

# HUD HEARTLAND NEWS



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

## New HUD Secretary Shaun Donovan

Mr. Shaun Donovan has been sworn as the new Secretary of the Department of Housing and Urban Development. Mr. Donovan previously served as Commissioner of the New York City Department of Housing Preservation and Development under Mayor Michael Bloomberg. Before joining the Bloomberg administration, Mr. Donovan worked at Prudential Mortgage Capital Company as managing director of its FHA lending and affordable housing investments.



Prior to Prudential, Donovan was a visiting scholar at New York University, where he researched and wrote about the preservation of federally-assisted housing. He was also a consultant to the Millennial Housing Commission on strategies for increasing the production of multifamily housing.

Until March of 2001, he was Deputy Assistant Secretary for Multifamily Housing at HUD. He also served as acting FHA Commissioner during the presidential transition. Prior to joining HUD for the first time, Donovan worked at the Community Preservation Corporation (CPC) in New York City, a non-profit lender and developer of affordable housing. He also researched and wrote about housing policy at the Joint Center for Housing Studies at Harvard University and worked as an architect in New York and Italy. He holds Masters degrees in Public Administration and Architecture from Harvard University.

## CALENDAR OF EVENTS:

February 16  
President's Day—HUD office closed

March 12  
Emergency Preparedness Training for MF Managers and Public/Indian Housing Authorities

March 12  
[Rapid City Multi Housing Association Training](#)

April 7-8  
[Housing for Homeless Consortium Annual Summit in Chamberlain](#)

April 14-15  
ND/SD NAHRO Annual Conference, Fargo ND



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## SD Mortgage Crisis Hotline

South Dakota homeowners having difficulties making their mortgage payments or are in pre-foreclosure or foreclosure now have a crisis hotline they can call.

West River - 1-877-832-0161

East River - 1-877-832-0163

## SD Neighborhood Stabilization Plan Approved for \$19.6 Million

HUD has approved the Neighborhood Stabilization Plan (NSP) for South Dakota with a total grant amount of \$19.6 million. Application forms for organizations to apply for these funds are available on the South Dakota Housing Development Authority ([SDHDA website](#)).

Applicants can begin submitting project applications the end of February. Please view the SDHDA website for available NSP funding and application dates. All funds must be obligated by the state within 18 months.

Eligible activities in the approved plan include:

- Financing mechanisms for homeownership assistance
- Purchase and rehabilitation of homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent or redevelop such homes and properties
- Demolish blighted structures
- Redevelop demolished or vacant property

For more information, contact Peggy Severson at SDHDA at 605-773-3181.



# FEDERAL HOUSING ADMINISTRATION

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

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

Email: [hud@custhelp.com](mailto:hud@custhelp.com)

Search online: <http://answers.hud.gov>



## New FHA FAQ Service

FHA began using a new FAQ service as of December 8, 2008. This change required some modifications to the look and feel of the [FAQ site](#) as well as the need to use a new primary email address for email inquiries to FHA.

Effective with this change, the new primary email address for FHA is [custhelp@fha.gov](mailto:custhelp@fha.gov). Additionally, clients may utilize the "Contact FHA" tab on the FAQ site to submit questions directly to FHA.

The main contact number for telephone calls remains unchanged. Please continue to call [1-800-CALL FHA \(800-225-5342\)](tel:1-800-CALLFHA) for all telephone inquiries. If you are a real estate professional, you may follow the phone tree to reach the Denver Homeownership Center.

The *FHA Secure* program terminated on December 31, 2008. FHA retains its standard refinance program, plus cash-out and streamlined refinance products. The standard refinance product is available to borrowers who are current on their existing mortgages. The policy guidance associated with the other refinance programs (Mortgagee Letter 08-40 and 05-43) remain in effect. The HOPE for Homeowners program is available to help borrowers who may be delinquent on their current mortgages. For more information, see [Mortgagee Letter 2008-41](#).

## Changes for FHA Appraisals

Effective October 1, 2008, all new applicants for the FHA appraiser roster must be state-certified (certified residential or certified general) appraisers.

Beginning October 1, 2009, all FHA-approved lenders must use state certified appraisers for FHA-insured mortgages. Appraisal assignments given to licensed appraisers prior to but not completed until after October 1, 2009, will be acceptable, if the lender enters the appraisal assignment date accurately into the FHA Connection prior to October 1, 2009. Additional information may be found on HUD's ["FHA Appraisers"](#) website.

## New RESPA Rule

On November 12, 2008, HUD published a revised rule on the Real Estate Settlement Procedures Act ([RESPA](#)) to help consumers shop for the lowest cost mortgage and avoid costly and potentially harmful loan offers.

The changes to the [Good Faith Estimate](#) (GFE) and the [HUD-1](#) become effective January 1, 2010. This extended implementation date should allow lenders and title companies time to revise computer programs and train staff on the new requirements of the GFE and HUD-1.

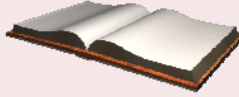


## South Dakota Single Family FHA Information

<u>2008 Statistics</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
Loans Insured	347	253	363
First-Time Homebuyers	183	98	147
Minority Homebuyers	10	5	2
Default Rate	2.32%	2.69%	2.64%
Foreclosure Rate	0.77%	0.80%	0.79%
REO Properties			
Acquired	9	18	1
Sold	4	8	1
Owned	34	44	44

## Rural Housing Playbook Available

The Rural Housing Playbook is a tool designed to respond to South Dakota rural communities' requests for a guide through the housing development process. The Playbook presents a process for matching communities with experts through its Connector Network. It provides a framework to help communities move from idea to development.



For more information or to obtain a copy of the Playbook go to [www.RuralHousingPlaybook.com](http://www.RuralHousingPlaybook.com) or send an email to [rita@ruralhousingplaybook.com](mailto:rita@ruralhousingplaybook.com)

## Creekside Apartments Ribbon Cutting



Residents of Creekside Apartments and the surrounding community participated in a blessing and ribbon cutting for the apartments on January 7, 2009. Creekside

Apartments, a [HUD 202 project](#), opened November 2008 in Sioux Falls, and is owned and managed by the [Good Samaritan Society](#).

Seniors age 62 and older are eligible to make their home in the Creekside Apartments. The apartments include a small fitness area plus small lounge areas at the end of each hallway where residents can get together. The building also includes a community room and a small library.



There are 59 units in the Creekside building; all are smoke free and handicapped accessible. Coin-operated laundry facilities are located at the end of each hallway. Weekly transportation is available for grocery shopping.

## Pioneer Credit Counseling Approved As New Housing Counseling Agency

Pioneer Credit Counseling of Rapid City recently became the newest HUD-approved housing counseling agency in South Dakota. Pioneer Credit provides Homebuyer Education; Pre-purchase, Mortgage Delinquency, Loss Mitigation, and Post-purchase Counseling; along with Money and Debt Management Training.

Pioneer Credit Counseling is currently providing service in Rapid City and surrounding areas. You may contact them at (605) 348-1608 for more information or check their website at [www.pioneercredit.com](http://www.pioneercredit.com).

## Changes in HUD Notice of Funding Availability (NOFA)

In order to accelerate the process of awarding grants, HUD has announced a new streamlined funding process. In lieu of the annual Super Notice of Funding Availability (Super NOFA), HUD will announce funding notices in 2009 on a program-by-program basis. This process should speed up the application process and is intended to allow HUD grants to be awarded more quickly.

With this change, NOFA's should be available earlier in the fiscal year. To assist applicants, HUD has published the anticipated schedule for release of the [Fiscal Year 2009 notices](#). Applicants are still required to submit grant applications via [www.grants.gov](http://www.grants.gov).

In preparation for the upcoming NOFA process, HUD released the [general section](#) of the NOFA December 29. This section provides general instructions for the majority of HUD's grant programs. It is imperative when applying for HUD funding that applicants read and follow the general section instructions. A satellite broadcast outlining the general section and highlighting changes from previous years can be viewed from [HUD's website](#).

This schedule lists estimated publication dates for some of HUD's program funding notices (NOFAs). For the entire schedule, check [HUD's website](#).

### Jan-Feb 2009 Estimated Publication

Indian Community Development Block Grant Program  
Housing Counseling  
Rural Housing and Economic Development

### Jan-March 2009 Estimated Publication

Assisted Living Conversion Program  
Fair Housing Initiatives Program  
Housing Choice Voucher Family Self-Sufficiency (HCV-FSS)  
Program Coordinators  
Public and Indian Housing Family Self-Sufficiency under ROSS

### Feb-April 2009 Estimated Publication

Section 202 Supportive Housing for the Elderly  
Section 811 Supportive Housing for Persons with Disabilities

### March-May 2009 Estimated Publication

Resident Opportunity and Self-Sufficiency (ROSS)- Service Coordinators Program  
Tribal Colleges and Universities Program (TCUP)

# NOFA

## New accessible housing on the way



Grant funds through HUD's [Section 811](#) program will provide new affordable accessible housing units for individuals with disabilities in Sioux Falls. [Accessible Space Inc.](#) has been awarded \$2,141,200 to construct a 15-unit independent living project consisting of 12 one-bedroom units and 2 two-bedroom units for very low income residents with physical or developmental disabilities, plus a two-bedroom unit for a resident manager. The project will also have a community room for residents.

The [Section 811](#) program provides interest-free capital advances to grantees to build affordable accessible housing for individuals with disabilities. Households must have one or more very low income adults with physical or developmental disabilities or living with chronic mental illness to be eligible for this housing.

## FSS Grants announced

A recent award of over \$140,000 from HUD will help families in three South Dakota communities work toward self-sufficiency. HUD's Housing Choice Voucher [Family Self-Sufficiency Program](#) (FSS) allows public housing authorities to work with welfare agencies, schools, businesses, and other local partners to develop a comprehensive program to help participating individuals develop the skills and experience to enable them to obtain jobs that pay a living wage.

Brookings County, Mobridge and Sioux Falls housing authorities each received funding to continue their programs. The housing authorities use the funding to hire family self-sufficiency coordinators to link adults in the Housing Choice Voucher program to local organizations that provide job training, childcare, counseling, transportation and job placement.

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This is a quarterly publication of the South Dakota HUD office. For active internet links, view the newsletter online at [www.hud.gov/southdakota](http://www.hud.gov/southdakota)

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

**Mission of the U.S. Department of Housing and Urban Development:**  
**To increase homeownership, support community development, and increase access to affordable housing free from discrimination.**

### Sioux Falls Office Staff

Sheryl Miller  
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Erik Amundson  
 Operations Specialist

Katie Haack  
 Intern

Jacqueline Westover  
 Program Support Specialist

Lisa Wright  
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## Fair Housing and Sexual Harassment



In November HUD issued guidance under the Fair Housing Act clarifying what constitutes sexual harassment and the legal remedies available to victims of sexual harassment in housing. HUD's guidance makes clear that as long as an individual demonstrates that the harassment was unwelcome, he or she may file a claim regardless of whether they experienced the loss of a housing opportunity or tangible economic loss.

HUD's [guidance](#) also explains that property owners and property managers have a duty to prevent or stop sexual harassment committed by employees, agents, or contractors and that they may be liable for acts committed by such persons. For example, if an apartment manager authorizes a maintenance worker to enter a tenant's home to make a repair, and the maintenance worker sexually harasses the tenant, the management company may be held vicariously liable for the maintenance worker's actions.

### A New Face



Katie Haack has joined the Sioux Falls HUD staff as an intern, gaining experience to complete her BS Degree at Iowa State University. Ms. Haack is from Sanborn, Iowa, and is majoring in Family Finance, Housing, and Policy. Ms. Haack will be in the HUD Office through April.

## My Money, My Home, My Future

In December HUD launched a new, comprehensive website to assist Americans with improving financial literacy, sustaining healthy homeownership and achieving financial security. The [My Money, My Home, My Future](#) website provides a range of interactive resources to inform users about the importance of financial literacy, including a Self-Assessment Tool, online games and informative classes.

The new site provides a wide-range of information about all avenues needed to be successful on the road to greater financial education, including:

- Building a Financial Foundation;
- Sustaining Healthy Homeownership; and
- Achieving Financial Security.

One of the most unique features is the Self-Assessment Tool. Based on the answers to a few key questions, the Self-Assessment Tool lists numerous links to learn more about the steps to own or refinance a home, enhance financial skills, and much more.

Learn more by looking at the website today, and help your clients access this needed information.