

HUD HEARTLAND NEWS



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Sioux Falls, South Dakota Field Office

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ARRA Funds at Work In Rapid City



The Pennington County Housing and Redevelopment Commission is completing the last of its construction projects using the capital funds from the American Recovery and Reinvestment Act (ARRA). It is converting nine of its single family homes, making them more accessible for individuals with disabilities. Homes are being totally rebuilt inside to widen hallways, expand bathrooms, lower counters and cupboards, and many other changes. Doorways into the homes are being

widened and ramps added to allow accessibility for all. This \$300,000 project (ARRA funds are paying for 6 of the homes) will be completed early this summer. The Housing Commission has already completed several other ARRA projects including wiring upgrades, garage additions, bath upgrades, and roofing and siding at several of its other housing developments.

Inside this issue:

Final Rule on FHA Lender Approval	2
Home Affordable Modification	2
Appraisal FAQ's	2
FHA Condo Mailbox	2
South Dakota Single Family FHA Information	2
HUD Awards Funds to Protect Rental Assistance Vouchers	3
New Studies on Homelessness	3
Your Compare Ratios Are Showing!	3
Defining Homelessness	3
2010 CDBG and HOME Funds	4
Multifamily Housing What's New	4
Public Housing News-To-Use	4
Regional NAHRO Conference in Deadwood	4
HUD's Open Government Plan	4
\$30 Million Available To Serve Individuals with Disabilities	4

Faith-Based Tribal Leadership Conference

During the first week of May, a Tribal Leadership Conference was hosted by HUD in Rapid City. This meeting was the third in a series of conferences in which HUD has actively worked to help organizations bring collaboration and resource opportunities to Indian Country. The series of meetings has been the result of an innovative partnership between several tribal entities, non-profits, and government agencies.

The purpose of the conference was to build organizational capacity and provide technical assistance to help address the greatest needs on reservations. Strategic planning sessions examined coordinating services, maintaining and developing affordable housing options, attracting new businesses, expanding IT capabilities, and planning long-term sustainable community development. The last two days of the conference were intensive workshops providing technical training on a wide variety of resources from grant writing training to 184 loans to developing rural housing.

(L-R): Paul Iron Cloud, CEO, Oglala Sioux (Lakota) Housing Authority; Rodger Boyd, Deputy Assistant Secretary, HUD Office of Native American Programs; Emma "Pinky" Clifford, Executive Director, Oglala Lakota Sioux Partnership for Housing; and Mark Linton, Director, HUD Center for Faith Based and Neighborhood Partnerships.



CALENDAR OF EVENTS:

- June 8
[CRA Workshop](#)
[Sioux Falls](#)
- June 8-9
[SD Housing for Homeless Annual Summit, Oacoma](#)
- June 9-11
[Mountain Plains NAHRO Conference, Deadwood](#)
- June 13-15
[Dare to Dream Conference](#)
[Sioux Falls](#)
- June 16
[Sisseton-Wahpeton Oyate Homebuyer Fair, Sisseton](#)
- June 19
[Festival of Cultures, Sioux Falls](#)



June is National Homeownership Month





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

Email: answers@hud.gov

Search online: www.fhaoutreach.gov/FHAFAQ



FHA Condo Mailbox

FHA has set up a special on-line mailbox for **all** condominium inquiries: CondoProjectApprovalsInquiries@hud.gov. Lenders, trade associations, industry professionals, and other interested parties **must** use this mailbox rather than contacting the FHA Homeownership Centers (HOCs) or the FHA Resource Center. Questions will be answered within 24-48 hours, unless additional research is required. In such cases, the inquirer will be advised that there is a delayed response forthcoming. Any inquiries directed to the FHA Homeownership Centers and/or the Resource Center will be redirected to this mailbox.



FEDERAL HOUSING ADMINISTRATION

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Final Rule on FHA Lender Approval

HUD's final rule adopting changes to how mortgage lenders are approved by FHA was published in the [Federal Register April 20, 2010](#). The rule is designed to strengthen FHA by improving its risk management. The rule increases the net worth requirement for FHA-approved mortgagees.

The final rule also eliminates the FHA approval process for loan correspondents. Loan correspondents may continue as third-party originators through sponsorship by FHA-approved mortgagees, or may apply to be approved as FHA-approved mortgagees.

Home Affordable Modification Program Changes

Recent changes to the Home Affordable Modification Program (HAMP) will provide temporary mortgage assistance to some unemployed homeowners, encourage servicers to write-down mortgage debt as part of a HAMP modification, allow more borrowers to qualify for modification through HAMP, and help borrowers move to more affordable housing when modification is not possible. Read more [here](#).

Appraisal FAQ's

There are a new set of Frequently Asked Questions (FAQs) that address issues surrounding appraisal management companies, reasonable and customary fees and appraisal turnaround times posted on FHA's Lenders webpage and Roster Appraisers page. To read the new FAQs please visit:

<http://portal.hud.gov/portal/page/portal/HUD/groups/lenders>
<http://www.hud.gov/groups/appraisers.cfm>



There are additional FAQs on each page that address issues arising from recently released Mortgagee Letters.

South Dakota Single Family FHA Information

<u>FY2010 Statistics</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>
Loans Insured	349	324	344
First-Time Homebuyers	139	107	117
Minority Homebuyers	9	8	11
Default Rate	3.16%	2.80%	2.57%
Foreclosure Rate	0.45%	0.48%	0.46%
REO Properties			
Acquired	2	13	5
Sold	3	3	3
Owned	48	58	60

HUD Awards Funds to Protect Rental Assistance Vouchers

HUD recently awarded \$441,313 to nine public housing agencies in South Dakota to protect rental assistance provided to families currently participating in HUD's Housing Choice Voucher Program. HUD estimates this funding will keep 55 families in affordable housing throughout the state.

These agencies are among nearly 600 that will receive additional funding because they had additional leasing or experienced other unforeseen circumstances in 2009. The funding is part of a \$150 million set-aside from HUD's 2010 budget that provides public housing agencies additional funds to support existing vouchers.

Public Housing Agency	Award
Aberdeen	\$42,846
Huron	\$25,499
Milbank	\$4,214
Watertown	\$67,636
Pennington County	\$105,420
Meade County	\$7,741
Brookings	\$154,928
Mobridge	\$30,594
Butte County	\$2,435
South Dakota Total	\$441,313

New Studies on Homelessness



HUD's Office of Policy Development and Research has released three important studies on homelessness in the United States: examining the cost of first-time homelessness, life after transitional housing for homeless families, and strategies for improving access to mainstream benefits and services.

Costs Associated with First-Time Homelessness for Families and Individuals examines how much it costs to house and serve nearly 9,000 individuals and families in six areas of the country — Des Moines, Iowa; Houston, Texas; Jacksonville, Florida; Washington, DC; Houston, Texas; Kalamazoo, Michigan; and a large area of upstate South Carolina. The additional studies released are: **Strategies for Improving People's Access to Mainstream Benefits and Services** and **Life after Transitional Housing for Homeless Families**.

Your Compare Ratios Are Showing!



<https://entp.hud.gov/sfnw/public/>

Neighborhood Watch is intended to aid FHA staff in monitoring lenders and programs, and to aid lenders and the public in self-policing the industry. The system is designed to highlight exceptions, so that potential problems are readily identifiable. In addition, the system can be used to identify loan programs, geographic areas and lenders that are performing well.

The system allows a user to identify and analyze patterns, by geographic area or originating lender, in loans which became 90 days delinquent during their first two years. The default data is based on the first time loans within the two year loan origination period were first reported to HUD as 90 days or more delinquent. Therefore, the default statistics include loans that were defaulted but have subsequently cured.

Why is this important? HUD Mortgage Letter 2010-03 advised lenders HUD would be using its regulatory authority to terminate a mortgagee's authorization to underwrite single family loans in geographic areas where a lender has a high rate of early defaults and claims. The credit watch threshold will gradually decrease during 2010 from 300% on December 31, 2009, to 200% on December 31, 2010.

Defining Homelessness

On April 20, 2010, HUD published a proposed rule on the definition of homelessness under the new Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act). The proposed rule clarifies that individuals and families may qualify as homeless under four possible categories. HUD is seeking comments:

- Would it be easier to comply with the certification requirements if there were a HUD-approved form?
- Confidentiality requirements.
- Comments on the further elaboration of the terms "homeless," "homeless individual," "homeless person," and "homeless individual with a disability."

To read the proposed rule and submit comments, visit HUD's web site.

2010 CDBG and HOME Funds



The State of South Dakota along with the cities of Rapid City and Sioux Falls will receive over \$13 million in Community Development Block Grant (CDBG) and HOME Investment Partnership Program (HOME) funds from HUD this year.

CDBG funds can be used for many kinds of community development activities. HOME dollars allow states and local governments to fund grants, direct loans, loan guarantees or other forms of credit enhancements to expand or preserve affordable housing. The grant funds will be distributed as follows:

	CDBG	HOME
Rapid City	\$ 538,944	\$ 0
Sioux Falls	\$ 916,962	\$ 528,280
South Dakota	\$7,215,709	\$3,849,556

Multifamily Housing What's New

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

Public Housing News-To-Use

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

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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

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.

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Regional NAHRO Conference in Deadwood

The Mountain Plains National Association of Housing and Redevelopment Officials (NAHRO) 2010 Conference will be held June 9-11 in Deadwood. Mountain Plains NAHRO sponsors professional development and training programs designed for housing and community development officials in the six states in Region VIII.

The upcoming conference will feature 3 days of Housing Quality Standards training with proficiency exam, 2 days of Service Coordinator training, and 1 day of HUD Procurement training. An assortment of national and regional experts will also address a variety of issues vital to professional staff, directors and commissioners during 3 general sessions and 14 breakout sessions.

HUD Region VIII feature speakers include: Rick Garcia, Regional Director; Ann Roman, Director of Public and Indian Housing; and Evelyn Meininger, Director of Fair Housing and Equal Opportunity. [Click here](#) for more information.

HUD's Open Government Plan

HUD's new [Open Government Plan](#), completed with input from stakeholders and HUD staff, outlines key initiatives to more effectively implement HUD's [strategic plan](#). Through open government, HUD seeks to:

- Increase Transparency
- Encourage Engagement
- Drive Collaboration

Give HUD your feedback on the plan.

\$30 Million Available to Serve Individuals with Disabilities

Public Housing Authorities (PHA) have until July 7, 2010, to apply for funding through HUD's Notice of Funding Availability for \$30 million that will support nearly 4,000 Housing Choice Vouchers to serve non-elderly persons with disabilities.

\$22.5 million will support about 3,000 vouchers to enable non-elderly disabled families to access affordable housing. Approximately \$7.5 million will support 1,000 vouchers for non-elderly disabled families to transition from nursing homes and other health-care institutions into the community. The number of vouchers a PHA may apply for is based on the number of vouchers they currently administer. PHAs must also show experience working with individuals with disabilities and provide documentation that supportive services can be provided.