

HUD HEARTLAND NEWS



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

Paying it Forward: Amy's Success



In 2007, Amy Fullerton and her three children were in a tough spot. She was in a tumultuous relationship and needed to move on. It was difficult for her to ask for help, but she applied for and received a [Housing Choice Voucher](#) through the Huron Housing Authority.

During her tenancy, Amy went to work part time at a local pub at night so she could earn extra money. One evening the director of the housing authority came in and was Amy's customer. The next day she received a call from the director asking her to come to the office. The director proceeded to chastise her for working and not reporting her income. A few days later, the director visited the pub again. Amy provided excellent service and not long after that, she received a call again from the director asking if she wanted to come to work at the housing authority.

Amy started working at the housing authority in 2010, and within a year she was self-sufficient. She is now the Housing Choice Voucher Program Manager and is a certified specialist of occupancy and a certified specialist of eligibility and calculation.

Amy says she is better able to help and support her customers as a result of her firsthand experience. She is justifiably proud of her accomplishments and is extremely happy that the program she now administers was available to her when she needed it. Amy's smile is infectious as she gets great joy in seeing her clients succeed. She takes great pride in her work. The dedication to her clients is obvious as she discusses her work. She has compassion and empathy for her clients, yet is firm when needed.

Affordable Housing in Sioux Falls

On September 19, 2018, Costello Companies held a ribbon cutting for the [Copper Pass Apartments](#). The complex consists of 30 one, two, and three bedroom units located at 3630 South Sparta Avenue in Sioux Falls. They are funded through low income housing tax credits with the assistance of \$700,000 in HUD's [HOME](#) funds.

The apartments are unique and the first in South Dakota to have Passive House design, where each unit maintains its temperature without having to adjust the thermostat as often. The complex receives some of its energy from solar panels on the roof. The apartments have super insulation, advanced window technology, and high level of air tightness and ventilation systems to help reduce temperature fluctuations, improve air quality, and maintain optimal humidity levels.



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CALENDAR OF EVENTS:

November 12, 2018

Closed for Holiday

November 22, 2018

Closed for Holiday

December 4, 2018

[Homeless Consortium Meeting](#)
Chamberlain

December 25, 2018

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



Housing Counseling Trends

HUD's Office of Housing Counseling each month publishes "The Bridge".

Every other month beginning in September, they are publishing a report on housing counseling trends. The report will include how many people are counseled, demographic characteristics of those served by housing counselors, and the percentage of clients served who received reverse mortgage counseling.

The trends in service delivery reflect changes in the economy and in the housing market. The trends also indicate whether purchases are increasing, whether defaults are increasing or vice versa.

The statistics will help agencies to identify areas of concern and develop better, more informed decisions with them.

FEDERAL HOUSING ADMINISTRATION

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Homeownership Is Possible

On November 1, 2018, the South Dakota Native Homeownership Coalition announced the launch of their "Native Homeownership is Possible" campaign via social media. Their message is intended for stakeholders to reach out to all of the Native communities in South Dakota. A social media toolkit and shareable images are [available](#).



SOUTH DAKOTA Native Homeownership Coalition

Homeownership Opportunities in Indian Country

The Sisseton Wahpeton Housing Authority in Sisseton recently signed loan documents for the second phase of their homeownership houses. The Housing Authority is utilizing HUD's [Section 184 Loan Guarantee Program](#) to purchase homes and lease them to families who will be able to purchase them as they become qualified. This model allows families to lease the homes, working with homebuyer readiness staff to prepare themselves to eventually purchase them. This second phase consists of six 1,200 square foot, three-bedroom homes built off-site and moved to lots prepared by the housing authority. The total mortgage cost of each home is \$144,000 as a result of the housing authority utilizing subsidy programs, making them affordable for many families.



Juel Burnette, 1st Tribal Lending Branch Manager; Patrick Deutsch, Jr., Sisseton Wahpeton Housing Authority board member; Roger Jacobs, HUD South Dakota Field Office Director; Eric Shepherd, Sisseton Wahpeton Housing Authority Executive Director

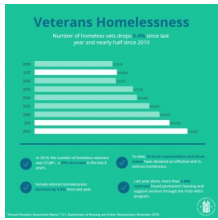
Reverse Mortgage Changes

[Mortgagee Letter 2018-06](#), effective October 1, 2018, requires a second appraisal be conducted where a collateral risk assessment of the initial appraisal submitted for use in the reverse mortgage origination determines additional support for the collateral value is required. Lenders may not close or approve a reverse mortgage until the Federal Housing Administration (FHA) has performed a collateral risk assessment and, if required, a second appraisal. FHA will evaluate the results of the new policy six and nine months after the effective date.

South Dakota Single Family FHA Information

<u>FY2018 Statistics</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>
Loans Insured	203	192	147
First-Time Homebuyers	152	134	117
Minority Homebuyers	16	10	12
Default Rate	2.70%	2.57%	2.94%
Foreclosure Rate	0.12%	0.14%	0.15%
REO Properties			
Acquired	3	5	7
Sold	10	4	6
Owned	25	26	27

Veteran Homelessness Declines



According to HUD’s 2018 Annual [Homeless Assessment Report](#), veteran homelessness continues to decline in the U.S. South Dakota’s report revealed 15.4 percent fewer homeless veterans from 2017 to 2018. The Point-in-Time Count (PIT)

estimates the number of homeless veterans in the last 10 days of January. In January 2018, in South Dakota, the PIT Count was 110, with 89 sheltered homeless veterans and 21 unsheltered homeless veterans.

Supportive Housing for Veterans

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 announcement of 7 additional vouchers for Sioux Falls Housing and the Sioux Falls VA Health Care System, Sioux Falls Housing now administers 128 HUD-VASH vouchers in the Sioux Falls area. Pennington County Housing and the Black Hills Health Care System administer 149 HUD-VASH vouchers in the Rapid City area. Meade County Housing and the Black Hills Health Care System administer 40 HUD-VASH vouchers in the Sturgis area.

Humans of HUD



In October, HUD launched “Humans of HUD” - a [photoblog](#) which documents the journeys of people impacted by HUD’s programs and services. The

photos and stories reveal everyday Americans who are striving to overcome homelessness, drug addiction, natural disasters, and other issues.

Funding for Tribes

January 7, 2019 is the deadline for Federally-recognized Tribes and tribal organizations to apply for a total of \$65 million in Indian Community Development Block Grants ([ICDBG](#)). HUD expects to award 75 grants of between \$400,000 and \$5 million. ICDBG helps Tribes create decent housing, suitable living environments, and economic opportunities for persons with low and moderate incomes.



Homeless Youth Facility in Sioux Falls

A fundraising campaign was launched a year ago by the Volunteers of America (VOA) to build a facility to house homeless youth called [HomePlace](#) in Sioux Falls. They are seeking to raise \$1.25 million yet for the \$3.5 million affordable housing complex. The facility will be located near South Theodore Avenue and West 41st Street.

The VOA’s current facility allows only about 10 homeless youth to be served at a time with a 90-day waiting period and average stay of nine months to a year. The new facility would allow double that amount to be served and in a more therapeutic setting to help them transition into life after high school.

Resources for the Homeless

The South Dakota Housing for the Homeless Consortium has implemented the [South Dakota Coordinated Entry System](#) which connects services to the homeless. The main phone number for anyone who is homeless in South Dakota is (800) 664-1349. There are coordinated entry locations in the following towns:

- Aberdeen (605) 725-7031
- Lake Andes (605) 487-7634
- Mitchell (605) 996-9626
- Rapid City (605) 341-2741
- Wagner (605) 384-3883
- Yankton (605) 665-4559

Field of Dreams Townhomes Available



After years of planning, Affordable Housing Solutions (AHS) in Sioux Falls has announced the availability of newly built townhomes for low-income families looking for homeownership in the eastern part of Sioux Falls.

The [Field of Dreams](#) consists of 2 buildings with 26 townhomes located near 15th Street and Sycamore Avenue. The townhomes use energy efficient design for ventilation and water flow, which allows for lower utility bills. The units each have 2 bedrooms and attached garages. The townhomes are available to households earning 80 percent of the median income or less.

The project consists of multiple funding layers and partners including \$300,000 in HUD’s [Community Development Block Grant](#) program, administered by the city of Sioux Falls. For more information regarding the townhomes, contact AHS at (605) 221-0430.

Fair Housing Case in Sioux Falls

On August 21, 2018, HUD **charged** the owners of The Village at Three Fountains in Sioux Falls with housing discrimination after they refused to let a couple and their new baby stay in their one-bedroom apartment because of their occupancy policies.

After the baby's birth, the mother was told since there were now three occupying the apartment they would have to move to a two-bedroom unit, so they did. Sioux Falls City Code allows for the consideration of areas other than bedrooms to be used for sleeping and occupancy purposes. The one-bedroom unit provided a living area with sufficient sleeping space of 312 square feet, which exceeded the 200 square feet requirement.

According to the Fair Housing Act, "it is unlawful to refuse to sell or rent after the making of a bona fide offer, or to refuse to negotiate for the sale or rental of, or to otherwise make unavailable or deny, a dwelling to any person because of familial status." This April, HUD celebrated 50 years of the enforcement of the Fair Housing Act.



Fair Market Rents

Effective October 1, 2018, Fair Markets Rents (FMRs) for Fiscal Year 2019 were 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 program.

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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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Acceptance of Housing Vouchers

HUD has established a **Landlord Task Force** to engage with landlords and focus on boosting landlord acceptance of housing vouchers across the country. The housing choice voucher program is the country's largest rental subsidy program, assisting more than 2 million households each year.

A pilot study was conducted in 5 sites including: Fort Worth, Los Angeles, Newark, Philadelphia, and Washington, DC. According to the study, most landlords do not accept the vouchers. Some reasons were frustrations with required inspections and disappointment with how local housing authorities handle tenant disputes.

The new Landlord Task Force will host several forums across the country to hear what the landlords have to say, specifically those who have chosen not to participate in the program. The purpose of the forums is to determine how HUD might make its rent subsidy program more accessible and acceptable, especially in higher opportunity neighborhoods where participation is lowest.

An interesting side note - it is not illegal in South Dakota to refuse a voucher since voucher holders are not protected under the Fair Housing Act. Protected classes are based on race, color, national origin, sex, religion, disability, and familial status.

Rent Reform Proposal

HUD Secretary Ben Carson recently stated that the current model of public housing is unsustainable and needs to be reformed. Reform centers on three key issues, the first of which is the more you earn, the more you pay in rent, resulting in the incentive to work less, work a low paying job, or not work at all. This would be resolved by having a three-year recertification of income and the removal of the requirement that tenants must report any income increases, immediately. The result would be less paper work, tenants would earn and save more money and eventually achieve self-sufficiency.

The second issue would be resolved by giving local housing authorities more flexibility to implement any one of the Choice Rent structures as they know best the specialized needs of their residents. The third issue would be resolved by moving families from a life of dependency to self-reliance and greater opportunity by investing in human capital, not just in bricks and mortar.

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.