# SOUTH CAROLINA HURRICANE MATTHEW ACTION PLAN AMENDMENT 1

*AMENDMENT 1:*
*September 29, 2017*

Further Continuing and Security Assistance
Appropriations Act
Public Law 114-254

**South Carolina Disaster Recovery Office** of the
South Carolina Department of Commerce

# Amendment 1 Updates (September 2017)

| Previous Page | New Page | Section | Change/Addition/Deletion |
|---|---|---|---|
| 6-7 | 6-7 | Introduction | Added a note about additional funding |
| N/A | 68-73 | Unmet Needs Assessment Update – September 2017 | Updated unmet needs to reflect best available data in September 2017 |
| 69 | 76-77 | Counties Eligible for Assistance | Updated figures to reflect revised unmet needs and grant amounts |
| 73 | 80 | Program Budget | Updated figures to reflect additional funding |
| 73 | 80 | Program Budget | Added Horry County as a MID County |
| 76 | 84 | Single Family Housing Program | Added Horry as a MID County |
| 83 | 90 | Public Notice and Comment Period | Removed requirement for public comment for QPR |
| 87 | 94 | Pre-agreement Activities | Updated total pre-award cost figure |
| 88 | 95 | Pre-award Implementation Plan | Added reference to Public Law 115-31 |
| 97 | 105 | Comprehensive Disaster Recovery Website | Updated to reflect that the QPR will be posted to the website within 3 days of submission to HUD |
| 99-103 | 106-111 | Capacity Assessment & Staffing | Updated to reflect organizational chart changes and position counts |
| 118-120 | 125-126 | 2017 Area Median Income Limits by Family Size and County | Updated the chart to reflect the income limits released by HUD prior to the initial Action Plan approval |
| 124-126 | 130-132 | Financial Projections & Milestones | Updated projections to reflect additional funding |
| 127-130 | 133-136 | Milestones | Updated Milestone chart to reflect current progress and new projections |

# Revision 1 Modifications (May 31, 2017)

| Page # | Modification |
|---|---|
| 29 | Updated homelessness figures and clarified HOPWA funding |
| 44 | Updated information to include low rent households independent of Section 8 |
| 57 | Corrected Public Assistance figures |
| 70 | Added information about Governor's directive to focus on housing; clarified activities not funded |
| 72 | Added information about SCEMD Hazard Mitigation Plan |
| 78 | Clarified contractor standards, defined "not suitable for rehabilitation" |
| 87 | Updated Pre-Award costs to include total as of May 23, 2017 |
| 98 | Added "contracts" to list of items posted to website |
| 104 | Added specific agencies included in inter-agency stakeholder coordination |
| 110 | Updated Certifications to match FR-5989-N-01 |

# STATE OF SOUTH CAROLINA: HURRICANE MATTHEW ACTION PLAN

## Table of Contents


Section 1: Introduction ..... 6

UNMET NEEDS ASSESSMENT ..... 8

Section 2: Unmet Needs Background ..... 9

Community Profile: Summary of Impact and Presidentially Declared Counties ..... 9

Targeting Priority Needs ..... 14

Section 3: Unmet Needs Assessment ..... 16

Demographic Profile of the Impacted Area ..... 16

Civic Engagement ..... 33

Summary of Impact and Unmet Needs ..... 35

Housing Impact ..... 36

Housing Types Affected ..... 37

Summary Tables ..... 44

Public Housing ..... 46

Fair Housing ..... 47

Housing Funds Made Available ..... 48

FEMA Individual Assistance (IA) ..... 48

National Flood Insurance Program (NFIP) Coverage ..... 48

Small Business Administration (SBA) Home Loans ..... 49

Housing Trust Fund for the South Carolina Flood Initiative ..... 49

Housing Unmet Needs ..... 50

Housing Impact Methodology ..... 55

Infrastructure Impact ..... 57

Public Assistance ..... 58

Economic Impact ..... 61

Impact to Agribusiness ..... 66

Unmet Needs Assessment Update – September 2017 ..... 68

Housing ..... 68

Infrastructure ..... 71
Economy ..... 72
Updated Unmet Needs Summary Table ..... 73
ACTION PLAN ..... 74
Section 4: Funding Priorities ..... 75
Counties Eligible for Assistance ..... 76
Section 5: Method of Distribution ..... 79
CDBG-DR Program National Objectives ..... 79
Program Budget ..... 80
Leveraging of Funds ..... 80
Housing Programs ..... 81
Mobile Home Resilience ..... 82
Single Family Housing Program ..... 83
Affordable Rental Program ..... 87
Hazard Mitigation Grant Program (HMGP) ..... 88
Anti-displacement ..... 88
Section 6: Program Administration ..... 89
Citizen Participation Plan ..... 89
Public Hearings ..... 89
Public Notice and Comment Period ..... 90
Action Plan ..... 90
Amendments to the Action Plan ..... 91
Performance Reporting ..... 91
Limited English Proficiency ..... 91
Technical Assistance ..... 92
Citizen Complaint Procedures ..... 92
State Outreach ..... 93
Section 7: Pre-award Implementation Plan ..... 95
Financial Controls ..... 96
Single Audit ..... 96
Financial Management Systems ..... 96
Internal Controls ..... 97

Procurement ..... 97
Duplication of Benefit ..... 100
Timely Expenditure ..... 100
Management of Funds ..... 102
Comprehensive Disaster Recovery Website ..... 104
Timely Information on Application Status ..... 105
Capacity Assessment & Staffing ..... 106
Additional Capacity ..... 111
Internal and Interagency Coordination ..... 112
Technical Assistance ..... 112
Accountability ..... 112
Certification of Accuracy of Risk Analysis Documentation ..... 113
APPENDICES ..... 114
Section 8: Appendices ..... 115
Housing Program Process Flowchart ..... 115
Sample Public Hearing Preparation Checklist ..... 116
Grantee Certifications ..... 117
Response to Public Comment ..... 120
Beaufort County Comment Session: 4/3/2017 ..... 120
Florence County Comment Session: 4/4/2017 ..... 121
Dillon County Comment Session: 4/4/2017 ..... 121
Marion County Comment Session: 4/6/2017 ..... 122
Comments via Contact@scdr.sc.gov ..... 124
2017 Area Median Income Limits by Family Size and County ..... 125
SBA Loans by NAICS Code ..... 127
Financial Projections & Milestones ..... 130
Production Projections ..... 130
Financial Projections ..... 131
Milestones ..... 133
Key Program Terms ..... 137

## Section 1: Introduction

The citizens of South Carolina struggled to recover from the catastrophic rainfall and flooding that impacted communities across the State in October of 2015. One year later, disaster struck again when Hurricane Matthew ravaged the coastal communities of the State. Hurricane Matthew made landfall near McClellanville, a small fishing community in Charleston County, as a category one hurricane on October 8, 2016. Neighborhoods were left in ruins as the storm cut a path of destruction through South Carolina. A large portion of South Carolina was under a State of Emergency for the second time in as many years.

NASA imagery captures Hurricane Matthew as it passes over SC

Wind damage from the storm demolished homes across the coastal counties of the State. Entire neighborhoods were underwater over forty miles inland. 833,000 homes were without electricity. 400,000 people evacuated from their homes in advance of the storm. Despite this, four South Carolina residents lost their lives. Hundreds more lost their homes.

As the State of South Carolina continues its recovery efforts, the focus of putting residents back in their homes will be key. Just as they did when the catastrophic floods struck in 2015, the people of South Carolina have come together to help each other in the wake of the disaster. Many residents assisted with the needs of the most vulnerable populations, and there has been an outpouring of assistance for the elderly, disabled, or those families in greatest need. The State, local governments, and volunteer organizations are working around-the-clock to support individuals and families who require basic services and to address conditions of immediate need. State and local government agencies, as well as civic organizations and community leaders will continue to address the fiscal, social, and environmental challenges of this event for years to come.

The Further Continuing and Security Assistance Appropriations Act, Public Law 114-254 (Appropriations Act), was enacted to set aside federal funds for disaster relief. The Appropriations Act provides funds to States or units of general local government for disaster recovery efforts in the affected areas. The federal government appropriated $1.8 billion in Community Development Block Grant Disaster Recovery (CDBG-DR) funds to be made available to States that were declared a major disaster by the President of the United States in 2016. These funds are to be used to satisfy a portion of unmet need that still remains after other assistance, such as funding from the Federal Emergency Management Agency (FEMA), Small Business Administration (SBA), or private insurance, has been delivered.

The Department of Housing and Urban Development (HUD) determines how these federal funds will be distributed. HUD uses the "best available" data to identify and calculate unmet needs for disaster relief, long-term recovery, restoration of infrastructure, and housing and economic revitalization. **Based on this assessment, HUD notified the State of South Carolina that it will receive $65,305,000 in disaster recovery funds to assist in recovery from Hurricane Matthew. On August 7, 2017, South Carolina was notified that the State will receive an additional $29,781,000 to assist the recovery efforts. The combined allocation to South Carolina totals $95,086,000.**

The Appropriations Act requires that the State or local government must expend the funds within six years of the signed agreement between HUD and the grantee unless HUD grants an extension. HUD requires that the funds assist the most impacted areas. To accomplish this requirement, at least 80 percent of the efforts will go towards recovery in Marion County since HUD identified it as the "most impacted and distressed area." Allocated funds must be used for eligible disaster-related activities as defined by HUD. To ensure that fraud, waste, and misuse of funds does not occur, effective controls must be in place and monitored for compliance.

**October 18, 2016: Flood waters continued to impact homes in Marion County 10 days after Hurricane Matthew made landfall**

The South Carolina Department of Commerce has been designated as the responsible entity for administering the CDBG-DR funds allocated to the State. The Department of Commerce unit responsible for this mission is the South Carolina Disaster Recovery Office.

As required by HUD, South Carolina submits this Action Plan to outline its unmet needs, and establish how the State will allocate its funds through its programs. This includes the proposed use of funds, criteria for eligibility, and how funds will address long-term recovery in the most impacted and distressed areas. The Unmet Needs Assessment, which evaluates the three core aspects of recovery – housing, infrastructure, and economic development--forms the basis for the decisions outlined in the Method of Distribution. This Action Plan was developed with the help of many State and local stakeholders as well as the public to target the unmet need that can be addressed by these limited federal funds.

# UNMET NEEDS ASSESSMENT

# Section 2: Unmet Needs Background

## Community Profile: Summary of Impact and Presidentially Declared Counties

Hurricane Matthew (Figure 1) was a triple threat in that it impacted South Carolinians with storm surges of up to 8 feet in some areas, damaging winds in other places (Figure 2), and rainfall (Figure 3) across nearly the whole presidentially declared impact areas. In some places these three hazards created a compound threat damaging homes and infrastructure.

More than 31,000 residences had a real property FEMA Verified Property Loss and an additional 1,780 homes saw verified losses in personal property as a result of this event.[1] While damage from Hurricane Matthew flooding is fairly easy to identify there were many home damaged by the combination of wind and rainfall. This has complicated the recovery process in that damage can not only be assessed from below, measuring flood damage, but must consider rain damage as well.

Large portions of the State saw high amounts of rainfall with several areas receiving more than 10 inches of rain in a 24-hour period.[2] Figure 3 below, created by the South Carolina State Climate Office at the Department of Natural Resources, illustrates the extent and severity of the hurricane event and associated rainfall amounts. It was inland areas rather than the immediate coastline that saw the largest amounts of rain.

The peak storm tide in Charleston Harbor was 9.29 feet MLLW / ~3.5 feet MHHW at 0648 UTC (248 AM EDT), which is the third highest on record. The greatest storm surge (storm tide minus the astronomical tide) at Charleston was 6.2 feet and did not occur at the same times as the highest storm tides. Surveys and measurements obtained from the U.S. Geological Survey indicate inundation (i.e., water depths above ground) was generally about 1-2 feet in most areas with locally higher amounts up to ~3.75 feet, mainly in Beaufort County, SC. Interestingly, some of the highest inundation occurred farther inland away from the immediate coast on smaller back bays and inland waterways. Here, minimum, maximum, and mean predicted surges by city indicate that the surge impact from this storm is not evenly distributed. Finally, wind derived damage was widespread across the area causing power outages affecting farmers and combining with rainfall to produce heavy impacts in many places. Figure 2 shows peak wind gust across the Matthew impact area. These winds coupled with rainfall were enough to cause significant damage to homes and businesses.

A detailed accounting of post-storm impacts by counties can be found in the National Weather Service Post Tropical Cyclone Report. Included here are many references to wind, flooding, rain, and surge damages.[3]

[1] FEMA FIDA – Individual Assistance Program Report
[2] https://weather.com/storms/hurricane/news/hurricane-matthew-bahamas-florida-georgia-carolinas-forecast
[3] https://www.weather.gov/media/chs/MatthewPSH.pdf

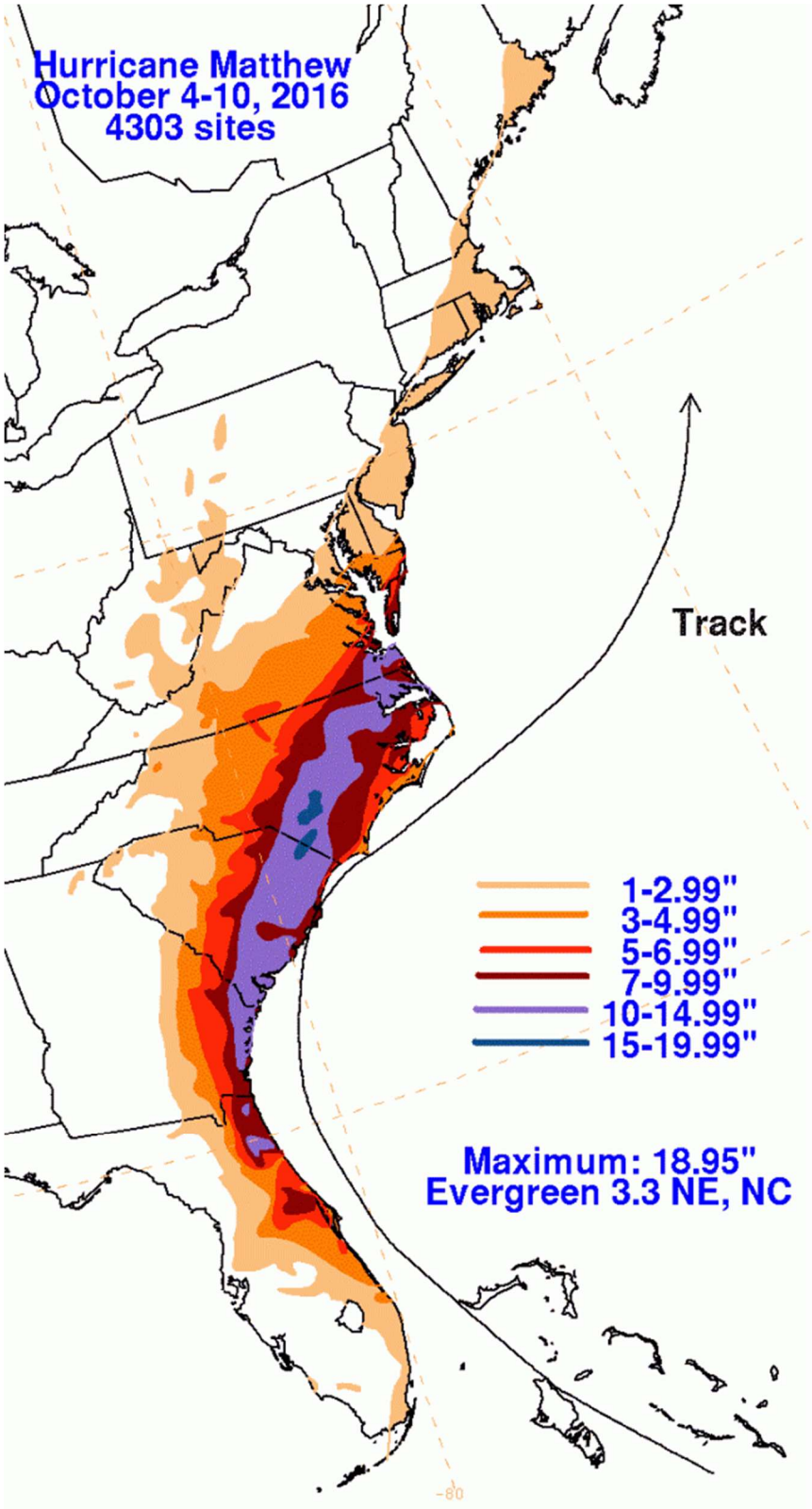



Figure 1: Hurricane Matthew path and associated rainfall areas.

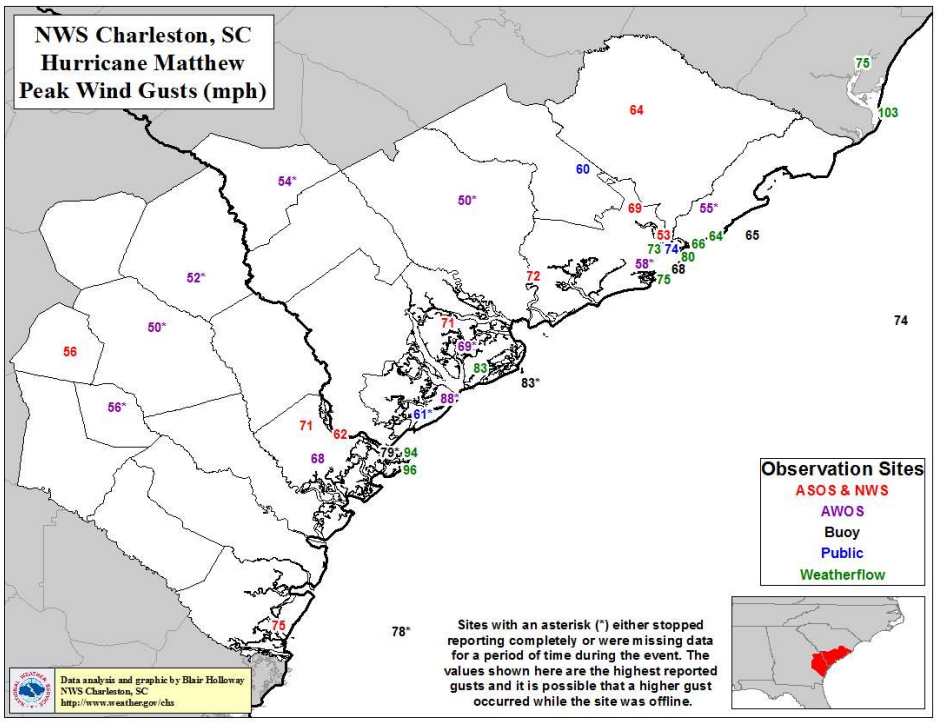



Figure 2: Hurricane Matthew peak wind gusts.[4]

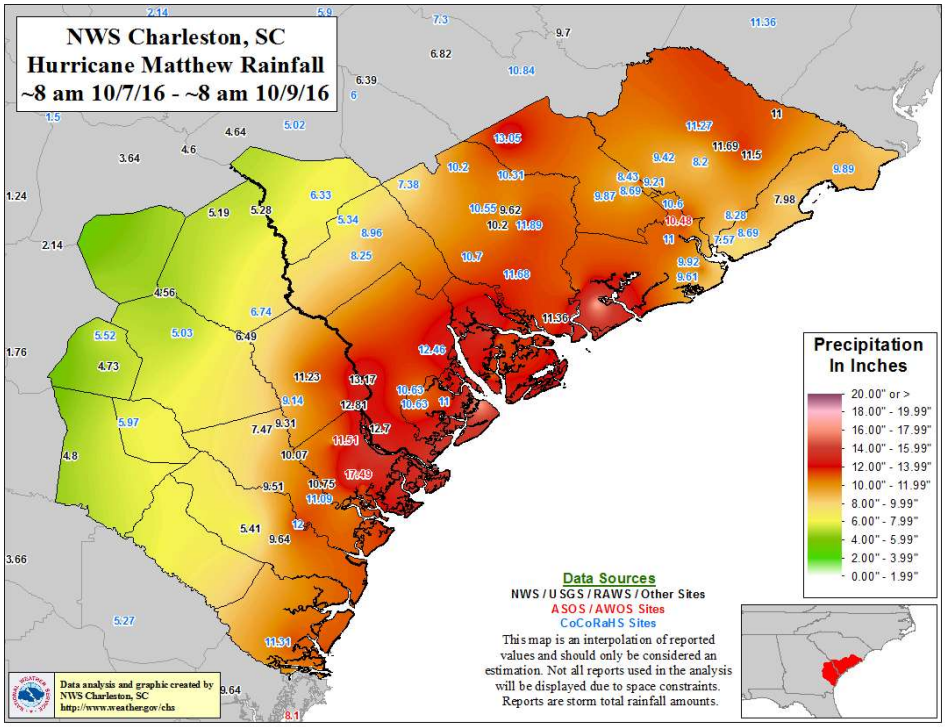



Figure 3: Hurricane Matthew rainfall totals.

[4] http://www.weather.gov/chs/HurricaneMatthew-Oct2016

A major disaster declaration was issued for the State of South Carolina on October 11, 2016. The declaration for FEMA 4286 included the following counties (Table 1 and Figure 4):

**Table 1: Declared County List for PDD 4286.**

| County | Individual Assistance | Public Assistance |
|---|---|---|
| Allendale | Declared | Declared |
| Bamberg | Declared | Declared |
| Barnwell | Declared | Declared |
| Beaufort | Declared | Declared |
| Berkeley | Declared | Declared |
| Calhoun | Declared | Declared |
| Charleston | Declared | Declared |
| Chesterfield | Declared | Declared |
| Clarendon | Declared | Declared |
| Colleton | Declared | Declared |
| Darlington | Declared | Declared |
| Dillon | Declared | Declared |
| Dorchester | Declared | Declared |
| Florence | Declared | Declared |
| Georgetown | Declared | Declared |
| Hampton | Declared | Declared |
| Horry | Declared | Declared |
| Jasper | Declared | Declared |
| Kershaw | | Declared |
| Lee | Declared | Declared |
| Marion | Declared | Declared |
| Marlboro | Declared | Declared |
| Orangeburg | Declared | Declared |
| Richland | | Declared |
| Sumter | Declared | Declared |
| Williamsburg | Declared | Declared |
| ***Total:*** | **24** | **26** |

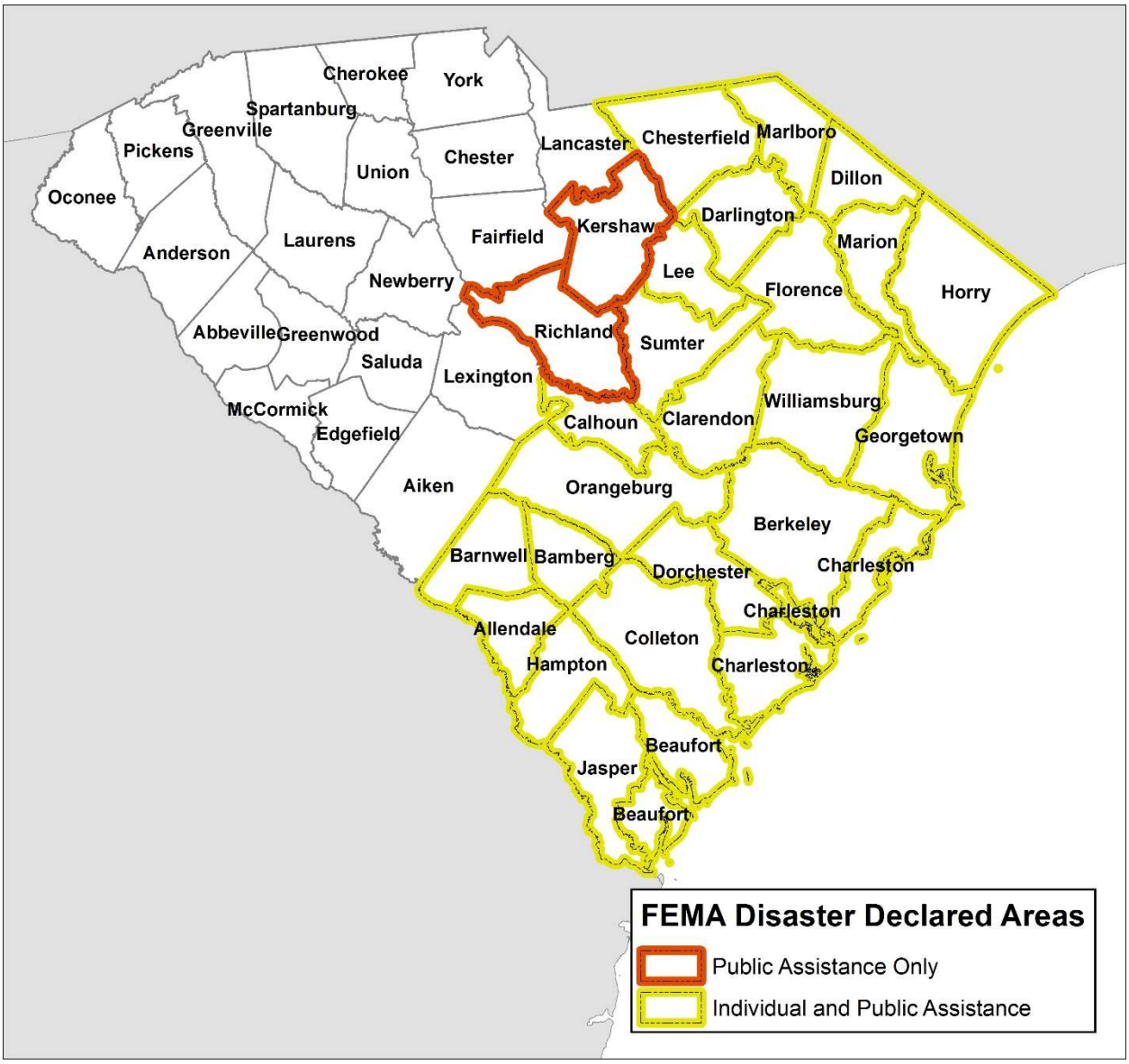



Figure 4: PDD 4286 Declared Counties

## Targeting Priority Needs

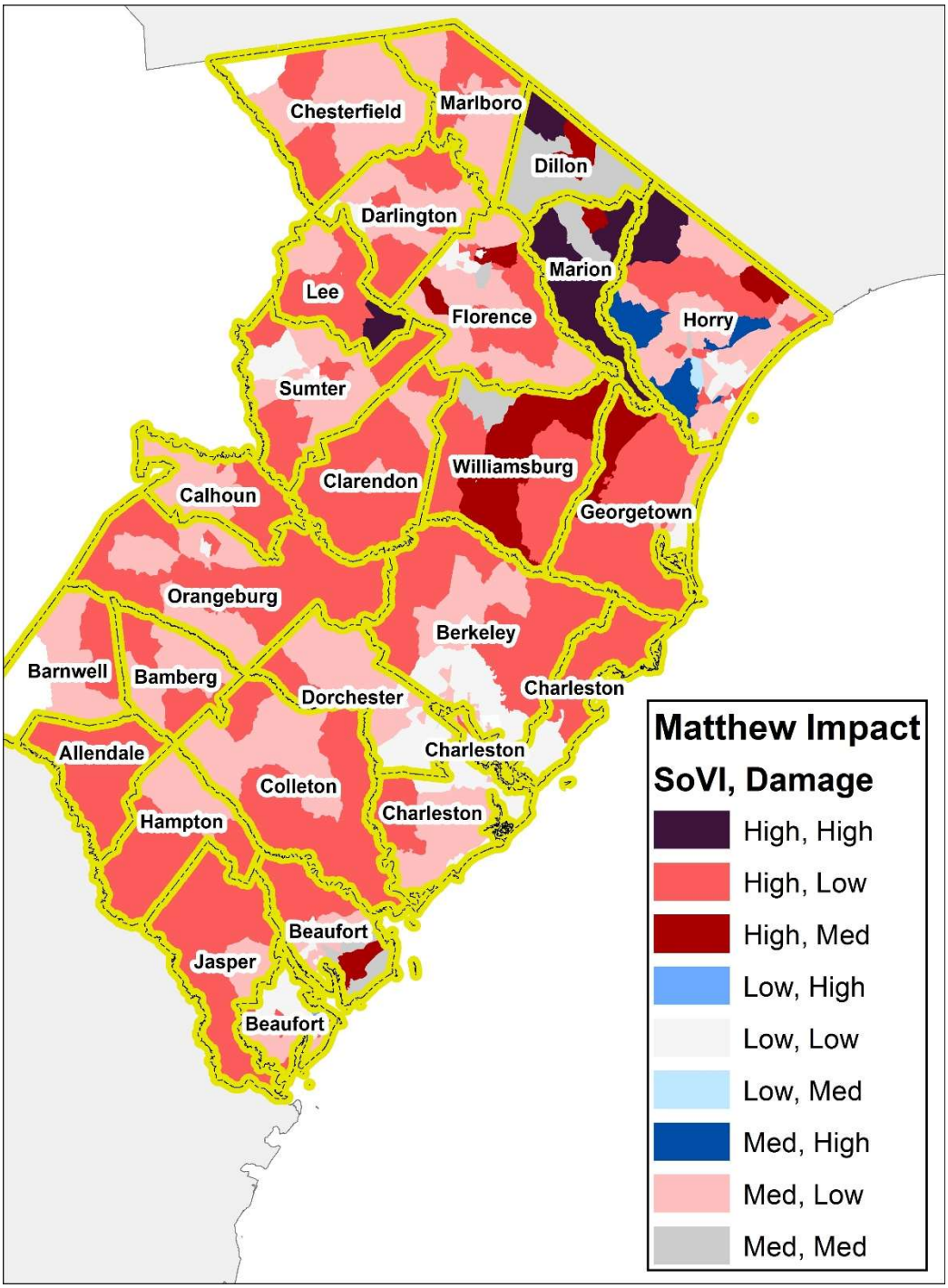
The State partnered with the Disaster Metrics, LLC and Dr. Christopher T. Emrich to identify those areas most impacted and most vulnerable across the State. Disaster Metrics utilized the Social Vulnerability Index to inform the recovery action plan development process by empirically delineating the most socially vulnerable census tracts within each IA designated county. **Residents in these high vulnerability areas generally have a lower ability to adequately prepare for, respond to, and rebound from disasters, environmental impacts, shocks, and stresses.**

Utilizing social vulnerability information in concert with FEMA damage data provides a standardized, replicable, and pragmatic process for understanding where scarce resources would be most helpful in driving successful disaster recovery. This procedure resulted in a visualization of loss/vulnerability for the State where places with high population such as Charleston and Myrtle Beach, are characterized by a general decrease in impact due to lower levels of social vulnerability. Conversely, populations residing in the swath from Dillon to Georgetown, although much less heavily populated, are characterized by generally higher levels of social vulnerability. Targeting resources to these most heavily impacted and vulnerable areas will yield the highest benefit because these areas will be much less able to bounce back without outside assistance. While there was damage along the entire coastal area, the damage (according to an extensive analysis of FEMA Verified Loss Data) outside of these areas is more extensive, especially when compounded with an inability to bounce back (social vulnerability).

The SC Disaster Recovery Office obtained from FEMA an address list of Individual Assistance (IA) applicants and identified those applicants with a FEMA verified real property (housing) loss. Using FEMA damage data, each $5,000 or greater loss was pinpointed on a map. These “hot spots” of FEMA verified loss were overlaid on social vulnerability information to identify areas that were both heavily impacted and had a lower capacity to absorb such losses (Figure 5).

This geographic overlay, combining areas of highest vulnerability with the areas containing significant numbers of damaged homes, shown in the map below, clearly indicates that the counties in the Eastern part of the State (from Dillon southeast to the coast) **not only contain the highest rate of damaged homes but often also have the highest social vulnerability. Targeting support to these areas in the immediate and long-term recovery phases of the flood disaster will yield the best outcomes for those with the highest need.** The comprehensive analysis of Unmet Needs is discussed in great detail in Section 3, Unmet Needs Assessment.

Figure 5: Bivariate Overlay of Damaged Housing Units & Social Vulnerability



# Section 3: Unmet Needs Assessment[5]

## Demographic Profile of the Impacted Area

Table 2 shows a breakdown of socio-economics and demographics for the Hurricane Matthew impacted counties of South Carolina. While many community characteristics across the impact area are similar to State trends and percentages, there are a few specific socio-demographic differences that should be addressed as a more full discussion of unmet needs is created. **Nearly half (42%) of the South Carolina population resides in the impacted area covered in this assessment**. The population in the impacted area differs from the statewide population in several key areas.

First, the Hurricane Matthew impacted area has a much higher percentage of people living in poverty (23.4%) than the State (16.6%). This poverty is a primary indicator of places that might see greater impacts from disasters because of a general lack of ability to prepare for shocks and stresses. Additionally, the impact area has higher percentage of residents over the age of 65, a much lower degree of residents with a Bachelor's degree, a higher percentage of individuals with disabilities, and a higher percentage of individuals without health insurance and an African American population of 44% compared to the statewide average of 27%. Furthermore, these areas have lower labor force participation, lower owner occupied housing and median rent values. This means that when compared to the State as a whole, there is a higher relative concentration of individuals with vulnerabilities that influence how they respond to disaster events and will decrease their speed of recovery.

[5] As required by the Federal Register Notice issued on August 7, 2017, South Carolina has provided an update to the initial unmet needs assessment. This update can be found beginning on page 68 in the section titled "Unmet Needs Assessment Update – September 2017."

Table 2: Demographic Profile Information - American Community Survey Data, 2015 Release

| People | Hurricane Matthew Counties | South Carolina - Statewide |
|---|---|---|
| Population estimates, July 1, 2015 | 2,064,869 | 4,896,146 |
| Persons under 5 years, percent, July 1, 2015 | 5.8 | 5.9 |
| Persons 65 years and over, percent, July 1, 2015 | 17.7 | 16.2 |
| White alone, percent, July 1, 2015 | 52.8 | 68.5 |
| Black or African American alone, percent, July 1, 2015 | 44 | 27.6 |
| American Indian and Alaska Native alone, percent, July 1, 2015 | 0.8 | 0.5 |
| Asian alone, percent, July 1, 2015 | 0.9 | 1.6 |
| Two or More Races, percent, July 1, 2015 | 1.5 | 1.8 |
| Hispanic or Latino, percent, July 1, 2015 | 4.1 | 5.5 |
| Foreign born persons, percent, 2011-2015 | 3.2 | 4.8 |
| Housing units, July 1, 2015 | 994,016 | 2,188,129.00 |
| Owner-occupied housing unit rate, 2011-2015 | 70.2 | 68.6 |
| Median value of owner-occupied housing units, 2011-2015 | $109,225 | $139,900 |
| Median gross rent, 2011-2015 | $701 | $790 |
| Building permits, 2015 | 13,385 | 31,030 |
| Households, 2011-2015 | 767,341 | 1,815,094 |
| Persons per household, 2011-2015 | 2.6 | 2.56 |
| Language other than English spoken at home, Percent 5 years+, 2011-2015 | 4.7 | 6.9 |
| High school graduate or higher, percent of persons age 25 years+, 2011-2015 | 81.4 | 85.6 |
| Bachelor's degree or higher, percent of persons age 25 years+, 2011-2015 | 18.0 | 25.80 |
| With a disability, under age 65 years, percent, 2011-2015 | 13.4 | 10.3 |
| Persons without health insurance, under age 65 years, percent | 17.3 | 12.9 |
| Per Capita health care and social assistance receipts/revenue, 2012 ($1,000) | 5.18 | 4.68 |
| In civilian labor force, total, percent of population age 16 years+, 2011-2015 | 55 | 60.1 |
| Median household income (in 2015 dollars), 2011-2015 | $37,791 | $45,483 |
| Per capita income in past 12 months (in 2015 dollars), 2011-2015 | $20,526 | $24,604 |
| Persons in poverty, percent | 23.4 | 16.6 |

*Note: Cells highlighted in blue indicate an important difference between the statewide data and the subset area impacted by the floods and covered by the CBDG-DR SC Matthew allocation.*

### *Impact on Low-and-Moderate-Income Populations*

All programs supported by HUD Community Development Block Grant (CDBG) assistance must demonstrate benefit to individuals and communities by meeting one of the program's three National Objectives for all money spent on projects. These are: (1) benefiting low-and moderate- income (LMI) persons, (2) aiding in the prevention or elimination of slums or blight, or (3) meeting a need having particular urgency (urgent need)[6] - Table 3.

**Low- to moderate- income households are defined as households that do not exceed 80% of the median income for their area**, as determined by HUD. These income categories are grouped into the following classifications:[7]

- **Very low income** – has an annual income at 30% or below the area median income
- **Low income** – has an annual income at 31% to 50% of the area median income; and
- **Moderate income** – has an annual income at 51% to 80% of the area median income.

For the purpose of CDBG-Disaster Recovery programs, Grantee's apply the below terminology consistent with the original language of the Housing Act and reporting designations in the HUD Disaster Recovery Grant Reporting (DRGR) system. [8]

**Table 3: HUD LMI Classifications**

| Household Area Median Income | Classification/ Terminology | Reporting Designation in DRGR |
|---|---|---|
| 0%-30% | Very Low Income | Low Income |
| 31%-50% | Low Income | Low Income |
| 51%-80% | Moderate Income | Moderate Income |
| 81% or Higher | Above LMI | Urgent Need |

Please refer to *Appendix: HUD Income Limits* for income categories in the declared counties.

[6] These National Objective definitions and corresponding language are set by HUD regulation.

[7] The term "Low-and-Moderate Income" is defined in the Housing and Community Development Act of 1974 as: The terms "persons of low and moderate income" and "low- and moderate-income persons" mean families and individuals whose incomes do not exceed 80 percent of the median income of the area involved, as determined by the Secretary with adjustments for smaller and larger families. The term "persons of low income" means families and individuals whose incomes do not exceed 50 percent of the median income of the area involved, as determined by the Secretary with adjustments for smaller and larger families. The term "persons of moderate income" means families and individuals whose incomes exceed 50 percent, but do not exceed 80 percent, of the median income of the area involved, as determined by the Secretary with adjustments for smaller and larger families.

[8] HUD Program Income Limits are published annually for use across all HUD funded programs and contain incongruous terminology to the Housing Act. Terminology published in the annual income limits is applied to other HUD funded formula allocation programs to support individual income group targets within the LMI category: https://www.huduser.gov/portal/datasets/il.html

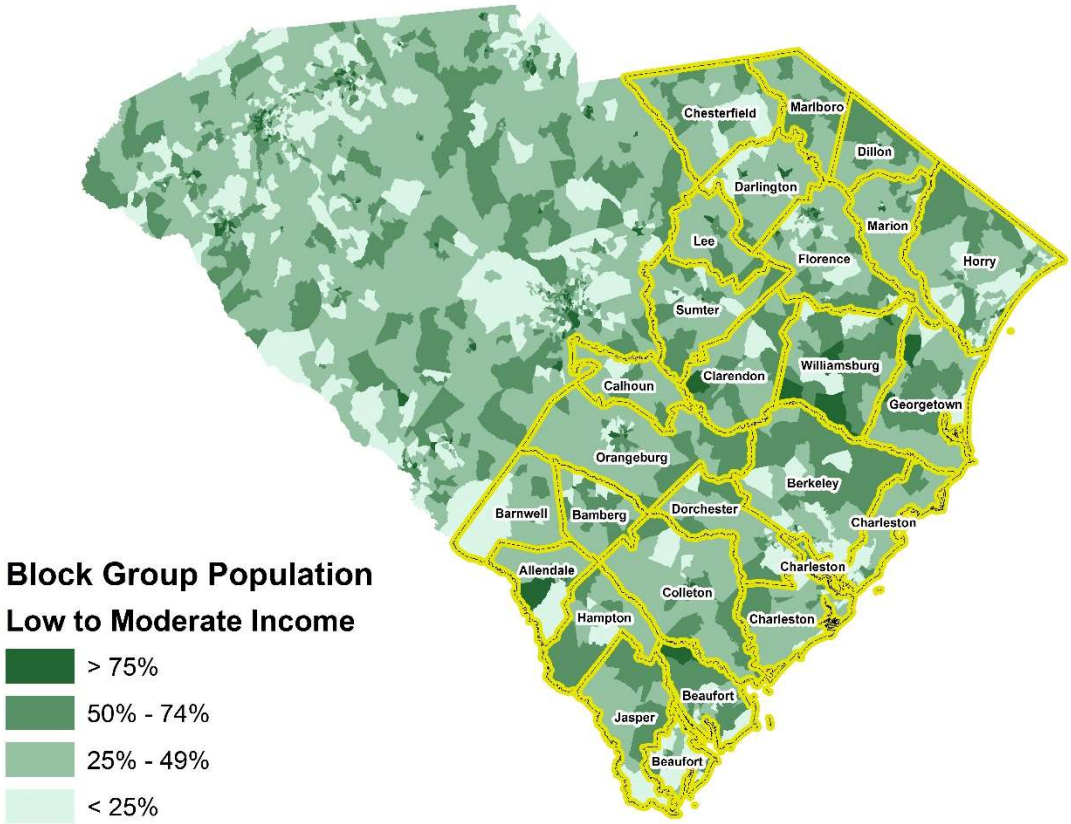



Figure 6: Low to Moderate Income by Block Group.

Many of the counties in the impacted area have relatively high rates of low-and-moderate income populations (Figure 6). Overall, the average LMI rate for counties across the State-impacted area was approximately 41.79%, with some counties such as Allendale (57.04%), Clarendon (46.97%), Dillon (53%), Georgetown (44.33%), Lee (50.5%), Marion (46.96%), and Williamsburg (51.46%) reaching LMI levels well greater than the State average. Table 4 below, illustrates the average LMI percentage across all block groups in any county and the maximum LMI of any single block group within that county. It becomes clear when looking at the maximum LMI values that every county has at least one area characterized by very low income levels. When block group populations are examined, additional LMI concentrations within each county become apparent, as illustrated in the map above. Detailed LMI maps of those counties with heavy impacts are shown in the following figures (Figure 7-Figure 9) below.

**Table 4: Low to Moderate Income Summary for Matthew Impacted Counties.**

| *County* | Number of Block Groups | Average LMI (all Block Groups) | Max LMI (single Block Group) |
|---|---|---|---|
| *Allendale County* | 10 | 57.04% | 83.97% |
| *Bamberg County* | 17 | 42.80% | 79.37% |
| *Barnwell County* | 20 | 43.42% | 73.68% |
| *Berkeley County* | 100 | 38.50% | 83.82% |
| *Calhoun County* | 12 | 44.19% | 64.52% |
| *Charleston County* | 235 | 42.15% | 100.00% |
| *Chesterfield County* | 33 | 42.62% | 66.67% |
| *Clarendon County* | 30 | 46.97% | 87.50% |
| *Colleton County* | 31 | 40.38% | 80.89% |
| *Darlington County* | 55 | 38.98% | 85.04% |
| *Dillon County* | 28 | 53.00% | 94.74% |
| *Dorchester County* | 67 | 34.61% | 63.91% |
| *Florence County* | 107 | 40.16% | 100.00% |
| *Georgetown County* | 46 | 44.33% | 96.43% |
| *Hampton County* | 16 | 38.73% | 59.87% |
| *Horry County* | 149 | 37.16% | 83.08% |
| *Jasper County* | 16 | 40.81% | 64.00% |
| *Lee County* | 17 | 46.46% | 87.08% |
| *Marion County* | 31 | 46.96% | 83.05% |
| *Marlboro County* | 24 | 50.36% | 84.96% |
| *Orangeburg County* | 74 | 44.70% | 84.17% |
| *Sumter County* | 68 | 42.30% | 84.76% |
| *Williamsburg County* | 32 | 51.46% | 85.80% |

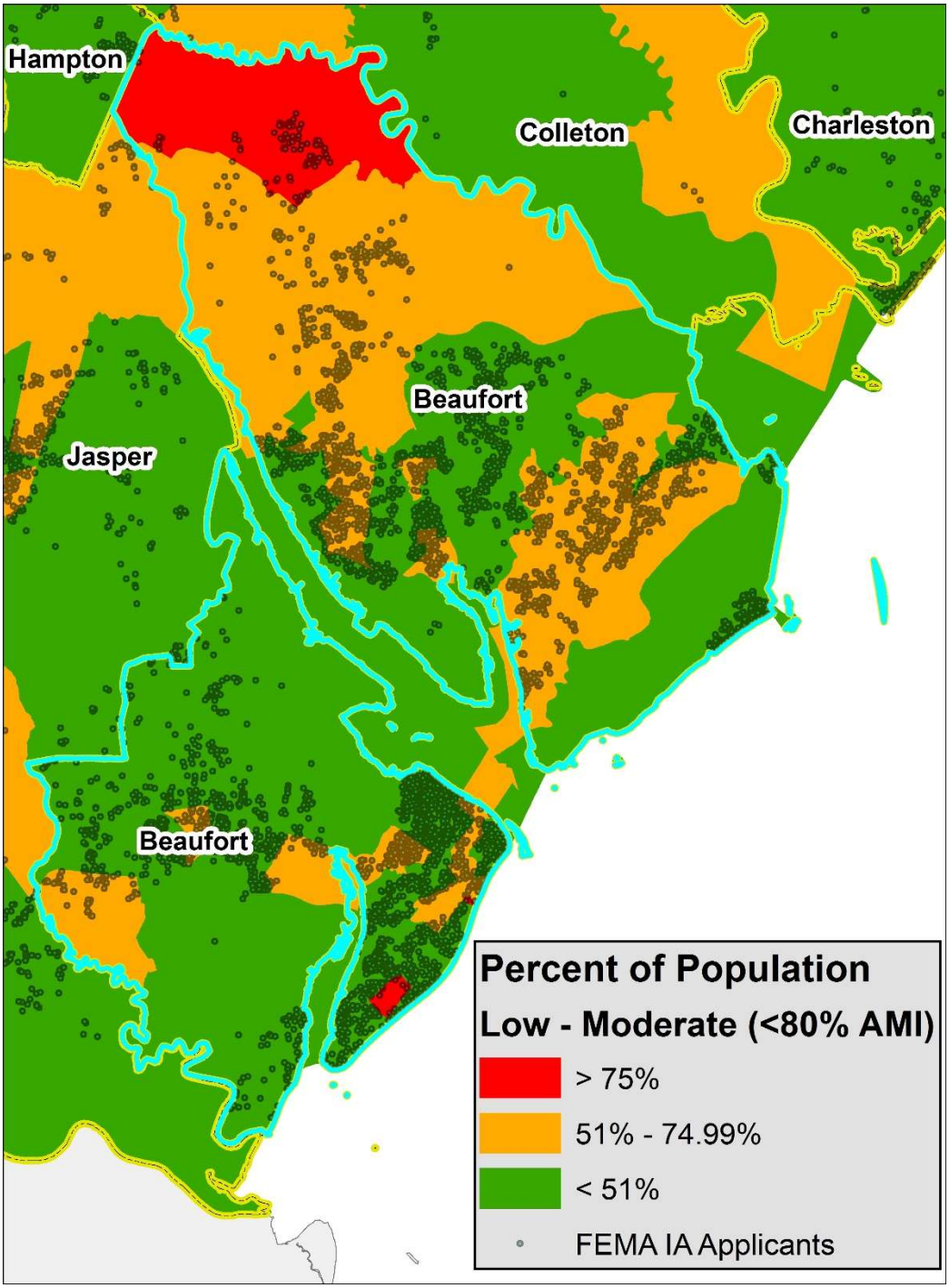



Figure 7: Low to Moderate Income by Block Group – Beaufort County.

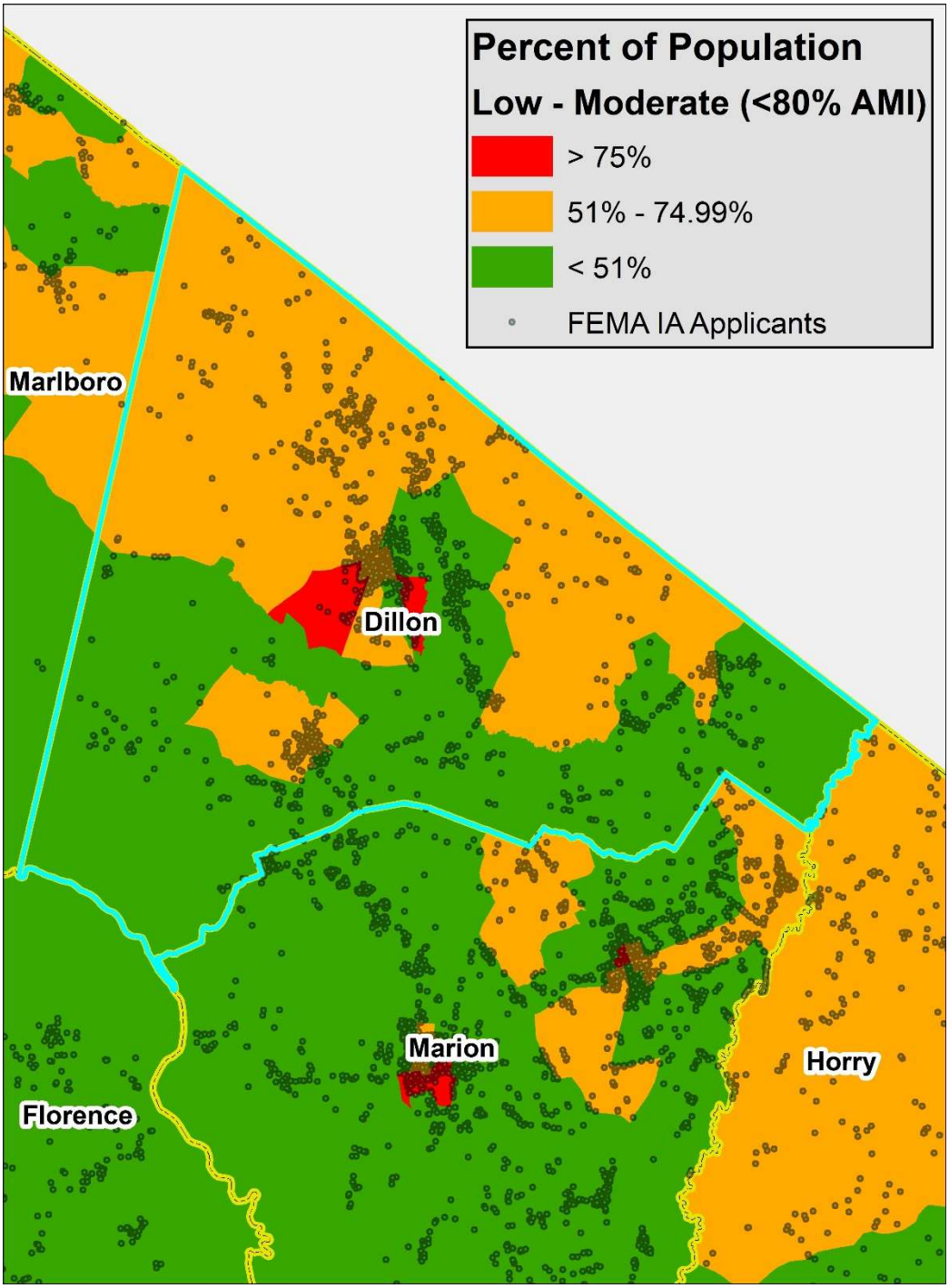



Figure 8: Low to Moderate Income by Block Group – Dillon County.

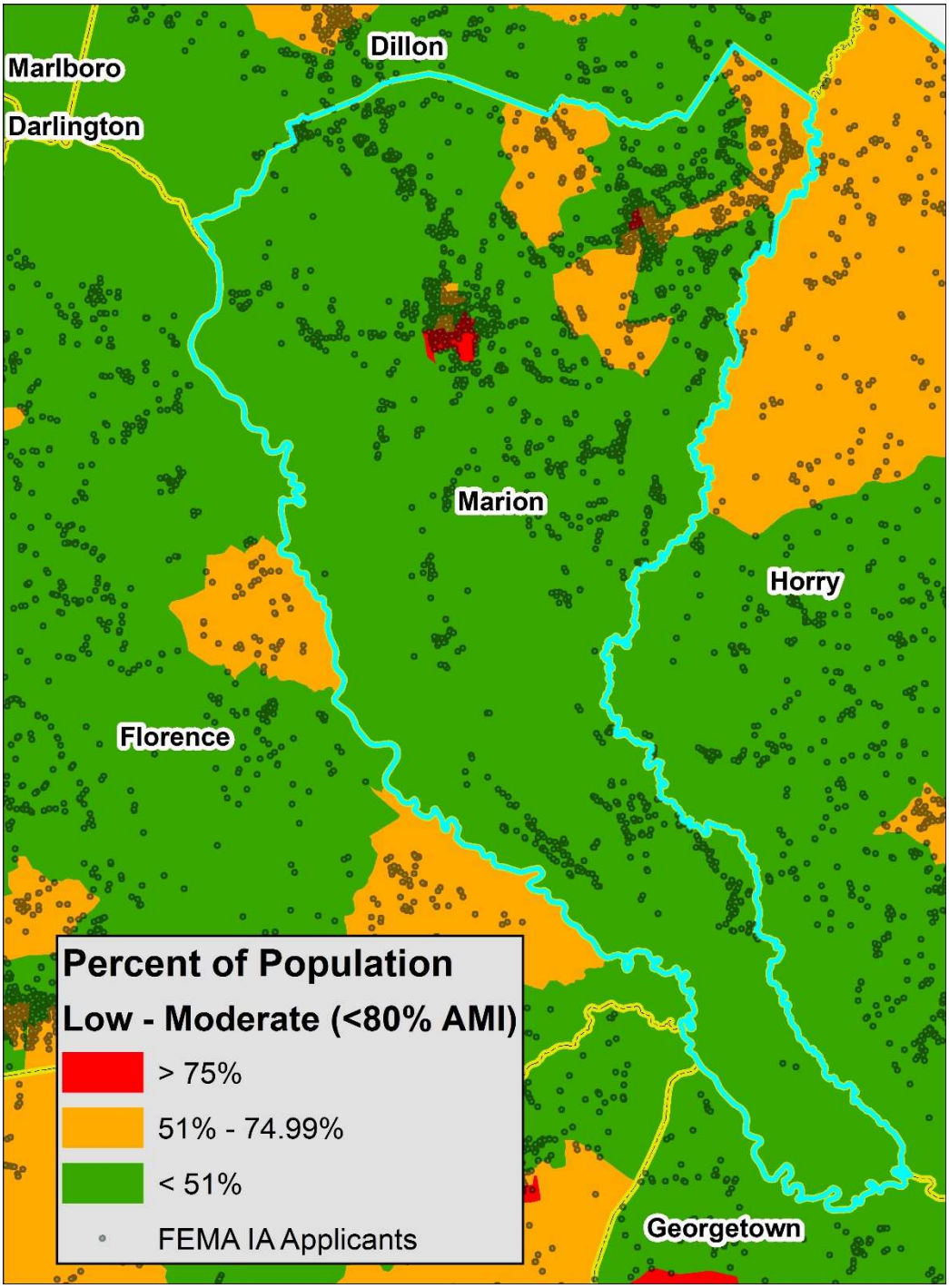



Figure 9: Low to Moderate Income by Block Group – Marion County.

### *Impact on Special Needs Populations*

Individuals with access and functional needs limitations will require assistance with accessing and/or receiving disaster resources. These individuals could be children, older adults, pregnant women, from diverse cultures, transportation disadvantaged, homeless, have chronic medical disorders, and/or a pharmacological dependency. They could have disabilities, live in institutions, have limited English proficiency or altogether non-English speaking.[9]

Specialized resources may include, but are not limited to social services, accommodations, information, transportation, or medications to maintain health. Regardless of the nature of the need, care must be taken to ensure that all individuals are able to access disaster recovery resources.

According to U.S. Census data, approximately 3% of the population in the impacted counties speaks a language other than English at home and does not understand English well, with Beaufort (5.46%), Berkeley (3.49%), Dorchester (2.42%), Horry (3.61%), and Jasper (7.82%) counties having the highest relative percent of the population speaking different languages and not understanding English well.[10] Outreach for the Action Plan and for applicant intake will take careful consideration of the language needs of these populations (see the sections on Outreach and Citizen Participation for more information).

Figure 10 shows concentrations of limited English by census tract, followed by Table 5 that shows the number of residents who speak only English or who speak Spanish or other languages, by county.

[9] US Dept. of Health and Human Services, Office of the Assistant Secretary for Preparedness and Response. "Public Health Emergency" – http://www.phe.gov/Preparedness/planning/abc/Pages/atrisk.aspx

[10] Source: U.S. Census Bureau, 2010-2015 American Community Survey 5-Year Estimates, Table 16001. County-level percent calculations by the South Carolina Department of Revenue and Fiscal Affairs - Health and Demographics Section.

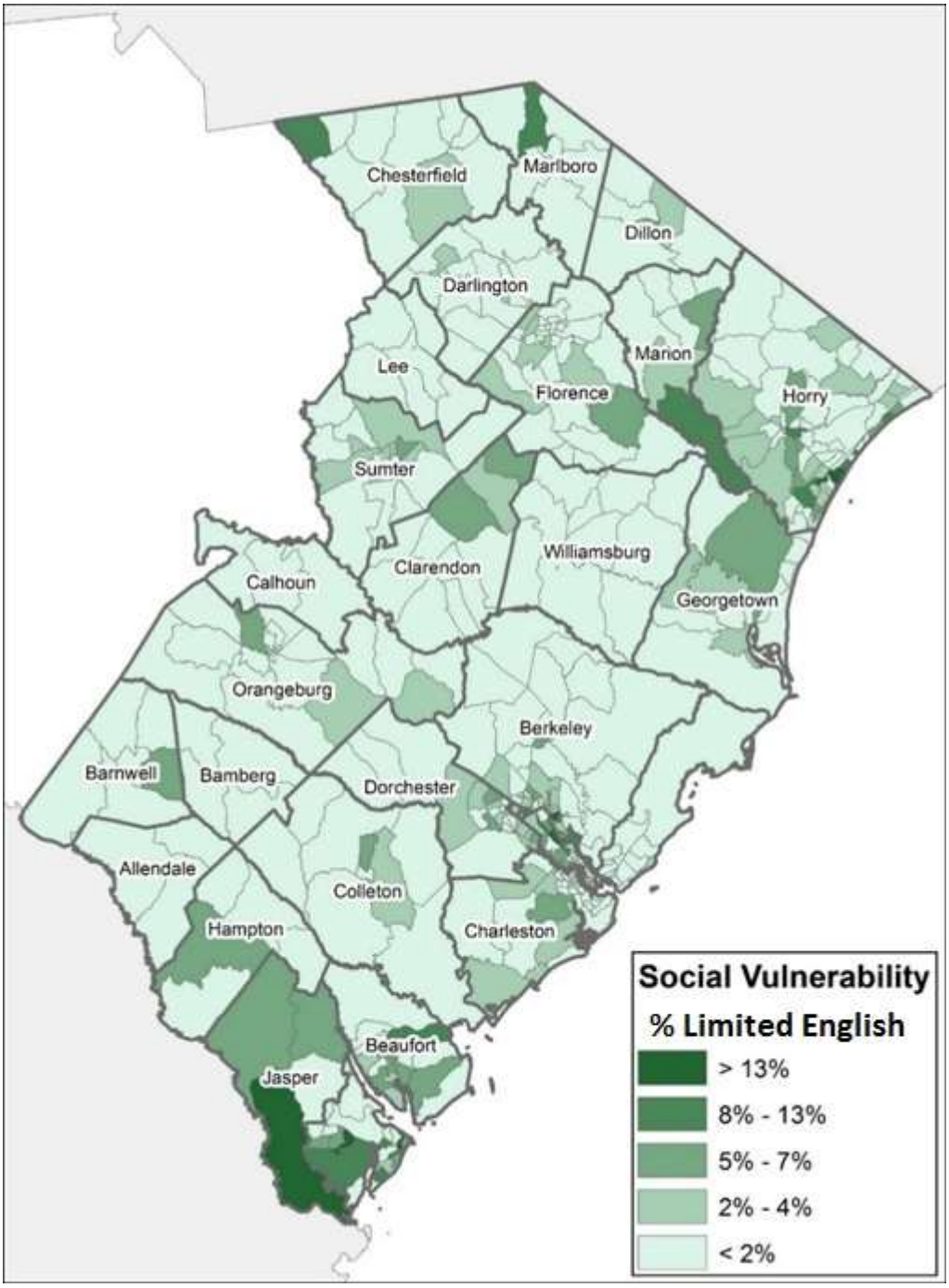



Figure 10: Percent of tract population with speaking English "not well" or not at all.

**Table 5: Language Spoken at Home and Ability to Speak English for Persons 5 Years and Over in S.C. (2011-2015*)**

| County | Total | Speaks Only English | | Speaks Spanish | | Speaks Other Language | |
|---|---|---|---|---|---|---|---|
| | | Number | Percent | Number | Percent | Number | Percent |
| Allendale | 9,154 | 9,079 | 99.18% | 75 | 0.82% | 0 | 0.00% |
| Bamberg | 14,468 | 14,343 | 99.14% | 104 | 0.72% | 21 | 0.15% |
| Barnwell | 20,243 | 19,940 | 98.50% | 225 | 1.11% | 78 | 0.39% |
| Beaufort | 148,912 | 140,778 | 94.54% | 7,009 | 4.71% | 1,125 | 0.76% |
| Berkeley | 172,130 | 166,120 | 96.51% | 3,982 | 2.31% | 2,028 | 1.18% |
| Calhoun | 13,825 | 13,689 | 99.02% | 125 | 0.90% | 11 | 0.08% |
| Charleston | 334,272 | 325,870 | 97.49% | 5,902 | 1.77% | 2,500 | 0.75% |
| Chesterfield | 42,815 | 41,989 | 98.07% | 787 | 1.84% | 39 | 0.09% |
| Clarendon | 31,726 | 31,371 | 98.88% | 303 | 0.96% | 52 | 0.16% |
| Colleton | 35,016 | 34,381 | 98.19% | 522 | 1.49% | 113 | 0.32% |
| Darlington | 62,858 | 62,333 | 99.16% | 355 | 0.56% | 170 | 0.27% |
| Dillon | 28,643 | 28,065 | 97.98% | 300 | 1.05% | 278 | 0.97% |
| Dorchester | 130,166 | 127,010 | 97.58% | 1,758 | 1.35% | 1,398 | 1.07% |
| Florence | 126,125 | 124,447 | 98.67% | 1,030 | 0.82% | 648 | 0.51% |
| Georgetown | 56,147 | 55,437 | 98.74% | 504 | 0.90% | 206 | 0.37% |
| Hampton | 18,995 | 18,625 | 98.05% | 321 | 1.69% | 49 | 0.26% |
| Horry | 263,113 | 253,615 | 96.39% | 6,475 | 2.46% | 3,023 | 1.15% |
| Jasper | 23,422 | 21,590 | 92.18% | 1,796 | 7.67% | 36 | 0.15% |
| Lee | 17,056 | 17,011 | 99.74% | 30 | 0.18% | 15 | 0.09% |
| Marion | 29,799 | 29,120 | 97.72% | 579 | 1.94% | 100 | 0.34% |
| Marlboro | 25,979 | 25,485 | 98.10% | 431 | 1.66% | 63 | 0.24% |
| Orangeburg | 83,090 | 82,010 | 98.70% | 704 | 0.85% | 376 | 0.45% |
| Sumter | 96,802 | 94,975 | 98.11% | 1,155 | 1.19% | 672 | 0.69% |
| Williamsburg | 30,919 | 30,642 | 99.10% | 221 | 0.71% | 56 | 0.18% |
| **Impacted Counties** | **1,815,675** | **1,767,925** | **97.37%** | **34,693** | **1.91%** | **13,057** | **0.72%** |

Being over the age of 65 or having children under the age of 5 contributes to the potential vulnerability of a household. The map below (Figure 11) shows concentrations of households with age dependent populations, by census tract. Concentrations of age dependent populations are noticeable in Beaufort, Calhoun, Clarendon, Georgetown, Horry, Jasper, and Williamsburg counties.

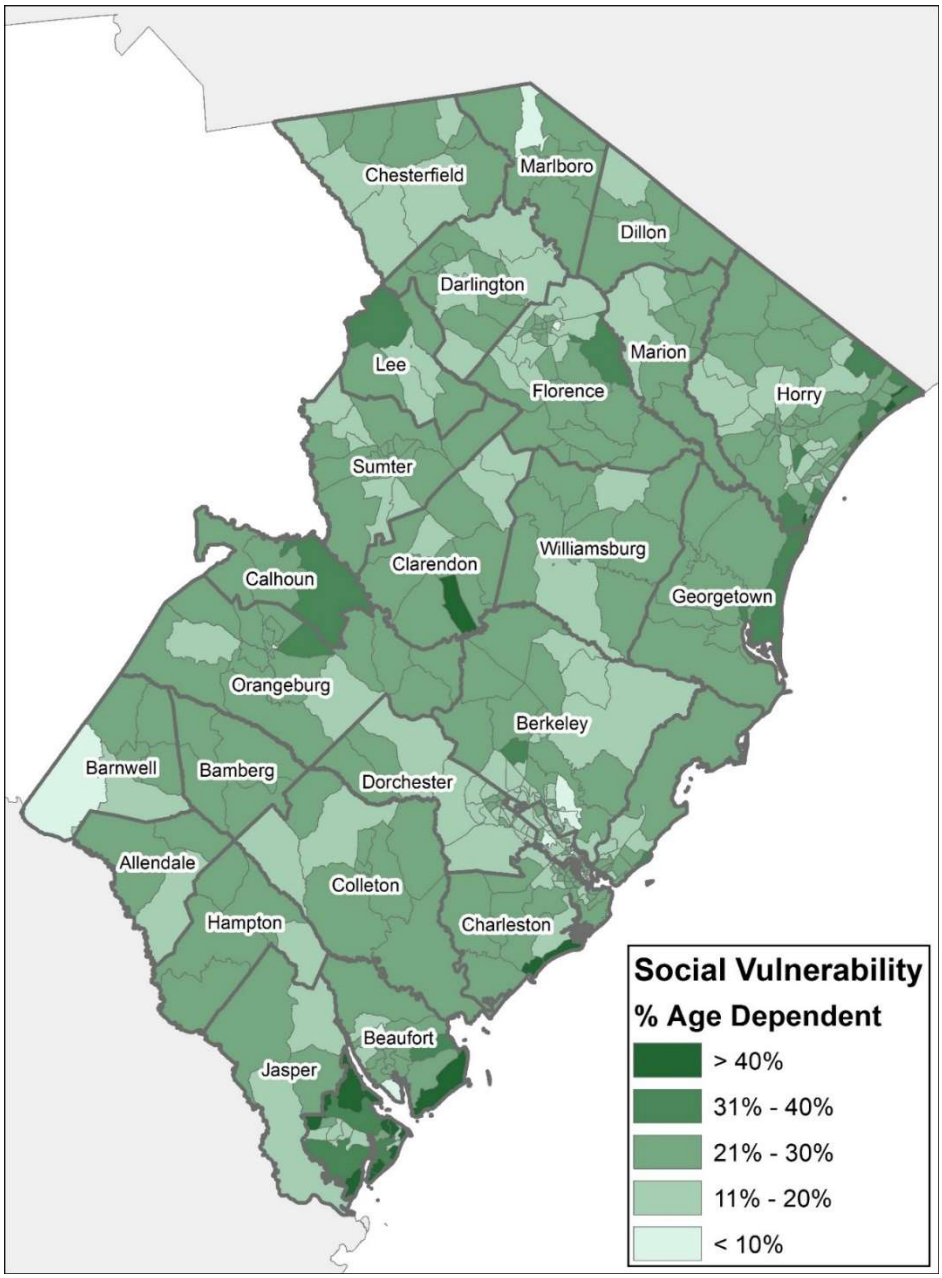



**Figure 11: Age dependent (< 5 or > 65 years) population by tract.**

Additionally, Social Vulnerability considers the percentage of the population living below poverty level. The map below (Figure 12) shows relative concentrations of poverty in the northeast half of the State, followed by a map of larger concentrations of unemployment across the region (Figure 13).

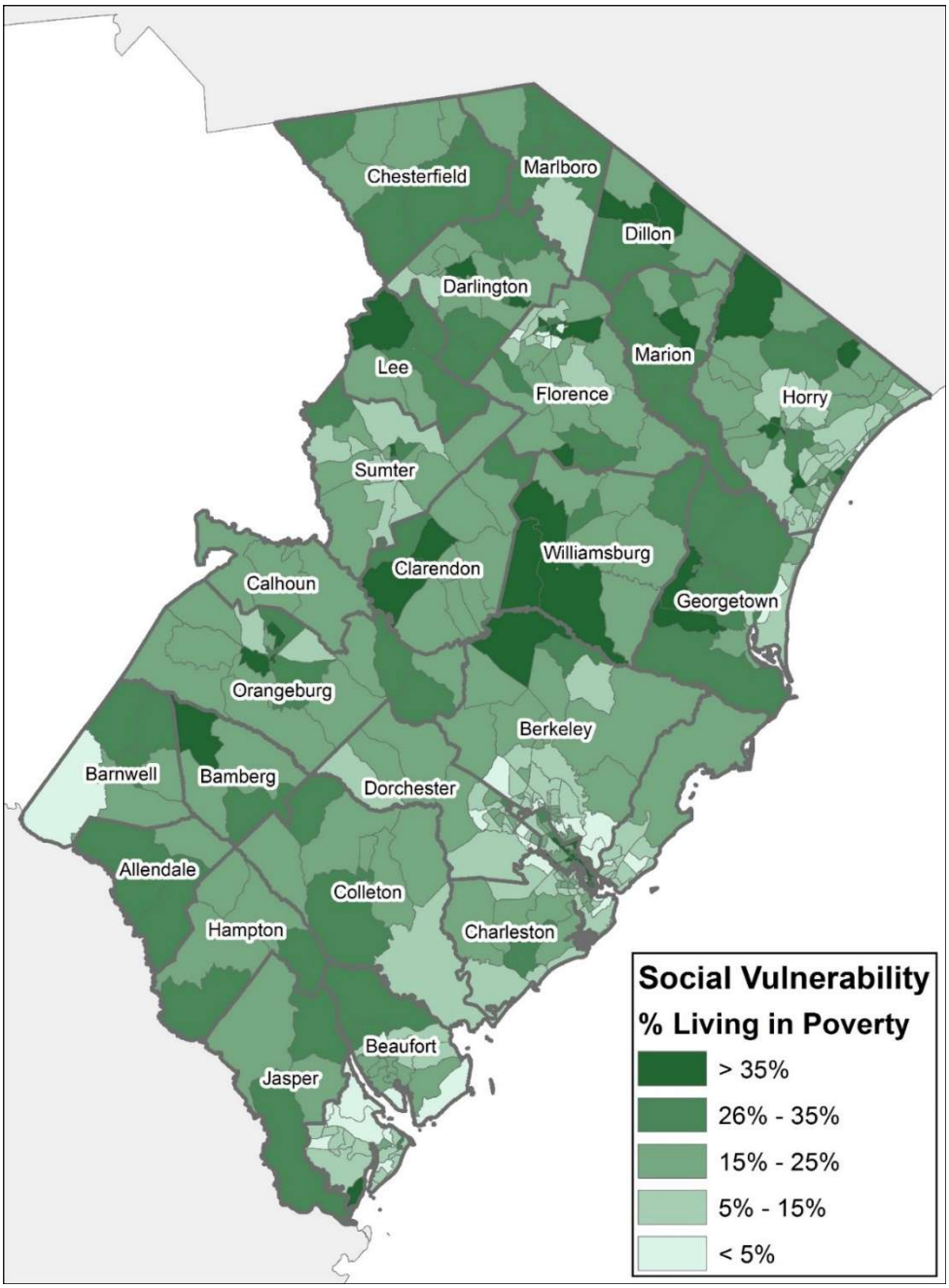



Figure 12: Percent of population living in poverty by tract.

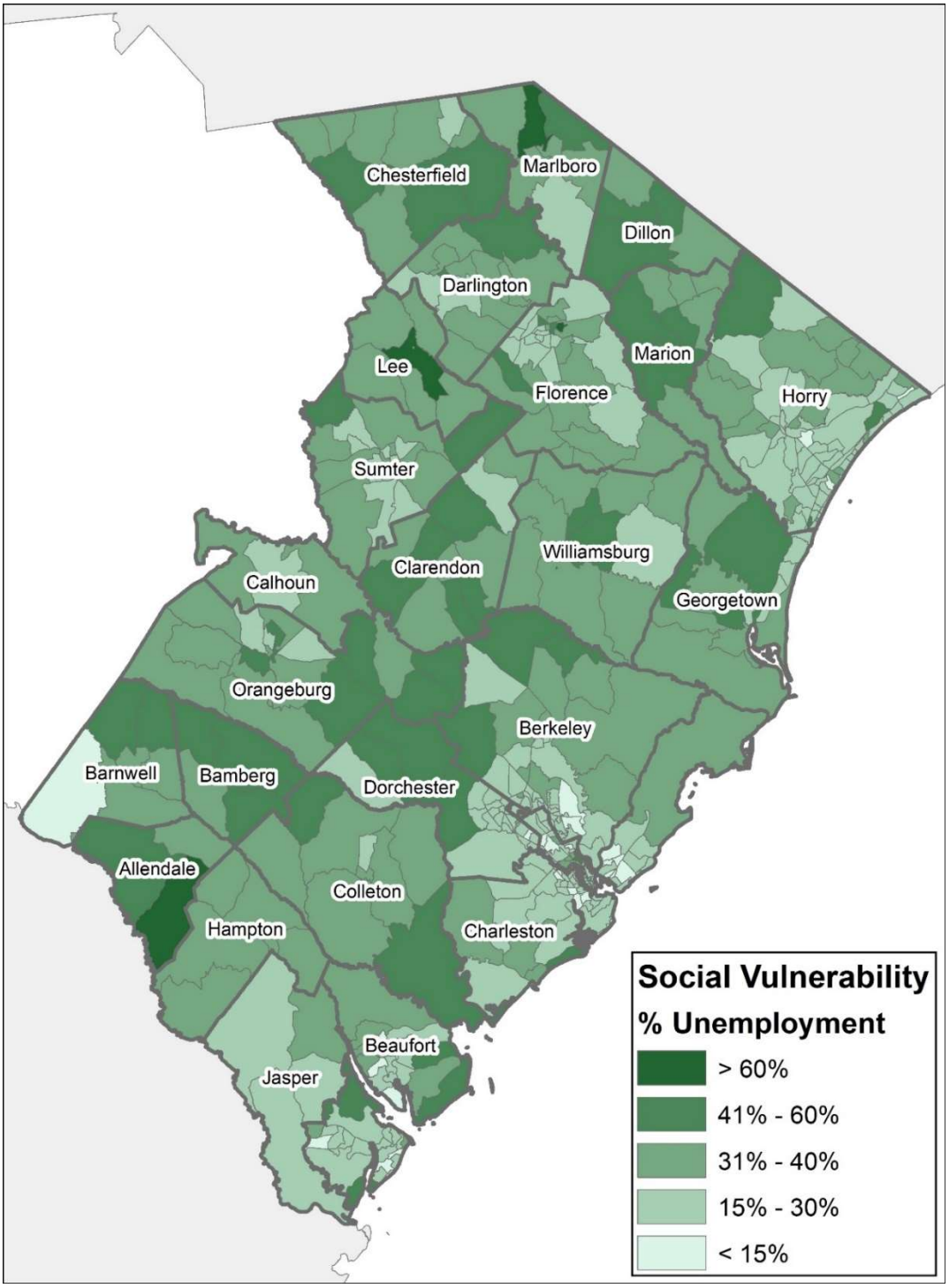



Figure 13: Percent unemployment by tract.

### *Transitional Housing/Homelessness*

Hurricane Matthew's triple threat of wind, rain, and flooding impacted community members across all walks of life. While some may lose homes, others affected may be without homes both prior and following an event of such magnitude. In fact, homeless persons may be faced with even more adversity as others become displaced and shelters become more overcrowded. According to a 2016 Point-In-Time report from the South Carolina Coalition for the Homeless (and federally mandated by HUD), there were 1,627 homeless people in the Hurricane Matthew-affected area. Of these, approximately 50% are considered to be unsheltered.[11]In Marion County, which HUD has designated as the "Most Impacted and Distressed," there are dozens of churches and non-profit groups that work to meet the needs of the homeless population.

| Homelessness in Matthew-affected Counties | | | |
|---|---|---|---|
| | Sheltered | Unsheltered | Total |
| Allendale | 0 | 7 | 7 |
| Bamberg | 0 | 6 | 6 |
| Barnwell | 7 | 8 | 15 |
| Beaufort | 10 | 25 | 35 |
| Berkeley | 1 | 0 | 1 |
| Calhoun | 0 | 0 | 0 |
| Charleston | 263 | 198 | 461 |
| Chesterfield | 12 | 10 | 22 |
| Clarendon | 0 | 2 | 2 |
| Colleton | 5 | 0 | 5 |
| Darlington | 0 | 21 | 21 |
| Dillon | 6 | 38 | 44 |
| Dorchester | 9 | 16 | 25 |
| Florence | 135 | 55 | 190 |
| Georgetown | 0 | 71 | 71 |
| Hampton | 0 | 22 | 22 |
| Horry | 256 | 236 | 492 |
| Jasper | 0 | 1 | 1 |
| Lee | 0 | 9 | 9 |
| Marion | 47 | 30 | 77 |
| Marlboro | 0 | 0 | 0 |
| Orangeburg | 46 | 2 | 48 |
| Sumter | 24 | 27 | 51 |
| Williamsburg | 0 | 22 | 22 |
| Totals | 821 | 806 | 1627 |
| 2016 Point-In-Time Report - SC Coalition for the Homeless | | | |

The report referenced was funded by the Emergency Services Grant: a HUD program that aims to help homeless families and persons by improving the amount and quality of emergency shelters available, re-housing the homeless, and preventing more individuals and families from encountering homelessness. The population served by the State Housing Opportunities for Persons with HIV/AIDS (HOPWA) program has consistent funding in place from traditional CDBG dollars that remains the same as pre-disaster levels. Clients impacted by Hurricane Matthew continue to receive services through normal operations.[12]

### *Emergency Shelters*

The massive evacuation ordered for coastal South Carolina in the days preceding Matthew emptied the coasts and filled hotels, motels, homes of friends and families, as well as public shelters across the State. The State along with various churches, charitable groups, and schools stepped up quickly to help their fellow South Carolinians. Shelters opened up across the State to provide those in need with a place to stay and to receive necessities and nourishment. The State opened thirty-two shelters on October 5th and ordered a mandatory evacuation of coastal counties. The South Carolina Department of Social Services placed another sixty shelters on standby mode, prepared to assist evacuees if needed.[13] In total, 120 shelters in twenty-eight counties housed an average of 6,500 people per night and a maximum of 8,503 people in any one night (Table 6).

[11] (http://www.nhipdata.org/local/upload/file/PIT%20Report%202016%20south%20carolina.pdf)
[12] Confirmed with South Carolina Department of Health and Environmental Control, HOPWA program on 3/15/17
[13] http://www.scemd.org/component/content/article/11-home-page/news/242-matthew-news-release-5

Table 6: Shelter occupancy by county.

| County | Shelters in operation | Total Sheltered (All Days) | Average Per night | Maximum sheltered (any single night) |
|---|---|---|---|---|
| AIKEN | 6 | 657 | 110 | 325 |
| ALLENDALE | 2 | 173 | 87 | 74 |
| ANDERSON | 4 | 0 | 0 | 0 |
| BAMBERG | 2 | 28 | 14 | 16 |
| BARNWELL | 1 | 75 | 75 | 62 |
| BEAUFORT | 4 | 609 | 152 | 247 |
| BERKELEY | 12 | 1,311 | 109 | 872 |
| CALHOUN | 1 | 34 | 34 | 17 |
| CHARLESTON | 8 | 3,146 | 393 | 1,560 |
| CLARENDON | 3 | 636 | 212 | 296 |
| COLLETON | 2 | 785 | 393 | 240 |
| DARLINGTON | 1 | 63 | 63 | 35 |
| DILLON | 1 | 231 | 231 | 139 |
| DORCHESTER | 6 | 741 | 124 | 559 |
| FLORENCE | 11 | 1,138 | 103 | 454 |
| GEORGETOWN | 2 | 468 | 234 | 235 |
| HAMPTON | 2 | 734 | 367 | 285 |
| HORRY | 21 | 2,416 | 115 | 978 |
| JASPER | 1 | 2,353 | 2,353 | 748 |
| LEE | 1 | 15 | 15 | 15 |
| MARION | 4 | 2,135 | 534 | 314 |
| MARLBORO | 1 | 21 | 21 | 15 |
| ORANGEBURG | 8 | 695 | 87 | 329 |
| SPARTANBURG | 1 | 127 | 127 | 72 |
| SUMTER | 4 | 0 | 0 | 0 |
| WILLIAMSBURG | 6 | 724 | 121 | 315 |
| **Grand Total** | **115** | **19,315** | **6,073** | **8,202** |

### *Enhanced Focus on Vulnerable Populations*

South Carolina has taken a cutting-edge approach to its disaster recovery process by assessing social vulnerability as part of its recovery strategy. A social vulnerability index utilizing the most recent census data (2011-15) measures the social vulnerability of all census tracts with population in the PDD4286 area of interest.

The index is a comparative metric facilitating examination of differences in social vulnerability across census tracts, the building blocks of counties. It graphically illustrates the variation in social vulnerability across the Hurricane Matthew impact area, shows where there is uneven capacity for preparedness and response, and helps pinpoint where resources might be used most effectively to reduce the pre-existing vulnerability and encourage recovery. Utilizing social vulnerability is also useful as an indicator in determining the differential recovery from disasters.

The social vulnerability index synthesizes socioeconomic variables, which the research literature suggests contribute to reduction in a community's ability to prepare for, respond to, and recover from hazards. An outline of the variables influential in vulnerability for Hurricane Matthew Individual Assistance declared counties is shown in Table 7.

**Table 7: Social Vulnerability for Hurricane Matthew IA Counties**

| PDD4286 - South Carolina Tract-Level 2011-2015 Social Vulnerability Component Summary | | | | | |
|---|---|---|---|---|---|
| ***Component*** | ***Cardinality*** | ***Name*** | ***% Variance Explained*** | ***Dominant Variables*** | ***Component Loading*** |
| **1** | + | Social Status and Race (Black) | 16.764 | QNOAUTO | 0.814 |
| | | | | QPOVTY | 0.781 |
| | | | | QBLACK | 0.671 |
| | | | | QFHH | 0.614 |
| | | | | QED12LES | 0.591 |
| | | | | QCVLUN | 0.557 |
| | | | | QFAM | -0.785 |
| **2** | - | Wealth | 14.531 | QED12LES | -0.527 |
| | | | | QMOHO | -0.519 |
| | | | | QRICH200K | 0.869 |
| | | | | MDGRENT | 0.676 |
| | | | | MHSEVAL | 0.894 |
| **3** | + | Age (Old) | 14.428 | MEDAGE | 0.883 |
| | | | | QAGEDEP | 0.849 |
| | | | | QUNOCCHU | 0.681 |
| | | | | QRENTER | -0.611 |
| | | | | QSSBEN | 0.890 |
| **4** | + | Ethnicity (Hispanic) | 8.671 | QHISP | 0.885 |
| | | | | QESL | 0.885 |
| | | | | QSERV | 0.541 |
| **5** | + | Gender (Female) | 7.765 | QFEMALE | 0.621 |
| | | | | PPUNIT | 0.550 |
| | | | | QFEMLBR | 0.826 |
| **6** | + | Mobile Homes and Extractive Industry | 7.314 | QEXTRCT | 0.515 |
| | | | | QMOHO | 0.634 |
| | | ***Cumulative Variance Explained*** | **69.473** | | |
| 27 Total Variables, populations < 1 excluded, housing units < 1 excluded | | | | | |

*Notes: Component scores and composite social vulnerability scores are relative and comparable across the State of South Carolina. The cardinalities of components have been adjusted as indicated above. The social vulnerability composite score is obtained by summing all component scores. Input data are derived from the Five-Year American Community Survey, 2011-15.*

The Social Vulnerability Index has high utility as a decision-support tool for emergency management. The social vulnerability index metric turns historical disaster impact measures into actionable information for emergency managers, recovery planners, and decision makers as a whole. It empirically measures and visually depicts a population's (in)ability to adequately prepare for, respond to, and rebound from disaster events. Operationally, social vulnerability assessments are now part of FEMA's Geospatial Framework, the set of spatial products delivered automatically by FEMA upon Presidential Disaster Declaration.

We utilize the social vulnerability index here for one main reason, namely its past success at providing actionable and useful information to decision makers. Social vulnerability data was instrumental in targeting resources to those who were in most need during recovery and rebuilding operations in South Carolina following the catastrophic severe storm of 2015. The October 2015 storm in South Carolina was the first implementation of a methodology to understand pre-event social conditions across the impact area in a post-event recovery context. Social vulnerability was utilized by the South Carolina Disaster Recovery Office to identify target areas across the states that would require outside assistance to rebound from this disaster. Here, social vulnerability scores were coupled with FEMA, National Flood Insurance Program (NFIP), and SBA support to rapidly highlight areas with greatest need for additional recovery resources and more importantly to determine unmet needs. **Utilizing empirically based measures of community social vulnerability provided an "apolitical" approach for distributing scarce disaster recovery dollars and rebuilding resources for the most benefit to the places that were worst impacted and least able to bounce back on their own from this disaster.**

Social vulnerability information also provided an academic tool to graphically illustrate and assist VOADs in prioritizing their recovery efforts. In other words, South Carolina expedited recovery by using data-driven assessment tools to guide actionable, expedited impact to the most vulnerable populations.

### Civic Engagement

Voluntary Organizations Active in Disasters (VOAD), philanthropic organizations, and faith based organizations are often the first line of defense when it comes to community recovery. Following the devastating flooding in early October of 2015, the citizens of South Carolina pulled together to embark on the recovery process. Instead of waiting for government assistance, volunteers led the charge to assist individuals and communities with recovery efforts. Hurricane Matthew recovery has been no different. Volunteer Organizations Active in Disaster (VOADs), many still onsite and working to help rebuilding efforts from the 2015 floods, ramped up operations for Hurricane Matthew relief. Even today, the South Carolina VOAD community continues to coordinate relief efforts across 18 organizations, multiple State agencies and federal government officials as available.[14]

[14] http://scemd.org/recovery-section/donations-and-volunteers

To assist these organizations, the One SC Fund, established by the Central Carolina Community Foundation and endorsed by Governor Nikki Haley, continues to support recovery across the State. The Central Carolina Community Foundation began the fund with an initial amount of $50,000 and has continued to raise funds from various donors from across the State of South Carolina and the country. This fund aims to help fill the gaps that the government has not yet addressed. The Foundation supports various federally recognized VOAD non-profit organizations providing relief and recovery to impacted areas, and gives individuals the opportunity to support those in need through private donations.

Non-profit organizations assisting in the relief and recovery efforts may apply for grants to help fund their recovery efforts. As of the latest update, the Central Carolina Community Foundation has given awards to 8 organizations focused on rebuilding home across thirteen counties. They have repaired one hundred forty-seven homes across thirteen counties (Table 8). [15]

**Table 8: Central Carolina Community Foundation Rebuilding Efforts**

| Counties | # of homes | Total Awarded |
|---|---|---|
| All disaster counties | 35 | $65,000 |
| Berkeley/Charleston/Dorchester | 16 | $8,000 |
| Berkeley/Charleston | 21 | $25,000 |
| Clarendon | 30 | $40,000 |
| Colleton/Hampton | 10 | $25,000 |
| Darlington | 5 | $25,000 |
| Dillon | 5 | $25,000 |
| Florence | 5 | $25,000 |
| Georgetown | 5 | $25,000 |
| Horry | 5 | $25,000 |
| Marion | 5 | $25,000 |
| Williamsburg | 5 | $25,000 |
| **Grand Total** | **147** | **$338,000** |

These organizations, as well as countless individuals, have been dedicated to providing relief services to those affected. Projects ranged from mold remediation that will allow individuals to safely remain in their homes to the completion of total home rehabilitations.

[15] Personal communication 3/3/2017 with Erin Johnson, Vice President for Community Investment, Central Carolina Community Foundation

## Summary of Impact and Unmet Needs

The Unmet Needs Assessment must evaluate the three core aspects of recovery – housing, infrastructure, and economic development. It must approximate unmet need by estimating the portion of need likely to be addressed by insurance proceeds, other federal assistance, or any other funding source by using the most recent available data.

**The preliminary estimated impact from Hurricane Matthew in South Carolina is $974,256,948 across the housing, economy, and infrastructure sectors combined.** The figures provided in this assessment are based on best available data at this time and may be adjusted in the future as additional data becomes available. After taking into account the funds already made available through insurance, State and other federal assistance and other funds, the remaining overall unmet need is approximately $530,248,746 million. **The federal allocation of $65.3 million will allow the State to address less than 13% of the overall unmet need.**

When examining the relative need by sector, housing represents the greatest need with $436,116,988 (85.8% of total) in unmet need, followed by the infrastructure sector with $38,763,717 (7.63%) of total in unmet need, followed by the economic sector (including agriculture) with 33,265,252 (6.55% of total) in unmet need. Each of these three sectors will be addressed in detail in the sections to follow.

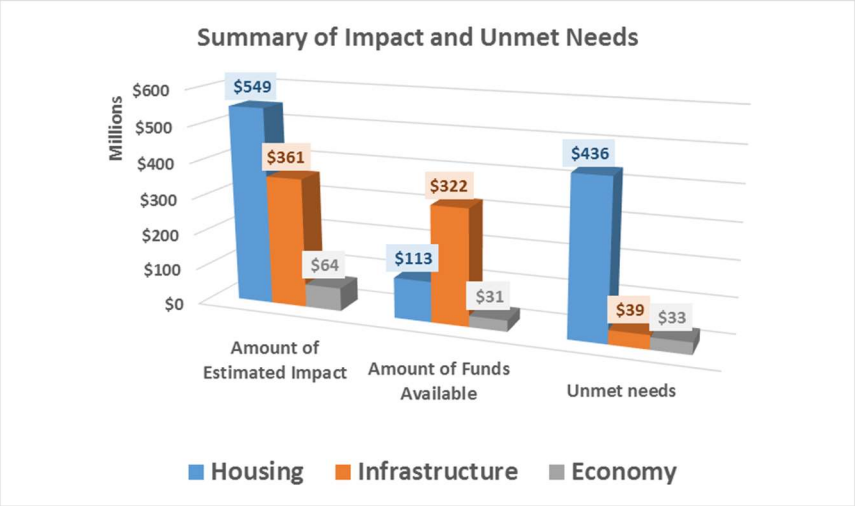



Figure 14: Unmet Needs Summary Table

| Summary of Impacts/Support | Housing | Infrastructure | Economy | Total |
|---|---|---|---|---|
| Amount of Estimated Impact | $ 548,867,025 | $361,007,029 | $ 64,382,893 | $ 974,256,948 |
| Amount of Funds Available | $ 112,750,037 | $322,243,312 | $ 31,117,641 | $ 466,110,991 |
| Unmet needs | $ 436,116,988 | $ 38,763,717 | $ 33,265,252 | $ 508,145,957 |
| | | | | |
| Percent of Total | 85.83% | 7.63% | 6.55% | |

## Housing Impact

The impacts to housing from Hurricane Matthew and subsequent flooding in the northeastern region of South Carolina were widespread. Single family homeowners in stick-built homes, single family homeowners in mobile homes, and renters in various housing types of housing stock were affected. Table 9 below shows the FEMA Full Verified Loss (FVL) determinations in the Matthew impacted counties.

**Table 9: FEMA IA Applicants in the SC Matthew with Full Verified Loss[16]**

| County | # of Applicants | Number Inspected | % Inspected[17] | With FVL | % With FVL | FVL Dollars | Average FVL Dollars |
|---|---|---|---|---|---|---|---|
| Allendale | 251 | 151 | 60.16% | 140 | 55.78% | $120,265 | $859 |
| Bamberg | 227 | 138 | 60.79% | 112 | 49.34% | $201,166 | $1,796 |
| Barnwell | 117 | 85 | 72.65% | 67 | 57.26% | $33,626 | $502 |
| Beaufort | 7,314 | 2,547 | 34.82% | 2,136 | 29.20% | $5,075,600 | $2,376 |
| Berkeley | 1,974 | 1,117 | 56.59% | 909 | 46.05% | $1,051,385 | $1,157 |
| Calhoun | 125 | 79 | 63.20% | 64 | 51.20% | $49,530 | $774 |
| Charleston | 2,999 | 1,285 | 42.85% | 1,169 | 38.98% | $2,143,914 | $1,834 |
| Chesterfield | 264 | 152 | 57.58% | 107 | 40.53% | $115,960 | $1,084 |
| Clarendon | 688 | 434 | 63.08% | 381 | 55.38% | $357,193 | $938 |
| Colleton | 1,198 | 712 | 59.43% | 593 | 49.50% | $563,572 | $950 |
| Darlington | 1,779 | 980 | 55.09% | 799 | 44.91% | $795,771 | $996 |
| Dillon | 2,590 | 1,450 | 55.98% | 1,164 | 44.94% | $2,170,689 | $1,865 |
| Dorchester | 1,599 | 676 | 42.28% | 582 | 36.40% | $959,232 | $1,648 |
| Florence | 5,356 | 2,689 | 50.21% | 2,230 | 41.64% | $3,811,351 | $1,709 |
| Georgetown | 1,853 | 1,202 | 64.87% | 1,107 | 59.74% | $1,418,992 | $1,282 |
| Hampton | 664 | 383 | 57.68% | 311 | 46.84% | $248,697 | $800 |
| Horry | 6,417 | 3,285 | 51.19% | 2,895 | 45.11% | $8,057,217 | $2,783 |
| Jasper | 1,093 | 490 | 44.83% | 397 | 36.32% | $443,038 | $1,116 |
| Lee | 430 | 276 | 64.19% | 195 | 45.35% | $234,158 | $1,201 |
| Marion | 4,131 | 2,302 | 55.73% | 1,963 | 47.52% | $8,816,474 | $4,491 |
| Marlboro | 515 | 302 | 58.64% | 244 | 47.38% | $319,289 | $1,309 |
| Orangeburg | 1,961 | 1,150 | 58.64% | 973 | 49.62% | $1,072,863 | $1,103 |
| Sumter | 754 | 391 | 51.86% | 310 | 41.11% | $335,047 | $1,081 |
| Williamsburg | 2,386 | 1,667 | 69.87% | 1,552 | 65.05% | $2,087,360 | $1,345 |
| Total | 46,685 | 23,944 | 51.29% | 20,400 | 46.88% | $40,482,388 | $1,458 |

[16] FEMA IA Data, updated 3/3/17

[17] https://www.fema.gov/api/open/v1/HousingAssistanceOwners.csv

## Housing Types Affected

More than 46,000 applicants filed for FEMA (IA) Individual Assistance statewide as a result of the October storm event. Of those who specified housing unit type, just over 75% are home owners, including single family homes, duplex units, mobile homes and other housing types. The remaining 25% are renters, including renters of single family homes, mobile homes, apartment units and other housing types.

Table 10: FEMA IA Applicants: Statewide

| *Housing Unit Type* | *Count of Applicants* |
|---|---|
| **House/Duplex** | 24,921 |
| Not Specified | 183 |
| Owner | 20,442 |
| Renter | 4,296 |
| **Mobile Home** | 16,137 |
| Not Specified | 116 |
| Owner | 13,164 |
| Renter | 2,857 |
| **Other*** | 5,628 |
| Not Specified | 60 |
| Owner | 1,719 |
| Renter | 3,849 |
| **Grand Total** | 46,686 |

*Includes: Apartment, Assisted Living, Boat, College Dorm, Condo, Correctional Facility, Military Housing, Other, Townhouse, Travel Trailer
This table includes all IA counties

Table 11: FEMA IA Applicants – Other Ownership Type

| Row Labels | Not Specified | Owner | Renter | Grand Total |
|---|---|---|---|---|
| **Apartment** | 3 | 7 | 2,310 | 2,320 |
| **Assisted Living Facility** | | | 15 | 15 |
| **Boat** | 2 | 27 | 5 | 34 |
| **College Dorm** | | | 4 | 4 |
| **Condo** | 3 | 286 | 214 | 503 |
| **Correctional Facility** | | | 1 | 1 |
| **Military Housing** | | | 28 | 28 |
| **Other** | 44 | 1,069 | 1,074 | 2,187 |
| **Townhouse** | 4 | 222 | 233 | 459 |
| **Travel Trailer** | 4 | 170 | 37 | 211 |
| **(blank)** | 2 | 1 | | 3 |
| **Grand Total** | **62** | **1,782** | **3,921** | **5,765** |

### *Single Family*

Median housing values range from over $250,000 to well below $50,000 in different regions of South Carolina. Higher value homes are concentrated along the coast and in Florence (Figure 15).

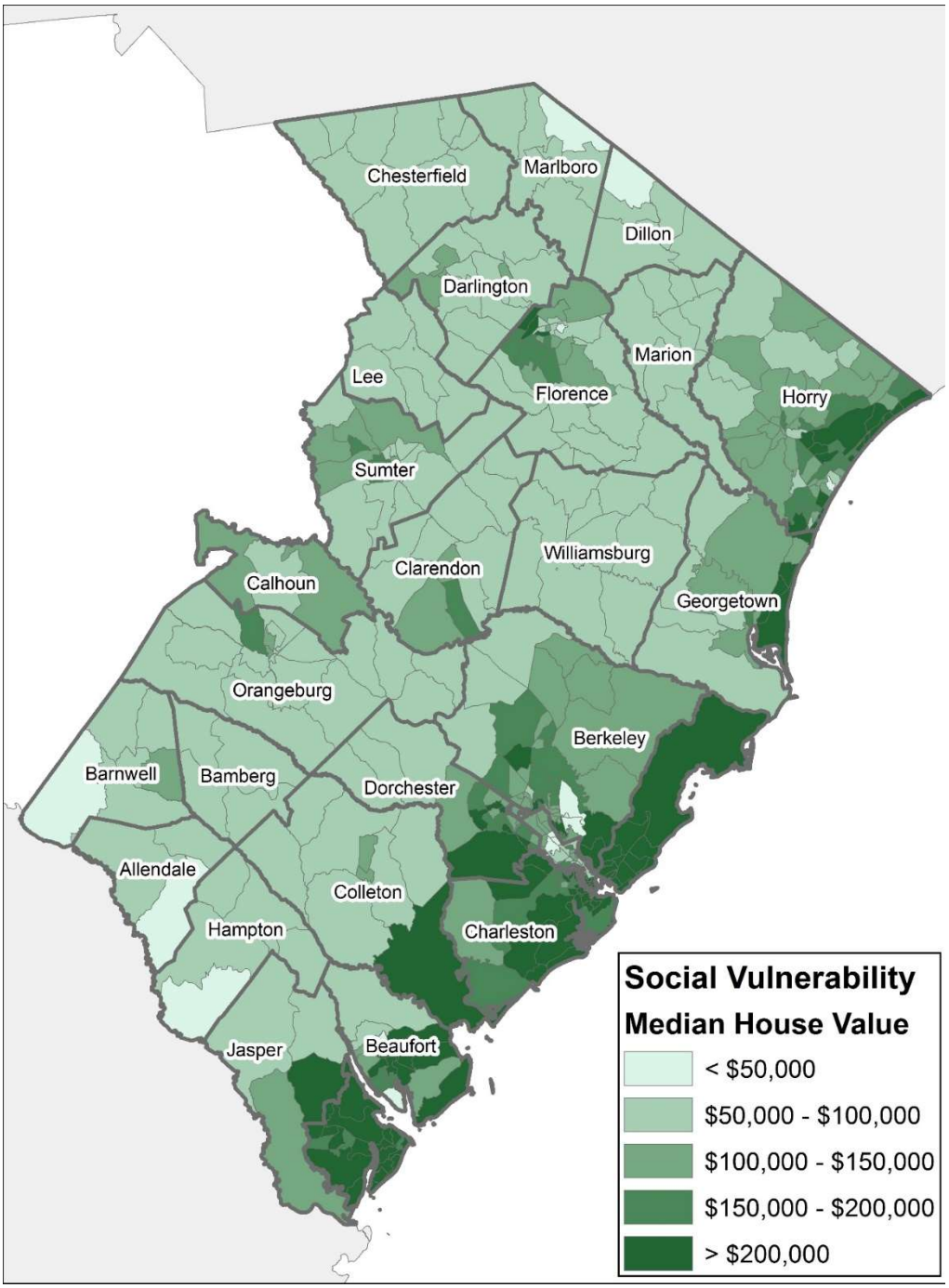



**Figure 15: Median house value by census tract.**

There are over 1.5 million housing units in the entire impacted area, many of which were built between 1980-1999, and most of which are owner-occupied units, as shown in the map below (Figure 16). With much of the housing stock in the 30-year range (Table 12), key systems such as electrical, roofing, water heaters and furnaces may have already cycled through a replacement life-span in many homes.

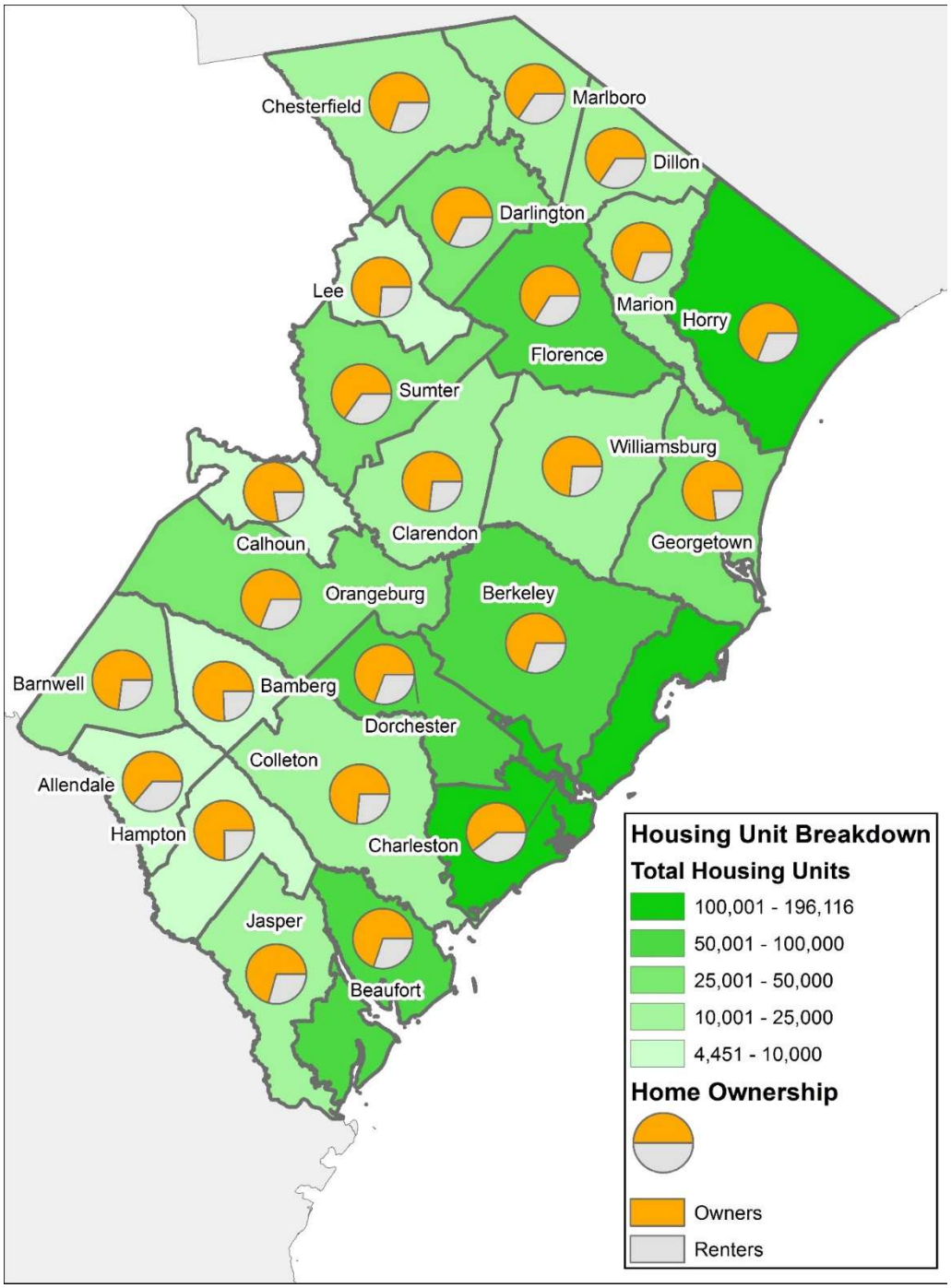



Figure 16: Housing stock count by tenure.

Table 12: Age of Housing Stock: Percentage of Units by Year Built, by County (ACS 20112015)

| County | Total Housing Units | Percentage of Units by Year Built | | | | | |
|---|---|---|---|---|---|---|---|
| | | 2010 or Newer | 2000-2009 | 1980-1999 | 1960-1979 | 1940-1959 | Pre 1940 |
| Allendale | 4,448 | 0.38% | 5.24% | 29.54% | 34.82% | 20.17% | 9.85% |
| Bamberg | 7,646 | 0.34% | 11.84% | 32.92% | 34.37% | 11.60% | 8.93% |
| Barnwell | 10,411 | 0.43% | 10.62% | 40.29% | 28.60% | 15.00% | 5.04% |
| Beaufort | 93,858 | 2.01% | 30.32% | 45.55% | 16.86% | 4.12% | 1.15% |
| Berkeley | 76,503 | 4.47% | 29.76% | 37.43% | 22.53% | 4.69% | 1.12% |
| Calhoun | 7,313 | 2.17% | 12.13% | 45.23% | 24.57% | 9.63% | 6.26% |
| Charleston | 175,607 | 2.69% | 20.82% | 32.12% | 26.48% | 11.55% | 6.34% |
| Chesterfield | 21,328 | 1.08% | 9.99% | 39.08% | 30.59% | 11.67% | 7.60% |
| Clarendon | 17,402 | 0.64% | 16.32% | 45.79% | 24.89% | 7.95% | 4.41% |
| Colleton | 19,749 | 0.77% | 11.69% | 47.56% | 27.88% | 10.17% | 1.93% |
| Darlington | 30,244 | 1.24% | 8.68% | 38.83% | 30.91% | 12.71% | 7.63% |
| Dillon | 13,619 | 0.95% | 7.47% | 41.49% | 30.17% | 15.34% | 4.58% |
| Dorchester | 57,003 | 3.43% | 34.26% | 34.99% | 21.92% | 3.33% | 2.06% |
| Florence | 59,011 | 1.50% | 14.12% | 36.78% | 31.83% | 11.11% | 4.67% |
| Georgetown | 33,930 | 1.52% | 21.99% | 42.29% | 22.45% | 8.00% | 3.75% |
| Hampton | 9,058 | 0.85% | 9.31% | 39.92% | 34.17% | 12.12% | 3.63% |
| Horry | 191,102 | 2.30% | 30.95% | 46.20% | 15.55% | 3.77% | 1.23% |
| Jasper | 10,729 | 6.25% | 25.45% | 39.71% | 19.16% | 6.79% | 2.63% |
| Lee | 7,705 | 0.58% | 9.36% | 39.53% | 27.77% | 14.28% | 8.48% |
| Marion | 14,834 | 1.38% | 6.94% | 37.92% | 34.46% | 13.94% | 5.37% |
| Marlboro | 11,983 | 1.25% | 9.30% | 31.81% | 33.73% | 13.55% | 10.35% |
| Orangeburg | 42,237 | 0.57% | 11.57% | 40.16% | 31.07% | 11.41% | 5.22% |
| Sumter | 46,698 | 2.26% | 16.19% | 39.98% | 27.34% | 10.38% | 3.85% |
| Williamsburg | 15,220 | 1.47% | 9.42% | 40.11% | 30.37% | 13.40% | 5.24% |
| **Total** | **977,638** | **2.22%** | **22.16%** | **39.75%** | **23.93%** | **8.21%** | **3.74%** |

### *Rental Housing*

Rental housing is an important component of affordable housing for impacted area. Much of the rental housing (approximately 84%) in South Carolina was built prior to 1999.[18] The older building code and in some cases, the lack of regular maintenance adds to the vacancy rate and therefore the rental housing needs.

The rental vacancy rate for South Carolina in January 2015 was 9.6%, according to the Census. The median rent for the State is $873 monthly. Of the FEMA applicants to the IA program for the State-assessed area, more than 16,201 live in rental housing; 14,328 of whom are also of low-and-moderate income.

As indicated by the map below (Figure 17), rental units in the non-urban counties are primarily single family and mobile home units, with the majority of renters in those unit types as opposed to multi-family complexes. This is due to the rural nature of the communities.

[18] SCI WAY – SC Housing Statistics Website

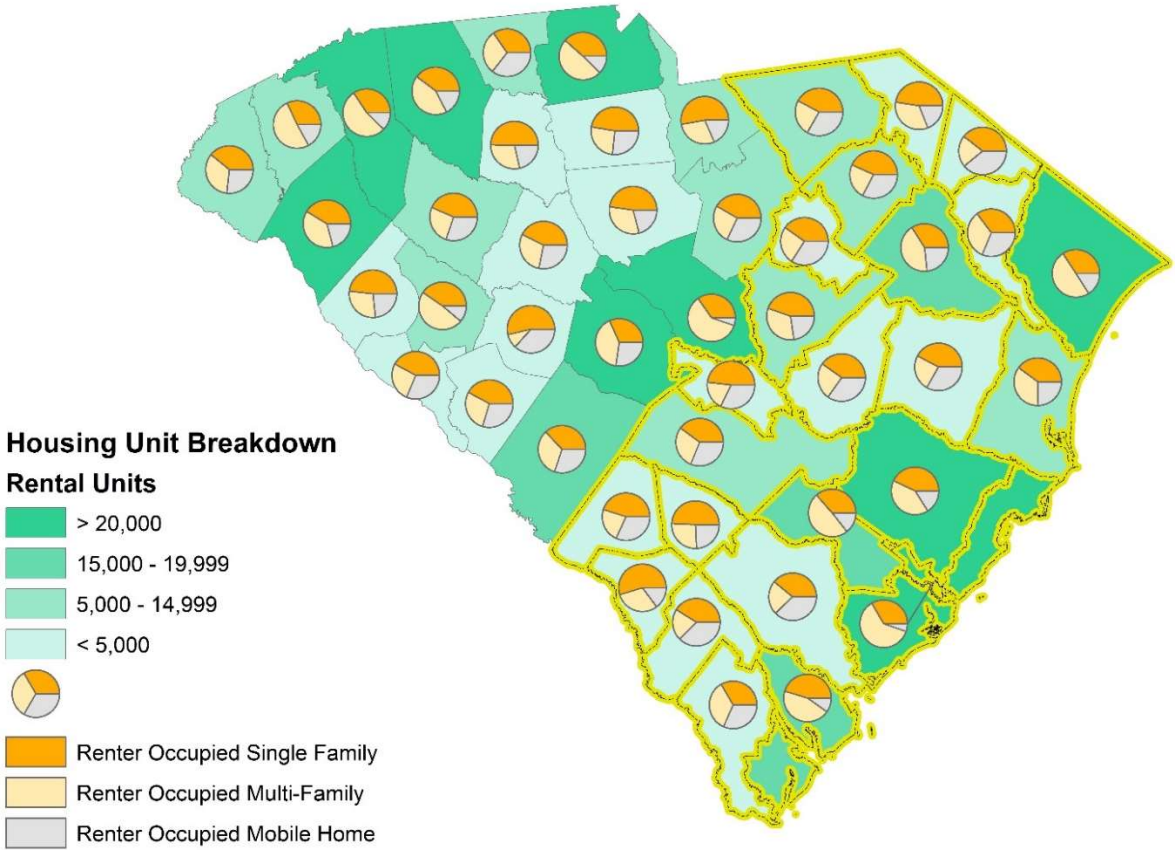



**Figure 17: Rental housing unit breakdown by county and tenure.**

### *Mobile Homes*

Mobile homes (Figure 18) are part of the housing fabric of South Carolina. Their affordability and ease of general maintenance provides housing independence and housing choice to residents across the State. However, wind, rain, and flooding damage to mobile homes is often difficult to repair, due to the integrated nature of the building components. In addition, when considering whether or not a structure is repairable, the cost of making those repairs may be disproportionately high when considering the overall value of the structure.

Often, the full extent of mobile home damage is not always realized in the early months after an event and can go unreported in the initial damage inspection. Damage such as water saturation of the particle board material that makes up the floor framing and decking can cause unsafe deterioration over time. The potential for mold and mildew in the home's structure or insulation can develop over time as well. Limited assistance funds portioned out through fragmented assistance programs can lead to piecemeal repairs that add up in cost, without adequately addressing restoration of the home's structural integrity to a decent, safe and sanitary standard. Of the FEMA IA applicants in the State-assessed areas, approximately 16,137 of them reside in mobile home units.

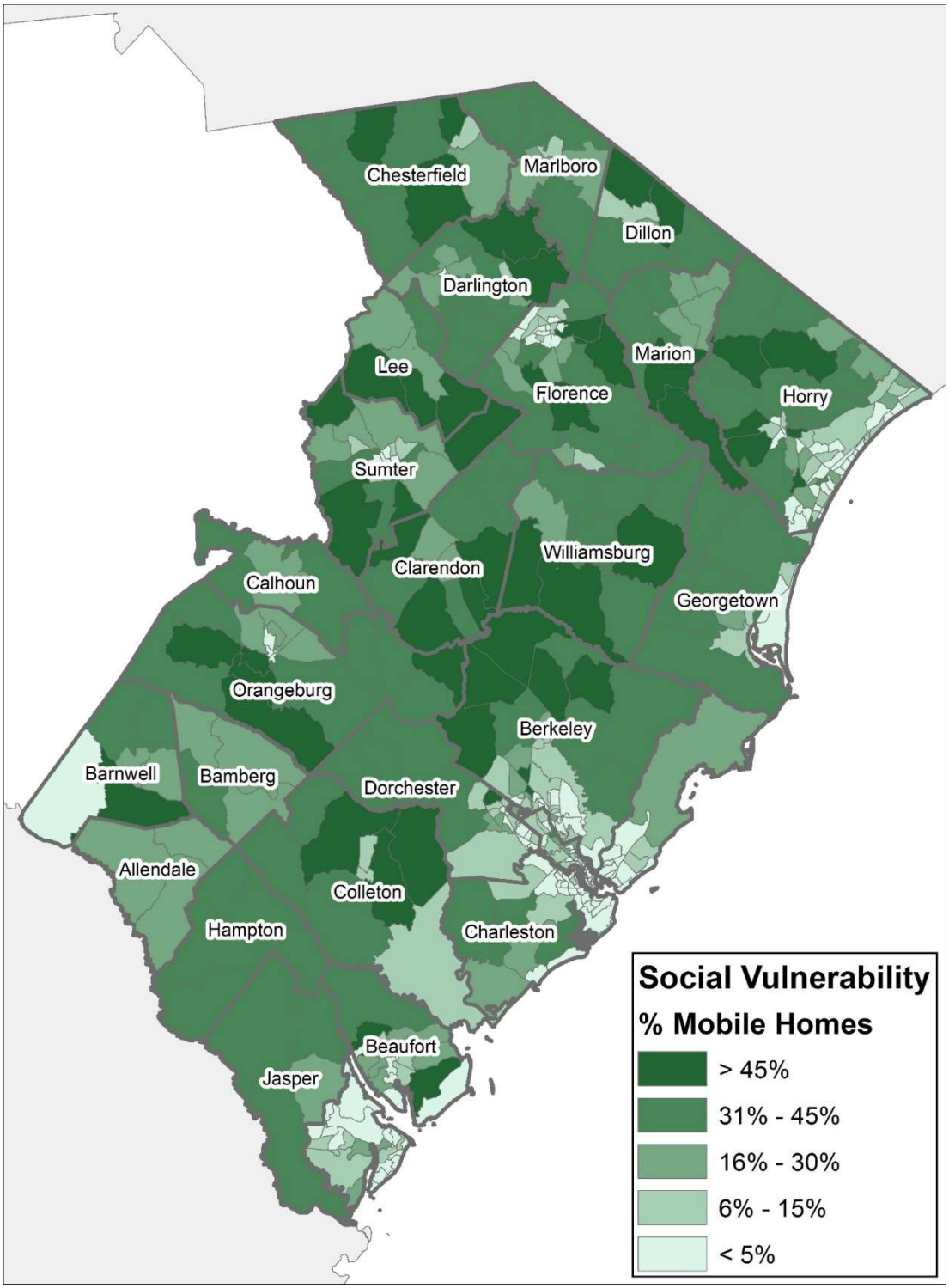



Figure 18: Mobile home percentages by census tract.

Damage to mobile homes was concentrated in certain areas, as illustrated in Figure 18. These areas include six counties containing more than 800 mobile homes each with FEMA verified real property loss. Mobile homes damaged in Beaufort, Dillon, Florence, Horry, Marion, and Williamsburg combine to account for more than 57% of the total mobile homes damaged across the State. Across the State there were 9,978 mobile homes with a FEMA Real Property Verified Losses (Table 13).

**Table 13: Mobile homes with FEMA Verified Losses from Matthew**

| County | Mobile Homes with FEMA Verified Loss |
|---|---|
| Allendale | 67 |
| Bamberg | 56 |
| Barnwell | 39 |
| Beaufort | 865 |
| Berkeley | 499 |
| Calhoun | 25 |
| Charleston | 348 |
| Chesterfield | 46 |
| Clarendon | 216 |
| Colleton | 369 |
| Darlington | 476 |
| Dillon | 611 |
| Dorchester | 276 |
| Florence | 907 |
| Georgetown | 580 |
| Hampton | 168 |
| Horry | 1,468 |
| Jasper | 223 |
| Lee | 122 |
| Marion | 860 |
| Marlboro | 91 |
| Orangeburg | 543 |
| Sumter | 181 |
| Williamsburg | 942 |
| **Total:** | **9,978** |

## Summary Tables

When looking at the FEMA IA applicant population, many of the applicants either reside in high vulnerability areas, as defined by High social vulnerability scores, or Medium-High social vulnerability areas. Of these residents, there are subsets of populations over the age of 65, and additionally, who are over 65 and have access and functional needs (AFN). These applicants, and those who are low-income, often have the fewest means of assistance available to them. The tables below (Table 14A-E) provide breakouts of FEMA IA applicants into categories considering social vulnerability, ownership versus rental, age, access and functional needs, and income.

**Table 14 A - D: Applicant breakdowns by vulnerability and income.**

| FEMA IA Applicants | High Social Vulnerability | Over 65 | AFN |
|---|---|---|---|
| **Home** | 2,035 | 599 | 14 |
| Owners | 1,544 | 556 | 12 |
| Renters | 469 | 35 | 2 |
| Unknown | 22 | 8 | |
| **Mobile Home** | 2,027 | 311 | 5 |
| Owners | 1,634 | 291 | 5 |
| Renters | 377 | 17 | |
| Unknown | 16 | 3 | |

| FEMA IA Applicants | Medium-High Social Vulnerability | Over 65 | AFN |
|---|---|---|---|
| **Home** | 8,445 | 2,719 | 87 |
| Owners | 6,870 | 2,572 | 82 |
| Renters | 1,493 | 115 | 3 |
| Unknown | 82 | 32 | 2 |
| **Mobile Home** | 7,191 | 1,252 | 45 |
| Owners | 5,983 | 1,168 | 43 |
| Renters | 1,158 | 67 | 2 |
| Unknown | 50 | 17 | |

| FEMA IA Applicants | < 30% LMI | Over 65 | AFN |
|---|---|---|---|
| **Home** | 8,874 | 2,388 | 74 |
| Owners | 6,433 | 2,200 | 62 |
| Renters | 2,354 | 150 | 9 |
| Unknown | 87 | 38 | 3 |
| **Mobile Home** | 8,554 | 1,269 | 42 |
| Owners | 6,667 | 1,186 | 41 |
| Renters | 1,832 | 70 | 1 |
| Unknown | 55 | 13 | |

| FEMA IA Applicants | < 50% LMI | Over 65 | AFN |
|---|---|---|---|
| **Home** | 11,556 | 3,503 | 98 |
| Owners | 8,623 | 3,252 | 86 |
| Renters | 2,825 | 206 | 9 |
| Unknown | 108 | 45 | 3 |
| **Mobile Home** | 10,576 | 1,781 | 54 |
| Owners | 8,371 | 1,673 | 53 |
| Renters | 2,132 | 91 | 1 |
| Unknown | 73 | 17 | |

| FEMA IA Applicants | < 80% LMI | Over 65 | AFN |
|---|---|---|---|
| **Home** | 16,046 | 4,896 | 137 |
| Owners | 12,335 | 4,592 | 112 |
| Renters | 3,579 | 249 | 12 |
| Unknown | 132 | 55 | 3 |
| **Mobile Home** | 13,669 | 2,264 | 71 |
| Owners | 10,966 | 2,130 | 69 |
| Renters | 2,606 | 112 | 2 |
| Unknown | 97 | 22 | |

## Public Housing

Public Housing is an integral piece of the State's housing resources for low-income persons. Statewide, there are approximately 13,410 section 8 participants and 6,211 low rent public housing participants who were in some way impacted by Hurricane Matthew. Table 15 show the number of impacted households by county. Fortunately, none of these households were heavily impacted and all public housing residents remain in a home.[19]

Table 15: Section 8 participants impacted by Matthew.

| County | # of Section 8 Participants | # of Low Rent Households |
|---|---|---|
| Allendale | 42 | 31 |
| Bamberg | 33 | 79 |
| Barnwell | 47 | 191 |
| Beaufort | 549 | 293 |
| Berkeley | 532 | 139 |
| Calhoun | 2 | 0 |
| Charleston | 4,125 | 2248 |
| Chesterfield | 137 | 0 |
| Clarendon | 154 | 0 |
| Colleton | 145 | 0 |
| Darlington | 231 | 268 |
| Dillon | 8 | 0 |
| Dorchester | 229 | 160 |
| Florence | 859 | 778 |
| Georgetown | 121 | 295 |
| Hampton | 19 | 1 |
| Horry | 1,224 | 259 |
| Jasper | 15 | 38 |
| Kershaw | 151 | 0 |
| Lee | 118 | 0 |
| Marion | 113 | 569 |
| Marlboro | 55 | 428 |
| Orangeburg | 106 | 20 |
| Richland | 3,424 | 0 |
| Sumter | 901 | 274 |
| Williamsburg | 70 | 140 |
| **Total** | **13,410** | **6,211** |

[19] Personal communication with US Department of Housing & Urban Development, Columbia Public Housing Program Center

## Fair Housing

The State's Analysis of Impediments to Fair Housing, conducted in 2011, was conducted in conjunction with the 2011-2015 Consolidated Plan and will be refreshed in accordance with the new Consolidated Plan being submitted this year.

The State, including multiple stakeholders such as the SC Human Affairs Commission (SHAC), the SC Department of Consumer Affairs (DCA), and the SC State Housing Finance Development Authority (SHFDA), has conducted Fair Housing Surveys on a regular and ongoing basis, and has also undertaken public awareness activities, such as fair housing fairs and roundtable discussions. The State's fair housing efforts related to HUD funding have been detailed each year in the State's Consolidated Annual Performance and Evaluation Report, as required by HUD.

The State's 2011-2015 Consolidated Plan notes that:

> *"The most important impediment [to fair housing] revolves around the lack of Federal and State resources for affordable housing initiatives.... Homeownership programs not only provide loans and grants to prospective buyers, but provide developers with tax credits and other means to reduce costs and make units more affordable. These programs, too, are under constant scrutiny and possible reduction. It should also be noted that the supply of affordable housing units will diminish as they deteriorate or transition out of the affordable housing program, if new units are not created."*

Addressing the housing needs of the impacted residents is a priority to ensure housing stock is maintained and housing quality is improved. This will in turn create the foundation for livable, resilient communities.

The State of South Carolina has created this Unmet Needs Assessment and Action Plan to address a general program design that targets assistance funding to citizens with the most recovery need as determined by geographic concentration of damage, financial impact, and social vulnerability indicators. These criteria cover a broad spectrum of characteristics, none of which will be considered in isolation. The State will remain highly agile throughout the planning and implementation process to ensure program design is consistent with need as identified through public engagement.

South Carolina has conducted comprehensive resilience planning that considers regional drivers of short- and long-term resilience and fair housing practices to the smallest possible geographic level. The State will execute resilience planning methods that incorporate data analyzed via social vulnerability as well as public involvement and social justice processes. Resilience planning will incorporate measures to strategically align resources in a way that emboldens drivers of resilience, especially those that provide protection for the most vulnerable, consistent with HUD's direction to Affirmatively Further Fair Housing.

## Housing Funds Made Available

The main federal funding sources that are available for impacted residents in the immediate aftermath of a disaster are FEMA Individual Assistance, low-interest loans from the U.S. Small Business Association (SBA), and insurance proceeds from the National Flood Insurance Program (NFIP). These three funding streams account for the majority of the housing recovery funds made available before CDBG-DR.

Of the twenty counties declared eligible to receive Individual Assistance funding through FEMA in the Hurricane Matthew area of interest, there were 46,686 Applicants.

Of these, 20,400 had a FEMA Property Loss (FVL) assessment; however, this does not mean that the applicant actually received funding. Of the applicants with a FVL, 7,443 received housing assistance (HA). An estimated $40,482,388 in damage was assessed for the 20,400 applicants with an FVL. This has resulted in $28,439,047 in housing assistance to date (Table 16).

**Table 16: Applicants by FEMA Verified Losses and HA Support**

| Matthew Impacted Counties | FEMA IA Applicants | Amount | Average Value | Average Number |
|---|---|---|---|---|
| **Universe** | **46,686** | **$31,145,104** | **667** | |
| ***FEMA FVL*** | ***20,400*** | | | 43.70% |
| Received HA | 7,443 | $28,439,047 | $3,821 | 15.94% |
| Received No HA | 12,957 | | | 27.75% |
| | | | | |
| ***No FEMA FVL*** | ***26,286*** | | | 56.30% |
| Received HA | 1,455 | $2,706,057 | $1,859.83 | 3.12% |
| Received No HA | 24,831 | | | 53.19% |

### FEMA Individual Assistance (IA)

The FEMA Individual Assistance program (IA) consists of a multitude of services for individuals in disaster declared counties. Specifically, housing funds are for bridging the gap from sheltering to the return to permanent housing. These funds can be used for limited basic home repairs and replacement of essential household items as well as rental payments for temporary housing. Importantly, FEMA IA is limited to bring a home back to a basic level of "safe and sanitary living or functioning condition," and may not account for the full extent of the home's damage or need.

### National Flood Insurance Program (NFIP) Coverage

Major flooding disasters are rare events for South Carolina and Hurricane Matthew was unique in that the State saw storm surges, wind, and rain followed by flooding in the eastern portion of the State as flood waters made their way from eastern North Carolina to the coast through Marlboro, Dillion, Horry, Marion, Williamsburg, and Georgetown Counties. Unfortunately, most of the State lacked any form of flood insurance. In fact only approximately 9% percent of housing units in South Carolina were covered by NFIP policies at the end of 2016. This may be due in part to properties being "heirship" (deeded down from parents or grandparents) or lien-free because the home no longer has a mortgage associated with it.

Without a bank note, an owner may not be aware of the home's location in the floodplain, or they may choose to forego flood insurance since it is not mandated.

Figure 19, below, indicates an increase in the number of NFIP claims prior to 1999, followed by relatively low usage over the past 15 years. The number of households with flood insurance has risen from 2% to over 4% through 2014. Fortunately, flood insurance coverage tends to jump slightly after a major disaster event and South Carolina proved this to be true. South Carolina had 201,205 flood policies in place (9.1%) at the end of 2016. Here, because of the flooding in 2015, we see a jump in coverage of more than 5%.

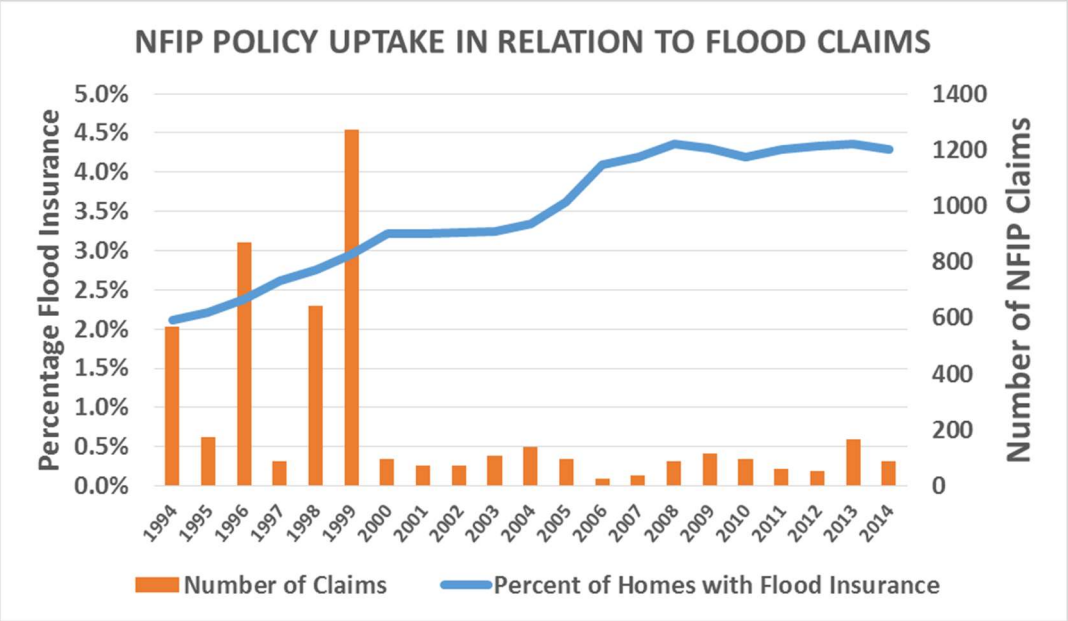



Figure 19: National Flood Insurance Policies by year for South Carolina.

## Small Business Administration (SBA) Home Loans

The SBA has made $33,662,140 in assistance available to 1,434 homeowner applicants in the Hurricane Matthew impact area. The low-interest loans are made available for the purposes of home repair and personal property loss. The average loan for this disaster event was $23,474. It is important to note that the average SBA loan is nearly $20,000 more than the average FEMA HA payment. This difference will be discussed more in the Housing Unmet need section.

## Housing Trust Fund for the South Carolina Flood Initiative

Following the October 2015 flooding in South Carolina, the State acted to create the South Carolina Housing Trust Fund (HTF) Flood Initiative. This State-funded program aims to provide financial support to those most in need of funds to repair and preserve their homes as quickly as possible by utilizing nonprofit, private, and State funding. This initiative helps ensure that homeowners in need can complete necessary repairs and eliminate unhealthy living environments. The South Carolina Housing Trust Fund (HTF) Flood Initiative Program is a State funded program designed to provide financial assistance in the preservation of safe, decent, sanitary and affordable housing for low-income households within the State of South Carolina that were affected by the October 2015 flood and now Hurricane Matthew.

The HTF accelerates the State's response to the production of affordable housing through innovative financing used by the nonprofit and private sectors. It builds partnerships among government, qualified nonprofits 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.

In order to ensure these funds are directed towards those in the most need, eligible parties must be low-income homeowners in declared counties that experienced damages due to the October flooding or Hurricane Matthew. Specifically, these homes in which damages will only worsen without immediate repair are eligible. There is currently a $1 million set-aside in Housing Trust Funds for the SC Flood Initiative. This funding may be leveraged by the CDBG-DR program, and is currently designed to be accessed by eligible non-profits.

## Housing Unmet Needs

In South Carolina, approximately 18,802 FEMA Individual Assistance applicants (40.3%) in the State-assessed area have not been deemed eligible to receive housing assistance to date. There are a variety of reasons why an applicant may be deemed ineligible for assistance. According to FEMA, a few of these reasons are:

- *"Sometimes a first ineligibility determination is simply a clerical error, such as a name is misspelled, an address doesn't match or a signature has been left out.*
- *If more than one person from the same home address registered, the applications will be flagged until the head of household can be determined.*
- *The applicant has insurance, and more information about the policy is needed. FEMA cannot duplicate benefits. However, once you receive insurance payment, FEMA may be able to assist with uninsured losses.*
- *Proof of occupancy is required. Whether a homeowner or renter, the damaged dwelling must be a primary residence where the applicant lived at the time of the disaster.*
- *Identity verification is needed. Sometimes an applicant simply needs to submit documentation—such as a passport or military issued ID—so a social security number can be verified. If an applicant was recently married, a marriage certificate or license may be required to verify any name change."*[20]

Importantly, however, an applicant may be determined to be ineligible because a FEMA damage inspector attributes damage claimed by the applicant as flood/storm-related to have been caused by pre-disaster conditions, or deferred maintenance. In other words, the inspector may determine that rain damage to the ceiling was due to the applicant having a poorly maintained roof in place before the storm, and not because the storm itself caused the damage. While there are likely many cases where an applicant is unable to identify uniquely storm-related damage to their home, in many cases, the older homes that lower-income and vulnerable applicants may live in can complicate the rapid inspections conducted by FEMA field officers.

[20] http://www.fema.gov/news-release/2013/05/21/ineligible-fema-may-just-need-more-information

The insurance-defined differences between flood damage and water damage are technical in nature, and can be misunderstood by residents and damage inspectors alike. Damage from a flood occurs when water rises on land that is usually dry. However, water damage occurs when the water strikes the home prior to making contact with the ground. In many cases, a resident may not have the protection of flood insurance if they rent, live in a home with no mortgage, and/or live in a moderate-to-low -risk flood hazard area.[21] Many homeowners as well as renters may not realize that flood damage is not covered by a standard homeowner/rental insurance policy. Damage inspectors, expecting to see flood damage, may overlook water damage caused by wind-driven rain. These complications can result in hardship and frustration after a disaster if residents are unable to receive assistance to repair their damaged home.

This issue has been brought to light in previous disasters. In Texas, fair housing advocates note:

> *"Following Hurricane Ike, FEMA denied at least 85% of the more than 578,000 applications for housing assistance. The most common denial code used by FEMA (in over 100,000 cases) was "insufficient damage." Many low-income applicants were told informally by FEMA that their "insufficient damage" denials were actually based on "deferred maintenance." FEMA alleged that the homes had been in poor condition before the storm and therefore damage could not be attributed to the hurricane. Because low-income households are more likely to have "deferred maintenance," these denials had a disproportionate impact on low-income households, particularly in minority neighborhoods. Non-profit groups in Houston reported that entire neighborhoods, generally low income and minority concentrated, of damaged homes were deemed to have "insufficient damage." FEMA similarly denied half of all applications for housing assistance following Hurricane Dolly. Based on a suit by Texas homeowners, a Federal District Court held that FEMA could not rely on this unpublished rule."*[22]

Figure 20 shows the percent of people who applied to FEMA IA who have received an award, by county, as well as the number of applicants receiving funds. On average, the award rate is approximately 17.99% for the impacted counties. This number will continue to fluctuate as applicants move through the review pipeline, but it will not go up or down significantly from this low level of support.

[21] Fast Home Help: http://www.fasthomehelp.com/blog/2013/03/26/flood-damage-versus-water-damage-123804

[22] Written Testimony of Texas Appleseed for the Texas Senate Committee on Intergovernmental Relations Wednesday, December 2, 2015. https://www.texasappleseed.org/sites/default/files/12-2-15%20Testimony%20of%20Texas%20Appleseed%20-%20IGR%20Charge%203_0.pdf

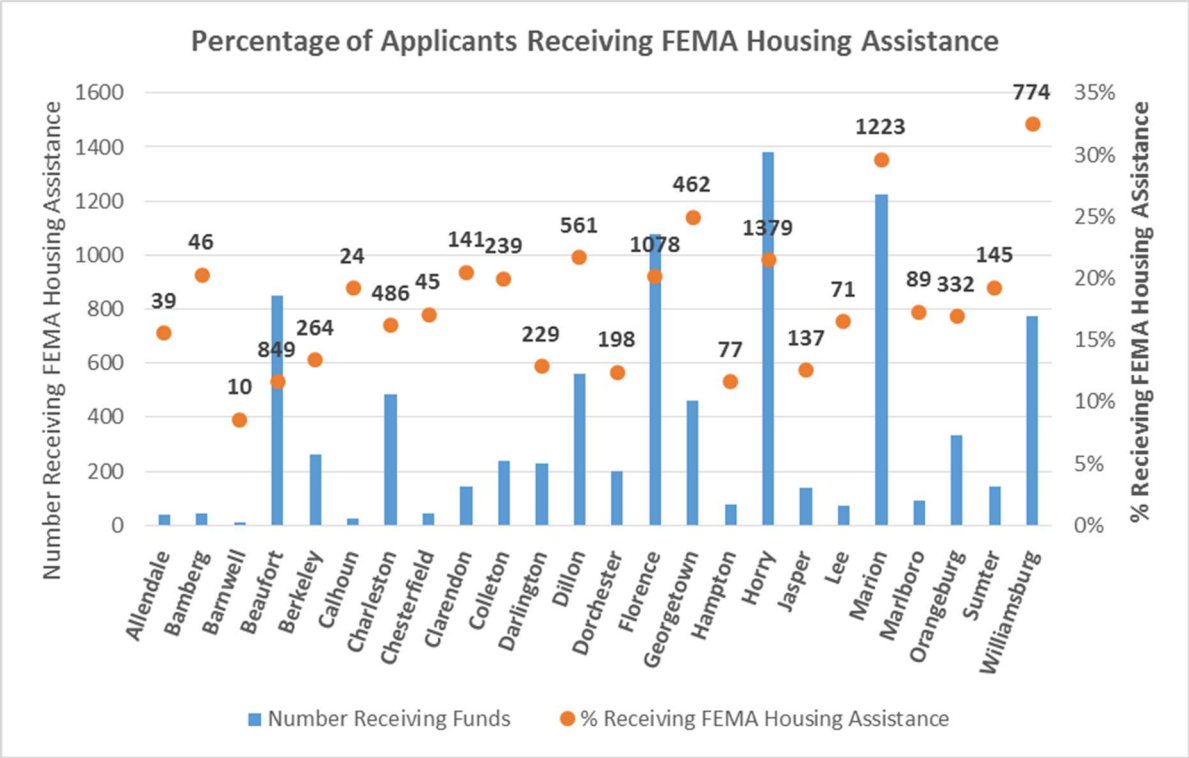



Figure 20: FEMA HA Funds Allocation by County

For this event, just as in the Oct 2015 flooding disaster, an overwhelming majority of *ineligible* FEMA IA applicants are of low-to-moderate income (36% - Under 30% LMI and 9% more under 50% LMI), **with 20,224 applicants below 50% of the Area Median Family Income (AMFI)** as illustrated in Figure 21.

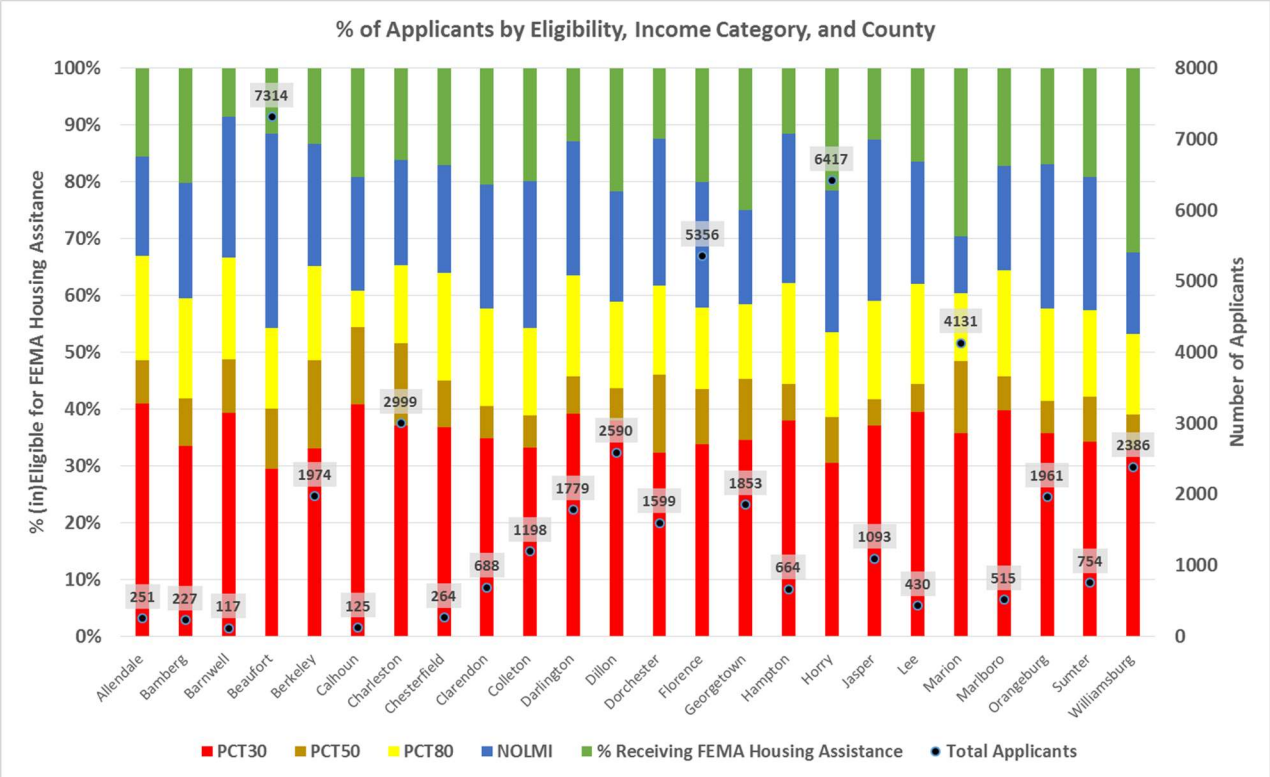
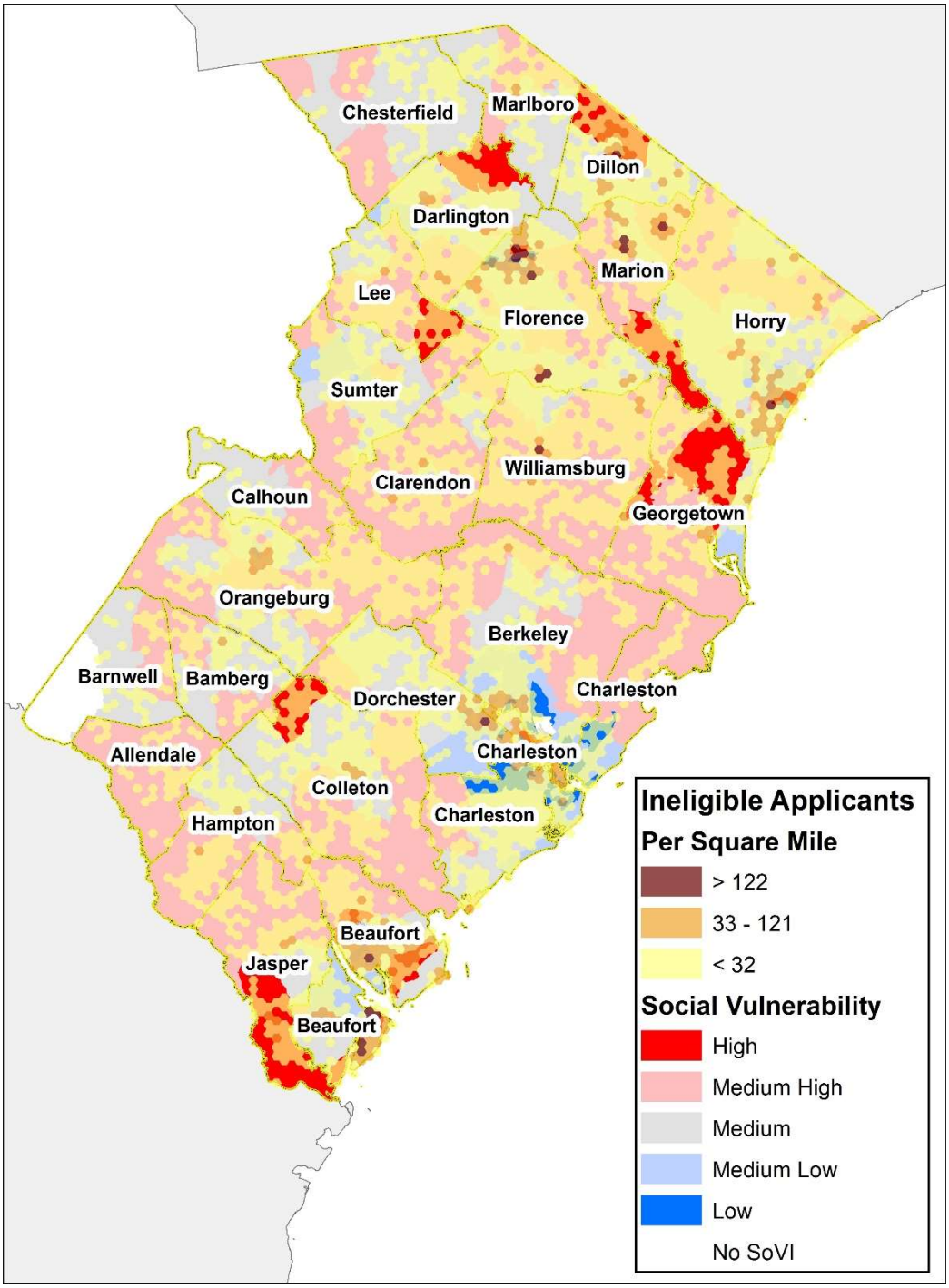



Figure 21: Applicant Summary by Eligibility, Income Category, and County

**This data indicates that a population of vulnerable individuals may be in need of focused outreach and intake assistance to review their eligibility for the CDBG-DR program, especially in areas where FEMA IA assistance was applied for but not provided.**

The map below (Figure 22) shows that while FEMA IA ineligible applicants are disbursed across the State, there are concentrations of ineligible applicants in areas of high social vulnerability. Areas in Beaufort, Dillon, Horry, and Marion contain higher concentrations of ineligible applicants in high social vulnerability areas while, smaller groups are present in Charleston, Berkeley, Dorchester, and Williamsburg counties. **It should be noted, that the average distance between ineligible and eligible applicants is only ½ mile for 75% of applicants, ¼ mile for 55% and less than 1/10 mile for nearly 30% of applicants.** These results indicate that ineligible recipients saw the same impacts as those found eligible and will likely have a slower recovery because they likely experienced very similar impacts as those felt by FEMA eligible folks. For this reason, ineligible applicants must be considered in any overall housing unmet need calculation.

Figure 22: FEMA IA Ineligible Applicants in Relation to the Social Vulnerability Index



## Housing Impact Methodology

HUD calculates ''unmet housing needs'' as the number of housing units with unmet needs times the estimated cost to repair those units less repair funds already provided by FEMA.

Because accurate/complete data sources are often difficult to obtain after a major disaster event, HUD has stated that empirically justified calculations may be used to determine the average cost to fully repair a home. Generally, this is done by "using the average real property damage repair costs determined by the Small Business Administration for its disaster loan program for the subset of homes inspected by both SBA and FEMA. Because SBA is inspecting for full repair costs, it is presumed to reflect the full cost to repair the home, which is generally more than the FEMA estimates on the cost to make the home habitable."[23]

Previously approved impact assessment methodologies have utilized the Small Business Administration estimates of damage and repair needs, FEMA IA Housing Assistance data, and National Flood Insurance data in combination with each other to triangulate the real need as opposed to the FEMA estimated losses. Utilizing SBA loan values as an indicator of the amount of support any individual household will require to "make themselves whole" again provides a more comprehensive look at recovery than simply looking at a FEMA inspected damage. SBA sends "construction specialists" training to evaluate the true cost of repairing or replacing a damaged structure to each applicant, returning a more solid estimate of recovery than that coming from FEMA. Further accounting for under-representation of impacted populations stemming from FEMA ineligible applicants provides a more accurate picture of overall housing impact across a study area. In South Carolina, when utilizing the average loan amount ($30,209) of all approved applicants (2,216) and applying it to those who were disqualified from SBA and FEMA assistance, the full extent of housing impact caused by Hurricane Matthew is over $700 million (before any deductions for funds already provided are calculated).

In an effort to more finely calibrate the impact amount, the housing impact for this needs assessment was calculated using only SBA data compared with FEMA applicant information. Here, we utilize the median SBA loan amount of $22,605 to account for outliers in the SBA data (a few very high and very low award amounts) that were impacting the average. When applied to the universe of FEMA applicants without a FVL, SBA applicants who were not approved, and FEMA data about the number of rentals with damages (1,911) this results in an adjusted housing impact of **$498,970,023**. Ten percent in additional resiliency costs were applied, for a total impact of **$548,867,025**. **After deducting the funds already provided by FEMA, SBA, NFIP, One SC, and the State Housing Trust Fund - $112,750,037, the remaining unmet need for housing is approximately $436,116,988.**

[23] Federal Register Vol. 78, No. 43 /Tuesday, March 5, 2013

Table 17: SBA Derived Impact and Unmet needs for housing.

| SBA Verified Loss of All SBA Applicants | | |
|---|---|---|
| SBA Applicants With a Real Estate Verified Loss | $ | 66,943,263 |
| SBA Applicants Without a Real Estate Verified Loss (Est) | $ | 62,028,120 |
| Total VL of FEMA Applicants Referred to SBA | $ | 128,971,383 |
| | | |
| | | |
| **Est SBA Verified Loss of FEMA Applicants not Referred to SBA** | | |
| Total FEMA Applicants with FEMA Inspected Damage | $ | 19,417 |
| Total SBA Applicants | $ | 4,960 |
| Potential Unmet Need Population | $ | 14,457 |
| Median VL | $ | 22,605 |
| Est VL of FEMA Applicants Not Referred to SBA | $ | 326,800,485 |
| | | |
| Total VL of All Homeowner Applicants Across FEMA and SBA | $ | 455,771,868 |
| | | |
| | | |
| | | |
| **Est SBA Verified Loss of Rental Property Owners** | | |
| FEMA Renter Applicants with Personal Property Damage | $ | 1,911 |
| Median VL | $ | 22,605 |
| Total Est VL of Rental Property Owners | $ | 43,198,155 |
| | | |
| Total Housing Verified Loss | $ | 498,970,023 |
| **Accounting for 10% resilience addition** | $ | 548,867,025 |
| | | |
| **Duplication of Benefits** | | |
| FEMA Repair and Replacement Payments | $ | 22,252,719 |
| SBA Home Loan Current Real Estate Payments | $ | 33,662,140 |
| SBA Business Loan Payments to Landlords | $ | 2,177,300 |
| NFIP Building Payments | | $54,319,378 |
| Other (OneSC) | $ | 338,500 |
| Total Benefit | $ | 112,750,037 |
| | | |
| Total Unmet Housing Need | $ | 386,219,986 |
| **Accounting for 10% resilience addition** | $ | 436,116,988 |

## Infrastructure Impact

Infrastructure systems affected by Hurricane Matthew included damage to dams, roadways, bridges, wastewater treatment systems, drinking water treatment and collection systems as well as the State's beaches, parks, and other recreational areas. The immediate recovery efforts were well-documented by the RSS and by the initial project worksheets being submitted for Public Assistance.

### *Dams*

The SC Department of Health and Environmental Control (SCDHEC) confirmed that twelve dams in eight counties had severe storm damage from Hurricane Matthew.[24] Many of these dams were constructed prior to any standards and permitting review and now need to be replaced with structures that will meet modern standards. However, many of the dams were privately owned and may be required to pass stringent threshold requirements for federal assistance.

### *Roads and Bridges*

The storm impacted more than 446 roads and 40 bridges causing closures. As of January 17, State DOT reported only fourteen road closures and 2 bridge closures indicating that most State maintained roads are now functional, however there are still three roads inoperable because of dam failures. The State is projecting a completion date of winter 2017 for the repair of all roads not associated with dam failure.[25]

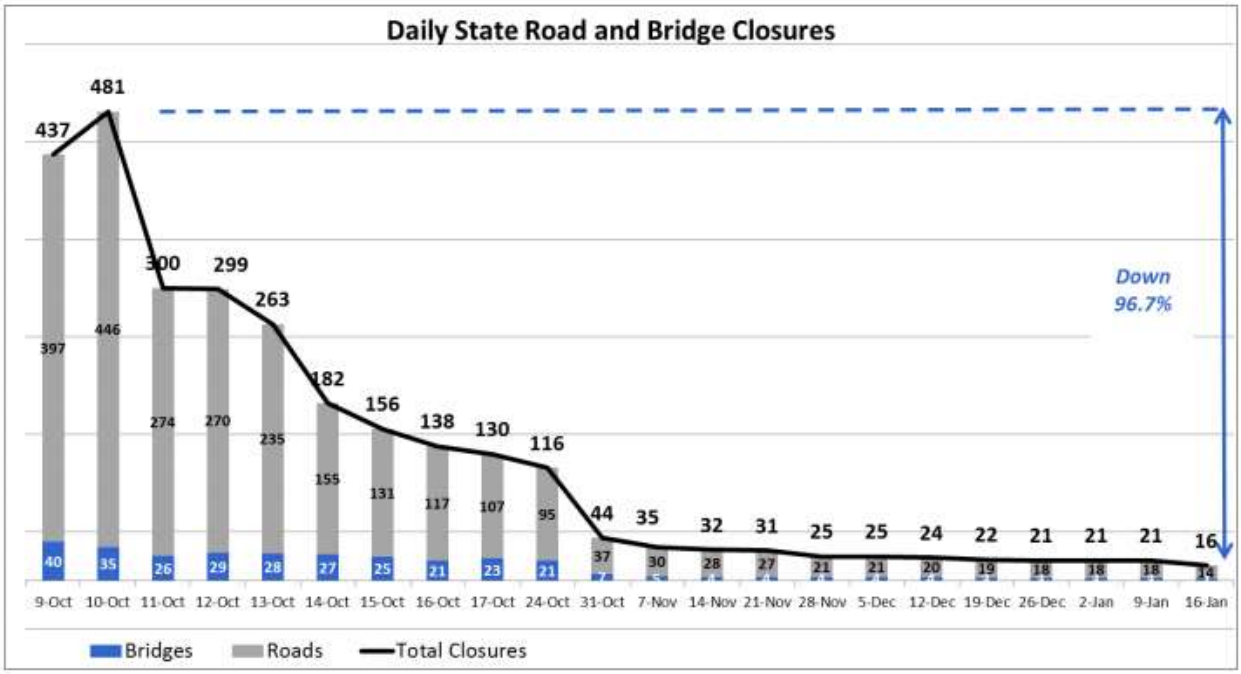



Figure 23: SCDOT Daily Road and Bridge Closures

[24] http://www.scdhec.gov/HomeAndEnvironment/DisasterPreparedness/FloodUpdates/MatthewDamStormDamage/mindex.htm

[25] http://info2.scdot.org/StormReports/Storm%20Reports/11AM%20Report-Hurricane%20Matthew.pdf

In addition, there are approximately 21,000 paved and unpaved county and municipal roads that are not maintained or tracked by the State or a federal entity. These roads significantly impact rural communities and need to be assessed for repair. Local governments will spearhead these assessments in conjunction with emergency management officials as they progress through the Public Assistance process. There is the possibility that some roads impacted by Hurricane Matthew may qualify for assistance through Natural Resources Conservation Service (NRCS).

### *Water & Wastewater Systems*

Of the 24 wastewater treatment systems that experienced damage (electrical, roof damage, influent pump stations) there were no lengthy closures.[26] Two treatment plants were inoperable for approximately one week. To enhance existing systems or combine systems would improve efficiency. Many drinking water systems were impacted when breaks to their distribution systems occurred. All systems were rapidly restored and remain operational. The State will address hurricane/flood damage actions for some plants through mitigation projects.

## Public Assistance

The FEMA Public Assistance (FEMA-PA) Program is designed to provide immediate assistance to impacted jurisdictions for emergency protective measures and permanent repairs to infrastructure and community facilities. The Federal share of assistance is generally not less than 75% of the eligible project cost, requiring the State to contribute the remaining 25% in cost share.

The Public Assistance Program for FEMA 4286 has identified $147,483,571 and $59,336,658 in public assistance for Category A (Debris removal) and Category B (Emergency protective measures) respectively

Additionally, the State has identified $154,186,801 in public assistance need for Categories C-G (permanent repair) to date in the State-assessed counties. These categories include:

Category C: Roads and Bridges
Category D: Water Control Facilities
Category E: Buildings and Equipment
Category F: Utilities
Category G: Parks, Recreational Facilities, and Other Facilities

Based on this data, and because applicants must prove how the 25% cost share will be covered before any application is approved, the State should have no unmet need for public assistance projects. For the sake of understanding the worst case scenario, if the State were to provide this match from CDBG-DR funds, an unprecedented move, the unmet needs related to PA projects would be $38,546,700 for identified infrastructure damage eligible under FEMA-PA Categories C-G.

[26] Email communication with Crystal Rippy, DHEC, Manager, Industrial Wastewater Permitting Section (3/10/17

Table 18: Public Assistance Category A and B totals by county

| County | Category A | | Category B | | Total (Category A & B) | |
|---|---|---|---|---|---|---|
| | Number of Projects | Cost of Projects | Number of Projects | Cost of Projects | Number of Projects | Cost of Projects |
| Allendale | 1 | $3,100 | 6 | $36,400 | 7 | $39,500 |
| Bamberg | 8 | $274,560 | 3 | $14,100 | 11 | $288,660 |
| Barnwell | 3 | $15,550 | 4 | $81,667 | 7 | $97,217 |
| Beaufort | 19 | $67,932,849 | 22 | $9,689,817 | 41 | $77,622,666 |
| Berkeley | 8 | $1,483,414 | 9 | $711,912 | 17 | $2,195,326 |
| Calhoun | 5 | $48,001 | 3 | $42,000 | 8 | $90,001 |
| Charleston | 46 | $16,366,952 | 32 | $8,949,677 | 78 | $25,316,629 |
| Chesterfield | 8 | $535,610 | 5 | $402,500 | 13 | $938,110 |
| Clarendon | 6 | $72,851 | 6 | $112,713 | 12 | $185,564 |
| Colleton | 11 | $425,604 | 9 | $1,232,581 | 20 | $1,658,185 |
| Darlington | 8 | $600,423 | 9 | $421,680 | 17 | $1,022,103 |
| Dillon | 11 | $1,179,948 | 8 | $411,135 | 19 | $1,591,082 |
| Dorchester | 5 | $552,126 | 9 | $1,015,600 | 14 | $1,567,726 |
| Florence | 15 | $1,833,321 | 12 | $1,693,658 | 27 | $3,526,980 |
| Georgetown | 11 | $801,765 | 10 | $1,133,407 | 21 | $1,935,172 |
| Hampton | 11 | $423,863 | 8 | $408,161 | 19 | $832,024 |
| Horry | 24 | $8,258,707 | 13 | $1,490,868 | 37 | $9,749,575 |
| Jasper | 7 | $56,000 | 6 | $362,591 | 13 | $418,591 |
| Kershaw | 3 | $39,535 | 3 | $79,346 | 6 | $118,881 |
| Lee | 8 | $333,950 | 3 | $35,000 | 11 | $368,950 |
| Marion | 2 | $105,000 | 12 | $432,727 | 14 | $537,727 |
| Marlboro | 6 | $264,177 | 4 | $74,500 | 10 | $338,677 |
| Orangeburg | 12 | $1,596,985 | 9 | $397,364 | 21 | $1,994,349 |
| Richland | 4 | $123,441 | 3 | $47,027 | 7 | $170,468 |
| Statewide Agency | 65 | $40,804,301 | 22 | $25,391,477 | 87 | $66,195,779 |
| Sumter | 6 | $891,000 | 5 | $229,000 | 11 | $1,120,000 |
| Williamsburg | 7 | $1,986,429 | 4 | $478,358 | 11 | $2,464,787 |
| Statewide/Cooperative | 1 | $40,000 | 16 | $3,914,340 | 17 | $3,954,340 |
| Statewide/University | 8 | $434,110 | 4 | $47,050 | 12 | $481,160 |
| **Grand Total** | **329** | **$147,483,571** | **259** | **$59,336,658** | **588** | **$206,820,229** |

Table 19: Public Assistance Categories C-G totals by county

| County | Public Assistance Category | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | C- Roads & Bridges | D- Water Control | E- Bldgs /Equip | F- Utilities | G- Other | Cost of Projects | Federal Share | Applicant Share (Potential Unmet Need) |
| Allendale | | | $313,900 | $7,100 | $32,100 | $353,100 | $266,575 | $86,525 |
| Bamberg | | | $125,190 | $20,000 | $6,280 | $151,470 | $113,603 | $37,868 |
| Barnwell | | | $196,000 | $6,689 | $12,919 | $215,608 | $156,689 | $58,919 |
| Beaufort | $4,190,000 | $865,000 | $8,858,161 | $3,560,000 | $10,795,713 | $28,268,874 | $21,201,655 | $7,067,218 |
| Berkeley | $65,000 | | $1,101,000 | $12,000 | $68,000 | $1,246,000 | $934,500 | $311,500 |
| Calhoun | $250,000 | | $40,000 | | $5,000 | $295,000 | $221,250 | $73,750 |
| Charleston | $3,223,500 | $3,781,118 | $9,757,109 | $210,054 | $4,417,653 | $21,389,434 | $16,042,076 | $5,347,359 |
| Chesterfield | $45,000 | $500,000 | | $3,100 | $10,500 | $558,600 | $418,950 | $139,650 |
| Clarendon | $55,000 | | $35,402 | $24,000 | $22,344 | $136,745 | $102,559 | $34,186 |
| Colleton | $310,000 | | $100,000 | $234,194 | $2,344,419 | $2,988,614 | $2,241,460 | $747,153 |
| Darlington | $150,000 | | $244,105 | $98,178 | $68,100 | $560,383 | $420,287 | $140,096 |
| Dillon | $332,000 | $140,000 | $1,178,162 | $155,752 | $59,730 | $1,865,644 | $1,399,233 | $466,411 |
| Dorchester | $3,100 | $3,100 | $618,382 | $682,500 | $85,000 | $1,392,082 | $1,044,062 | $348,021 |
| Florence | $637,500 | | $1,234,142 | $1,955,875 | $275,000 | $4,102,517 | $3,076,888 | $1,025,629 |
| Georgetown | $1,857,000 | | $329,000 | $306,000 | $1,701,593 | $4,193,593 | $3,145,195 | $1,048,398 |
| Hampton | $489,000 | | $729,049 | $103,100 | $65,000 | $1,386,149 | $1,039,612 | $346,537 |
| Horry | $1,320,681 | $89,343 | $2,315,000 | $635,924 | $4,345,000 | $8,705,948 | $6,529,461 | $2,176,487 |
| Jasper | $30,000 | | $160,000 | | $80,000 | $270,000 | $202,500 | $67,500 |
| Kershaw | | | | $75,000 | | $75,000 | $56,250 | $18,750 |
| Lee | $5,000 | $100,000 | $175,000 | | $35,000 | $315,000 | $236,250 | $78,750 |
| Marion | $720,000 | $400,000 | $2,135,376 | $120,000 | $242,102 | $3,617,479 | $2,713,109 | $904,370 |
| Marlboro | $356,000 | | $8,500 | $558,667 | $12,000 | $935,167 | $701,375 | $233,792 |
| Orangeburg | $26,200 | | $335,089 | $1,634,040 | $112,400 | $2,107,728 | $1,580,796 | $526,932 |
| Richland | | | $54,562 | $350,000 | | $404,562 | $303,422 | $101,141 |
| Sumter | $45,000 | | $35,000 | $10,000 | | $90,000 | $67,500 | $22,500 |
| Williamsburg | $20,000 | $8,000 | $75,626 | $25,000 | $25,000 | $153,626 | $115,219 | $38,406 |
| Statewide Agency | $4,989,224 | $2,774,250 | $1,042,914 | $1,160,000 | $7,945,500 | $17,911,888 | $13,220,166 | $4,691,722 |
| Statewide/Cooperative | | $1,705,000 | $247,819 | $46,825,641 | $58,400 | $48,836,859 | $36,627,644 | $12,209,215 |
| Statewide/University | $5,000 | $1,000,000 | $474,729 | | $180,000 | $1,659,729 | $1,244,797 | $414,932 |
| Grand Total | **$19,124,205** | **$11,365,811** | **$31,919,217** | **$58,772,814** | **$33,004,754** | **$154,186,801** | **$115,423,084** | **$38,763,717** |

### *HMGP and Resilience*

The Hazard Mitigation Grant Program (HMGP) may be a critical part of long-term resilience improvements for infrastructure in the impacted area. HMGP is generally calculated at 15% of the total amount of IA and PA allocated to a disaster event. As of February 25, 2017 the amount available for mitigation and resilience activities statewide will likely be between $36M - $42M.[27]

Then, calculating that HMGP assistance to any jurisdiction is capped at 75% of the identified need (the remaining 25% being a required local match), it can be assumed that jurisdictions will be required to provide between $9M - $10M in local match, representing an unmet need for resilience improvements. The HMGP process is in its initial stages at this time, and will be rolled out over the coming months.

### *Existing Efforts by South Carolina CDBG Non-Entitlement Program*

The State of South Carolina's Community Development Block Grant (CDBG) Program, operated by the South Carolina Department of Commerce, received an annual allocation of $18,871,096 from HUD in 2016. Over $10.5 million of this was dedicated to community infrastructure activities such as water, sewer, roads, drainage or other activities. The other program funds (excluding planning and administrative costs) were $3,000,000 for Community Enrichment, $1,270,119 for Neighborhood Revitalization, $300,000 for Special Projects, $600,000 Ready-to-Go, and $ 2,000,000 for Business Development.

After Hurricane Matthew, CDBG program managers reached out to their grantee communities to assess impact caused by the hurricane and to determine need for program response, including activating the provision in the Action Plan that "up to ten percent of the State's unobligated allocation may be reallocated to address the needs of the [declared] disaster" (2016 State Action Plan). The program did not receive sufficient response to activate the provision, and the 2017 program is expected to operate as planned to meet project needs that were identified before the hurricane.

## Economic Impact

### *Business & Employment*

According to FEMA reports, subject matter experts, and other news reports, South Carolina's most impacted economic sectors were tourism and agribusiness (cotton and wheat). Coastal areas suffered a short-term decline in tourism around Matthew but quickly bounced back to health leading to recent reports of growth and increase in jobs. Although economic losses are relatively small, the storm caused a significant amount of coastal erosion, especially in tourism-driven areas, that resulted in the loss of hundreds of thousands of cubic yards of sand along the State's coast, according to South Carolina Beach Advocates.

Tourism, especially centered around the golf industry was impacted slightly by Hurricane Matthew as poor weather conditions kept tourists at home. The percentage of golf course employees in Horry County outnumbers the national average by seven times. It's good and bad news, according to Chris King with Myrtle Beach Golf Holiday. One of two yearly peaks happens around the first weekend in October. That means the storm left a full weekend without golfers at a prime rate. Empty tee sheets for one weekend mean a short-term financial hit, but course managers know their business is dependent on the weather.

[27] Source: SCEMD Recovery and Mitigation

Nice days after the storm helped many courses get cleaned up and back in business with the high-dollar season lasting into the middle of November.[28]

To assist business owners in recovery the SBA opened three Business Recovery Centers to enable storm-impacted businesses to meet individually with SBA officials.

**As of March 1, 2017, the Small Business Administration (SBA) has issued $9,841,100 in Business and Economic Injury Disaster Loans (EIDL) to the State impacted area covered in this assessment**.[29] Three counties (Beaufort, Horry, and Marion) had more than 100 SBA business loan applications.[30] Entities such as small businesses, small agricultural cooperatives, and most private nonprofit organizations in disaster impacted areas may apply for low-interest EIDL loans to assist with operating expenses and working capital. The Business Physical Disaster Loss loans are available for machinery, equipment, and other real-property damages.

Utilizing SBA business data to understand the financial impact to livelihoods provides a more comprehensive understanding of impacts and recovery across the State. The small business administration makes low cost disaster loans available to qualified businesses. According to SBA business loan information, approximately 536 applicants had a verified property loss of $15,591,563 and another 188 applicants either withdrew or were declined for a loan from the program. The average verified loss for all applicants was $72,183 and the median loss was $25,442. Utilizing the general methodology put forth for the housing impact and unmet needs enables us to identify the true impact and possible extra estimated impacts for businesses who did not qualify for loans.

Table 21 outlines the impacts, estimated impacts, and support provided by the SBA to business owners across the impacted counties. Here we capture the total real property loss of $23,031,713 by summing the verified losses of $15.6M, the estimated losses of $4.8M (188 applicants either declined or withdrawn from the program multiplied by the median verified loss of $25,442) and the amount of verified reconstruction loss of $2.7M. Next we use the same method to sum the verified and estimated losses to furniture, machinery, inventory, and business operating expenses ($11,932,194).

According to this method, total business impacts from Matthew were **$34,963,907**. SBA payouts to businesses totaled $9,841,100 for these lines of loss, leaving a potential unmet need of **$25,122,807**.

[28] http://www.wmbfnews.com/story/33487039/tracking-the-economic-impact-of-hurricane-matthew
[29] See Appendix for detailed breakout by NAICS code
[30] SBA Business Application Report, 3/1/2017

Table 20: Small Business Administration Applicants by County

| County | Number of SBA Applicants |
|---|---|
| AIKEN | 1 |
| ALLENDALE | 2 |
| BAMBERG | 4 |
| BARNWELL | 2 |
| BEAUFORT | 283 |
| BERKELEY | 28 |
| CALHOUN | 3 |
| CHARLESTON | 39 |
| CHESTERFIELD | 4 |
| CLARENDON | 12 |
| COLLETON | 15 |
| DARLINGTON | 15 |
| DILLON | 60 |
| DORCHESTER | 15 |
| FLORENCE | 98 |
| GEORGETOWN | 36 |
| HAMPTON | 10 |
| HORRY | 137 |
| JASPER | 19 |
| LEE | 1 |
| MARION | 115 |
| MARLBORO | 13 |
| ORANGEBURG | 30 |
| RICHLAND | 1 |
| SUMTER | 8 |
| WILLIAMSBURG | 27 |
| **Total** | **978** |

Table 21: SBA Derived Impact and Unmet needs for businesses.

| SBA Verified Business Property Loss of All SBA Applicants | | |
|---|---|---|
| SBA Applicants With a Real Estate Verified Loss | $ | 15,591,563 |
| SBA Applicants Without a Real Estate Verified Loss (Est) | $ | 4,783,096 |
| SBA Verified Reconstruction Loss | $ | 2,657,054 |
| Total Realestate Losses for Busineess Referred to SBA | $ | 23,031,713 |
| | | |
| | | |
| **SBA Verified Business Operating Loss of All SBA Applicants** | | |
| Verified Furniture Loss | $ | 1,036,337 |
| Estimated Additional Furtniture Loss | $ | 622,656 |
| Verified Machinery Loss | $ | 1,918,980 |
| Estimated Additional Machinery Loss | $ | 783,020 |
| Verified Inventory Loss | $ | 1,237,201 |
| Estimated Additional Inventory Loss | $ | 808,400 |
| Verified EIDL Loss | $ | 2,668,000 |
| Estimated Additional EIDL Loss | $ | 2,857,600 |
| Sum of operational losses | $ | 11,932,194 |
| | | |
| Total VL of All Businesses | $ | 34,963,907 |
| | | |
| **Duplication of Benefits** | | |
| SBA Repair Payments | $ | 5,357,400 |
| SBA Reconstruction Payments | $ | 335,600 |
| SBA Furnitute Payments | $ | 265,000 |
| SBA Machinery Payments | $ | 625,200 |
| SBA Inventory Payments | $ | 589,900 |
| SBA EIDL Payments | $ | 2,668,000 |
| Other (DOC)? | | |
| Total Benefit | $ | 9,841,100 |
| Total Unmet Business Repair/Replace Payments | $ | 17,338,713 |
| **Accounting for 10% resilience addition** | $ | 19,072,584 |
| Total Unmet Business Operation Payments | $ | 7,784,094 |
| | | |
| Total Unmet Business Needs | $ | 25,122,807 |
| **Accounting for 10% resilience addition** | $ | 26,856,678 |

Disaster Unemployment Assistance (DUA) is managed by the South Carolina Department of Employment and Workforce (DEW). The Department explains that DUA "is a Federal program that provides temporary weekly assistance to individuals, including small-business owners and the self-employed, whose employment has been lost or interrupted as a direct result of a major disaster." Applications for DUA assistance must have been filed by November 16-18, 2016, depending on county (within 30 days after the available assistance was announced).[31] The following (Table 22) shows the number of weeks and amount of DUA claims paid out for each county area.

**Table 22: Disaster Unemployment Assistance Provided by Matthew Impacted Counties.**

| County | Total Weeks Paid By County Since 10/1 | Total Amount Paid By County Since 10/6 | Average Amount Paid By County Since 10/6 |
|---|---|---|---|
| Allendale | 1 | $146.00 | $146.00 |
| Beaufort | 170 | $31,999.00 | $188.23 |
| Berkeley | 14 | $4,564.00 | $326.00 |
| Charleston | 26 | $6,362.00 | $244.69 |
| Colleton | 58 | $9,972.00 | $171.93 |
| Darlington | 3 | $378.00 | $126.00 |
| Dillon | 1 | $126.00 | $126.00 |
| Dorchester | 1 | $112.00 | $112.00 |
| Florence | 9 | $1,445.00 | $160.56 |
| Georgetown | 28 | $6,949.00 | $248.18 |
| Horry | 54 | $6,940.00 | $128.52 |
| Jasper | 2 | $252.00 | $126.00 |
| Lee | 4 | $504.00 | $126.00 |
| Marion | 7 | $925.00 | $132.14 |
| Orangeburg | 1 | $126.00 | $126.00 |
| Williamsburg | 29 | $4,099.00 | $141.34 |
| Other[32] | 2 | $265.00 | $132.50 |
| **Totals: [33]** | **410** | **$75,164.00** | **$162.48** |

[31] https://dew.sc.gov/docs/default-source/default-document-library/deadlines-approach-for-disaster-unemployment-assistance.pdf?sfvrsn=0
[32] Claimant marking their address as international so county is not captured.
[33] Data provided by South Carolina Department of Employment and Workforce on 4/20/16

## Impact to Agribusiness

The State has a rich agricultural heritage that has provided South Carolinians with jobs, local food sources, and a viable trade commodity, with public port and transportation facilities in Charleston, North Charleston, Charleston County, Georgetown and Greer to support domestic and international trade. The favorable climate and steady water supply in South Carolina create ideal growing conditions.

Hurricane Matthew caused moderate damage to cotton, wheat, soybeans and a variety of other crops that were damaged by heavy winds. The Bureau of Labor Statistics says cotton farmers make up the Marlboro County workforce at a rate more than 50 times greater than the national average. Hurricane Matthew came at the absolutely worst time for cotton farmers.

Through the use of the most up to date USDA data, losses have been estimated for South Carolina's State-impacted counties (Figure 24). The data covers insured crops for which indemnity was received as a result of cyclone, hurricane, flood, precipitation, excess moisture, tornado, wind, or inability to plant from October 2016 through December of 2016. By coupling the Indemnity data and Coverage Level data from the USDA, a total loss estimate, and corresponding unmet need has been estimated.

From October to December of 2016, approximately $21,276,541 of indemnity was paid out to farmers who suffered losses due to Hurricane Matthew impacts (Table 23). The estimated total loss (Table 24), derived by calculating the estimated additional losses based on coverage level (% of crops not covered) by the indemnity payments from USDA data, (for October through December) was approximately $29,418,986. This brings the estimated unmet need to $8,142,445 (Estimated Total Loss – Indemnity Paid) for the three-month period directly following the flooding.[34]

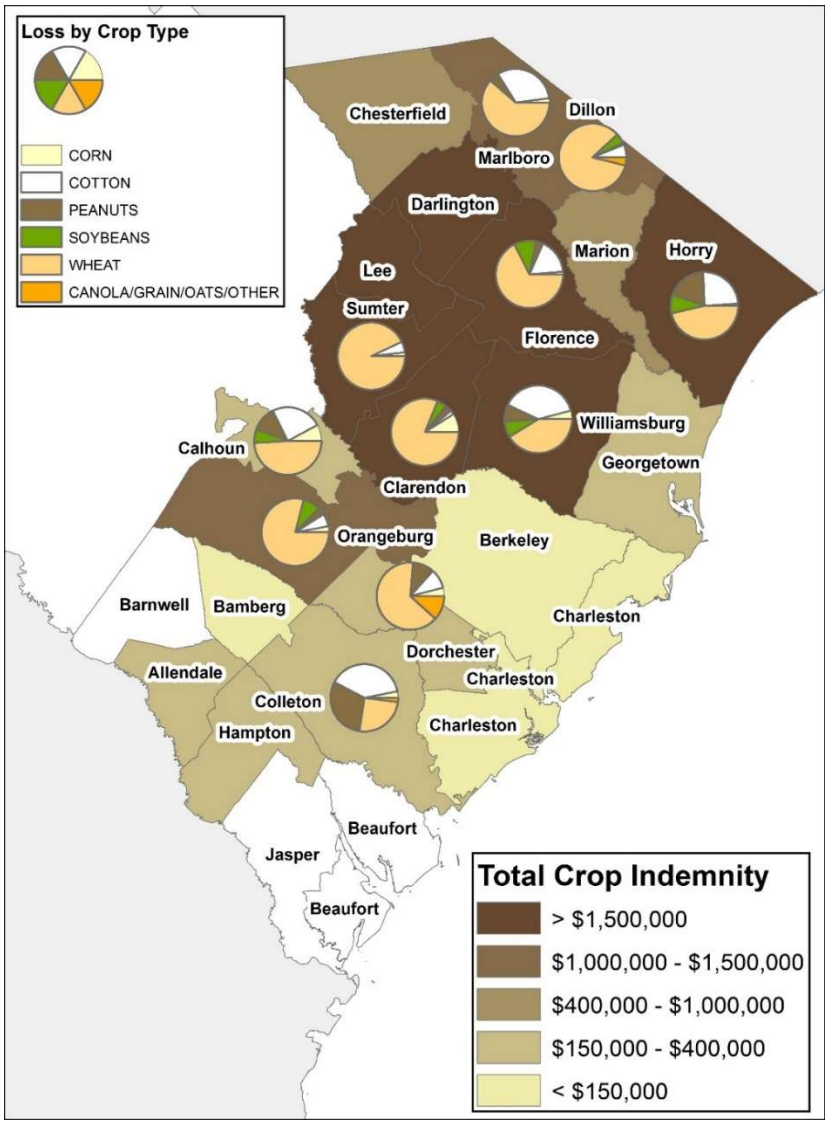



Figure 24: Crop Loss based on USDA Indemnity

[34] Indemnity Data: http://www.rma.usda.gov/data/cause.html , USDA. Coverage Level Data: http://prodwebnlb.rma.usda.gov/apps/SummaryofBusiness/ReportGenerator , USDA.

Table 23: USDA Indemnity payments for Matthew damage in South Carolina (Oct-December 2016)

| Crop | Number of Claims | Acres Affected | Indemnity |
|---|---|---|---|
| WHEAT | 156 | 191,742 | $14,543,504 |
| COTTON | 79 | 25,583 | $3,548,526 |
| PEANUTS | 43 | 5,178 | $1,195,889 |
| SOYBEANS | 127 | 15,951 | $1,192,104 |
| CORN | 70 | 5,754 | $554,812 |
| GRAIN SORGHUM | 22 | 1,120 | $64,722 |
| All Other Crops | 4 | 1,025 | $64,261 |
| OATS | 15 | 1,366 | $57,705 |
| CANOLA | 2 | 948 | $55,018 |
| **Grand Total** | **518** | **248,667** | **$21,276,541** |

Table 24: Estimated Crop Losses based on Insurance Level Coverage.

| USDA Data for Matthew Impacted Counties (October-December, 2016) | |
|---|---|
| **Actual Indemnity** | **$21,276,541** |
| ***Estimated* Total Loss** | **$29,418,986** |
| ***Estimated* Unmet Need** | **$8,142,445** |

It should be noted that there may be additional need identified once 2017 USDA indemnity data is released. The estimates referenced in this section do not include uninsured crops, losses on timber, or uncovered damage to machinery, facilities, and equipment. The cyclical nature of the agriculture business may result in additional losses continuing far past December of 2016 as a result of the hurricane, and may be captured in an updated Unmet Needs Assessment at a later date.

## Unmet Needs Assessment Update – September 2017

On August 7, 2017, the State of South Carolina was notified via the Federal Register that the state would receive an additional $29,781,000 for recovery efforts outlined in this Action Plan. As part of the Federal Register requirements, the state must update the Unmet Needs Assessment. This update will focus on the three core components of recovery: housing, infrastructure, and the economy.

### Housing

The housing disaster impact identified earlier in the assessment remains the most viable number after evaluating the updated FEMA and SBA damage assessments for the housing sector. Therefore, the overall housing disaster impact remains $548,867,025. After evaluating the best available data, there are additional funds available since the initial unmet needs assessment was completed. FEMA Housing Assistance provided to disaster victims totaled $32,074,479.

FEMA

**Individuals & Households**
**Hurricane Matthew**

| Dstr | County | Valid Registrations | Referred | Eligible | Total Housing Assistance |
|---|---|---|---|---|---|
| 4286 | Allendale (County) | 251 | 214 | 39 | $123,891 |
| 4286 | Bamberg (County) | 227 | 200 | 47 | $127,289 |
| 4286 | Barnwell (County) | 117 | 103 | 10 | $20,588 |
| 4286 | Beaufort (County) | 7314 | 5476 | 879 | $2,937,884 |
| 4286 | Berkeley (County) | 1974 | 1770 | 265 | $914,191 |
| 4286 | Calhoun (County) | 125 | 107 | 24 | $53,419 |
| 4286 | Charleston (County) | 2999 | 2578 | 497 | $1,495,246 |
| 4286 | Chesterfield (County) | 264 | 217 | 45 | $106,894 |
| 4286 | Clarendon (County) | 689 | 618 | 143 | $334,070 |
| 4286 | Colleton (County) | 1198 | 995 | 240 | $542,741 |
| 4286 | Darlington (County) | 1779 | 1520 | 230 | $577,450 |
| 4286 | Dillon (County) | 2590 | 2300 | 565 | $1,918,149 |
| 4286 | Dorchester (County) | 1599 | 1359 | 201 | $745,639 |
| 4286 | Florence (County) | 5356 | 4625 | 1085 | $3,069,828 |
| 4286 | Georgetown (County) | 1853 | 1691 | 473 | $1,277,008 |
| 4286 | Hampton (County) | 664 | 553 | 77 | $179,807 |
| 4286 | Horry (County) | 6417 | 5542 | 1389 | $5,933,830 |
| 4286 | Jasper (County) | 1093 | 841 | 139 | $407,963 |
| 4286 | Lee (County) | 430 | 383 | 72 | $206,627 |
| 4286 | Marion (County) | 4131 | 3639 | 1232 | $7,429,339 |
| 4286 | Marlboro (County) | 515 | 461 | 90 | $295,130 |
| 4286 | Orangeburg (County) | 1961 | 1695 | 334 | $941,889 |
| 4286 | Sumter (County) | 754 | 631 | 146 | $376,209 |
| 4286 | Williamsburg (County) | 2387 | 2260 | 778 | $2,059,401 |
| | **Sum:** | **46,687** | **39,778** | **9,000** | **$32,074,479** |

Small Business Administration loans for housing totaled $46,470,400. National Flood Insurance Program payments totaled $130,285,226. The One SC Foundation made $338,500 available for Hurricane Matthew housing assistance. Additionally, the initial CDBG-DR allocation of $65,305,000 has been accounted for as an available fund. Therefore, the total funds available for housing is $274,473,605.

| SBA Disaster Loan Statistics for Hurricane Matthew | | | | |
|---|---|---|---|---|
| As of 8/28/2017 1:49:03PM | | | | |
| | | SBA Home Loans | | |
| | FEMA Referral | Applications Received | Applications Approved | Loan Amount |
| ALLENDALE | 78 | 8 | 3 | $ 26,800 |
| BAMBERG | 76 | 17 | 8 | $ 259,500 |
| BARNWELL | 51 | 6 | - | $ - |
| BEAUFORT | 4,074 | 719 | 416 | $ 15,537,300 |
| BERKELEY | 979 | 162 | 54 | $ 1,092,900 |
| CALHOUN | 53 | 8 | 4 | $ 54,400 |
| CHARLESTON | 1,343 | 205 | 91 | $ 2,295,300 |
| CHESTERFIELD | 84 | 12 | 4 | $ 98,100 |
| CLARENDON | 249 | 53 | 19 | $ 356,900 |
| COLLETON | 479 | 74 | 26 | $ 419,300 |
| DARLINGTON | 650 | 67 | 22 | $ 432,800 |
| DILLON | 912 | 154 | 54 | $ 1,743,400 |
| DORCHESTER | 796 | 140 | 56 | $ 1,047,300 |
| FLORENCE | 2,245 | 291 | 97 | $ 2,051,300 |
| GEORGETOWN | 750 | 175 | 55 | $ 1,496,900 |
| HAMPTON | 278 | 34 | 7 | $ 182,000 |
| HORRY | 3,088 | 598 | 258 | $ 8,052,300 |
| JASPER | 405 | 57 | 17 | $ 683,300 |
| LEE | 141 | 28 | 6 | $ 113,300 |
| MARION | 1,607 | 399 | 148 | $ 7,934,900 |
| MARLBORO | 173 | 19 | 9 | $ 232,900 |
| ORANGEBURG | 764 | 160 | 55 | $ 1,094,100 |
| SUMTER | 273 | 50 | 19 | $ 438,000 |
| WILLIAMSBURG | 722 | 155 | 40 | $ 827,400 |
| **Total** | **20,270** | **3,591** | **1,468** | **$ 46,470,400** |

**Subtracting the funds available for housing from the estimated damage impact to the housing sector leaves an unmet need of $301,832,762.**

Palmetto Disaster Recovery (PDR) provides disaster case management for many of the citizens impacted by Hurricane Matthew. PDR has conducted outreach efforts in all of the counties designated for FEMA

Individual Assistance as a result of Hurricane Matthew. As of September 27, 2017, PDR outreach efforts have discovered 1,819 families with an unmet housing need. This number will continue to increase as PDR case managers identify additional clients. The breakdown of active cases by County is below.

| Palmetto Disaster Recovery - Disaster Case Management Report | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| September 27, 2017 | | | | | | | | | |
| County | Current Active Client Cases | Client Cases Closed To-Date | Client Cases Opened To-Date | Housing Unmet Needs Opened | Housing Unmet Needs Closed | Active Housing Unmet Needs Cases | Housing Projected Priorities | | |
| | | | | | | | 1ST Priority | 2ND Priority | 3RD-8TH Priority |
| MARION | **545** | **107** | **652** | **608** | **96** | **512** | **141** | **194** | **177** |
| Chesterfield | 14 | 2 | 16 | 16 | 2 | 14 | 2 | 5 | 7 |
| Clarendon | 11 | 3 | 14 | 14 | 3 | 11 | 3 | 4 | 4 |
| Darlington | 33 | 4 | 37 | 36 | 4 | 32 | 9 | 10 | 13 |
| Dillon | 143 | 19 | 162 | 159 | 18 | 141 | 21 | 55 | 65 |
| Florence | 30 | 9 | 39 | 39 | 9 | 30 | 4 | 17 | 9 |
| Horry | 95 | 21 | 116 | 113 | 20 | 93 | 17 | 39 | 37 |
| Lee | 150 | 3 | 153 | 151 | 3 | 148 | 40 | 72 | 36 |
| Marlboro | 12 | 3 | 15 | 14 | 3 | 11 | 3 | 6 | 2 |
| Sumter | 25 | 1 | 26 | 26 | 1 | 25 | 1 | 10 | 14 |
| Region One Total | **1058** | **172** | **1230** | **1176** | **159** | **1017** | **241** | **412** | **364** |
| Allendale | 1 | 0 | 1 | 1 | 0 | 1 | 0 | 1 | 0 |
| Bamberg | 1 | 0 | 1 | 1 | 0 | 1 | 1 | 0 | 0 |
| Barnwell | 2 | 0 | 2 | 2 | 0 | 2 | 1 | 1 | 0 |
| Beaufort | 159 | 0 | 159 | 157 | 0 | 157 | 26 | 67 | 64 |
| Berkeley | 38 | 0 | 38 | 37 | 0 | 37 | 1 | 3 | 33 |
| Calhoun | 7 | 0 | 7 | 6 | 0 | 6 | 0 | 2 | 4 |
| Charleston | 34 | 0 | 34 | 33 | 0 | 33 | 2 | 15 | 16 |
| Colleton | 117 | 0 | 117 | 109 | 0 | 109 | 10 | 45 | 54 |
| Dorchester | 19 | 0 | 19 | 14 | 0 | 14 | 0 | 8 | 6 |
| Georgetown | 73 | 0 | 73 | 71 | 0 | 71 | 11 | 30 | 30 |
| Hampton | 3 | 0 | 3 | 3 | 0 | 3 | 0 | 1 | 2 |
| Jasper | 35 | 0 | 35 | 35 | 0 | 35 | 9 | 11 | 15 |
| Orangeburg | 74 | 0 | 74 | 73 | 0 | 73 | 7 | 16 | 50 |
| Williamsburg | 268 | 0 | 268 | 260 | 0 | 260 | 34 | 93 | 133 |
| Region Two Total | **831** | **0** | **831** | **802** | **0** | **802** | **102** | **293** | **407** |
| GRAND TOTAL | **1889** | **172** | **2061** | **1978** | **159** | **1819** | **343** | **705** | **771** |

## Infrastructure

Since the initial unmet needs assessment was completed, the roster of public assistance projects from FEMA PA Categories C through G submitted to the South Carolina Emergency Management Division for review was refined. Additionally, FEMA PA projects from categories A and B are excluded from this calculation because those projects were completed and totally funded by the federal government. Based on the new data, the updated disaster impact estimate for infrastructure is $120,693,706. Assuming available funds to cover 75 percent of the project costs leads to an available funds amount of $90,520,279.

**This leaves an unmet need amount of $33,190,769 after the resiliency factor.**

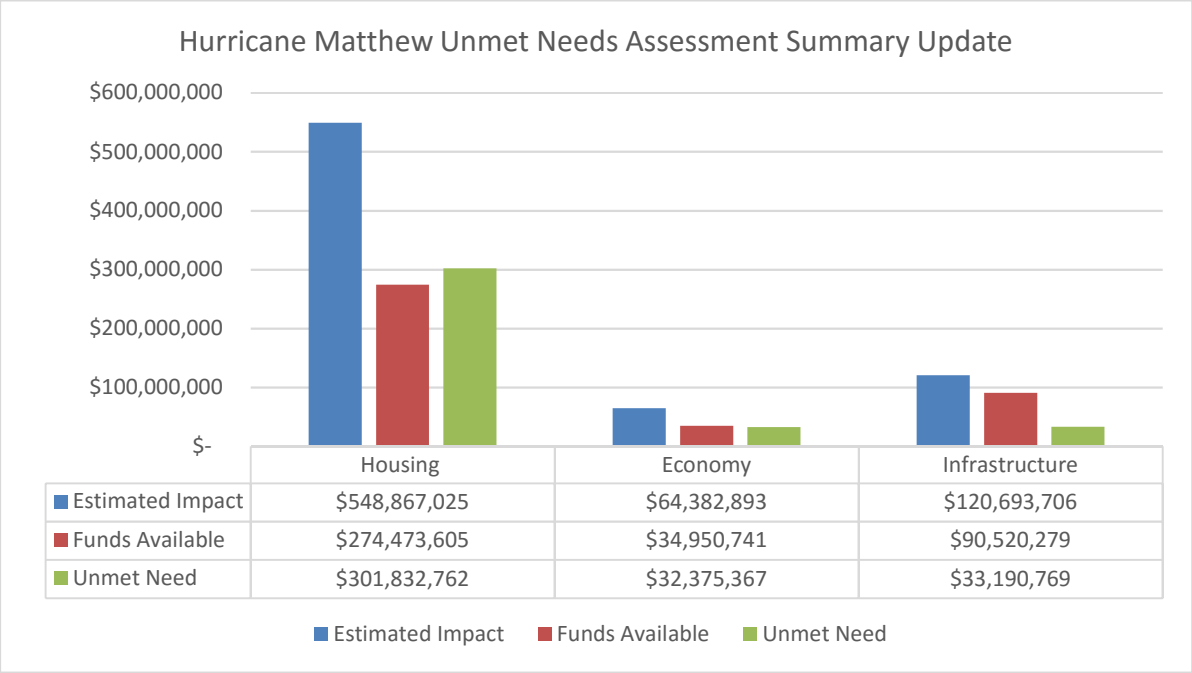
| FEMA Public Assistance Projects, Categories C-G, by County<br>2016 Hurricane Matthew FEMA DR-4286 | | | |
|---|---|---|---|
| **County** | **Sum of Projects** | **Total Funds Obligated** | **Unmet Need** |
| Allendale | $ 177,015.99 | $ 132,761.99 | $ 44,254.00 |
| Bamberg | $ 138,386.99 | $ 103,790.24 | $ 34,596.75 |
| Barnwell | $ 200,947.44 | $ 150,710.58 | $ 50,236.86 |
| Beaufort | $ 15,942,320.27 | $ 11,956,740.20 | $ 3,985,580.07 |
| Berkeley | $ 394,321.04 | $ 295,740.78 | $ 98,580.26 |
| Calhoun | $ 42,351.23 | $ 31,763.42 | $ 10,587.81 |
| Charleston | $ 10,515,265.77 | $ 7,886,449.33 | $ 2,628,816.44 |
| Chesterfield | $ 93,061.00 | $ 69,795.75 | $ 23,265.25 |
| Clarendon | $ 110,680.46 | $ 83,010.35 | $ 27,670.12 |
| Colleton | $ 2,512,917.74 | $ 1,884,688.31 | $ 628,229.44 |
| Darlington | $ 227,603.76 | $ 170,702.82 | $ 56,900.94 |
| Dillon | $ 870,026.85 | $ 652,520.14 | $ 217,506.71 |
| Dorchester | $ 836,358.35 | $ 627,268.76 | $ 209,089.59 |
| Florence | $ 1,533,942.71 | $ 1,150,457.03 | $ 383,485.68 |
| Georgetown | $ 1,992,849.07 | $ 1,494,636.80 | $ 498,212.27 |
| Hampton | $ 860,163.66 | $ 645,122.75 | $ 215,040.92 |
| Horry | $ 17,560,943.06 | $ 13,170,707.30 | $ 4,390,235.77 |
| Jasper | $ 65,778.46 | $ 49,333.85 | $ 16,444.62 |
| Kershaw | $ 77,061.17 | $ 57,795.88 | $ 19,265.29 |
| Lee | $ 287,113.69 | $ 215,335.27 | $ 71,778.42 |
| Marion | $ 1,367,053.61 | $ 1,025,290.21 | $ 341,763.40 |
| Marlboro | $ 525,967.83 | $ 394,475.87 | $ 131,491.96 |
| Orangeburg | $ 2,007,398.63 | $ 1,505,548.97 | $ 501,849.66 |
| Richland | $ 140,215.36 | $ 105,161.52 | $ 35,053.84 |
| Statewide Agency | $ 18,507,482.09 | $ 13,880,611.57 | $ 4,626,870.52 |
| Statewide Agency/Public Serv | $ 15,966,832.76 | $ 11,975,124.57 | $ 3,991,708.19 |
| Statewide/Cooperative | $ 26,726,591.90 | $ 20,044,943.93 | $ 6,681,647.98 |
| Statewide/University | $ 210,005.32 | $ 157,503.99 | $ 52,501.33 |
| Sumter | $ 613,575.48 | $ 460,181.61 | $ 153,393.87 |
| Williamsburg | $ 189,473.94 | $ 142,105.46 | $ 47,368.49 |
| **Grand Total** | **$ 120,693,705.63** | **$ 90,520,279.22** | **$ 30,173,426.41** |

## Economy

The major driver of the updated calculation for the economy unmet need is the Small Business Administration (SBA) business loans. The overall estimated impact from the disaster to the economy remains $64,382,893 based on all of the assumptions outlined in the initial unmet needs assessment. The SBA distributed $13,674,200 in loans to businesses impacted by Hurricane Matthew. The funds available amount includes both real estate business loans and economic injury loans. The net of the impact minus the updated funds available including additional loans distributed results in the unmet need of $32,375,367 after factoring 10% for resiliency.

| SBA Disaster Loan Statistics for Hurricane Matthew | | | | |
|---|---|---|---|---|
| As of 8/28/2017 1:49:03PM | | | | |
| | Business Loans | | EIDL Applications | |
| | Approved | Amount | Approved | Amount |
| ALLENDALE | 0 | $ - | 0 | $ - |
| BAMBERG | 0 | $ - | 0 | $ - |
| BARNWELL | 1 | $ 3,600 | 0 | $ - |
| BEAUFORT | 54 | $ 5,479,400 | 17 | $ 944,100 |
| BERKELEY | 3 | $ 54,800 | 4 | $ 48,200 |
| CALHOUN | 0 | $ - | 0 | $ - |
| CHARLESTON | 5 | $ 245,500 | 4 | $ 275,700 |
| CHESTERFIELD | 0 | $ - | 0 | $ - |
| CLARENDON | 2 | $ 28,900 | 0 | $ - |
| COLLETON | 2 | $ 55,200 | 1 | $ 9,400 |
| DARLINGTON | 1 | $ 17,600 | 0 | $ - |
| DILLON | 9 | $ 296,700 | 0 | $ - |
| DORCHESTER | 1 | $ 136,000 | 1 | $ 19,500 |
| FLORENCE | 17 | $ 1,842,900 | 2 | $ 73,800 |
| GEORGETOWN | 9 | $ 666,700 | 1 | $ 10,000 |
| HAMPTON | 0 | $ - | 0 | $ - |
| HORRY | 22 | $ 1,995,500 | 0 | $ - |
| JASPER | 6 | $ 454,900 | 1 | $ 100,000 |
| LEE | 0 | $ - | 0 | $ - |
| MARION | 9 | $ 412,100 | 1 | $ 8,500 |
| MARLBORO | 2 | $ 26,500 | 0 | $ - |
| ORANGEBURG | 3 | $ 343,300 | 0 | $ - |
| SUMTER | 2 | $ 31,600 | 0 | $ - |
| WILLIAMSBURG | 3 | $ 93,800 | 0 | $ - |
| Total | 151 | $ 12,185,000 | 32 | $ 1,489,200 |

## Updated Unmet Needs Summary Table




| | Housing | Economy | Infrastructure |
|---|---|---|---|
| Estimated Impact | $548,867,025 | $64,382,893 | $120,693,706 |
| Funds Available | $274,473,605 | $34,950,741 | $90,520,279 |
| Unmet Need | $301,832,762 | $32,375,367 | $33,190,769 |

When evaluating the overall unmet need across all three sectors, the total unmet need is $367,398,898. Of this, housing represents the greatest portion with 82.2% of the overall unmet need. Infrastructure is the next largest sector with 9% of the overall unmet need. The economy need is the smallest share comprising the final 8.8%.

# ACTION PLAN

## Section 4: Funding Priorities

When the emergency declaration was issued for South Carolina, 26 counties were designated for Federal Emergency Management Agency (FEMA) Public Assistance and 24 counties were designated for FEMA Individual Assistance. Public Assistance provided grants to governmental units for emergency infrastructure repairs and debris removal[35]. Individual Assistance provided emergency funding to individuals for immediate housing and safety needs[36]. The declaration for Hurricane Matthew in South Carolina, designated as FEMA DR-4286, included the following counties:

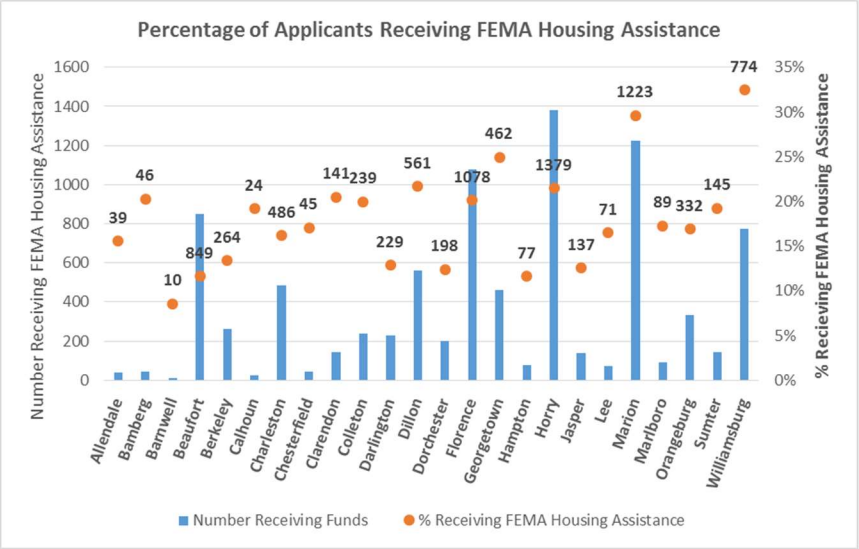
| County | Individual Assistance | Public Assistance |
|---|---|---|
| Allendale | Declared | Declared |
| Bamberg | Declared | Declared |
| Barnwell | Declared | Declared |
| Beaufort | Declared | Declared |
| Berkeley | Declared | Declared |
| Calhoun | Declared | Declared |
| Charleston | Declared | Declared |
| Chesterfield | Declared | Declared |
| Clarendon | Declared | Declared |
| Colleton | Declared | Declared |
| Darlington | Declared | Declared |
| Dillon | Declared | Declared |
| Dorchester | Declared | Declared |
| Florence | Declared | Declared |
| Georgetown | Declared | Declared |
| Hampton | Declared | Declared |
| Horry | Declared | Declared |
| Jasper | Declared | Declared |
| Kershaw | | Declared |
| Lee | Declared | Declared |
| Marion | Declared | Declared |
| Marlboro | Declared | Declared |
| Orangeburg | Declared | Declared |
| Richland | | Declared |
| Sumter | Declared | |
| Williamsburg | Declared | Declared |
| ***Total:*** | **24** | **26** |

[35] For details on the FEMA PA program see: https://www.fema.gov/media-library-data/1465341338231-1ae3d3ccc360573d965b70090ca01033/FactSheetPA2016.pdf

[36] For details on the FEMA IA program see: https://www.fema.gov/media-library-data/1461689021638-cfcfd7f6c263635802fa7a76a19e00ea/FS001_What_is_Individual_Assistance_508.pdf

Despite the majority of the counties in South Carolina being declared eligible for FEMA Individual Assistance, many people were left with their housing needs ignored by FEMA.

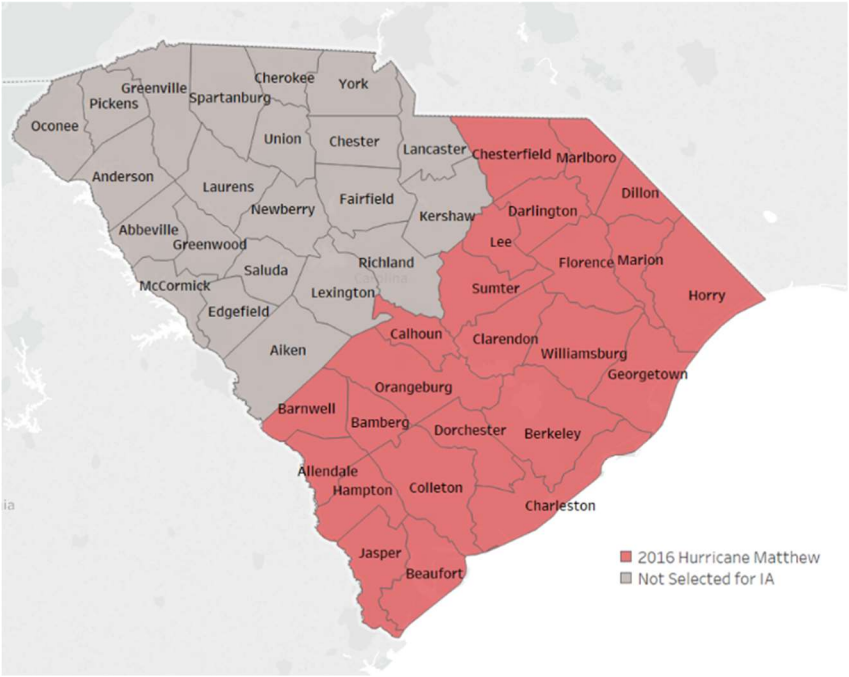
Across the 24 FEMA IA counties, only 18% of IA applicants received any housing funds from FEMA. **Fewer than 1 out of 5 citizens that applied for FEMA aid received any housing assistance.**




## Counties Eligible for Assistance

**The South Carolina Disaster Recovery Office (SCDRO), administered by the State of South Carolina through the Department of Commerce, will provide assistance to eligible applicants in the following 24 Individual Assistance declared counties only**:

| | | | |
|---|---|---|---|
| Allendale | Charleston | Dorchester | Lee |
| Bamberg | Chesterfield | Florence | Marion |
| Barnwell | Clarendon | Georgetown | Marlboro |
| Beaufort | Colleton | Hampton | Orangeburg |
| Berkeley | Darlington | Horry | Sumter |
| Calhoun | Dillon | Jasper | Williamsburg |

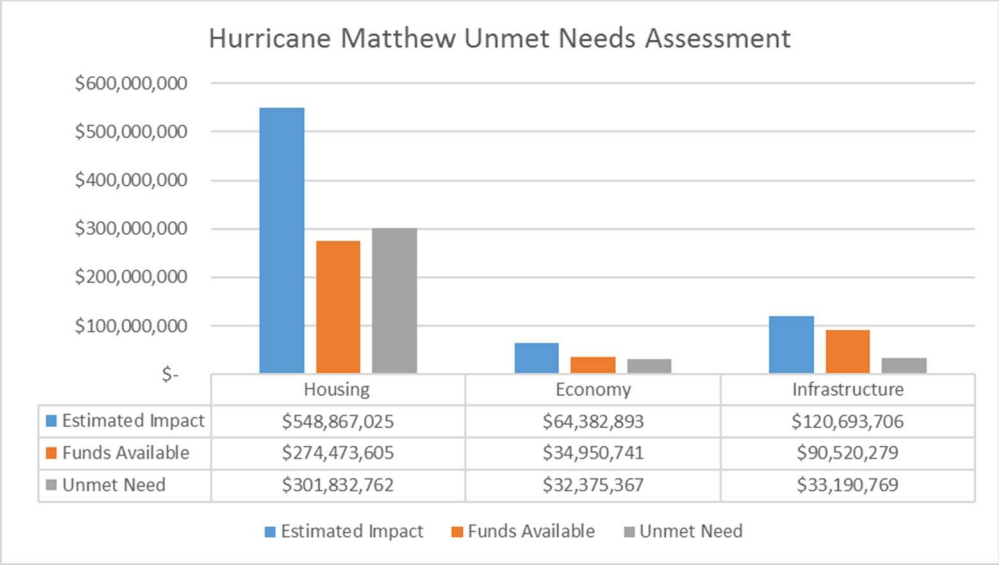



**HUD has provided the State of South Carolina with <u>$95,086,000</u> ~~$65,305,000~~ in disaster recovery funds to assist in recovery from the Hurricane.** HUD has further stipulated that 80% of the efforts must address unmet needs of Marion <u>and Horry Counties</u>.

The State partnered with Disaster Metrics to assess the unmet needs of South Carolina as a result of Hurricane Matthew.

Disaster Metrics performed a comprehensive Unmet Needs Assessment, identifying the needs across three sectors: housing, the economy, and infrastructure.

The ~~preliminary~~ estimated impact as of September 2017 from Hurricane Matthew in South Carolina is ~~$974,256,948~~ $733,943,624 across the housing, economy, and infrastructure sectors combined. The figure is based on best available data at this time and may be adjusted in the future as additional data becomes available. After taking into account the funds already made available through insurance, State, and federal assistance, the remaining overall unmet need is approximately $367,398,898~~$508,145,957~~. **The federal allocation of ~~$65.3~~ $95 million will allow the State to address ~~less than 13%~~ 26% of the overall unmet need.**




When examining the relative need by sector, housing represents the greatest need with $301,832,762 ~~$436,116,988~~ (82.2% of total) in unmet need, followed by the infrastructure sector with $33,190,769 ~~$38,763,717~~ (9% of total) in unmet need, followed by the economy sector (including agriculture) with $32,375,367 ~~$33,265,252~~ (8.8% of total) in unmet need. Each of these three sectors are addressed in greater detail in the full Unmet Needs Assessment.

When comparing these three sectors, it becomes clear where the greatest unmet needs exist. **The housing unmet need is 9 times greater than the infrastructure need, 9 times greater than the economy sector need, and 5 times greater than the infrastructure and economy sectors combined.** Therefore, the primary focus of the SCDRO will be to address the housing unmet needs with these limited federal dollars.

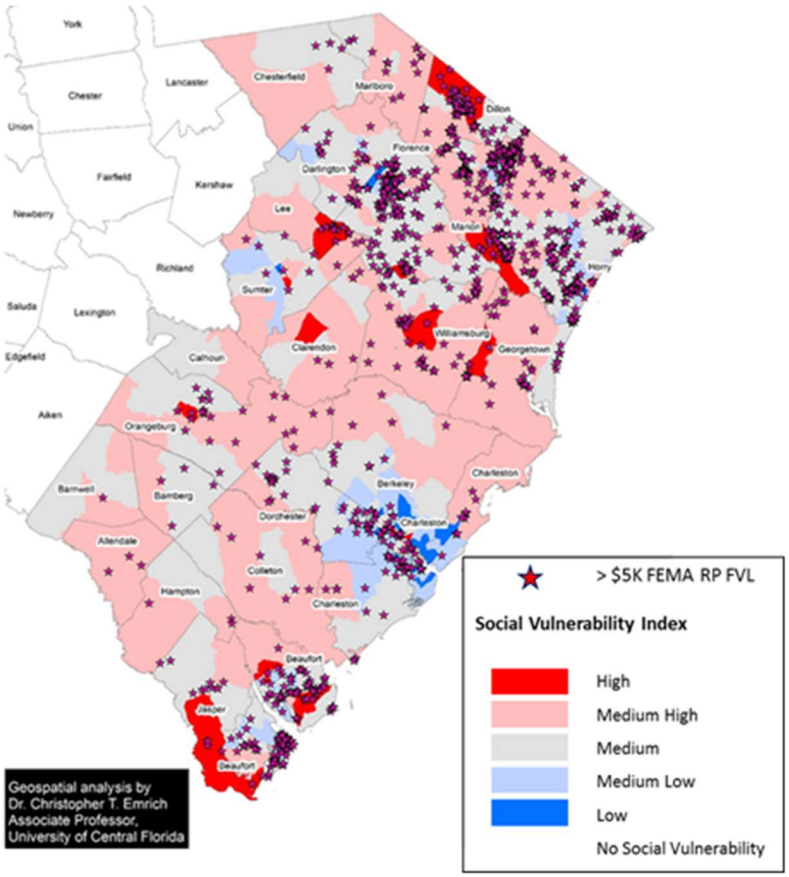
The Governor directed the SCDRO to focus exclusively on addressing the unmet housing needs of the most vulnerable homeowners of South Carolina who were affected by Hurricane Matthew. SCDRO will accomplish this goal through the housing programs focusing on single family home repair and replacement. SCDRO will not provide funding for public services, emergency shelters, multifamily, market rate rentals, or housing to meet the needs of pre-disaster homeless persons. Limited rental repair funds will be available for the Most Impacted and Distressed Counties as designated by HUD.

By analyzing a number of social vulnerability factors, Disaster Metrics was able to empirically identify the most socially vulnerable census tracts within each FEMA Individual Assistance designated county. **Residents in these high vulnerability areas generally have a lower ability to adequately prepare for, respond to, and rebound from environmental impacts (such as hurricanes), shocks, and stresses.**

Utilizing social vulnerability information combined with FEMA damage data provides a standardized, replicable, and pragmatic process for finding and understanding people and places where scarce resources would be most helpful in driving successful disaster recovery.

The State uses the FEMA verified loss information and social vulnerability analysis as an assessment and targeting tool. It allows the State to find the most vulnerable citizens. These are the citizens who are the least likely or able to run away from a disaster. They are the citizens who are the least likely to have the ability to recover without help. These tools allow the State to focus the recovery efforts. The State will use this information as part of a holistic recovery approach. This approach will allow the State to direct the implementation vendor to locations where intake center can have the greatest chance of assisting large populations of impacted citizens.

This geographic overlay, combining areas of highest vulnerability with the areas containing significant numbers of damaged homes[37], clearly indicates that most of the counties **(with the exception of Charleston)** with the most FEMA Verified Losses over $5,000 **often also have high social vulnerability scores.** With the exception of Beaufort (12.4%), and Dorchester (11.8%), all of the declared counties had poverty rates higher than the national level of 15.6%. Even more significant was the number of counties with poverty rates near or close to double the national percentage. Allendale, Chesterfield, Bamberg, Barnwell, Dillon, Marion, Marlboro, and Williamsburg Counties all had percentages over 28% with Allendale registering at 32.5%. **Targeting support to these areas in the immediate and long-term recovery phases of the disaster will yield the best outcomes for those with the highest need.**




[37] Normalizing the number of homes damaged by the total number of homes in an area creates an "apples to apples" comparison, enabling the state to rank order damage in relation to social vulnerability – effectively creating a targeting capability for use by recovery personnel operating on the ground.

# Section 5: Method of Distribution

## CDBG-DR Program National Objectives

South Carolina has designed this CDBG-DR program in compliance with the National Program objectives, and will ensure that assistance is prioritized toward the most disadvantaged populations. South Carolina intends to spend a minimum of 90% of program funds on activities that benefit the Low-and-Moderate Income (LMI) population. LMI status is determined by evaluating income as a percentage of the Area Median Income (AMI) in the region in which the applicant lives.

**The State will spend no less than 90% of funds allocated for direct benefit to LMI households. Furthermore, the State will take necessary steps to ensure that the needs of very low-income households (30% of the AMI or below) and low-income households (30% - 50% AMI) are prioritized, followed by moderate income households (51% to 80% AMI).**

As stewards of federal CDBG funds, the State of South Carolina complies with the Department of Housing and Urban Development's (HUD) mission to develop viable communities by the provision of decent housing, a suitable living environment and expanding economic opportunities, principally for LMI persons. To this end, all funded activities administered by the State of South Carolina will meet one of three named HUD national objectives:

1) Benefitting LMI Persons;
2) Preventing or Eliminating Slum or Blight; or
3) Meeting Urgent Needs.

Assistance will be made to eligible applicants in the impacted area, as funds are available, with priority given to applicants with verified household income at 80% or below the AMI for the region in which they reside. HUD directed the State to spend at least 70% of the funds on LMI households. The State plans on assisting only citizens that are 80% LMI and below with damage as a result of Hurricane Matthew. The State will use an analysis of social vulnerability factors to focus efforts to locate eligible citizens. Hurricane Matthew assistance programs will begin by September 2017 and be completed by September 2020.

In addition, the State will further target benefits within these income categories by considering disability and age-dependent status. Where practicable, vulnerable and special needs populations will be given urgent attention.

While the development of a hazard mitigation plan is an allowable use for CDBG-DR funds, the SCDRO will not pursue this. The South Carolina Emergency Management Division has developed a comprehensive hazard mitigation plan. The plan is available at:
http://www.scemd.org/files/Mitigation/State_Hazard_Mitigation_Plan/1_SHMP_FINAL_2013.pdf

## Program Budget

The State will allocate all program dollars for housing recovery activities, except for the $1 million for Hazard Mitigation Grant Program (HMGP) match. The following is a table of budgeted categories:

| Program | Initial Allocation | Amendment 1 |
|---|---|---|
| **Single Family Housing Program** | $60,039,750 | $88,331,700 |
| **Rental Repair Program (Marion County Only)** | $500,000 | $500,000 |
| **HMGP Match (Marion County Only)** | $1,000,000 | $1,000,000 |
| **Planning** | $500,000 | $500,000 |
| **Program Administration** | $3,265,250 | $4,754,300 |
| **TOTAL** | **$65,305,000** | **$95,086,000** |

Program funds administered by the State will be made available to applicants residing in the 24 counties that were eligible for FEMA Individual Assistance grants. The eligible counties are:

| | | | |
|---|---|---|---|
| Allendale | Charleston | Dorchester | Lee |
| Bamberg | Chesterfield | Florence | Marion |
| Barnwell | Clarendon | Georgetown | Marlboro |
| Beaufort | Colleton | Hampton | Orangeburg |
| Berkeley | Darlington | Horry | Sumter |
| Calhoun | Dillon | Jasper | Williamsburg |

**HUD has further stipulated that at least 80% of the efforts must address unmet needs within Marion and Horry Counties.**

### Leveraging of Funds

CDBG-DR funds are a last resort funding source. The State has worked with HUD, FEMA, SBA, other federal agencies and State-funded agencies to identify and catalog available sources of assistance for recovery from Hurricane Matthew. The State will ensure that CDBG-DR funds are only used to address funding needs not satisfied by other funding sources, many of which are already providing disaster relief, including, but not limited to:

- FEMA Individual Assistance grants
- FEMA Hazard Mitigation Grant Program
- SBA Disaster Loans
- National Flood Insurance Program payments
- Private insurance
- Natural Resources Conservation Service Emergency Watershed programs
- Water Conservation District funds
- USDA Farm Service Agency's Emergency Forest Restoration Program
- Drinking Water and Water Pollution Control funds, and
- Private foundations

In accordance with the Robert T. Stafford Act, as amended, the State will implement policies and procedures to ensure no individual receives duplication of benefit for the same purpose and/or effect to recover from Hurricane Matthew. Federal law prohibits any person, business concern, or other entity from receiving Federal funds for any part of such loss for which the person has received financial assistance under any other program, from private insurance, charitable assistance or any other source.

## Housing Programs

Disaster Recovery funds are divided into three umbrella categories of eligible activity: Housing, Infrastructure and Economic Recovery. Based on analysis of the State's unmet needs and the limited amount of recovery funds made available, South Carolina will target the vast majority of recovery funds toward the most evident need in the area of housing recovery.

**The impact of the Hurricane Matthew on the housing sector is estimated at a cost of over half a billion dollars.** Aging housing stock suffered damage on a number of fronts: flood damage from below and structural damage to roofs and foundations from combined substantial rain and wind. Hundreds of homes were destroyed or severely damaged, leaving families living in substandard or unsafe conditions, or causing them to be displaced from their communities and places of employment. **Due to the overwhelming unmet housing need, the Disaster Recovery Program will consist entirely of housing program activities at this time, except for $1 million in HMGP match for eligible applicants in Marion County.**

To assist the most vulnerable families in their recovery efforts, the State has developed a housing program to meet the housing needs as identified through the unmet needs assessment to include:

1. Repair/Rehabilitation of existing housing units;
2. Replacement of damaged Manufactured Housing Units (MHUs) deemed unrepairable through a feasibility review;
3. Consideration of limited relocation assistance on a case by case basis; and
4. Inclusion, during the execution of these activities, as needed and appropriate, identification of opportunities for mitigation enhancement measures, improvement of resilience, ancillary improvements such as elevation and access ramps, and assistance to applicants in completing program applications.

South Carolina will implement construction methods that emphasize quality, durability, energy efficiency, sustainability, and mold resistance. All rehabilitation, reconstruction, and new construction will be designed to incorporate principles of sustainability, including water and energy efficiency, resilience, and mitigation against the impact of future disasters.

In South Carolina, all counties and some localities require permits. All counties and the localities with such requirements have standing offices to process the required permits. There are currently no known local capacity issues which would prevent the needed permits from being processed and issued.

Where feasible, the State will follow best practices such as those provided by the U.S. Department of Energy's Guidelines for Home Energy Professionals.

For all new construction or for substantially rehabilitated structures, the State will require construction to meet ENERGY STAR certification standards.

For non-substantially rehabilitated structures, the State will follow the HUD CPD Green Building Retrofit Checklist guidelines, and apply them to rehabilitation work undertaken to include the use of mold resistant products when replacing surfaces such as drywall. When older or obsolete products are replaced as part of rehabilitation work, the State will use products and appliances with ENERGY STAR labels, Water Sense labels, or Federal Energy Management Program (FEMP) designations.

South Carolina will implement and monitor construction results to ensure the safety of residents and the quality of homes assisted through the program. All Single Family, Rental and Mobile Homes repaired must comply with the current HUD Housing Quality Standards (HQS). In addition, SCDRO has coordinated with DHEC to ensure applicants are aware of the risks associated with mold and take steps to limit the impact of any mold issues that may arise.

To prevent duplication of benefits, the State will require that all sources (federal, State, local, private) and amounts of disaster housing assistance received or reasonably anticipated to be received are documented with submission of an application for CDBG-DR funding. Duplication of benefits for housing assistance will only consider other sources of funding pertaining to structural damage caused by the hurricane. Assistance for contents and personal items will not be considered duplication.

Prior to program-related construction, applicant awardees must submit any additional funds received for housing damage caused by the presidentially-declared hurricane disaster to the State to avoid duplication of benefits. CDBG-DR funding must be the funding of last resort. Any additional funds paid to applicant awardees for the same purpose as the housing assistance award after the State has completed the repair, rehabilitation, or replacement of the applicant's housing units must be returned to the State of South Carolina.

**Providing a home that is safe, sanitary, and secure is the ultimate goal of the State's Housing Programs.**

## Mobile Home Resilience

Due to the difficulty, expense, and long-term ineffectiveness of mobile home repair, SCDRO will perform a repair feasibility analysis and replace damaged mobile homes that cannot reasonably be repaired. SCDRO will implement resilient practices to ensure the viability, durability and accessibility of replacement mobile homes.

- Although some local building codes allow installation of Wind Zone I rated mobile homes, SCDRO will only utilize mobile homes with a minimum wind rating of HUD Wind Zone II or higher (able to withstand winds up to 100 MPH).
- SCDRO will adopt the 5'7" rule, prohibiting the installation of mobile homes elevated 5'7" above grade without appropriate structural reinforcement.

## Single Family Housing Program

Applicants applying for assistance must have suffered documented damage to their housing units as a result of the October 2016 presidentially-declared hurricane disaster. Such documentation may include an inspection report conducted by FEMA, SBA and/or a privately contracted inspector. The primary responsibility is on the citizen to prove that damage was caused by Hurricane Matthew. In cases of demonstrable hardship or circumstances, the State may consider utilizing the implementation contractor to conduct an inspection to determine if the housing unit was damaged as a result of the October 2016 hurricane disaster. If the State does not believe the damage was a result of the hurricane disaster, the citizen may be referred to a volunteer organization active in the disaster (VOAD) for assistance and resource coordination.

All applicant homeowners will be held to the following criteria as condition of eligibility:

- Applicant must own and have occupied a single-family home or MHU located within the 24 counties for which FEMA Individual Assistance was approved for the October 2016 presidentially declared hurricane disaster area.
- The property must have documented damage as a result of the declared disaster.
- Applicant must provide evidence of primary residence at the location in which the applicant currently lives or lived at the time of the event and for which they are seeking assistance. Households are allowed alternative ways to document proof of primary residency. They can do so by one of the following options:
    a. Any one (1) of the following:
        i. proof of FEMA IA assistance;
        ii. Federal income tax return showing their permanent home address,
        iii. government-issued identification issued prior to and expiring after impacted period; or
        iv. property tax homestead exemption;
    b. By providing any two (2) of the following:
        i. utility bills mailed to the property address;
        ii. vehicle registration or renewal at the address in the impacted period;
        iii. Proof of government benefits received at least one month prior and one month after the impacted period;
        iv. property insurance documents indicating the insured property as primary residence; or
    c. A sworn affidavit signed under penalty of perjury.
- One person on the application with an ownership interest in part or in whole on the property must be able to demonstrate U.S. Citizenship or Lawful Permanent Residence.
- The homeowner must agree to own the home and use the home as their primary residence for a period of 3 years after rehabilitation or mitigation as secured through a forgivable promissory note and lien.
- If located in a flood plain, the applicant must acquire flood insurance and comply with obligations to notify future owners of flood-insurance requirements.

**In order to assist the most vulnerable populations with this disaster recovery funding, South Carolina intends to prioritize assistance for all housing programs based on the following criteria:**

- **Individuals who are in the extremely low and very low income brackets;[38]**
- **Persons with documented disabilities;**
- **Age-dependent household members at the time of disaster or at the end of the application intake period (aged 65 or older, or 5 or below).**

Priorities will be addressed as follows:

| | HOUSEHOLD'S (AMI) AREA MEDIAN INCOME CATEGORY | | |
|---|---|---|---|
| | **30% AMI or BELOW** | **31% AMI to 50% AMI** | **51% AMI to 80% AMI** |
| **Applicant's Household Includes Both Age Dependent & Disabled, or Multiple Disabled Individuals** | 1st Priority | 3rd Priority | 5th Priority |
| **Applicant's Household Includes *Either* Age Dependent or Disabled** | 2nd Priority | 4th Priority | 6th Priority |
| **Applicant's Household Includes Neither Age Dependent or Disabled** | 5th Priority | 7th Priority | 8th Priority |

Because it is anticipated that the unmet needs of South Carolina's most vulnerable citizens will exceed the available funding, the State will assist all possible eligible applicants with households falling within these priority categories (in other words, under the 80% AMI threshold) before giving any consideration to extending housing assistance to those eligible applicants whose income is above the 80% AMI threshold.

**80% of the Hurricane Matthew recovery efforts will be targeted to Marion <u>and Horry Counties since those counties have been designated by HUD as Most Impacted and Distressed (MID)</u>. Lower priority applicants in Marion <u>or Horry</u> County may be served before higher priority applicants in other counties.** For example, a 5th priority applicant in Marion County may be served before a 1st priority applicant that resides in Beaufort County because a much larger portion of the program activities have to go towards Marion County based on HUD requirements.

### *Basis for Calculating Housing Assistance Awards*

If eligible and awarded, housing assistance award calculations are based on the following factors:

1. Damage/scope of project work needed;
2. Pre-disaster housing unit value;
3. A review of funding from all sources to ensure no Duplication of Benefits (DOB); and
4. DOB funds, if any, for use in the project.

[38] Applicants may review income limits for their household size by reviewing the table of income limits by county, available in the Appendix.

Housing assistance awards will be determined after factoring in the inputs listed above, subtracting any unaccounted for DOB, and then factoring in the pre-determined program assistance maximums that apply to the particular housing assistance activities to be used. Funds qualified as DOB may be required to be placed in escrow while assistance is provided. This process will follow guidance provided by: 21. Duplication of Benefits, pages 54 – 55 of 81 FR 39702 (2016).

If a determination is made during the process that the Assistance Awardee has a duplication of benefits, and the award is still on hand, the Assistance Awardee will be required to sign an escrow agreement with the Implementation Contractor. This agreement will require the Assistance Awardee to transfer all duplication of benefits funds to the SCDRO. The SCDRO will hold those funds until the construction is complete. Once construction is satisfactorily completed, the SCDRO will give the applicant's DOB funds to the Implementation Contractor.

**The State of South Carolina will not provide funds to individual citizens**. The purpose of the State's program is to repair or replace housing stock throughout the disaster affected area. To that end, the State will coordinate all construction activity being funding by the State's CDBG-DR allocation through the State's Implementation Contractor. The award maximums for each type of housing assistance are listed below:

- Single Family Housing unit (stick-built) repair/rehabilitation assistance awards: **up to $30,000 in Housing Recovery Services**;
- **Manufactured Housing Unit (MHU) repair assistance awards – up to $15,000 in Housing Recovery Services;**
- Manufactured Housing Unit (MHU) replacement assistance awards – **up to $60,000 in Housing Recovery Services**; and
- Modular Housing Unit replacement/substitution assistance awards – **up to $90,000 in Housing Recovery Services**; and
- Extremely limited temporary relocation assistance (case-by-case basis) for applicants in either single family stick-built or manufactured housing units– **up to $5,000**.

The State's Implementation Contractor will conduct all construction activities. All construction work will be performed by contractors licensed by the State of South Carolina. All work must be completed to standards that meet applicable building codes. SCDRO defines "not suitable for rehabilitation" as an estimated rehabilitation cost that exceeds the replacement cost for that particular structure type.

Housing Recovery funds may be combined with in-kind assistance, such as labor and materials provided by VOADs. The total amount of assistance when considering in-kind and private assistance shall not be limited by the corresponding cap on Housing Recovery funds, as the caps are related to SCDRO program funds only.

In cases of severe demonstrable hardship, the State may consider funding difficult or unexpected repairs above and beyond the maximum awards. The State will use a Special Case Panel with members appointed by the SCDRO Program Management Director to evaluate and authorize projects that exceed the stated program limits.

Awards may include expenses for additional related costs such as elevation, insurance, ADA modifications or emergency repair of water or sewer connections. The State will address the access and functional needs of individual citizens in all phases of the recovery process especially in the intake and housing repair or replacement phases.

Consideration will be made for citizens with communication limitations, disabilities, are elderly, or have chronic medical disorders. Cost effective energy measures and improvements that meet Housing Quality Standards, especially those improvements which add enhanced resilience, such as elevation of major electrical components, roof-strapping, enhanced tie-downs and other items are also eligible. Lead-based paint abatement, asbestos abatement, or other remediation components shall also be eligible.

A grantee of the State may choose to use pre-disaster value, as provided in the guidance from 81 FR 39702 (2016), as long as the methodology is equitably applied. In addition, the State of South Carolina will allow any household to appeal its property valuation and provide rationale for why the valuation should be changed, should that household have reason to believe the valuation is incorrectly calculated because of historical inequity and/or other grounds.

### *VOAD Construction Activities*

The State of South Carolina will procure an implementation contractor to execute the State's housing programs. In an effort to expedite the delivery of assistance, the implementation contractor will be required to supplement construction activities through the use of Volunteer Organizations Active in the Disaster (VOADs) at every possible opportunity. All VOADs that meet insurance and licensing requirements will be provided with the opportunity to complete housing projects that match their capabilities.

The implementation contractor will provide VOADs with a list of construction-ready projects within the operation area served by the VOAD. The VOAD will have the option to select a project that best matches their capabilities without penalty for declining any projects. All projects that are completed by VOADs are required to meet all the same standards and quality requirements as the projects completed by the implementation contractor.

### *Construction Warranties and Quality Appeals*

South Carolina will provide assisted homeowners with a one year warranty on the work performed and funded by the Single Family Housing Program. Applicants will have access to a quality appeals process to address any construction quality concerns identified by the homeowner during the construction process. Construction quality appeals will be verified by inspection and decided by SCDRO.

### *Flood Insurance & Elevation*

South Carolina will implement resilient home construction standards based on sound, sustainable long-term recovery planning. South Carolina will follow HUD guidance to ensure all structures, defined at 44 CFR 59.1, designed principally for residential use and located in the 1 percent annual (or 100-year) floodplain that receive assistance for new construction, repair of substantial damage, or substantial improvement, as defined at 24 CFR 55.2(b)(10), must be elevated with the lowest floor, including the basement, at least two feet above the 1 percent annual floodplain elevation. Residential structures with no dwelling units and no residents below two feet above the 1 percent annual floodplain, must be elevated or flood-proofed, in accordance with FEMA flood-proofing standards at 44 CFR 60.3(c)(3)(ii) or successor standard, up to at least two feet above the 1 percent annual floodplain.

Property owners assisted through the recovery program will be required to acquire and maintain flood insurance if their properties are located in a FEMA designated floodplain. This requirement is mandated to protect safety of residents and their property and the investment of federal dollars. The elevation height of a house can significantly reduce the cost of flood insurance. South Carolina will implement procedures and mechanisms to ensure that assisted property owners comply with all flood insurance requirements, including the purchase and notification requirements described below, prior to providing assistance.

South Carolina will ensure adherence to Section 582 regarding the responsibility to inform property owners receiving disaster assistance that triggers the flood insurance purchase requirement that they have a statutory responsibility to notify any transferee of the requirement to obtain and maintain flood insurance, and that the transferring owner may be liable if he or she fails to do so.

As a general rule, the State will not provide assistance for flood insurance. In cases of hardship, the State may provide limited, temporary assistance for the provision of flood insurance in order to properly secure the federal investment in the property.

### *Demonstrable Hardship*

South Carolina may consider exceptions to program policies for applicants who demonstrate undue hardship. Applicants in this situation will be reviewed to determine whether denial of program assistance further perpetuates circumstance attributing to such hardship. Demonstrable hardship may include but is not limited to: prolonged job loss, substantial reduction to household income, death of a family member, unexpected and extraordinary medical bills, disability, etc.

## Affordable Rental Program

The SCDRO will allocate $500,000 in funding for an Affordable Rental Program to repair and restore the availability of affordable rental stock in Marion County. The program will provide up to $25,000 in construction services to rental property owners for eligible activities including the rehabilitation and associated improvements, such as energy efficiency and resilience activities, of single-family stick-built rental properties.

Benefit to Low and Moderate Income (LMI) persons is the only National Objective that is approved for the Rental Program. In order to receive assistance, the property owner must agree to a five-year affordability requirement. The affordability requirement requires the property owner to lease the units to LMI households earning 80% or less of the AMI and to lease the units at affordable rents. Rents must comply with the maximum HUD HOME rent limits. The maximum HUD HOME rents are the lesser of[39]:

- The fair market rent for existing housing for comparable units in the area as established by HUD under 24 CFR 888.111; or
- A rent that does not exceed 30 percent of the adjusted income of a family whose annual income equals 65% of the AMI, as determined by HUD, with adjustments for number of bedrooms in the unit. The HOME rent limits provided by HUD will include average occupancy per unit and adjusted income assumptions.

The Affordable Rental Program will repair up to two units per rental property owner, with a $25,000 cap each. SCDRO may consider repairs beyond the $25,000 cap on a case-by-case basis.

## Hazard Mitigation Grant Program (HMGP)

The State will designate $1 million dollars to match Hazard Mitigation Grant Program activities in Marion County. Any match funding activities must meet CDBG-DR and HMGP eligibility requirements. Activities may include but are not limited to: structural elevation, localized flood risk reduction, infrastructure retrofit, and post-disaster code enforcement. Applicants are required to submit applications to the South Carolina Emergency Management Division.

### Anti-displacement

The State plans to minimize displacement of persons or entities and assist persons or entities displaced as a result of implementing a project with CDBG-DR funds. This is not intended to limit the ability of the State to conduct buyouts or acquisitions for destroyed and extensively damaged units or units in a floodplain.

The State will ensure that the assistance and protections afforded to persons or entities under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), and Section 104(d) of the Housing and Community Development Act of 1974 are available. The URA provides that a displaced person is eligible to receive a rental assistance payment that covers a period of 42 months. The State accepts the HUD waiver of the Section 104(d) requirements which assures uniform and equitable treatment by setting the URA and its implementing regulations as the sole standard for relocation assistance under FR-5938-N-01. The State will designate a URA specialist to ensure compliance with the Uniform Relocation Act (URA), where applicable.

[39] More information on HOME rents may be found at: https://www.hudexchange.info/manage-a-program/home-rent-limits/

# Section 6: Program Administration

## Citizen Participation Plan

The State values citizen and stakeholder engagement. South Carolina has developed a Citizen Participation Plan in compliance with § 24 CFR 91.115 and applicable HUD requirements to set forth the policies and procedures applicable to citizen participation. This plan is intended to maximize the opportunity for citizen involvement in the planning and development of the South Carolina CDBG-DR recovery program.

In order to facilitate citizen involvement, South Carolina has laid out target actions to encourage participation and allow equal access to information about the program by all citizens. South Carolina intends to focus outreach efforts to facilitate participation from individuals of low and moderate income, those living in slum and blighted areas, those living in areas identified for recovery through CDBG-DR, non-English speaking persons, and other disadvantaged populations. The State will publish its Action Plan in Spanish as well as English. In addition to citizen involvement, South Carolina encourages the participation of regional and State-wide institutions, especially Volunteer Organizations Active in the Disaster (VOADs).

South Carolina will consider any comments received in writing, via email, or expressed in-person at official public hearing events. Additionally, in an effort to permit public examination and public accountability, South Carolina will make the above information available to citizens, VOADs, public agencies, and other interested parties upon request.

### Public Hearings

South Carolina held four public hearings during Action Plan development to collect early input from citizens impacted by Hurricane Matthew. Notice of public hearings was announced on the South Carolina Disaster Recovery Office (SCDRO) website, in the local newspapers, and on social media. Public hearings were held at a time and location convenient to potential and actual beneficiaries. The State had the capability to take questions and comments in English and Spanish at each of the Town Halls. South Carolina has considered any comments or views of citizens received in writing or orally at the public hearing and the responses to those comments are in the Appendix. The SCDRO prepared for each public event by utilizing the public hearing checklist found in the Appendix.

Individuals who required auxiliary aids or special assistance at public hearings had to make a request at least forty-eight hours in advance of the event to the SCDRO by contacting (803) 896-4068 or ContactSCDR@scdr.sc.gov. Citizens with hearing impairment could call Relay South Carolina at 7-1-1 for assistance. The SCDRO received no requests for special assistance or auxiliary aids at the town hall events.

**Public Hearings were held from April 3, 2017 through April 6, 2017 from 6PM to 7PM at the following locations:**

| | |
|---|---|
| Monday, April 3, 2017: | **Beaufort County – 6PM to 7PM**<br>Technical College of the Lowcountry<br>Building 12, 921 Ribaut Road, Beaufort, SC 29902 |
| Tuesday April 4, 2017: | **Florence County – 6PM to 7PM**<br>Francis Marion University - Lowrimore Auditorium<br>Cauthen Media Center, 4822 E Palmetto Street, Florence, SC 29506 |
| Tuesday, April 4, 2017: | **Dillon County – 6PM to 7PM**<br>Ellis Performing Arts Center<br>618 North Richardson Street, Latta, SC 29565 |
| Thursday April 6, 2017: | **Marion County – 6PM to 7PM**<br>CD Joyner Auditorium<br>161 Elizabeth Street, Marion, South Carolina 29571 |

## Public Notice and Comment Period

Notice of public comment period will be provided by publication on the South Carolina Disaster Recovery Office website. South Carolina will open the citizen comment period for the following timeframes:

- Comment period for the original Action Plan will take place for fourteen (14) days after the publication of the Action Plan to the SCDRO website.
- Comment period for Substantial Amendments will take place for fourteen (14) days after the publication of the Substantial Amendment to the SCDRO website.
- ~~Comment period for Quarterly Performance Reports will take place for three (3) days after the publication of the Quarterly Performance Report to the SCDRO website.~~

## Action Plan

The Action Plan defines how South Carolina will effectively use all available funding to support a data-driven recovery based on the calculation of unmet need across South Carolina. The Action Plan describes the State's proposed allocation by activity and lays out program design for each area of assistance, as well as identifying the beginning and end dates for each disaster recovery activity, and performance and expenditure schedules.

Before South Carolina adopts the disaster recovery Action Plan, the State will seek public input on program design issues including the amount of assistance South Carolina expects to receive, the range of activities that may be undertaken, the estimated amount that will benefit persons of low-to-moderate income, and plans to mitigate displacement.

A summary of all comments received will be included in the final Action Plan submitted to HUD for approval. The final Action Plan approved by HUD will be posted to the SCDRO website.

### Amendments to the Action Plan

South Carolina will engage citizens throughout the program lifecycle to maximize the opportunity for input on proposed program changes that result in a Substantial Amendment. Program changes result in a Substantial Amendment when there is:

- An addition or deletion of any allowable activity described in the approved application;
- An allocation or re-allocation of more than $1 million; or
- A change in planned beneficiaries.

Citizens will be provided with no less than fourteen days to review and provide comment on proposed substantial changes. A summary of all comments received will be included in the final Substantial Amendment submitted to HUD for approval. Final Substantial Amendments approved by HUD will be posted to the Disaster Recovery website.

For other non-substantial amendments, the State shall notify HUD, but public comment is not required. Every amendment, substantial or not, shall be numbered sequentially and posted on the SCDRO website, not replacing, but in addition to all previous versions of the plan.

### Performance Reporting

In accordance with HUD requirements, South Carolina will submit a Quarterly Performance Report (QPR) through the HUD Disaster Recovery Grant Reporting (DRGR) system no later than thirty days following the end of each calendar quarter. Three days before submission to HUD, South Carolina will post each QPR for public review and comment on the SC Disaster Recovery Office website. Program QPR's will be posted on a quarterly basis until all funds have been expended and all expenditures have been reported.

### Limited English Proficiency

South Carolina is committed to providing all citizens with equal access to information about the recovery program, including persons with disabilities and limited English proficiency (LEP). The State follows HUD's regulation, 24 CFR Part 1, "Nondiscrimination in Federally Assisted Programs of the Department of Housing and Urban Development—Effectuation of Title VI of the Civil Rights Act of 1964," which requires all recipients of federal financial assistance from HUD to provide meaningful access to LEP persons.

Persons who do not speak English as their primary language and who have a limited ability to read, write, speak, or understand English may be entitled to language assistance with respect to a particular type of service, benefit, or encounter. Where a significant number of non-English speaking residents can be reasonably expected to participate in public hearings or open comment periods, materials to be handed out will be translated into the appropriate language, citizen comments in a language other than English will be translated, and translators will be present.

As a result of initial population analysis, the Action Plan, any ensuing amendments, outreach materials and the application and related guidance materials will be published in both English and Spanish. When

needed, the State will use an "I speak" visual chart containing a wide range of language samples for applicants to point to in request for specialized translation services.

### Technical Assistance

Upon request, limited technical assistance will be provided by SCDRO program staff. Requests should be made in a timely manner and within the time parameters of the appropriate program design. The State may contract with a Technical Assistance Provider(s) should sufficient demand for technical assistance warrant. The State does not anticipate a significant demand for technical assistance because programs will be administered directly by the State, with no subrecipients or sub-grantees.

## Citizen Complaint Procedures

The State of South Carolina will handle citizen complaints through a Constituent Services Team, which will act as the program's "Ombudsman." All complaints received by the State, its CDBG-DR Contractor, and/or other program sources, will be reviewed by the Constituent Services Team for investigation as necessary. The Constituent Services Team will ensure complaints are resolved, escalated to appropriate personnel if needed, and any necessary follow-up actions are completed.

**The aim of the State will be to always attempt to resolve complaints in a manner that is both sensitive to the complainant's concerns and that achieves a fair result.**

The goal of the State and its Constituent Services Team is to provide an opportunity to resolve complaints in a timely manner, usually within 15 business days, as expected by HUD, if practicable, and to provide the right to participate in the process and appeal a decision when there is reason for an applicant to believe their application was not handled according to program policies. All applications, guidelines, and websites will include details on the right to file a complaint or appeal, and the process for filing a complaint or beginning an appeal.

During the course of the program's operations, decisions will be made on housing assistance applications and/or housing unit projects to be delivered. These decisions will be made based on applicable statutes, codes of federal regulation, State and local codes and ordinances, and program operational procedures, as each is interpreted by the State of South Carolina. During the course of these activities, it is possible that citizens may decide they have a legitimate reason to appeal a decision. Applicants are allowed to appeal program decisions related to one of the following activities:

1. A program eligibility and/or priority determination;
2. A program assistance award calculation; and
3. A program decision concerning housing unit damage and the resulting program outcome.

Citizens may file a written complaint or appeal through the Disaster Recovery email at ContactSCDR@scdr.sc.gov or submit by postal mail to the following address:

Attention: Constituent Services
South Carolina Disaster Recovery Office, 632 Rosewood Drive, Columbia, SC 29201

South Carolina will make every effort to provide a timely written response within 15 working days of the receipt of complaint, where practicable. If the complainant is not satisfied by the Department of Commerce Ombudsman response, the complainant may file a written appeal by following the instructions issued in the letter of response. If at the conclusion of the appeals process the complainant has not been satisfied with the response, a formal complaint may then be addressed directly to the regional Department of Housing and Urban Development (HUD) at:

Department of Housing & Urban Development
1835 Assembly Street, 13th Floor, Columbia, SC 29201

## State Outreach

During the development of this Action Plan, the State will conduct in-person meetings with key regional stakeholders as well as the general public. The State has conducted meetings with county administrators, key legislators, public representatives and the VOADs throughout the development of the unmet needs assessment, projected budget, recovery activities and program administration as set forth in this Action Plan. In addition, the State's outreach efforts have been heavily informed by the socially vulnerable areas identified in the Unmet Needs Assessment. Outreach activities will be targeted towards this audience in order to ensure the most vulnerable populations receive enhanced focus.

### *Program Intake*

An applicant intake center will be established in Marion County within 30 days of the implementation contractor and the State executing a contract for the Hurricane Matthew CDBG-DR program. This intake center will accept applications for program participation for 90 days. Additional outreach and application acceptance will be conducted through mobile intake centers throughout the Hurricane-affected area. All intake locations will have the capability to service citizens who have limited English speaking capabilities or require sign language.

### *Program Income*

The State does not intend to implement any programs that generate income as described in 24 CFR 570.489. If program income is generated, the State of South Carolina will follow guidance provided in: 17. Program income alternative requirement on pages 44 – 48 of 81 FR 39702 (2016). Per that guidance, income received prior to the grant closeout will be utilized as additional CDBG-DR funds in the same manner as other CDBG-DR funds referenced. Any income received after the grant closeout, will be transferred to South Carolina's annual CDBG award.

### *Pre-agreement Activities*

The provisions of 24 CFR 570.489(b) and 570.200 (h) permits a State to reimburse itself for otherwise allowable costs incurred by itself or its recipients sub grantees or sub recipients on or after the incident of the covered disaster. The provisions at 24 CFR 570.200(h) and 570.489(b) apply to grantees reimbursing costs incurred by itself or its recipients or subrecipients prior to the execution of a grant agreement with HUD. This includes but is not limited to activities supporting program development, action plan development and stakeholder involvement support and other qualifying eligible costs incurred in response to an eligible disaster covered under Public Law 114-254.

The South Carolina Department of Commerce incurred pre-award costs and is seeking reimbursement for these costs that are reasonable and allowable under this regulation. The Department of Commerce intends to recover the pre award costs consistent with the authority cited in this section. These costs include the cost for salary, employer fringe benefits, and direct operating cost for each employee based on their individual percentage of time spent on the planning of the CDBG-DR program, and the costs associated with the completion of the unmet needs assessment by a Disaster Metrics, LLC. ~~As of May 23, 2017~~ The total pre-award costs accumulated by the SCDRO were $157,358.90 ~~95,912.06~~. ~~These costs may continue to rise as additional planning activities occur.~~

## Section 7: Pre-award Implementation Plan

The South Carolina Department of Commerce is the administrator and fiscal agent for the CDBG-DR grant. The Department manages an annual budget of over $100 million and has prior experience in managing HUD funds through the CDBG allocation for many years. The Department of Commerce through the SCDRO is currently managing a $96.5M grant for the October 2015 Storm.

Through experience with the annual CDBG program and the October 2015 CDBG-DR program, the Department of Commerce has existing systems and procedures, as well as formally established monitoring strategies that meet or exceed regulatory requirements including those related to HUD program rules and regulations, civil rights, environmental, labor standards, fair housing, citizen participation and recordkeeping. The newly developed CDBG-DR program will leverage these existing resources and adapt them to the requirements of Public Law 114-254, Public Law 115-31, and related guidance.

South Carolina will manage grant funds responsibly, efficiently and transparently. The State has the financial management systems, policies, procedures and practices necessary to uphold fiscal responsibility as detailed in this Implementation Plan.

## Financial Controls

The State of South Carolina certifies proficiency in financial management through the use of established financial systems and internal controls. The sections below provide further description of existing risk management measures.

Additional information can be found in the HUD Financial Management Guide, completed by the State, which answers specific questions about financial standards and which personnel or unit are responsible for each item. The completed guide and accompanying procedures will be submitted to HUD in addition to the Action Plan and Implementation Plan.

### Single Audit

The State of South Carolina is in full compliance with Single Audit requirements. The State's annual expenditures are consistently reviewed every year by an independent Certified Public Accountant (CPA) to evaluate whether the State's major federal programs are in compliance with laws, regulations, contracts and grant rules as applicable to each program. The State maintains reports and working papers for each annual report for a minimum of three years from the date of submission to the Federal Audit Clearinghouse.

Under the existing structure for annual CDBG, South Carolina monitors subrecipients for compliance with financial administration requirements in accordance with Single Audit requirements previously stipulated in OMB Circular A-133, now codified in 2 CFR 200, Subpart F. The Department requires all program subrecipients who expend more than $750,000 in federal funds during the fiscal year to submit their Single Audit review through the State's Federal Audit Clearinghouse or directly to the State for review for material weaknesses and findings or concerns. Subrecipient compliance with audit requirements has been and will continue to be maintained through an internal monitoring tracking system updated on a routine basis. This system was designed as part of a corrective action plan to a Single Audit Finding in the South Carolina Statewide Single Audit for the Year Ended June 30, 2015. The audit identified that one of the program subrecipients failed to provide the State with a copy of their Single Audit by the deadline.

The State's Single Audit is available at:
http://osa.sc.gov/Reports/stateengagements/stateofsc/Pages/SingleAudit.aspx

### Financial Management Systems

South Carolina Department of Commerce maintains multiple accounting and grants management systems to support a multi-functional grants management program. These systems provide accurate, current and complete disclosure of the financial status of each CDBG supported activity, according to the terms and conditions of the Grant Award Agreement. These systems are audit-tested and confirmed to meet all Federal and State requirements.

Recipient accounting records are supported by source documentation stored in compliance with record-keeping requirements. South Carolina has financial record-keeping practices to retain source documentation for accounting records that will be applied to the CDBG-DR program to ensure records

adequately identify the source and application of CDBG-DR funds provided and maintain source documentation to evidence the costs incurred and dates of expenditure.

### Internal Controls

The Department has existing policies and procedures meeting financial management requirements including: applicable regulations and requirements, financial accountability and records, authorized signatures for payments and checks, requests for payments, bank accounts and checks, escrow accounts, administrative costs, property management, and audit requirements. The department has cash management procedures in place that minimize the elapsed time between receipt and disbursement of CDBG funds. A copy of the current Community Development Block Grant program manual, which includes these procedures, can be found on the public website at: https://www.cdbgsc.com/sites/default/files/cdbg/Manual/2016%20CDBG%20Manual%20posted%201-2017.pdf

The organizational structure encompasses risk management measures that establish clear lines of authority and approval, segregation of duties, separation of key processes and authorization and secure access to financial resources. The program financial division is overseen by the Chief Financial Officer with sub-divisions for Financial Monitoring & Compliance, and Financial Management. A full organizational chart can be found in the Capacity and Staffing section of this plan.

In summary, the Department's internal controls are set up for responsible management of CDBG-DR funds and support the prevention of fraud, waste and abuse to ensure:

- No person involved in the program decision-making obtains financial benefit
- No single-point sign-off of significant transactions
- Separate recordkeeping for disaster recovery funds versus general accounting operations
- Reconciliation of accounts performed by employees not responsible for handling payroll preparation and issuance of paychecks
- Hiring procedures match required financial skill sets to position descriptions
- Policies and procedures are in place to maintain effective control and accountability for all cash, real and personal property and other assets
- Policies and procedures are in place for controlled access to assets and sensitive documents
- Reasonable measures are in place to safeguard protected personally identifiable information (PII)

## Procurement

Procurements for CDBG-DR programs are governed by those specific procurement requirements set forth under 24 CFR Part 570, Part 85, 2 CFR 200.318-200.326 and all applicable State laws and regulations. Aligned with the requirements of these federal regulations, when procuring property or services to be paid for in whole or in part with CDBG funds South Carolina will follow its own procurement policies as those procedures are as stringent, or more so, than the federal procurement requirements. Furthermore, the State shall ensure that each procurement occurs with full and open competition.

South Carolina has a two-tiered procurement system for State agencies. Agencies have direct authority to make purchases below a certain dollar threshold. Above that amount (which differs for each agency), procurements are conducted under the authority of a central procurement office that serves all State agencies covered by the South Carolina Consolidated Procurement Code. Known as Procurement Services, this office involves three subdivisions with purchasing authority: the Office of the State Engineer (OSE), the Information Technology Management Office (ITMO), and the State Procurement Office (SPO).

The policies and procedures shall also include ethical standards of conduct governing employees engaged in the award or administration of contracts. Recipient will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. Conflict of Interest provisions listed at 24 CFR Part 85.36 (3) and all other applicable federal regulations will be incorporated.

Generally, the governing statutes can be found at *Title 11, Chapter 35 of the South Carolina Code of Laws*. Procurements subject to the South Carolina Procurement Code (S.C. Code Ann. § 11-35-10 et. seq. 1976, as amended) are also governed by procurement regulations promulgated by the South Carolina Revenue and Fiscal Affairs Authority, which are available in Article 19 of the South Carolina Code of Regulations. (The Procurement Regulations begin at Regulation 19-445.2000.) Methods of procurement (e.g., small purchase, sealed bids/formal advertising, competitive proposals, and noncompetitive proposals) and their applicability shall be specified by the State.

As outlined in the table below and in the South Carolina Procurement Code and Regulations, the State uses a variety of competitive source selection processes, including three simplified "small purchase" procedures, five standard competitive procedures (competitive sealed bidding, competitive best value bidding, competitive fixed price bidding, competitive on-line bidding, and competitive sealed proposals), qualification based selection procedures for the acquisition of construction-related professional design services; and, indefinite delivery contracts for construction and related design services. A primary focus for the State is that opportunities be made available for small and minority businesses. Accordingly, the State maintains a robust Small & Minority Business Contracting and Certification Program.

South Carolina's procurement policies of the State align with the requirements set forth under 2 CFR 200.318-200.36 ensuring fair and open competition. Further ensuring consistency with federal requirements, South Carolina shall ensure that all purchase orders and contracts include any clauses required by Federal statutes, executive orders and implementing regulations. The full set of South Carolina procurement processes and the laws and regulations applicable thereto can be located at http://procurement.sc.gov/legal/procurement-law.

The following table provides a cross-reference between the federal regulatory requirement and its counterpart under South Carolina's procurement law:

| ***Federal Citation*** | ***Short Title*** | ***South Carolina Consolidated Procurement Code & South Carolina Budget and Control Board Regulations 19-45-445, et seq.*** | ***Short Title*** |
|---|---|---|---|
| **2 CFR 200.318** | *General Procurement Standards* | **§11-35-20** | *Purposes and Policies* |
| **2 CFR 200.319** | *Competition* | **§11-35-20(a)-(h)** | *Purposes and Policies* |
| **2 CFR 200.320** | *Methods of Procurement to be followed* | **§§11-35-1510-1580** | *Methods of source selection; Methods of Procurement to be followed including, but not limited to, Micro Purchases (§11-35-1550(2)(a)), Small Purchases, Competitive Sealed Bidding, Competitive Proposals and Non-Competitive Proposals/Sole Source* |
| **2 CFR 200.321** | *Contracting with Small, Minority, Women Owned Bus.* | **§§11-35-5010; 11-35-5210; 11-35-5230; 11-35-5240; 11-35-5260; 11-35-5270** | *Article 21: Assistance to Minority Businesses; includes: Statement Policy/Implementation, Regulations for negotiations with State Minority Firms; MBE Utilization Plan; Reporting; Division of Small/MBE Certification* |
| **2 CFR 200.322** | *Procurement of Recovered Material* | **§11-35-3810; 19-445.2150** | *Surplus Property Management* |
| **2 CFR 200.323** | *Contract Cost and Price* | **§§11-35-2010(1); 11-35-3510; 11-35-1830; 11-35-1210(2)( C ); 11-35-1550(2)(a); 11-35-1830; 11-35-3040; 11-35-3050; 11-35-3410(2)(a); 11-35-5230(a)(5)** | *Cost and/or Pricing Data; Contract Price Adjustments; Cost Principles; Fair and Reasonable Price Minority Firms* |
| **2 CFR 200.324** | *Federal Awarding or pass-through Entity review* | *(Compliance with this reg. to be achieved through execution of implementation of grant agreement with HUD)* | |
| **2 CFR 200.325** | *Bonding Requirements* | **§11-35-3030; 19.445-2145( C )(M)** | *Bond and Security* |
| **2 CFR 200.326** | *Contract Provision* | **§11-35-3040** | *Contract Clauses and their Administration* |

## Duplication of Benefit

In accordance with the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Public Law 93-288 as amended, 42 U.S.C. 5121-5207, the State will implement policies and procedures to ensure no individual receives duplication of benefit (DOB) for the same purpose and/or effect to recover from the disaster. Federal law prohibits any person, business concern, or other entity from receiving Federal funds for any part of such loss as to which he has received financial assistance under any other program, from private insurance, charitable assistance or any other source. The State has a program policy manual with guidance that funds determined to be a duplication of benefit will be deducted or otherwise offset from the amount of assistance available to the applicant through the CDBG-DR Housing Recovery Program.

To prevent DOB, the State will require that all sources (federal, State, local, private) and amounts of disaster assistance received or reasonably anticipated to be received are documented with submission of an application for CDBG-DR funding. The State will procure a qualified vendor to implement DOB procedures in review of each application. The hired vendor will perform a basic calculation known as the Housing Assistance Award Calculation which is completed by: (1) Determining each applicant's remaining recovery need; and then (2) Reducing that remaining recovery need by previously received funding for housing recovery, if any (less amounts expended on Allowable Activities). This activity will be monitored for accuracy and completeness by the State Monitoring and Compliance division.

The State will consider all amounts received/approved from alternate sources such as FEMA, insurance coverage, SBA and/or philanthropic organizations used to make repairs due to the declared disaster damage. Duplication of benefit for housing assistance will only consider other sources of funding pertaining to structural damage caused by the disaster, assistance for contents and personal items will not be considered duplication. The State currently has secured data sharing agreements with FEMA and SBA to ensure the most recent assistance data is used in confirming other Federal assistance.

All applicants will be required to sign a Subrogation agreement upon application to the program. Applicant awardees must subrogate any additional funds received for damage caused by the disaster back to the State. CDBG-DR funding must be funding of last resort and if additional funds are paid to applicant awardees for the same purpose as the housing assistance award they receive through State CDBG-DR funding (i.e., repair or replacement of the damaged structure) after the State has completed repair/rehabilitation project of the housing unit or repair/replacement of the Manufactured Housing Unit (MHU), those funds must be returned to the State of South Carolina.

## Timely Expenditure

Timeliness of expenditure for the grant funds under Public Law 114-254 is defined as 6 years from the time of HUD's execution of the grant agreement. South Carolina will comply with this timeline by implementing effective budgeting and maintenance of expenditure projections. Within the 6 year grant timeline, there are also requirements for prompt payment as part of the general financial management process. The State will reconcile these projects with actual transactions as tracked in the general ledger on a regular and frequent basis.

The State will track expenditure projections monthly over the life of the award utilizing the HUD-provided Projection of Expenditures and Outcome Template, in conjunction with the Disaster Recovery Grant Reporting (DRGR) system. South Carolina will submit a complete projection of expenditures within 120 days after the initial Action Plan has been submitted through the DRGR system. Revised projections will be sent to HUD when program changes impact projected outcomes, funding levels, and recovery timelines.

The State of South Carolina has adequate databases and procedures in place to monitor program expenditures, track timeliness of expenditures, evaluate grant recipient performance, and monitor overall financial and programmatic compliance status of HUD grant funds. The State has existing, mature systems in place to administer HUD CDBG grants, which have been audit-tested and received no findings from HUD regional or OIG audit teams.

The State will manage financial transactions through the SCEIS record system, and will use either its existing grants management system or an alternative file or record system operated by the Implementation Contractor who will undertake implementation of the State's CDBG-DR grant, provided that the alternative system can provide comparable utility with respect to financial and programmatic grant management. The grants management system contains extensive detail about grant-funded projects and is used to generate award documents, financial reports, voucher summaries, fiscal and program year HUD grant financial status reports. It is also used to generate payment vouchers when pay requests are received from grant recipients. For HUD CDBG grants, these vouchers are entered into the State's SCEIS financial database and then into the HUD database.

With respect to timely expenditures, the State will track expenditure projections based on the date the HUD CDBG-DR grant is signed, award dates for all subrecipients of CDBG-DR funds, payment request dates and amounts, and date funds are received from HUD. Other data elements will be added as necessary to provide information sufficient to monitor timeliness of recipient expenditures, time elapsed since last recipient draw, time elapsed since recipient grant award, percent of recipient grant drawn compared with progress on the funded project, as indicated by recipient status reports, etc. Grants which appear to be lagging will be evaluated and, consistent with the State's CDBG-DR Action Plan, either: a) provided technical assistance to remediate their slow progress state, b) terminated if the project appears to be stalled at startup and the Action Plan allows for re-award to other eligible recipients, or c) the project scope will be reduced and the recipient award reduced as necessary and recaptured funds re-obligated to other eligible projects and recipients. As with the State's existing CDBG Program, the focus will be on identifying fast-moving projects and recipients that have already demonstrated competence in expeditiously moving projects forward, drawing funds and moving projects toward completion.

Consistent with the State's CDBG-DR Action Plan, the goal will be to obligate funds that will be available for recipients (i.e., excluding funds set-aside for program administration) as soon as possible in order to maximize the amount of time new recipients have to implement projects and expend available funds. Recipients will be required, as they are for the State CDBG Program, to identify under-budget contracts, changes in beneficiary eligibility, project scope changes, etc. as soon as possible. This will allow the State to identify funds recipients are not expected to draw, permitting the State to identify recipients with on-

track projects where recaptured funds can be redirected, and reduce funds awarded to non-performing recipients or recipients at risk of non-performing. Where necessary, the State will identify additional eligible recipients and projects (per the State's CDBG-DR Action Plan) that have existing funded projects and require additional funding for new/expanded project activities, or that have projects that can move forward immediately. This will allow for the State to expeditiously expend funds to accomplish program goals while complying with all applicable requirements.

## Management of Funds

Monitoring will be conducted by the Department of Commerce and the SCDRO based on a pre-defined risk analysis and will be conducted on a frequency as determined by the analysis which will include frequent desk review and periodic on-site visits. SCDRO will monitor funds using the HUD Disaster Recovery Grant Reporting (DRGR) system and meetings hosted by the Contracts Manager and Statistical and Research Analyst III (DRGR Specialist.) Audit functions will be conducted by the designated Department of Commerce auditors hired to support this program as outlined in the Financial Roles section of this document. The risk analysis will consider criteria consistent with HUD guidance and individualized risk mitigation strategies will be prepared for each funding recipient. The State will follow steps for identifying risks that include the following:

- Identify what CDBG-DR projects and performance areas are to be assessed;
- Insure that risk is identified and analyzed;
- Assign weight to risk factors;
- Develop rating criteria and methods to assessing risk;
- Determine rating by factor;
- Establish criteria for risk "profiles" for each Funding Recipient;
- Compile scores and rank organizations; and
- Utilize resources for monitoring and risk mitigation.

The State may initiate additional, unscheduled monitoring efforts at any time based on analysis of risk indicators. The State will utilize existing processes for the annual CDBG program for conducting on-site reviews that include written monitoring and technical assistance guidelines, checklists, and policies and procedures. Project files will be reviewed for compliance with HUD requirements.

In July 2015, the HUD field office reviewed monitoring procedures, execution of those procedures and adherence to guidance and timelines. The final audit report determined the State's oversight and monitoring program to be in compliance with HUD standards. In the most recent HUD On-Site Monitoring Report conducted July 2015, HUD determined "that the State's oversight/monitoring of its recipients meets the standards found at 24 CFR 570.492 and the Housing and Community Development Act (HCDA) Section 104(e)(2) to conduct reviews and audits of its recipients to determine compliance with applicable laws and Title 1 regulation." A copy of the report can be found attached to this plan in appendix format. SCDRO will continue to use similar procedures and processes to manage and audit funds for this grant.

Contractor compliance will be maintained through the review and approval of monthly project performance reports, financial status reports, and documented requests for reimbursement throughout the contract period. The State will utilize the HUD- provided contract reporting template for upload to the DRGR on a quarterly basis: https://www.hudexchange.info/resource/3898/public-law-113-2-contract-reporting-template/.

Beginning shortly after commencement of contracted activities, risk-based on-site monitoring will occur as appropriate to contracted activities and award amounts. At least one on-site monitoring visit will occur prior to project completion, to verify funds were expended appropriately.

All program activities will meet HUD requirements for national objectives, which will be supported by documentation in the program file system of record. South Carolina will not undertake activities other than those activities authorized by the CDBG program CFR 570.201-206. Examples of ineligible activities include:

- Buildings for the general conduct of government,
- General government expenses,
- Financing for partisan political activities,
- Purchases of equipment,
- Purchases of personal property, and
- Operating and maintenance expenses for public facilities.

South Carolina is dedicated to prioritizing assistance toward residents that face the most financial barriers to recovery and fully intends to comply with the HUD Low-to-Moderate Income (LMI) national objective requirement of 70% of the total grant. Residents will be required to provide household income information and supporting documentation at the time of application for processing and verification. South Carolina will apply a methodical approach to applicant assistance that assigns priority to program applicants based on household income and other social vulnerability factors. Recovery funds will be accounted for in order of ranked priority (utilizing the eligibility prioritization matrix of the Single Family Housing Program) to allow program staff to consistently budget funds toward the most vulnerable beneficiaries, in as fluid a manner as possible.

The State has a Director of Internal Audit on staff. The audit staff overseen by the Director of Audit will perform a full compliance and financial audit review. The vendor will review files and test for compliance with financial standards and procedures including procurement practices and adherence to cost reasonableness for all operating costs and grant-funded activities. All program expenditures will be evaluated to ensure they are:

- Necessary and reasonable;
- Allocable according to the CDBG contract;
- Authorized or not prohibited under State/local laws and regulations;
- Conform to limitations or exclusions (laws, terms, conditions of award, etc.);
- Consistent with policies, regulations and procedures;

- In accordance with Generally Accepted Government Auditing Standards (GAGAS);
- Adequately documented; and
- Treated consistently (with non-CDBG costs).

The State of South Carolina is dedicated to the prevention of fraud, waste and abuse. All suspected cases of fraud will be taken seriously and reported to the South Carolina Office of the Inspector General for further investigation: http://oig.sc.gov/Pages/default.aspx.

## Comprehensive Disaster Recovery Website

In accordance with HUD requirements, South Carolina will maintain a public-facing website with program information pertaining to applicants and stakeholders posted on an ongoing basis. Website information will be updated on an as needed basis, and at a minimum quarterly. The initial website will reside on the South Carolina Disastery Recovery Office website at http://www.scdr.sc.gov during action plan development and program setup. The State plans to design, launch and maintain a customized program website shortly after execution of the Grant Agreement and program implementation begins. The public website serves as a central source for program information and transparency in the management of federal dollars. It is a powerful tool for public participation and engagement.

The State of South Carolina follows ADA-compliant standards for website accessibility and readability. Content and webpage layout is designed with best practices for adaptive aids use in mind. The State also supports accommodation for citizens with limited English proficiency and will publish program documents to the public website in languages other than English based on the need of non-English speaking communities.

The Information Technology division of the Department of Commerce maintains ownership of the Department's current website and is involved in publishing all content to the Disaster Recovery page in cooperation with SCDRO staff. Content for the site will be generated from all aspects of the program and will be drafted by operational staff with purview over the subject matter. All content will undergo draft review before final approval prior to posting. The following program information that will reside on the website includes but is not limited to:

- Announcement of Public Hearings will be posted to the website as well as local newspapers.
- Action Plan for Disaster Recovery will be posted to the SCDRO website for no less than 14 calendar days to solicit public comment before being submitted to HUD. The final approved Action Plan will then be posted to a permanent section on the website designated for Action Plans and Amendments.
- The DRGR Action Plan will be posted to the program website once established.
- Substantial Action Plan Amendments will be posted on the SCDRO website for no less than 14 calendar days to solicit public comment before being submitted to HUD. The final approved Action Plan Amendment will then be posted to a permanent section on the website designated for Action Plans and Amendments.
- Non-substantial Action Plan Amendments will not be posted for public comment. These Amendments will be posted to a permanent page designated for Action Plans and Amendments.

- Each Quarterly Progress Report (QPR) will be posted to the program website ~~for no less than~~witin 3 days ~~to solicit public comment before~~ of being submitted to HUD. ~~The final QPR will then be posted to a permanent section designated for Reporting.~~
- The Citizen Participation Plan will reside permanently on the program website.
- An electronic portal for citizen complaints and concerns will be located on the program website.
- Program announcements will be posted to the program website on a rolling basis as approved by the Program Director.
- Executed contracts.

## Timely Information on Application Status

Program applicants are South Carolina's top priority for this recovery program. South Carolina will implement a centralized application management system with real-time access to application status. Applicants can obtain timely communication about their application status at any time during operational hours by contacting a case manager via telephone, leaving an after-hours voicemail message to be returned the following business day, or by submitting an email inquiry.

Case managers will be available for face-to-face intake meetings as requested by the applicant. Accommodations can be made ahead of time for applicants with physical disabilities and/or a need for translation services.

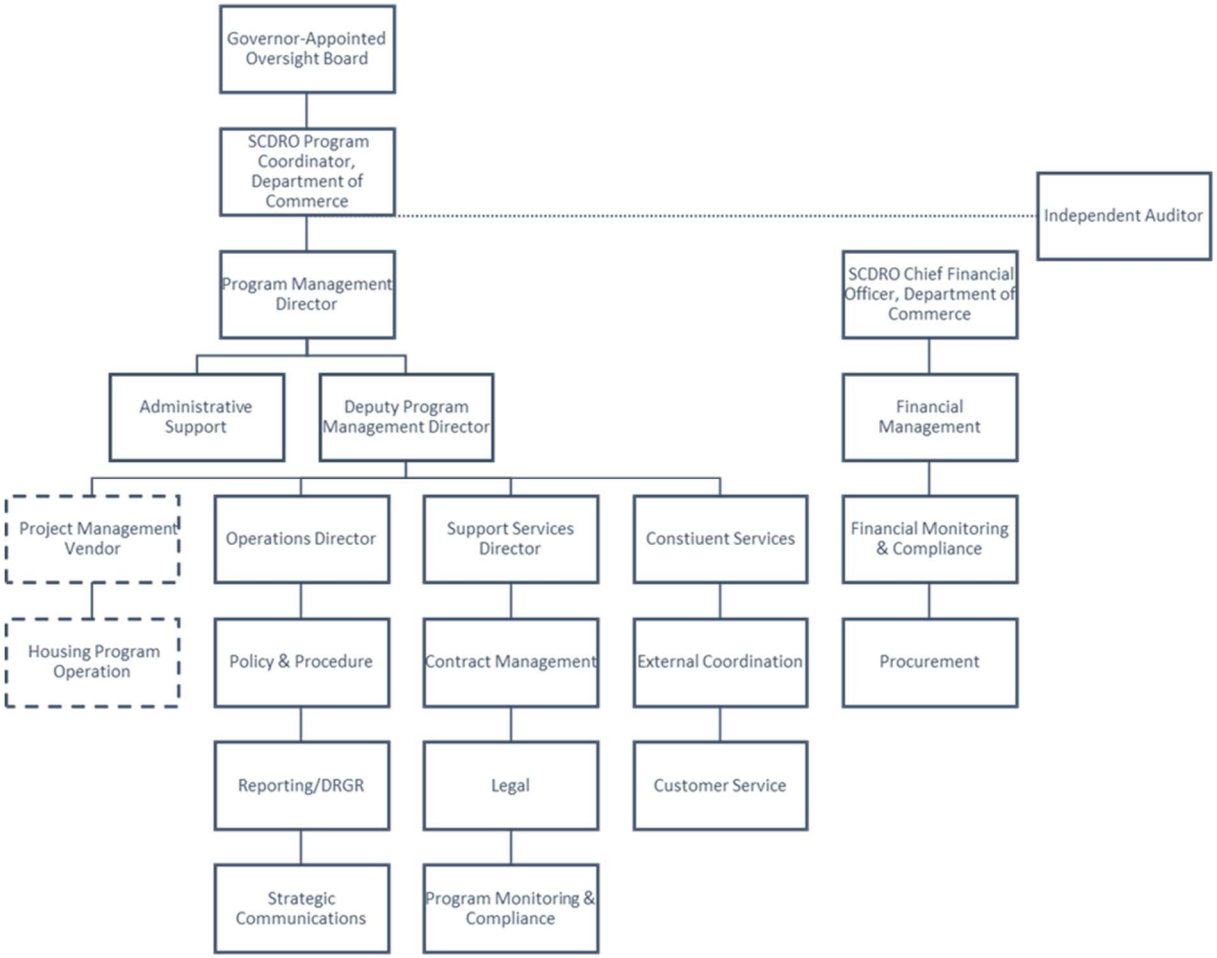
Proactive communication from the program regarding application status will occur on a frequent basis during initial intake. At which time, program staff will proactively contact applicants to request missing eligibility documentation and verify information entered on the application form. Once all documentation is received, verbal communication may subside until the applicant is contacted through an official letter with information regarding eligibility.

The State will also institute a Constituent Services Team focused on resolving complaints in a timely manner, usually within fifteen (15) business days, as expected by HUD, if practicable. The Constituent Services Team protects the applicant's ability to participate in the process and appeal a decision when there is reason for an applicant to believe their application was not handled according to program policies. All applications, guidelines, and websites will include details on the right to file a complaint or appeal, and the process for filing a complaint or beginning an appeal.

## Capacity Assessment & Staffing

South Carolina has conducted a thorough capacity assessment and developed the current administrative structure (as shown below) for positions to support critical management, oversight and implementation.

### South Carolina DRO: Administrative Structure



Key staff members, particularly those in the financial management section, have prior experience with both the HUD CDBG annual program and the October 2015 CDBG-DR program. The position descriptions outlined below align with the functional areas identified in the organizational chart and may include technical SCDRO titles not detailed in the organizational chart. SCDRO intends to fill all vacant positions within six months. SCDRO positions are as follows[40]:

**The South Carolina Disaster Recovery Board - In Place**

The State Disaster Recovery Board advises the South Carolina Disaster Recovery Office (SCDRO) regarding general directives, strategic policy decisions and prioritization of the State's recovery efforts. SCDRO represents diverse interests across the State, communicates and coordinates services and events, and provides strategic planning for the recovery response.

The State Disaster Recovery Board members are appointed by the Governor. Members of the Board elect the chairperson.

**SCDRO Program Coordinator – Filled**

The State Disaster Recovery Program Coordinator, ensures that the program activities align to the State Disaster Recovery Board's general directives, strategic policy decisions and prioritization. The SCDRO Coordinator also ensures proper and adequate evaluations of programs, provides for financial solvency and security; preserves independence and enhances the public image among all constituencies. The SCDRO Coordinator functions in the accountable role of Chief Executive Officer and signatory.

**SCDRO Program Management Director - Filled**

The SCDRO Program Management Director directs, implements, coordinates, and advocates disaster recovery goals, objectives, and outcomes set by the State. The SCDRO Program Management Director takes a holistic view of implementation as sets of project activities, linking internal local government activities with those of the community's stakeholders to ensure progress and completion of outcomes identified in State plans, strategies, or other recovery objectives. This position reports to the SCDRO Program Coordinator, who serves as Executive Officer of the program.

**SCDRO Deputy Program Management Director- Filled**

The SCDRO Deputy Director directs, implements, coordinates, and advocates disaster recovery goals, objectives, and outcomes set by the State. The Deputy Director focuses on engaging State, County, Municipal and Community leaders to educate, inform and gain assistance in the disaster recovery process. Links internal government activities with those of the community's stakeholders to ensure progress and completion of outcomes identified in State plans, strategies, or other recovery objectives. Directly oversees the execution of the SCDRO Constituent Services.

[40] The organizational chart and corresponding positions outlined in this plan may be modified as needed throughout the implementation process as warranted by the needs of program.

**Administrative Assistant - Filled**

This position provides administrative support for the Disaster Recovery Management Director and Disaster Recovery Office. In addition to typing, filing and scheduling, performs duties such as financial record keeping, coordination of meetings and conferences, recording and transcribing board minutes, obtaining supplies, coordinating mailings, and working on special projects. Also, answers non-routine correspondence and assembles highly confidential and sensitive information. Deals with a diverse group of important external callers and visitors as well as internal contacts at all levels of the organization.

**Director of Operations - Filled**

The Director of Operations provides overall management, strategic operations, administrative support, and communication for the recovery effort. The Director provides executive direction to ensure efficient administrative and operational oversight of readiness and field operations. Leads the conceptualization, development, coordination, and evaluations of policies to ensure program coordination guidance and policies are in alignment with State Action Plan.

**Project Coordinator - Filled**

The Project Coordinator is responsible for basic SC Disaster Recovery Office (SCDRO) work products and project management techniques. The Coordinator manages various complicated projects under the direction of a higher-level management.

**Operations Specialist – 2 Filled**

The Operations Specialist provides technical support and leadership to other managers within the Disaster Recovery Coordination Office; ensures that the highest quality of customer service is provided at all of the delivery systems within the Office; provides administrative support in areas of compliance, project management, training and development, regulations, policies and procedures.

**Director of Support - Filled**

The Director of Support provides recovery leadership on general direction, overarching policies, and prioritization of recovery efforts. Capabilities to support this recovery activity include, representation of diverse interests, communication and coordination among community organizations and leaders, and strategic initiatives. Communicate and collaborate with volunteers and key stakeholders. The Director manages operational level personnel, procedures, legal services and record keeping.

**Public Information Director - Filled**

The Public Information Director is responsible for Disaster Recovery informational programs which are diverse and/or numerous and which are essential to the recovery office's mission and participates in top management policy decision making. The Public Information Director is responsible for communicating the organization's position on topics and issues to the media and public in general.

**Public Information Specialist - Filled**

The Public Information Specialist interfaces with the public and media or with other agencies with incident-related information requirements. The Specialist performs professional level work in

development and dissemination of disaster recovery informational material and promotion of recovery activities. This position is responsible for updating the website.

**Policy and Procedure Manager - Filled**

This position is responsible for developing manual practices, policy and procedures that interpret applicable Federal and State statutes, Action Plans, rules and regulations governing Community Development Block Grant-Disaster Recovery Program (CDBG-DR) Disaster Recovery Coordination eligibility, case maintenance and management.

**Inspector III- Filled**

The Project Inspector provides oversight of disaster recovery program requirements and analyzes disaster recovery program execution of policy by contractors and sub-contractors. Ensures program compliance in the field at customer-contractor interactions as well as repair and rebuild construction sites.

**Statistical and Research Analyst III - Filled**

The Statistical and Research Analyst performs highly specialized work in complex data management and statistical systems such as the Disaster Recovery and Grant Reporting Systems (DRGR Systems) and other data management systems and projects for the SC Disaster Recovery Office. The Analyst assists in the preparation of databases which provides current information regarding the program activities underway including funding data and must be able to develop and analyze complex reports.

**Attorney IV - Filled**

The Legal Advisor provides legal counsel and guidance to the Disaster Recovery Office on the development of disaster recovery plans and the implementation of activities. The Legal Advisor represents the Disaster Recovery Office of the SC Department of Commerce.

**Paralegal – Filled**

The Assistant Legal Advisor assists in providing and researching legal counsel and guidance to the Disaster Recovery Office on the development of disaster recovery plans and the implementation of activities. The Assistant Legal Advisor represents the Disaster Recovery Office of the SC Department of Commerce in the absence of the Legal Advisor.

**Constituent Services Manager - Filled**

The Constituent Services Manager serves as Ombudsman for the Disaster Recovery Office (DRO). This position manages the process for providing accurate and timely interaction/response to constituents. Communicates and facilitates processes in support of effective interaction between the DRO and the public. The Manger develops and implements comprehensive communications plans relating to researching, managing and resolving constituent complaints and concerns.

**Constituent Services Assistant – 3 Filled**

Constituent Services Assistant receives complaints from the public by phone, mail and in person, makes referrals to other agencies and assists in informal resolution of complaints. Investigate complaints

concerning disaster recovery operations. Performs research, formulates objective opinions, and makes recommendations for corrective action, preventative measures and the promotion of competency, efficiency, and equity in disaster recovery efforts. Perform various administrative functions in the office of the ombudsman.

**Customer Service Lead – 1 Vacant**

The Customer Service Lead provides general supervision to the Customer Service Representatives. The Customer Service Lead provides planning and coordination to ensure that the Customer Service Representatives successfully execute their mission.

**Customer Service Representative – 6 Vacant**

The Customer Service Representative coordinates the communication with housing clients being served by the State's Housing Programs from intake to project closeout. The Customer Service Representative notifies applicants that do not have Disaster Case Managers about important timeline events such as contract signings, move out dates, and move in dates. The Customer Service Assistant forwards complaints concerning disaster recovery operations to Constituent Services for review.

**External Coordinator - 2 Filled**

The External Coordinator works with government entities and volunteer organizations and Volunteer Organizations Active in Disasters (VOADs) to staff recovery efforts. The Volunteer Coordinator communicates and collaborates with volunteers, key stakeholders, and the general public. The Coordinator will also facilitate the overall receipt and disbursement of donations at the local level and Coordinates with VOADs for the disbursement of donations.

**Contracts Manager – 1 Vacant**

Contracts Manager works with vendors, suppliers of goods and services through every phase of vendor contract performance. From negotiation to termination, contract managers' job duties include reviewing proposals, evaluating compliance with requirements and regulations, maintaining communication to ensure timely execution, and analyzing contract documents. The Contracts Manager also provides guidance to and supervises team members on contracts administration, concepts and regulations.

**Compliance Monitor – 3 Filled**

Compliance Monitors conduct desktop reviews and field inspections through every phase of vendor contract performance. Compliance monitors' job duties include reviewing job sites, evaluating compliance with requirements and regulations, and maintaining communication to ensure timely correction of noted deficiencies.

### *Financial Management Roles*

**Chief Financial Officer – Filled**

The Chief Financial Officer Directs and oversees all aspects of the Finance, Procurement and Accounting functions of the program. This position is responsible for directing the development and establishment of policies and procedures as it pertains to finance and accounting.

**Controller – Filled**

The Controller serves under the Chief Financial Officer and is accountable for accounting and procurement. This position will oversee the accounting and procurement functions to ensure that adequate controls are in place for reporting and to ensure that payments/procurements are timely and accurate. The Controller will manage the development and establishment of policies and procedures as it pertains to accounting and procurement.

**Finance Manager – Filled**

The Finance Manager is responsible for managing both grants and contracts for agency services; monitors compliance with contractual provisions. Performs managerial professional duties in accounting, budgeting or finance.

**Fiscal Analyst II – 3 Filled and 1 Vacant**

The Fiscal Analyst performs professional duties in the creation and maintenance of accounting records the verification and documentation of financial transactions or the preparation and management of program budget.

**Director of Internal Audit – Filled**

The Director of Internal Audit will direct and manage a professional staff in conducting audits, investigations and evaluations of the administrative, financial and operational activities of the program.

**Internal Auditor 3 Filled**

The Internal Auditor will perform audits or oversees audits of financial records, electronic data processing systems and program activities and operations to ascertain financial status, accuracy of data, efficiency or compliance with laws and regulations.

## Additional Capacity

The State will procure a qualified vendor to provide housing case management to all housing program applicants. Case Management staff will be required to have knowledge, experience and /or skills to work with applicants to determine eligibility and duplication of benefits, as well as have a basic knowledge of database management applications to support the management of applicant files. Case Managers will provide applicants with first-line communication to inform them of their obligation to provide a complete and accurate program application, advise them on methods to obtain necessary eligibility documentation, answer questions about program assistance procedures and anticipated timelines, and provide them with a well-informed intake experience. The applications and the documentation collected from applicants are highly sensitive and will be handled by case management staff in a confidential manner.

South Carolina has leveraged partnerships throughout the recovery process and will continue to do so with the valued involvement of the Volunteer Organizations Active in Disaster (VOAD) community. These partners operate independently of the State, but interact daily with the very residents the CDBG-DR program is designed to serve. Their interaction with disaster-impacted residents will continue throughout

the lifecycle of the CDBG-DR program, and thus, the State of South Carolina has designed the housing program to include continued involvement of VOADs.

## Internal and Interagency Coordination

The SCDRO will utilize its current Interagency and Stakeholder Recovery Coordination Group to continue a multi-stakeholder approach. The monthly Interagency and Stakeholder Recovery Coordination Group consists of Long-Term Recovery Group members, VOADs, Charitable and Non-Profit groups, Disaster Case Managers, the SC DHEC, SCEMD, and representatives from county emergency management offices. This multi-agency formation has been key to considering recovery from a holistic perspective. Their feedback has generated changes and improvement in SCDRO's policies and procedures.

## Technical Assistance

Technical assistance to program participants will be provided by Department of Commerce program staff as needed. Requests should be made in a timely manner and within the time parameters of the appropriate program design. The State has developed some technical capacity through the implementation of its current CDBG-DR program, however the State may contract with other technical assistance providers should sufficient demand for technical assistance warrant.

Depending on the nature of assistance required, the State will coordinate with HUD to obtain an available provider, or engage in a formal procurement to hire a vendor with the expertise required to provide technical assistance in regulatory compliance, construction management, environmental procedures, etc.

To ensure orderly and effective compliance with the National Historic Preservation Act (NHPA) during recovery undertakings, the SCDRO, in compliance with provision 18. Reimbursement of disaster recovery expenses of 81 FR 83266 (2016), has met with representatives of the South Carolina Historic Preservation Office (SHPO). SCDRO is currently operating under a FEMA/HUD approved Programmatic Agreement (PA) (Unified Federal Review Memorandum of Agreement) provided by HUD. SCDRO and SC SHPO have discussed the processes that will be utilized ensure review and compliance with Section 106 of the NHPA where required to so. The State's Disaster Recovery Office will also consult with the State Fish and Wildlife Service (South Carolina Department of Natural Resources) and the National Marine Fisheries Service concerning section 7 of the Endangered Species Act prior to program implementation as required by 81 FR 83266 (2016).

## Accountability

The Governor of South Carolina has designated the South Carolina Department of Commerce as the administrative and fiscal agent responsible to HUD for program oversight, reporting and compliance. Program administration will be led under the direction of the Disaster Recovery Program Director of the South Carolina Department of Commerce with oversight from a Governor Appointed Oversight Board of three members. The Governor-appointed Board will provide executive level oversight of the Disaster Recovery Housing Program. The South Carolina Disaster Recovery Office Program Coordinator, housed in the Department of Commerce, is an executive-level appointee who will serve at the direct guidance of the Board. The Program Coordinator will serve as authorized signatory of the legally binding grant agreement

(contract) between HUD and the State, will authorize major contracts and change orders, certify to financial reporting, and serve as the lead point of contact for HUD, including for monitoring and compliance and issue resolution.

The Program Management Director will oversee daily operations of the program, including applicant intake and eligibility, construction and contract management, policy and procedure, public information, reporting, management of the Disaster Recovery Grant Reporting (DRGR) system and timely expenditures. The Chief Financial Officer at the Department of Commerce will oversee financial compliance, financial monitoring, financial management, and oversight of the HUD line of credit.

SCDRO will initially rely on the CDBG expertise of the team that is in place and is currently monitoring the 2015 storm grant. This expertise will be used to conduct the SCDRO's monitoring plan and to train any additionally hired SCDRO personnel in CDBG regulations, policies and procedures. The State currently has two people actively working on monitoring and is poised to hire a third person in March 2017. Between auditing and monitoring activities, the State expects to examine/review over 25% of all intake and construction (both repair and replacement) activities.

## Certification of Accuracy of Risk Analysis Documentation

The State of South Carolina hereby certifies that it currently has the capacity to carry out disaster recovery activities in a timely manner and that the State has reviewed the requirements of this notice and requirements of Pub. L. 114-254 applicable to funds allocated by FR-6012-N-01, and certifies to the accuracy of Risk Analysis Documentation submitted to demonstrate that it has in place proficient financial controls and procurement processes; that it has adequate procedures to prevent any duplication of benefits as defined by section 312 of the Stafford Act, to ensure timely expenditure of funds; that it has to maintain a comprehensive disaster recovery website to ensure timely communication of application status to applicants for disaster recovery assistance, and that its implementation plan accurately describes its current capacity and how it will address any capacity gaps.

*[Signed in Certifications section]*

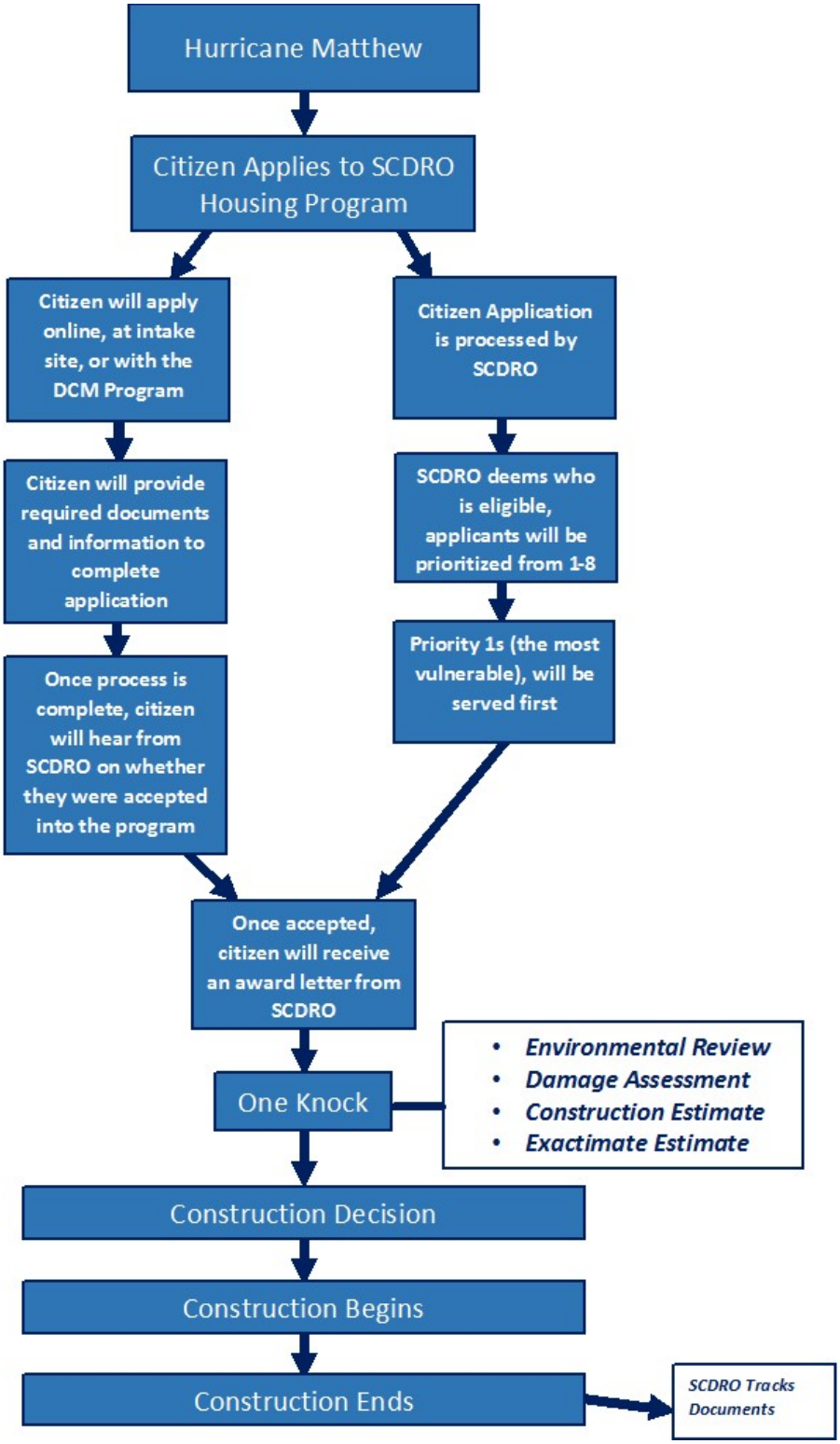
_____

Signature

# APPENDICES

# Section 8: Appendices

## Housing Program Process Flowchart



## Sample Public Hearing Preparation Checklist

| **Hearing Preparation Activities** | **Responsible Person(s)** |
|---|---|
| __Confirm town hall location, date and time | _____ |
| __Determine staff attending town hall | _____ |
| __Schedule appropriate meeting facility | _____ |
| __Notify appropriate officials (Federal, state, local) | _____ |
| __Determine security requirements | _____ |
| __Schedule accommodations for disabled or non-English speaking residents | _____ |
| __Determine display requirements | _____ |
| __Prepare and issue public notice (Press Release) | _____ |
| __Notice posted on Website and Facebook | _____ |
| __Produce pamphlets/handouts for town hall clients | _____ |
| __Distribute news release | _____ |
| __Ensure microphones/speakers are available | _____ |
| __Laptop (ensure supporting presentation) | _____ |
| __Projection screen | _____ |
| __Projector (ensure compatible with laptop) | _____ |
| __Determine what equipment is necessary: (flags and standing base; podium; tables, chairs) | |
| __Develop/produce sign-in sheets | _____ |
| __Distribute news release/media advisory | _____ |

**Ensure the following items are available at the hearing:**

| | |
|---|---|
| __Agenda (Slide Presentation) | _____ |
| __Client Forms for Collecting Information/Feedback | _____ |
| __Clipboards | _____ |
| __Ink Pens | |
| __"I Speak" cards if no translators present | _____ |
| __Brochures | _____ |

## Grantee Certifications

Certification and Collection Information of FR-5989-N-01

A. The grantee certifies that it has in effect and is following a residential anti displacement and relocation assistance plan in connection with any activity assisted with funding under the CDBG program.

B. The grantee certifies its compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by part 87.

C. The grantee certifies that the action plan for disaster recovery is authorized under State and local law (as applicable) and that the grantee, and any entity or entities designated by the grantee, and any contractor, subrecipient, or designated public agency carrying out an activity with CDBG–DR funds, possess (es) the legal authority to carry out the program for which it is seeking funding, in accordance with applicable HUD regulations and this notice. The grantee certifies that activities to be undertaken with funds under this notice are consistent with its action plan.

D. The grantee certifies that it will comply with the acquisition and relocation requirements of the URA, as amended, and implementing regulations at 49 CFR part 24, except where waivers or alternative requirements are provided for in this notice.

E. The grantee certifies that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.

F. The grantee certifies that it is following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.115 (except as provided for in notices providing waivers and alternative requirements for this grant). Also, each UGLG receiving assistance from a State grantee must follow a detailed citizen participation plan that satisfies the requirements of 24 CFR 570.486 (except as provided for in notices providing waivers and alternative requirements for this grant).

G. The grantee certifies that it has consulted with affected UGLGs in counties designated in covered major disaster declarations in the nonentitlement, entitlement, and tribal areas of the State in determining the uses of funds, including the method of distribution of funding, or activities carried out directly by the State.

H. The grantee certifies that it is complying with each of the following criteria:

1. Funds will be used solely for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing and economic revitalization in the most impacted and distressed areas for which the President declared a major disaster in

2016 pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 *et seq.*) but prior to September 29, 2016.

2. With respect to activities expected to be assisted with CDBG–DR funds, the action plan has been developed so as to give the maximum feasible priority to activities that will benefit low- and moderate-income families.

3. The aggregate use of CDBG–DR funds shall principally benefit low- and moderate-income families in a manner that ensures that at least 70 percent (or another percentage permitted by HUD in a waiver published in an applicable **Federal Register** notice) of the grant amount is expended for activities that benefit such persons.

4. The grantee will not attempt to recover any capital costs of public improvements assisted with CDBG–DR grant funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless:
(a) Disaster recovery grant funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than under this title; or
(b) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks sufficient CDBG funds (in any form) to comply with the requirements of clause (a).

I. The grantee certifies that the grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d).

J. The grantee certifies that the grant will be conducted and administered in conformity with the Fair Housing Act (42 U.S.C. 3601–3619) and implementing regulations, and that it will affirmatively further fair housing, which means that it will take meaningful actions to further the goals identified in an AFH conducted in accordance with the requirements of 24 CFR 5.150 through 5.180, and that it will take no action that is materially inconsistent with its obligation to affirmatively further fair housing.

K. The grantee certifies that it has adopted and is enforcing the following policies, and, in addition, States receiving a direct award must certify that they will require UGLGs that receive grant funds to certify that they have adopted and are enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and

2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.

L. The grantee certifies that it (and any subrecipient or administering entity) currently has or will develop and maintain the capacity to carry out disaster recovery activities in a timely manner and that the grantee has reviewed the requirements of this notice and requirements of the Appropriations Act applicable to funds allocated by this notice, and certifies to the accuracy of its certification documentation referenced at A.1. a. under section VI and its risk analysis document referenced at A.1.b. under section VI.

M. The grantee certifies that it will not use CDBG–DR funds for any activity in an area identified as flood prone for land use or hazard mitigation planning purposes by the State, local, or tribal government or delineated as a Special Flood Hazard Area in FEMA's most current flood advisory maps, unless it also ensures that the action is designed or modified to minimize harm to or within the floodplain, in accordance with Executive Order 11988 and 24 CFR part 55. The relevant data source for this provision is the State, local, and tribal government land use regulations and hazard mitigation plans and the latest issued FEMA data or guidance, which includes advisory data (such as Advisory Base Flood Elevations) or preliminary and final Flood Insurance Rate Maps.

N. The grantee certifies that its activities concerning lead-based paint will comply with the requirements of 24 CFR part 35, subparts A, B, J, K, and R.

O. The grantee certifies that it will comply with environmental requirements at 24 CFR part 58.

P. The grantee certifies that it will comply with applicable laws.

*[Signed Certifications submitted to HUD]*

_____ _____

Signature of Authorized Official Date

Daniel Young, South Carolina Disaster Recovery Office, Program Coordinator

Department of Commerce

## Response to Public Comment

### Beaufort County Comment Session: 4/3/2017

**Comment:**

Will you be using a contractor from Marion County?

**Response:**

We will follow the South Carolina Procurement Code to obtain a contractor to implement the housing program statewide. A minimum of twenty-five percent of all employees (with a goal of 75%) that work for the implementation contractor on the State's Hurricane Matthew recovery efforts will be required to be local hires.

**Comment:**

I expected more information, more in depth, more resources for the town hall, and for funding for the non-Marion counties.

**Response:**

Unfortunately, there are not enough funds to meet all of the disaster caused needs. We are going to serve the most vulnerable. There are opportunities to stretch the funds further by collaborating with VOADs.

**Comment:**

I have a friend who needs assistance. FEMA denied assistance for my friend. My friend needs housing help.

**Response:**

Palmetto Disaster Recovery (PDR) provides disaster case management for individuals impacted by Hurricane Matthew. Your friend can sign up with PDR and PDR will assist your friend with identifying options to address their unmet needs, including housing.

**Comment:**

My brother-in-law is a double amputee. His wife has cancer. There is damage under the house. What can we do? His wheelchair ramp is also broken.

**Response:**

Your brother-in-law can sign up for disaster case management with Palmetto Disaster Recovery (PDR). PDR can help your brother-in-law address his unmet needs. PDR will refer their clients to the State's housing program once the intake period begins. Several factors determine whether a citizen qualifies for the program including income, disability, and age.

**Comment:**

I like the program.

### Florence County Comment Session: 4/4/2017

**Comment:**

The hurricane damaged my home. What should I do?

> **Response:**
>
> Palmetto Disaster Recovery provides disaster case management services for individuals affected by Hurricane Matthew. Qualified PDR clients will automatically be referred to the State's housing program once intake begins.

### Dillon County Comment Session: 4/4/2017

**Comment:**

There are citizens in Dillon County collecting the names of citizens that received hurricane damage. How does she avoid duplication of efforts since the Palmetto Disaster Recovery (PDR) staff is also collecting information?

> **Response:**
>
> The citizen can refer individuals to PDR for disaster case management.

**Comment:**

I am concerned that people affected by the hurricane who did not know they were supposed to have flood insurance now must buy it after repairs are made.

> **Response:**
>
> Homeowners are required to purchase flood insurance if the home is located in a FEMA designated flood zone in order to protect the taxpayers' investment. The State may provide assistance with flood insurance on a case-by-case basis.

**Comment:**

If my mother is housebound, can someone come out to visit with her?

> **Response:**
>
> The State's CDBG-DR implementation vendor will conduct in-home intake if needed.

**Comment:**

If I know of a subcontractor that wants to work with the program, what do I need to do to get their name in for consideration?

**Response:**

The SCDRO follows the SC Consolidated Procurement Code. The State anticipates hiring an Implementation Vendor to administer the program. Interested subcontractors will need to contact the Implementation Vendor once they are in place.

**Comment:**

The County EMD Hazard Mitigation Office wants to ensure that the mobile home units (MHU) along the state line are targeted as one of the most vulnerable areas.

**Response:**

The State's housing program focuses on the individual citizen, not geography. The program priority is to help the most vulnerable citizen without regard to where their home is located.

### Marion County Comment Session: 4/6/2017

**Comment:**

I am concerned about the three-year lien requirement. What happens if I have to move out?

**Response:**

If a program participant sells their home within the three-year lien period, they may be required to pay back the funds used to repair or replace their home.

**Comment:**

I understand the importance of serving the most vulnerable first. I am able to live in my home and I know that there are people who are in worse situations that need help.

**Comment:**

Do you elevate homes? Can you fix septic issues?

**Response:**

The State's housing program provides eligible applicants with housing that is safe, sanitary, and secure. If necessary, septic issues will be fixed. For citizens in Marion County, the County can choose to use the Hazard Mitigation Grant Program to elevate a home. SCDRO can potentially provide the twenty-five percent match that is required for HMGP funding.

**Comment:**

If there is joint ownership of the property, do both owners need to give permission?

**Response:**

The primary applicant needs to provide evidence of a sufficient ownership interest in order to be eligible to participate in the program.

**Comment:**

I am a landlord that owns rental property in Marion County. Who needs to apply for the program: my tenant or me?

**Response:**

The property owner is required to apply for the program. Since your property is rental, it is only eligible for the rental program.

**Comment:**

If there was flooding at my house, will I be required to purchase flood insurance?

**Response:**

Flood insurance is required after repairs are completed if the applicant's home is in a FEMA-designated flood zone.

**Comment:**

FEMA only gave me $1,000 and I have trees down in my yard. Can you help?

**Response:**

SCDRO housing programs will not address fallen trees unless they impede construction.

**Comment:**

I was rejected by FEMA. Am I eligible for the program?

**Response:**

The SCDRO housing program eligibility requirements are not related to whether or not FEMA provided funding to you. Applicants are evaluated for eligibility after they apply.

## Comments via Contact@scdr.sc.gov

**Comment:**

Rhode Island Court in Marion County floods every time in rains. If you could use some of the funds allocated to Marion County to raise the road and pave it that would be great.

**Response:**

Based on the unmet needs assessment, the primary focus of the SCDRO for the Hurricane Matthew recovery is housing. Funding may be available from other sources to pave dirt roads if they received disaster-related damage.

## 2017 Area Median Income Limits by Family Size and County

| 2017 HUD Area Median Income Limits for South Carolina Hurricane Matthew Counties | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| County Name | County AMI | % of AMI | 1 person | 2 person | 3 person | 4 person | 5 person | 6 person | 7 person | 8 person |
| Allendale County | 32,900 | Low Income (80% AMI) | 25,700 | 29,400 | 33,050 | 36,700 | 39,650 | 42,600 | 45,550 | 48,450 |
| | | Very Low (50% AMI) | 16,100 | 18,400 | 20,700 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |
| | | Extremely Low (30% | 12,060 | 16,240 | 20,420 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |
| Bamberg County | 44,000 | Low Income (80% AMI) | 25,700 | 29,400 | 33,050 | 36,700 | 39,650 | 42,600 | 45,550 | 48,450 |
| | | Very Low (50% AMI) | 16,100 | 18,400 | 20,700 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |
| | | Extremely Low (30% | 12,060 | 16,240 | 20,420 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |
| Barnwell County | 44,200 | Low Income (80% AMI) | 25,700 | 29,400 | 33,050 | 36,700 | 39,650 | 42,600 | 45,550 | 48,450 |
| | | Very Low (50% AMI) | 16,100 | 18,400 | 20,700 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |
| | | Extremely Low (30% | 12,060 | 16,240 | 20,420 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |
| Beaufort County | 70,300 | Low Income (80% AMI) | 39,400 | 45,000 | 50,650 | 56,250 | 60,750 | 65,250 | 69,750 | 74,250 |
| | | Very Low (50% AMI) | 24,650 | 28,150 | 31,650 | 35,150 | 38,000 | 40,800 | 43,600 | 46,400 |
| | | Extremely Low (30% | 14,800 | 16,900 | 20,420 | 24,600 | 28,780 | 32,960 | 37,140 | 41,320 |
| Berkeley County | 68,800 | Low Income (80% AMI) | 38,550 | 44,050 | 49,550 | 55,050 | 59,500 | 63,900 | 68,300 | 72,700 |
| | | Very Low (50% AMI) | 24,100 | 27,550 | 31,000 | 34,400 | 37,200 | 39,950 | 42,700 | 45,450 |
| | | Extremely Low (30% | 14,500 | 16,550 | 20,420 | 24,600 | 28,780 | 32,960 | 37,140 | 41,320 |
| Calhoun County | 67,000 | Low Income (80% AMI) | 37,550 | 42,900 | 48,250 | 53,600 | 57,900 | 62,200 | 66,500 | 70,800 |
| | | Very Low (50% AMI) | 23,450 | 26,800 | 30,150 | 33,500 | 36,200 | 38,900 | 41,550 | 44,250 |
| | | Extremely Low (30% | 14,100 | 16,240 | 20,420 | 24,600 | 28,780 | 32,960 | 37,140 | 41,320 |
| Charleston County | 68,800 | Low Income (80% AMI) | 38,550 | 44,050 | 49,550 | 55,050 | 59,500 | 63,900 | 68,300 | 72,700 |
| | | Very Low (50% AMI) | 24,100 | 27,550 | 31,000 | 34,400 | 37,200 | 39,950 | 42,700 | 45,450 |
| | | Extremely Low (30% | 14,500 | 16,550 | 20,420 | 24,600 | 28,780 | 32,960 | 37,140 | 41,320 |
| Chesterfield County | 41,400 | Low Income (80% AMI) | 25,700 | 29,400 | 33,050 | 36,700 | 39,650 | 42,600 | 45,550 | 48,450 |
| | | Very Low (50% AMI) | 16,100 | 18,400 | 20,700 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |
| | | Extremely Low (30% | 12,060 | 16,240 | 20,420 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |
| Clarendon County | 42,300 | Low Income (80% AMI) | 25,700 | 29,400 | 33,050 | 36,700 | 39,650 | 42,600 | 45,550 | 48,450 |
| | | Very Low (50% AMI) | 16,100 | 18,400 | 20,700 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |
| | | Extremely Low (30% | 12,060 | 16,240 | 20,420 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |
| Colleton County | 41,300 | Low Income (80% AMI) | 25,700 | 29,400 | 33,050 | 36,700 | 39,650 | 42,600 | 45,550 | 48,450 |
| | | Very Low (50% AMI) | 16,100 | 18,400 | 20,700 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |
| | | Extremely Low (30% | 12,060 | 16,240 | 20,420 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |
| Darlington County | 47,200 | Low Income (80% AMI) | 26,450 | 30,200 | 34,000 | 37,750 | 40,800 | 43,800 | 46,850 | 49,850 |
| | | Very Low (50% AMI) | 16,550 | 18,900 | 21,250 | 23,600 | 25,500 | 27,400 | 29,300 | 31,200 |
| | | Extremely Low (30% | 12,060 | 16,240 | 20,420 | 23,600 | 25,500 | 27,400 | 29,300 | 31,200 |
| Dillon County | 35,000 | Low Income (80% AMI) | 25,700 | 29,400 | 33,050 | 36,700 | 39,650 | 42,600 | 45,550 | 48,450 |
| | | Very Low (50% AMI) | 16,100 | 18,400 | 20,700 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |
| | | Extremely Low (30% | 12,060 | 16,240 | 20,420 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |
| Dorchester County | 68,800 | Low Income (80% AMI) | 38,550 | 44,050 | 49,550 | 55,050 | 59,500 | 63,900 | 68,300 | 72,700 |
| | | Very Low (50% AMI) | 24,100 | 27,550 | 31,000 | 34,400 | 37,200 | 39,950 | 42,700 | 45,450 |
| | | Extremely Low (30% | 14,500 | 16,550 | 20,420 | 24,600 | 28,780 | 32,960 | 37,140 | 41,320 |
| Florence County | 57,800 | Low Income (80% AMI) | 31,300 | 35,750 | 40,200 | 44,650 | 48,250 | 51,800 | 55,400 | 58,950 |
| | | Very Low (50% AMI) | 19,550 | 22,350 | 25,150 | 27,900 | 30,150 | 32,400 | 34,600 | 36,850 |
| | | Extremely Low (30% | 12,060 | 16,240 | 20,420 | 24,600 | 28,780 | 32,400 | 34,600 | 36,850 |
| Georgetown County | 53,700 | Low Income (80% AMI) | 30,100 | 34,400 | 38,700 | 42,950 | 46,400 | 49,850 | 53,300 | 56,700 |
| | | Very Low (50% AMI) | 18,800 | 21,500 | 24,200 | 26,850 | 29,000 | 31,150 | 33,300 | 35,450 |
| | | Extremely Low (30% | 12,060 | 16,240 | 20,420 | 24,600 | 28,780 | 31,150 | 33,300 | 35,450 |
| Hampton County | 44,300 | Low Income (80% AMI) | 25,700 | 29,400 | 33,050 | 36,700 | 39,650 | 42,600 | 45,550 | 48,450 |
| | | Very Low (50% AMI) | 16,100 | 18,400 | 20,700 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |
| | | Extremely Low (30% | 12,060 | 16,240 | 20,420 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |

| 2017 HUD Area Median Income Limits for South Carolina Hurricane Matthew Counties | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| County Name | County AMI | % of AMI | 1 person | 2 person | 3 person | 4 person | 5 person | 6 person | 7 person | 8 person |
| Horry County | 52,100 | Low Income (80% AMI) | 29,200 | 33,400 | 37,550 | 41,700 | 45,050 | 48,400 | 51,750 | 55,050 |
| | | Very Low (50% AMI) | 18,250 | 20,850 | 23,450 | 26,050 | 28,150 | 30,250 | 32,350 | 34,400 |
| | | Extremely Low (30% | 12,060 | 16,240 | 20,420 | 24,600 | 28,150 | 30,250 | 32,350 | 34,400 |
| Jasper County | 41,800 | Low Income (80% AMI) | 26,900 | 30,750 | 34,600 | 38,400 | 41,500 | 44,550 | 47,650 | 50,700 |
| | | Very Low (50% AMI) | 16,800 | 19,200 | 21,600 | 24,000 | 25,950 | 27,850 | 29,800 | 31,700 |
| | | Extremely Low (30% | 12,060 | 16,240 | 20,420 | 24,000 | 25,950 | 27,850 | 29,800 | 31,700 |
| Lee County | 39,800 | Low Income (80% AMI) | 25,700 | 29,400 | 33,050 | 36,700 | 39,650 | 42,600 | 45,550 | 48,450 |
| | | Very Low (50% AMI) | 16,100 | 18,400 | 20,700 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |
| | | Extremely Low (30% | 12,060 | 16,240 | 20,420 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |
| Marion County | 41,500 | Low Income (80% AMI) | 25,700 | 29,400 | 33,050 | 36,700 | 39,650 | 42,600 | 45,550 | 48,450 |
| | | Very Low (50% AMI) | 16,100 | 18,400 | 20,700 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |
| | | Extremely Low (30% | 12,060 | 16,240 | 20,420 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |
| Marlboro County | 35,700 | Low Income (80% AMI) | 25,700 | 29,400 | 33,050 | 36,700 | 39,650 | 42,600 | 45,550 | 48,450 |
| | | Very Low (50% AMI) | 16,100 | 18,400 | 20,700 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |
| | | Extremely Low (30% | 12,060 | 16,240 | 20,420 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |
| Orangeburg County | 38,900 | Low Income (80% AMI) | 25,700 | 29,400 | 33,050 | 36,700 | 39,650 | 42,600 | 45,550 | 48,450 |
| | | Very Low (50% AMI) | 16,100 | 18,400 | 20,700 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |
| | | Extremely Low (30% | 12,060 | 16,240 | 20,420 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |
| Sumter County | 46,700 | Low Income (80% AMI) | 27,100 | 30,950 | 34,800 | 38,650 | 41,750 | 44,850 | 47,950 | 51,050 |
| | | Very Low (50% AMI) | 16,950 | 19,350 | 21,750 | 24,150 | 26,100 | 28,050 | 29,950 | 31,900 |
| | | Extremely Low (30% | 12,060 | 16,240 | 20,420 | 24,150 | 26,100 | 28,050 | 29,950 | 31,900 |
| Williamsburg County | 41,000 | Low Income (80% AMI) | 25,700 | 29,400 | 33,050 | 36,700 | 39,650 | 42,600 | 45,550 | 48,450 |
| | | Very Low (50% AMI) | 16,100 | 18,400 | 20,700 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |
| | | Extremely Low (30% | 12,060 | 16,240 | 20,420 | 22,950 | 24,800 | 26,650 | 28,500 | 30,300 |

## SBA Loans by NAICS Code

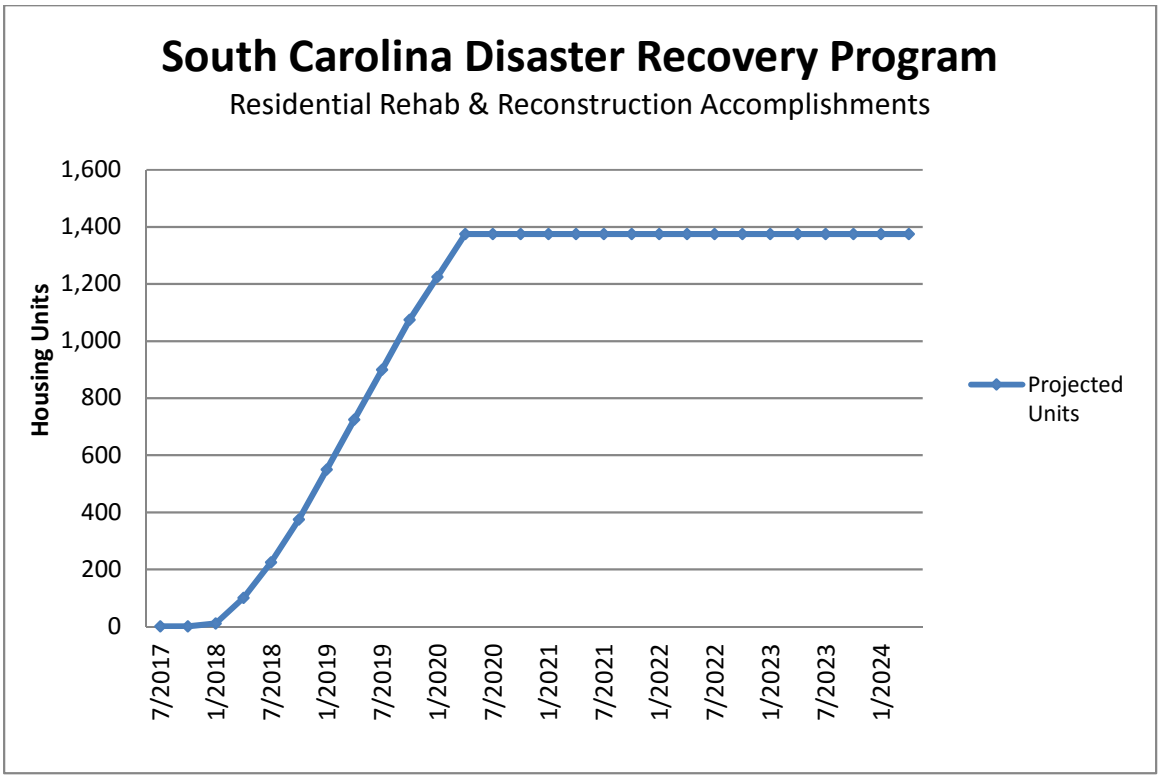
| *For South Carolina Counties Affected by Hurricane Matthew* | | | |
|---|---|---|---|
| **NAICS Code** | **NAICS Category** | **Total Loan Amount Approved** | **Total Distributed** |
| 221320 | Other Similar Organizations (except Business, Professional, Labor, & Politic.) | $1,313,207 | $1,313,207 |
| 236118 | Golf Courses and Country Clubs | $1,188,400 | $154,400 |
| 238140 | Hotels (except Casino Hotels) and Motels | $446,314 | $446,314 |
| 238220 | Office Supplies and Stationery | $223,100 | $223,100 |
| 238990 | Civic and Social Organizations | $195,600 | $195,600 |
| 311612 | Theater Companies and Dinner Theaters | $158,900 | $158,900 |
| 423930 | Commercial and Industrial Machinery and Equipment (except Automotive and El | $151,700 | $151,700 |
| 444190 | Recyclable Material Merchant Wholesalers | $141,600 | $141,600 |
| 445110 | General Freight Trucking, Local | $136,000 | $136,000 |
| 445120 | Tour Operators | $134,200 | $134,200 |
| 445299 | Masonry Contractors | $120,500 | $120,500 |
| 448150 | Sewage Treatment Facilities | $104,500 | $104,500 |
| 448190 | All Other Information Services | $103,200 | $100,200 |
| 451110 | Offices of Physical, Occupational and Speech Therapists, and Audiologists | $100,000 | $100,000 |
| 453210 | Outpatient Mental Health and Substance Abuse Centers | $100,000 | $100,000 |
| 454390 | All Other Specialty Trade Contractors | $75,600 | $25,000 |
| 483114 | Residential Mental Health and Substance Abuse Facilities | $74,700 | $74,700 |
| 484110 | Other Clothing Stores | $70,900 | $64,450 |
| 484121 | Drinking Places (Alcoholic Beverages) | $69,050 | $69,050 |
| 484220 | Scenic and Sightseeing Transportation, Land | $65,000 | $65,000 |
| 485999 | Supermarkets and Other Grocery (except Convenience) Stores | $61,800 | $61,800 |
| 487110 | Religious Organizations | $60,033 | $40,967 |
| 492210 | Architectural Services | $50,000 | $50,000 |
| 519190 | Lessors of Miniwarehouses and Self-Storage Units | $47,500 | $47,500 |

| | | | |
|---|---|---|---|
| 522291 | Lessors of Residential Buildings and Dwellings | $42,730 | $40,665 |
| 524210 | All Other Professional, Scientific, and Technical Services | $40,300 | $37,500 |
| 531110 | Landscaping Services | $39,833 | $39,833 |
| 531120 | All Other Automotive Repair and Maintenance | $36,700 | $36,700 |
| 531130 | Clothing Accessories Stores | $35,667 | $35,667 |
| 531311 | Local Messengers and Local Delivery | $34,200 | $34,200 |
| 531390 | Janitorial Services | $31,900 | $31,900 |
| 532292 | Consumer Lending | $29,500 | $29,500 |
| 541110 | Plumbing, Heating, and Air-Conditioning Contractors | $28,300 | $28,300 |
| 541213 | All Other Personal Services | $26,900 | $27,650 |
| 541214 | Child Day Care Services | $26,167 | $28,000 |
| 541310 | Meat Processed from Carcasses | $26,100 | $26,100 |
| 541519 | Other Building Material Dealers | $25,000 | $25,000 |
| 541611 | Convenience Stores | $25,000 | $25,000 |
| 541990 | All Other Specialty Food Stores | $25,000 | $25,000 |
| 561520 | General Freight Trucking, Long Distance, Truckload | $25,000 | $25,000 |
| 561720 | Other Activities Related to Real Estate | $25,000 | $25,000 |
| 561730 | Recreational Goods Rental | $25,000 | $25,000 |
| 611691 | Offices of Lawyers | $25,000 | $25,000 |
| 621111 | Offices of Physicians (except Mental Health Specialists) | $25,000 | $25,000 |
| 621340 | Museums | $25,000 | $25,000 |
| 621420 | Fitness and Recreational Sports Centers | $25,000 | $25,000 |
| 623220 | Residential Remodelers | $24,900 | $24,900 |
| 624410 | Lessors of Nonresidential Buildings (except Miniwarehouses) | $24,900 | $24,900 |
| 711110 | Insurance Agencies and Brokerages | $24,600 | $24,600 |
| 711510 | Other Computer Related Services | $21,800 | $21,800 |
| 712110 | Other Personal and Household Goods Repair and Maintenance | $19,700 | $19,700 |
| 713910 | Beauty Salons | $19,050 | $19,050 |

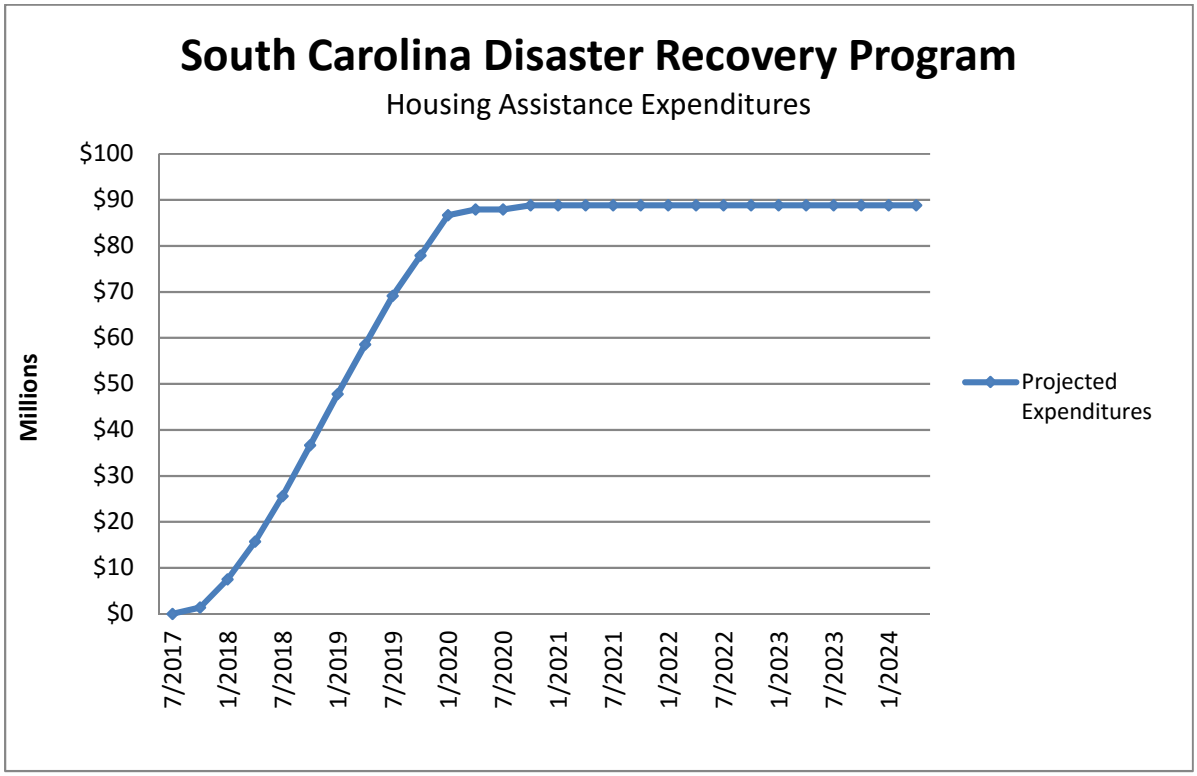
| | | | |
|---|---|---|---|
| 713940 | Environment, Conservation and Wildlife Organizations | $18,200 | $18,200 |
| 721110 | Residential Property Managers | $17,800 | $17,800 |
| 722511 | Administrative Management and General Management Consulting Services | $17,200 | $17,200 |
| 722513 | Other Direct Selling Establishments | $15,000 | $15,000 |
| 722514 | Other Automotive Mechanical and Electrical Repair and Maintenance | $15,000 | $15,000 |
| 811118 | Automotive Body, Paint, and Interior Repair and Maintenance | $14,600 | $14,600 |
| 811121 | Tax Preparation Services | $14,300 | $14,300 |
| 811198 | Payroll Services | $14,300 | $14,300 |
| 811310 | Other Personal Care Services | $12,000 | $12,000 |
| 811490 | Sporting Goods Stores | $10,800 | $10,800 |
| 812112 | Drinking Places (Alcoholic Beverages) | $10,325 | $10,325 |
| 812113 | Specialized Freight (except Used Goods) Trucking, Local | $10,000 | $10,000 |
| 812199 | Nail Salons | $9,500 | $9,500 |
| 812990 | Exam Preparation and Tutoring | $8,500 | $8,500 |
| 813110 | Drinking Places (Alcoholic Beverages) | $8,200 | $8,200 |
| 813219 | Other Grantmaking and Giving Services | $7,100 | $7,100 |
| 813312 | All Other Transit and Ground Passenger Transportation | $6,800 | $6,800 |
| 813410 | Independent Artists, Writers, and Performers | $6,300 | $6,300 |
| 813990 | Coastal and Great Lakes Passenger Transportation | $5,300 | $5,300 |
| | ***Total:*** | **$6,196,276** | **$5,080,878** |

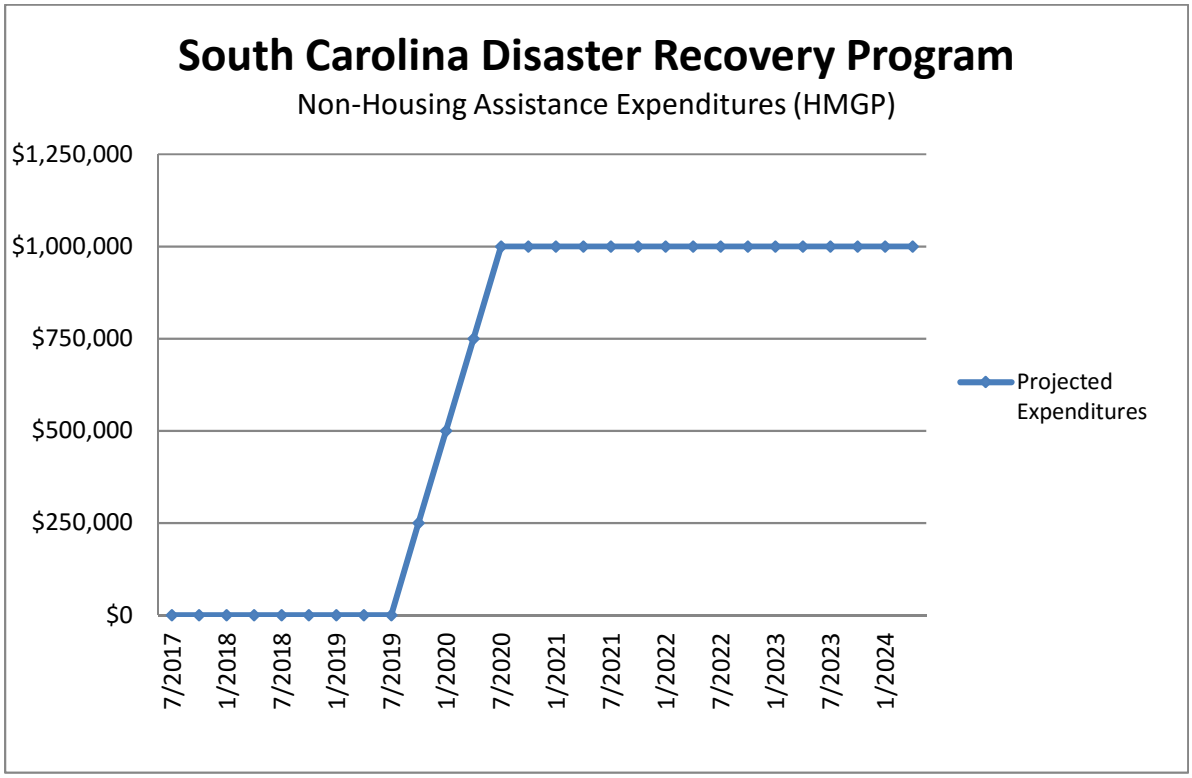
## Financial Projections & Milestones

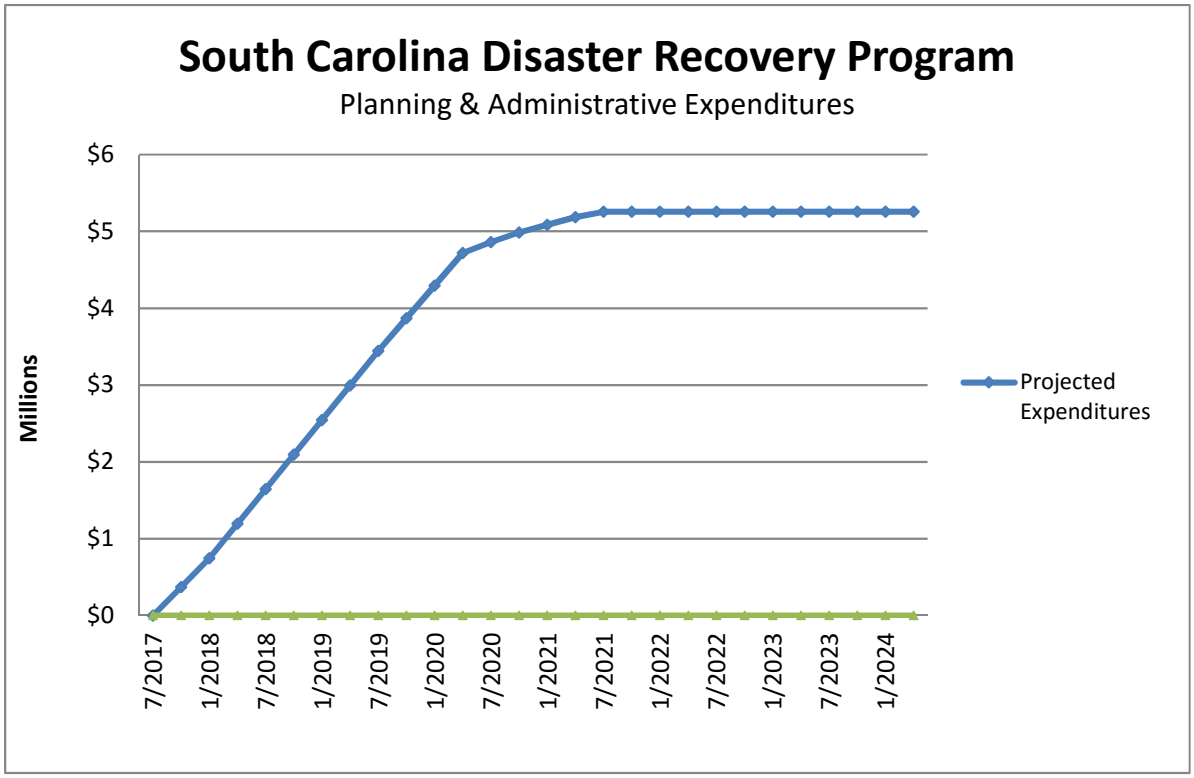
### Production Projections

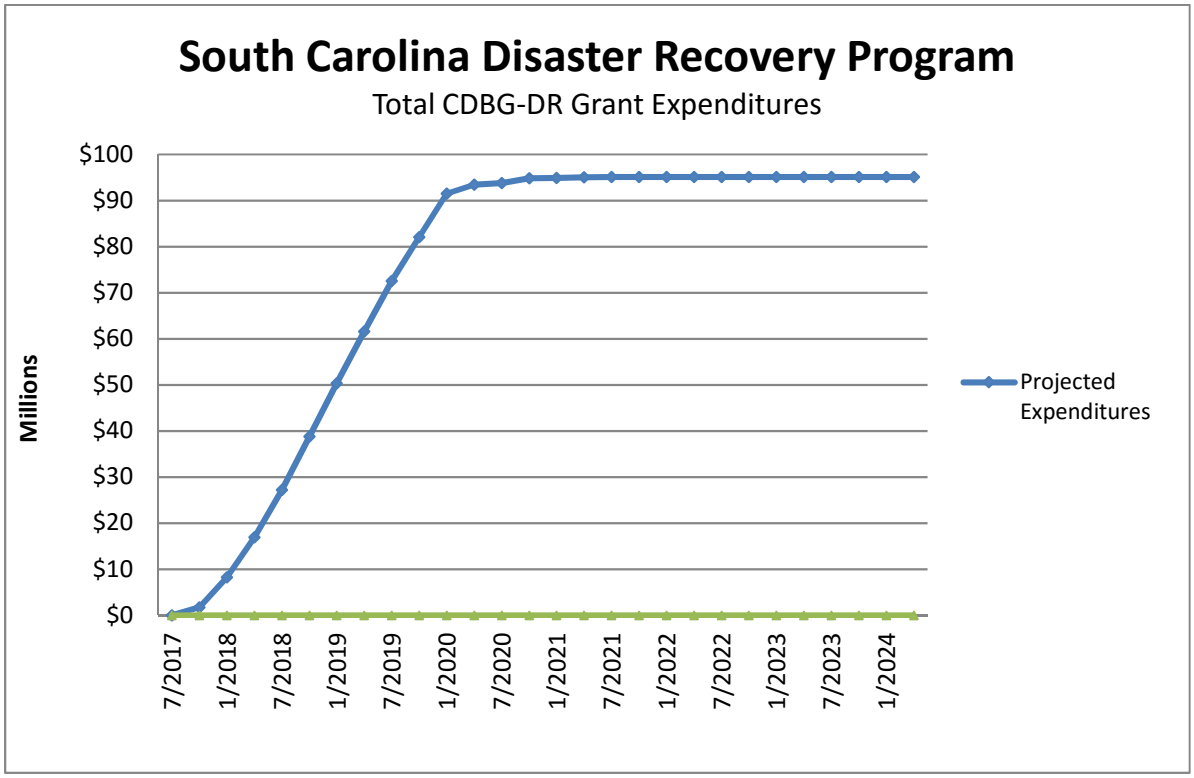


## Financial Projections




South Carolina Disaster Recovery Program
Planning & Administrative Expenditures
Millions
$6
$5
$4
$3
$2
$1
$0
7/2017
1/2018
7/2018
1/2019
7/2019
1/2020
7/2020
1/2021
7/2021
1/2022
7/2022
1/2023
7/2023
1/2024
Projected Expenditures


South Carolina Disaster Recovery Program
Total CDBG-DR Grant Expenditures
Millions
$100
$90
$80
$70
$60
$50
$40
$30
$20
$10
$0
7/2017
1/2018
7/2018
1/2019
7/2019
1/2020
7/2020
1/2021
7/2021
1/2022
7/2022
1/2023
7/2023
1/2024
Projected Expenditures

## Milestones

| *Time* | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Cal Year | | 2017 | | | | | | 2018 | | | | | | | | | | | |
| Month | | J | A | S | O | N | D | J | F | M | A | M | J | J | A | S | O | N | D |
| State Fiscal Year | | 2018 | | | 2018 | | | 2018 | | | 2018 | | | 2019 | | | 2019 | | |
| QPR Qtr | | QTR 1 | | | QTR 2 | | | QTR 3 | | | QTR 4 | | | QTR 5 | | | QTR 6 | | |
| Status | | Projected | | | Projected | | | Projected | | | Projected | | | Projected | | | Projected | | |
| ***Admin/Planning*** | | | | | | | | | | | | | | | | | | | |
| $ Admin | 5.00% | 170,000 | | | 350,000 | | | 425,000 | | | 425,000 | | | 425,000 | | | 425,000 | | |
| $ Plan | 0.53% | 200,000 | | | 25,000 | | | 25,000 | | | 25,000 | | | 25,000 | | | 25,000 | | |
| ***Non-Housing*** | | | | | | | | | | | | | | | | | | | |
| $ HMGP | 1.05% | - | | | - | | | - | | | - | | | 250,000 | | | 250,000 | | |
| ***MID-Housing*** | | | | | | | | | | | | | | | | | | | |
| % House | | 0% | | | 1% | | | 5% | | | 7% | | | 9% | | | 10% | | |
| $ Stick | 10.7% | - | | | - | | | 681,000 | | | 929,000 | | | 1,146,000 | | | 1,331,000 | | |
| $ Mob | 42.4% | - | | | 486,000 | | | 2,614,000 | | | 3,587,000 | | | 4,317,000 | | | 4,985,000 | | |
| $ Mod | 10.4% | - | | | - | | | 643,000 | | | 918,000 | | | 1,102,000 | | | 1,378,000 | | |
| Relocation | 0.0% | - | | | - | | | 1,000 | | | 1,000 | | | 1,000 | | | 1,000 | | |
| | | | | | | | | | | | | | | | | | | | |
| ***NMID-Housing*** | | | | | | | | | | | | | | | | | | | |
| % House | | 0% | | | 0% | | | 1% | | | 2% | | | 2% | | | 3% | | |
| $ Stick | 2.7% | - | | | - | | | 156,000 | | | 249,000 | | | 280,000 | | | 343,000 | | |
| $ Mob | 10.6% | - | | | 124,000 | | | 680,000 | | | 927,000 | | | 1,113,000 | | | 1,236,000 | | |
| $ Mod | 2.6% | - | | | - | | | 171,000 | | | 257,000 | | | 257,000 | | | 342,000 | | |
| Relocation | 0.0% | - | | | - | | | - | | | - | | | - | | | - | | |
| | | | | | | | | | | | | | | | | | | | |
| $ Rental - Mid | 0.53% | - | | | - | | | 50,000 | | | 50,000 | | | 100,000 | | | 100,000 | | |
| | | - | | | - | | | - | | | - | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| *Delivery Cost* | | | | | | | | | | | | | | | | | | | |
| % | | 0% | | | 6% | | | 9% | | | 10% | | | 12% | | | 11% | | |
| $ Contr | 13.4% | - | | | 766,000 | | | 1,149,000 | | | 1,277,000 | | | 1,532,000 | | | 1,405,000 | | |
| | | | | | | | | | | | | | | | | | | | |
| %Expended | 100.00% | 0% | | | 2.2% | | | 9.2% | | | 18.3% | | | 29.4% | | | 41.8% | | |
| $ TOTAL Qtr | | 370,000 | | | 1,751,000 | | | 6,595,000 | | | 8,645,000 | | | 10,548,000 | | | 11,821,000 | | |
| $ Grant to Date | | 370,000 | | | 2,121,000 | | | 8,716,000 | | | 17,361,000 | | | 27,909,000 | | | 39,730,000 | | |

| Time | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Cal Year | | 2019 | | | | | | | | | | | |
| Month | | J | F | M | A | M | J | J | A | S | O | N | D |
| State Fiscal Year | | 2019 | | | 2019 | | | 2020 | | | 2020 | | |
| QPR Qtr | | QTR 7 | | | QTR 8 | | | QTR 9 | | | QTR 10 | | |
| Status | | Projected | | | Projected | | | Projected | | | Projected | | |
| ***Admin/Planning*** | | | | | | | | | | | | | |
| $ Admin | 5.00% | 425,000 | | | 425,000 | | | 400,000 | | | 400,000 | | |
| $ Plan | 0.53% | 25,000 | | | 25,000 | | | 25,000 | | | 25,000 | | |
| ***Non-Housing*** | | | | | | | | | | | | | |
| $ HMGP | 1.05% | 250,000 | | | 250,000 | | | - | | | - | | |
| ***MID-Housing*** | | | | | | | | | | | | | |
| % House | | 10% | | | 10% | | | 10% | | | 9% | | |
| $ Stick | 10.7% | 1,331,000 | | | 1,301,000 | | | 1,300,000 | | | 1,084,000 | | |
| $ Mob | 42.4% | 4,985,000 | | | 5,229,000 | | | 5,107,000 | | | 4,438,000 | | |
| $ Mod | 10.4% | 1,378,000 | | | 1,286,000 | | | 1,286,000 | | | 1,102,000 | | |
| Relocation | 0.0% | 1,000 | | | - | | | - | | | - | | |
| | | | | | | | | | | | | | |
| ***NMID-Housing*** | | | | | | | | | | | | | |
| % House | | 3% | | | 2% | | | 3% | | | 2% | | |
| $ Stick | 2.7% | 343,000 | | | 312,000 | | | 311,000 | | | 280,000 | | |
| $ Mob | 10.6% | 1,236,000 | | | 1,176,000 | | | 1,298,000 | | | 1,113,000 | | |
| $ Mod | 2.6% | 342,000 | | | 344,000 | | | 342,000 | | | 257,000 | | |
| Relocation | 0.0% | - | | | - | | | - | | | - | | |
| | | | | | | | | | | | | | |
| $ Rental - Mid | 0.53% | 100,000 | | | 100,000 | | | - | | | - | | |
| | | | | | | | | | | | - | | |
| | | | | | | | | | | | | | |
| *Delivery Cost* | | | | | | | | | | | | | |
| % | | 11% | | | 8% | | | 7% | | | 4% | | |
| $ Contr | 13.4% | 1,405,000 | | | 1,022,000 | | | 894,000 | | | 511,000 | | |
| | | | | | | | | | | | | | |
| %Expended | 100.00% | 54.2% | | | 66.3% | | | 77.8% | | | 87.5% | | |
| $ TOTAL Qtr | | 11,821,000 | | | 11,470,000 | | | 10,963,000 | | | 9,210,000 | | |
| $ Grant to Date | | 51,551,000 | | | 63,021,000 | | | 73,984,000 | | | 83,194,000 | | |

| Time | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Cal Year | | 2020 | | | | | | | | | | | |
| Month | | J | F | M | A | M | J | J | A | S | O | N | D |
| State Fiscal Year | | 2020 | | | 2020 | | | 2021 | | | 2021 | | |
| QPR Qtr | | QTR 11 | | | QTR 12 | | | QTR 13 | | | QTR 14 | | |
| Status | | Projected | | | Projected | | | Projected | | | Projected | | |
| ***Admin/Planning*** | | | | | | | | | | | | | |
| $ Admin | 5.00% | 400,000 | | | 115,000 | | | 100,000 | | | 100,000 | | |
| $ Plan | 0.53% | 25,000 | | | 25,000 | | | 25,000 | | | - | | |
| ***Non-Housing*** | | | | | | | | | | | | | |
| $ HMGP | 1.05% | - | | | - | | | - | | | - | | |
| ***MID-Housing*** | | | | | | | | | | | | | |
| % House | | 9% | | | 0% | | | 0% | | | 0% | | |
| $ Stick | 10.7% | 1,084,000 | | | 31,000 | | | - | | | - | | |
| $ Mob | 42.4% | 4,438,000 | | | 123,000 | | | - | | | - | | |
| $ Mod | 10.4% | 826,000 | | | - | | | - | | | - | | |
| Relocation | 0.0% | - | | | - | | | - | | | - | | |
| | | | | | | | | | | | | | |
| ***NMID-Housing*** | | | | | | | | | | | | | |
| % House | | 2% | | | 0% | | | 0% | | | 0% | | |
| $ Stick | 2.7% | 280,000 | | | - | | | - | | | - | | |
| $ Mob | 10.6% | 1,113,000 | | | 61,000 | | | - | | | - | | |
| $ Mod | 2.6% | 168,000 | | | - | | | - | | | - | | |
| Relocation | 0.0% | - | | | - | | | - | | | - | | |
| | | | | | | | | | | | | | |
| $ Rental - Mid | 0.53% | - | | | - | | | - | | | - | | |
| | | - | | | - | | | - | | | | | |
| | | | | | | | | | | | | | |
| *Delivery Cost* | | | | | | | | | | | | | |
| % | | 7% | | | 8% | | | 0% | | | 7% | | |
| $ Contr | 13.4% | 894,000 | | | 1,022,000 | | | - | | | 892,700 | | |
| | | | | | | | | | | | | | |
| %Expended | 100.00% | 97.2% | | | 98.6% | | | 98.8% | | | 99.8% | | |
| $ TOTAL Qtr | | 9,228,000 | | | 1,377,000 | | | 125,000 | | | 992,700 | | |
| $ Grant to Date | | 92,422,000 | | | 93,799,000 | | | 93,924,000 | | | 94,916,700 | | |

| Time | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Cal Year | | 2021 | | | | | | | | | |
| Month | | J | F | M | A | M | J | J | A | S | |
| State Fiscal Year | | 2021 | | | 2021 | | | 2022 | | | |
| QPR Qtr | | QTR 15 | | | QTR 16 | | | QTR 17 | | | Total |
| Status | | Projected | | | Projected | | | Projected | | | |
| ***Admin/Planning*** | | | | | | | | | | | |
| $ Admin | 5.00% | 100,250 | | | 69,050 | | | - | | | 4,754,300 |
| $ Plan | 0.53% | - | | | - | | | - | | | 500,000 |
| ***Non-Housing*** | | | | | | | | | | | |
| $ HMGP | 1.05% | - | | | - | | | - | | | 1,000,000 |
| ***MID-Housing*** | | | | | | | | | | | |
| % House | | 0% | | | 0% | | | Remainder | | | 80% |
| $ Stick | 10.7% | | | | - | | | | | | 10,218,000 |
| $ Mob | 42.4% | | | | - | | | | | | 40,309,000 |
| $ Mod | 10.4% | | | | - | | | | | | 9,919,000 |
| Relocation | 0.0% | - | | | - | | | - | | | 5,000 |
| | | | | | | | | | | | |
| ***NMID-Housing*** | | | | | | | | | | | |
| % House | | 0% | | | 0% | | | Remainder | | | 20% |
| $ Stick | 2.7% | | | | - | | | | | | 2,554,000 |
| $ Mob | 10.6% | | | | - | | | | | | 10,077,000 |
| $ Mod | 2.6% | | | | - | | | | | | 2,480,000 |
| Relocation | 0.0% | - | | | - | | | - | | | - |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| $ Rental - Mid | 0.53% | - | | | - | | | - | | | 500,000 |
| | | - | | | - | | | - | | | - |
| | | | | | | | | | | | |
| *Delivery Cost* | | | | | | | | | | | |
| % | | 0% | | | 0% | | | 0% | | | 100% |
| $ Contr | 13.4% | - | | | - | | | (0) | | | 12,769,700 |
| | | | | | | | | | | | |
| %Expended | 100.00% | 99.9% | | | 100.0% | | | 100.0% | | | 100% |
| $ TOTAL Qtr | | 100,250 | | | 69,050 | | | (0) | | | 95,086,000 |
| $ Grant to Date | | 95,016,950 | | | 95,086,000 | | | 95,086,000 | | | |

## Key Program Terms

**Low-Income:** The Low-Income category describes applicants with household income levels between 51% and 80% of the Area Median Income level.

**Very Low-Income:** The Very Low-Income category describes applicants with household income levels between 31% and 50% of the Area Median Income level.

**Extremely Low-Income:** The Extremely Low-Income category describes applicants with household income levels between 0% and 30% of the Area Median Income level.

**Age Dependent:** Age Dependent refers to applicants with household members either 65 or over, or 5 years old or younger.

**MHU:** MHU stands for Manufactured Home Unit, or commonly referred to as a Mobile Home.

**U.S. Citizenship or Lawful Permanent Resident:** Refers to CBDG-DR Funding-eligible individuals. In determining eligibility for benefits, SC will comply with the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 ("PRWORA"); Attorney General Order No. 2353-2001, F.R. Doc. No.: 01-1158; and the guidance provided in the August 5, 2016 joint letter from US Attorney General Lynch, HHS Secretary Burwell, and HUD Secretary Castro. PRWORA provides that with certain exceptions, only US citizens and eligible noncitizens are eligible for federal, state, and local benefits.

The list of those eligible for benefits is similar to those in Section 214, with some slight exceptions:

- US Citizens or Nationals
- Lawful Permanent Residents ("Green Card" holders)
- Refugees and Asylees
- An alien paroled into US for a period of more than one year
- All aliens with deferred deportation
- Cuban/ Haitian Entrants
- Battered immigrants where battery causes the need for the benefit.

Note: If a potential SCDRO disaster relief recipient is not a citizen or eligible non-citizen, SCDRO will refer that person to the VOADs for possible assistance.

**Recipients:** As defined in 24 CFR 8.3(c) "Any State or its political subdivision, any instrumentality of a State or its political subdivision, any public or private agency, institution, organization, or other entity, or any person to which Federal financial assistance is extended for any program or activity directly or through another recipient, including any successor, assignee, or transferee of a recipient, but excluding the ultimate beneficiary of the assistance. An entity or person receiving housing assistance payments from a recipient on behalf of eligible families under a housing assistance payments program or a voucher program is not a recipient or sub-recipient merely by virtue of receipt of such payments." (24 CFR 8.3(c) under Qualified individual with handicaps)