

HUD HEARTLAND NEWS



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

\$3.3 Million Awarded to South Dakota Communities

Since 2007, HUD has awarded over \$74 million in Community Development Block Grant (CDBG) funds to the State of South Dakota and cities of Sioux Falls and Rapid City. On June 20, 2016, the Governor's Office of Economic Development (GOED) awarded more than \$3.3 million in CDBG funds to eight projects in South Dakota. These projects include:



- ◆ Bridgewater, awarded \$117,500 for replacing water main system.
- ◆ Canistota, awarded \$396,550 for replacing water and sewer lines.
- ◆ Keystone, awarded \$375,205 for water and wastewater system improvements.
- ◆ Lead, awarded \$411,465 for water and storm sewer improvements.
- ◆ Midland, awarded \$515,000 for water system improvements.
- ◆ Viborg, awarded \$515,000 for water and wastewater system improvements.
- ◆ Vermillion, awarded \$515,000 for sewer system improvements.
- ◆ Waubay, awarded \$515,000 for wastewater treatment facility improvements.

Roger Jacobs Receives Service Award



Roger Jacobs, Sioux Falls Field Office Director, recently received FEMA's Outstanding Survivor Service Award for his support in the permanent housing mission to the Oglala Sioux Tribe (OST). Roger has been supporting the disaster recovery efforts on the Pine Ridge Indian Reservation since last November. His support involved co-chairing a housing task force, evaluating and scoping the housing issues on the reservation, and developing a housing recovery strategy to assist in the recovery efforts. The disaster was a result of severe storms, straight-line winds and flooding in May 2015.

The Presidential designation of a major disaster for the OST is the first government-to-government designation of individual assistance directly for a Tribal nation under the revised Stafford Act. FEMA also initiated a permanent housing construction program for the first time in the Continental United States. Through this program, FEMA is replacing nearly 200 manufactured housing units and repairing over 100 stick-built homes that were damaged. HUD provided \$900,000 through an Imminent Threat grant to fund portable housing units placed by the OST to temporarily house applicants while FEMA repaired or replaced their homes.

Volume 10, Issue 4

August 2016

Inside this issue:

Housing Counseling Toolkit	2
Housing Counseling Grants Awarded	2
Housing Counseling Works	2
Expanded Protection for Homebuyers	2
South Dakota Single Family FHA Information	2
National Housing Trust Fund Affordable Housing	3
Americans with Disabilities Act	3
HOME Funds Available	3
Veterans Supportive Housing	3
SHOP Funding Announced	3
Family Self-Sufficiency Awards	4
Multifamily Housing What's New	4
Serving Your Business Needs	4
Good Story: Self-Sufficiency	4
July Housing Scorecard	4

CALENDAR OF EVENTS:

September 5, 2016
Office Closed for Holiday

September 9, 2016
VA Stand Down
Wagner

September 23, 2016
VA Stand Down
Sioux Falls

October 10, 2016
Office Closed for Holiday

October 25-26, 2016
[Housing Conference](#)
Pierre

November 10, 2016
VA Stand Down
Rapid City



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

Email: answers@hud.gov

Search online: www.hud.gov/answers



Housing Counseling Toolkit

HUD's Office of Housing Counseling's technical assistance provider, ICF International has created a second capacity building toolkit for HUD-approved intermediaries, state housing finance agencies, and multi-state organizations.

The toolkit provides useful information, tools, and strategies for oversight agencies looking for an effective assessment process for potential and current affiliates.

The toolkit also provides helpful information for local agencies considering expanding their program or want a refresher on basic eligibility criteria.

For more information on the toolkit, check out the [HUD Exchange](#) which offers this and additional capacity building toolkits.

FEDERAL HOUSING ADMINISTRATION

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Housing Counseling Grants Awarded

On June 21, 2016 the South Dakota Housing Development Authority (SDHDA) was awarded \$233,760 in housing counseling grants. Since 1998, SDHDA has administered HUD's Housing Counseling Grant program for housing counseling service providers statewide. More than \$2.5 million has been disbursed, benefiting over 46,025 residents with housing counseling and education services.



Housing Counseling Works

HUD recently published a [paper](#) that briefly summarized recent research evidence on the role of housing counseling to improve housing outcomes for homebuyers, homeowners, and renters. Some of the highlights of the study are:

- Housing counseling can be an effective intervention in helping distressed homeowners avoid foreclosure.
- Counseling is associated with the likelihood of obtaining a mortgage remedy.
- Pre-purchase counseling may help individuals determine if they are ready for homeownership and connect them with safer, more affordable mortgage products.
- Both pre-purchase education and housing counseling appear to be associated with factors related to sustainable homeownership.

Expanded Protection for Homebuyers

The Consumer Financial Protection Bureau announced in a [final rule](#) updates to its servicing rule to protect borrowers. The updates include: requiring servicers to provide borrowers foreclosure protections over the entire life of the loan; expanding consumer protections to survivors; providing more information to borrowers in bankruptcy; requiring servicers to notify borrowers when loss mitigation applications are complete; protecting struggling borrowers during servicing transfers; clarifying servicers' obligations to avoid dual-tracking and prevent wrongful foreclosures; and clarifying when a borrower becomes delinquent.

South Dakota Single Family FHA Information

<u>FY2016 Statistics</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>
Loans Insured	206	201	266
First-Time Homebuyers	99	134	155
Minority Homebuyers	7	5	4
Default Rate	2.21%	2.45%	2.45%
Foreclosure Rate	0.44%	0.47%	0.46%
REO Properties			
Acquired	11	19	10
Sold	13	18	18
Owned	57	58	50

National Housing Trust Fund

The National Housing Trust Fund (NHTF) allows developers and owners to acquire, build or rehabilitate multifamily rental housing for people with low incomes. The fund was established under Title I of the Housing and Economic Recovery Act of 2008 and was to be supported by contributions from Fannie Mae and Freddie Mac. That same year, a suspension in contributions was imposed after Fannie and Freddie were taken into conservatorship. In December 2014 the suspension was lifted, allowing the fund's first distribution to the states.

South Dakota will receive \$3 million with \$600,000 dedicated for housing developed on Indian reservations. The South Dakota Housing Development Authority (SDHDA) administers the funds and are now accepting applications which are due on August 31, 2016.

Affordable Housing in Sioux Falls



Construction began in June on Pettigrew Manor on East 10th Street and Summit Avenue in Sioux Falls. The project will be partially funded with \$641,000 in HUD's

HOME funds and \$200,000 in Community Development Block Grant funds.

The \$1.2 million project will provide eight affordable housing units for tenants with incomes from 30 to 50 percent of the area median income in the Sioux Falls Metropolitan Statistical Area. Partners in the project include Affordable Housing Solutions, South Dakota Housing Development Authority, First Congregational Church and Metabank. Completion is anticipated in late spring 2017.

Americans with Disabilities Act

July 26, 2016 marked the 26th anniversary of the Americans with Disabilities Act (ADA). The ADA prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, state and local government services, public accommodations, commercial facilities, and transportation. The ADA helps people with disabilities receive workplace accommodations, closed captioning and curb cuts. For more information on ADA, visit their [website](#) and read "10 Things to Know about the ADA and Beyond".

HOME Funds Available

HUD's HOME program provides funding annually for local governments, nonprofit organizations, and the private sector. The purpose is to expand the supply of decent, safe, sanitary and affordable housing for very low and low income households by providing funds to developers and owners for acquisition, new construction, and rehabilitation.

The SDHDA administers the program and is currently accepting applications which are due on August 31, 2016. SDHDA estimates it will have approximately \$8.4 million available for program funding:

General Pool	\$8,000,000
CHDO Set-Aside	\$453,502
Total	\$8,453,502
Project Cost Limits	
Project Limit	\$1,600,000
Developer/Sponsor/Owner Limit	\$2,000,000
Community Limit	\$4,000,000

Veterans Supportive Housing

The HUD-Veterans Affairs Supportive Housing (HUD-VASH) program combines Housing Choice Voucher rental assistance for homeless Veterans with case management and clinical services provided by the Department of Veterans Affairs (VA). The services are provided at VA medical centers and community-based outreach clinics.

With the recent announcement of 7 additional vouchers for Sioux Falls Housing and the Sioux Falls VA Health Care System, Sioux Falls Housing now administers 107 HUD-VASH vouchers for homeless veterans in the Sioux Falls area. Pennington County Housing in Rapid City administers 110 HUD-VASH vouchers, and Meade County Housing in Sturgis administers 35 HUD-VASH vouchers.



SHOP Funding Announced

The Notice of Funding Availability (NOFA) for the Self-Help Homeownership Opportunity Program (SHOP) was recently announced. The program supports self-help housing programs that require a significant amount of sweat equity by the homebuyer for the construction or rehabilitation of their home. There is an estimated \$10 million available and the closing date for applications is October 12, 2016.

Family Self-Sufficiency Awards

The recent award of over \$145,000 to three Public Housing Authorities (PHAs) in South Dakota will allow them to continue serving families in the Family Self-Sufficiency (FSS) program. FSS is a program that enables HUD-assisted families to increase their earned income and reduce their dependency on welfare and rental assistance. The program helps PHAs work directly with residents to connect them with programs and services that already exist in the local community. Through these connections participating families find jobs, increase earned income, reduce or eliminate the need for rental and/or welfare assistance, and make progress toward achieving economic independence and housing self-sufficiency.

A study conducted from 2005-2009 showed that financial benefits are substantial for participants who complete the program. The study followed a group of 181 participants in 14 programs, observing their experiences and outcomes. After 4 years, 24% of the participants completed the requirements and graduated. When the study ended, 37% had left the program and 39% were still enrolled in it. The graduates were more likely to be employed and had higher incomes, both when they enrolled in FSS and when they completed the program than those with the other outcomes. Staying employed and increasing their earned incomes helped graduates accumulate substantial savings in their escrow accounts.

Multifamily Housing What's New

Find the most current multifamily housing information for our region at HUD's [Multifamily Housing Region West](#).

South Dakota HUD Office
4301 W. 57th Street, Suite 101
Sioux Falls, SD 57108

Phone: (605) 330-4223
Fax: (605) 330-4465
Email: SD_Webmanager@hud.gov
Website: www.hud.gov/southdakota

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.

Sioux Falls Office Staff



Roger Jacobs
Field Office Director

Jacqueline Westover
Single Family Housing
Specialist

Lisa Wright
Customer Service
Representative

Serving Your Business Needs

The South Dakota Department of Labor and Regulation (DLR) offers a wide range of services to businesses. DLR offers on-the-job training, worker recruitment tools, labor market information, application screening, and a resource room for interviews. These tools and services give you everything you need to grow your business and find qualified and skilled workers. DLR can provide information to help you with worker recruitment.



Good Story: Self Sufficiency

Megan, a single mom of two teenagers, has been working with Sioux Falls Housing's Family Self-Sufficiency (FSS) program since November 2015. Expanding on her associate degree, she is pursuing a bachelor's degree in business administration and hopes to obtain a supervisory or management position in the company she's worked at for the past seven years. The FSS program allows her to improve her credit with a credit counseling agency; and she is also pursuing child support for her children.

Megan says "the FSS program motivated me to work towards accomplishing my goals." It's a 5-year program, but she figures she will accomplish her goals well before that time. As part of the program, an escrow account is set up with increases in earned income credited in the account during the term of the contract. If she completes the contract, she will receive the escrow funds and can use them for any purpose, which she hopes to use to help purchase a home.

July Housing Scorecard

HUD's July Housing Scorecard reported progress in the purchase of new homes, continued increase in home sales, and a decrease in mortgage rates. New single family home sales rose 3.5% in June, the highest pace since Feb. 2008. Existing home sales rose 1.1% in June to 5.57 million, the fastest pace since Feb. 2007. The average rate for a 30 year fixed rate mortgage was 3.41% for the week of July 7th, the lowest level since May 2013.

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.