

HUD HEARTLAND NEWS



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

Affordable Housing Projects in Sioux Falls

On December 21, 2016, the city of Sioux Falls **announced** funding for the development of two affordable housing projects. The developments will provide a total of 110 units of affordable housing to be completed by mid-year 2018.

Horizon Place Apartments will use \$8 million to renovate three twenty-five year old buildings consisting of 62 housing units on North Fourth Avenue. The project is funded in part by \$5.4 million in low income housing tax credits, \$1 million in HUD's **HOME** funds, and a \$900,000 loan from the city. The property will operate in partnership with Bright Futures, an Inter-lakes Community Action Partnership program offering life skills coaching allowing them to become self-sufficient.

Trinity Point Apartments will use \$7.1 million to build 48 affordable housing units near the Rosa Parks Elementary School and Dawley Farms shopping complex. The project is funded in part by \$5.4 million in low income housing tax credits, a \$500,000 loan from the city, and over \$700,000 in HOME funds.

The projects are among other multifamily affordable housing projects announced last year. In April, the city announced Chasing Willows II in Southeast Sioux Falls, a project with 40 units. In June, Pettigrew Manor, providing eight units in central Sioux Falls was announced. Also in 2016, eight single family homes were constructed and sold through the affordable housing program, with ten more lined up for 2017.

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FREE
3 CE Credits

FREE
lunch for first 50 registrants!!

A Breath of Fresh Air Smoke-Free Housing Workshop 2017
Smoking in Buildings : What it really "COSTS" you!

Tuesday, March 28, 2017 - 11:30 a.m. to 3:00 p.m.
 HOLIDAY INN CITY CENTRE • 100 W 8th Street • Sioux Falls, SD
 Register online at www.siouxfalls.org/livewellsiouxfalls
 or call Health Connect at 605-371-1000

Sign-in begins at 11:00 a.m. Lunch begins at 11:15 a.m.
→ Pre-registration is REQUIRED by March 17th ←

This workshop for multi-unit property owners and managers will address various issues related to creating smoke-free housing.

For more information contact Fran Rice at director@healthconnectsd.org • 605.371.1000 or
 Kaitlyn Umphlett at kumphlett@carrollinstitute.org

Save THE Date

CALENDAR OF EVENTS:

- February 20
Office Closed
- March 14-15
Pine Ridge Summit
Pine Ridge
- March 22
[Homeless Consortium Meeting](#)
Pierre
- March 28
[Smoke Free Workshop](#)
Sioux Falls
- April 27
[Selling to the Government](#)
Sioux Falls



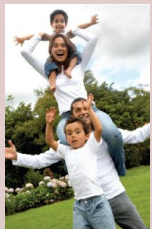
Phone toll-free (800) CALLFHA or
(800) 225-5342, M-F, 7am-7pm CT

Email: answers@hud.gov

Search online: www.hud.gov/answers



Premium Increase on Indian Loans



As released in the [Federal Register](#) on December 1, 2016, the annual premium for Section 184 Indian Housing

Loan Guarantee mortgages increased from .15 to .25 percent of the remaining loan balance.

The annual premium will continue until the unpaid principal balance, excluding the upfront loan guarantee fee, reaches 78 percent of the lower of the initial sales price or appraised value based on the initial amortization schedule.

The rate increase allows HUD to keep up with the rising demand for the Section 184 loan program as the number of loans and eligible families assisted in the program have doubled over the past 5 years.

FEDERAL HOUSING ADMINISTRATION

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Home Improvement Program Changes



On December 6, 2016, the South Dakota Housing Development Authority (SDHDA) announced changes to its Community Home Improvement Program (CHIP). CHIP is for low income homeowners to be able to make repairs or improvements to their homes, including structural and nonstructural improvements. The minimum payment, loan term and loan amount are no longer determined by SDHDA, but instead will be based on borrower need and standard underwriting guidelines. Also, income limits increased to 120 percent of the area median income. Current data indicates that a family of 2 or less can make up to \$75,480 while a family of 3 or more can make up to \$88,060 to qualify for the program. The interest rate for the home improvement loans is 2.9 percent.

FHA Loan Limits Increase

As announced in a [press release](#) on December 1, 2016, FHA single family mortgage loan limits have increased. The increase is in effect for all case numbers assigned on or after January 1, 2017. In South Dakota, the limits increased from \$271,050 to \$275,665. The change is due to an increase in housing prices across the country.

Housing Counseling News

March 17, 2017 is the deadline for HUD-approved housing counseling agencies to apply for the fiscal year 2017 [Supplemental Comprehensive Housing Counseling Program](#). This announcement only applies to those that did not receive funding from HUD or indirectly from a state housing finance agency or an intermediary in the fiscal year 2016 funding cycle. State housing finance agencies that did not receive funding in fiscal year 2016 are also eligible for the funding.

HUD's [final rule](#) for requiring HUD-approved housing counselors to be certified, passing a standardized written exam will take effect three years following the release of the exam which is anticipated to be published in the spring of 2017.

South Dakota Single Family FHA Information

FY2017 Statistics	Oct	Nov	Dec
Loans Insured	244	173	230
First-Time Homebuyers	141	97	113
Minority Homebuyers	18	13	19
Default Rate	2.55%	2.69%	2.82%
Foreclosure Rate	0.18%	0.17%	0.18%
REO Properties			
Acquired	3	5	6
Sold	4	7	5
Owned	26	23	24

\$8.2 Million Awarded

The SDHDA awarded 14 projects across the state \$2.78 million in Housing Tax Credits, \$3.8 million in HOME funding, \$838,000 in Housing Trust Funds (HTF), and \$835,000 in Housing Opportunity Fund (HOF) funding for housing development/rehabilitation.

The funding will allow for the construction of 191 multifamily units and 17 single family units, and the rehabilitation of 62 multifamily units. It will also allow 39 individuals/families to receive down payment assistance and 105 individuals/families to receive home improvement assistance. The funding will result in over \$44.5 million in total development costs. The Housing Tax Credit program is for the construction, rehabilitation and acquisition of housing for low income households.

Communities Receive Funding

Eight communities in South Dakota were recently awarded over \$2.9 million in Community Development Block Grants (CDBG) for improvements to water and wastewater infrastructure and community facilities. Bowdle, Bristol, Huron, and Winner will make improvements to their wastewater infrastructure. South Shore will use the grant to assist the community's water distribution system project. Parkston and Webster will use the funds to build new or renovate fire halls. Watertown will use the grant to assist in the renovation of the Boys and Girls Club.

The CDBG program provides local governments with funding to complete projects that improve living conditions. The program is funded through the U.S. Department of Housing and Urban Development and is administered by the Governor's Office of Economic Development.

Leading the Way

HUD is offering a new free resource tool, [Lead the Way](#), for Public Housing Agencies (PHAs) for board members, commissioners, and executive staff. Lead the Way is an online curriculum offered through either self-paced learning or instructor-led courses.

The up-to-date curriculum covers the following topics: Fundamentals of Oversight, PHA Roles and Responsibilities, Public Housing Basics, and Essential PHA Skills. The curriculum is designed to broaden skills in the following: Asset Management, Housing Choice Voucher Program, Budgets, Ethics, Assessing Your PHA, and Know Your PHA.

Funding Available for Housing

SDHDA announced \$4.6 million in funding is available from the HOME Investment Partnerships Program. HOME funding provides financing for developers and owners for acquisition, new construction and rehabilitation of affordable housing.



*Pettigrew Heights Apartments
Sioux Falls - 2012*

Housing Trust Funds (HTF) of \$1.8 million is available for financing to expand the supply of decent, safe and affordable housing for extremely low income families.

Approximately \$300,000 is available for funding for the South Dakota Housing Opportunity Fund (HOF). This funding is used for the construction, purchase and rehabilitation of rental or homeownership housing. Applications for all are due on February 28, 2017.

Environmental Review

HUD's Office of Environment recently announced its Web-based Instructional System for Environmental Review (WISER). WISER instructs grantees how to understand and address all aspects of the environmental review process required for HUD-assisted projects. The self-paced online learning modules and topics include understanding the overall requirements for assessing the environmental impacts of HUD-assisted projects, and understanding how to conduct particular components of an environmental review process.

Safe Harbor



Safe Harbor serves 7 counties in the Aberdeen area, offering shelter and resources for women, men, and children. Not long after opening in 1977 as a volunteer phone service providing

information to women, they realized the need to also offer shelter for those in crisis situations.

On December 20, 2016, Safe Harbor hosted an open house in their new facility at 2005 S. Merton Street where they will be better able to provide for their families. The \$2.2 million facility was awarded \$500,000 in Community Development Block Grant (CDBG) funds for construction and \$15,000 for project administration. CDBG funds are administered through the [Governor's Office of Economic Development](#). The new facility had many local supporters that contributed both financially and in-kind with furniture, products, and other donations.

New Housing for Cheyenne River



The [Cheyenne River Housing Authority](#) in Eagle Butte was recently awarded HUD's HOME funds of just over \$1 million and Housing Trust Funds of \$600,000 for the construction of a rental

complex containing 20 housing units. The complex will consist of 4 one-bedroom units, 8 two-bedroom units, 6 three-bedroom units and 2 four-bedroom units. HOME funds are used to expand or preserve affordable housing for low and moderate income households.

Selling to the Government

The Sioux Falls Procurement Committee is hosting a "Selling to the Government" open house on April 27, 2017. The event will be held at the Morningside Community Center at 2400 S. Bahnson Avenue in Sioux Falls from 9 a.m. to 1 p.m.

The event provides an opportunity for businesses to meet one-on-one with government contracting personnel, learning what products and services agencies purchase as well as how to obtain government customers. Representatives from the [Small Business Administration](#) and South Dakota Procurement Technical Assistance Center will be available to provide information and assistance. For more information, contact [Kareen](#) or [Lisa](#).

Multifamily Housing What's New

For the most current information from HUD's Multifamily Housing Region West in Denver, visit 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.

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\$1.2 Million for Homeless Programs

On December 20, 2016, HUD awarded over \$1.2 million to members of the [South Dakota Housing for the Homeless Consortium](#). This renewal of existing [Continuum of Care](#) grants prevents any interruption in federal funding, allowing for continuation of needed services. The grants provide permanent and transitional housing for homeless persons, job training, health care, mental health counseling, substance abuse treatment, and child care.

Funding for Homeless programs in South Dakota (2016)

Cornerstone Rescue Mission	\$ 72,186
Inter-Lakes Community Action	\$472,039
Lewis & Clark Behavioral Health	\$137,751
Pennington County Housing	\$177,330
Sioux Falls Housing	\$356,211
SDHDA HMIS & Planning	\$ 90,771
Safe Home	\$29,993

Funding Awarded to Veterans

HUD recently announced \$94,984 in HUD-Veterans Affairs Supportive Housing ([HUD-VASH](#)) vouchers for South Dakota. Every year since 2008, HUD and the Veterans Administration (VA) have awarded the vouchers. The program combines rental assistance with case management and clinical services provided by the VA.

The vouchers will allow 20 additional homeless veterans access to affordable housing and supportive services. Pennington County will receive \$78,473 and Meade County will receive \$16,511. South Dakota has a total of 286 vouchers, with 121 in the Sioux Falls area, 125 in the Rapid City area, and 40 in Meade County.

Did You Know?

Did you know there is an online resource for HUD forms, handbooks, policies, and other related information? HUD's Client Information Policy Systems ([HUDCLIPS](#)) offers a one-stop area where you can find these items, and quick links to other information such as recent and past Federal Register notices, Code of Federal Regulations, Income Limits and Fair Market Rents.

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.