

HUD HEARTLAND NEWS



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HUD Secretary Visits South Dakota



Executive Director Tilsen, Senator Johnson and Secretary Castro

Secretary Julián Castro made his first trip to South Dakota on October 21, 2014 in conjunction with Senator Tim Johnson's visit. Together they met with tribal leaders, toured the Pine Ridge Indian Reservation to assess housing needs, and toured [Thunder Valley Community Development Corporation](#). Senator Johnson invited Secretary Castro to discuss housing and economic development challenges in Indian Country and to showcase the progress being made to expand

housing opportunities across the reservation. During their visit, Secretary Castro and Senator Johnson toured a model sustainable home led by Nick Tilsen, Thunder Valley's Executive Director. They also met with Oglala Lakota College students who discussed their work with sustainable building materials.



Secretary Castro and Executive Director Tilsen

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Oglala Sioux Housing to Build 63 New Homes



On September 18, 2014, Todd Richardson, HUD's Deputy Assistant Secretary for Policy Development participated in the historic ceremonial ground breaking of 63 new homes with the Oglala Sioux Housing Authority. The new homes will be built in each of the nine districts and will be funded by a \$6 million Title VI loan from HUD. This is the first time this program has been used in South Dakota.

The loan guarantee is to assist [Indian Housing Block Grant](#) recipients who want to finance eligible affordable housing activities but are unable to without the assistance of a federal guarantee.

Hunger and Homeless Awareness Week Events

The following events are scheduled in Sioux Falls for Hunger and Homeless Awareness Week:

- Nov. 18 - Press Conference at 10:00 a.m. in front of the Federal Courthouse
- Nov. 19 - Community-wide Town Hall at 6:30 p.m. at First Congregational Church
- Nov. 20 - All day conference at First Congregational Church
- Nov. 21 - Memorial service at 12:00 p.m. will be held at 6th and the Big Sioux River.

For more information, send an email to the [Sioux Empire Homeless Coalition](#).

CALENDAR OF EVENTS:

November 17-21, 2014
 Hunger and Homeless Awareness Events
 Sioux Falls

November 19, 2014
[Diversity Conference](#)
 Sioux Falls

November 27, 2014
 Closed for Holiday

December 9, 2014
 State Homeless Meeting
 Chamberlain

December 25, 2014
 Closed for Holiday



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

Email: answers@hud.gov

Search online: www.hud.gov/answers



203(k) Webinar

FHA released a 203(k) rehabilitation mortgage insurance Program Pre-recorded webinar on September 24, 2014. The 203(k) program provides insured mortgages for the purchase or refinance of single family properties in need of repairs.

The webinar examines the components of the program and reviews the features and strategies needed to underwrite these transactions. Participants will have a comprehensive understanding of the program. The webinar is intended for loan officers, processors, brokers, agents and anyone new to FHA or seeking a basic and general overview of FHA/HUD's mission and Single family insured loan programs.

Once [online registration](#) is completed, you will be immediately redirected to the webinar for viewing.

FEDERAL HOUSING ADMINISTRATION

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Making a Difference in Sioux Falls

The October 2014 issue of HUD's Office of Housing Counseling "The Bridge" recognized the great work Lutheran Social Services in Sioux Falls provides in a city where 120 different languages are spoken as first languages in its school district. Sara Ramirez was recognized as a "Champion of Service" for breaking down barriers and reaching out to the Spanish-speaking community, providing them with counseling services and homebuyer education classes. In her classes, she involves Spanish-speaking lenders and real estate agents, successfully delivering services to the Hispanic population across eastern South Dakota.



Lutheran Social Services of South Dakota

Strengthening Individuals, Families and Communities

Lutheran Social Services (LSS) of Sioux Falls was recognized for making a valuable contribution towards protecting homeowners and homeownership. The LSS - Center for Financial Resources (CFR) has six satellite offices in eastern South Dakota which provide homebuyer education and housing counseling services.

During the past two months, with the assistance of LSS - CFR, nearly 40 percent of their foreclosure proceedings were cancelled prior to the Sheriff's sale. LSS is dedicated to fulfilling their mission statement: *Inspired by God's love, we care for, support and strengthen individuals, families and communities.*

New Loan Servicing Contractor

As of September 29, 2014, Novad Management Consulting has replaced Deval as the new loan servicing contractor for all single family loans. They will handle servicing on all Secretary-Held assets.



All required documentation, correspondence, phone calls and servicing for Single Family Secretary-held mortgages should be directed to Novad Management Consulting at (877) 622-8525. For more information, read [Mortgagee Letter 2014-19](#).

South Dakota Single Family FHA Information

<u>FY2014 Statistics</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>
Loans Insured	150	139	145
First-Time Homebuyers	85	76	81
Minority Homebuyers	8	7	13
Default Rate	2.42%	2.54%	2.45%
Foreclosure Rate	0.62%	0.62%	0.58%
REO Properties			
Acquired	40	19	6
Sold	9	16	10
Owned	40	43	39

Affordable Apartments in Brandon



With the assistance of \$800,000 in HUD's [HOME Investment Partnerships Program](#) funds, Brandon Heights Apartments provides affordable housing for 32 families in Brandon.

The project, sponsored by St. Joseph Catholic Housing, recently had a blessing and ribbon cutting ceremony. The apartments which became available in September were fully occupied within a month. St. Joseph Catholic Housing provides affordable housing in 10 cities throughout eastern South Dakota.

Governors House Program

The Governors House Program provides income - qualified individuals and families the ability to purchase an affordable home. The program offers South Dakota residents the ability to purchase a low-cost, energy efficient two or three bedroom house.

The current price for the two bedroom house is \$39,800 and \$45,500 for the three bedroom house. Household income cannot exceed \$45,220 for individuals or couples and \$51,680 for families of three or more. For individuals and families under age 62, net worth must be less than \$90,000 and liquid assets less than \$70,000. For individuals and families age 62 and older, net worth must be less than \$175,000 and liquid assets less than \$100,000. For more information about the program, visit [South Dakota Housing Development Authority](#).

Funding for Veterans



The October [announcement](#) of \$71,437 in HUD-Veterans Affairs Supportive Housing ([HUD-VASH](#)) vouchers for Pennington County Housing will allow 15 homeless veterans access affordable housing and

supportive services, in addition to the 95 vouchers they already administer. The HUD-VASH combines rental assistance with case management and clinical services provided by the Veterans Administration.

There are a total of 245 HUD-VASH vouchers in South Dakota: Pennington County Housing - 110, Meade County Housing - 35, and Sioux Falls Housing - 100. Since 2008, more than 59,000 vouchers have been awarded and over 74,000 homeless veterans served nationwide.

Tribal Communities Receive Funding

The recent \$1.7 million Indian Community Development Block Grant ([ICDBG](#)) will help to remediate mold and rehabilitate homes for the Lower Brule Sioux Tribe, Oglala Sioux (Lakota) Housing (OSLH) and the Rosebud Sioux Tribe.

- Lower Brule Sioux Tribe will use \$900,000 to rehabilitate 40 rental homes to make them energy efficient and handicap accessible.
- OSLH will use \$400,000 to remediate and prevent mold and replace floors and fixtures in their low-rent housing units.
- Rosebud Sioux Tribe will use \$400,000 to remediate mold in some of the oldest units in their inventory. They will also provide education for all tenants and homeowners on the causes of mold and how to prevent and remove it.

Change is in the Air

HUD recently released the publication [Change is in the Air: An Action Guide for Establishing Smoke-Free Public Housing and Multifamily Properties](#). The Action Guide is an excellent starting point for a property owner or manager who is interested in going smoke-free but is unsure where to start.



The purpose of the Action Guide is to encourage Public Housing Authorities (PHAs) and owners/agents of subsidized or market rate multifamily housing to adopt smoke-free policies. The guide includes insights from some of the early implementers, referred to as smoke-free pioneers. These insights address common questions and concerns PHAs and owners/agents have about smoke-free policies. For more information on smoke-free housing, visit [Smoke-Free Multifamily Housing](#).

Biennial Report Released

In October, HUD's Office of Policy Development and Research (PD&R) released its fiscal years 2013 and 2014 Biennial Report. The report highlights the office's most significant accomplishments over the past two years from October 1, 2012 through September 30, 2014. The report focuses on the mission, people, funding, projects, data, dissemination and outreach, and partner engagement. To read the report, go to [PD&R](#).

Fair Housing Case in South Dakota



HUD recently entered into an [Initial Decision and Consent Order](#) with American Bank, resolving HUD's charge that the Rockville, Maryland based lender discriminated against applicants. This is a result of a Pierpont couple who filed a housing discrimination complaint alleging that the bank required the husband, who has a permanent disability, to provide Social Security Administration documentation proving his disability-related income for the past two years. American Bank will pay the couple \$25,000, adopt a written policy addressing the income verification requirements for mortgage loan applicants who receive disability income, and provide fair lending training. For information on filing a fair housing complaint, contact HUD's [Office of Fair Housing and Equal Opportunity](#) or at (800) 669-9777.

September Housing Scorecard

Over the past several months, boosted by the creation of 10.3 million private sector jobs over 55 straight months of job growth and the impact of HUD's programs, positive trends in the housing market are taking hold. The September Housing Scorecard recently released shows new home sales increased significantly 18 percent from August, reaching their highest level in more than six years. Foreclosures were up 2 percent in August, but down 33 percent from a year ago. Read more on [HUD's website](#).

Multifamily Housing What's New

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

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
Housing Specialist

Lisa Wright
Customer Service Representative

Program Provides Self Sufficiency

The [Family Self-Sufficiency \(FSS\)](#) award of nearly \$150,000 to three Public Housing Authorities in South Dakota will provide opportunities for education, job training, counseling and other forms of social service assistance for individuals participating in the Housing Choice Voucher Program. Sioux Falls Housing received the following letter from a former participant in the program, a single mother of three and now a homeowner.



"I have completed my undergraduate degree from the University of South Dakota while on the Family Self-Sufficiency program. I have a full-time job, with benefits, that I just love. I believe I have learned a lot from this program and plan on utilizing my escrow account for a down payment on a house.

This program gave me hope and dignity when I needed it. I remember not being able to afford an Easter basket for my children and the FSS program provided them one. The FSS program provided me with financial assistance when I needed it and I was proud to pay the loan back in full. All the assistance I received was greatly appreciated and just knowing I could come to you helped so much. I have learned that from experience."

Fair Market Rents

Effective October 1, 2014, [Fair Market Rents \(FMRs\)](#) for Fiscal Year 2015 were just published in the Federal Register. FMRs are used to determine payment standard amounts for the Housing Choice Voucher program, to determine initial renewal rents for some expiring project-based Section 8 contracts, as well as serve as a ceiling in the HOME rental assistance.

Our Vision



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.