

# HUD HEARTLAND NEWS



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

## Relief for Renters and Homeowners



The South Dakota Housing Development Authority (SDHDA) is offering support programs for relief from the COVID-19 pandemic and the related economic crisis. The [SD CARES Housing Assistance Program](#) assists renters and mortgage

holders who are experiencing difficulties paying rent, utilities, or mortgage payments. The funding is available through the CARES Act and Consolidated Appropriations Act of 2021 - Emergency Rental Assistance. The August 6, 2021 report shows 4,107 applications have been received, over \$13 million dispersed in 2020 and 2021, and more than \$312 million still available to assist renters and homeowners.

The [Security Deposit Assistance Program](#) is available to help pay security deposits. This is for emergency situations to prevent homelessness or to help persons transition to permanent housing. The funding may also be used to obtain a more affordable rental unit.

## Eviction Moratorium Guidance for Renters

The Centers for Disease Control and Prevention recently issued an order halting evictions through 2021 for counties with substantial or high levels of COVID-19 community transmission. This applies to renters only who must provide the following to their landlord:



- A document that the renter has done everything they can to get government assistance to help with paying their rent or housing assistance.
- The renter must state one of the following has occurred: they expect to earn less than \$99,000 as a single person in 2021 or \$198,000 if filing a joint tax return; they were not required to report any income to the Internal Revenue Service in 2020, or they have received a stimulus check under the CARES Act.
- The renter states they are unable to pay the full rent because of a loss of income, less work hours or pay, have been laid-off, or had many medical expenses.
- The renter must be paying as much rent as they are able to pay.
- The renter must state that they would have been evicted - that they have no other housing options available.

The renter fills out the declaration [form](#) and provides the above information to their landlord. The renter needs to continue paying rent. The eviction moratorium does not stop landlords from charging fees, penalties, or interest from nonpayment of rent. After the moratorium expires, the renter will need to pay any past-due rent and any fees. The moratorium does not protect those who do not qualify based on the above criteria, have committed criminal activity or caused damage on or to the property; have threatened other tenants' safety or health; have violated building codes or health ordinances; or have violated any terms of their lease other than nonpayment of rent. For additional assistance, renters may apply online at the [SD Law Help website](#).

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### CALENDAR OF EVENTS:

September 8, 2021

[SD Native Homeownership Coalition Planning Session](#)  
Pierre

September 9-10, 2021

[SDHDA Housing Conference](#)  
Pierre

September 24, 2021

[VA Stand Down](#)  
Sioux Falls

September 28, 2021

[Homeless Consortium](#)  
Pierre

October 21-22, 2021

[SD Multi-Housing Convention](#)  
Sioux Falls



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

Email: [answers@hud.gov](mailto:answers@hud.gov)

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# FEDERAL HOUSING ADMINISTRATION

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

## Change in HUD Home Agents



Management and Marketing contractors have been used to manage and market HUD's Real Estate Owned single-family homes since 1999. New agents were recently hired for our region. They are listed on HUD's [website](#) and are as follows:

- Asset Manager, responsible for the sale of the property is Raine & Co. LLC at (470) 444-8050.
- Field Service Manager, responsible for maintaining the property is DGG RE Investments LLC at (888) 872-9094.
- Listing Broker, responsible for the marketing of the property is Realty Center, Inc., contact Margue Fenner at (605) 201-3463.

## New Loss Mitigation Options

[Mortgagee Letter 2021-18](#) offers greater payment reduction "waterfall" options which servicers are required to use within 90 days of this letter, dated July 23, 2021. The waterfall options for properties that are occupied as the primary residence are:

1. COVID-19 Recovery Standalone Partial Claim is for homeowners who are able to resume monthly payments and places mortgage payment arrearages in a zero-interest subordinate lien to be repaid when the mortgage is paid, refinanced, or the home is sold.
2. COVID-19 Recovery Modification is for homeowners who are unable to make monthly payments. This modification extends the term of the mortgage to 360 months at a fixed rate and targets reducing the monthly payment and interest amounts. This modification must include a partial claim if the homeowner has the funds available.

For properties not occupied by the homeowner, servicers must offer eligible homeowners a COVID-19 Recovery Non-Occupant Loan Modification, which extends the mortgage term to 360 months or less at a fixed rate. Servicers must re-review homeowners for the new COVID-19 Recovery Options in situations where an existing home retention option has not been completed, in cases where the homeowner was previously ineligible, or if the homeowner has re-defaulted after a previous COVID-19 home retention option.

## Loss Mitigation Waivers

On August 05, 2021, FHA issued the following loss mitigation partial waivers:

- [Partial Waiver](#) of the Borrower Review Requirements for the COVID-19 Advance Loan Modification (ALM) in [Handbook 4000.1](#) and [Mortgagee Letter 2021-18](#).
- [Partial Waiver](#) of the Re-Review of Borrower Requirements for the COVID-19 Recovery Loss Mitigation Options in Mortgagee Letter 2021-18.

Mortgagees and other stakeholders are encouraged to review the [two waivers](#) as well as the COVID-19 ALM and COVID-19 Recovery Options policies outlined in [Mortgagee Letter 2021-15](#) and [Mortgagee Letter 2021-18](#).

## South Dakota Single Family FHA Information

<u>FY2021 Statistics</u>	<u>Apr</u>	<u>May</u>	<u>June</u>
Loans Insured	176	200	240
First-Time Homebuyers	72	110	149
Minority Homebuyers	29	77	121
Default Rate	4.06%	4.18%	4.00%
Foreclosure Rate	0.37%	0.32%	0.23%
REO Properties			
Acquired	2	2	2
Sold	6	4	4
Owned	23	21	19

## Emergency Housing Vouchers

HUD awarded its first round of American Rescue Plan funds for Emergency Housing Vouchers (EHVs) for persons experiencing homelessness or who are at risk. The funds give communities resources to assist those who are homeless, at risk of homelessness, fleeing or attempting to flee, domestic violence, sexual assault, stalking, human trafficking, or who are recently homeless. Sioux Falls Housing received 63 vouchers, Pierre Housing received 30, and Watertown Housing and Vermillion Housing each received 20 vouchers for a total of 133 vouchers.

## More Options for Homebuyers

The SDHDA is offering first-time and repeat homebuyers two new enhancements to its mortgage programs: 1) eliminating the 1% origination fee which allows borrowers to pay less in closing costs; and 2) an additional option for the fixed rate plus loan. Borrowers are eligible for a loan that equals 5% of the first mortgage amount for down payment and closing cost assistance in addition to its 3% option. These options help borrowers who may be affected by gap created by the current seller's market.

## Grant Opportunities

September 7, 2021 is the deadline for Public Housing Authorities to apply for Family Self-Sufficiency funding through HUD's Notice of Funding Availability for \$105 million to support families receiving assistance through the HCV program or Public Housing to become self-sufficient.

September 17, 2021 is the deadline for Public and Indian Housing Authorities to apply for \$35 million in Resident Opportunity & Self-Sufficiency Service Coordinator (ROSS-SC) grants. The ROSS program allows Public and Indian Housing residents to make progress toward economic and housing self-sufficiency by removing the educational, professional and health barriers.

## Veterans Stand Down



The Veterans Stand Down will be held on September 24, 2021 from 9:00 a.m. to 12:00 p.m. at the South Dakota Military Heritage Alliance on 1600 West Russell Street in Sioux Falls. The event brings services to one

location, making them more accessible to homeless veterans. The event provides clothing, health screenings, food, counseling, and referrals for necessary services such as housing and employment opportunities.

## \$1.4 Million for Homeless Programs

HUD has awarded over \$1.4 million to members of the South Dakota Housing for the Homeless Consortium. This renewal of existing Continuum of Care grants allows for continuation of needed services. It provides housing for homeless persons, job training, health care, mental health counseling, substance abuse treatment, and child care.

### Funding for Homeless programs in South Dakota (2020)

Cornerstone Rescue Mission	\$ 72,186
Inter-Lakes Community Action	\$639,020
Lewis & Clark Behavioral Health	\$149,334
Sioux Falls Housing	\$343,147
SDHDA	\$209,858

## Regional Food and Mood Learning Collaborative

The Substance Abuse and Mental Health Services Administration (SAMHSA) in Regions VII and VIII, in partnership with the Mountain Plains USDA office, are supporting a collaborative of state and community behavioral health, education, nutrition, food insecurity, school garden, and related experts. The virtual collaborative includes biannual large group town hall discussions, as well as smaller subcommittees comprised of federal, tribal, state, local public and private partners.

The smaller subcommittees will begin virtual meetings this fall and will collectively identify and initiate the implementation of strategies that leverage programs such as the USDA's Farm to School program and the CDC's Whole School, Whole Community, Whole Child model to promote youth emotional wellness and to address behavioral health problems, including those related to food insecurity and lack of access to culturally appropriate food.

The goal of the learning collaborative is to promote emotional wellness and reduce the impact of mental health and substance use issues in the SAMHSA Regions VII and VIII K-12 population through identifying and implementing strategies that address the intersection between behavioral health and food/food insecurity/culturally appropriate food/school gardens.

The SAMHSA Regional Offices invites folks to participate either by: 1) Sign up to receive bi-monthly newsletter in the Food and Mood space; or 2) Join one of the three working groups that will begin virtual meetings in October 2021. Contact Traci Pole at 303-844-1205 for more information.

## Guidance for Tribes

On July 20, 2021, HUD issued a notice for Indian tribes providing guidance on applying for Indian Community Development Block Grant Imminent Threat (ICDBG-IT) funding under the American Rescue Plan Act of 2021.

ICDBG-ARP grants are intended to help prevent, prepare for, or respond to COVID-19. The grants will be awarded in 3 phases: unfunded ICDBG-CARES applicants, other ICDBG-ARP applicants, and remaining funding.

Phase 1 applicants include those previously not selected due to limited funding. Phase 2 begins on September 3, 2021 and once all Phase 1 applications have been funded. Applications are accepted until October 18, 2021 at 5 p.m. Central Time. Phase 2 applicants will be funded on a first-come, first-served basis. Phase 3 will fund any applications received on a first-come, first-served basis until all funding is exhausted. For more information and to learn about eligibility, visit [HUD's website](#).



## New Fair Market Rents

Fair Markets Rents (FMRs) for Fiscal Year 2022 have been released on the [HUD's website](#). The new rents will be effective on October 1, 2021. 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](http://www.hud.gov/southdakota)

Please contact us if you have any news or updates to include in our newsletter.

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## CDBG-CV Broadband Quick Guide

The CDBG-CV Broadband Quick [Guide](#) summarizes some of the ways CDBG-CV grantees can help narrow the digital divide through the provision of broadband infrastructure and services to communities in need due to coronavirus. The Guide describes and provides examples of how Community Development Block Grant (CDBG) and CDBG-CV funds can be used for eligible activities to support broadband access, including but not limited to:

- Infrastructure development
- Installation of wired and wireless connections
- Hardware and software purchases
- Construction of computer rooms for after-school programs that also incorporate appropriate health and safety precautions
- Training and digital literacy classes
- Economic development assistance to businesses

In 2015, HUD launched ConnectHome, a platform for collaboration among local governments, PHAs, nonprofits, etc. to find local solutions for narrowing the digital divide. HUD is working with EveryoneOn and US Ignite to build partnerships and gather commitments to increase Internet access for low-income households.

## HUD's FY22 Proposed Budget

HUD Secretary Fudge delivered testimony on the President's FY22 budget request for HUD on June 10, 2021. The [proposed budget](#) of \$68.7 billion is an increase of \$9 billion or 15% from HUD's FY21 budget. The proposal contains \$3.5 billion for housing and supportive services for those experiencing homelessness. The budget requests \$30.4 billion for the Housing Choice Voucher program. This would help an additional 200,000 households. And \$3.2 billion for public housing capital funds to help preserve housing capital stock.

## Child Tax Credit Information Tool

Since the American Rescue Plan was signed into law in March, the White House has led agencies to ensure the expanded Child Tax Credit reaches families that need it the most. The IRS has launched a non-filer sign-up [tool](#) with a step-by-step guide. The Department of the Treasury, White House, and Internal Revenue Service have made efforts to encourage folks to use the tool in collaboration with advocacy groups, public figures and through the [Child Tax Credit website](#).

**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.**