

ORDINANCE 2022/42

AN ORDINANCE TO ESTABLISH A REGIONAL HOUSING TRUST FUND AND OTHER MATTERS RELATED THERETO

WHEREAS, the South Carolina State Legislature has enacted enabling legislation known as the “William C. Mescher Local Housing Trust Fund Enabling Act” which, *inter alia*, allows for the establishment of Regional Housing Trust Funds among local governments; and

WHEREAS, Beaufort County Council wishes to establish a regional housing trust fund with adjacent counties and municipalities within Beaufort County; and

WHEREAS, S.C. Code Section 31-22-30 provides “a local government, including a municipality or county, may jointly form a regional housing trust fund by ordinance. A regional housing trust fund created under this chapter is subject to the same requirement and has the same power as a local housing trust fund created by an individual local government”; and

WHEREAS, Beaufort County wishes to establish a regional housing trust fund with Jasper County, the Town of Hilton Head Island, the Town of Bluffton, the City of Beaufort, the City of Port Royal, the Town of Hardeeville and the Town of Yemassee, under terms set forth herein.

NOW, THEREFORE, be it ordained by Beaufort County Council, in meeting duly assembled, as follows:

SECTION 1. Legislative findings.

A. County Council finds:

- (1) In Beaufort County and the surrounding area, there is a shortage of adequate shelter for South Carolinians including the availability of an affordable residence or permanent domicile with adequate privacy, space, physical accessibility, security, structural stability and durability, and adequate electrical, plumbing, and heating systems.
- (2) Private enterprise and investment has not produced, without government assistance, the needed construction of sanitary, decent, and safe residential housing that people with lower incomes can afford to buy or rent.
- (3) The public's health, safety, and economic interests are best served by the provision of permanent affordable housing because such housing enables South Carolinians to maintain employment, assists this state's children to succeed in school, and helps this State's economic growth and prosperity.

B. The purpose of this ordinance is to authorize Beaufort County and adjacent counties and municipalities to jointly create and operate a regional housing trust fund.

SECTION 2 Definitions.

For purposes of this ordinance:

- (1) "Affordable housing" means residential housing for rent or sale that is appropriately priced for rent or sale to a person or family whose income does not exceed eighty percent of the median income for the local area, with adjustments for household size, according to the latest figures available from the United States Department of Housing and Urban Development (HUD).
- (2) "Homeless housing" means emergency, transitional, or permanent residential housing shelter for a person needing special assistance and shelter because he is homeless as defined by HUD or consistent with

another definition of homelessness under which a person may receive federal financial assistance, state financial assistance, or another supportive service.

(3) "Regional housing trust fund" (RHTF) means a multi-jurisdictional government fund separate from the general fund and established jointly by the governing authorities of one or more municipalities or county governments with one or more dedicated sources of public revenue and authorized expenditures as provided in this chapter.

(4) "Special needs housing" means housing or shelter provided by private or public entities including privately operated elderly housing, nursing homes, community residential care facilities, and other special needs population housing facilities regardless of purpose or type of facility.

SECTION 3. Funding.

A. The Beaufort Regional Housing Trust Fund may finance its expenditures with money available to the member local governments through their budgeting authority unless expressly prohibited by the law of this State. Sources of these funds include, but are not limited to, one or more of the following:

(1) donations;

(2) bond proceeds; and

(3) grants and loans from a state, federal, or private source.

Beaufort County and the other participating members of the RHTF may alter a source of funding for the RHTF by amending the ordinance(s) that establish financing for the RHTF, but only if sufficient funds exist to cover the projected debts or expenditures authorized by the RHTF in its budget. State law does not create, grant, or confer a new or additional tax or revenue authority to a local government or political subdivision of the State unless otherwise provided by the law of this State.

B. The member local governments of the RHTF shall safeguard the fund in the same manner as the general fund or a separate utility fund established for specific purposes. The RHTF may be included in the required financial expense reports or annual audit for each local government.

C. The member local governments operating a RHTF may allocate funds to a program that promotes the development or rehabilitation of affordable housing as defined in the state enabling legislation. Regarding the distribution of funds from a RHTF, preference must be given to a program or project that promotes the development or rehabilitation of affordable housing for an individual or family with an annual income at or below fifty (50%) percent of the median income for the local area, adjusted for family size according to current data from HUD, the development or rehabilitation of special needs housing, or the development or rehabilitation of homeless housing.

D. RHTF funds may be used to match other funds from federal, state, or private resources, including the State Housing Trust Fund. Member local governments shall seek additional resources for housing programs and projects to the maximum extent practicable. The member local governments shall administer the housing trust fund through new or existing nonprofit organizations to encourage private charitable donation to the funds. Where the RHTF receives such a donation, the donation must be used and accounted for in accordance with the provisions of this chapter.

E. A RHTF established, utilized, or funded under this ordinance must provide an annual report to the member local governments that created the fund. The member local governments shall require the RHTF to provide an accounting of its funds each year. This report must be made available to the public by posting on the appropriate website of the member local governments. Any alteration or amendment to such governing documents must conform to the provisions of the enabling legislation.

SECTION 4. Operations.

The local governments who are to be a party to the RHTF shall enter into an Intergovernmental Agreement which shall contain, *inter alia*, clauses which address the following:

- A. The creation, governance, operation and maintenance of a non-profit corporation, created as tax exempt under Section 501(c)(3) of the US Internal Revenue Code.
- B. The relative financial contributions of each of the members.
 1. Each participating jurisdiction will dedicate 3% of their allocation from their American Recovery Act appropriations
 2. Each year thereafter, there will be a total annual additional contribution of \$500,000 from all jurisdictions, divided based upon population of each local government, as set forth in the below table:

Year	Sum	Beaufort County	City of Beaufort	City of Ponce de Leon	City of Port St. John	City of St. Johns	City of St. Johns	City of St. Johns	City of St. Johns
Y1*	\$2,035,058	\$1,119,523	\$156,815	\$59,474	\$197,669	\$200,671	\$175,240	\$108,699	\$16,967

*Year 1 = 3% of American Rescue Plan funds

Y2	\$515,000	\$228,605	\$86,559	\$63,702	\$32,683	\$31,274	\$57,117	\$12,579	\$2,482
Y3	\$530,750	\$235,596	\$89,206	\$65,650	\$33,682	\$32,230	\$58,864	\$12,964	\$2,558
Y4	\$546,672	\$242,664	\$91,882	\$67,619	\$34,693	\$33,197	\$60,629	\$13,353	\$2,635
Y5	\$563,072	\$249,944	\$94,639	\$69,648	\$35,734	\$34,193	\$62,448	\$13,753	\$2,714
Y6	\$579,965	\$257,442	\$97,478	\$71,737	\$36,806	\$35,219	\$64,322	\$14,166	\$2,795
Y7	\$597,363	\$265,165	\$100,402	\$73,889	\$37,910	\$36,275	\$66,251	\$14,591	\$2,879
Y8	\$615,284	\$273,120	\$103,414	\$76,106	\$39,047	\$37,364	\$68,239	\$15,028	\$2,966
Y9	\$633,743	\$281,314	\$106,517	\$78,389	\$40,218	\$38,485	\$70,286	\$15,479	\$3,055
Y10	\$652,755	\$289,753	\$109,712	\$80,741	\$41,425	\$39,639	\$72,395	\$15,944	\$3,146
Sum	\$7,269,662	\$3,443,127	\$1,036,623	\$706,955	\$529,866	\$518,548	\$755,791	\$236,555	\$42,197

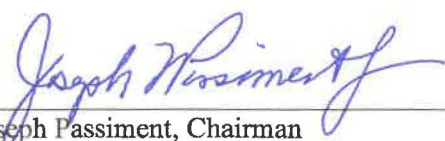
SECTION 5. Severability.

If any part of this Ordinance is held by a court of competent jurisdiction to be unconstitutional, illegal, or invalid for any reason, it shall be construed to have been the legislative intent of the County Council of Beaufort County, South Carolina, to pass this Ordinance without such unconstitutional, illegal or invalid provision, and the remainder of this Ordinance shall be deemed and held to be constitutional, lawful and valid as if such portion had not been included. If this Ordinance or any provision thereof is held by a court of competent jurisdiction to be inapplicable to any person, group of persons, property, kind of property, circumstances or set of circumstances, such holding shall not affect the applicability thereof to any other persons, property or circumstances.


NOW, THEREFORE, BE IT ORDAINED, by Beaufort County Council to establish a regional housing trust fund and other matters related thereto.

Adopted this 24th day of October 2022.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: 
Joseph Passiment, Chairman

ATTEST:



Sarah W. Brock, Clerk to Council

First Reading: September 26, 2022 / Vote 11:0

Second Reading: October 3, 2022 / Vote 10:0

Public Hearing: October 24, 2022

Third Reading: October 24, 2022 / Vote 10:0