



HOUSING ELEMENT

July 10, 2012

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INTRODUCTION

Housing is essential. Safe, affordable and durable buildings for human habitation form the basis for health and prosperity in a civilized society. Housing and neighborhoods, the places where we live, learn and play, constitute the largest built use of land in Horry County. Collectively, we regard our homes and neighborhoods with appreciation as places of security. Also, homes often represent the largest single investment residents will ever make. The consequent desire to protect the value of this resource makes the idea of protecting and promoting homes and neighborhoods a core value in Horry County.

Housing is more than just physical structures in space. Housing represents shelter, privacy, location, environmental amenities and investment to those who purchase or rent a house. There are buyers and sellers, developers and builders, finance, insurance and real estate (FIRE), government and non-profit organizations, and citizens. All of these entities come together to form what is known as the housing market, representing one of the largest industries in Horry County, second only to the tourist industry.

This element is divided into 6 sections:

1. Housing Inventory and Trends;
2. Housing Costs;
3. Affordable Housing;
4. Fair Housing;
5. Special Needs Housing;
6. Goals, Strategies and Objectives.

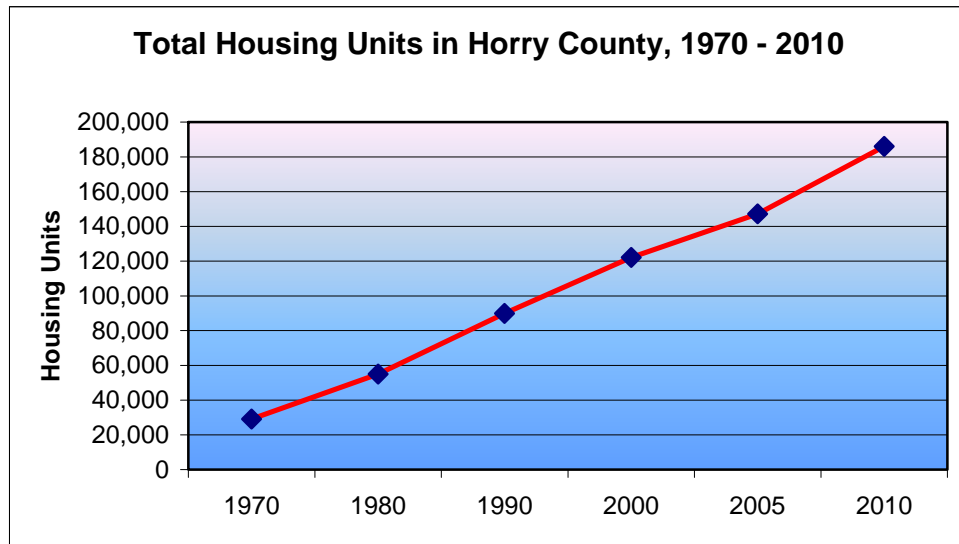
The first section analyzes current data, statistics and trends. This section presents historical data and current figures concerning types of housing, age of housing, durability, occupancy and tenure. In the next section, housing cost in Horry County is analyzed using income data, fair market rents, home sale values and mortgage costs. The affordable housing section includes a discussion on impediments to affordable housing, as well as market based incentives to spur affordable housing, as required by the Priority Investment Act of 2007. It also includes a broad overview of current initiatives; specifically, organizations and programs that make housing more affordable. The fair housing section emphasizes those organizations and programs that provide housing for all regardless of race, color, national origin, religion, gender, disability or familial status. The special needs section provides information on housing for those who are the most vulnerable including those who are physically or mentally disabled, as well as those who are homeless. The Housing Element closes with a section devoted to Goals, Strategies and Objectives that promote safe, affordable and equitable housing in Horry County.

HOUSING INVENTORY AND TRENDS

Horry County has experienced a dramatic increase in the number of housing units as shown in **Exhibit HE-1**. During the 1970s, the overall inventory of housing units increased by 89 percent. The growth rate waned in the 1980s and the housing stock only increased by 63 percent. Between 1990 and 2000, the number of housing units

grew by 35.7 percent to 122,085 total units. From 2000 to 2010 the housing stock grew by a staggering 52.3%, a feat when considering the benchmark number of units beginning in 2000. The 2010 tally of housing units was 185,992; a house for every 1.45 people.

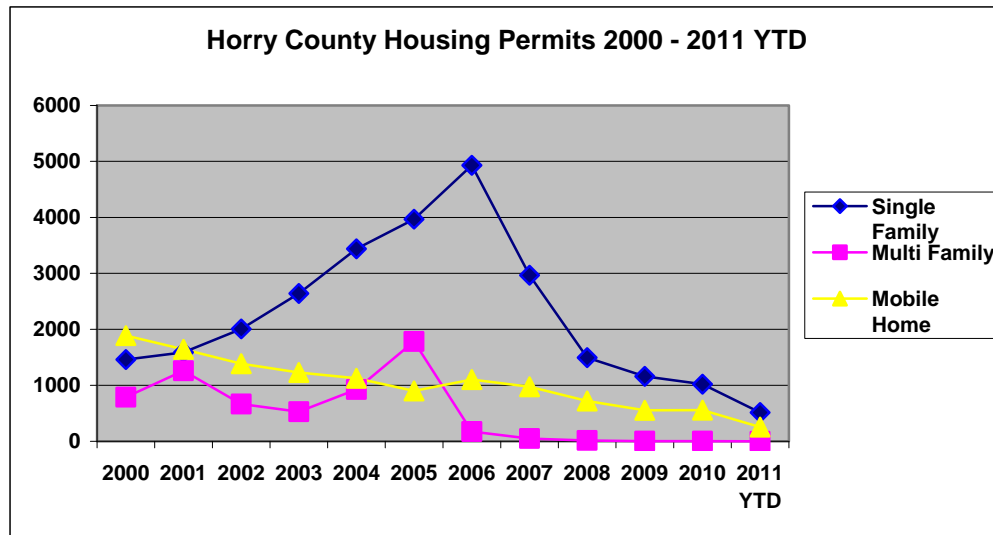
Exhibit HE-1: Total Housing Units in Horry County



Source: US Census Bureau

Building permit data (**Exhibit HE-2**) also reflects rapid development over the past decade, although the collapse of the national housing market and economic recession beginning in the latter half of 2007 has taken a considerable toll on residential construction in the past few years. The County issued 29,440 new units in the unincorporated areas between 2000 and 2005. That figure increased to 33,381 with the inclusion of the municipalities. The housing market meltdown beginning in 2007 has led to a dramatic decrease in residential building permits in the County (79% drop in building permits between 2006 and 2010). Nonetheless, an enormous amount of residential construction occurred throughout the first decade of the 21st century; 44,917 permits were issued in the past decade.

Exhibit HE-2: Housing Units Authorized by Horry County, 2000 – 2011 YTD



Source: Horry County Code Enforcement, 2000 – 2011

The bulk of new construction this past decade was concentrated in the Carolina Forest and Burgess communities. The Carolina Forest area experienced tremendous growth in the late 1990s and in the 2000s. It is anticipated that this multi-subdivision development will be home to 33,000 to 35,000 people. Additionally, the unincorporated Burgess community has seen significant suburban development. Burgess is located in the southern portion of the Grand Strand and has a population close to 25,000 today, although the exact count is hard to determine as the community is split amongst four Census Tracts that cover a larger geography.

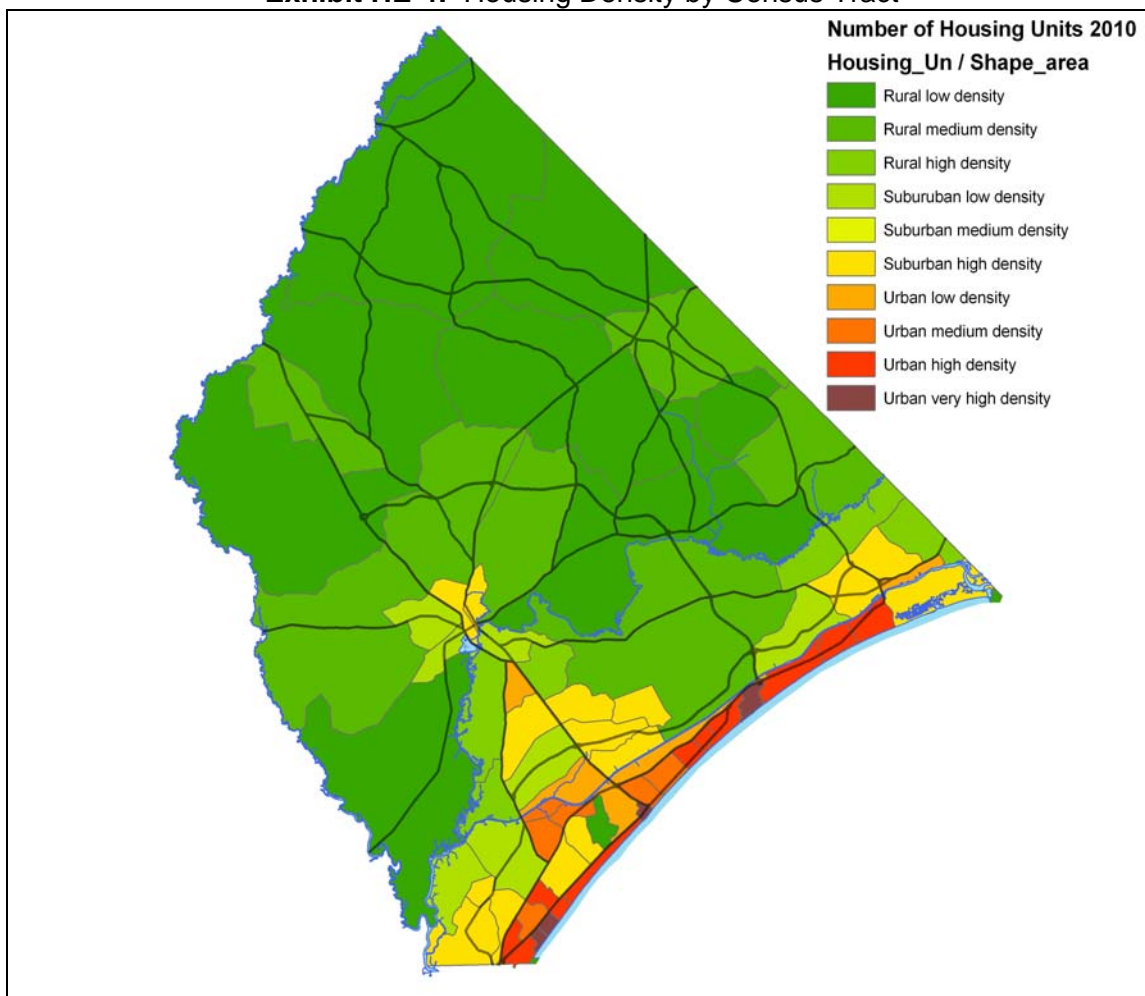
Exhibit HE-3: Horry County Census Divisions, 2010

	Aynor	Conway	Conway East	Floyds	Little River	Longs	Loris	Myrtle Beach	Horry County
Total Units 1990	2,711	10,369	7,329	1,246	20,171	1,206	4,304	42,624	89,960
Total Units 2000	3,800	13,681	15,012	1,436	28,261	2,517	5,873	51,505	122,085
Total Units 2010	4,403	17,378	33,838	1,584	40,917	3,235	6,931	77,706	185,992
Percent change from 1990 to 2000	40.2%	31.9%	104.8%	15.2%	40.1%	108.7%	36.5%	20.8%	35.7%
Percent change from 2000 to 2010	15.9%	27.0%	125.4%	10.3%	44.8%	28.5%	18.0%	50.9%	52.3%
Percent change from 1990 to 2010	62.4%	67.6%	361.7%	27.1%	102.9%	168.2%	61.0%	82.3%	106.7%

Source: US Census

Exhibit HE-3 details housing by location using the County Census Division (CCD) geography developed by the US Census. Housing units were totaled in each of the CCD's of Horry County. Overall, the County saw the housing stock double from 1990 to 2010. The areas that experienced the most growth between 1990 and 2000 were Conway East and Longs, which doubled the number of housing units. Between 2000 and 2010 this trend continued, as did the phenomenal growth rate in the Myrtle Beach and Little River CCD's. Consistently the Myrtle Beach and Little River CCD's contain the largest percentage of housing units in Horry County (measured as density per CCD in Map 10), but Conway East is closing the gap. **Exhibit HE-4** depicts the number of housing units by CCD controlling for density (a unit by area calculation).

Exhibit HE-4: Housing Density by Census Tract

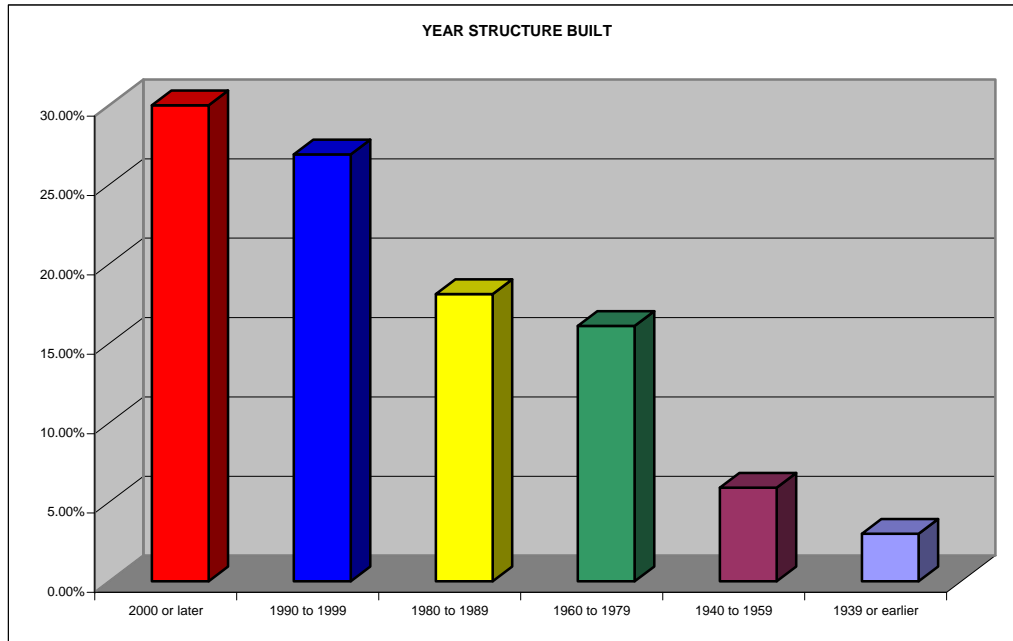


Source: US Census, 2010

Age of Housing

The majority of housing in Horry County is relatively new. 57 percent of the current inventory of housing has been built in the last 20 years. Only 25 percent of the housing stock is pre-1980. Much of this growth has been focused in the Conway East, Little River and Myrtle Beach CCD's as discussed above.

Exhibit HE-5: Age of Housing 1940-2010



Source: US Census and County and Municipal Building Permit Data

Housing Durability

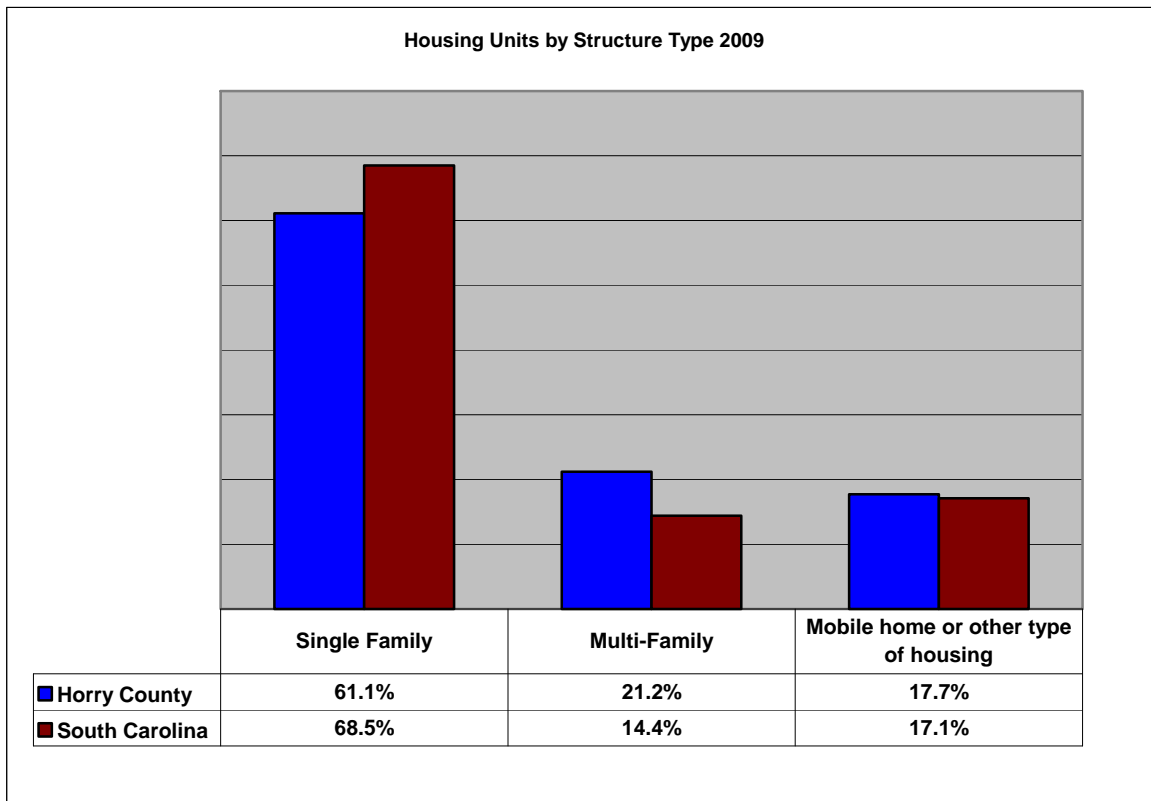
Of the 185,992 housing units in Horry County, there are 112,225 that are occupied. Of these, 258 (0.2%) lack a means of heat, 346 (0.3%) lack complete plumbing facilities, 518 (0.5%) lack kitchen facilities, and 2,399 (2.2%) lack telephone service (Census, 2010). While these are small percentages of the overall housing stock, it is difficult to imagine life without plumbing or heat. According to Worldmapper, a “durable dwelling is a structure that has been designed to last for many years. To live in a structure that is not durable suggests increased levels of insecurity for the inhabitants.”

Horry County has seen a decrease in the number of houses lacking plumbing, kitchens and telephone service since the 2000 Census, but the number of these houses should be zero. In 2000, 793 lacked plumbing facilities and 804 lacked kitchen facilities (US Census, 2000). These figures represented a small portion of the population as well, but any house lacking plumbing facilities or kitchens is simply unacceptable in our modern world. Every citizen of Horry County needs durable housing.

Housing Mix

Exhibit HE-6 depicts the total mix of housing structures by the classifications of single-family, multi-family and mobile homes/other. Compared to the State, Horry County has a larger percentage of multi-family units than single-family units. This trend can be attributed to the County's large seasonal population and its effects on the local housing market. The County continues to outpace the State in terms of the number of mobile home/other types of housing as well as lagging in regards to single family structures.

Exhibit HE-6: Housing Units by Structure Type, 2009



Source: U.S. Census Bureau

Single-family residences constitute the largest component of the County's total housing stock, with 61 percent of all units in 2009 according to the data in **Exhibit HE-6**. Data in **Exhibit HE-7** explores the housing mix further using the CCD geography. The western CCD's of Aynor, Floyds and Loris have the highest shares of single-family units. The eastern coastal Divisions of Little River and Myrtle Beach contain comparatively lower percentages of single-family homes. These coastal CCD's instead have a significantly higher ratio of multi-family homes, a result of the tourist and visitor oriented economy fueled by the beach and related amenities. These multi-family units have been built to meet a seasonal, transient demand, more so than a permanent population. As stated earlier, Horry County has 1 house for every 1.45 people. This statistic is a result of the transient housing in the coastal CCD's.

Multi-family unit construction throughout the County declined between 2002 and 2003. After a short rebound in 2004 through 2005, multi-family building permits plunged to 2 buildings in 2009; no permits have been issued in 2011 to date. Current housing market conditions do not support new multi-family development, yet overall, this type of housing currently comprises 20 percent of the approved housing units in unincorporated Horry County.

Mobile home permit activity continues to decline each year, although a significant number of this housing type exists throughout the County. The number of mobile home permits issued in the unincorporated areas of Horry County has been declining since 2000 when the number of permits issued was greater than the number of single-family permits. Areas with the greatest percentage of mobile homes were the rural CCD's; Aynor, Floyds, Longs and Loris.

Exhibit HE-7: Horry County Housing Census, 2009

	Aynor	Conway	Conway East	Floyds	Little River	Longs	Loris	Myrtle Beach	Horry County
Single Family	54.50%	61.60%	50.50%	64%	42.80%	49.50%	53.60%	45.70%	61.10%
Multi Family	1.70%	10.30%	33.90%	0.02%	47.20%	7.50%	4.40%	41.40%	21.20%
Mobile Home & Other	43.80%	28.00%	15.60%	35.80%	10.00%	43.00%	41.90%	13.00%	17.7%

Source: US Census ACS, 2009

Occupancy

Horry County's vacancy rate in 2010 approached 40 percent, exceeding South Carolina's rate of 15.7 percent. The County's vacancy rate continues to be the highest in the State. High vacancy rates typically suggest an excess of housing units relative to demand. This is evident in the precipitous drop in new housing permits as well as the lack of newly created subdivisions in the past few years as previously discussed. Additionally, given the resort-oriented segments of the County's housing market, the rate also captures the high proportion of units in seasonal use. Vacancy is calculated for April 1 of the Census year, prior to the peak of the tourist season. Second homes and units built specifically for seasonal rental purposes yield higher vacancy rates. Similarly, other tourist-based coastal housing markets feature higher than State average vacancy rates. Georgetown County for example has a 27 percent vacancy rate, Beaufort County has 30 percent vacancy.

A review of vacancy by CCD's further illustrates the influence of seasonal housing (**Exhibit HE-8**). Coastal CCD's such as Little River and Myrtle Beach display a large number of vacant units, while the vacancy rate in the western Divisions of Longs, Loris, Conway, Floyds, and Aynor are equal to or below the state's rate. An increase is noted in Conway East. That census division in 2000 exceeded the State average, with a total of 19.4% vacancy. That number has increased to 24.7% in 2010. This increase reflects the attractiveness of the area for seasonal populations and second-home owners;

however the vacancy rate also suggests a glut of housing remains in a market that ultimately collapsed in 2007. This conclusion is supported by data provided by the Coastal Carolina Association of Realtors, which in their August 2011 Housing Supply Overview stated that a 13.2-month supply and 14-month supply exists in the Single-family and Condo segments of the market. However, same month data from 2010 shows a positive trend in the inventory, with the Single-family supply decreasing by 19 percent and the Condo segment by 26 percent.

Exhibit HE-8: Vacant Housing Units by Horry County Census Divisions, 2010

	Aynor	Conway	Conway East	Floyds	Little River	Longs	Loris	Myrtle Beach	Horry County
Total Units 2010	4,403	17,378	33,838	1,584	40,917	3,235	6,931	77,706	185,992
Total Vacant Units	565	2,304	8,347	274	25,123	617	822	35,715	73,767
% Units Vacant	12.8%	13.3%	24.7%	17.3%	61.4%	19.1%	11.9%	46.0%	39.7%

Source: US Census, 2010

The U.S. Census Bureau separates vacant seasonal housing from all vacant households. The Census defines seasonal vacant housing as vacant units used or intended for use only in certain seasons, weekend or other occasional use throughout the year. **Exhibit HE-9** describes the different classifications of vacancy. Approximately 59 percent of Horry County's vacancies are for seasonal, recreational or occasional use.

Exhibit HE-9: Vacancy Status in Horry County, 2010 Estimates

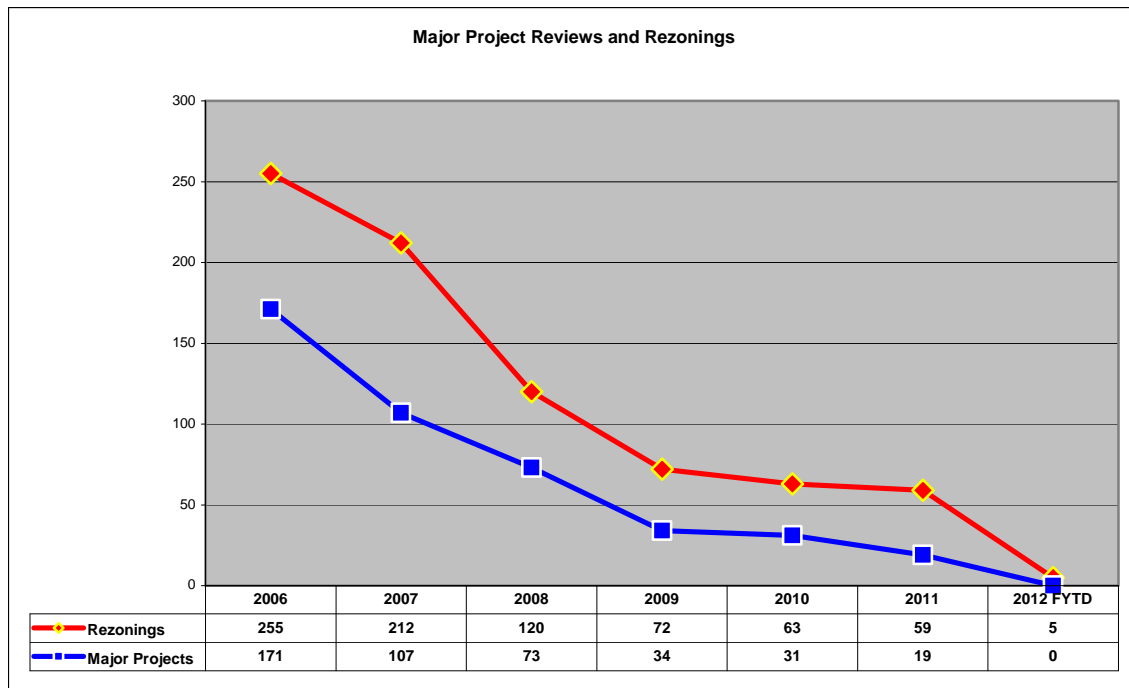
	# of Units
For Rent	20,219
Rented, not occupied	588
For sale only	4,344
Sold, not occupied	948
For seasonal, recreational, or occasional use	44,139
for migrant workers	424
Other vacant	4,280
TOTAL	74,942

Source: US Census, 2010

Graph 22 however reflects a precipitous drop in the number of rezonings and residential lots created in unincorporated Horry County. The height of development from 2004 – 2007 created a surplus of housing in advance of the national economic crisis and housing market collapse in 2007. The number of new lots created has decreased drastically since 2008. The data suggests that new residential developments have been submitted since the downfall in the housing market, but in reality the submittals since

2008 largely reflect developments that were previously created during the earlier part of the decade.

Exhibit HE-10: Major Project Review and Rezoning in Horry County, 2000 – 2011 YTD



Source: Horry County Planning & Zoning Department

Tenure

Among those housing units classified as occupied, the US Census Bureau identifies two types of tenure status—owner and renter. As of 2009, 72 percent of occupied units were owner-occupied, while the remaining 28 percent were rental. The homeownership rate in Horry County increased by 4.5 percent from 1990 to 2000 and has stayed relatively constant in the first decade of the 21st century (**Exhibit HE-11**). The 2009 data indicates a positive plateau; ownership remains steady and, given the decline of the housing market in the latter half of the decade, this is good news.

Exhibit HE-11: Housing Units by Tenure, 1980 - 2009

	1980	1990	2000	2009
Owner Occupied Units	23,925	38,198	59,699	79,748
% Owner Occupied	68.80%	68.50%	73.00%	72.30%
Renter Occupied Units	10,873	17,566	22,101	30,617
% Renter Occupied	31.20%	31.50%	27.00%	27.70%
TOTAL	34,798	55,764	81,800	110,365

Source: US Census, 1980-2009

Exhibit HE-12 illustrates in-migration to Horry County. Seventy-one percent of Horry County's residents lived in Horry County in 1995. In County residency from that point forward began to increase, suggesting a drop in in-migration or a large in County population. The number of residents living in the same house in the past few years correlates with a national trend; homeowners are not moving at the same pace as they once were.

Exhibit HE-12: 1-Year Residency Profile Estimates: 2005 - 2009

	2005	2007	2009
Same house	81.09%	82.90%	87.12%
Different house in the U.S.	18.03%	16.70%	12.88%
Same county	9.37%	8.40%	7.95%
Different county	8.66%	8.30%	4.93%
Same state	2.81%	1.60%	0.96%
Different state	5.85%	6.70%	3.98%
Abroad	0.88%	0.30%	0.43%

Source: US Census, ACS 2005, 2007, 2009

AFFORDABILITY

The Department of Housing and Urban Development (HUD) defines affordable housing as when the occupant or family spends no more than 30 percent of their gross household income towards their total gross housing costs whether renting or owning. Housing costs include rent or mortgage costs, water, sewer, gas and electric services. According to HUD formulas, very low-income families are defined as those earning 50 percent or less of the area's median income (AMI). Low-income families earn between 50 percent and 80 percent of AMI. Families earning from 81 percent to 120 percent of the AMI are classified as moderate income. Adjustments are made for family size. Total housing costs equal to 30 percent or more of income may indicate affordability problems.

The South Carolina Priority Investment Act of 2007 highlights the need for affordable housing as a key component in a community's strategy for developing a strong economy, healthy environment, and sustainable transportation system.

Income

According to the National Low Income Housing Coalition (NLIHC), the area median income (AMI) for Horry County in 2011 was \$54,300, \$2,000 lower than South Carolina's AMI. Those families whose income is 30 percent of the area median income are considered very low-income. In addition to comparing the AMI between South Carolina and Horry County, Table 70 examines the maximum affordable monthly housing costs by the percentage of family area median income. For example, 50 percent of family AMI (federal definition of low-income family) can spend up to an average of \$679 per month on housing if they live in Horry County. This amount is lower than the state average. Similarly, a moderate-income family (80 percent of AMI) meets the federal definition of

affordable when they utilize no more than \$1,086 of their family income towards housing costs (NLIHC Out of Reach Report, 2011).

Exhibit HE-13: Average Family Income in Horry County and South Carolina, 2011

Location	Area Median Income (AMI)			Maximum Affordable Monthly Housing Cost by % of Family AMI			
	Annual	Monthly	30% of AMI	30%	50%	80%	100%
South Carolina	\$56,387	\$4,699	\$16,916	\$423	\$705	\$1,128	\$1,410
Horry County	\$54,300	\$4,525	\$16,290	\$407	\$679	\$1,086	\$1,358

Source: NLIHC Out of Reach Report, 2011

Home Value

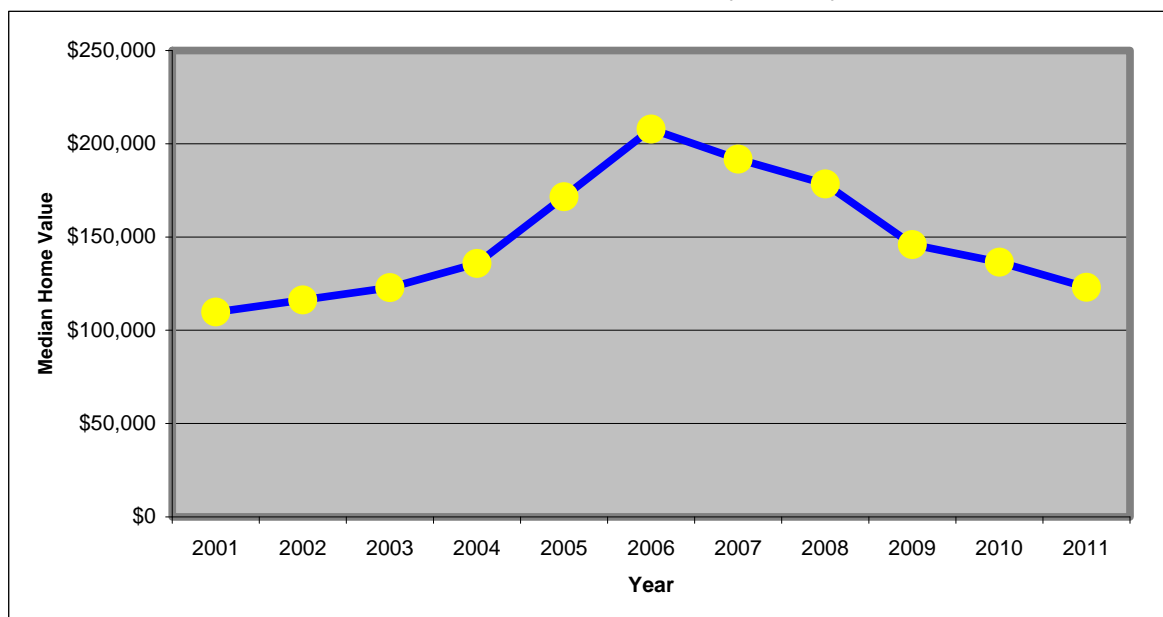
Average home values in Horry County have remained somewhat flat in the last decade (**Exhibit HE-14**), although according to Census data an increase of 120 percent was seen between 1990 and 2009. Nonetheless, the last decade saw a dramatic rise, followed by a precipitous drop that, generally, equates to a “marginal” decade of appreciation in home values. Horry County home values as a whole appreciated by approximately 11 percent from 2001 to 2011 according to data released by Zillow in their Home Value Index. This is appalling, considering the 5-year period from 2000 – 2005 saw an increase of 37 percent in home values. The local housing market began its decline in 2006. According to the Index, the median home value in Horry County topped out at \$207,900 in June, 2006. By the end of the decade (December, 2010) the median home value had fallen to \$128,600, a 38 percent decrease in a 4 ½ year timeframe. In June 2011, the median home value in Horry County was \$123,100 according to the Index, \$200 more than home values in June 2003. **Exhibit HE-15** below best captures the climb and fall of the housing market in the first decade of the 21st century.

Exhibit HE-14: Horry County Median Home Value, 2001 - 2011

Geography	Jun 2001	Jun 2011	Change in Value	% Change in Value
Aynor	\$118,000	\$111,400	-\$6,600	-5.9%
Briarcliffe Acres	\$276,500	\$280,700	\$4,200	1.5%
Conway	\$104,600	\$106,900	\$2,300	2.2%
Forestbrook	\$104,300	\$114,000	\$9,700	8.5%
Galivants Ferry	\$116,300	\$104,300	-\$12,000	-11.5%
Little River	\$102,800	\$119,500	\$16,700	14.0%
Loris	\$100,600	\$103,000	\$2,400	2.3%
Myrtle Beach	\$100,300	\$98,400	-\$1,900	-1.9%
North Myrtle Beach	\$128,700	\$161,800	\$33,100	20.5%
Socastee	\$102,300	\$114,200	\$11,900	10.4%
Surfside Beach	\$135,200	\$171,000	\$35,800	20.9%
Horry County	\$109,800	\$123,100	\$13,300	10.8%

Source: Zillow Home Value Index

Exhibit HE-15: Estimated Median Home Values in Horry County 2001 - 2011



Source: Zillow Home Value Index

Renter Affordability

The National Low Income Housing Coalition publishes a yearly report titled *Out of Reach*, which provides local level data concerning affordable housing choices. One of the most poignant aspects of their research is assessing renter affordability. According to NLIHC data, there were 106,733 households in Horry County as of 2009. Of these households, 28 percent or 30,361 households are renters (NLIHC Out of Reach Report, 2011).

In order to assess renter affordability, fair market rents (FMR) are evaluated. Fair Market Rents (FMRs) are primarily used to determine payment standard amounts for the Housing Choice Voucher program, to determine initial renewal rents for some expiring project-based Section 8 contracts, to determine initial rents for housing assistance payment (HAP) contracts in the Moderate Rehabilitation Single Room Occupancy program (Mod Rehab), and to serve as a rent ceiling in the HOME rental assistance program (huduser.org).

According to the NLIHC;

FMRs are gross rent estimates. They include the shelter rent plus the cost of all tenant-paid utilities, except telephones, cable or satellite television service, and internet service. HUD sets FMRs to assure that a sufficient supply of rental housing is available to program participants. To accomplish this objective, FMRs must be both high enough to permit a selection of units and neighborhoods and low enough to serve as many low-income families as possible. The level at which FMRs are set is expressed as a percentile point within the rent distribution of standard-quality rental housing units. The current definition used is the 40th percentile rent, the dollar amount below which 40 percent of the standard-quality rental housing units are rented. The 40th percentile rent is drawn from the distribution of rents of

all units occupied by recent movers (renter households who moved to their present residence within the past 15 months)(huduser.org).

For comparison, the state FMR averages are also shown. The table below gives the average rents based on the number of bedrooms. Rents in Horry County for a two-bedroom unit are 13.6 percent higher than the state's average.

Exhibit HE-16: Fair Market Rents (FMR) by number of bedrooms, 2011

Location	One Bed	Two Bed	Three Bed	Four Bed
South Carolina	\$614	\$699	\$886	\$982
Horry County	\$693	\$809	\$967	\$1,171

Source: NLIHC, 2011

Exhibit HE-17 further illustrates renter affordability by calculating the necessary income in order for someone to afford fair market rent based on the number of bedrooms. For instance, in Horry County one would need an annual income of \$32,360 in order to afford a two-bedroom unit. The next set of columns give the percentage of annual median income in order to afford each bedroom unit. From **Exhibit HE-13**, the annual median income for Horry County is \$54,300. Those households that earn 59 percent of annual median income can afford a two-bedroom unit in Horry County. **Exhibit HE-17** demonstrates that rental housing in Horry County is unaffordable for very low-income households (households that earn 30 percent of the annual median income) (NLIHC Out of Reach Report, 2011).

Exhibit HE-17: Necessary Income to afford FMR by bedrooms, 2011

Location	Annual Income				Percent of Family Annual Median Income			
	One-Bed FMR	Two-Bed FMR	Three-Bed FMR	Four-Bed FMR	One-Bed FMR	Two-Bed FMR	Three-Bed FMR	Four-Bed FMR
South Carolina	\$24,568	\$27,959	\$35,455	\$39,261	44%	50%	63%	70%
Horry County	\$27,720	\$32,360	\$38,680	\$46,840	51%	60%	71%	86%

Source: NLIHC, 2011

Next, affordability is examined based on renter income and wage. The estimated renter median household income for Horry County is \$31,104 and the monthly rent affordable at renter median income is \$778. To pay the fair-market rent for a two-bedroom unit it would require 104 percent of the renter median household. It is estimated that 51 percent of renters are unable to afford a two-bedroom unit at fair market rent. The table also considers hourly wages. The estimated renter hourly wage is \$8.97 and the monthly rent that is affordable at the mean renter wage is \$466. An interesting comparison shown in this table is that the renter household income for Horry County is higher than that of the State's, but the renter hourly wage is lower. Subsequently, Horry County renters on hourly wages can afford less rent than the South Carolina average (NLIHC Out of Reach Report, 2011).

Exhibit HE-18: Household Incomes and Renter Wages in 2011

Household Income (2011)					Renter Wage (2011)	
Location	Estimated Renter Median Household Income	Monthly Rent Affordable at Renter Median	Income Needed to Afford Two-Bedroom FMR as Percent of Renter Median	Estimated Percent of Renters Unable to Afford Two-Bedroom FMR	Estimated Mean Renter Hourly Wage	Monthly Rent Affordable at Mean Renter Wage
South Carolina	\$28,200	\$705	99%	49%	\$10.64	\$553
% Change since 2005	0.1%	0.1%	17.9%	16.7%	12.4%	12.4%
Horry County	\$31,104	\$778	104%	51%	\$8.97	\$466
% Change since 2005	-1.0%	-1.0%	19.5%	18.6%	2.6%	2.6%

Source: NLIHC, 2005 & 2011

The *Out of Reach* report looks at income from both the salary and hourly perspective. Income is used to calculate the housing wage. Housing wage is the hourly wage necessary to pay the area's fair market rent for a two-bedroom unit while maintaining the federal standard of affordability—spending no more than 30 percent of income on housing costs. Information used in **Exhibit HE-16**, Fair Market Rents by Bedroom Unit, was used to calculate the hourly wage needed in order to afford each number of bedroom units at fair market rent. A household in Horry County needs to earn \$15.56 per hour in order to afford a two-bedroom unit at fair market rent, and minimum wage earners would have to work 86 hours per week to afford a two-bedroom apartment at fair market rent in Horry County (NLIHC Out of Reach Report, 2011). An affordable rent for a minimum wage worker is \$377.

This information suggests that the gap between housing and wages is expanding, that wages are lagging while housing costs increase. Adding to the dilemma is a high unemployment rate, as well as the underemployed rate. The issue of affordability will continue to persist so long as wages remain low and/or stagnant.

Exhibit HE-19: Minimum Wages needed for Housing, 2011

Hourly Wage Needed to Afford (At 40 hours per week)				
Location	One-Bed FMR	Two-Bed FMR	Three-Bed FMR	Four-Bed FMR
South Carolina	\$11.81	\$13.44	\$17.05	\$18.88
Horry County	\$13.33	\$15.56	\$18.60	\$22.52

Source: NLIHC, 2005 & 2011

Exhibit HE-20 analyzes housing affordability based on Minimum Wage and Mean Renter Wage. One would need two full time jobs earning minimum wage (\$7.25/hour) to afford a two-bedroom unit. For those working at minimum wage and living alone, housing affordability is of serious concern in Horry County (NLIHC Out of Reach Report, 2011). Even dual income, minimum wage households face affordability issues, as each is required to work full time to barely meet the threshold.

Exhibit HE-20: Necessary hours of work per week to afford Housing, 2011

	One Bed	Two Bed	Three Bed	Four Bed
Minimum Wage	74	86	103	124
Mean Renter Wage	59	69	83	100

Source: NLIHC, 2011

AFFORDABLE HOUSING

Horry County's greatest impediment to affordable housing is the unbalanced relationship between the costs of housing and income as detailed in the past few pages. This is not the only barrier however. This section details both the general impediments that communities around the Nation face, as well as some specifics that are unique to Horry County.

Communities that strive to ensure a diverse mix of housing face barriers when trying to provide affordable housing. General impediments to affordable housing are common throughout the Nation. The availability and price of land, the societal stigma that affordable housing is for the poor and degenerate, the assumption that affordable housing is cheap and lacks durability, the lack of targeted subsidies and financial resources, regulations and policy, are all general barriers to affordable housing. Horry County is a unique place, and specific barriers beyond those above include a higher demand for affordable renter and owner-occupied housing than the current inventory, high Fair Market Rents compared to incomes, a lack of affordable housing for the lowest income residents, and language barriers for non-English speaking residents. This Housing Element is specifically designed to provide a framework for overcoming these barriers via Goals and implementation strategies.

Historically, the cost of land and infrastructure make it difficult to develop affordable housing. Purchasing and preparing raw land for development is an expensive venture based on multiple variables. Land is expensive, so are the costs for site preparation, roads, drainage and utilities. The initial investment in residential development can lead to unattainable affordability before a structure is even built.

Examples of the social stigma attached to affordable housing are abundant even today, and this stigma is a result of ill conceived planning and policy adopted by mid 20th century governments. The federally sponsored housing projects beginning in the 1950's ultimately failed for a number of reasons. Slum clearance and urban redevelopment were embraced by Federal, state and local governments, and the march toward a utopian Le Corbusier city (a tower in the park) was captured in the architecture and design of failed public housing projects throughout the Nation. Most notably, the Pruitt-Igoe and Cabrini-Green housing projects in St. Louis and Chicago stand as failed attempts at social engineering and housing for the poor. Affordable housing is neither, but over the years, failures in public housing eventually became associated with affordable housing projects. The public is generally fearful that affordable housing brings with it crime, poverty and decreased home values. Education is necessary to overcome this obstacle, as affordable housing is not social engineering or strictly for the poor; rather, it is housing for our children, teachers, firefighters, law enforcement officers, senior citizens and young families just starting out.

The theories of today for developing affordable housing focus on anonymity. One should not be able to determine whether a house is affordable due to its location or simply by looking at it. The idea that affordability can be had in the same neighborhood as market priced homes is attractive, and it is an idea that has been gaining traction. These “mixed-income” developments are cropping up across the Nation and are a sign that affordable housing doesn’t have to be “cheap” and relegated to the periphery of our communities. Indeed, an affordable unit can be located in the typical suburban neighborhood, they can be located in the urban center or rural area, and they can anonymously co-exist with any other market rate house. The reason being is that a market rate and an affordable house are the same thing. The same location, materials, square footage and backyard; only one is subsidized and/or creatively financed while the other has a price determined by a free market.

Regulatory Barriers to Affordable Housing

The State of South Carolina passed the Priority Investment Act in 2007. The Act amends the Local Government Comprehensive Planning Act of 1994 to improve the local government planning process. The intent of the Act is to preserve and enhance quality of life throughout South Carolina. Affordable housing is specifically mentioned in the Act; it requires that local government identify those housing regulatory requirements that are not necessary to protect the public health, safety, or welfare. In doing so, the Act directs local government to identify Priority Investment Zones in which market-based incentives are offered, and nonessential regulatory requirements are relaxed and/or eliminated. This section pertains to regulations and policy in accordance with the Priority Investment Act.

The Zoning Ordinance for Horry County is located in the Code of Ordinances, Appendix B. Additionally, Horry County has Land Development Regulations. Together, these two documents serve as the foundation for all development within the unincorporated areas. Per the Priority Investment Act of 2007, the Horry County Affordable and Workforce Housing Commission investigated both documents to determine if any regulatory barriers exist in regards to affordable housing in the community. None exist, although in the spirit of the Priority Investment Act, both the Zoning Ordinance and Land Development Regulations contain policies that add to the cost of developing housing without necessarily protecting health, safety and welfare. However, these policies, if removed in their entirety, would have lasting deleterious effects to the built environment. Zoning and development policies are established to promote public health, but flexibility is essential to the land development process. Roads and stormwater detention need to be provided. Density needs to be balanced with the character of an area. Incompatible uses need to be separated to minimize harmful effects to property values and citizen health. These are some of the goals of zoning regulations, and the County Zoning Ordinance does a good job of protecting health and safety. Nonetheless, **Exhibit HE-21** details those sections of the Zoning Ordinance that have been identified as barriers to affordable housing per the requirements as set forth in the Priority Investment Act of 2007.

Exhibit HE-21: Barriers to Affordable Housing in the Horry County Zoning Ordinance

Zoning Section	Short Description
510	Street Frontage
703.2(S), 704(F), 705(D.1), 705B, 706, 706B, 706D, 707.1(E), 708(B.1), 709.6(H), 710.2, 724.4(A), 724.4(B), 724.4(C), 724.4(D)	Accessory Living Quarters in the following Districts: FA, CFA, SF 20, SF 14.5, SF 10, SF 8.5, SF 7, SF 6, GRn, GR, RR, CR, RCS, TRS
709, 710, 711, Article 8	Setbacks in the following Districts: GR, RR, RC, LFA, SF40, SF20, RE2, RE3
709.4, 710, 711	Townhouse Setbacks in the following Districts: GR, RR, RC
1310	Fees

Source: Horry County Affordable & Workforce Housing Commission

Street frontage requirements are necessary to ensure that all parcels have access to public roads. As such, §510 of the Zoning Ordinance only applies to subdivisions wherein roads will be dedicated to the public. §510 requires that all lots have fifty feet of public road frontage. This excludes lots situated on cul-de-sacs (reduced to twenty-five feet), and Planned Development Districts or private subdivisions (forty feet). The precedent for reduced road frontage was set with the passing of the Planned Development ordinance; that is, the County believes that access can be sufficiently maintained with a forty foot lot frontage.

Multiple dwelling units on a single parcel of land are regulated via the standards of specific districts in the Zoning Ordinance. Whenever two or more homes are situated on a single parcel, one home is given the status of “principle”, while all others are considered “accessory”. Accessory living quarters are allowed in many of the County’s zoning districts, but the regulations require a lot area twice the size as that normally required for the district. Additionally, the tenant of the accessory must be a family member, and the dwelling unit is required to be screened from all other parcels. Horry County has set a precedent allowing for accessory living quarters, and in principle the County feels multiple dwelling units on a single parcel are an acceptable use of land. However, the current standards do nothing to promote affordability. Upon analysis, the Accessory Living Quarter regulations impede affordability in that the area of a parcel is equal to that of two subdivided parcels. As noted in previous discussion, land costs can make it difficult to provide affordable housing. Requiring double the area for multiple dwellings defeats the purpose of both the ordinance and affordability because the cost of land is also double. Any incentive to locate multiple dwellings on a single parcel is further restrained with the requirement that the tenant be a family member. This is a difficult requirement to enforce as written, and it is difficult to defend from a regulatory standpoint in that property owners should have the right to decide who occupies their land. If the opportunity for rental income exists, the County should promote, not hinder, rental property. Data in this Housing Element clearly shows the need for affordable rental units; revisiting this section of the Ordinance will assist in this effort.

Setbacks ensure all dwellings receive adequate light and air. They ensure uniformity, regulate distance between structures and establish yard area. They also work to ensure utilities have enough space between buildings; for safety and emergency response wherein access is critical; and they help define the public and private realms, adding to sense of place and healthy living. Setbacks vary depending on the zoning district, and Horry County has used them as a means of managing density (or the appearance of

density). That is all well and good, but there are opportunities in several districts to modify and reduce the setback requirements. This will allow for more design flexibility in the land development process, thereby ensuring efficient use of land and decreasing the final costs of building a house.

Perhaps the easiest way for the County to promote affordable housing is to decrease the fees charged for land development and permitting. Fees are typically charged to developers and homebuilders for review of plans to ensure consistency with land development regulations, zoning and building codes. Additionally, fees are charged for rezoning property in the County which is sometimes necessary before development can even begin. Regardless, fees add to the cost of land development. Unlike many other jurisdictions throughout the Country though, the fees charged in Horry County are relatively low. Nonetheless, there is an opportunity to reduce fees or drop them entirely when affordable housing development is proposed.

Market Based Incentives for Affordable Housing

The Priority Investment Act of 2007 requires that jurisdictions include an analysis of market-based incentives that may be made available to encourage development of affordable housing. Such incentives can include density bonuses, land development design flexibility, architectural flexibility, and a streamlined permitting process. Based on the impediments to affordable housing as detailed above, the following section highlights some potential “planning tools” that could assist the County and housing partners in developing affordable units.

Many jurisdictions rely on an Inclusionary Housing Ordinance (IHO). The idea behind an IHO is simple; require developers and homebuilders to produce affordable housing. The percentage of affordable housing units included in a typical residential development varies according to the needs and desires of the jurisdiction. In some cases, this percentage can be zero, and the IHO then serves as a mechanism to offer market based incentives to those who seek to build affordable housing. In other cases, all residential development has to include an affordable component. Regardless of the percentages, an IHO becomes the “toolbox” for offering any market based incentive. In order to qualify for these incentives, the IHO specifies what an affordable housing unit is, and how a developer or homebuilder can qualify for the incentives. Typically, a certification process is used wherein pro-forma determine if the development is feasible. Some jurisdictions have a complex system and a fully staffed office responsible for determining the feasibility. Other jurisdictions have a very simple approach. Whatever is used though is specifically tailored to each jurisdiction. The result is a system that certifies affordable housing development. Once certified, market based incentives and subsidies are offered to provide affordable housing to the citizens.

An IHO, as alluded to, provides various forms of market based incentives to “close the gap” on financial losses incurred as a result of developing affordable housing. Sometimes it is impossible to profit from affordable housing; market based incentives subsidize the cost to make development financially feasible. Density bonuses are offered in some cases, wherein lot areas as determined by the zoning district are reduced in the overall development, the result of which is more homes in the same space. Another incentive is decreased setbacks. When the sizes of lots are reduced, but the setbacks remain the same, the result is typically a smaller housing product or an

unusable lot. Reducing setbacks ensures that the same product can be developed, just on a smaller lot. Flexibility in the land development process also reduces overall costs. Requiring all lots to have a specified amount of road frontage, dictating the width of a lot at the building site, and requirements for “double fronting” lots that face two streets all drive up the cost of land development and reduce flexibility in the design process. Maintaining these standards though is necessary to protect health and safety, and incentives in land development typically take this into account while providing for some flexibility.

Market based incentives are a realistic approach to building more affordable housing, but they come with a great deal of planning, negotiation and understanding the barriers that stand in the way. An Inclusionary Housing Ordinance is a way of compartmentalizing an affordable housing program and the incentives that are offered. Horry County has a great deal of flexibility in the Zoning Ordinance and Land Development Regulations, but the results in terms of providing affordable housing have been minimal as detailed in this Housing Element. Goals and implementation strategies need to be developed to this end. The path to affordability is a two-pronged approach; increased wages and decreased housing costs. Decreasing housing costs starts with decreasing development costs. This can be achieved via market based incentives.

HOUSING PROGRAMS

Community Development Block Grants

The federal government supports affordable housing initiatives for persons with low- and moderate-income through the Community Development Block Grant Program (CDBG). As one of the oldest programs in the Department of Housing and Urban Development, the Community Development Block Grant Program strives to develop viable communities by providing decent housing and a suitable living environment and also by expanding economic opportunities for the low- and moderate-income persons. CDBG funds from HUD can be distributed directly to an urban community or administered through the State Department of Commerce, Office of Grants Administration. When urban communities receive CDBG funds directly from HUD in order to further the mission of providing decent and suitable housing, these communities are considered “Entitlement Communities”. Grant money can go towards any of the following:

- Acquisition of real property
- Relocation and demolition
- Rehabilitation of residential and non-residential structures
- Construction of public facilities and improvements such as water and sewer facilities, streets, neighborhood centers and the conversion of school buildings for eligible purposes
- Public services, within certain limits
- Activities relating to energy conservation and renewable energy resources
- Provision of assistance to profit-motivated business to carry out economic development and job creation/retention activities (<http://www.hud.gov/>).

Through a joint venture with the City of Myrtle Beach and the City of Conway, Horry County became an entitlement community in the 2008 program year. Horry County

established its CDBG office and began funding projects and programs to meet the local needs as identified in the Consolidated Plan of 2008, a document required by HUD identifying local community needs and establishing 3-5 year goals for HUD funding in the areas of community development and affordable housing.

One of the important parts of the Consolidated Plan is the Annual Action Plan, which is prepared each budget year. It outlines in detail the activities to be completed and the funding sources for them. The activities are planned to help achieve HUD's CDBG national objectives as well as Horry County's long-term goals as identified in the Consolidated Plan and approved by County Council. Each year, citizen input and participation in helping to identify the types of future CDBG projects to be funded is requested. The Consolidated Plan, Annual CDBG Action Plans, and Consolidated Annual Performance and Evaluation Reports are available through the CDBG office.

Habitat for Humanity

Habitat for Humanity is a nonprofit, ecumenical housing ministry founded in 1976 by Millard and Linda Fuller. The organization seeks to build decent shelter for all, and has been very successful in that mission building over 500,000 homes throughout the World. Based on the idea of "sweat equity", Habitat homes are made affordable through volunteer efforts and donations. The homes are not free, but they are affordable. The Horry County chapter of Habitat for Humanity was incorporated in 1991. Since then, Habitat has build more than 100 houses in Horry County using donations, grants and volunteerism.

South Carolina State Housing Finance and Development Authority

The State Housing Finance and Development Authority offers homeownership and rental programs to qualified candidates. Homeownership programs include first time homebuyer loans, down payment assistance and a single parent loan program. The Authority also administers the Home Investment Partnerships Program (HOME), a federal program established under the Cranston-Gonzales National Affordable Housing Act of 1990. The HOME program is designed to promote partnerships among the federal government, state and local governments, nonprofit and for-profit sectors who build, own, manage, finance and support low-income housing initiatives.

The Authority manages several statewide rental assistance programs including the Section 8 Housing Choice Voucher Program. Locally, the Myrtle Beach, Conway, and Atlantic Beach Housing Authorities administer this program. Other rental assistance programs include the Low-Income Housing Tax Credit Program and the Multifamily Tax Exempt Bond Financing Program.

In 1992, South Carolina enacted the South Carolina Housing Trust Fund. This legislation commits revenues from an increase in the documentary stamp tax on real estate sales to the development of affordable housing. The fund collects approximately two million dollars annually (<http://www.sha.state.sc.us/>).

United States Department of Agriculture, Rural Development

Rural residents can seek assistance through the USDA Rural Development Office. A sample of the services that they provide are direct and guaranteed loans for income-qualified candidates, rental assistance, rural rental housing programs, farm labor housing programs, home repair loans and grants.

Low Income Housing Tax Credits

The Low Income Housing Tax Credit (LIHTC) Program is an indirect Federal subsidy used to finance the development of affordable rental housing for low-income households. LIHTC is based on Section 42 of the Federal Internal Revenue Code, enacted by Congress in 1986 to provide the private market with an incentive to invest in rental. The Department of Housing and Urban Development (HUD) states “developers then sell these credits to investors to raise capital (or equity) for their projects, which reduces the debt that the developer would otherwise have to borrow. Because the debt is lower, a tax credit property can in turn offer lower, more affordable rents”. Furthermore, “provided the property maintains compliance with the program requirements, investors receive a dollar-for-dollar credit against their Federal tax liability each year over a period of 10 years. The amount of the annual credit is based on the amount invested in the affordable housing”.

LIHTC has been used extensively by developers in Horry County since the programs inception in 1986. The tax credits can be used for both new construction as well as rehabilitation of existing buildings. The units are built for families, the homeless and the elderly. Exhibit HE-22 below details the developments and number of affordable units created in Horry County since the inception of the LIHTC program.

Exhibit HE-22: Units built using the Low Income Housing Tax Credit

Year	Development Name	City	Total Units	Low Income Units
2010	Bay Pointe II	Myrtle Beach	56	56
2010	Cornerstone Commons I	Conway	90	90
2008	Bay Pointe I	Myrtle Beach	50	50
2007	Monticello Park III	Myrtle Beach	56	56
2006	Crabtree Commons	Conway	56	56
2005	Monticello Park II	Myrtle Beach	56	56
2005	Plantation	Socastee	110	110
2004	Pipers Pointe Apartments	Myrtle Beach	72	72
2003	Crane Creek	Conway	56	56
2003	Loris Gardens	Loris	36	36
2002	Palmettos Way	Loris	40	40
2002	Monticello Park	Myrtle Beach	80	68
2002	Morris Manor	Aynor	22	22
2002	Alliance Inn	Myrtle Beach	54	54
2002	Blackwater Cove	Conway	30	30
1999	Swansgate Apartments III	Myrtle Beach	64	64
1999	Carolina Cove	Myrtle Beach	73	58
1998	Bells Bay Landing	Conway	60	60
1998	Summer Crest Apartments	N. Myrtle Beach	74	58
1998	Swansgate II Apartments	Myrtle Beach	24	24
1997	Legacy Apartments II	Conway	94	60
1996	Legacy Apartments	Conway	90	90
1995	Swansgate Apartments	Myrtle Beach	34	34
1990	Raintree Apartments	Conway	40	40
1989	North Oaks Apartments	Conway	44	44
Total			1461	1384

Source: SC State Housing Authority

Neighborhood Stabilization Program

The purpose of the Neighborhood Stabilization Program is to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight within their communities. The NSP provides grants to purchase foreclosed or abandoned properties and to rehabilitate, resell, or redevelop these properties in order to stabilize neighborhoods and stem the decline of house values of neighboring homes. Currently, the Housing Authority of Myrtle Beach has been awarded \$2.5 million in funding and has partnered with the City of Myrtle Beach, the City of Conway, Home Alliance, Inc. and Habitat for Humanity.

Waccamaw Regional Council of Governments

The Waccamaw Regional Council of Governments (COG) serves Horry, Georgetown and Williamsburg Counties and publishes fair housing and affordable housing resource and social services guides.

Waccamaw HOME Investment Partnership Consortium

Several jurisdictions within the Waccamaw Region, including Horry County, entered into an intergovernmental agreement that created the Waccamaw HOME Investment Partnership Consortium. The Waccamaw HOME Consortium is a regional organization that receives a yearly entitlement from the HOME Program (HOME Investment Partnership Program), which is a federally funded program through the Department of Housing and Urban Development and provides technical assistance for projects that increase affordable housing opportunities within the Waccamaw Region. The anticipated allocation for the region is approximately \$800,000 for fiscal year 2013. Horry County receives 55% of the annual allocation, and a Memorandum of Understanding is in place between the Consortium and the County. The Waccamaw COG administers the program.

A spin-off of the Consortium is the newly formed Tri County Regional Development Co., a non-profit Community Housing Development Office (CHDO) certified by the participating HOME jurisdictions. The CHDO is newly formed as of mid-2011.

Organizations such as Habitat for Humanity and the Grand Strand Housing and Development Corporation as well as private developers also service the area by providing and constructing affordable housing for low-income families.

FAIR HOUSING

The Fair Housing Act was passed by Congress in 1967 and amended in 1988. The Act and its amendments protect individuals from housing discrimination because of their race, color, national origin, religion, sex, disability or familial status. Under the law, these are defined as “protected classes”.

The Fair Housing Act is enforced by the Department of Housing and Urban Development. The South Carolina Human Affairs Commission enforces state laws against discrimination and also protects individuals against retaliation—acts of harm to those who have asserted their fair housing rights. The Waccamaw Regional Council of Governments Fair Housing Program is the local agency that provides intake of complaints. Also, this agency provides outreach education and promotes substantially equivalent local ordinances in all the county municipalities. They have a toll-free hotline in English and Spanish, a website with printable Fair Housing Materials for Consumers, Realtors and Property Managers.

In December 2009 the Horry County CDBG office, in partnership with The Matheny-Burns Group, published an *Analysis of Impediments to Fair Housing Choice for Horry County*. This report was produced as a result of the first Annual Action Plan and is an extension of the Consolidated Plan. Under its guidance, Horry County must affirmatively further Fair Housing and undertake Fair Housing planning. The Analysis is available through the Horry County CDBG office.

Waccamaw Economic Opportunity Council

The Waccamaw Economic Opportunity Council has been providing programs and services to Horry County residents since 1965. The agency provides assistance for numerous social programs. Those programs relating to housing include:

- Community Service Block Grants—the agency provides assistance in obtaining housing through referrals and/or deposit assistance as well as provides assistance with emergency housing assistance
- Low Income Home Energy Assistance Program
- Weatherization Assistance Program—provides assistance with reducing household energy consumption by applying energy conservation measures.

The South Carolina Centers for Equal Justice

The South Carolina Centers for Equal Justice is a statewide law firm that provides legal services to eligible South Carolinians. There are 13 offices across the state with a local office in Conway. The center provides legal representation, counsel, education and outreach in a variety of areas. Areas pertaining to housing and income include the following:

- *Housing*—evictions foreclosures, home and real estate ownership
- *Consumer*—loan and installment purchases, bankruptcy, claim and delivery, credit actions
- *Public Benefits*—Social Security, SSI, food stamps, TANF, Medicare, Medicaid, veteran's benefits, driver's license reinstatement
- *Employment*—wage claims, working conditions, unemployment compensation
- *Migrant Farm Workers*—individual rights, public benefits, employment

SPECIAL NEEDS HOUSING

Due to unique circumstances, certain populations of Horry County require special services in order to meet their housing needs. Horry County has partnered with State agencies, other jurisdictions within the County, nonprofit organizations and faith-based groups to provide for segments of the population that require assistance with their housing needs. There are four primary groups with special needs in Horry County. They include the elderly, those with HIV/AIDS, those with alcohol and/or drug dependency, and those with disabilities.

The Five-Year Consolidated Action Plan for Horry County, produced by the Community Development Office, provides a basic summary of special needs housing, as well as a need to focus future planning efforts and funding. Special needs housing is listed as a Priority 3 Need in the Action Plan. Specifically, the Plan states that the County will encourage the development of additional supportive or service-enriched housing for specific special needs populations using available federal, state and local program funds. Special consideration is supposed to go towards transitional housing (jail diversion or homeless housing) and group home (disabled) projects.

In 2008, the City of Myrtle Beach and Home Alliance, Inc. partnered on a planning process to assess the extent of homelessness in Horry County, inventory existing facilities and services for the homeless, identify gaps and opportunities to build a more seamless network of support services for the homeless, and to develop a ten-year action plan with the goal to end homelessness. That Plan was subsequently produced although it has not been approved or reviewed by Horry County Council.

A Ten-Year Collaborative Plan to End Homelessness in Horry County is the only major planning effort that has been directed at the special needs population in the County. Many homeless people have disabilities and dependencies, making any effort to plan for reducing or eliminating homelessness a priority of the County. The Plan however has yet to be adopted by Horry County, but it nonetheless highlights the lack of planning that has been focused over the years on the most vulnerable citizens. No plan for the 4 primary groups identified in the Consolidated Plan (elderly, HIV/AIDS, alcohol/drug dependency) has been drafted by Horry County or any other organization. However, the fact that the Consolidated Plan has indicated that Special Needs Housing is a high/medium priority, such planning efforts will be a focus of Horry County Government in the future. However, the Plan also points out that the availability of funding continues to be a major obstacle to meeting the housing needs of special populations.

CONCLUSION

Long term forecasts for population increases and accompanying development activity in the County indicate a dynamic housing market will persist into the future. Over half of the housing in Horry County has been built within the last 20 years and more growth is anticipated. Single-family detached housing is by far the preferred development pattern, but the County overall has a good mix of single-family and multi-family units available for the citizens. Home ownership remains constant, hovering above 70 percent. Growth in this number will prove to be difficult given the current lending environment and affordability gap. Vacancy will remain high as a result of the investment and 2nd home inventory associated with the tourist economy. Housing durability is an issue that continues to plague a part of the local population, and remedies need to be sought to ensure all citizens have a safe and decent place to live.

The economic crisis (growing national debt, lack of job growth, stagnant GDP and a flat housing market) is a short term market correction that has slowed the pace of growth and residential development in Horry County. Nonetheless, the County by all accounts will have continued population growth into the future. This translates into more houses. Additionally, the Grand Strand has a very unique tourism driven economy that remains the focus of collective economic development efforts, as well as a large inventory of second homes and investment properties. These properties are considered part of the housing inventory, and their existence in the local housing market will persist into the future as well.

The availability and affordability of housing plays a key role for both community and economic health, but the demand for affordable housing will continue so long as the gap between income and housing costs increases and as the population of the County increases. As a result, the County must continue to address the affordable housing issue if sustained economic growth and community health is to be achieved. Wages for

the County workforce are woefully out of balance with housing costs; the median area income needs to substantially increase to close the gap. Additionally, the housing market needs to adjust, recognizing that wages can't support the type and style of housing that has been the mainstay in the past. In this sense, the path to affordability is a two-pronged approach; increased wages and decreased housing costs.

The County needs to continue to approach affordable housing from both the local and regional points of view. Solutions to housing and affordable housing problems will occur when opportunities for viable housing choices are sought across jurisdictional and political boundaries, but the County has to continue to be a leader in the effort. Working with municipalities and participating in regional programs is an essential component in providing Horry County residents with one of the most basic human needs—shelter.

State and federal programs regarding housing already exist in Horry County, but funding is limited. The County has obtained Entitlement status from the Department of Housing and Urban Development, and increased funding for housing has become available. It is not enough. The County must do more; additional funding sources need to be found and the County needs to continue to be a leader in partnering with the housing community and citizens to provide housing for all. Education and outreach programs exist for both affordable and fair housing although gaps in the types of programs offered are noted. Programs and services also exist for special needs populations. However, limited funding for these programs means that only a portion of the population who needs assistance have an opportunity to receive it. As Horry County looks to the future, considerations need to be made to ensure an array of housing opportunity for all populations is maintained in a manner that promotes community and economic health.

STATEMENT OF NEEDS AND GOALS

General Need:

To promote safe and affordable living environments for all residents including those with special needs, to maintain the diversity in the types of housing, to support efforts to prevent housing discrimination and seek resources to meet these desired housing goals.

Affordable Housing

Need:

Promote affordable housing opportunities to meet the household needs of all socio-economic groups.

Goals:

- *Raise the awareness of the need for affordable housing and build community consensus on the importance of affordable housing.*
- *Increase affordable housing opportunities in Horry County for low and moderate-income households.*
- *Preserve long-term housing affordability.*
- *Promote mixed income development with mixed residential uses.*
- *Provide incentives to the development community to create and maintain affordable housing within Horry County.*

Housing Diversity and Condition

Need:

Continue to promote a mix of housing types and ensure that all housing units, subdivisions and site plans are developed to promote community health, public safety, aesthetics and functionality.

Goals:

- *Encourage a variety of housing types to accommodate a full variety of income, age and cultural groups.*
- *Encourage quality design and construction of subdivisions, site plans and housing units to promote community health, public safety, aesthetic appeal and function ability.*

Special Needs Housing

Needs:

Support measures that identify community services, shelter and income assistance and promote access to resources for all people with special needs.

Goals:

- *Encourage development of housing to serve households with special needs such as the disabled, elderly, and homeless.*
- *Encourage the development and modification of housing units to accommodate households with special needs.*
- *Continue to search for regional, multi-faceted approaches to providing housing and services to the growing homeless population with emphasis on homeless families.*

Fair Housing

Need:

Support all efforts to prevent and fight housing discrimination.

Goals:

- *Examine fair housing policies to ensure residents are protected from discrimination.*
- *Educate residents about their rights and responsibilities to fair housing.*

Creating Resources

Need:

As the population grows and eligibility for federal and state funding increases, allocate resources to respond to the expanding need to provide affordable and safe housing.

Goals:

- *Continue to develop a County housing program to coordinate the creation of affordable housing, promote the need to provide special housing within the County and work to educate community on fair housing issues.*
- *Seek outside resource opportunities to meet the County's housing goals.*

IMPLEMENTATION STRATEGIES

It is recommended that Horry County implements the following strategies within either a short term (1-2 years), intermediate term (2-5 years) or long term (5 and more years) time frame in order to fulfill the previously identified Needs and Goals.

Affordable Housing

Designate the County as a Priority Investment Zone, or determine specific areas within the County where the designation is applied **(short)**.

Adopt an Inclusionary Housing Ordinance wherein market based incentives are provided, and a framework is developed, to produce affordable housing **(short)**.

Create a community land trust for affordable housing **(intermediate)**.

Explore the feasibility of a local affordable housing trust fund **(intermediate)**.

Develop and implement outreach strategies to raise awareness concerning affordable housing to increase its acceptability to residents **(short)**.

Recommend zoning and land use policies that encourage a diverse mix of housing types and price levels **(short)**.

Utilize public land to create affordable and mixed-income housing **(intermediate)**.

Provide tax and other financial incentives to the private market for affordable housing projects **(intermediate)**.

Investigate incentives for historic preservation, aesthetic improvement to rural affordable housing, and assist developers to utilize available resources **(intermediate)**.

Encourage projects that address environmental issues and energy efficient building design **(continuously)**.

Continue to seek federal, state and foundation funding opportunities to create more affordable housing **(continuous)**.

Continue to work with interested parties to acquire vacant sites or un-occupied buildings for low-income housing projects **(continuous)**.

Continue to promote affordable housing opportunities near to job centers, community facilities and commercial services **(continuous)**.

Continue to coordinate with municipalities and adjacent counties to provide low and moderate-income households throughout the region **(continuous)**.

Continue to review the zoning ordinance and land development regulations for instances where the cost associated with the regulation make providing affordable housing unfeasible **(continuous)**.

Housing Diversity and Condition

Commission a survey of dilapidated housing in the County as a basis for a Plan to ensure housing durability for all citizens **(short)**.

Develop land development and zoning standards that promote energy-efficient design and alternative energy technology in housing **(intermediate)**.

Continue to monitor building permit data annually and assess trends in the market **(continuously)**.

Continue to implement policies that expand the County's diversity in housing types **(continuous)**.

Continue to support the rehabilitation and rehabilitation of structures not meeting minimum housing standards via direct funding through the Community Development Block Grant program **(continuous)**.

Support efforts to better measure the seasonal housing population of Horry County **(short)**.

Ensure that all new housing is constructed to standards that promote health and safety **(continuous)**.

Continue to update building codes to reflect improvements in construction **(continuous)**.

Continue to update zoning codes to reflect improvements in site and building design **(continuous)**.

In site design, be sensitive to aesthetics, open space and natural resources **(continuous)**.

Continue to incorporate architectural and design-related criteria into area plans **(continuous)**.

Promote innovative and environmentally sound housing development through via coordination among county departments and various development interests **(continuous)**.

Encourage subdivision design that includes housing with innovative design techniques that seek to minimize environmental impacts and land disturbance **(continuous)**.

Special Needs Housing

Take the lead or participate in the drafting of individual plans that address housing the special needs population including the elderly, those with HIV/AIDS, those who are alcohol and/or drug dependent, and those that are disabled **(short)**.

Support the development of additional facilities and services for special needs persons re-entering society from the J. Ruben Long Detention Center Jail Diversion and Re-entry Program **(short)**.

Continue to participate in regional initiatives regarding special needs housing **(continuous)**.

Give technical support to agencies that provide services and housing for special needs categories and help promote their services **(continuous)**.

Help agencies seek federal, state and foundation funding for the development of housing serving households with special needs **(continuous)**.

Work with the state legislature to adequately fund housing and services for special needs populations **(long)**.

Continue to monitor housing development for the Americans with Disabilities Act (ADA) through the County's development review process **(continuous)**.

Continue to fund, support and assist with adaptations and modifications **(intermediate)**.

Encourage new housing developments to adapt their plan options to allow accessibility **(continuous)**.

Continue to support regional initiatives and collaboration with interested parties that offer services that keep families and individuals in their homes **(continuous)**.

Work with others in the region to improve access for homeless families and individuals seeking emergency shelters, transitional housing, and permanent housing **(continuous)**.

Encourage agencies that develop homeless shelters and other supportive housing developments serving homeless families and individuals **(continuous)**.

Support agencies that provide preventative measures, such as rental or mortgage assistance, to prevent the homelessness of families and qualified individuals **(continuous)**.

Fair Housing

Continue to support federal, state and regional initiatives to develop local Fair Housing Ordinances **(continuous)**.

Keep abreast of changes to federal and state Fair Housing Laws **(continuous)**.

Continue to educate individuals of their rights, and housing providers of their obligations, under the Fair Housing Law **(continuous)**.

Continue to place fair housing information in key locations within the government center, libraries and other County buildings **(continuous)**.

Continue to partner with local Fair Housing agencies to maximize resources and effectiveness **(continuous)**.

Creating Resources

Establish an annual housing conference for citizens who are seeking to buy a house, avoid foreclosure, age in place and build equity while maintaining their investment **(short)**.

Assist in the development of "Villages" in Horry County that coordinate access to affordable services for Senior Citizens **(intermediate)**.

Continue to seek federal and state funding to institute a countywide housing program **(continuous)**.

Use Community Development Block Grant funding to perform a needs assessment study for workforce housing **(short)**.

Educate the development community on how to use federal and state programs to provide affordable housing **(continuous)**.

Educate the public on the different types and availability of affordable housing programs within the County **(continuous)**.

Continue to pursue funding from federal and state programs **(continuous)**.

Explore public/private partnerships to ensure that any public dollar spent on housing spurs additional investment of private capital **(short)**.