

HUD HEARTLAND NEWS



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

Doorknocker Award Presented



Sir Charles Apartments in Yankton and South Dakota Housing Development Authority (SDHDA) were recently awarded the coveted Doorknocker Award from HUD for their outstanding work in producing affordable housing. Awards were presented nationally to eleven local communities and three state agencies for their exceptional use of funding provided through HUD's [HOME Investment Partnerships Program](#).

The Sir Charles Apartments were acquired and rehabilitated to retain affordable housing for elderly and disabled tenants. To ensure continued affordability for a 40-year period, the project was able to retain project-based Section 8 rental assistance and a line of credit from the [South Dakota Housing Development Authority](#) to ensure sufficient cash flow to cover debt service. The project is service-enriched with a meal program, counseling, and vocational training, as well as a cleaning service. The property has 34 one-bedroom units with four of them accessible and was rehabilitated with a focus on energy saving measures, including new lighting, cooling, and fire sprinkler systems.



(L-R): Dr. Tom Stange, Lewis & Clark Behavioral Health; Mercedes Marquez, HUD Assistant Secretary for Community Planning & Development; Lorraine Polak, South Dakota Housing Development Authority; LeRoy Brown, Denver HUD Director of Community Planning & Development.

June is National Homeownership Month



June is National Homeownership Month, an opportunity for all to consider the benefits of homeownership. It is called the American Dream - the opportunity to own your own home. It is the biggest investment most people will make and it can provide an excellent return.

[Homeownership](#) provides many benefits. It gives stability to families, neighborhoods, and communities. Homeowners typically stay in their home 12 years as opposed to renters who move every 3 years. Homeownership improves neighborhoods. Homeowners are 28% more likely to improve their home and 10% more likely to participate in solving local problems. Homeownership also builds wealth and provides tax benefits.

During Homeownership Month, we applaud those individuals who provide [counseling](#), lending, real estate, construction, and other services to homebuyers. Without their guidance, people would struggle with the complexities of the systems that are needed to create homeownership in this country. We applaud their hard work and the financial discipline and personal responsibility of our country's homeowners that help transform neighborhoods throughout our Nation and reflect the best qualities of America.

Volume 5, Issue 2

May 2011

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CALENDAR OF EVENTS:

May 17 & 19, 2011

[Appraising in Indian Country, Live Meeting](#)

May 26, 2011

[Fair Housing Training, Rapid City](#)

June 7-9, 2011

[Indian Housing Plan Training, Denver, CO](#)

June 13-15, 2011

[Homeless Summit, Chamberlain](#)

June 18, 2011

[Father's Day](#)



FHA Updates

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

Email: info@fhaoutreach.com

Search online: www.fhaoutreach.gov/FHAFAQ



Sign Up for FHA News Here

Check out the new online [FHA Appraiser Newsletter](#). The newsletter allows appraisers and industry partners to see how topical issues will affect their business as well as focus on fundamentals of FHA requirements.



FHA and other industry professionals offer training on a variety

of subjects related to single family issues. Many training opportunities can be found on the "Events and Training" [web site](#).

Mortgage and real estate industry partners are encouraged to sign up for FHA email updates. The updates provide important announcements including new mortgagee letters, handbook revisions, events and training opportunities, grants, and contracting opportunities. Subscribe by clicking [here](#).

- Homebuyers Incentive for REO Purchases

[Mortgagee Letter 2011-19](#) provides Federal Housing Administration (FHA) guidance regarding the financing of homebuyer transaction costs for homebuyers who acquire HUD Real Estate Owned (REO) single-family properties under a specially-authorized sales incentive that requires only a \$100 minimum cash investment. Homebuyer acquisition costs that may be financed for eligible homebuyers are limited to Upfront Mortgage Insurance Premiums (UFMIP).

- 203K Origination Fee Removed

[Mortgagee Letter 2011-18](#) amends guidance provided in Mortgagee Letter (ML) 2009-53, to comply with 24 CFR § 203.27. The guidance in ML 2009-53 removed the one percent origination fee cap for standard FHA insurance programs, except for the 203(k) Rehabilitation Mortgage Insurance and Home Equity Conversion Mortgage programs.



- Use of HUD/FHA Logo

[Mortgagee Letter 2011-17](#) outlines requirements to mortgagees regarding the use of HUD and FHA logos, names, and acronyms within devices used to promote FHA-approved mortgagees.

- Annual Mortgage Insurance Premium Increase and Guidance on Case Numbers

[Mortgagee Letter 2011-10](#) implements a 25 basis point increase to the Annual Mortgage Insurance Premiums and issued new procedures for case numbers. These changes became effective for case numbers assigned on or after April 18, 2011.

Guidance on TOTAL Scorecard

If the credit report reveals that the borrower is disputing any credit accounts, manual downgrade of a TOTAL Scorecard Approve/Accept recommendation is not required on the following: if the disputed account has a zero balance; the disputed account is marked "paid in full" or "resolved"; the disputed account is both less than \$500 and more than 24 months old, based on the date of dispute. For technical support on TOTAL Score Card other FHA issues, email FHA at info@fhaoutreach.com or visit FHA's website at www.fhaoutreach.gov/FHAFAQ.

South Dakota Single Family FHA Information

FY2011 Statistics	Jan	Feb	Mar
Loans Insured	309	208	211
First-Time Homebuyers	102	55	73
Minority Homebuyers	10	4	10
Default Rate	1.34%	1.31%	1.40%
Foreclosure Rate	0.48%	0.53%	0.57%

HUD's NOFA

There are several Notices of Funding Availability (NOFA) released. For more information on these and other funding opportunities visit HUD's Funds Available [web site](#).

Current Grant Opportunities

[Housing Choice Voucher Self-Sufficiency Program](#)

Close Date: June 8, 2011

[Asthma Interventions in Public and Assisted Multifamily Housing](#)

Close Date: June 9, 2011

[Healthy Homes Production Program](#)

Close Date: June 9, 2011

[Lead-Based Paint Hazard Control Programs](#)

Close Date: June 10, 2011

[Community Development Block Grant Program for Indian Tribes](#)

Close Date: June 15, 2011

[Public and Indian Housing Family Self-Sufficiency Program under the Resident Opportunity and Self-Sufficiency \(ROSS\)](#)

Close Date: June 29, 2011

[Resident Opportunity and Self-Sufficiency - Service Coordinators Program](#)

Close Date: July 13, 2011

Indian Community Development Block Grant (ICDBG)

The purpose of the ICDBG program is the development of viable Indian and Alaska Native communities, including the creation of decent housing, suitable living environments, and economic opportunities primarily for persons with low and moderate income.

An application workshop will be held May 18-19 in Denver. Training will be held via Live Meeting on May 27. For more information, contact the Denver Office of Public and Indian Housing, Mike Boyd at (303) 672-5170 or Lori Roget at (303) 672-5175.

Assistance For Persons with Aids

In a tri-state partnership with South Dakota, North Dakota, and Montana, the Department of Public Health and Human Services was recently awarded a Housing for Persons With Aids (HOPWA) grant renewal of \$1.43 million. This program provides housing and supportive services for individuals living in the three-state region.

[Sioux Falls Housing and Redevelopment Commission](#) administers this statewide program for South Dakota and serves 40-45 clients statewide with tenant-based rental assistance and comprehensive supportive services.

Homeless Prevention Funding

HUD recently announced an additional \$589,380 in homeless funds to expand the Shelter Plus Care (S+C) program in two South Dakota communities. [Pennington County Housing](#) was awarded \$459,060 and [Sioux Falls Housing](#) was awarded \$130,320. This funding is in addition to the \$1 million that was announced in January to renew funding to six existing South Dakota homeless housing and service programs.



S+C provides housing and supportive services on a long-term basis for homeless persons with disabilities (primarily those with serious mental illness, chronic problems with alcohol and/or drugs, and acquired immunodeficiency syndrome (AIDS) or related diseases) and their families who are living in places not intended for human habitation (e.g., streets) or in emergency shelters.

Project Connect Day

On May 9 the Sioux Falls Homeless Coalition sponsored their bi-annual Project Connect Day. Several agencies gathered to provide services to homeless and low-income persons and services ranged from haircuts to medical services. Project Connect events take place at other cities throughout the state. If you would like to become involved in homeless prevention activities in South Dakota, contact Lisa Bondy at the [South Dakota Housing Development Authority](#) at (605) 773-3445 or lisab@sdhda.org.

Defining Sustainability



Why all of the talk in the housing industry about sustainability and what does it mean? To "sustain" means to endure or last. Sustainable communities are urban, suburban, or rural areas planned to provide residents with more housing and transportation choices, more energy

independence, and more clean air carbon emissions through transit-oriented development. This allows for better quality and location of housing for broader opportunities, such as access to good jobs, quality schools, and safe streets.

HUD, the Dept. of Transportation, and the Environmental Protection Agency are engaged in a partnership that promotes sustainable communities. Last year HUD provided funding to 45 entities throughout the country. Thunder Valley Community Development Corporation received \$996,100 last October to develop a plan for sustainable development on the Pine Ridge Indian Reservation. New funding opportunities for [Sustainable Communities Planning Grants](#) are expected to be released in the near future.

Fair Housing Training

In continuation of Fair Housing Month, the South Dakota Housing Development Authority (SDHDA) will sponsor fair housing training "Fair Housing Law Basics" for property managers and real estate professionals in Rapid City on May 26, 2011. There will be two sessions with the morning session from 9 a.m. to 12 noon and the afternoon session from 1 p.m. to 4 p.m. (repeat of the morning session). Both sessions will be held at the Best Western Ramkota Hotel, 2111 N. LaCrosse Street in Rapid City.

The Fair Housing Law Basics training has been approved for three hours of Required Continuing Education from the South Dakota Real Estate Commission. The sessions are free to attend but registration is required and can be completed online at the [SDHDA web site](#).

Father's Day 2011



The U.S. Department of HUD is inviting all public housing authorities across the country to participate in [Father's Day 2011](#) on Saturday, June 18, 2011. HUD's goal is to have hundreds of PHAs host local Father's Day events, in an effort to bring fathers and their children together to connect fathers to local programs and services.

Multifamily Housing What's New

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

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
REO Housing Specialist

Lisa Wright
Customer Service
Representative

HUD's 2012 Budget Proposal



In order to achieve the overarching mission of creating strong, sustainable, inclusive communities and quality, affordable homes for all, HUD has developed a portfolio of programs and policy initiatives to approach housing and development challenges.

And while these programs serve a diverse array of communities nationwide, with challenges almost as wide-ranging as the individual families themselves, HUD's budget can broadly be divided into three categories:

72% Rental Assistance provides an ongoing stream of funding that makes up the gap between the low income tenants can afford to pay in rent and the cost of operating housing.

23% Capital Costs allow HUD to partner with communities to develop and repair affordable housing or support economic development activities and infrastructure.

5% Other Initiatives include a diverse array of programs, including Fair Housing and Equal Opportunity, Healthy Homes and Lead Hazard Reduction, and service coordination programs, just to name a few.

For more information visit [HUD's web site](#).

Public Housing Conference Calls

Do you want to stay informed of the activities and changes within Public Housing? A good way to stay informed is to dial into the Region VIII Public Housing monthly conference calls. The calls are informative and educational and are tentatively scheduled for the third Thursday of each month. If you have topics you would like to have discussed on these calls, contact your public housing authority point of contact and let them know.



Public Housing News-To-Use

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

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.