

HUD HEARTLAND NEWS



US Department of Housing and Urban Development
Sioux Falls, South Dakota Field Office

Recovery Funds in South Dakota

The American Recovery and Reinvestment Act of 2009 (ARRA) has provided nearly \$38 million for HUD programs in South Dakota. All of the funds have been obligated and nearly 50% have been spent.

Newsletter front page stories have featured ARRA projects throughout this year. Here are some more examples of the dollars at work. For past features, see [HUD's SD website](#).

Sisseton Public Housing Improvements



With the assistance of \$114,320 in Recovery Act funding, the Sisseton Housing Authority has been able to add a community room for their residents. The community room is an addition to the existing building where there was once an outside courtyard. The room features a full kitchen and a social gathering area where residents can congregate for special occasions such as birthday celebrations or family get-togethers.

The room features several large windows allowing natural light as well as providing residents the opportunity to watch traffic go by on the street in front of the building. The Housing Authority was able to hire mostly local contractors, allowing the majority of the recovery funds to remain in the community.



Tax Credit Assistance Program



Redwood Court Apartments Phase II in Brandon is on track to be completed and begin leasing up in late 2010 or early 2011. The 48-unit complex received \$3.4 million through the [Tax Credit Assistance Program \(TCAP\)](#) under the American Recovery and Reinvestment Act of 2009.

The complex will include 24 two-bedroom units with attached single-stall garages, and 24 three-bedroom units with attached two-stall garages in the seven building complex. Four units are designated for persons with disabilities.

Units range in size from 1,026 square feet to 1,497 square feet. Rents will range from \$448 per month to \$740 per month. On-site amenities will include two children's playground areas, bike racks, park benches and a picnic area. [Costello Company](#) is the developer and will manage the units. The [South Dakota Housing Development Authority](#) awarded the TCAP funds for this project.

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CALENDAR OF EVENTS:

[August 31 - September 2](#)
[2010 Sustainable Homes and Communities Conference; A Practitioner's Training, Fargo](#)

[September 24](#)
[VA Stand Down, Sioux Falls](#)

[September 25](#)
[Harvest Festival in Pettigrew Heights, Sioux Falls](#)

[November 9-10](#)
[SDHDA State Housing Conference, Pierre](#)



Phone toll-free (800) CALLFHA or (800) 225-5342, M-F, 7am-7pm CT

Email: answers@hud.gov

Search online: www.fhaoutreach.gov/FHAFAQ



HUD Housing Counseling Handbook Updated

An amended version of HUD's Housing Counseling Handbook was published in May 2010. Handbook 7610.1 REV-5 updates the handbook with the most current legislative and program requirements for implementing HUD's Housing Counseling Program. The handbook outlines requirements for program eligibility and approval, the delivery of comprehensive and reverse mortgage counseling services, required record keeping and reporting for the program, and HUD performance monitoring. It also describes the competitive funding and grant application process for HUD-approved Housing Counseling agencies. The handbook offers policy guidance and procedures for both HUD staff and program participants. The updated handbook is available online at HUDCLIPS.



FEDERAL HOUSING ADMINISTRATION

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT



Notice Effective September 7, 2010, FHA will adjust the upfront and annual premiums on FHA mortgage insurance. A mortgagee letter is forthcoming. Read the [Letter](#) from FHA Commissioner David Stevens.

FHA's Mortgage Review Board Takes Action

The Federal Housing Administration's [Mortgage Review Board](#) (MRB) published a notice July 26, 2010, announcing recent administrative actions against FHA-approved lenders who failed to meet its requirements. Sanctions include reprimands, probations, suspensions, withdrawals of approval, and civil money penalties.

"Lenders should know by now that FHA will not tolerate fraudulent or predatory lending practices," said FHA Commissioner David Stevens. "Any FHA-approved lender that does business with us must follow our standards." For a full listing of the actions taken by the Board, visit [HUD's website](#).

Public Comments Sought on RESPA Issue

HUD is seeking your comments on how it might strengthen and clarify the Real Estate Settlement Procedures Act (RESPA)'s prohibition against the "required use" of affiliated settlement service providers. HUD has received complaints that some homebuyers are committing to use a builder's affiliated mortgage lender in exchange for construction discounts or discounted upgrades without sufficient time to research their contracts or to comparison shop.

It is a violation of RESPA when a consumer is required to use a particular mortgage lender, title company, or settlement service provider that is affiliated with another business in their mortgage transaction. However, whether a consumer is "required" to use a particular affiliated service provider when they are offered a discount or some other incentive is less obvious.

You can share your thoughts on HUD's [Advanced Notice of Proposed Rulemaking](#) to help make RESPA work for you. HUD will review all comments made by September 1, 2010 and work to revise or clarify this prohibited practice.

South Dakota Single Family FHA Information

<u>FY2010 Statistics</u>	<u>Apr</u>	<u>May</u>	<u>June</u>
Loans Insured	382	376	402
First-Time Homebuyers	117	177	171
Minority Homebuyers	20	8	22
Default Rate	2.54%	2.79%	2.77%
Foreclosure Rate	0.45%	0.44%	0.44%
REO Properties			
Acquired	3	10	5
Sold	5	15	8
Owned	58	53	50

Sustainable Homes and Communities Conference

HUD Region VIII is hosting a three-day Sustainable Homes and Communities Conference in Fargo, ND, August 31 through September 2, 2010. This conference will provide up-to-date practitioner training for housing and community development partners throughout the six-state region. The opening plenary session will feature regional and national federal officials speaking on sustainable housing policies. Following the session, participants may attend one of the following eight specialized tracts that run concurrently for the remainder of the conference:

Single Family/FHA/USDA Lending	Multifamily Development & Management
Community Planning & Development	Program Oversight/Administration for Elected Officials
Office of Native American Programs (ONAP)	Grant Writing Basics and Agency Development
Office of Public Housing	ONAP Section 184 Lender Certification

[Click here](#) to register online. Please only sign up for the tract you will be attending. Once registered, you will receive instructions on how to download the materials for your training session. There is no cost to attend the conference.

For more information contact the North Dakota HUD Office at (701) 293-2831.

National Plan to Prevent and End Homelessness



In June, the United States Interagency Council on Homelessness (USICH), chaired by HUD Secretary Shaun Donovan, submitted to the President and Congress the nation's first comprehensive strategy to prevent and end homelessness. The full report is

titled [Opening Doors: Federal Strategic Plan to Prevent and End Homelessness](#).

The plan serves as a road map for joint action by the 19 USICH member agencies along with local and state partners in the public and private sectors. The plan outlines a path to end chronic homelessness by 2015, and to end homelessness among children, families, and youth by 2020. The Plan presents strategies building upon the lesson that mainstream housing, health, education, and human service programs must be fully engaged and coordinated to prevent and end homelessness.

HUD Funding Now Available

The Notice of Funding Availability (NOFA) is HUD's mechanism for announcing the availability of grant funds. HUD's [General NOFA](#) for Fiscal Year 2010 funding was published June 4, 2010. It includes grant rules that are applicable to all of the funding announcements.



[HUD Program NOFAs](#) are now being published to allow interested organizations to compete for new funds. NOFAs already published include the University and College Program, Housing Counseling Program, and Sustainable Communities Regional Planning Grant Program.

Additional HUD funding notices will be announced late summer or early fall. Some programs yet to be announced are the Fair Housing Initiatives Program (FHIP), Continuum of Care (CoC), Service Coordinators in Multifamily Housing, Section 202, and Section 811 programs.

All notices are published in the Federal Register and on www.grants.gov. Most HUD grant applications must be completed online through the grants.gov website. When applying for funds, be sure to read both the General NOFA and the Program NOFA to make sure you apply correctly.

New Grants Will Assist Homeless Individuals

In addition to over \$1 million awarded last December for existing homeless programs in South Dakota, three new grant recipients will receive over \$500,000 to support homeless individuals in South Dakota.

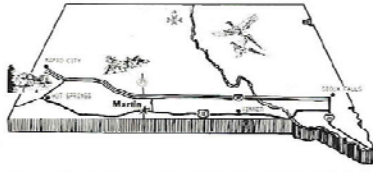
Lutheran Social Services of South Dakota will receive two grants totaling \$380,435 to support homeless pregnant and parenting young women and homeless young adults. Minnehaha County will receive \$152,000 for project Safe Home. Project Safe Home will be single room occupancy housing with supportive services for homeless individuals.

The Supportive Housing Program is designed to develop supportive housing and services that will allow homeless persons to live as independently as possible. The program assists individuals to achieve residential stability, increase their skill levels and/or incomes, and obtain greater self-determination.



HUD Grant to Martin, SD

The City of Martin will receive nearly \$1 million to revitalize their downtown through a recently announced HUD grant. Martin was chosen as one of only six recipients nationwide to receive a HUD HOPE VI Main Street award. HUD's [HOPE VI Main Street](#) program encourages affordable housing production in city centers.



The Martin Main Street Area Rejuvenation (MMSAR) will use the money to reconfigure the Gambles Building, vacant for the past 15 years, to construct four affordable rental units on the second floor of the building. The first floor will be reconfigured into 12 rooms, providing inexpensive commercial space for use by businesses, community organizations, and local government agencies. With this strategy, MMSAR will facilitate economic growth in the downtown area by increasing the amount of available commercial space.



Multifamily Housing What's New

For the most current information from HUD's Multifamily Housing HUB in Denver, go to their [website](#).



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Please contact us if you have any news or updates to include in our newsletter.

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Fair Housing Violation Costs Landlord \$52,150

A recent housing [discrimination ruling](#) cost an Iowa landlord \$52,150 in damages and civil penalties. The ruling stated the landlord retaliated against a single mother of three by threatening to evict her because she filed a housing discrimination complaint.

In November 2008, the mother of three filed a housing discrimination complaint against Cedar Rapids landlord Robert Miell alleging that he refused to rent her a three-bedroom apartment and unjustly charged her a higher security deposit because of her sex. HUD found no evidence of sex discrimination, but charged the landlord and management company in September 2009 with unlawfully retaliating against the tenant by terminating her lease and attempting to evict her because she filed a housing discrimination complaint.

An Administrative Law Judge awarded the tenant and her family \$20,150 in damages and assessed a total civil penalty of \$32,000 against the landlord and his management corporation.



Public Housing News-To-Use

For the most current information from HUD's Office of Public Housing in Denver, go to their [website](#).

Fair Housing Report

Discrimination based on a person's disability status continues to account for the largest single category of Fair Housing complaints nationwide. The [annual report](#) released July 23, 2010 showed that of the 10,242 complaints filed with HUD and its fair housing partners during fiscal year 2009, 44 percent alleged disability discrimination, while 31 percent alleged discrimination based on race, and 20 percent based on family status. The number and type of complaints received are consistent with the previous two years.

Mission of the U.S. Department of Housing and Urban Development: To create strong, sustainable, inclusive communities and quality affordable homes for all. HUD is working to strengthen the housing market to bolster the economy and protect consumers; meet the need for quality affordable rental homes; utilize housing as a platform for improving quality of life; build inclusive and sustainable communities free from discrimination; and transform the way HUD does business.