$9,258,977	617	$15,006	$771,581
03-04	$13,076,447	730	$17,913	$1,089,704
04-05	$12,275,119	700	$17,536	$1,022,927
05-06	$17,125,183	893	$19,177	$2,140,648
06-07	$21,543,958	1225	$17,587	$4,308,792
07-08	$24,024,609	1477	$16,266	$4,369,110

Multifamily Tax Exempt Bond Program

Beginning in FY05-06, the Multifamily Tax Exempt Bond Program has been reported as a separate program. For FY05-06, $47.5M of 2004 bond cap was allocated to six developments. An additional bond cap carry-forward allocation of $47.7M was made from the State of South Carolina 2005 bond cap pool.

For FY06-07, no bond cap was allocated to a multifamily development; however, as of June 30, 2007, there were deals in process representing a potential allocation of $40M for 21 developments. An additional bond cap carry-forward allocation of $6.7M from the State of South Carolina 2006 bond cap pool was made.

For FY07-08, $35,577,000 in bond cap was allocated to two bond issues representing 24 multifamily developments in the state. No carry forward bond cap allocation was made to the Multifamily Tax Exempt Bond Program from the State of South Carolina 2007 bond cap pool.

7.2 *What are your performance levels and trends for the key measures of customer satisfaction?*

Authority program areas measure customer and stakeholder satisfaction in different ways. Some program areas have more formalized methods and some rely on informal communication lines. Those with formal processes for evaluating customer satisfaction are detailed below.

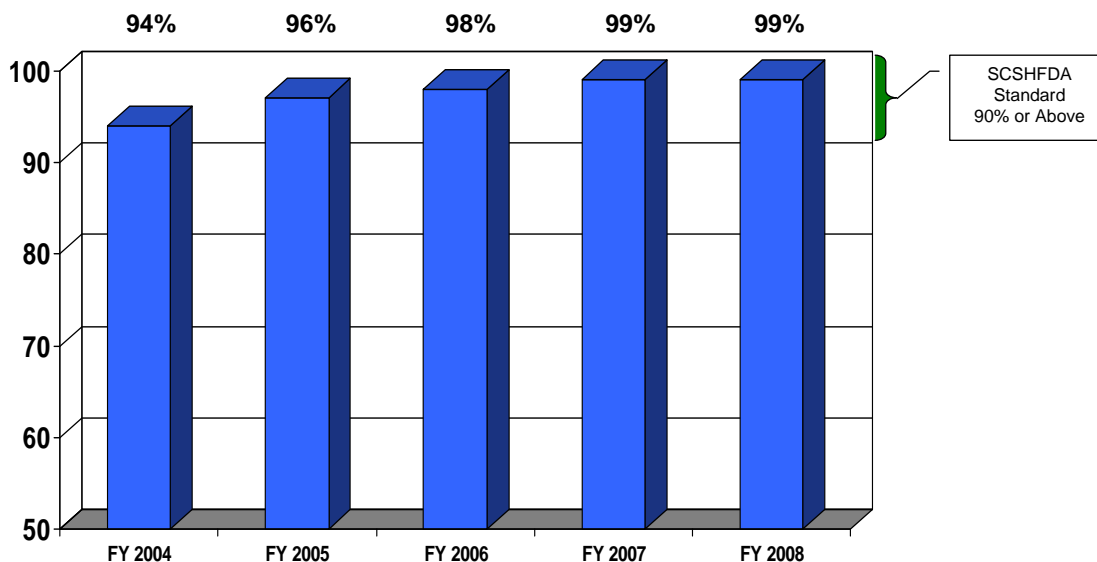### Section 8 Housing Choice Voucher Program

The Section 8 Housing Choice Voucher Program has a formalized process for evaluating customer satisfaction. Participants and rental property owners are the two primary customers of the Section 8 Housing Choice Voucher Program. The Department of Housing and Urban Development is an intermediate customer or stakeholder. The Authority's performance for each of these groups is measured.

Customers

The Section 8 Housing Choice Voucher Program provided assistance to an average of 2,174 participants within the Authority's seven county jurisdiction. Participation in the program is limited due to the number of vouchers and budget available from the Department of Housing and Urban Development (HUD).

The Authority is unable to predict exactly when it will offer rental assistance to those applicants who have applied to the waiting list. This is primarily due to the large numbers of applicants on the waiting list, the number of families being assisted, and the funding level provided by HUD. Basically, HUD only allows the Authority to assist a specific number of families and expend a specific amount of funding to assist those families See Graph 7.2-1.

GRAPH 7.2-1 SECTION 8 HOUSING CHOICE VOUCHER PROGRAM PARTICIPANT SATISFACTION

Approximately 800 property owners or apartment complexes rent units to Section 8 Housing Choice Voucher Program participants. The units under contract are inspected, at least annually, to ensure that they continue to meet Housing Quality Standards. The Authority continues to survey owners in an effort to track performance and customer satisfaction. See Graph 7.2-2.

GRAPH 7.2-2 SECTION 8 HOUSING CHOICE VOUCHER PROGRAM OWNER SATISFACTION
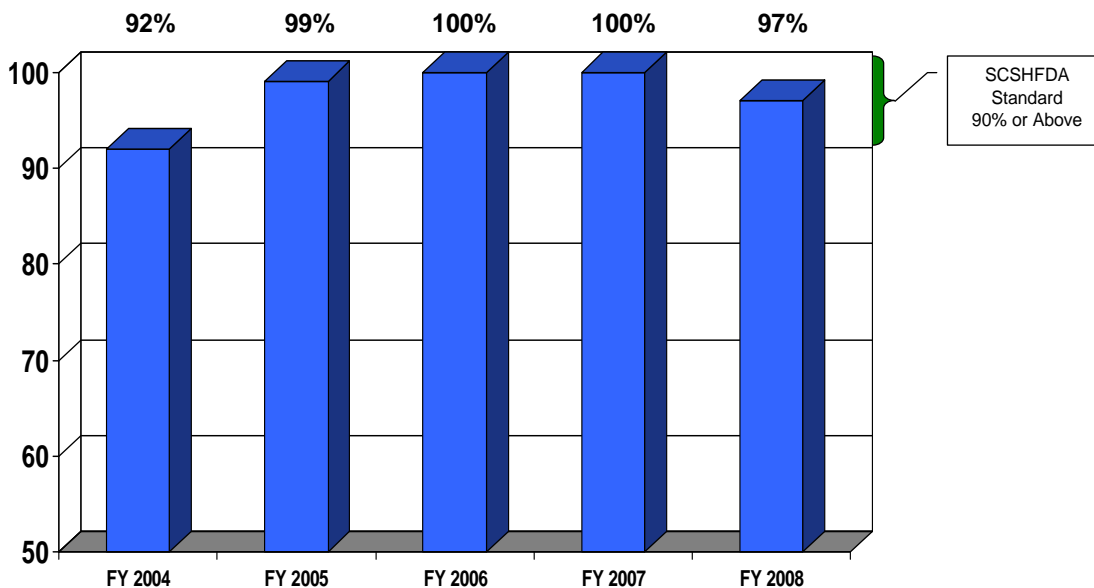
Stakeholders:
A rating system was established by the Department of Housing and Urban Development for Public Housing Agencies (PHAs) that administer the Section 8 Housing Choice Voucher Program. The Section Eight Management Assessment Program (SEMAP) enables HUD to better manage the Section 8 tenant-based program by identifying PHA capabilities and

deficiencies related to the administration of the program. As a result, HUD is able to provide more effective program assistance to PHAs. SEMAP measures 14 indicators of program success covering compliance, timeliness, unit inspections and occupancy.

SEMAP INDICATORS

| Indicator 1	Selection from Waiting List
Indicator 2	Reasonable Rent
Indicator 3	Determination of Adjusted Income
Indicator 4	Utility Allowance Schedule
Indicator 5	Housing Quality Standards Quality Control
Indicator 6	Housing Quality Standards Enforcement
Indicator 7	Expanding Housing Opportunities
Indicator 8	Payment Standards
Indicator 9	Timely Annual Reexaminations
Indicator 10	Correct Tenant Rent Calculations
Indicator 11	Pre-Contract Housing Quality Standards Inspections
Indicator 12	Annual Housing Quality Inspections
Indicator 13	Lease-Up
Indicator 14	Family Self-Sufficiency

HUD issued SEMAP ratings for the first time during FY 99-00. The assessment percentage on each Indicator outlined above is used to determine the overall performance rating for each PHA. The performance rating is on a scale of 1 to 100. See Graph 7.2-3

GRAPH 7.2-3 SECTION 8 HOUSING CHOICE VOUCHER PROGRAM SEMAP SCORE

*FY 2008 Projected
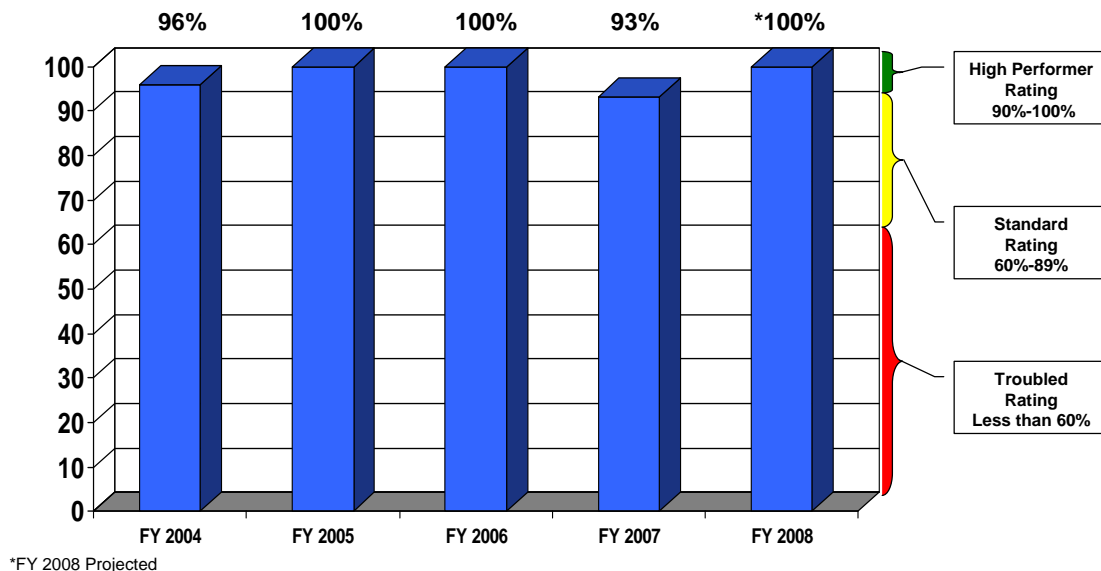
Troubled PHAs may be sanctioned or have their operations assumed by the Department of Housing and Urban Development.

Housing Choice Voucher Program Family Data Submission
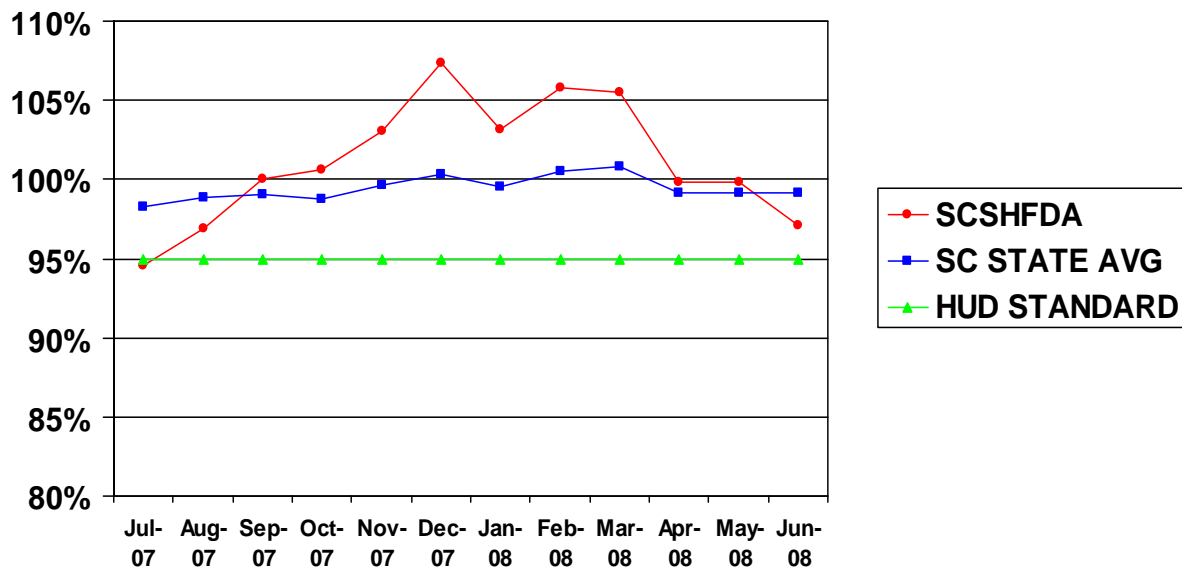
Public Housing Agencies (PHAs) that administer the Housing Choice Voucher programs must submit 100% of family records to the Department's Public and Indian Housing Computer System (PIC) Form HUD 50058 module. Form HUD 50058 records must be transmitted electronically to PIC, and the module is HUD's official system to track and account for Voucher Program family characteristics, income, rent portions and other occupancy factors. PHAs must have a minimum 95% reporting rate or be subject to sanctions for each month the PHA is non-compliant. (See Family Data Submission – FY 2008 chart below)

Contract Administration Program

Customer satisfaction for the Contract Administration Program is measured primarily by the determination of actual fees earned as a ratio of potential fees available. The Authority is a subcontractor for the Department of Housing and Urban Development, which created very specific accountability measures for its subcontractors, including performance timeframe requirements. Maximization of fees is the truest indicator of the Department of Housing and Urban Development's satisfaction with the Authority's level of performance. If the Department of Housing and Urban Development was not satisfied with the performance of the Authority, that dissatisfaction would be reflected in a percent of fees earned of less than 100%. The Authority would be charged with a "disincentive" or reduction in fees. Graph 7.2-4 represents the actual fees earned as a ratio of the potential fees available.

GRAPH 7.2-4 PERCENT OF ADMINISTRATIVE FEES EARNED
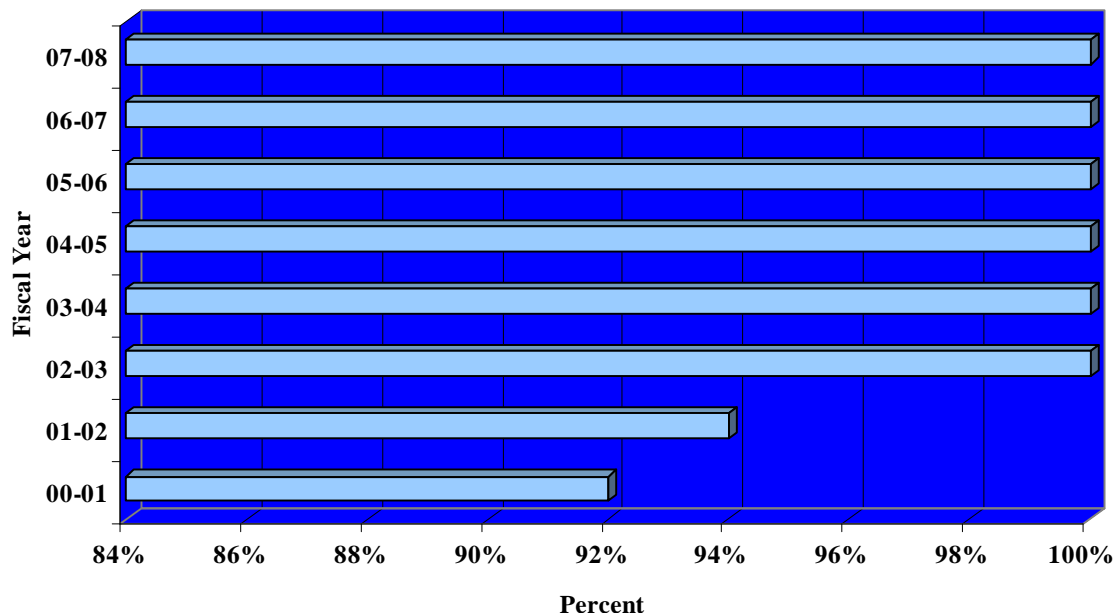
The contract allowed an initial grace period in which 100% of fees were paid to the Authority regardless of performance. The performance–based contract currently in-force requires the timely completion of 16 core tasks. These tasks are:

1. Management & Occupancy Review
2. Documenting Owner Civil Rights Compliance
3. Processing Rental Adjustments
4. Owner Opt-Out Notices and Contract Terminations
5. Owner Opt-Out and HAP Contract Termination: Submit resident data to HUD
6. Review, Verify, and Authorize Monthly Section 8 Vouchers
7. Notice of Corrective Actions
8. Monitoring & Reporting Owner's follow-up efforts on discrepancies identified as a result of tenant income matching initiatives.
9. Life-threatening Health & Safety Issues
10. Non-life-threatening Health & Safety issues
11. Budgets, Requisitions, Revisions
12. Year-end Statement
13. Public Housing Authority Audit
14. Renewals of Expiring HAP Contracts
15. General Reporting Requirements
16. Monitoring Physical Inspection Results

Completion of core tasks involving electronic payments to owners and renewals of subsidy contracts require that owners make system preparations and provide information to Authority staff. Many owners did not make necessary system changes in a timely manner or were slow to provide information to staff. This, combined with the lack of a system to provide for task prioritization and issues with private contractors hired to obtain data, resulted in early fee losses.

Property owners have updated or established systems that allow timely electronic funds transfers that have eliminated fee losses in this area. Contract Administration staff have implemented the use of tracking and prioritization spreadsheets to efficiently process subsidy contract renewals. These changes have resulted in fee maximization over the last 6 years.

Another indication of staff effectiveness or customer satisfaction is the Annual Compliance Review. This review is an audit performed annually by the Department of Housing and Urban Development in relation to the Contract Administration performance-based contract. Graph 7.2-5 indicates the results of the five years of this contract. Audit findings have significantly decreased over this period. The most recent audit report indicated that "the PBCA (Performance Based Contract Administrator) staff has developed some excellent computer checklists, reports and tracking charts to assist them in meeting the requirements of the Annual Contributions Contract."

GRAPH 7.2-5 ANNUAL COMPLIANCE REVIEW AUDIT FINDINGS
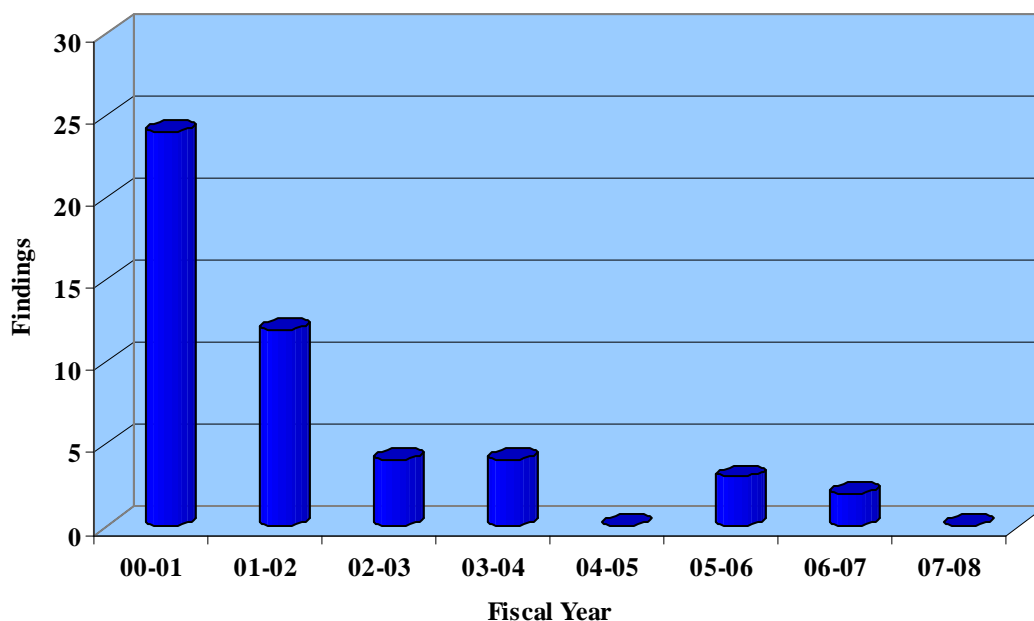
The Authority also continues to enhance customer satisfaction as it builds positive working relationships with the Department of Housing and Urban Development by responding quickly and courteously to requests for information. We continually demonstrate a willingness to meet to discuss implementation of regulatory changes. Positive working relationships are developed with the Department of Housing and Urban Development and owners as the Authority demonstrates its program competency. All Contract Administration Program staff are required to successfully complete third party sponsored training. Staff meetings are held monthly to discuss issues and best practices. In addition, Contract Administration Program staff is always represented at user group meetings sponsored by our primary software provider. Strong relationships are developed with tenants by responding to their complaints within the timeframes established in our performance-based contract.

Mortgage Revenue Bond Program

In Loan Purchase, turn around time is used as an indicator of customer satisfaction. Lenders and realtors are generally satisfied when turn around time is three days or less.

Customer satisfaction in the Mortgage Servicing Department is measured by the reduction in the number of valid complaints received from homeowners concerning errors with property taxes, insurance, and payoffs from one year to the next.

7.3 What are your performance levels for the key measures of financial performance?

According to the National Council of State Housing Agencies, the South Carolina State Housing Finance and Development Authority "ranks among the nation's most financially secure and well-managed housing finance agencies."

The data for the following tables and graphs are from the 2005 State Housing Finance Authority Outlook and Medians for Single Family Whole Loan Programs produced by Moody's Investor Service. See Table 7.3-1.

TABLES 7.3-1 STATE HOUSING FINANCE AUTHORITY OUTLOOK AND MEDIANS: SINGLE FAMILY WHOLE LOAN PROGRAMS

Financial Data ($000)	Fiscal Year					FY05 Mean	FY05 Median
	FY01	FY02	FY03	FY04	FY05		
MRB Fund Balance	$21,020	$23,422	$37,964	$43,843	$62,058	**$156,826**	**$72,508**
MR Bonds Outstanding	$355,068	$389,070	$427,523	$391,455	$521,860	**$1,104,553**	**$886,380**
MRB Mortgages Outstanding	$301,742	$338,264	$333,615	$317,078	$360,975	**$904,361**	**$630,633**
MRB Fund Balance as % of MR Bonds Outstanding	5.92%	6.02%	8.88%	11.20%	12.00%	**14.00%**	**11.00%**
MRB Asset-to-Debt Ratio (PADR)	1.058	1.059	1.079	1.102	1.120	**1.150**	**1.110**
MRB Net Revenue as % of Total Revenue	10.58%	9.05%	11.38%	10.20%	13.00%	**15.00%**	**13.00%**
MRB Net Interest Revenue as % of Gross Interest Revenue	13.23%	13.24%	15.02%	14.48%	16.00%	**22.00%**	**21.00%**

7.4 What are your performance levels and trends for the key measures of workforce engagement, workforce satisfaction, the development of your workforce, including leaders, workforce retention, workforce climate including workplace health, safety, and security?

Tuition Assistance

The Authority has adapted a program to provide tuition assistance for its permanent employees. The purpose of the program is to develop a better-educated workforce and to provide job enhancement opportunities for the employees within the Authority. Tuition assistance is

provided for employees to attend courses that are directly related to an employee's position or a position that the employee could progress or which is part of a planned degree program in a field that is related to the Authority's mission. The Authority has provided this benefit since 1993, and since that time 32 employees have benefited for a total cost to the Authority of $102,112. During FY07-08, two employees received tuition assistance from the Authority. The chart below depicts the Authority commitment to tuition assistance. There was a decrease in tuition payments after 2003, when the policy was changed to limit the assistance to $3,000 per year. See Graph 7.4-1.

GRAPH 7.4-1 TUITION ASSISTANCE
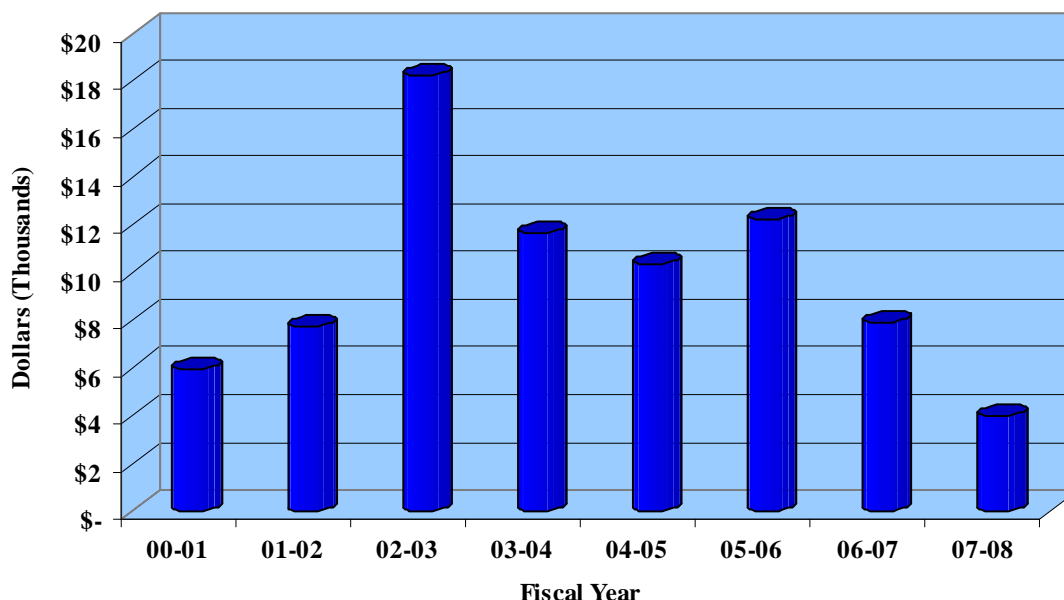
Human Affairs Goal Attainment

The Human Affairs Commission has issued exempt status to the Authority for having exhibited an equal opportunity environment in the workplace.

Turnover Data

Turnover data reflects all separations from the Authority. As shown in Table 7.4-1, the Authority experienced a significant increase in turnover in FY04-05 due to the use of Voluntary Separation and a Retirement Incentive Program. The Authority in FY07-08 is much lower in turnover than the state average. See also Graph 7.4-2.

TABLE 7.4-1 TURNOVER RATE: COMPARISON OF SCSHFDA TO STATE OF SOUTH CAROLINA

FY	SCSHFDA	South Carolina
00-01	12.20%	18.13%
01-02	7.04%	12.39%
02-03	13.91%	12.05%
03-04	4.32%	11.73%
04-05	16.45%	12.64%
05-06	10.61%	15.23%
06-07	11.40%	13.99%
07-08	7.75%	14.06%

GRAPH 7.4-2 TURNOVER RATE: COMPARISON OF TRENDS FOR SCSHFDA AND STATE OF SOUTH CAROLINA
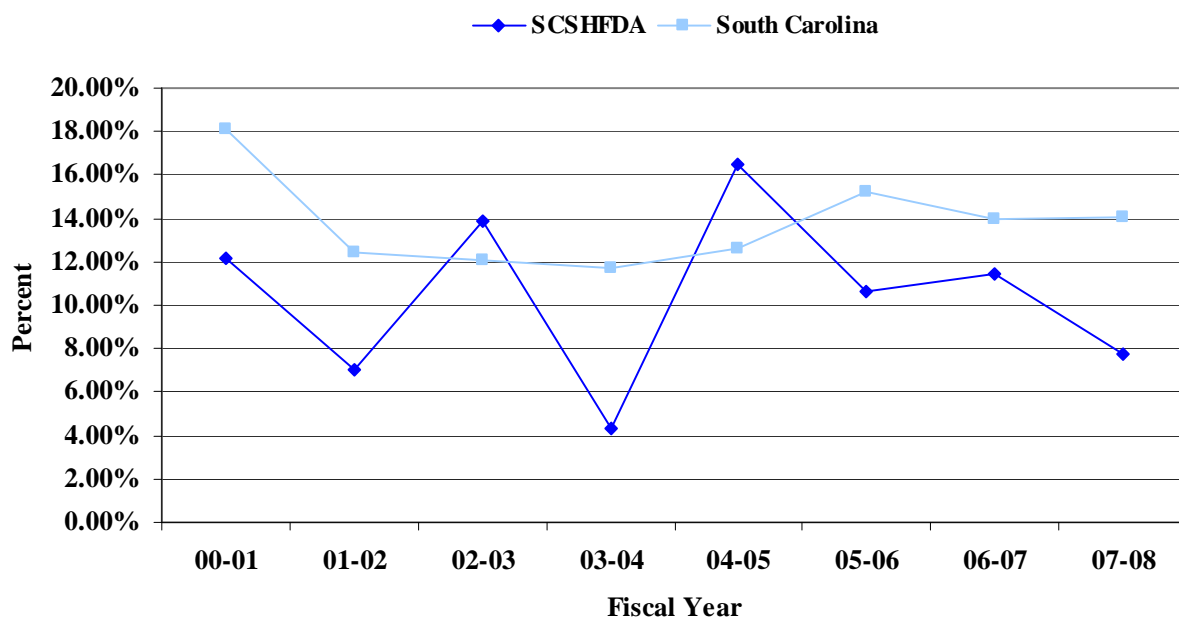
Also, the Authority follows OSHA guidelines to maintain a safe working environment. In addition, employees are offered: annual health screenings, on-site CPR training, and a health bulletin. We also have a written emergency response plan that gives detailed accounts of exiting the building and maintaining a safe workplace.

7.5   What are your performance levels and trends for the key measures of organizational effectiveness/operational efficiency, and work system performance?

Senior leaders compare organizations performance with industry standards (i.e. NCSHA) and with historical data to determine progress, efficiency, and effectiveness. The Authority receives information and feedback from customers and stakeholders that is reflected in the action plans, applications and criteria of its programs. Use of the Annual Accountability Report is also very helpful when tracking the results of key performance measures and values for each individual program area.

7.6   What are your performance levels and trends for the key measures of regulatory/legal compliance and community support?

The management of the Authority is responsible for establishing and maintaining effective internal control over all its transactions and over compliance with laws, regulations, contracts and grants.   In fulfilling this responsibility, estimates and judgments by management are necessary to assess the expected benefits and related cost of control procedures.

The Authority has issued a Request for Proposal (RFP) for internal audit purposes and expects services to begin by October 2008. This service will serve to assist management in strengthening the control environment and provide an independent appraisal function of reviews and audits of the Authority as directed by the Executive Director/Board of Commissioners. These Internal Audit activities include: reviewing existing controls; ensuring compliance with internal controls and required regulations; recommending improvements and cost-effective enhancements; maintaining copies of all internal/external review and audit reports; informing management and the Board of Commissioners the results of internal/external reviews and audits; and performing follow-up to ensure appropriate corrective actions are taken regarding the issues noted in the reviews and audits.

During FY07-08, an Investor Services Division was created in the Administration Division of the Authority.   This Division conducts monthly/quarterly Quality Control reviews for the Authority's Mortgage Servicing Division. These reviews are required by the U. S. Department of Housing and Urban Development (HUD) for all Federal Housing Administration (FHA) approved mortgages. Spreadsheets are maintained of both the loan selection criteria and the specific loans reviewed.

The annual financial audit of the Authority for the fiscal year ending June 30, 2007 was conducted by DeLoach & Williamson, L.L.P., Certified Public Accountants, under contract with the South Carolina Office of the State Auditor.   This audit resulted in an unqualified (clean) audit opinion with no material weaknesses.

In addition, the Authority is subject to a number of reviews and audits performed by external parties to ensure regulatory/legal compliance.

SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY

HOUSING TRUST FUND REPORT
FY 2007-2008

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The South Carolina Housing Trust Fund is a state funded program designed to provide financial assistance in the development, rehabilitation and acquisition of affordable housing for low-income households throughout the state. This includes single family homes, group homes for the disabled and emergency shelters for battered women and their children. The South Carolina Housing Trust Fund accelerates the state's response to the production of affordable housing through innovative financing used by the non-profit and private sectors. It builds partnerships among governmental entities, qualified non-profits, for-profits and those in need of affordable housing. It strives to maximize the utilization of federal, state and/or other housing assistance programs in leveraging other public and private resources. Applications for the South Carolina Housing Trust Fund are accepted for the following activities: Homeownership Acquisition, Emergency Repair, Owner-Occupied Rehabilitation, Group Homes, Supportive Housing and Rental Housing.

The South Carolina Housing Trust Fund experienced another record year during FY07-08 in terms of numbers and dollar amounts of awards. There were 388 awards made for a total of over $24.0M in funding towards providing affordable housing opportunities for very low and low-income South Carolinians. Other noteworthy accomplishments include the launch of a priority-based funding system to prepare the Fund and Housing Sponsors for an expected significant reduction in available funding in FY08-09; and the creation of a new training and performance enhancement initiative to assist Housing Sponsors in applying for, and expending, awards as effeciently as possible.

The mission of the South Carolina State Housing Finance and Development Authority is to create quality affordable housing opportunities for the citizens of South Carolina through a vision that all South Carolinians have the opportunity to live in safe, decent and affordable housing. The South Carolina Housing Trust Fund is one way in which this mission is being accomplished and this vision is being fulfilled.

CREATION OF THE SOUTH CAROLINA HOUSING TRUST FUND

In a bipartisan vote in 1992 the General Assembly passed, and Governor Carroll A. Campbell, Jr. signed the South Carolina Housing Trust Fund Act. This bipartisan support of the General Assembly created the Trust Fund, and has increased the supply of safe, decent, sanitary and affordable housing for members of the lower and very low-income households throughout the Palmetto State.

With passage of the South Carolina Housing Trust Fund Act, the legislature designated a portion of the State documentary stamp tax (an increase of twenty cents per five hundred dollars on real estate sold) to provide the capital for the production of affordable housing in South Carolina. These funds are used to finance affordable rental, homeownership, owner-occupied rehabilitation, shelter, transitional, and group homes for citizens of our state. The South Carolina State Housing Finance and Development Authority's Board of Commissioners deposited $3 million in the Trust Fund during its initial six months of operation so that housing proposals could be funded immediately. According to the Trust Fund Project, a nationally published Trust Fund periodical, this commitment placed South Carolina among the leaders in the nation in its dedication to the housing needs of our less fortunate citizens.

The legislation designated the State Treasurer as Trustee for the Housing Trust Fund. Former Governor, Carroll A. Campbell, designated the South Carolina State Housing Finance and Development Authority as the Fund's Administrator. The Treasurer holds Trust Fund money separate and distinct from the general funds of the State. The Chairman of the Authority's Board of Commissioners and the Authority's Executive Director must authorize Trust Fund expenditures.

Housing sponsors eligible to apply for Housing Trust Fund awards include units of state, regional, local governments (including municipal corporations), nonprofit housing sponsors, and for-profit housing sponsors. Approved sponsors are required to include twenty (20) year deed restrictions to ensure projects remain affordable for twenty (20) years. Beneficiaries must be low or very low-income to be eligible under the Housing Trust Fund. A lower income household is defined as a single person, family, or unrelated persons living together whose annual income adjusted for household size is more than fifty percent (50%) but less than eighty percent (80%) of the median income for the area of residence as determined by the United States Department of Housing and Urban Development (HUD). A very low income household is defined as a single person, family, or unrelated persons living together whose annual income adjusted for household size is fifty percent (50%) or less of the median income for the area of residence as determined by the United States Department of Housing and Urban Development (HUD).

The Housing Trust Fund can assist in the acquisition, creation and/or preservation of affordable housing for persons of the beneficiary class. Maximizing federal housing assistance programs and leveraging other public and private resources while creating partnerships that will strengthen the affordable housing capacity for South Carolina for years to come are encouraged by the Housing Trust Fund.

The Board of Commissioners of the South Carolina State Housing Finance and Development Authority must give final approval to any proposal submitted to the Trust Fund. The Board members during this annual report period were as follows:

HOMEOWNERSHIP ACTIVITY

The Homeownership Activity under the Housing Trust Fund program is designed to assist low-to-moderate income citizens in becoming homeowners. By providing aid in covering some or all of the expense of down payment and closing costs, more citizens will be able to purchase a home.   For FY08, the Housing Trust Fund (HTF) program awarded $3,467,000, an 11.27% decrease from FY07, and assisted 263 families, a 5.73% decrease from FY07, under this activity.

TABLE 1   HOMEOWNERSHIP ACTIVITY

Housing Sponsor	Counties	Families Assisted	Total Award Amount
Allen Temple Community Eco. Dev. Corp.	Greenville	2	$23,000.00
Blackville Community Development Corp.	Barnwell	2	$23,000.00
Charleston Area Community Development Corporation	Charleston	21	$314,500.00
Charleston Bank Consortium	Charleston	7	$150,000.00
Clarendon County CDC	Clarendon	2	$23,000.00
Community Assistance Provider	Richland, Fairfield	7	$80,500.00
Community Development & Improvement Corporation	Aiken	7	$80,500.00
East Cooper Habitat for Humanity	Charleston	6	$129,000.00
Economic Consultants for Housing Opportunities, Inc.	Charleston	7	$80,500.00
Edisto Habitat for Humanity, Inc.	Orangeburg	3	$32,250.00
Family Services	Charleston, Dorchester	7	$80,500.00
Grand Strand Housing and CDC	Horry	4	$46,000.00
Greenwood Area Habitat for Humanity	Greenwood	7	$80,500.00
Greer Community Outreach Center	Spartanburg, Greenville	4	$46,000.00
Habitat for Humanity of Anderson County, Inc.	Anderson	7	$80,500.00
Habitat for Humanity of Georgetown County	Georgetown	4	$46,000.00
Habitat for Humanity of Greenville County	Greenville	7	$80,500.00
Habitat for Humanity of Horry County, Inc.	Horry	4	$46,000.00
Habitat for Humanity of Spartanburg, Inc.	Spartanburg	1	$11,500.00
Higher Grounds Community Development Corp.	Barnwell, Bamberg	7	$80,500.00
Hilton Head Regional Habitat for Humanity	Beaufort	4	$46,000.00
Homes of Hope, Inc.	Greenville	1	$11,500.00
LowCountry CDC	Beaufort	21	$324,000.00
Lowcountry Housing & Economic Development Foundation, Inc.	Charleston, Dorchester	14	$242,250.00
Mt. Olive Corporation	Orangeburg	4	$46,000.00
Neighborhood Housing Corp. of Greenville, Inc.	Greenville	7	$82,500.00
OIKOS Community Development, Inc.	Lexington, Richland, Fairfield	12	$138,000.00
Pickens County Habitat for Humanity	Pickens	4	$46,000.00
Preservation Trust of Spartanburg, Inc.	Spartanburg	4	$46,000.00
ReGenesis Economic Development Organization (REDO)	Spartanburg	7	$80,500.00
Santee Lynches Affordable Housing and CDC	Sumter	4	$46,000.00

TABLE 1 HOMEOWNERSHIP ACTIVITY (CONTINUED)

Housing Sponsor	Counties	Families Assisted	Total Award Amount
Sea Island Habitat for Humanity	Charleston	7	$160,000.00
Soteria Community Development Corp.	Greenville	4	$43,000.00
Southern Carolina Regional CDC	Bamberg, Barnwell	7	$80,500.00
Spartanburg Housing Authority	Spartanburg	14	$161,000.00
Spartanburg Housing Authority Development, Inc.	Spartanburg	7	$80,500.00
Spartanburg Leased Housing Corporation	Spartanburg	7	$80,500.00
Sumter County Community Development Corporation	Sumter	7	$80,500.00
United Methodist Relief Center	Charleston, Dorchester, Beaufort	4	$46,000.00
Urban League of the Upstate Housing Corporation	Spartanburg	8	$92,000.00
Total		263	$3,467,000.00

OWNER-OCCUPIED REHABILITATION ACTIVITY

The Owner-Occupied Rehabilitation Activity under the HTF program is designed to assist very low-income homeowners in correcting severe problems with their homes. The purpose of the funds is to correct health, safety and structural problems with the properties, not just to improve the property's cosmetic appearance. Emergency Repair means required repairs to owner-occupied units that are necessary to eliminate a clear and present danger to the occupants. For FY07, the HTF program awarded $8,529,445.63, a 0.52% increase over FY07, and assisted 531 families, a 0.95% increase over FY07, under this activity.

TABLE 2 OWNER-OCCUPIED REHABILITATION ACTIVITY

Housing Sponsor	Counties	Families Assisted	Total Award Amount
4C Community Development Corp.	Dillon	4	$89,000.00
Allen Temple Community Eco. Dev. Corp.	Greenville	7	$155,750.00
Allendale County ALIVE	Allendale	11	$244,750.00
Alphons and Ruth Vink Foundation	Chester	7	$155,750.00
Ames Rd. Richland Co. Housing Dev. Org.	Richland, Lexington	7	$155,750.00
Beaufort-Jasper Economic Opportunity Commission	Beaufort, Jasper	7	$155,750.00
Berean CDC	Dillon	2	$44,500.00
Blackville Community Development Corp.	Barnwell	4	$89,000.00
Brookland West-Columbia Community & Housing Development Corp.	Lexington	7	$155,750.00
Carolina Communities Foundation, Inc.	Barnwell, Bamberg	11	$244,750.00
Charleston Area Community Development Corporation	Charleston	5	$111,250.00
Chesterfield-Marlboro Economic Opportunity Council, Inc.	Chesterfield, Marlboro	7	$155,750.00
City of Peace, Inc.	Aiken	2	$44,500.00
City of Sumter Housing & Economic Development Corporation	Sumter	3	$66,750.00
Clarendon County CDC	Clarendon	7	$155,750.00
Community Assistance Provider	Richland, Lexington, Fairfield	10	$222,500.00

TABLE 2 OWNER-OCCUPIED REHABILITATION ACTIVITY (CONTINUED)

Housing Sponsor	Counties	Families Assisted	Total Award Amount
Community Development & Improvement Corporation	Aiken	5	$99,630.00
Community Development Corp. of Marlboro County	Marlboro, Dillon	14	$288,000.00
Darlington County Disabilities and Special Needs Board	Darlington	4	$89,000.00
Eastern Carolina CDC	Dillon	8	$150,000.00
Fishers of Men of South Carolina	Dorchester	2	$44,500.00
Friendship Community Improvement Corp.	Aiken	3	$52,900.00
Greer Community Outreach Center	Spartanburg, Greenville	2	$46,000.00
Higher Grounds Community Development Corp.	Barnwell, Bamberg	6	$120,000.00
HoJac Enterprises, Inc.	Orangeburg	2	$46,000.00
Home Rehabilitation of Cherokee County	Cherokee	7	$155,750.00
Homes of Hope, Inc.	Greenville, Spartanburg	10	$232,238.00
Kennedy Community Development Corp.	Fairfield	7	$155,750.00
Lighthouse Learning Center	Orangeburg	5	$111,250.00
Lowcountry Community Services, Inc.	Dorchester	2	$46,000.00
Lowcountry Housing & Economic Development Foundation, Inc.	Charleston	8	$172,500.00
Lynchburg CDC	Lee	4	$89,000.00
Metanoia CDC	Charleston	8	$159,988.00
Mt. Olive Corporation	Orangeburg	7	$155,750.00
Nehemiah CRC	Greenville	2	$46,000.00
Neighborhood Housing Corp. of Greenville, Inc.	Greenville	2	$46,000.00
New Covenant Community Center, Inc.	Aiken	2	$44,500.00
Northeastern Corridor of Orangeburg CDC	Orangeburg	5	$111,250.00
OIKOS Community Development, Inc.	Richland, Lexington, Fairfield	7	$155,750.00
Palmland Community Development Foundation	Richland	7	$155,750.00
Phoenix Community Development Corporation	Orangeburg	5	$115,000.00
Rural Initiatives	Barnwell, Bamberg	7	$155,750.00
Rural Mission, Incorporated	Charleston	3	$66,750.00
Santee Electric Trust Operation Round Up	Williamsburg, Florence, Georgetown	3	$66,750.00
Santee Lynches Affordable Housing and CDC	Sumter, Clarendon, Darlington	7	$155,750.00
Santee-Lynches Regional Council of Governments	Clarendon, Lee, Kershaw, Sumter	7	$155,750.00
Scott's Branch 76 Foundation	Clarendon	7	$155,750.00
Sea Island Comprehensive Health Care Corp.	Charleston	2	$34,500.00
Soteria Community Development Corp.	Greenville	2	$46,000.00
Southern Carolina Regional CDC	Bamberg, Barnwell	7	$155,750.00
Spartanburg Housing Authority	Spartanburg	7	$155,750.00
Spartanburg Housing Authority Development, Inc.	Spartanburg	7	$155,750.00
Spartanburg Leased Housing Corporation	Spartanburg	7	$155,750.00
Sumter County Community Development Corporation	Sumter	7	$155,750.00
Telamon Corporation	Richland	2	$46,000.00
United Methodist Relief Center	Berkeley, Charleston, Dorchester	7	$155,750.00
United Way of Kershaw County	Kershaw	4	$89,000.00
Waccamaw Regional Council of Government	Georgetown	3	$66,750.00
Williamsburg Enterprise Community Commission, Inc.	Williamsburg	9	$200,000.00
Total		333	$7,309,006.00

TABLE 2A OWNER-OCCUPIED REHABILITATION ACTIVITY - EMERGENCY REPAIRS

Housing Sponsor	Counties	Families Assisted	Total Award Amount
4C Community Development Corp.	Dillon	1	$6,500.00
Allen Temple Community Eco. Dev. Corp.	Greenville	2	$13,000.00
Allendale County ALIVE	Allendale	5	$32,450.00
Ames Rd. Richland Co. Housing Dev. Org.	Richland, Lexington, Fairfield	20	$127,900.00
Berean CDC	Dillon	4	$24,829.00
Brookland West-Columbia Community & Housing Development Corp.	Richland, Lexington	4	$25,010.00
Camden First Community Development Corporation	Kershaw, Lee	2	$13,000.00
Carolina Communities Foundation, Inc.	Orangeburg	2	$12,383.00
Chesterfield-Marlboro Economic Opportunity Council, Inc.	Chesterfield	2	$8,878.46
Claflin University CDC	Orangeburg	2	$8,860.00
Community Assistance Provider	Richland, Lexington, Fairfield	9	$57,150.00
Community Development & Improvement Corporation	Aiken, Barnwell, Edgefield	6	$38,912.94
Community Development Corp. of Marlboro County	Marlboro, Chesterfield	24	$143,020.00
East Bluff Community Organization	Richland	2	$9,300.00
Habitat for Humanity of York	York	2	$6,477.50
Higher Grounds Community Development Corp.	Orangeburg, Barnwell	9	$52,785.00
Home Rehabilitation of Cherokee County	Cherokee	3	$18,752.00
Homes of Hope, Inc.	Greenville, Spartanburg	3	$17,937.44
Kennedy Community Development Corp.	Sumter	1	$6,500.00
Lighthouse Learning Center	Orangeburg	12	$75,032.00
Lowcountry Community Services, Inc.	Charleston, Colleton, Dorchester	10	$58,791.30
Lynchburg CDC	Lee	4	$22,443.00
Morningside Community Development Association, Inc.	Anderson	1	$6,000.00
Northeastern Corridor of Orangeburg CDC	Orangeburg	8	$51,970.00
OIKOS Community Development, Inc.	Fairfield, Aiken, Lexington, Lancaster	8	$47,068.00
Riverside Community Dev. Corp.	Saluda	4	$25,523.00
Rural Mission, Incorporated	Charleston	1	$6,500.00
Southern Carolina Regional CDC	Bamberg	1	$6,500.00
Spartanburg Housing Authority	Spartanburg	2	$12,997.20
Sumter County Community Development Corporation	Lee, Sumter	18	$116,566.00
The Fuller Center for Housing of Spartanburg, Inc.	Spartanburg	2	$11,901.00
Wateree Community Actions, Inc.	Florence, Lee, Clarendon, Sumter	10	$64,502.79
Williamsburg Enterprise Community Commission, Inc.	Williamsburg, Florence	14	$91,000.00
Total		198	$1,220,439.63
Grand Total – Rehabs & Emergency Repairs		531	$8,529,445.63

South Carolina State Housing Finance and Development Authority
South Carolina Housing Trust Fund
FY07-08

SUPPORTIVE HOUSING ACTIVITY

The Supportive Housing Activity under the HTF program is designed to assist Sponsors in creating shelters, transitional housing, and group homes to provide housing for very low-income citizens. These projects always include funding from other sources to provide needed services to the residents. For FY07, the HTF program awarded $4,743,211.36, a 54.51% increase over FY06, and assisted 185 families, a 16.22% increase over FY06, under this activity.

TABLE 3 SUPPORTIVE HOUSING ACTIVITY

Housing Sponsor	Counties	Families Assisted	Total Award Amount
ARC of Dorchester County	Dorchester	8	$150,000.00
Berkeley Citizens, Inc.	Berkeley	8	$150,000.00
Chesterfield County Board of Disabilities and Special Needs	Chesterfield, Kershaw	8	$150,000.00
Coastal Rescue Mission, Inc.	Horry	12	$300,000.00
Community Options, Inc.	Richland, Lexington	20	$369,800.00
Darlington County Disabilities and Special Needs Board	Darlington	8	$139,250.00
Disabilities Board of Charleston County	Charleston	25	$449,029.00
Florence County DSN Board, Inc.	Florence	8	$142,175.00
Georgetown County Board of Disabilities & Special Needs	Georgetown	12	$225,000.00
Greenville County Disabilities and Special Needs Board	Greenville	12	$213,815.00
Habilitation Services, Inc.	Cherokee	4	$75,000.00
Hampton County Disabilities and Special Needs Board	Hampton	4	$63,170.00
Horry County Disabilities and Special Needs Board	Horry	26	$600,000.00
Jasper County Disabilities and Special Needs Board	Jasper	4	$75,000.00
Marlboro County Disabilities & Special Needs Board	Marlboro	4	$75,000.00
Resource Foundation for Jasper Co.	Jasper	4	$75,000.00
Shadetree Home for Girls, Inc.	Edgefield	4	$198,085.36
St. Michael Lutheran Church	Greenville	5	$103,500.00
The Charles Lea Center, Inc.	Spartanburg	4	$75,000.00
Tri-Development Center of Aiken County, Inc.	Aiken	4	$75,000.00
Union County Disabilities and Special Needs Board	Union	4	$49,000.00
Upstate Homeless Coalition of South Carolina	Greenville, Spartanburg	19	$845,237.00
Williamsburg County Disabilities and Special Needs Board	Williamsburg	4	$70,150.00
York County Board of Disabilities and Special Needs	York	4	$75,000.00
Total		215	$4,743,211.36

RENTAL HOUSING ACTIVITY

The Rental Housing Activity under the HTF program is designed to assist Sponsors in building, acquiring, and rehabilitating rental properties to provide housing for very low-income and low-income citizens. For FY07, the HTF program awarded $7,284,953.00, a 19.79% increase over FY06, and assisted 468 families, a 99.15% increase over FY06, under this activity.

TABLE 4 RENTAL HOUSING ACTIVITY

Housing Sponsor	Counties	Families Assisted	Total Award Amount
Allen Temple Community Eco. Dev. Corp.	Greenville	7	$394,500.00
Apple Tree Housing Corporation	Greenville	2	$53,456.00
BGM, Inc.	Greenville	12	$480,000.00
Blackville Community Development Corp.	Barnwell	4	$260,130.00
Butterfly House, Inc.	Barnwell	4	$124,816.00
Clark Street, LP	Greenville	96	$500,000.00
Community Assistance Provider	Richland	4	$183,250.00
Community Development & Improvement Corporation	Aiken	9	$450,259.00
Friendship Community Improvement Corp.	Aiken	4	$194,373.00
Genesis Homes	Greenville	4	$205,750.00
Homes of Hope, Inc.	Greenville	11	$500,000.00
MHA of McCormick County	McCormick	8	$153,984.00
Newberry Green Associates, LP	Newberry	48	$500,000.00
Nichol Town Green, LP	Greenville	96	$500,000.00
Pin Oak, LP	Georgetown	48	$500,000.00
Pond Place Apartments, LLC	Beaufort	36	$308,000.00
Redemption Community Development Corp.	Greenville	6	$125,455.00
Soteria Community Development Corp.	Greenville	6	$300,000.00
Spartanburg Housing Authority	Spartanburg	6	$295,542.00
Spartanburg Housing Authority Development, Inc.	Spartanburg	4	$190,938.00
Spartanburg Leased Housing Corporation	Spartanburg	18	$425,000.00
United Housing Associates, Inc.	Greenwood	24	$300,000.00
Upstate Homeless Coalition of South Carolina	Greenville, Cherokee	11	$339,500.00
Total		468	$7,284,953.00