HUD HEARTLAND NEWS

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New Leadership in Regional HUD Office

Janice Rodriquez, Christine Baumann, Scott Bice, & Aaron Gagné

On October 9, 2015, the Regional HUD Office in Denver announced new leadership positions due to recent retirements. The positions will provide oversight of programs in South Dakota, North Dakota, Montana, Utah, Wyoming, and Colorado.

Janice Rodriquez was named Director of the Office of Public Housing. She has worked at HUD over 13 years, most recently as Division Director in the Office of Public Housing and Attorney-Advisor in the Office of General Counsel.

Christine Baumann was named Regional Public Affairs Specialist in late summer. She came to HUD under the Presidential Management Fellowship over 4 years ago as a Management Analyst in the Office of Field Policy and Management.

Scott Bice was named Director of the Single Family Homeownership Center. He brings 33 years of senior executive mortgage lending and regulatory experience in federal and state government as well as the private sector.

Aaron Gagné was named Director of Community Planning and Development. He was City of Aurora's Director of Neighborhood Services and Manager of Community Development.

New Affordable Housing in Sioux Falls

On September 25, 2015, Affordable Housing Solutions and the City of Sioux Falls held a ribbon cutting to celebrate completion of the Highland Five Apartments in Sioux Falls. The apartments, which replaced two very dilapidated homes in the Whittier Neighborhood, are providing affordable housing for five seniors, veterans and disabled residents.

Ron Dorsman, Wayne Wagner, Dean Karsky, Shireen Ranschau, Les Kinstad, Rev. Ryan Otto & Kyle Raph

The $550,000 project was funded through private and public funds. First Congregational Church, Wesley United Methodist Church, COOP Architecture, and Affordable Housing Solutions provided private capital and in-kind donations. The City of Sioux Falls utilized general funds and $164,000 in HUD's HOME funds. The South Dakota Housing Development Authority provided $171,000 in HUD's HOME funds and $100,000 in HUD's Neighborhood Stabilization Program (NSP) funds.

COOP Architecture provided the winning design for the project at no cost, which was submitted through a competition developed by the Architects for Humanity group. Elements of natural light, energy efficiency, and front door parking provide an "at home" atmosphere for the tenants.

CALENDAR OF EVENTS:

November 26, 2015
Closed for Holiday

December 8, 2015
State Homeless Meeting
Chamberlain

December 15, 2015
Servicing & Loss Mitigation
Webinar

December 25, 2015
Closed for Holiday

January 1, 2016
Closed for Holiday

Your Door to FHA HOMEOWNERSHIP

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

Email: answers@hud.gov

Search online: www.hud.gov/answers

Energy Efficient Mortgages

On September 30, 2015, FHA issued Mortgagee Letter (ML) 2015-22 which sets new standards for its Energy Efficient Homes (EEH) program "Stretch Ratio" Policy and incorporates the Department of Energy's home energy score. The ML updates the minimum energy efficiency standard to the most recent International Energy Conservation Code for mortgages on new construction and adds the use of the home energy score for existing homes.

The program recognizes the energy savings in the overall cost of home ownership and allows borrower's income qualifying ratios to be increased by 2 percentage points above the standard limits (stretch ratios) for homes that meet the energy efficiency standards. The new guidelines apply to case numbers assigned on or after January 25, 2016.

FEDERAL HOUSING ADMINISTRATION

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

A Coalition on a Mission

HOMES for SOUTH DAKOTA

Over the past several years, leaders in South Dakota realized that the lack of affordable housing is impeding economic development and growth. In 2013, in an effort to effect change, these leaders collaborated and educated legislators on the need for a state housing trust fund, creating the Housing Opportunity Fund (HOF). The fund's purpose is to promote economic development by expanding affordable housing opportunities for low and moderate income individuals and families.

In 2014, this group became the Homes for South Dakota Coalition with the mission to provide a unified voice for addressing housing needs, promote and educate housing practitioners on best practices, and work to ensure housing opportunities so that all have a home. The Coalition plans to continue the efforts of utilizing the HOF in expanding housing opportunities for all South Dakotans. Since its inception, this fund has obligated over $6.3 million; however, more than $9.5 million was requested. The last of the dedicated funds obligated in 2013 will be awarded in the near future, leaving very limited funds until there is continued funding identified and committed.

Justification for the need for more affordable housing in South Dakota is readily revealed in the statistics. The hourly amount a household must earn to afford a two-bedroom rental unit at HUD's Fair Market Rent (FMR) is $13.09 per hour, whereby 30 percent of their income would be approximately $680 per month. In South Dakota, 102,000 workers make less than $10.59 per hour, which falls short of the FMR wages needed to afford the two-bedroom unit. The wage statistics are available on HUD's website. For more information or to join a meeting, contact Roger Jacobs.

Condominium Approval Streamlined

Mortgagee Letter (ML) 15-27 established new guidelines to streamline the condominium approval process and expand the eligibility of acceptable owner-occupied units to include second homes that are not investor-owned. The new guidelines aim to increase affordable housing options for first-time and low to moderate income homebuyers. Read the ML on HUD's website.

South Dakota Single Family FHA Information

FY2015 Statistics	Jul	Aug	Sep
Loans Insured	320	240	225
First-Time Homebuyers	184	144	141
Minority Homebuyers	14	8	9
Default Rate	2.31%	2.39%	2.53%
Foreclosure Rate	0.43%	0.42%	0.38%
REO Properties			
Acquired	16	11	17
Sold	12	11	15
Owned	54	54	56

Focusing on Native American Homeownership

The South Dakota Native Homeownership Coalition met with stakeholders on September 29, 2015 to discuss removing barriers to homeownership. The meeting was held at the Sisseton Wahpeton College and included federal and state agencies, tribal entities, policy makers, lenders, and nonprofit organizations. The Sisseton-Wahpeton Oyate Tribe - T Yamni regularly works with over 20 partner organizations to help make homeownership possible for their tribal members. The group of attendees toured the recently completed Long Hollow subdivision comprised of 10 single family homes.

The meeting focused on solutions to remove barriers to homeownership, one which is to create a loan guarantee program to encourage more lending, whereby a pool of funds would be created by the tribe. The funds would be used to purchase a home in the event it would go into foreclosure. Another solution would be to streamline the lease process in which the tribe develops an inventory of all trust land on the reservation, allowing them to easily identify areas available as home sites.

Funds for Mold Remediation

On September 21, 2015, HUD awarded $800,000 to 2 tribes in South Dakota - the Oglala Sioux Housing Authority on the Pine Ridge Indian Reservation and the Yankton Sioux Tribal Housing Authority in Wagner. The funds are to support mold remediation in housing owned and operated by tribes, tribally designated housing entities, or tribal organizations, with priority given to units with the most evidence of mold. A total of $12.4 million was awarded to 18 tribes nationwide.

Voucher Portability Streamlined

Effective on September 21, 2015, HUD released a new Portability Rule that clarifies portability regulations and requirements in the Housing Choice Voucher (HCV) program and helps improve the processing of the requests. Portability allows an eligible family with a housing choice voucher to use that voucher to lease a unit anywhere in the country where there is a Public Housing Authority (PHA) that administers the HCV program. The new rule intends to improve the portability process and allow families to more easily search for and lease a rental unit in their desired location.

Funding for Housing Authorities

In an effort to remove unnecessary barriers to economic opportunity and productivity for youths under the age of 24, HUD and the Department of Justice (DOJ) recently announced $1.7 million in grants available for PHAs. The Juvenile Re-entry Assistance Program allows eligible public housing residents to expunge or seal their records in accordance with their applicable state laws. The program excludes makers of meth on public housing property, sex offenders and those convicted of domestic violence.

HUD also announced that arrest records may not be the sole basis for denying admission, terminating assistance or evicting tenants, and offered guidance for best practices and models of PHA's successes from across the country. The deadline to apply for the funding is January 4, 2016.

Pay for Success Funding Available

To address homelessness and reduce recidivism among justice-involved individuals, HUD and the DOJ recently announced $8.7 million for non-profit entities and public and private institutions of higher education. The deadline to apply for the funding is February 12, 2016.

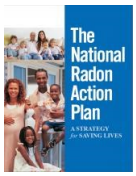
Funded by DOJ and implemented by HUD, the Pay for Success Permanent Supportive Housing Demonstration will test cost effective ways to help persons with disabilities cycling between the criminal justice and homeless service systems. Permanent supportive housing is a proven solution to chronic homelessness, not only helping to increase housing stability and improvements in health, but also lowering public costs by stopping the revolving door between crisis services.

Public Housing Smoke Free Rule

On November 12, 2015, HUD released a proposed rule which would require all public housing properties to become smoke free. This would require more than 1,600 public housing units in South Dakota to become smoke free within 18 months of the final rule. Public comments are accepted for the next 60 days.

Since 2009, HUD has encouraged public housing authorities to adopt smoke free policies in their buildings and common areas. Currently, there are nearly 1.2 million public housing units across the country. Through HUD's voluntary policy and local initiatives, more than 228,000 public housing units (out of more than 940,000 total public housing units) are already smoke free.

National Radon Action Plan



On November 10, 2015, HUD and its partners announced strategies to reduce exposure to the second leading cause of lung cancer - radon gas - in the *National Radon Action Plan: A Strategy for Saving Lives*. HUD's strategies include building in radon testing and systems to reduce radon as standard practice in housing finance and insurance programs, and embedding radon risk reduction requirements in building codes.

Fair Housing Case in Spearfish

EQUAL HOUSING OPPORTUNITY

On October 6, 2015, HUD announced charges against Carrol Goodsell and Goodsell General Contracting of Spearfish for sexually harassing a woman renting the home that he managed and maintained. Goodsell subjected the woman to repeated inappropriate sexual comments and physical contact. The woman reported the complaints to the owner, sought a court order and filed a police report, but the harassment continued, forcing the woman to move out.

The Fair Housing Act makes it unlawful for a housing manager or owner to sexually harass a tenant. In South Dakota, persons wanting to file a complaint may contact the Denver Office of Fair Housing and Equal Opportunity at (800) 669-9777 or complete and submit the form online.

Multifamily Housing What's New

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

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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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Promise Zone Event

The Oglala Lakota Nation Promise Zone Kick Off event was held on October 6-7, 2015 on the Pine Ridge Indian Reservation in an effort to develop strategies for a more sustainable future. The Pine Ridge Indian Reservation was designated a Promise Zone region in April 2015.

More than 100 tribal, local, and federal partners participated in breakout sessions to review and create recommendations on how to implement projects, programs and policies in the Tribe's Sustainable Plan. The Plan was the foundation of the Promise Zone application and positioned the region for the Promise Zone designation. It's purpose is to create a more sustainable future focused on people, the planet, and economic prosperity.

HUD Resource Locator

The new HUD Resource Locator (HRL) tool utilizes resource data from multiple programs across five program offices and two federal agencies – HUD and the Department of Agriculture.

The mobile app uses Geographic Information Systems technology to show where resources are located so those in need can discover resources and contact information in their local communities. The HUD Resource Locator mobile app is available on HUD's website.

Freedom of Information Act Revisions

On August 17, 2015, HUD published a Final Rule in the Federal Register that updates and streamlines its Freedom of Information Act regulation. One of the changes worth noting is that HUD will now provide written notice to requesters when the time limits for HUD's response will be delayed by providing the anticipated date to complete the request.

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.