



JOHN J. TECKLENBURG
MAYOR

City of Charleston
South Carolina

VANESSA TURNER-MAYBANK
CLERK OF COUNCIL

Clerk of Council Department

**SPECIAL
COMMUNITY DEVELOPMENT COMMITTEE AGENDA**

A meeting of the Community Development Committee will be held at **4:30 p.m., Thursday, January 30, 2020** at 80 Broad Street, 2nd Floor City Hall Council Chamber. The agenda will be as follows:

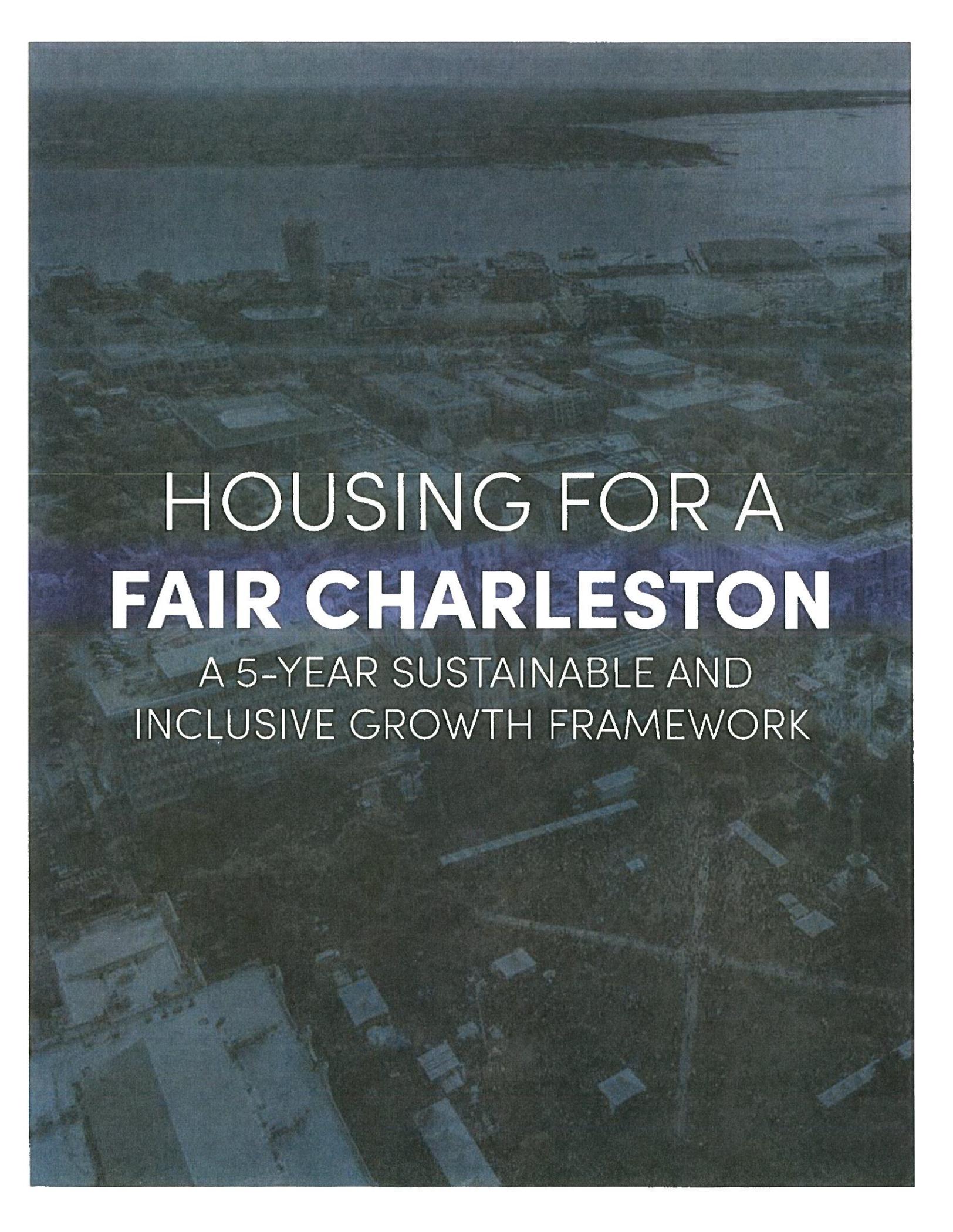
- Invocation
- a. **Public Participation**
- b. **Approval of Minutes**
Deferred
- c. **New Business:**
 1. Presentation of the Plan: Housing for a Fair Charleston – Natasha Hicks
 2. Resolution and Grant Agreement between the City of Charleston and the Charleston Redevelopment Corporation – Geona Shaw Johnson & Patrick King
 3. Presentation from Bond Recipient – Humanities Foundation – Tracy Doran
 4. Presentation from Bond Recipient – Rea Ventures – Jenn Wilkinson
 5. Discussion of an Accessory Dwelling Ordinance - Jacob Lindsey
- d. **Old Business**
None

Miscellaneous Business
Adjourn

If you have a conflict with this meeting, and will not be present, please call the Clerk's Office at 724-3726. Thank you for your cooperation in this matter.

VANESSA TURNER MAYBANK
CLERK OF COUNCIL

In accordance with the Americans with Disabilities Act, people who need alternative formats, ASL (American Sign Language) Interpretation or other accommodation please contact Janet Schumacher at (843) 577-1389 or email to schumacherj@charleston-sc.gov three business days prior to the meeting.

An aerial photograph of a city, likely Charleston, South Carolina, showing a dense urban area with various buildings and streets. In the background, a large body of water, possibly a harbor or bay, is visible under a clear sky. The overall tone of the image is somewhat muted, with a blueish-grey color palette.

HOUSING FOR A **FAIR CHARLESTON**

A 5-YEAR SUSTAINABLE AND
INCLUSIVE GROWTH FRAMEWORK

TABLE OF CONTENTS

I. Introduction

A. Executive Summary	7
B. Guiding Values	8
C. Guiding Orientations	10
D. Report Key Terms & Acronyms	12

II. Defining Charleston's Affordable Housing Crisis

A. Charleston's State of Housing	16
-Charleston is in a Housing Crisis	16
-Charleston's Households are Cost Burdened	18
-Cost of housing is rising faster than wages	20
-Charleston's housing supply is not meeting demand	22
B. So...what is going wrong?	24
C. Two Categories of Barriers to Building Affordable Housing	26
-Major Barrier 1: Cost	28
-Major Barrier 2: Attitudes	30
D. SWOT Analysis	36

III. Charleston's Affordable Housing Toolkit

A. Introduction	40
B. Zoning/Policy Tools	44
C. Funding Tools	68
D. Education/Empathy Building Tools	92
E. Capacity Building Tools	112

IV. Implementation Plan

A. Introduction	132
B. Implementation Matrix	134

V. Appendices

A. Appendix A	150
B. Appendix B	152
C. Appendix C	154

Chapter One

INTRODUCTION

Acknowledgments:

This report was made possible due to the partnership of the Bloomberg/Harvard initiative and a number of departments within the City of Charleston, including:

- The Mayor's Office
- Planning, Preservation and Sustainability
- Housing and Community Development
- Charleston Civic Design Center
- Business and Neighborhood Services
- Traffic and Transportation

Housing for a Fair Charleston (H4FC) Report Team:

Author:

Natasha Hicks, Bloomberg Harvard Summer Fellow: City of Charleston, Mayor's Office

Report Advisory Team:

Geona Johnson, Director, Housing and Community Development

Amanda Herring, Operations Manager, Planner, Planning, Preservation and Sustainability

Andrea Jones, Community Development Coordinator, Housing and Community Development

Florence Peters, Housing Development Officer, Housing and Community Development

Chloe Stuber, Planner, Planning, Preservation and Sustainability

Mapping Advisory Team:

Dexter O'Connell, Associate Planner, Planning, Preservation and Sustainability

Aaron Holly, Planner, Planning, Preservation and Sustainability

Allen Davis, Director, Charleston Civic Design Center

Morgan Gundlach, Urban Designer, Charleston Civic Design Center

EXECUTIVE SUMMARY

Charleston is at a crossroads. The city is experiencing tremendous growth - a population boom, recognition as a top tourist destination, an influx of new industry and startup activity - it is not difficult to recognize the burgeoning landscape of opportunities that are rising in the city. However this growth has also launched the city into a housing crisis that has made the area an increasingly difficult place to live and afford for long standing residents. There is tremendous opportunity for the City of Charleston and greater community to leverage existing efforts aimed at addressing the affordability crisis and collaborate to enact bold and innovative policies. This report hopes to be the first step in this process.

In the first chapter this report outlines some key guiding principles and values for approaching an affordable housing framework plan in Charleston. In the second chapter this report details the key facts and figures around Charleston's affordable housing crisis - because a deeply rooted understanding of the problem sparks innovative solutions. In the third chapter, this report provides a toolkit of thirty five policy and programming strategies to address Charleston's affordable housing crisis. These tools are divided into four sections: Planning/Zoning, Funding, Empathy/Education, and Capacity Building. The strategies provided include the following:

Planning/Zoning Tools:

- Zoning incentives
- Expedited processing, Fee Waivers, Reduced Parking
- Inclusionary Zoning
- ADU (Accessory Dwelling Units) and Tiny Homes
- STR (Short Term Rentals) Zoning Provisions
- RAD (Rental Assistance Demonstration)
- City Land Banking
- CLT (Community Land Trust)
- Historic Preservation and Cultural Districts
- TOD (Transit Oriented Development)

Funding Tools:

- Affordable Housing Trust Fund
- Affordable Housing Bonds
- Levying a Penny Tax
- Fee in Lieu & Impact Fees
- TIF (Tax Increment Finance)
- Tax Credits
- Tax Abatements & The Bailey Bill
- Opportunity Zones
- HUD Programs
- Philanthropic Funding

Empathy/Education Tools:

- Housing Education & Counseling Programs
- Eviction Mitigation Services
- Participatory Public Art Projects
- Block Parties
- Participatory Mapping
- Social Media Campaigns
- Storytelling Projects
- Dinner Parties

Capacity Building Tools:

- Office of Strategic Initiatives
- City Realtor and Land Acquisition Task Force
- Housing Partnership Network
- Employer Assisted Housing
- Affordable Housing Preservation Dashboard
- Housing Data Coalition and Data Hackathons
- Neighborhood Typologies Data Framework

For each strategy the third chapter investigates the tool and recommends action items for the City of Charleston to take in order to execute or strengthen the usage of the recommended tool. And lastly, the fourth chapter of this report provides a path forward on how to implement the recommendations provided.

Carrying out these programs and solutions will not be easy. However, the urgency of these challenges demands swift action to create the policies that ensure that Charleston's future is one that includes not just those who are moving in, but also the long term residents who are critical to the fabric and future of the city.

GUIDING VALUES

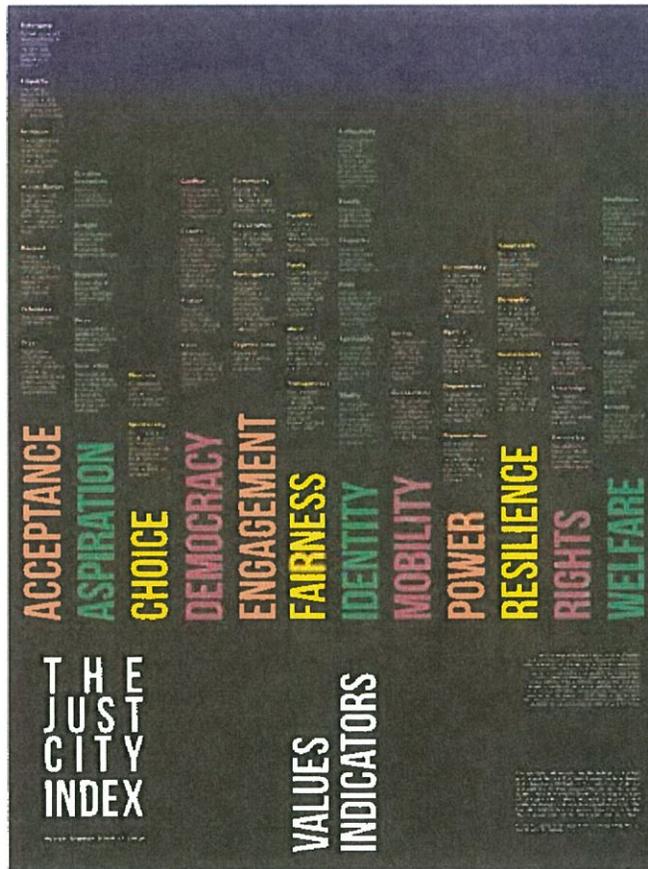
¹ <https://www.designforthejustcity.org/>

It is critical that this report is founded on a shared value proposition and a belief that places are more thoughtfully designed when community values are put first. In order to help provide a framework for devising these guiding values, the H4FC report team researched how other designers and planners were approaching the process of creating shared value propositions.

One organization that explicitly is looking into this is the Just City Lab, founded by Toni L. Griffin at Harvard Graduate School of Design. The lab investigates the ways design and planning contribute to conditions of justice and injustice in our cities. The lab has produced the Just City Index, a framework of 50 values, to be used as

a tool for communities to establish their own definition and principles for what values are most needed in their city to combat conditions of injustice.¹

Using the Just City Lab's publicly available tools, twenty-five City of Charleston public officials, including the Mayor, were shown the below index of 50 values and asked to take part in a survey to help choose the guiding values for this report. The survey results revealed four values that were most highly prioritized: *Fairness, Acceptance, Mobility and Resilience*. These four values make up the backbone of this report, and guide the recommendations made in future chapters. This framework plan strives to embed itself within the following four values:



THE 5 JUST CITY VALUES THAT I THINK ARE MOST NEEDED IN CHARLESTON ARE...
(SEE BACK SIDE OF POSTCARD FOR INDEX)



The Just City Index and sample surveys distributed to city officials

1. FAIRNESS // impartial and just treatment or behavior without favoritism or discrimination

The first and foremost value of this plan is the idea of fairness - that every member of the Charleston community deserves to have access to attainable and safe housing.

Embedded in this value are two other key principles: equity and equality. While often used interchangeably, these two terms are very distinct in their meaning.

At its core, *equity* refers to the ideas of providing access to the same opportunities whereas *equality* refers to giving all people the same resources (see the below diagram for a visual representation of the nuance between these two terms).

This report focuses on the importance of *equity*, of acknowledging that there are inherent inequalities present in our society that makes things more difficult for some (in the image below this is represented by the uneven fence).

The tools laid out in this plan are like the crates in the below image of "equity"; fundamentally the plan aims to provide the mechanisms that ensure Charleston's residents receive the right and fair amount of resources to obtain affordable housing.

2. ACCEPTANCE // the action or process of being received as adequate or suitable, typically to be admitted into a group.

Acceptance is critical in ensuring that Charleston fosters a culture of inclusion and belonging for Charleston's diverse population. When cities are inclusive of different perspectives, voices, and experiences, everyone benefits from the rich layers added to the community's culture and fabric.

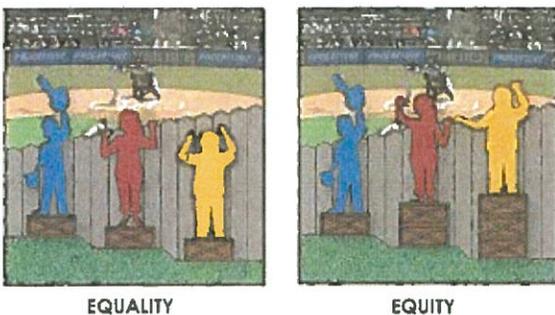
3. MOBILITY // the convenient proximity to, quality of, or connectivity to basic needs, amenities, choices, and decisions

Mobility encapsulates two concepts: access to basic needs and choices, and connectedness to different physical and social networks that tie people together. Every member of the Charleston community deserves to have access to opportunity which includes affordable housing, affordable transportation, quality education, and workforce opportunities. When community members have access to all of these elements, we can build healthy and vibrant neighborhoods.

4. RESILIENCE // the capacity of individuals, communities, institutions, businesses, and systems within a city to survive, adapt, and grow no matter what kinds of chronic stresses and acute shocks they experience

Every member of the Charleston community deserves to feel secure in their current and future situation living in Charleston. The recent combination of extreme flooding events and the affordability crisis has led to the displacement of long term residents. It is critical that this plan is rooted in creating the infrastructure so that those who want to stay in Charleston have the choice to do so.

2
Reference for image: <http://culturalorganizing.org/the-problem-with-that-equity-vs-equality-graphic/>



Equality v Equity diagram

GUIDING ORIENTATIONS

Between 2017-2018, the City of Charleston participated in the Bloomberg Harvard City Leadership Initiative. As part of the initiative, cities and their leadership team could choose one area of focus where they wanted to improve. Charleston choose the area of Cross Sector Collaboration during their engagement,

demonstrating a key goal in the city to better foster partnerships across stakeholders and sectors.

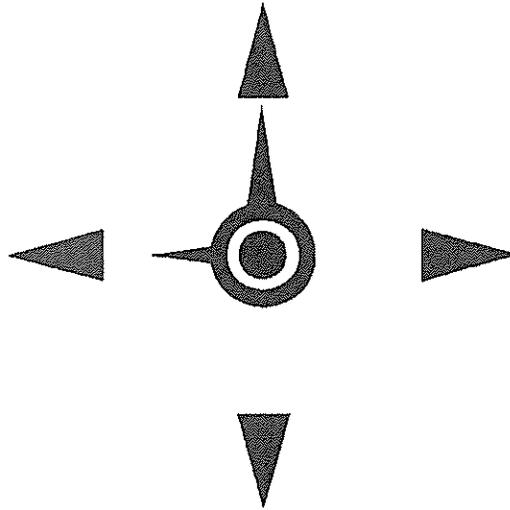
Continuing in this spirit, this framework plan strives to be embedded within the context of the following four guiding "orientations" around partnerships and collaboration:

REGIONAL CONTEXT AND SCALING GOVERNMENT PARTNERSHIPS

While this plan lays out a framework for the city of Charleston, the affordable housing crisis is a regional and state issue, as well as a national endemic. This context cannot be ignored, and strategic partnerships with different regional, state and federal government agencies will be critical for the plan's success.

COMMUNITY PARTNERSHIPS:

There are many local non-profit and community organizations that have dedicated their missions and energy to combating the affordable housing crisis. It is critical that the city support these efforts and continue to engage with these stakeholders as partners for future programs and policies.



CROSS-DEPARTMENT CITY PARTNERSHIPS:

Affordable housing is inherently linked to many other factors such as economic development, transportation, resilient infrastructure, and neighborhood development. It is critical that this plan is engaged with public officials across different areas of expertise in the city.

PRIVATE SECTOR PARTNERSHIPS

The scale of the issue of the affordability crisis cannot be addressed without the help and innovation of the private sector. Creative collaborations between the public and private sector will be critical for moving the needle for affordable housing in Charleston.

A DEEPER LOOK AT THE RELATIONSHIPS BETWEEN SECTORS:

**RESILIENT AND SUSTAINABLE
INFRASTRUCTURE:**

As outlined in the Dutch Dialogues Charleston report, *where* new housing is developed and created is dependent on understanding the current ecological pressures within Charleston. An increase in flooding events demonstrates the importance to better understanding the environmental conditions when looking at areas and parcels to develop safe and affordable housing.

**ECONOMIC
DEVELOPMENT:**

As outlined in the city's "Plan West Ashley" affordable housing is inherently linked to wages, income and greater access to job opportunities. Creating more affordable housing opportunities is also tied to creating livable neighborhoods, with access to job opportunities and valuable neighborhood amenities such as grocery stores, pharmacies and quality schools.

**AFFORDABLE
HOUSING
DEVELOPMENT**

TRANSPORTATION:

As outlined in the city's "Plan West Ashley" affordable housing is inherently linked to access, mobility, and connectivity. Workers spend more money when they have long commutes, and Charleston has suffered from a "drive until you can afford it" mentality. Embedded in a plan for affordable housing must also be a plan for greater mobility and transportation opportunities.

REPORT KEY TERMS & ACRONYMS

1
<https://olympia-management.net/2017/08/difference-affordable-housing-public-housing/>

AFFORDABLE HOUSING¹: Generally refers to housing for which the occupant(s) is/are paying no more than 30 percent of his or her income for gross housing costs, including utilities.

2
https://www.hud.gov/program_offices/public_independent_housing/programs/ph

PUBLIC HOUSING²: Decent and safe rental housing owned by a housing authority and made available to eligible low-income households, the elderly, and persons with disabilities. Public housing comes in all sizes and types, from scattered single family houses to high-rise apartments for the elderly. Housing authorities have the discretion to establish eligibility preferences to reflect the needs in its own community.

3
<https://olympia-management.net/2017/08/difference-affordable-housing-public-housing/>



IMPORTANT CAVEAT - THE DIFFERENCE BETWEEN AFFORDABLE AND PUBLIC HOUSING³:

The terms public housing and affordable housing are often used interchangeably, however these two types of housing are quite different. Public housing, quite simply, is housing that is owned and/or managed *by the government* for the purpose of providing housing to low-income families. Affordable housing is any home, rented or owned, in which costs comprise less than 30 percent of the household income, and are *private* properties that are made available to lower-income families at less than market value. These units are not owned and/or managed by the government, however, jurisdictions can incentivize the creation of affordable housing through a variety of different subsidies and incentives (e.g. tax credits). This report focuses on creating and preserving *affordable housing*.

4
<http://www.allgov.com/departments/departments-of-housing-and-urban-development?detailsDepartmentID=572>

HUD⁴: The U.S. Department of Housing and Urban Development is a cabinet level agency that oversees federal programs designed to help Americans meet their housing needs. HUD seeks to increase homeownership, support community development and increase access to affordable housing free from discrimination.

5
https://pittsboronc.gov/vertical/sites/%7B512CE168-4684-4855-9CD9-7D209FE775E3%7D/uploads/Glossary_of_Terms.pdf

AREA MEDIAN INCOME⁵: Used to define income eligibility, the AMI is determined on an annual basis by HUD.

6
Ibid

WORKFORCE HOUSING⁶: Housing where the housing cost and utilities makes up no more than 30% of the gross household income for a *moderate-income* household. Workforce housing is generally used to refer to housing for households who make between 80% and 120% of the Area Median Income.

7
https://americas.uli.org/wp-content/uploads/sites/2/ULI-Documents/ULI_Affordable-Housing_F2.pdf

ATTAINABLE HOUSING⁷: Generally a more inclusive term to describe affordability at a range of different area median incomes. It is usually used to talk about housing where the housing cost and utilities makes up no more than 30% of the gross household income for households *earning up to 120%* of the City's median area income.

GENTRIFICATION⁸: Sociologist Ruth Glass coined the phrase “gentrification” in the 1960s to describe the turnover that occurs when upper-class “gentry” move into traditionally working-class neighborhoods. It is a phenomenon that has become the subject of much debate. There is no singular definition of the term, however the common thread through most definitions includes changing neighborhoods, increased development, rising housing costs and residential turnover. Part of the inconsistency in definitions of gentrification comes from the data used to measure changing neighborhood conditions. Some studies use changing income statistics, or changing demographic data (race, age, education attainment) to define if a neighborhood is gentrifying. When discussing the topic, it is important to stray away from a “one-size-fits-all” definition, and foster nuanced conversations for how and why local communities are experiencing neighborhood change.

DISPLACEMENT⁹: Displacement is when residents who are no longer able to afford living in their neighborhood move elsewhere. This is often a result of the impact of increasing housing prices in a neighborhood caused by neighborhood reinvestment and major infrastructure investments.

NIMBY(Not-In-My-Backyard)¹⁰: Describes the phenomenon in which residents of a neighborhood designate a new development (e.g. shelter, affordable housing, group home) or change in occupancy of an existing development as inappropriate or unwanted for their local area.

ZONING¹¹: Zoning is a way of organizing a city into sections. That is, each area or lot will have a designated zoning regulation or ordinance, meaning only certain types of buildings or land usages will be allowed on that lot – often known as permitted land use (e.g. “residential” or “commercial”).

STATE ENABLING LEGISLATION¹²: State enabling legislation refers to a range of initiatives taken at the state level to make it possible, easier, or even encourage cities and/or counties to implement different housing policies (e.g. inclusionary zoning, housing trust funds).

DRB¹³: The Design Review Board (DRB), is a local board in Charleston, which convenes to “establish a review process that will protect and improve the visual and aesthetic character and economic value” of development within the City of Charleston.

TRC¹⁴: The Technical Review Committee (TRC) reviews site plans and subdivisions for compliance with City of Charleston codes.

BAR¹⁵: The Board of Architectural Review (BAR) was established in Charleston in 1931 with the creation of the first preservation ordinance in the United States. As stated in the City of Charleston Zoning Ordinance, the purpose of the board is “the preservation and protection of the old historic or architecturally worthy structures and quaint neighborhoods which impart a distinct aspect to the city.”

8
Adapted excerpt
from – <https://www.enterprisecommunity.org/blog/2018/10/many-definitions-gentrification>

9
<https://www.citylab.com/equity/2015/09/the-compliated-link-between-gentrification-and-displacement/404161/>

10
<https://www.homelesshub.ca/solutions/affordable-housing/nimby-not-my-backyard>

11
<https://www.gimme-shelter.com/zoning-land-use-50039/>

12
<https://housing-trustfundproject.org/housing-trust-funds/state-housing-trust-funds/state-enabling-legislation-2/>

13
<https://www.charleston-sc.gov/294/Design-Review-Board-DRB>

14
<https://www.charleston-sc.gov/298/Technical-Review-Committee-TRC>

15
<https://www.charleston-sc.gov/293/Board-of-Architectural-Review-BAR>

A RESOLUTION

AUTHORIZING THE CITY OF CHARLESTON TO MAKE CERTAIN GRANTS TO CHARLESTON REDEVELOPMENT CORPORATION IN ORDER TO FACILITATE THE CONSTRUCTION OF AFFORDABLE HOUSING

WHEREAS, pursuant to a general obligation bond referendum conducted on November 17, 2017, the voters of the City of Charleston (the "**City**") approved the following question by a margin of 6,050 votes cast in favor of the question and 2,561 votes being cast opposed to the question: "In order to assist with the acquisition, construction and equipping of safe and affordable rental housing for persons and families of low to moderate income, shall the City of Charleston be empowered to issue not exceeding \$20,000,000 of General Obligation Bonds?" (the "**General Obligation Bonds**"); and

WHEREAS, such General Obligation Bonds may be issued in one or more series not later than the fifth anniversary of such referendum; and

WHEREAS, the City expects the General Obligation Bonds to be issued in one or more series by November 17, 2022 and yield proceeds available for expenditure by the City in the amount of approximately \$20,000,000 (collectively, the "**Bond Proceeds**");

WHEREAS, the City desires to make grants of portions of the Bond Proceeds at such times and in such amounts as the Mayor shall determine (each, a "**Qualified Grant**" and collectively, the "**Qualified Grants**") to the Charleston Redevelopment Corporation, a South Carolina nonprofit corporation (the "**CRC**") for use by the CRC to facilitate the development and construction of Affordable Housing (as defined below); and

WHEREAS, as used herein, the term "Affordable Housing" shall mean safe and affordable rental housing leased and rented to members of the general public who are low to moderate-income households which are families and individuals whose incomes do not exceed one hundred twenty percent (120%) of the Area Median Income as established by the United States Department of Housing and Urban Development ("**HUD**"). The maximum monthly rental paid by any such tenant (taking into consideration rental assistance, if any) shall not exceed the maximum monthly rental permitted to be charged pursuant to the provisions of the applicable Low Income Housing Tax Credit Regulations, all as more particularly described in the Grant Agreement (as defined below).

WHEREAS, each Qualified Grant will be made to the CRC under a Grant Agreement in substantially the form attached hereto as **Exhibit A** and incorporated herein by reference (the "**Form Grant Agreement**"); and

WHEREAS, City Council desires to adopt this Resolution in order to confirm its approval of (a) the City's making the Qualified Grants to CRC in such amounts and at such times as the Mayor determines, which grants shall be made pursuant to a Grant Agreement using the Form Grant Agreement and (b) in connection with the foregoing, the execution and delivery of all documents evidencing or related to any of the foregoing as are approved by the Mayor and by the City's legal staff.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CHARLESTON, SOUTH CAROLINA:

SECTION 1. CITY COUNCIL CONFIRMS ALL THE FINDINGS OF FACT CONTAINED IN THE RECITALS OF THIS RESOLUTION.

SECTION 2. CITY COUNCIL APPROVES THE CITY'S MAKING OF THE QUALIFIED GRANTS TO CHARLESTON REDEVELOPMENT CORPORATION IN SUCH AMOUNTS AND AT SUCH TIMES AS THE MAYOR DETERMINES, WHICH GRANTS SHALL BE MADE PURSUANT TO A GRANT AGREEMENT USING THE FORM GRANT AGREEMENT.

SECTION 3. CITY COUNCIL APPROVES THE FORM GRANT AGREEMENT FOR SUCH QUALIFIED GRANTS.

SECTION 4. IN CONNECTION WITH THE FOREGOING, THE CITY COUNCIL APPROVES THE EXECUTION AND DELIVERY OF ALL DOCUMENTS EVIDENCING OR RELATED TO ANY OF THE FOREGOING AS ARE APPROVED BY THE MAYOR AND BY THE CITY'S LEGAL STAFF, THE MAYOR'S EXECUTION THEREOF TO BE CONCLUSIVE EVIDENCE OF SUCH APPROVAL.

SECTION 5. THE MAYOR SHALL REPORT TO THE COUNCIL WITHIN 45 DAYS OF THE MAKING OF A QUALIFIED GRANT PERTINENT DETAILS THEREOF, INCLUDING THE AMOUNT OF THE QUALIFIED GRANT, THE PURPOSE TO WHICH CRC HAS APPLIED THE QUALIFIED GRANT, AND THE LOCATION AND NUMBER OF HOUSING UNITS TO BE DERIVED THEREFROM.

DONE IN MEETING DULY ASSEMBLED, this _____ day of _____, 2020.

John J. Tecklenburg, Mayor
City of Charleston

ATTEST:

Clerk

STATE OF SOUTH CAROLINA

COUNTY OF CHARLESTON

I, the undersigned, Clerk of City Council of Charleston, South Carolina, **DO HEREBY CERTIFY:**

That the foregoing constitutes a true, correct and verbatim copy of a Resolution unanimously adopted by said City Council, having been read at a regularly held meeting at which a quorum attended and remained throughout on _____, 2020.

That the said Resolution is now in full force and effect and has not been modified, amended, repealed, or rescinded.

IN WITNESS WHEREOF, I have hereunto set my Hand this ___ day of _____, 2020.

Clerk of City Council of the City of Charleston, South
Carolina

EXHIBIT A

GRANT AGREEMENT

This Grant Agreement (“Agreement”) is made as of the _____ day of _____, 20__ by and between the Charleston Redevelopment Corporation, a South Carolina nonprofit corporation (the “Grantee”) and the City of Charleston, a political subdivision of the State of South Carolina (the “Grantor”). By its execution of this Agreement or acceptance of the Grant Funds (as hereinafter defined), CRC hereby agrees to comply strictly with the terms of this Agreement.

I. **Grant Award.** The Grantor hereby awards a grant (the “Grant”) to the Grantee in the amount of \$_____ Dollars (the “Grant Funds”) to facilitate the construction and development of Affordable Housing (as defined on Exhibit A) in the City of Charleston (the “Grant Purpose”).

II. **General Terms of Grant.**

- A. Grant Number: _____
- B. Date Authorized: _____
- C. Fiscal Agent: _____
- D. Total Amount: _____

In accepting the Grant and carrying out the Grant Purpose, the Grantee will comply with all applicable laws, regulations, and rules. The Grantor is awarding the Grantee this Grant for the Grant Purpose and for no other purpose whatsoever.

The Grantee agrees that any real property upon which Affordable Housing is developed by any party with the use of Grant Funds, other than real property owned by Grantor, shall be subject to restrictive covenants limiting the use of such property to Affordable Housing. Such covenants shall be enforceable by Grantor. Grantee agrees to require the imposition of such covenants in connection with the release by it of any Grant Funds.

III. **Release of Grant Funds.** The Grantor will release the Grant Funds to the Grantee promptly upon the Grantee’s and Grantor’s execution of this Grant Agreement.

IV. **Expenditure of Grant Funds.**

A. The Grantee is responsible for the expenditure of the Grant Funds and for maintaining adequate supporting records consistent with generally accepted accounting practices. Upon request, Grantee will document that none of the Grant Funds have been used for anything other than the approved Grant Purpose. The Grantee’s financial record keeping and accounting procedures must be available for examination by the Grantor staff if requested with reasonable notice and during normal working hours for three years after the making of the Grant herein.

B. The Grantor may terminate this Grant immediately if, in its sole discretion, it determines the Grantee has breached this Agreement or has misappropriated Grant Funds.

V. **Reversion of Grant Funds.** The Grantee will immediately return or reimburse to the Grantor any Grant Funds not used for the Grant Purpose within thirty (30) days of the date of this Grant Agreement. Grant Funds also shall be immediately returned or reimbursed to Grantor if the Grantor terminates this Grant Agreement in accordance with Article IV.

VI. Reporting, Records, and Audit.

A. Full financial accounting of Grant Funds and evaluation reports are required as a condition of the Grant.

B. Reports should include a complete financial statement showing all funds received and expended for the program(s) covered by the Grant, a narrative report on the Grant Purpose, and results as related to goals and objectives.

VII. Intentionally Omitted.

VIII. Limit of Commitment. The Grantor has no obligation to provide any support beyond the Grant Funds.

IX. Legal Relationship and Liability. Nothing contained herein shall create a partnership, joint venture, employment, agency or fiduciary relationship between the parties. Neither party has the right or authority to control or direct the activities of the other or the right or ability to bind the other to any agreement with a third party or to incur any obligation or liability on behalf of the other party, unless expressly authorized in this Agreement. Neither party to this Agreement shall be liable to the other party for any consequential, punitive, special or exemplary damages (including lost profits) resulting from or arising out of any breach of this Agreement, or any party's performance under this Agreement

X. Counterparts. This Agreement may be executed in any number of counterparts (or upon separate signature pages bound together in one or more counterparts), each executed counterpart constituting an original agreement, but altogether constituting only one agreement. This Agreement may be executed via facsimile or electronic document (including PDF) signature.

XI. Entire Agreement. This Grant Agreement constitutes the entire agreement between the Grantee and the Grantor. No oral representations or other agreements have been made by the Grantee or the Grantor except as stated herein.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties herein have hereunto set their hands and seals the day and year first above written

WITNESSES:

GRANTOR:

THE CITY OF CHARLESTON,
a political subdivision of the State of South Carolina

By: _____
Mayor, City of Charleston, South Carolina

GRANTEE:

CHARLESTON REDEVELOPMENT CORPORATION,
a South Carolina nonprofit corporation

By: _____

Its: _____

Exhibit A
Affordable Housing

(a) Generally. The term “Affordable Housing” shall mean affordable rental housing leased and rented to members of the general public who are low and moderate-income households which are families and individuals whose incomes do not exceed one hundred twenty percent (120%) of the Area Median Income as established by HUD (each, a “Qualified Tenant”). Grantee shall annually verify the tenant’s income and also sign and deliver to the Grantor a recertification that the incomes have been verified.

(b) Rents and Other Charges. The maximum monthly rental payable by a Qualified Tenant (taking into consideration rental assistance, if any, for such Qualified Tenant) shall not exceed the maximum monthly rent permitted to be charged pursuant to Section 42 of the Internal Revenue Code of 1986, as amended from time to time, including any requirements imposed by the South Carolina State Housing Finance and Development Authority or subsequent agency.

(c) Grantee shall not discriminate against or deny occupancy of any tenant or prospective tenant by reason of their receipt of, or eligibility for, housing assistance, under any Federal, State, or local housing assistance program; and not discriminate against or deny occupancy to any tenant or prospective tenant by reason that the tenant has a minor child or children who will be residing with them. Additionally, Grantee shall be responsible for renting the units without regard to race, color, religion, sex, national origin, familial status, age or disability of the tenant.