

Charleston County Housing Steering Committee
Statement
August 10, 2022

On August 8, the Charleston County Council Finance Committee met and heard a presentation by the County consultant, Development Strategies, to review the Framework of the County Housing Plan.

At this meeting and after hearing the clear presentation of the crisis of affordable housing that our county faces, the Council voted, by a 6-3 margin, to not place a millage increase referendum on the 2022 Election Ballot to raise funds for affordable housing in Charleston County.

The Charleston County Housing Steering Committee makes the following statement:

1. In the last year, Charleston County has built a staff, run by a very experienced professional, Mr. Darrell Davis, to build and execute an Affordable Housing Strategy to address our current crisis. The County has also hired Development Strategies to design and present to the County a Housing Plan to address our crisis.
2. The County Housing Plan clearly indicates that:
 - a. Charleston County needs 29,000 – 36,000 additional housing units to meet the housing demand in 10 years.
 - b. Our lower income residents – at a variety of AMI Levels -- are not able to afford to rent or own a housing unit, which is creating an affordable housing crisis in our community.
 - c. There are plenty of strategies to approach the affordable housing crisis as laid out in the Plan, but all of them require financial resources to meaningfully overcome this crisis.
 - d. The number of resources that the Charleston County Community would need to address this affordable housing challenge over the next ten years is over \$600 million dollars. The amount that the County has committed is \$23 million represents a 3.8% commitment to address the challenge.
 - e. There are limited amounts of funding options, primarily based on the State of South Carolina Laws, that the County could use to raise monies to build an Affordable Housing Fund.
3. At the August 8, 2022 Finance Committee Meeting, the Council, when reviewing the Housing Plan Framework discussed the following:
 - a. Why the Council would not want a Referendum to raise the millage. Some of these reasons were:
 - i. Because other municipal bodies, like the Charleston County School District and the Town of Mount Pleasant, might be placing tax increase referenda on the ballot;
 - ii. Because they didn't know if the County Referendum would be approved;

- iii. Because the County has not yet deployed the \$20 million in ARPA Funding for affordable housing initiatives (which it approved a few weeks ago), even though the Council should know, or have reason to know, that it will take at least 2 years to deploy these funds for any new construction based on planning and government permitting processes;
 - iv. Because the County should not lead the effort to address the affordable housing crisis but rather should only “assist” in the effort;
 - v. Because the Consultant, Development Strategies, did not specifically recommend that Council approve a ballot referendum – even though the Council should know, and has every reason to know, that the consultant was not hired to, *nor was it authorized to make such a recommendation* by the County. The consultant clearly presented and recommended in its draft plan that a Housing Fund should be created to support the affordable housing Goals and Strategies to fund the GAP between committed funds and funds needed to help solve the affordable housing crisis; and
 - vi. The County Council discussed many of the implementation strategies specifically within the draft plan but not how it could generate additional funds other than raising the millage rate, which it chose not to do.
4. The Charleston County Housing Steering Committee is extremely disappointed in
 - a. How the Charleston County Council reacted to the Housing Plan in that its members generally did not seem concerned that there is an affordable housing crisis at all despite being presented with data that clearly states otherwise;
 - b. That the Charleston County Council seems to have little interest in providing any critical leadership role in helping its residents deal with this crisis;
 - c. How the Council seemed not interested in understanding that there are plenty of strategies to approach the affordable housing crisis as laid out in the Plan, but they all require financial resources to overcome it meaningfully;
 - d. How the Council is much more interested in letting other entities deal with the challenge;
 - e. That the Council would not consider having meaningful deliberation about raising millage rates at a reasonable level to address the crisis and would only consider a referendum so that they could have political cover to let the voters decide as opposed to showing its own political courage to meet the challenge head on; and
 - f. That Council members might “talk the talk” in the community about how they care about the affordable housing needs of its residents, but when it’s time to show up and lead the effort, it does not seem interested in “walking the walk” in actually leading us through this challenge.
5. As members of the Charleston Housing Steering Committee, we do appreciate and recognize that Council voted to allocate a portion of its one-time Federal Government windfall ARPA money of \$20 million to affordable housing. However, we also declare that the Council abdicated its leadership responsibilities when it failed to address how County government could generate specific additional funds needed to address this crisis. As is all too familiar in politics, the challenge was left for someone else to deal with.

6. We know that we can no longer avoid a crisis that will get worse, as our community continues to be gutted by home pricing pressures with no meaningful solutions being seriously considered. This is a time where we need the County Council to lead our community to address this issue. We need County Council to show its political courage to actually do so.
7. This Steering Committee asks the Council to either (1) call for a special meeting to review this August 8 vote to place the question on the 2022 ballot or (2) on its own, raise the millage rate by at minimum 2-mills to build the Affordable Housing Fund that the consultant has recommended and that our community needs. A 2-mill increase would generate \$80 million over 10 years, representing the minimal amount that the County should be contributing to this massive community challenge in addition to the \$20 million in one-time ARPA funding.