

HUD HEARTLAND NEWS

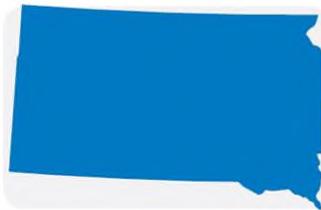
US Department of Housing and Urban Development
Sioux Falls, South Dakota Field Office

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HUD Invests in South Dakota

HUD is the Department of Opportunity. True to its mission, HUD is working closely with state and local leaders across South Dakota to promote homeownership, support community development, and increase access to affordable housing, free from discrimination. Below are some examples of HUD at work in South Dakota.

Housing Highlights



Building Stronger Communities in the Century of Cities

Since 2010, HUD has invested \$36 million in the State through the *Community Development Block Grant Program*. CDBG supports a broad range of public improvements for places like community centers and parks.



Easing the Rental Crisis

HUD provides 13,801 South Dakota households with rental assistance. That assistance impacts 23,116 individuals who reside in those households.



Creating Sustainable Communities

HUD programs are designed to support next-generation sustainable housing and communities. Since 2010, HUD has helped produce 414 healthy and energy-efficient homes in South Dakota.



Ending Homelessness

On any given night in South Dakota, HUD helps to shelter 830 persons experiencing homelessness. HUD is currently providing permanent homes for 211 formerly homeless veterans and has helped house 500 homeless veterans since 2008.



Leveling the Playing Field

HUD is committed to ensuring that every American has the chance to pursue housing opportunities free from discrimination. Last year in South Dakota, HUD resolved 9 housing discrimination cases affecting 16 people.



Helping Families Secure Quality Housing

The Federal Housing Administration (FHA) insures the mortgages of 16,297 South Dakota homeowners, helping drive a statewide homeownership rate of 70.5 percent.

Inside this issue:

Comments?	2
Homeownership for Native Americans	2
Mortgage Insurance Premiums	2
Interest Rate Checker	2
South Dakota Single Family FHA Information	2
New HUD Region VIII Deputy Administrator	3
Environmental Review Training	3
Funding Available	3
Training Coming to Your Area!	3
\$1.2 Million for Homeless Programs	3
Emergency Solutions Grants	3
Worst Case Housing Needs	4
Diversity Conference	4
Multifamily Housing What's New	4
New Passbook Savings Rate	4
Proposed 2016 Budget	4

CALENDAR OF EVENTS:

- March 18
South Dakota Connection
Huron
- March 18
Statewide Homeless Meeting
Pierre
- April 2
Selling to the Government
Sioux Falls
- April 21
Fair Housing Training
Rapid City
- April 22
Fair Housing Training
Pierre
- April 23
Fair Housing Training
Aberdeen
- April 24
Fair Housing Training
Sioux Falls



HUD Investments in South Dakota

This year marks the 50th anniversary of HUD. Since 1965, HUD has also been at work in South Dakota.



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

Email: answers@hud.gov
 Search online: www.hud.gov/answers



Comments?

As part of FHA's effort to publish a single, authoritative, clear and concise source for single family housing policy, FHA has posted content for its *Other Participants* sections of the Single Family Housing Handbook 4000.1.

The *Doing Business with FHA - Other Participants in FHA Transactions* section includes eligibility, approval, and recertification requirements for 203(k) consultants, Direct Endorsement (DE) underwriters, and nonprofit organizations.

The *Quality Control, Oversight, and Compliance - Other Participants in FHA Transactions* section includes quality control, monitoring and enforcement of 203(k) consultants, DE Underwriters, and nonprofit organizations.

Comments will be accepted through February 22, 2015 at FHA's [Single Family Drafting Table](#).



Homeownership for Native Americans

The South Dakota Native Homeownership Coalition was created in 2013 to increase homeownership opportunities for Native Americans in South Dakota. The Coalition is currently made up of approximately 75 representatives from agencies, institutions, and organizations - all working together to create a clear path to homeownership for Native Americans.



The Coalition facilitates 5 working committees that address the following specific issues related to homeownership: 1) Physical Issues: Land, Infrastructure, and Housing Stock; 2) Education and Capacity Building; 3) Homebuyer Readiness; 4) Funding and Financing; and 5) Policy. To learn more about the Coalition and how to create homeownership opportunities for Native Americans, contact [Leslie Newman](#) at (510) 682-3732 or visit their new [website](#).

Mortgage Insurance Premiums

FHA recently announced a .50 percentage point reduction in the annual premium paid by homeowners for FHA-insured mortgages with case numbers assigned on or after January 15, 2015. This action is projected to save FHA homebuyers \$900 annually, making it easier for over 250,000 families to become homebuyers.

[Mortgagee Letter 2015-01](#) outlines the revised annual Mortgage Insurance Premium (MIP) rates for FHA Title II forward mortgages and provides information for cancellation of existing case numbers in order to utilize the new rates.

Interest Rate Checker



Check out the Interest Rate Checker available on the Consumer Financial Protection Bureau [website](#). The Interest Rate Checker allows homebuyers to search interest rates that mortgage lenders are offering in their state. The data is provided by lenders and is updated daily.

South Dakota Single Family FHA Information

FY2015 Statistics	Oct	Nov	Dec
Loans Insured	148	114	136
First-Time Homebuyers	87	64	76
Minority Homebuyers	3	4	4
Default Rate	2.38%	2.72%	2.56%
Foreclosure Rate	0.50%	0.46%	0.44%
REO Properties			
Acquired	14	12	8
Sold	12	9	11
Owned	41	44	41

NEW Region VIII Deputy Administrator



On February 9, 2015, Eric Cobb was appointed Deputy Regional Administrator for HUD Region VIII in Denver. Eric will be responsible for advising the Regional Administrator to ensure the regional office meets the agency's mission, goals, and performance measures in the delivery of services, products, and programs.

Previously, Eric served as the Director of the Real Estate Owned (REO) Division for the Denver Single Family Homeownership Center serving a 17-state jurisdiction. Eric also has experience as a private real estate broker and served in the Colorado Air National Guard. He will begin his new position on February 23, 2015.

Environmental Review Training

Environmental Review Training for state, local, and tribal governments, non-profit organizations, and consultants will be held in the Sioux Falls HUD Office June 10-12, 2015 from 9:00 a.m. to 4:30 p.m. live via video-conferencing.

Watch for the notice of registration and the full course announcement coming in April on HUD's [website](#).

Funding Available

South Dakota Housing Development Authority (SDHDA) receives \$3 million annually from HUD through the HOME Investment Partnership Program. HOME funds are used to fund building, buying, and/or rehabilitation of affordable housing for rent or homeownership and provide low income rental assistance. HUD requires 15% of the funds be set-aside for Community Housing Development Organizations (CHDOs) to develop affordable housing using the HOME program. A CHDO is a private non-profit community-based organization that develops and/or owns affordable housing for the community it serves.

SDHDA is hosting [meetings](#) February 17, 23 and 24 in Rapid City, Aberdeen, and Sioux Falls, respectively to discuss how organizations can potentially become a CHDO and how to apply for the funding.



Training Coming to Your Area!

In celebration of Fair Housing Month, live training will be presented in four cities in South Dakota. The training sessions will be held from 9:00 a.m. to 12:00 p.m. on April 21-24 in Rapid City, Pierre, Aberdeen, and Sioux Falls, respectively. Watch for more information and when registration will be available on our [website](#).



The Fair Housing Act covers most housing. In some circumstances it exempts owner-occupied buildings with no more than four units, single-family housing sold or rented without the use of a broker, and housing operated by organizations and private clubs that limit occupancy to members. It is unlawful to discriminate in housing base on race, color, national origin, religion, sex, familial status, or handicap.

\$1.2 Million for Homeless Programs

HUD recently awarded over \$1.2 million to members of the South Dakota Housing for the Homeless Consortium. The [Continuum of Care \(CoC\) grants](#) provide permanent and transitional housing for homeless persons, job training, health care, mental health counseling, substance abuse treatment, and child care.

Funding for Homeless programs in South Dakota (2014)

Cornerstone Rescue Mission	\$ 72,186
Inter-Lakes Community Action	\$472,039
Lewis & Clark Behavioral Health	\$135,450
Pennington County Housing	\$192,845
Sioux Falls Housing	\$313,177
SD Housing Development Authority	\$ 39,684

Emergency Solutions Grants

South Dakota Housing Development Authority (SDHDA) administers HUD's Emergency Solutions Grants (ESG) program and is currently seeking applicants for funding. ESG is a grant for services to homeless and near homeless for street outreach services, emergency shelter, homelessness prevention and rapid re-housing, and administrative costs.

Local government agencies or nonprofit organizations may apply for the grants to SDHDA by March 31, 2015. For more information, contact [Lisa Bondy](#) at (605) 773-3445 or [Denise Albertson](#) at (605) 773-2598.

Worst Case Housing Needs



HUD released the [Worst Case Housing Needs 2015 Report](#) as part of a long term series of reports measuring the scale of critical housing problems for very low-income and un-assisted renters.

Worst case housing needs are renters with very low incomes (below 50 percent of the median in their area) who do not receive government assistance and who paid more than 50 percent of their monthly income for rent and/or lived in severely substandard conditions.

The report finds that housing needs affect all regions of the country, including all racial and ethnic groups and results from a shortage of affordable rental housing.

In South Dakota, the [South Dakota Housing Development Authority](#) (SDHDA) is the state agency that administers the following programs which provide affordable housing:

- HUD's [HOME](#) program provides funding to the state and local jurisdictions to expand the supply of decent, safe, sanitary and affordable housing for very low-income and low-income households.
- The [Low Income Housing Tax Credit Program](#) provides for construction and rehabilitation of housing for low-income households.
- The [South Dakota Housing Opportunity Fund](#) provides economic development for decent, safe, sanitary and affordable housing for low and moderate-income households.

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

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Diversity Conference

The Sioux Falls HUD Office participated in the Diversity Conference held in Sioux Falls on November 19, 2014.



Sponsored by the [Sioux Falls Diversity Council](#), the annual conference featured keynote speaker Major General Timothy Reisch. Several breakout sessions were held to address bullying in the workplace, women empowerment, best practices in a diverse community, and Native American culture.

Multifamily Housing What's New

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

New Passbook Savings Rate

Effective February 1, 2015 for owners of HUD Multifamily Housing subsidized properties, the passbook savings rate to be used for all move-in, initial, annual, and interim recertifications when a family has net assets over \$5,000 is .06 percent. The new rate supersedes the previous 2 percent rate as stated in [Housing Notice 2014-15](#) for HUD Handbook 4350.3 Section 5-7.F.

If owners have already completed a certification to be effective on February 1, 2015 or later, the certification will need to be corrected using the .06 percent rate. According to the Handbook and model lease, tenants have the right to request an adjustment through the interim recertification process if their income changes before the next annual recertification.

Proposed 2016 Budget



The FY 2016 [proposed HUD budget](#) focuses on helping to secure quality housing for Americans; to end homelessness; to make communities more resilient from natural disasters; to protect people from housing discrimination; and to provide critical rental assistance for millions of extremely poor families. The 2016 budget includes \$49.3 billion, representing a \$4 billion or 8.7 percent increase over current levels.

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.