

# HUD HEARTLAND NEWS

South Dakota HUD Office Quarterly Newsletter



## INSIDE THIS ISSUE:

Reverse Mortgage Bid Sale	2
FHA CWCOT Sales	2
FHA's Smart Integrated Portal	2
SD Single Family FHA Information	2
Homeless Program Funding	3
SD Tribal Communities Funding	3
SD Tribes & Entities Funding	3
ESG Funding	3
RA's Visit to Sioux Falls (cont.)	4
Fair Housing Training	4
Affordable Connectivity Program	4
PAVE	4
FY2022 Income Limits	4

## CALENDAR:

- June 1,7,14,16,21- National Healthy Homes Month [Webinars](#)
- June 14-15 - [Homeless Summit](#) in Oacoma
- June 23 - HUD/FDIC Homeownership Webinar

## Regional Administrator Visits Sioux Falls



L to R: Kurt Loudenback, Board Chair of Sioux Falls Development Foundation; Karl Fulmer, Executive Director of Sioux Falls Housing; Dave Rozenboom, President of First Premier Bank; Brent Tucker, Director of Housing Development at Affordable Housing Solutions; Jeff Eckhoff, Director of City of Sioux Falls Planning & Development Services; Dominique Jackson, HUD Region 8 Administrator; Jeff Griffin, President & CEO of Sioux Falls Chamber of Commerce

On April 20, 2022, HUD Region VIII Regional Administrator Dominique Jackson joined community leaders in the groundbreaking of six new affordable housing units in Sioux Falls. The units will be offered for purchase to households with incomes at or below 80% of the HUD area median income and priced between \$210,000 and \$225,000. The \$1.7 million project will be a public-private partnership led by Affordable Housing Solutions ([AFS](#)), a non-profit community housing development organization. The project will be funded by a \$240,000 HOME grant from the City of Sioux Falls, \$150,000 of grants from local lenders, and \$1.3 million of construction financing.

"This groundbreaking gives me confidence that we are making real positive progress, that we are moving in a direction where homeownership, no matter who you are or where you come from, can still be a part of the American Dream. I'm also proud that [HOME](#) funds played a part in making this project possible," said RA Jackson. *(continued on page 4)*

# SINGLE FAMILY UPDATES

## HUD Expands Affordable Housing Through Bid Sale



On April 12, 2022, HUD announced it will hold its first ever competitive bid sale on June 8, 2022. The bid sale consists of approximately 1,450 reverse mortgage notes secured by properties where the borrower is deceased and not survived by a non-borrowing spouse. Participation in the sale will be limited to eligible mission-driven non-profit entities and units of state and local government. Visit HUD's [website](#) for more information.

Principal Deputy Assistance Secretary for Housing Lopa P. Kolluri stated, "This sale reinforces our dedication to expanding the opportunities for non-profits and units of state and local government to purchase HUD-held assets that can be revitalized and returned to the housing market at a time when inventory is extremely low."

## HUD Expands Affordable Housing Supply Through FHA's Claims Without Conveyance of Title Sales

On May 5, 2022, FHA published Mortgagee Letter ([ML](#)) [2022-08](#) that adds an initial 30-day exclusive sales period for Claims Without Conveyance of Title (CWCOT) post-foreclosure sales for owner-occupants, HUD-approved nonprofits, and government entities. This bid period allows these buyers the opportunity to bid on the foreclosed properties before investors during the CWCOT post-foreclosure sales period. The ML also extends the mortgagee's conveyance timeframe to provide the buyers additional time to obtain financing and complete the sale.

Principal Deputy Assistance Secretary for Housing and the Federal Housing Administration Lopa P. Kolluri stated, "This policy change is critical as the nation continues to address the challenges of a real estate market in which home prices are high and the availability of affordable housing supply is low, making it difficult for individuals and families to achieve the dream of homeownership."

## FHA Implements Smart Integrated Portal

FHA recently released the Smart Integrated Portal ([SIP](#)), a self-service portal which allows borrowers, servicers, and third parties to request payoffs in real-time for FHA partial claims or subordinations checklists. The new portal is part of HUD's Single Family Mortgage Asset Recovery Technology (SMART) system.

New users will create an account on the SIP Support Center web page. The new users must complete the multi-factor authentication process that verifies their account by sending a 6-digit code via email or text. Customer assistance is available Monday through Friday from 8:00 a.m. to 5:00 p.m. Central Time at the SIP Support Center [website](#). Read [FHA Info 2022-21](#).



## SD Single Family FHA Information

### FY2022 Statistics

	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>
Loans Insured	150	145	162
First-Time Homebuyers	100	71	96
Minority Homebuyers	85	77	79
Default Rate	3.52%	3.46%	3.17%
Foreclosures	91	63	74

### REO Properties

Acquired	1	0	1
Sold	3	1	4
Owned	22	21	18

# FUNDING UPDATES

## Homeless Programs Receive Funding

HUD recently 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. The grants provide permanent and transitional housing for homeless persons as well as job training, health care, mental health counseling, substance abuse treatment, and child care.

Cornerstone Rescue Mission	\$72,186
Inter-Lakes Community Action	\$652,160
Lewis & Clark Behavioral Health	\$152,957
Sioux Falls Housing	\$310,370
SDHDA HMIS & Planning & COC	\$216,044
Safe Home	\$42,173

## Funding for South Dakota Tribal Communities

On March 11, 2022, HUD announced the awarding of nearly \$70 million in Indian Community Block Grant-American Rescue Plan (ICDBG-ARP) funding across the U.S. In South Dakota we received over \$6 million:

- The Cheyenne River Housing Authority received over \$1.7 million. This funding will help with the shortage of housing by allowing the housing authority to construct 7 rental units.
- The Sicangu Wicoti Awayankapi Housing Authority received over \$3.4 million. This funding will help to rehabilitate 23 homes.
- The Yankton Sioux Housing Authority received over \$1 million. This funding will be used to rehabilitate 6 relocated homes and 2 vacant homes.

## South Dakota Entities and Tribal Communities Receive 2022 Funding for Housing

On May 17, 2022, HUD announced funding for communities to help with homelessness and affordable housing. The formula grants are to communities across the U.S. for housing and community development activities. South Dakota tribes received over \$36.9 million in Indian Housing Block Grants (IHBG). In South Dakota, the state housing agency and the entitlement cities received over \$14.5 million through the Community Development Block Grant (CDBG) program, the Emergency Solutions Grant (ESG), HOME, and Housing Trust Fund (HTF).

Tribe	IHBG 2022
Cheyenne River Sioux Tribe	\$5,957,737
Crow Creek Sioux Tribe	\$1,785,671
Flandreau Santee Sioux Tribe	\$432,459
Lower Brule Sioux Tribe	\$1,466,625
Oglala Lakota Sioux Tribe	\$12,959,260
Rosebud Sioux Tribe	\$8,298,251
Sisseton-Wahpeton Oyate Tribe	\$4,087,184
Yankton Sioux Tribe	\$2,356,329

Rapid City	Funding
CDBG	\$514,500
Sioux Falls	Funding
CDBG	\$1,027,891
HOME	\$560,561
State	Funding
CDBG	\$5,808,403
Housing Trust Fund	\$2,982,433
HOME	\$3,000,039
Emergency Solutions Grant	\$642,900

## SDHDA Announces Emergency Solutions Grants Funds

On May 9, 2022, the South Dakota Housing Development Authority announced Emergency Solutions Grants (ESG) funds for nonprofits and local governments are available with applications due May 31, 2022 at 5:00 p.m. ESG provides funding for rental assistance and services to stabilize and rapidly re-house homeless or at-risk homeless persons.



# OTHER NEWS

## RA's Visit to Sioux Falls

*(Continued from page 1)*

AHS partners with the City's Neighborhood Revitalization Program to acquire vacant lots or dilapidated homes. Most projects involve acquisition, demolition, and construction of new single-family homes. To date, 135 houses and seven apartment complexes have been built. The program uses a combination of [HOME](#) and [CDBG](#) funds as well as local dollars to develop quality housing for low-to-moderate income households.

RA Jackson toured affordable housing projects built by AFS. She met with leaders of the Union Gospel Mission homeless shelter, toured the facility, and spoke with several residents. She spoke with the City of Sioux Falls Planning & Development Services staff to discuss the state of affordable housing in Sioux Falls, what accomplishments had been achieved, and what were the existing challenges and opportunities facing the community. RA Jackson concluded her trip with a meeting with City of Sioux Falls Human Relations staff to discuss their potential application to become a [Fair Housing Assistance Program](#) participant.

## Program Helps Pay for Internet Services for HUD-assisted Tenants

The Affordable Connectivity Program ([ACP](#)) is offering eligible households \$30 per month to pay for the cost of internet service in addition to a one-time payment of \$100 for computer devices. The ACP is a \$14.2 billion federal subsidy program made possible by the Infrastructure Investment and Jobs Act.

The subsidy is offered to public housing and Section 8 residents and will not be counted as income. The ACP is seeking more enrollees. For more information, read the ACP Fact Sheet and Press Release. Any questions may be directed to [ConnectHome](#).

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## Fair Housing Training Held in Sioux Falls and Yankton



On April 28 and 29, 2022, to celebrate Fair Housing Month, the HUD South Dakota Field Office coordinated with HUD's Office of Fair Housing and Equal Opportunity ([FHEO](#)) to provide fair housing trainings in South Dakota. FHEO Equal Opportunity Specialists, Michele Hutchins and Sidney Du Varney, presented two sessions in Sioux Falls and one in Yankton, providing an overview of the Fair Housing laws and Section 504. There were a total of 156 rental, real estate, and lending professionals that attended the trainings. Each session included lively discussion from the audience on timely issues and questions they were facing.

## PAVE On a Mission

The Property Appraisal and Valuation Equity (PAVE) is an interagency task force with the mission of ending bias in home valuation, and the ultimate goal of closing the racial homeownership and wealth gap.

HUD Secretary Fudge co-chairs the task force which consists of 13 federal agencies. The PAVE Action Plan outlines actions the federal agencies will take to enhance oversight and accountability of the appraisal industry and encourage homeowners and homebuyers to take action when they receive a lower valuation than expected. Read more on HUD's [website](#).

## Income Limits Released

The Fiscal Year 2022 [income limits](#) were released on April 18, 2022. The income limits are used to determine eligibility for HUD-assisted housing programs. They are based on Median Family Income estimates and Fair Market Rent area definitions.

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.