

Building Success

A Celebration of Progress

2010 ANNUAL REPORT OF THE SPARTANBURG HOUSING AUTHORITY



**SPARTANBURG
Housing Authority**

“Change Begins One Step at a Time.”

Mission

The Spartanburg Housing Authority is committed to providing quality affordable housing in healthy neighborhoods through partnerships with our residents and other groups, fostering neighborhood redevelopment and opportunities for those we serve to achieve self-sufficiency.

Building Success,

A Message from the Executive Director

The Spartanburg Housing Authority is on the move today and we have made significant improvements during the 2010 year. In two years as the Executive Director of the SHA, I have truly come to appreciate the positive impacts that we have made in our community and also understand the opportunity that we still have to make additional sizeable contributions. Through the continued enhancement of a stronger and a more sustainable organizational structure, the reaffirmation of existing partnerships and development of new partnerships, 2010 was a big year for the SHA.

Certainly, the progress our organization made can be attributed in large part to the unflagging support of our Board of Commissioners, SHA employees, staff members from both the City of Spartanburg and Spartanburg County, SC State Housing Finance and Development Authority and the U.S. Department of Housing and Urban Development. The collective experience and expertise these persons provide have been essential to our organization's progress. But at the Spartanburg Housing Authority, progress isn't merely a buzzword, nor just part of the title of this Annual Report.

Indeed, "A Celebration of Progress" has become an essential characteristic of our organizational culture. I see it everyday, guiding our decision-making and defining our initiatives as we continue to leave farther behind the old concept of public housing and find new ways to positively impact our citizens and our community.

Such focus is the primary reason we today find our financial condition significantly stronger, as we ended the 2010 fiscal year with a net income of \$2,589,307.00. This is why we created and instituted new policies and procedures that have produced greater organizational controls and higher standards for more efficient operations.

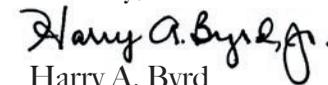
Our commitment to progress also manifests itself through our ongoing focus on staff development. By continuing to challenge our staff with rising expectations and by increasing the qualifications and credentials we require of potential new staff members, the Spartanburg Housing Authority is creating a team better prepared than ever to tackle the future and create the new and exciting solutions our community will require.

While we have made many internal operational improvements, we have also

placed a new focus on our Residents. During this year we have helped our Residents to become better organized and significantly improved lines of communications. Regular monthly Board meetings are rotated from site to site and Resident Councils are encouraged to attend and participate in the Spartanburg Housing Authority's Board of Commissioners' meetings.

I look forward to the opportunity to again work with our partners and form new collaborations in 2011. With a continued focus on further strengthening our organization today and a new focus on preparing for tomorrow, I am confident the SHA again will provide our community with "A Celebration of Progress" for the new year. Our vision is for the Spartanburg Housing Authority to be a leader in the industry and an agency that we can all be proud of.

Sincerely,



Harry A. Byrd
Executive Director



A Celebration of Progress,

A Message from the Chairman

On behalf of the Board of Directors of the Spartanburg Housing Authority, I would like to thank you for taking the time to read our 2010 Annual Report. Just as the SHA must carefully study and analyze opportunities and possible solutions before making important decisions, we believe it is essential to operate with the utmost transparency to build the trust and confidence of the community. This annual report is an important part of our ongoing commitment to that kind of accountability.

I am honored to have had the opportunity to serve on the SHA Board since 2003, and as chairman since 2008. Thanks to the dedication and ingenuity of the SHA's fine staff, this has been a rewarding period of time, as the SHA has moved forward

on a variety of redevelopment projects that have had a profound positive impact on neighborhoods throughout the city.

Many of these projects have been the result of dynamic partnerships the SHA has formed. From the city-partnered project that transformed the C.C. Woodson Community Center and the surrounding neighborhood into truly one of the city's gems to new opportunities with private groups, the SHA will continue to move boldly into the future.

As always, my fellow board members and I are committed to doing so while guarding the community's trust. That is why over the past year we undertook a variety of measures that significantly improved the SHA's bottom line. Now armed with an

improved
financial
condition we are
looking forward to the opportunities that
will present themselves in the future.

Thank you again for your investment in our community and for the honor to serve you in this position.

Sincerely,



J. Stephen Rush
Chairman



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“A house is a home when it shelters the body and comforts the soul.” -Phillip Moffitt



Fostering Self-Sufficiency

The ROSS Grant



In many ways large and small, 2010 was a watershed year for the Spartanburg Housing Authority. A period of both continuing transition and the realization of many goals, the year was marked by the start of important new initiatives and the successful conclusion of the Hope VI Grant, a project that rejuvenated several city neighborhoods.

ROSS Grant

SHA was awarded a Resident Opportunities for Self-Sufficiency (ROSS) Grant in 2010. The \$480,000 grant will fund the salaries of two Resident Service Coordinator positions for three years. Both will be located at the central office at 201 Caulder Avenue, Suite D, Spartanburg.

One of the coordinators will work primarily with elderly and disabled families. Additionally this coordinator will provide Family Self Sufficiency (FSS) services and programing for families that desire to become homeowners.

The second coordinator will focus on homeownership by working with residents of SHA housing to move toward purchasing their own homes by transferring their federal rental assistance toward homeownership costs. These efforts also will include financial planning education.

Already, nearly 40 families have been enrolled in the homeownership program.



Fostering Self-Sufficiency

The ROSS Grant

“We have a moral obligation and responsibility to do more than provide housing,” said SHA Planning and Development Director John Kinsey. “We have an obligation to develop and provide programs so that our residents can better themselves with the goal of moving off public assistance.”



“Success is a journey not a destination.”
-Ben Sweetland



Creative Partnerships

South Carolina Low-Income Tax-Credit Program



A state-funded program designed to encourage public and private investment in neglected or blighted areas, the South Carolina Low-Income Tax-Credit Program was used by SHA to great success in 2010.

The program, administered by the South Carolina Housing Finance and Development Authority, is designed to provide an incentive to owners developing multi-family rental housing. To be eligible, a development must have at least 20% of its units occupied by households earning at or below 50% of the area median income, or 40% of its units occupied by households earning at or below 60% of the area median income.

By creating private, non-profit ownership entities to benefit from the tax credits the state offers banks and developers who undertake projects in areas often in desperate need of new investment, the SHA was able to spur the development – through a mix of grants, tax credits, bonds, and other public financing – of six new rental properties that offer rental assistance. Following development of the units, the SHA then made the strategic decision to transfer management of the properties to a private management firm.

“This was a very good decision for everyone,” SHA Director of Program Analysis, Evaluation and Research Daryl Dalton said. “It was a major undertaking, but it has benefitted the properties and it has benefitted SHA. It has allowed us to focus on our core mission and more effectively utilize our resources to better manage our properties.”



Creative Partnerships

South Carolina Low-Income Tax-Credit Program

“This was a very good decision for everyone,” Daryl Dalton said. “It was a major undertaking, but it has benefitted the properties and it has benefitted SHA. It has allowed us to focus on our core mission and more effectively utilize our resources to better manage our properties.”



“Good habits formed at youth make all the difference.” -Aristotle



Realizing Dreams

Youth Build Program

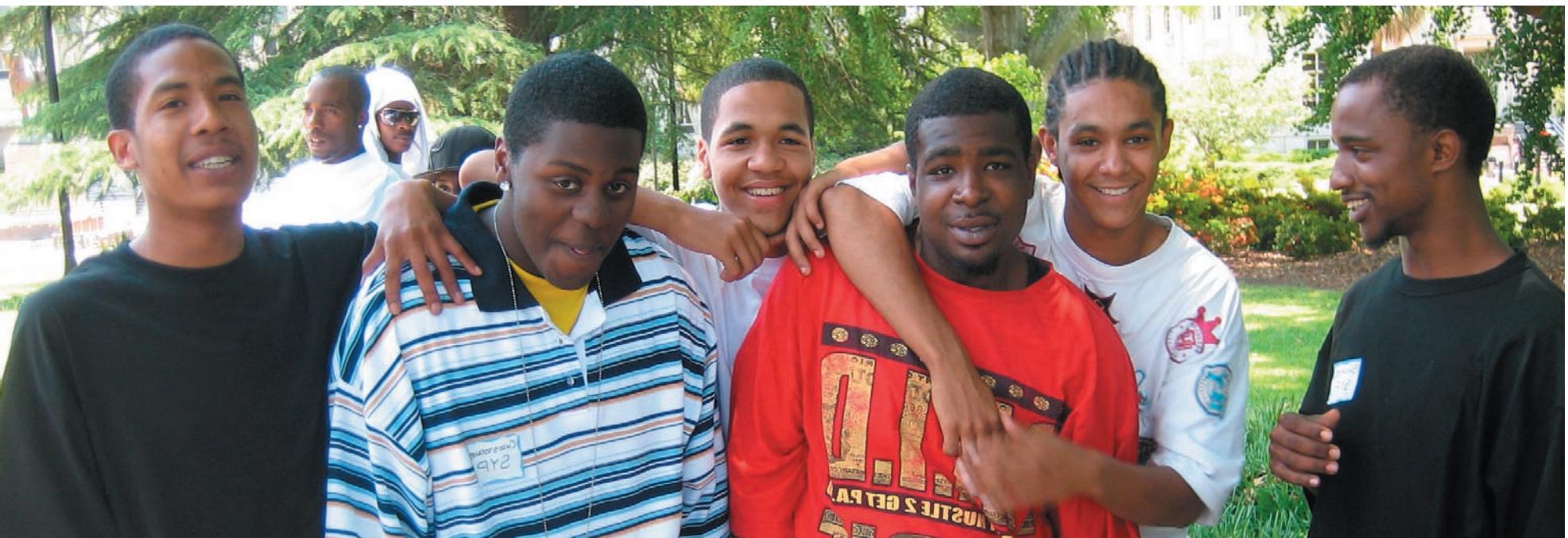
A truly remarkable example of public and private partners collaborating to make a difference in the community, the SHA's Youth Build Program picked up considerable steam in 2010.

The program targets high school dropouts – or youngsters at serious risk of dropping out – ages 15 to 24 and helps them work toward earning their GED or diploma for four hours, Monday through Friday. Participants in the program spend another four hours each day learning a construction trade or skill. The entire program lasts 10 to 12 months, at the end of which each participant has earned their GED or high school diploma and has acquired the necessary skills and experience to obtain full-time employment in the construction industry.

The students receive a stipend for their work in the job training program, which provides them with the opportunity to gain experience putting their developing skills to work at job sites. SHA's two staff construction managers, who are both licensed contractors, supervise the students in the program and collaborate with local construction companies to find work opportunities for the students.

Last year, sixty-three (63) young people participated in the program. Fifty-five (55) of the participants received national certificates in construction which is a core requirement for the program. Twenty-nine (29) students graduated from the Youth Build Program, twelve (12) were employed full-time, and four (4) enrolled in college.

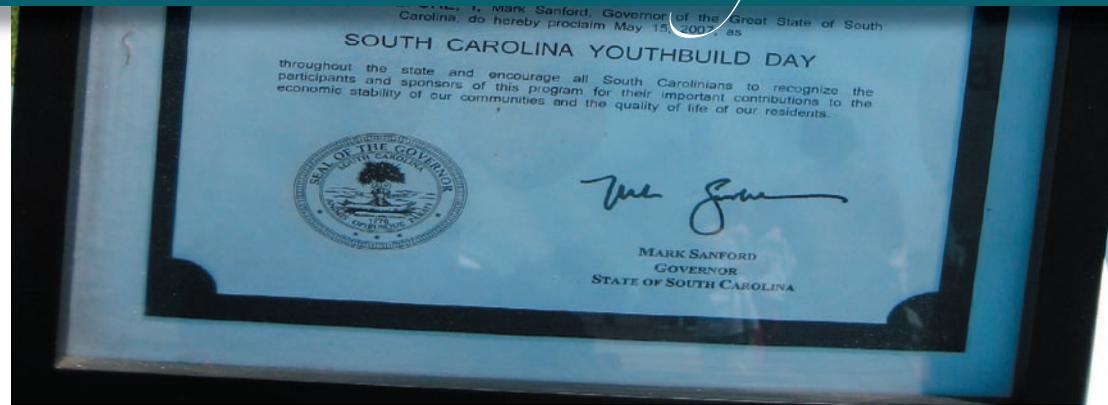






Realizing Dreams *Youth Build Program*

"We have been able to help a lot of young people with this program," SHA Planning and Development Director John Kinsey said. "This makes a genuine difference in the lives of young people in our community who might otherwise just fall through the cracks."



*"I long, as does every human being, to be at home
wherever I find myself." -Maya Angelou*



Forging Lasting Partnerships

Hope VI Grant



When the SHA was awarded its second Hope VI Grant from the U.S. Department of Housing and Urban Development in July 2004, it was heralded as an opportunity not only to address the blighted Phyllis Goins Estates, but as the spark needed to revitalize Spartanburg's long-neglected south side.

In the six years following the awarding of the \$20 million grant, the SHA demolished the 184 units at Phyllis Goins and redeveloped the area as a mixed-income community. As a result of the grant, the SHA was also able to leverage an additional \$80 million in private dollars. The resulting \$100 million included the construction of 662 rental and homeownership units.

The new neighborhood was named Collins Park. Beyond the new housing options, Collins Park includes a new community center, park, and recreation center. The Hope VI Grant also funded a variety of community and supportive service programs for residents, including those relocated as a result of the revitalization efforts.

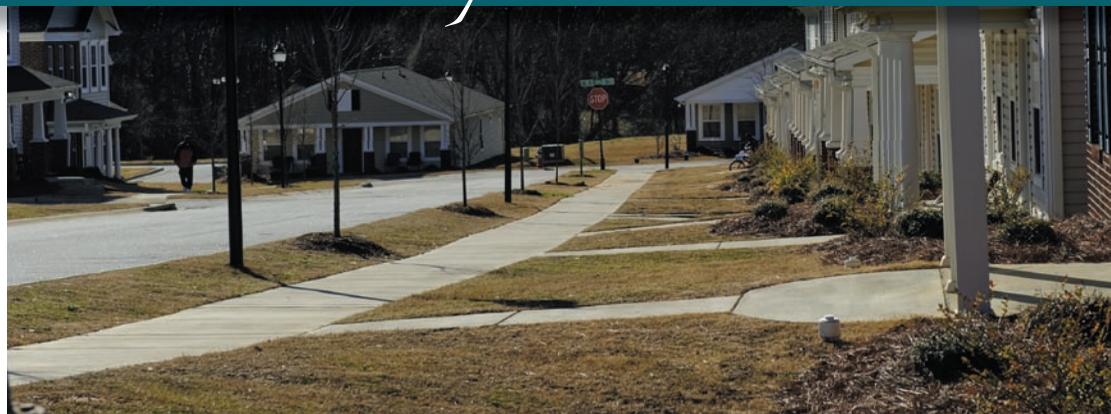
2010 marked the successful conclusion of the final projects associated with the Hope VI Grant.



Forging Lasting Partnerships

Hope VI Grant

“The Hope VI Grant was a tremendous opportunity for us to work with our partners to revitalize a large area of Spartanburg that truly needed attention,” said SHA Executive Director Harry Byrd. “I am confident that this undertaking will reap benefits for the city for years to come.”



COLLINS PARK

Spartanburg's Newest Community
Funded in Partnership by:
Department of Housing and Urban Development
SC State Housing Finance and Development Authority
Spartanburg Housing Authority
Spartanburg Housing Development
City of Spartanburg
Spartanburg County

Construction Funding provided by:
Bank of America & RBC Capital Markets: Apollo Equity Partners

Builder: Mungo Construction, LLC

 For information call the Spartanburg Housing Authority 864.598.6102 

2010 Board of Commissioners



Rev. Jerry Clevenger
Chaplain,
Spartanburg County Sheriff's Office



Mrs. Suzanne Cole
Attorney, Collins & Lacey, P.C.



Dr. Francis L. Hardy
Language Arts Teacher
Spartanburg High School/School District 7



Dr. Charles Love
Vice-Chairman
Dean, School of Education-USC Upstate



Mr. J. Stephen Rush
Chairman
Vice President, First Citizens Bank-
Commercial Area Executive



Ms. Irene Sims
Resident Liaison
Victoria Gardens Computer Lab



Mr. Christopher Steed
Vice President, Community Impact-
United Way of The Piedmont



Mrs. Kittie Collins Tullis
Funeral Director/Owner
Collins Funeral Home

2010 Senior Staff



Mr. Harry A. Byrd, Jr.
Executive Director



Dr. Daryl Dalton
Director, Program Analysis,
Evaluation and Research



Mr. Earle Fowler
Assistant Director, Housing Operations



Ms. Diana Jones
Senior Specialist, Section 8



Mr. John Kinsey
Director, Planning and Development



Mrs. Peggie Lynch
Director, Information Technology



Mrs. Patrena Mims
Program Manager, Resident Services



Ms. Carolyn Rhodus
Director, Housing Operations



Mr. David Stratton
Capital Fund Manager/Procurement Officer



Mr. Rowland Trew
Controller



Mrs. Angela G. Walker
Executive Assistant

A Celebration of Progress,

A Message from the Mayor

Promoting safe, thriving neighborhoods is certainly one of the most essential activities of city government. Indeed, the success of our city depends in large part on the success of our neighborhoods.

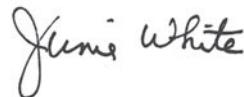
The City of Spartanburg is fortunate to have a progressive partner in the Spartanburg Housing Authority to help address issues that directly affect quality of life issues for many of our citizens as well as their ability to better themselves and pursue a future filled with opportunity.

During my time as mayor, and before that as a member of City Council, I have seen first-hand the difference the SHA makes in the lives of people and the positive overall impact it has on our city.

From reducing crime and increasing safety to rejuvenating once-blighted and long-neglected areas, the SHA has made Spartanburg a better place for all of her residents.

I encourage you to learn more about the Spartanburg Housing Authority and the many ways it is moving our city forward by reading this Annual Report. I am confident that you will agree with me that there are few investments more worthwhile or important to our community than the work the SHA undertakes each and every day.

Sincerely,

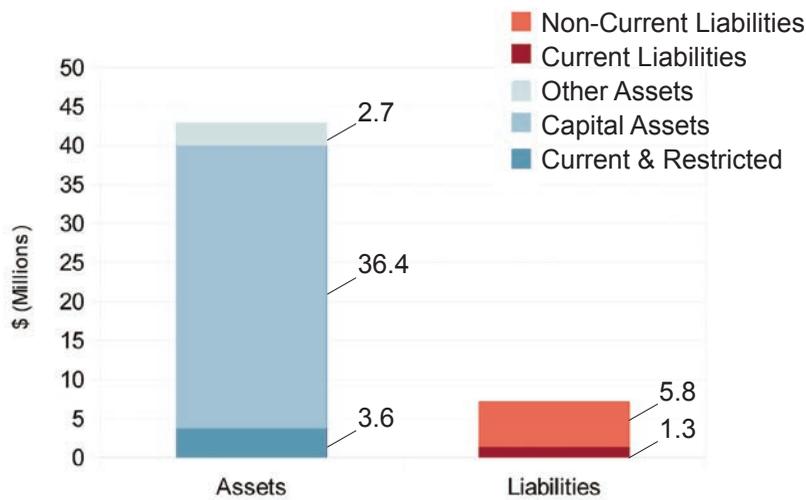


Mayor Junie White

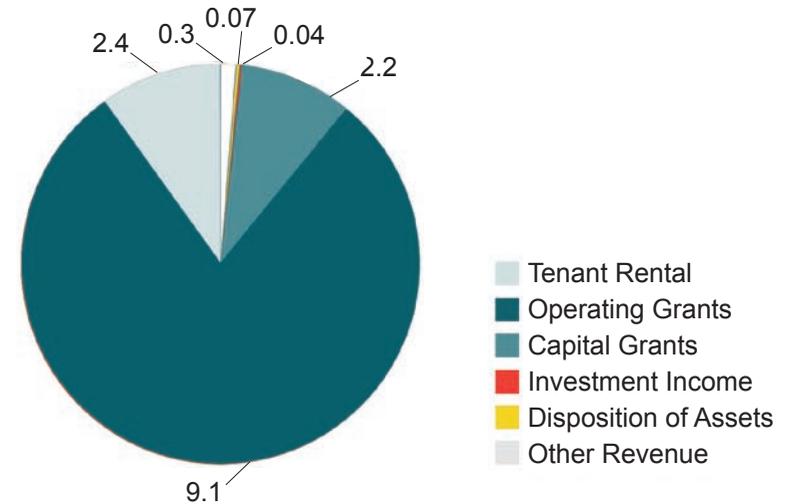


Financials

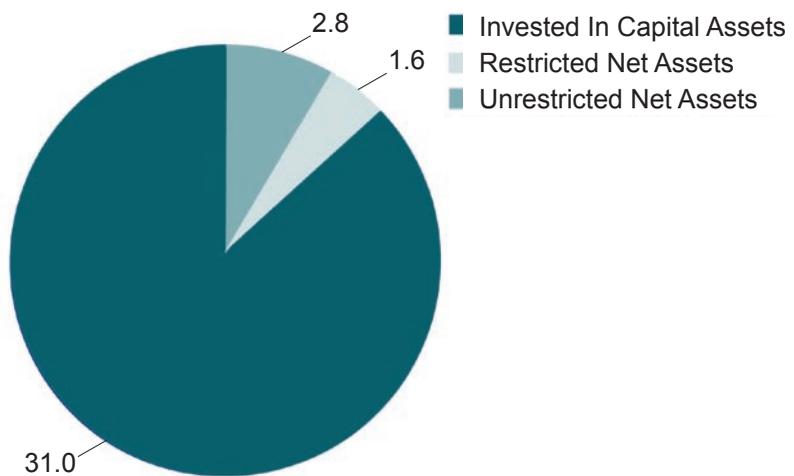
Assets & Liabilities



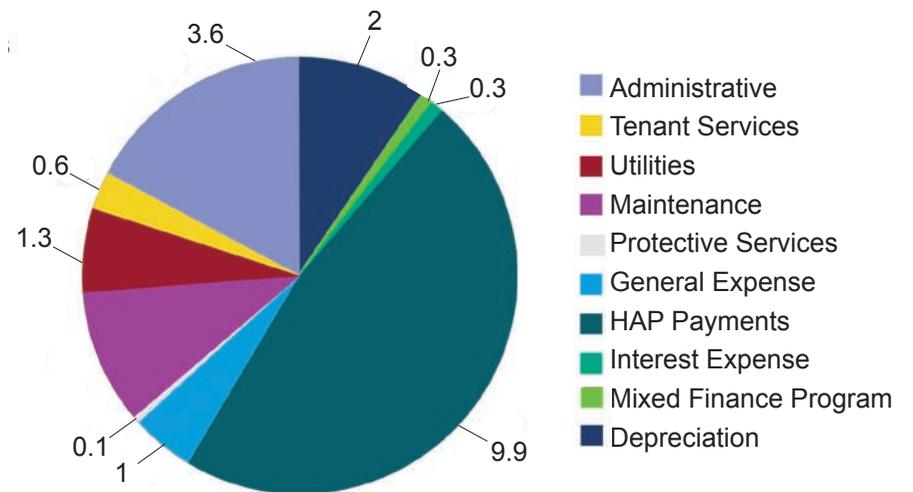
Revenue Breakdown (Millions of Dollars)



Net Assets (Millions of Dollars)



Expense Breakdown (Millions of Dollars)



Financials

The Authority strengthened its financial position during 2010. An internal reorganization allowed the SHA to take a more focused approach to asset and property management.

Rent revenue from tenants and operating subsidies received from HUD increased. The Authority conducted a review of operating expenses for reductions and changed how the mixed financed properties were managed resulting in lower operating costs for 2010. The net result generated a \$2,589,307 excess of revenue over expenses in 2010.

The Authority continues to examine its operating processes and contractual obligations with the aim of improving operations while lowering costs.

*The Housing Authority
Contributes Approximately
21.5 Million Dollars
to The Local Economy
Each Year.*

2010 Statement of Revenues/Expenses

Revenue:	
Tenant Rental Revenue	\$2,483,994
Operating Grants	\$19,105,102
Capital Grants	\$2,293,987
Investment Income	\$48,821
Gain/(Loss) on Disposition of Assets	\$70,516
Other Revenue	\$343,533
TOTAL REVENUE	\$24,345,953
Expenses:	
Administrative Expenses	\$3,610,658
Tenant Services	\$673,556
Utilities	\$1,393,531
Maintenance and Operations	\$2,178,166
Protective Services	\$117,347
General Expense	\$1,056,712
HAP Payments	\$9,964,336
Interest Expense	\$323,887
Mixed Finance Program Expense	\$344,839
Depreciation	\$2,093,614
TOTAL EXPENSES	\$21,756,646
Excess (Deficiency) Revenue Over Expense	\$2,589,307

Irene Sims

Building Success, A Story of Celebration



For years, the Spartanburg Housing Authority has been more than just an agency providing homes for those in need. It has been an all-access pass to opportunity for people willing to seize it.

Irene Sims is a living monument to the kinds of opportunities the SHA provides.

For more than three decades, Ms. Sims lived at Northside Apartments, SHA housing since redeveloped and renamed Victoria Gardens. A single mother, Sims raised her two daughters there, teaching them right from wrong with a watchful eye and a firm hand.

“It wasn’t tough being a single mother because I was tough,” she says. “It was much more a community back then in which adults cared for children more than they do now. We watched after our children and our neighbors’ children. Everybody raised everybody’s children.”

She also instilled in her daughters the value of education, a value her now-grown daughters passed on to their children. Two of Irene Sims’ five grandchildren have graduated from college and one plans to enter law school soon.

Indeed, for years Ms. Sims volunteered at Northside’s homework center. And today, she

runs the computer lab at Victoria Gardens, helping people with everything from learning basic typing skills and setting up email accounts to creating resumes and job searches.

Now 71, she also serves on the SHA Board of Commissioners, where her experience as a longtime resident provides invaluable perspective for other board members.

“It certainly was an honor to be appointed to that position,” Ms. Sims said. “I hope I can make a positive impact and can help make the kinds of things possible for other people that the Housing Authority made possible for me.”

Ms. Sims is reminded of what the SHA makes possible every time she walks through her front door. Thanks to the SHA’s homeownership program, Sims purchased a three-bedroom, two-bathroom home on Vernon Street in 2007.

“I try to tell others all the time what is possible,” Ms. Sims said. “The Housing Authority has a lot of opportunities like this. All you have to do is apply yourself. Don’t just settle for living off the system because the system will run out. Sometimes people think things are so far out of reach, but we will show you how to do this. I’ve seen it done.”

Moreover, she’s done it herself. She is walking, breathing proof of the transformative ability of the Spartanburg Housing Authority.

2011 and Beyond

Looking Ahead

While much of this Annual Report is dedicated to a review of the previous year's milestones and initiatives, it is important to note that future planning was an essential part of 2010.

As the SHA staff and board looks ahead, the groundwork for progress has already been laid in a number of key areas:

- **Strategic Planning:** For the first time in many years, the SHA will update its strategic plan in 2011. The process, which will involve staff and board members, will examine everything from the SHA's mission and vision to its many initiatives. The goal is to create a road map that will ensure the organization remains "on task" moving forward.
- **"High Performer" Designation:** The SHA has established as a goal to be recognized by HUD as a "High Performer." (To date, the SHA has been designated a "Standard Performer.") The designations are earned through a system used by HUD to measure a housing authority's effectiveness in providing public housing operations and rental assistance. The benefits of being designated a "High Performer" include an enhanced ability for landing grants and a reduction in the number of reporting requirements by HUD.
- **Spartanburg Housing Authority is currently in a feasibility development phase for a 60-unit senior facility to be located in southern Spartanburg County. The site is planned to have a mixture of duplexes, multi-family and single-family detached homes. The Page Lake project will utilize the principles of traditional neighborhood development and will eventually include 480 total housing units. With the first phase of the project—The Ridge, a 78-unit apartment development already completed—the project is set to move forward this year thanks to state permits that will allow the completion of the Matthew C. Perry Parkway, which will connect the area to Highway 295.**

Building Success

A Celebration of Progress

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S P A R T A N B U R G
Housing Authority

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