

South Dakota 2008 Consolidated Plan

Annual Performance Report January 1, 2008 - December 31, 2008

As Submitted to HUD on March 27, 2009



Equal Opportunity
Housing and
Employment



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(Attachments Available upon Request)

CDBG Performance Measures Report (PR83)
HOME Housing Performance Report (PR85).
ESG Performance Measures Report (PR81)
CDBG/HOME Summary of Accomplishments Report (PR23)
Summary of Consolidated Plan Projects for Report Year 2008 (PR06)
CDBG Financial Summary Report (PR26)
CDBG Summary of Activities (PR03)
CDBG Strategy Area, CDFI, and Local Target Area (PR84)
HOPWA Measuring Housing Stability Outcomes (PR80)
HOPWA Units/Households and Funds Expended (PR82)
CDBG Performance Evaluation Report

Alternate formats of this report are available upon request.

South Dakota 2008 Consolidated Plan Annual Performance Report

Executive Summary

The Consolidated Plan Annual Performance Report is submitted in response to the U.S. Department of Housing and Urban Development's request for summaries of the performances for the past year of the Consolidated Plan, the HOME Program and the Emergency Shelter Grant Program. Although HOPWA funding has been allocated to the State, it was awarded through the Tri-State HOPWA grant and will be reported in the Tri-State Annual Performance Report. The period covered in all parts of this report is January 1, 2008, to December 31, 2008.

The overall goals of the community development and planning programs covered in the Performance Report are to develop viable communities by providing decent housing and a suitable living environment and expanding economic opportunities primarily for low- and moderate-income persons. The primary means toward this end is to extend and strengthen partnerships among all levels of government and the private sector, including for-profit and non-profit organizations, in the production and operation of affordable housing.

The priorities and goals of the Homeless and Special Needs continually evolve. The South Dakota Housing for the Homeless Consortium (SDHHC) annually submits an application for Continuum of Care funds. To date, over \$8.1 million has been awarded for South Dakota applicants through this process. In 2008, SDHHC only received COC funding for one renewal and two Shelter Plus Care applications.

Goals of Homeless and Special Needs are based on utilizing existing programs such as the Emergency Shelter Grants Program, HOME, Housing Tax Credits and CoC funding. In regards to service enriched housing for homeless persons with a disability, the typical housing providers have not ventured into this type of housing. However, non-profit and service agencies have become more familiar with the housing programs as shown in our 2008 Continuum of Care application which had three new applications for transitional housing in Lake Andes and Sioux Falls. We anticipate they will play a more active role in developing special needs housing in the future.

In 2008, HOME and Housing Tax Credit dollars were awarded to one development in Sioux Falls providing service enriched housing for 34 persons with a disability. Applications for the Security Deposit Assistance Program (SDAP) through the HOME program slightly increased as service agencies become aware of the program and in 2008 SDHDA awarded approximately \$95,300 to four non-profit organizations for the SDAP.

Preservation of existing and new construction of affordable rental housing has continued to be strong in the state. The projection for 2008 was to preserve 200 units and construct an additional 200 units. SDHDA provided HOME and HTC funding to rehabilitate 145 units and construct 221 units.

With the Neighborhood Stabilization Program created by the Housing and Economic Recovery Act of 2008 and other potential funding for housing, South Dakota does anticipate the number of housing units to stay within or exceed the previous goals projected.

Homeownership programs continue to change as the market changes. Programs offered through SDHDA, Rural Development and other service providers have evolved through the years, making homeownership an achievable goal for many citizens of South Dakota. While providing homeownership opportunities through the First Time Homebuyer Program, Downpayment assistance programs, HOME, and other funding sources, the number of housing units exceeded projections in 2008. The preservation of homeownership units also exceeded projections. However, with the changing housing markets, SDHDA does anticipate a decline in the number of units financed in the coming year.

Citizen Participation Plan

SDHDA provides an opportunity for reasonable and timely access to information and records relating to this Consolidated Plan Annual Performance Report by publishing in 8 newspapers statewide and on the SDHDA webpage a notice informing the public of the 15-day comment period, which ran from March 5, 2009, to March 23, 2009. No comments were received.

Consolidated Plan APR

The South Dakota Housing Development Authority (SDHDA) is responsible for the development of the South Dakota Consolidated Plan and, therefore, the State Annual Performance Report. This report includes information statewide; however, it only reflects resources allocated by SDHDA. Sioux Falls and Rapid City, as entitlement areas, and the Indian reservations, which receive funds under the Native American Housing Assistance and Self Determination Act, are responsible for the completion of their own Annual Performance Reports.

Resources Made Available to the State

The following table includes a listing of federal, state, local, and private resources made available to the State to carry out the activities listed in the Consolidated Plan. In addition, the table shows the administering agency and a comparison of actual resource utilization vs. that anticipated in the Consolidated Plan.

The resources received by SDHDA were consistent with the level and type planned to be made available in the 2008 Consolidated Plan.

**Table 1
Resources Made Available to the State
January 1, 2008 - December 31, 2008**

Federal

Program Federal Source indicated in ()'s	Administering Agency	Anticipated Allocation	Actual Allocation	Funds Committed	Method of Distribution	Source of Leverage
Community Services Block Grant (HHS) Homeless or Homeless Prevention	Dept. of Social Services	\$2,849,383 10-1-08 to 5-31-09	\$2,849,383	\$2,708,907	Community Action Agencies (CAP)	Private, Local, FEMA Emergency Funds
CDBG Programs (HUD)	GOED	\$6,000,000	\$6,530,307	\$7,745,325	Competitive Process	DENR, private, public, RD
CDBG Imminent Threat Account (HUD)	GOED	\$500,000	\$500,000	\$0	Set Aside as Needed	Public, DENR, RD
Weatherization Assistance Program (DOE)	Dept. of Social Services	\$1,907,964	\$1,875,055	\$1,875,055	Sub-grant to CAP Agencies	\$1,588,858 in LIEP funds were used to supplement the 1.9 Million in DOE funding
Low Income Energy Assistance Program - LIEAP (HHS)	Dept. of Social Services	\$25,577,750	\$911,277,272	\$11,277,272	Direct Services	Nonprofit Organizations, Service Providers
Emergency Food and Shelter Program (FEMA)	Sioux Falls FEMA Board	N/A	N/A	N/A	N/A	N/A
Emergency Shelter Grants Program (HUD)	SDHDA	\$347,692	\$330,307 (Doesn't include Admin.)	\$330,307	Competitive process with the shelters	Private, public, volunteer labor
Projects for Assistance to Transition from Homelessness (PATH)	Division of Mental Health	\$300,000	\$300,000	\$288,000	Funds given to mental health centers throughout the State	Local
VA Guaranty	Local Lenders	N/A	N/A	N/A	First come, first-served	Private, public financing
FHA 203 (B) Mortgage Insurance	Local Lenders	N/A	N/A	N/A	First come, first-served	Private, public financing
FHA 203 (K) Mortgage Insurance/Acq. with rehab	Local Lenders	N/A	N/A	N/A	First come, first-served	Private, public financing

Program Federal Source indicated in ()'s	Administering Agency	Anticipated Allocation	Actual Allocation	Funds Committed	Method of Distribution	Source of Leverage
FHA 221(d)(3) and (d)(4) Programs	HUD Denver	N/A	N/A	N/A	Competitive through HUD	Private developer, local lender
FHA 223(a)(7)	HUD Denver	N/A	N/A	N/A		
FHA 223(f) Existing Multifamily Rental Housing	HUD Denver	N/A	N/A	N/A	Competitive through HUD	Private developer, local lender
FHLB Community Investment Program	FHLB Member	\$24 Million (Grants) \$350 Million (Loans)		\$24 Million (Grants) \$350 Million (Loans)	Competitive process (Grants) Request of members institutions (Loans)	N/A
Rural Business Enterprise Grant	RD State	N/A	N/A	\$782,159	N/A	Private, & public financing
RD Business and Industrial Loans	RD State	N/A	N/A	\$14,123,160 (guaranteed)	N/A	Private, local lenders
RD Community Facilities Program	RD Field	N/A	N/A	\$4,781,760 (direct loans) \$1,276,000 (guaranteed loan) \$1,402,468 (grants)	N/A	Nonprofit entities, public
RD Homeownership (502)	RD Field	N/A	\$3,353,000 (VL) \$4,099,000 (L)	\$5,022,051 (VL) \$5,644,109 (L)	First-come, first-served	Private
RD Housing Repair Loans and Grants (504)	RD Field	N/A	\$225,000 (loans) \$185,000 (grants)	\$225,534 (loans) \$228,390 (grants)	First-come, first-served	Private, weatherization
RD Intermediary Relending Program	RD State	N/A	N/A	\$4,250,000	RD State Office	Nonprofit entities, public
RD Rural Housing Guarantee	Local Lenders	N/A	\$97,573,977	\$97,573,977	First Come – First Serve	N/A

Program Federal Source indicated in ()'s	Administering Agency	Anticipated Allocation	Actual Allocation	Funds Committed	Method of Distribution	Source of Leverage
RD Guaranteed Rural Rental Housing Loans	RD Field	N/A	\$150,000	\$150,000	Competitive	Private, LIHTC, Nonprofit
RD Housing Preservation Grant	RD Field	N/A	\$100,000	\$100,000	Competitive	Private & Public
Rural Business Opportunity Grant	RD Field	N/A	N/A nationally held	\$22,500	RD Area Office	Private
Value -Added Agricultural Product Market Development Grant	RD State Office	N/A	N/A nationally held	\$418,144	RD State Office	Private & Local funds
Rural Cooperative Development Grant	RD State Office	N/A	N/A nationally held	\$195,000	RD State Office	Private & Local funds
RD Water and Waste Disposal Program	RD Field	\$9,395,000 (loans) \$3,185,000 (grants)	N/A	\$20,457,500 (loans) \$5,221,028 (grants)	Local RD Office	CDBG, DENR, HIS, BIA
Renewable Energy Systems and Energy Efficiency Improvement Grant	RD State Office	N/A	N/A nationally held	\$177,332 (grants) \$317,839 (guaranteed)	RD State Office	Private & Local funds
Rural Community Development Initiative	RD State Office	N/A	N/A	496,118	RD Area Office	Private & Local Funds
REDLG	RD State Office	N/A	N/A Nationally Held	\$740,000 (Loans) \$500,000 (Grants)	RD State Office	Private, CDBG, DENR, HIS, BIA, REED
Small Minority Producers Grant	RD Area Office	N/A	N/A Nationally held	\$175,000 (grants)	RD State Office	N/A
HUD 202 Supportive Housing of the Elderly	HUD Denver	N/A	None	N/A	Competitive through HUD	
HUD 811 Supportive Housing for Persons with Disabilities Program	HUD Denver	None	None	\$1,252,400	Competitive through HUD	

Program Federal Source indicated in ()'s	Administering Agency	Anticipated Allocation	Actual Allocation	Funds Committed	Method of Distribution	Source of Leverage
HUD 231 Mortgage Insurance for Housing the Elderly Program	HUD Denver	None	None	None		
HUD 232 Mortgage Insurance for Nursing Homes, Intermediate Care Facilities, and Board and Care Homes	HUD Denver	None	None	None	Competitive through HUD	
Historic Tax Credits	State Historical Society	Available from State Historical Society	N/A	N/A		Private, local lenders, HTC, HOME
HOME Incentives Partnership Program (HOME)	SDHDA	\$3,500,000	\$5,035,070	\$5,035,070	Competitive Process	Private, local lenders, HTC, FHLB, Rural Development
American Dream Downpayment Initiative	SDHDA	\$28,000	\$28,082	\$28,082	Awarded 1 st come, first serve to homebuyers w/184 Guarantee and First-Time Homebuyer Program	Private, Local lenders, FHLB, mortgage insurance, Rural Development
Low Income Housing Preservation Program	HUD Denver	None	None	None		
Housing Tax Credit Program (HTC)	SDHDA	\$2.5 Million	\$2,392,418	\$2,392,418	Competitive process	Private, local lenders, FHLB, HOME, Historic Tax Credits, NAHASDA, Rural Development
Public Housing Modernization (CIAP)	PHAs	N/A	N/A	N/A		
RTC Properties and Funds	HUD Denver	N/A	N/A	N/A	Competitive through HUD	
Section 8 Moderate Rehabilitation	HUD Denver	N/A	N/A	N/A	Competitive through HUD	
Supportive Housing Program	HUD Denver	N/A	N/A	N/A	Competitive through HUD	

Program Federal Source indicated in ()'s	Administering Agency	Anticipated Allocation	Actual Allocation	Funds Committed	Method of Distribution	Source of Leverage
Continuum of Care	HUD Denver	1 Million	\$378,848	\$0	Competitive through HUD	

State

Program	Administering Agency	Anticipated Allocation	Actual Allocation	Funds Committed	Method of Distribution	Source of Leverage
Single Family Homeownership Program	Local Lenders	Available out of State Bonding Cap	N/A	\$260,482,010	First-come, first-served	Private, local lender, MAP, mortgage insurance
Step Rate Loan Option (these funds are included in the Single Family HO Program)	Local Lenders	Part of Single Family Homeownership Program	N/A	\$5,881,927	First-come, first-served	Same as Single Family Homeownership
Downpayment Assistance Loans Program (EMAP, LAP)	Local Lenders	Reserves	N/A	\$40,175	First-come, first-served	Private, mortgage insurance
SDHDA Multifamily Bond Financing	SDHDA	Available out of State Bonding Cap	\$7,320,000	\$7,320,000	First-come first served	Private developer, local lenders, mortgage insurance, FHLB, HOME, HTC
SDHDA Flexible Lending (Rural Site Development) / Guarantee Program	SDHDA	SDHDA Reserves	N/A	\$1,165,500	First-come, first-served	Private developer, local lenders, FHLB, HOME, HTC
Services To Aging Residents (STAR) Program	SDHDA	N/A	N/A	N/A	N/A	N/A

Local

Program	Administering Agency	Anticipated Allocation	Actual Allocation	Funds Committed	Methods of Distribution	Sources of Leveraging
City and County Tax Abatement	City and County Commissioners	N/A	N/A	N/A	N/A	
Donated land or property	Private and public owners	Varies by community	N/A	N/A	N/A	

Private

Program	Administering Agency	Anticipated Allocation	Actual Allocation	Funds Committed	Methods of Distribution	Sources of Leveraging
Conventional Mortgage Financing	Local Lenders/ Private Owners	Varies by lender/ activity	N/A	N/A	First-come, first-served	
Conventional Home Improvement Loan	Local Lenders	Varies by lender/ activity	N/A	N/A	First-come, first-served	Private, local lender
Cooperative Home Improvement Program (CHIP)	Participating Local Lenders	N/A	N/A	N/A	First-come, first-served	Local Lenders, SDHDA reserves
Habitat for Humanity	Local Chapter	Community based	N/A	N/A	Local selection	Private, volunteers
Nonprofit Organization Funds	Local Nonprofit entity	N/A	N/A	N/A		
Private Foundation Funds : The following were listed in the 1995 Edition of the Foundation Directory, page 1409 The Sheldon F. Reese Foundation The South Dakota Community Foundation The Sioux Falls Area Foundation	Individual Foundation	N/A	N/A	N/A		

Investment of Available Resources

The priorities identified in the 2008 Consolidated Plan are listed in Table 2 with the programs utilized and units completed during Program Year 2008. In addition, this table reflects the actual number of units or people assisted with affordable housing in South Dakota during the Program Year.

Table 2

Specific Obj. #	Outcome/Objective Specific Objectives	Sources of Funds	Performance Indicators	Program Year	Expected Number	Actual Number	Percent Completed
DH-1 Availability/Accessibility of Decent Housing							
DH-1.1	Address the need for service enriched affordable housing (permanent or transitional) for persons with disabilities and the elderly, through new construction or rehabilitation of existing properties.	HOME	Number of units	2008	20	34	170%
				2009	20		
		Housing Tax Credits		2010	20		
				2011	20		
		COC/Private/Local Lender		2012	20		
				MULTI-YEAR GOAL		100	
DH-1.2							
DH-1.2	Address the need of emergency shelters by providing Emergency Shelter Grant Program funds for continued renovation and operations.	ESG	Number of shelters	2008	22	20	91%
				2009	22		
		Local/Private donations		2010	22		
				2011	22		
				2012	22		
				MULTI-YEAR GOAL		110	
DH-2 Affordability of Decent Housing							
DH-2.1	Homeownership – Provide homeownership opportunities through the First Time Homebuyer Program, Governor’s House, and construction of new single family homes.	First -time Homebuyer Program	Number of homes financed	2008	2200	2441	111%
				2009	2300		
		HOME / Governor’s House Program		2010	2400		
				2011	2400		
		Local lenders		2012	2400		
				MULTI-YEAR GOAL		11,700	

DH-2 Affordability of Decent Housing							
DH-2.2	Homeownership – Provide homeownership counseling and education through the H.E.R.O. and HUD Counseling program.	HUD Counseling Grants	Number of clients served	2008	2200	1707	78%
				2009	2200		
		H.E.R.O. Funds		2010	2300		
				2011	2300		
		Foundations / Lenders / Private Organizations		2012	2400		
MULTI-YEAR GOAL				11,400			
DH-2.3	Homeownership – Preserve available single family homes through the CHIP, HO Rehab, Rural Development 504 and other preservation programs.	HOME HO Rehab	Number of homes financed	2008	200	219	110%
				2009	200		
		Community Home Improvement Program (CHIP)		2010	200		
				2011	200		
		Rural Development / Local Lenders		2012	200		
MULTI-YEAR GOAL				1,000			
DH-2.4	Rental – Provide affordable and decent rental housing through new construction where there is documented need.	HOME/Housing Tax Credits	Number of housing units	2008	200	221	111%
				2009	200		
		Rural Development		2010	200		
				2011	200		
		Tax Exempt bond financing / Local lenders		2012	200		
MULTI-YEAR GOAL				1,000			
DH-2.5	Rental – Preserve in areas of documented need, the existing rental housing stock to ensure decent and safe housing by financing the acquisition and rehabilitation.	HOME /Housing Tax Credits	Number of homes financed	2008	200	145	73%
				2009	200		
		Tax Exempt bond financing / Local lenders		2010	200		
				2011	200		
		Rural Development		2012	200		
MULTI-YEAR GOAL				1,000			

DH-2 Affordability of Decent Housing							
DH-2.6	Rental – Administer HUD Section 8 Housing Assistance Payments to ensure affordable housing for very low and low income households.	HUD Section 8	Dollar amount	2008	\$20,000,000	\$15,236,305	76%
				2009	\$20,000,000		
				2010	\$20,000,000		
				2011	\$20,000,000		
				2012	\$20,000,000		
				MULTI-YEAR GOAL		\$100,000,000	

Community Development Objectives						
SL-1 Suitable Living Availability/Accessibility						
SL-1 (1)	03 – Public Facilities and Improvements (General)	CDBG	Number of projects	2008	8	4
				2009	8	
				2010	8	
				2011	8	
				2012	8	
		MULTI-YEAR GOAL			40	

Infrastructure Objectives						
SL-1 Suitable Living Availability/Accessibility						
SL-1 (1)	03J – Water / Sewer Improvements	CDBG	Number of projects	2008	10	14
				2009	10	
				2010	10	
				2011	10	
				2012	10	
		MULTI-YEAR GOAL			50	

Public Facilities Objectives

Suitable Living Availability/Accessibility

03O – Fire Stations / Improvements	CDBG	Number of projects	2008	5	0
			2009	5	
			2010	5	
			2011	5	
			2012	5	
	MULTI-YEAR GOAL			25	

Economic Development Objectives

Create Economic Opportunities

17B – Commercial / Industrial Infrastructure Development	CDBG	Number of projects	2008	2	1
			2009	2	
			2010	2	
			2011	2	
			2012	2	
	MULTI-YEAR GOAL			10	

Housing Tax Credit Program

The Housing Tax Credit Program (HTC) has been used successfully in South Dakota. USDA Rural Development, NAHASDA, and HOME funds, as well as Historic Tax Credits and Federal Home Loan Bank's Affordable Housing Grants have been used for HTC developments to provide more affordable rents.

In 2008, a total of 9 projects were funded. Five projects used HOME funds and four projects utilized conventional loans. The projects are located in the communities of Sioux Falls, Mitchell, Agency Village and North Sioux City.

Six projects are new construction creating 250 new units. One project is new construction of 21 single family homes and one project is a combination of new construction, acquisition/rehabilitation to create 34 single occupancy units for persons with disabilities. The remaining three projects are acquisition and rehabilitation of existing housing, rehabilitating 117 units. The total estimated cost for the 9 developments is \$37,427,998. A listing of the HTC projects is included in Table 3 beginning on page 19.

The funding of the 9 projects was possible through the forward commitment of 2009 Housing Tax Credits.

HOME

During the reporting period of January 1, 2008, through December 31, 2008, nine developments and five programs were awarded HOME funds including the following activities: acquisition/rehabilitation of rental property; new construction of rental property and single family units, homeowner rehabilitation, and homebuyer finance assistance. A listing of the HOME projects is included in Table 3 beginning on page 19.

A. Program Activities

Single and Multifamily New Construction. During the program year, HOME funds were committed to developers for the new construction of affordable units. These developments are located in Eagle Butte, Yankton and Sioux Falls. These commitments total \$1,507,247 in HOME funds with total development costs estimated at \$23,921,502. These activities will produce an additional 162 (23 HOME assisted) units of affordable housing for elderly persons and families in South Dakota. Repayment Funds of \$785,571 were disbursed for eight new construction developments in Rapid City, Harrisburg, Eagle Butte, Watertown, Brandon, Hartford and Yankton.

Acquisition and/or Rental Rehabilitation: In 2008, four acquisition and/or rental rehabilitation developments, located in Mobridge, Hot Springs, Sioux Falls and Mitchell were funded. With a total amount of HOME funds committed at \$2,960,263 and with total development costs estimated at \$12,150,785. The four developments will rehab 122 (50 HOME assisted) units for low-income families in South Dakota. Repayment funds of \$588,139 were disbursed to three projects in Box Elder, Rapid City and Mobridge for rental rehabilitation projects during the program year.

Homeowner Rehabilitation. Fifty Homeowner Rehabilitation projects, administered by three CAP agencies received HOME Program commitments in the amount of \$408,832 during this program year. The total cost for the rehabilitation of these homes is estimated at \$630,845. Repayment funds of \$294,863 were disbursed to 34 Homeowner Rehabilitation projects across the State.

Governor's House Pilot Program: HOME funds were set aside to provide financing or a loan guarantee to qualified households who are unable to obtain financing for a Governor's House through other means. Funds were awarded on a first-come, first-serve basis. During the program year, funds were committed to 7 applicants of the Governor's House Pilot Program. These commitments totaled \$130,646 toward the total cost of \$876,305 in new single family homes. Repayment funds of \$84,410 were disbursed to 6 applicants for the purchase of a Governor's House.

American Dream Down-Payment Initiative Program: ADDI funds were set-aside for down-payment and closing cost financing assistance to qualified families purchasing a home. In 2008, 8 commitments were made on a first come-first serve basis for a total of \$28,082. Repayment funds of \$16,606 were disbursed to 5 applicants for the American Dream Down-Payment Initiative Program.

B. Households and Persons Assisted

1. Households and Homeless Persons Assisted with Housing

Table 4, page 25, gives an overview of the number of households and persons assisted with housing through the HOME Program in South Dakota. The numbers in this table do not reflect the total number of people served in Program Year 2008 with all programs, since all programs do not necessarily receive federal funds or their programs do not fit the definition of assisted households as defined in the Consolidated Plan. With programs like HTC, such information will not be available on the projects until one-year following their placed in service date.

2. Documentation of Assistance Provided

The records used in Table 4, subject to state and local laws regarding privacy and obligations of confidentiality, will be available to the public upon request. In addition, these records will also be available for inspection by the Department of Housing and Urban Development upon request.

3. Narrative Discussion

For the purpose of identifying goals and reporting accomplishments, an assisted household (or person) is one, which, during the reporting period, received benefits through the investment of federal funds, either alone or in conjunction with the investment of other public or private funds. To be included in the goals, the household's unit must, at a minimum, satisfy the HUD Section 8 Housing Quality Standards.

As can be seen from Table 4, 51 extremely low (0 to 30%) and 35 very low (31 to 50%) and 0 other low-income (51 to 80%) income rental households were assisted with HOME funds during Program Year 2008 (PY 08).

The very low-income rental households consisted of 7 elderly, 15 small related, and 2 large related and 11 other Households (single individuals).

The owner occupied households assisted with HOME funds this past year consisted of 9 extremely low, 25 very low and 18 low-income households. Of these, 37 were existing homeowners, 7 were first time homeowners with children and 8 were first time all other homeowners.

Sixty-One extremely low (0-30%) homeless families along with 44 extremely low (0-30%) non-homeless/special needs individuals received permanent or transitional housing during the program year.

C. Monitoring

SDHDA monitors the ESG and HOME Programs to ensure long-term compliance with program requirements and comprehensive planning. Staff who work with the programs regularly monitor federal regulations and proposed changes. As being members with housing associations, SDHDA is a recipient of notices and e-mail from both our CPD representative and our affiliate organizations. Good communication with a regional HUD office also provides SDHDA opportunities to evaluate our procedures to ensure we are in compliance with federal regulations. Annually, staff also attend training and meetings presented by HUD and affiliate organizations.

Internal review completed by SDHDA's accounting departments provides a check and balance for expenditure deadlines and reporting requirements. In addition, SDHDA hires a third party accounting firm to complete an audit on SDHDA programs. In 2008, the accounting firm audited the HOME Program and no findings were reports.

In regards to on-site inspections, SDHDA's Coordinator of Construction and Physical Review must review all construction sites prior to draw down of HOME funds. In addition, the coordinator tries to attend the monthly construction inspections on all projects under construction and rehabilitation. Once the developments have been placed in service, the physical inspections are completed by SDHDA's management officers to ensure housing quality standards are being maintained. On-site physical inspections are completed within one year from the placed in service date and every 14 or 28 months thereafter, depending on the number of units in the project. If at the time of the inspection, the property is not in compliance with housing codes, the owner is given a set number of days, usually 60, to correct the deficiencies.

D. Affirmative Marketing

Owners are informed of their responsibility related to affirmative marketing at the reservation stage of the project, and sign a Compliance Affidavit at which time they agree

to their responsibility. They further commit to affirmatively market the property within the regulatory agreement at closing. SDHDA has developed methods to monitor compliance of participants with 504 regulatory requirements and with affirmative marketing.

SDHDA will continue to conduct self-evaluations of current HOME policies and procedures to ensure continuing compliance in preparation for this Annual Performance Report thereafter. As impediments to fair housing are identified, SDHDA will document and actively pursue resolution to the impediments. SDHDA seeks public input on the impediments during their annual consolidated plan public meetings and will record and work on any impediments that are provided during the year.

E. Minority Outreach

Each applying entity in the HOME Program must make efforts to encourage the use of minority and women's business enterprises in connection with HOME funded activities.

To encourage the use of women and minority owned businesses in bids for the program, SDHDA references the web link of the latest list of such businesses from the South Dakota Department of Transportation's Compliance Office within the HOME plan.

In order to maintain statistical data on the use and participation of minority and women business enterprises as contractors in HOME assisted program contracting activities, the owner is required to identify jobs which have been bid by minority owned, women owned, and/or small or disadvantaged businesses.

There were no woman or minority owned businesses awarded a contract between January 1, 2008, and December 31, 2008.

SDHDA advertises the availability of funding programs publicly under the Fair Housing logo. Applications received are processed without regard to race, color, creed, religion, sex, or national origin.

F. Shortfall Funds

No shortfall funds were used during this reporting period.

G. Matching Requirements

Following is the HOME Match Log as of December 31, 2008. A running log is being maintained on any eligible match contributions in accordance with 24 CFR 92.508(a)(2)(v). A copy of that log is attached as Exhibit 2 on page 44.

South Dakota Housing Development Authority
HOME Match Log
12/31/2008

Federal FY	Match Obligation	Total Disbursements	Admin Disbursed	Program Income Disbursed	Recaptured Funds Disbursed	Disbursements Requiring Match EN and CR	Match Liability Amount	MRB Match 25% limit	Non MRB Match Used	MRB Match Banked	Non MRB Match Banked
1992-1999	0.0%	19,160,203.95	1,541,103.99	411,933.46		17,207,166.50	-	-	-		
10/1/99-12/31/99	12.5%	754,116.41	8,552.74	72,175.58		673,388.09	-	-	-		
1/1/00 - 9/30/00	12.5%	\$1,905,213.14	170,040.62	\$684,416.55		1,050,755.97	138,870.17	34,717.54	104,152.63		
2001	12.5%	\$4,539,222.69	272,816.17	\$1,613,901.99		2,652,504.53	331,563.06	82,890.77	248,672.29		
2002	0.0%	\$4,352,757.25	189,720.52	\$1,515,089.99		2,647,946.74	-	-	-		
2003	0.0%	\$4,891,398.61	\$252,137.41	\$ 1,212,620.58	\$ 1,086,281.00	\$2,340,359.62	-	-	-		
2004	25.0%	\$4,757,351.93	\$195,692.78	\$ 793,418.58	\$ 58,550.00	\$3,709,690.57	927,422.64	231,855.66	695,566.98		
2005	25.0%	\$6,550,164.31	\$457,754.03	\$ 2,244,549.70	\$ -	\$3,847,860.58	961,965.14	240,491.29	721,473.85		
FFY 2006	12.5%	\$5,343,177.23	\$240,385.61	\$ 1,604,658.92	\$ -	\$3,498,132.70	437,266.58	109,316.65	327,949.93		
FFY 2007	12.5%	\$5,885,400.96	\$275,565.87	\$ 1,191,685.10	\$ -	\$4,418,149.99	552,268.74	138,067.19	414,201.55		
FFY 2008	25.0%	\$4,070,945.91	\$334,830.76	\$ 1,288,243.13	\$ -	\$2,447,872.02	611,968.00	152,992.00	458,976.00		
FFY 2009	25.0%	\$775,586.79	\$11,499.10	\$ 764,087.69	\$ -	\$0.00	-	-	-		
		62,985,539.19	3,950,099.60	13,396,781.28	1,144,831.00	44,493,827.31	3,961,324.33	990,331.10	2,970,993.23	62,802,291.90	1,133,920.33

Emergency Shelter Grant Program

The South Dakota Housing Development Authority administers the Emergency Shelter Grant (ESG) Program. The program is available to units of local government and to private, nonprofit organizations where local government certification of approval is obtained.

This past year, 20 shelters received funding in the amount of \$330,307. Grants ranged from \$6,159 to \$30,000. Each recipient is required to match its ESG award with an equal amount of funds received from other sources unless they were granted a waiver based on racial/ethnic concentration, located in areas of low income concentration or were a newly formed non-profit organization. Some of these shelters were also awarded recaptured 2007 funds. The ESG recipients report that during the time period of 01/1/08 – 12/31/08 approximately 18,361 individuals and persons in families with children were sheltered within these 20 programs.

Attached as Exhibit 3 beginning on page 44, are the ESG Grant Activity Summaries for 2007 and 2008 and also attached as Exhibit 4 beginning on page 55 is the Emergency Shelter Grant Program Match Report for calendar year 2008.

The Emergency Shelter Grant Program opens up the competition by publishing a notice in January of each year notifying the public that funds are available and that applications are due in February. The funds are obligated to the shelters in May or early June.

The Emergency Shelter Grant Program has become instrumental in South Dakota to help the homeless and the at-risk of homeless individuals and families across the state. Most of the shelters that receive ESG funds are domestic violence shelters and they request homeless prevention funding as they are in more rural areas in which they have to play dual roles in not only having shelter for Domestic Violence Victims, but also a resource to families on the edge of eviction with homeless prevention assistance. In 2008 we awarded \$26,000 in homeless prevention funding for 15 shelters.

Summary of Federal Housing Funding

Following is a list of activities, by community, for which SDHDA approved funding for during the program year. The single family Homeownership programs are not included in this table, but their program summaries are found on page 21. All programs in this table are administered by SDHDA and are project and/or activity specific.

Table 3
South Dakota Housing Development Authority Programs
Funds Committed/Allocated January 1, 2008 - December 31, 2008

Community/ County	Project Name	Program	Program Activity	Units Assisted	Funds Awarded/ Allocated	Total Development Cost
Aberdeen	Safe Harbor	ESG	N/A	N/A	\$17,500	N/A
Agency Village	Barker Hills Homes	HTC	New Const.	21	\$272,004	\$2,778,407
Brookings	Brookings Domestic Abuse Shelter	ESG	N/A	N/A	\$21,960	N/A
Custer	Women Escaping a Violent Environment	ESG	N/A	N/A	\$12,700	N/A
Eagle Butte	Okicipyapi Tipi	HOME	New Const.	2	\$25,000	\$143,740
Flandreau	Wholeness Center	ESG	N/A	N/A	\$19,850	N/A
Hot Springs	The Evans	HOME	Acq/Rehab	20	\$700,000	\$3,182,729
Huron	YWCA	ESG	N/A	N/A	\$8,952	N/A
Lake Andes	NACB Women's Lodge	ESG	N/A	N/A	\$15,830	N/A
Lemmon	Communities Against Violence	ESG	N/A	N/A	\$6,660	N/A
Mitchell	Mitchell Area Safehouse	ESG	N/A	N/A	\$21,310	N/A
	Grandview Apartments	HTC/HOME	Acq/Rehab	34/HTC 11/HOME	\$186,408/HTC \$918,616/HOME	\$2,293,035
Mobridge	Bridges Against Domestic Violence	ESG	N/A	N/A	\$6,159	N/A
	Whispering Meadow Apts.	HOME	Acq/Rehab	8	\$515,500	\$2,231,990
N Sioux City	Northlake Apts.	HTC	New Const.	40	\$117,506	\$5,232,172
Pierre	Missouri Shores Domestic Violence Center	ESG	N/A	N/A	\$22,525	N/A
Rapid City	Cornerstone Rescue Mission	ESG	N/A	N/A	\$30,000	N/A
	Cornerstone Women's House	ESG	N/A	N/A	\$9,800	N/A
	Working Against Violence, Inc.	ESG	N/A	N/A	\$21,500	N/A
Sioux Falls	Children's Inn	ESG	N/A	N/A	\$25,000	N/A
	St. Francis House	ESG	N/A	N/A	\$21,156	N/A
	Wellington Park Apartments	HTC	Acq/Rehab	23	\$114,635	\$2,222,770
	Brooks Townhomes	HTC/HOME	New Const.	64/HTC 6/HOME	\$535,938/HTC \$510,859/HOME	\$7,545,951
	Spring Hill Apartments	HTC/HOME	Acq/Rehab	60/HTC 11/HOME	\$267,661/HTC \$826,147/HOME	\$4,443,031
	Bristol Court Apartments	HTC/HOME	New Const.	60/HTC 6/HOME	\$564,049/HTC \$281,388/HOME	\$8,065,197
	Prairie Village Senior Apartments	HTC/HOME	New Const.	31/HTC 4/HOME	\$182,821/HTC \$315,000/HOME	\$2,712,350
	Accessible Housing Group Homes	HTC	New Const.	34	\$151,396	\$2,135,075
Spearfish	Artemis House	ESG	N/A	N/A	\$21,020	N/A

Community/ County	Project Name	Program	Program Activity	Units Assisted	Funds Awarded/ Allocated	Total Development Cost	
Statewide	Homeowner Rehab (Single Family)	HOME	Rehab	50	\$408,832	\$630,845	
Statewide	Governors Pilot Prgm (Single Family)	HOME	New Const.	7	\$130,646	\$876,305	
Statewide	American Dream Downpayment Initiative (ADDI)	HOME	N/A	8	\$28,082	N/A	
Sturgis	Crisis Intervention Shelter Services	ESG	N/A	N/A	\$10,560	N/A	
Watertown	Women's Resource Center	ESG	N/A	N/A	\$15,569	N/A	
Yankton	Contact Center/Women's Shelter	ESG	N/A	N/A	\$12,756	N/A	
	Apple Creek Apartments	HOME	New Const.	5	\$375,000	\$5,454,264	
	Homeless Shelter Board	ESG	N/A	N/A	\$9,500	N/A	
Total				*467	\$7,757,795	\$49,947,861	
				Total Units By Program	Total Commitments by Program for Program Year	Total Dev. Costs by Program for Program Year	Total Expenditures by Program for Program Year
ESG (Emergency Shelter Grant Program)				N/A	\$330,307	N/A	\$102,736
HTC (Housing Tax Credits)				367	\$2,392,418	\$37,427,988	N/A
HOME (HOME Program)				138	\$5,035,070	\$37,579,437	\$5,035,070
<p>* Since some of the HTC units and HOME units are within the same development, the individual program units will not equal the total number of units assisted.</p>							

Community Development Block Grant

The South Dakota Community Development Block Grant (CDBG) Program is administered by the Governor's Office of Economic Development and provides grants to units of general local government in non-metropolitan areas of the State.

Funds are distributed through three separate programs that address distinct areas of need. These programs are the Imminent Threat Account, the Special Projects Account, and the Community Projects Account. The Imminent Threat Account is a reserve account that is used only in disaster situations.

Information regarding the CDBG Program is directly provided by the Governor's Office of Economic Development.

SDHDA's Single Family Programs

In addition to the programs in Table 3, SDHDA also administers the Single Family Homeownership Programs. During the program year there were five programs (one with two options) offered by SDHDA to provide affordable single family housing: The First-time Homebuyer Program (including the Step Rate Option), the Mortgage Assistance Program (MAP), the Employer Mortgage Assistance Program (EMAP), the Community Home Improvement (CHIP) Program and the Loan Assistance Program (LAP).

Based on program income limits in effect during the reporting period, SDHDA assisted the following number of families with the Single Family Homeownership Programs.

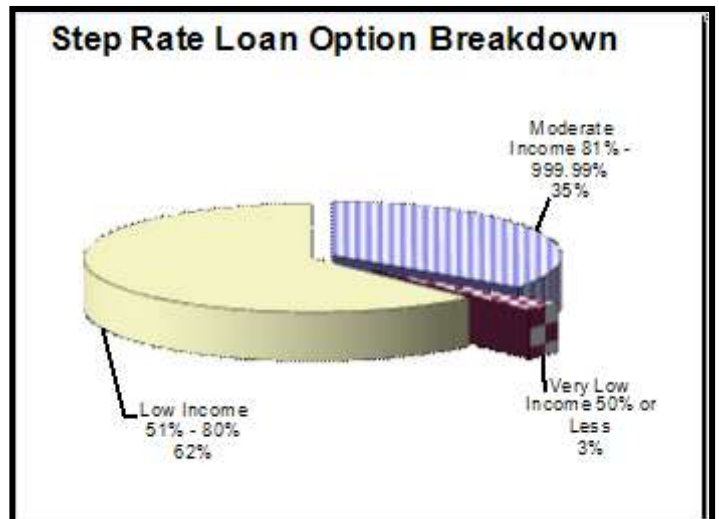
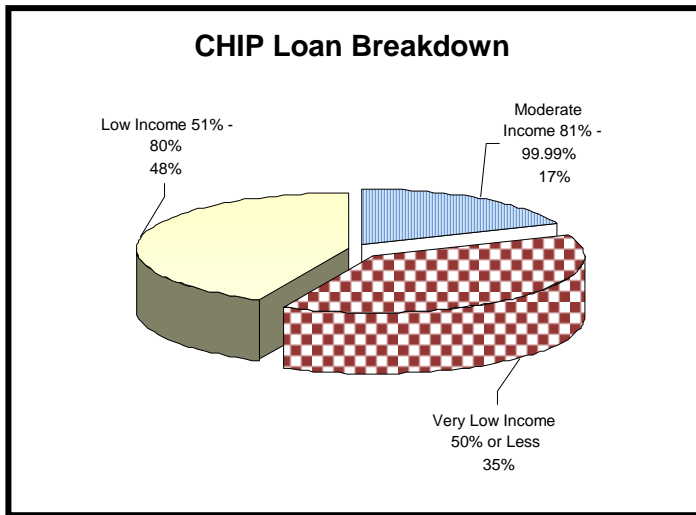
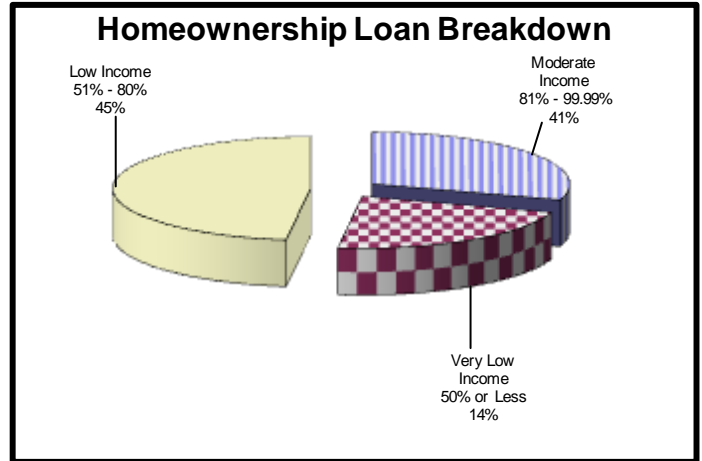
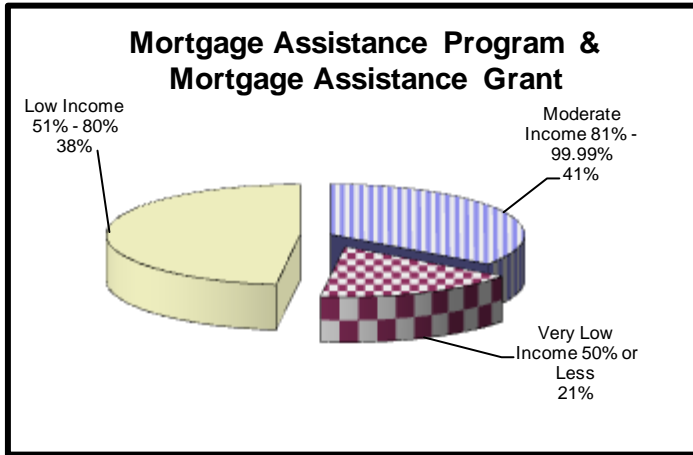
Single Family Programs	Projects Completed			Funds Disbursed		
	Very Low	Low	Moderate	Very Low	Low	Moderate
Homeownership Program (MRBs)	444	1,119	869	\$36,034,167	\$119,335,724	\$105,112,119
Step Rate Option *	13	51	15	\$126,262	\$3,741,866	\$2,013,799
Down Payment Assistance Loans (EMAP & LAP)**	1	5	5	\$8,375	\$15,300	\$16,500
CHIP	40	57	19	\$397,027	\$545,780	\$192,927

*The Step Rate Option numbers are also reflected in the Homeownership Program amounts.

** Homeowners do not necessarily have to receive a Single Family Homeownership Loan to be eligible for an EMAP or LAP loans. The MAP Loan Program ended December 2007.

Following are pie charts used to depict the breakdown in incomes served with the Single Family Programs.

**Percent of Qualifying Area Median Income
January 1, 2008 through December 31, 2008**



Other Programs

The programs in South Dakota that serve the homeless population (FVPS, DASA, and VOCA) do not fit the definition of an assisted household as the providers do not currently have a means to track whether they become the occupant of permanent or transitional housing. These programs were not reported in Table 4. Additional information on these programs is included in Exhibit 1 beginning on page 40.

Based on information received from the Community Services Block Grant Program, 723 households were assisted through the five Community Action Agencies' (CAP) Weatherization program during the year. All program participants must be within 160 percent of federal poverty guidelines. This information is not reflected in Table 4.

An additional program not included in the table is the Low Income Energy Assistance Program administered by the Department of Social Services. This program provides assistance to eligible homeowners and renters in an effort to decrease their monthly utility costs.

The PATH Program, which assisted approximately 338 very low and low-income individuals who are considered severely and persistently mentally ill, was also not included in Table 4. Services included outreach, screening and diagnostic treatment, habilitation and rehabilitation, mental health treatment, alcohol and drug treatment, case management, residential support, and one-time rental assistance or security deposits. All individuals assisted through PATH are homeless or at imminent risk of homelessness.

Housing for Persons with AIDS (HOPWA)

South Dakota benefits from a tri-state grant awarded by HUD to provide housing assistance, case management and/or supportive services for persons with HIV/AIDS and their families. The funding is part of HUD's Housing Opportunities for Persons with AIDS (HOPWA). South Dakota's funding is part of a larger grant for TRI-STATE HELP, Housing Environments for Living Positively (TS HELP). The program is a continuum of housing and related supportive services for people with HIV/AIDS between South Dakota, Montana and North Dakota which provides access to affordable housing services to people living with HIV/AIDS and their families in a dignified manner. TS HELP allows these states to qualify for funding, where they could not qualify individually.

In South Dakota, the Sioux Falls Housing and Redevelopment Commission uses TS HELP funding to provide housing information, referrals, search assistance and counseling, tenant-based rental assistance and housing coordination services to HIV/AIDS patients and their families throughout South Dakota.

Through the Supportive Housing Program, Heartland House I, which is transitional housing for homeless families opened in March, 1996, and Heartland House II entered full operations in the summer of 2004. In total, 282 families have entered the program, and 147 have completed the program's residential component. Thirty-Seven families dropped out or were terminated from the program, typically for refusing to comply with program rules. 240 persons have entered full or part-time employment. Of the 282 families, 31 have gone on to become homeowners, 129

families have worked their way out of eligibility for TANF, and 113 families have worked their way out of eligibility for Food Stamps.

Cornerstone Apartments located in Rapid City is another transitional housing recipient of SHP funding. This development opened its doors January 2008. To date 27 families have entered the program.

**Households and Persons
Assisted with Housing**

Consolidated Plan (ConPlan)

Instructions for States

Name of State SOUTH DAKOTA												FY: 2008		
Assistance Provided by Income Group	Renters					Owners				Homeless*		Non-Homeless Special Needs (L)	Total (M)	Total Section 215 (N)
	Elderly 1 & 2 Member Households (A)	Small Related (2 to 4) (B)	Large Related (5 or >) (C)	All Other Households (D)	Total Renters (E)	Existing Home- owners (F)	1st Time Homeowners		Total Home- owners (I)	Individuals (J)	Families (K)			
							With Children (G)	All Others (H)						
1. Very Low-Income (0 to 30% of MFI)**	8	28	3	12	51	7	1	1	9	0	61	44	105	165
2. Very-Low Income (31 to 50% if MFI)**	7	15	2	11	35	20	3	2	25	0	0	0	0	60
3. Other Low-Income (51 to 80% of MFI)**	0	0	0	0	0	10	3	5	18	0	0	0	0	18
4. Total Low-Income (lines 1 + 2 + 3)	15	43	5	23	86	37	7	8	52	0	61	44	105	243

* Homeless families and individuals assisted with transitional or permanent housing. ** Or based upon HUD adjusted income limits, if applicable

5. Racial/Ethnic Composition of	1. Hispanic	0
Line 4, Column (M) Total Low Income	Non-Hispanic 2. White	189
	3. Black	2
	4. Native American	41
	5. Asian & Pacific Islander	1
	6. Other	10
	7. Total (Must equal Total on Line 4, Column (M))	243

Other Action Taken

A. Public Policies

SDHDA has a commitment to the development and preservation of affordable single-family and multifamily housing. In the current economic conditions, SDHDA will see an increase in Homeless Prevention and Community Stabilization efforts. Funding from the Stimulus Bill will allow SDHDA to provide additional funding and services in areas of need. We will continue to strive for affordable homeownership opportunities and also be able to provide more services.

In conjunction with the State Department of Corrections, SDHDA continues to operate the Governor's House to assist lower income households to become homeowners. The Governor's House Program is available to all low-income families, including the elderly and persons with disabilities. To qualify, households with 2 or less occupants, the total gross household income may not exceed \$33,900. For households with 3 or more occupants, their total gross income cannot exceed \$39,550. If under the age of 62, their total household assets can not be greater than \$90,000 or liquid assets no greater than \$70,000. If 62 or older, the household net worth cannot be greater than \$175,000, or liquid assets no greater than \$100,000. During the time period of January 1, 2008 to December 31, 2008, low-income families and individuals purchased 93 homes.

B. Institutional Structure

The South Dakota Housing Development Authority is the lead agency in providing affordable housing in South Dakota. It serves as a secondary market for low interest, first-time homeowner loans; has directly financed 77 multifamily developments under the old Section 8 New Construction/Substantial Rehabilitation Program; administers a variety of affordable housing programs in the State including the Mark-to-Market Restructuring Program; and serves as a conduit for many educational opportunities to the State's housing industry. Since 1998, SDHDA has received \$1,319,049.71 in grants from HUD for Homeowner Education and Counseling, which it administers to five counseling agencies within the State.

SDHDA continues to provide technical assistance to cities, CAP Agencies, and local Councils of Government as requested.

C. Intergovernmental Cooperation

SDHDA continues to support and achieve cooperation and coordination among state, local, and private entities implementing the Consolidated Plan strategies. The primary strength of the delivery system for affordable housing in South Dakota is the common goal of all players to provide more than just adequate housing. SDHDA continues to hold its annual housing conference, which provides educational opportunities to help build the capacity of potential developers and educate industry leaders on current programs and issues. SDHDA continues to visit localities and provide technical assistance to those interested in solving local housing problems whenever requested to do so.

D. Public Housing Resident Initiative

No public housing units are operated by the South Dakota Housing Development Authority or any other State agency. For this reason, SDHDA has not participated in developing plans to encourage residents of public housing to become more involved in the management of public housing or to become owners of their public housing units. Each individual PHA is encouraged to develop such a plan. South Dakota Housing Development Authority does, however, review each local PHA's plan to determine its consistency with the State's Consolidated Plan and meets regularly with the local Public Housing Authorities to resolve issues common to both South Dakota Housing Development Authority and local agencies.

E. Lead-Based Paint Hazard Reduction

In an effort to meet the Lead Based Paint requirements that went into effect January 10, 2002, SDHDA worked with the South Dakota HUD office to market the training opportunities offered in the State. A listing of inspectors, risk assessors, supervisors, and workers can be accessed through the SDHDA webpage by linking to the HUD's Office of Healthy Homes and Lead Hazard Control and the National Lead Service Provider's Listing System web pages.

All HOME funded projects that are awarded through SDHDA are required to document compliance with the requirements. Projects funded through the Community Action Agencies on behalf of SDHDA are monitored by SDHDA to ensure that all projects are in compliance with the regulations. All homes financed with the American Dream Downpayment Initiative will be evaluated for applicability of the Lead Based Paint requirements and will be processed accordingly.

These systems are in place to ensure that proper procedures are followed, and it appears that the number of qualified workers are adequate to meet the demand for lead based paint removal. If there are not sufficient qualified workers in South Dakota and it is cost prohibitive to bring the resources into the State, the feasibility of continuing with any affected projects will be evaluated. Thus far, there have been no problems and none are anticipated in the future.

F. Affirmatively Furthering Fair Housing

In an effort to affirmatively market housing programs it administers, SDHDA requires that all correspondence, notices, press releases, and advertisements contain either the Equal Housing Opportunity logotype or slogan. All brochures, allocation plans, and program information are made available to persons with disabilities in alternative formats, and the SDHDA website, www.sdhda.org, has been redesigned to be more user-friendly to persons with disabilities.

Participants in the federal programs are required to use affirmative fair housing marketing practices in soliciting renter or buyers, determining their eligibility, and concluding all transactions.

To ensure that all interested persons are notified of housing activities and opportunities within the State, SDHDA maintains an extensive mailing list which includes tribal agencies, Indian Housing Authorities, and various service providers, and advocates for persons with disabilities, the elderly, and the homeless. SDHDA has developed an extensive marketing plan that includes television ads, radio ads, public service announcements, and a print campaign to reach citizens of all ages, incomes, and races and encourage them to consider homeownership.

The Analysis of Impediments was updated in 2004. Annually, SDHDA requests public input on the Analysis of Impediments Plan. At the public meetings held in August of 2008, no input was provided. The current Analysis of Impediments Plan outlined the following actions:

1. SDHDA continually meets with the Department of Health and the Department of Human Services to reconcile the differences between the various State and federal program standards and requirements to determine what is required and what is best for the intended residents of congregate style housing for people with disabilities.
2. SDHDA encourages PHAs and other assisted housing providers to consider working with nonprofit entities that will provide services to residents that need supportive services to enable them to reside in assisted housing while respecting the property and other residents.

3. SDHDA continually works with HUD to amend any practices necessary to be more preservation and rural housing friendly. SDHDA continues to work with other federal agencies to encourage a change in the federal exit tax regulations to develop a more preservation friendly stance for the transfer of existing properties.
4. SDHDA continues to work with the Department of Human Services, the Independent Living Council, National Association of Housing and Redevelopment Officials (NAHRO), Affordable Housing Management Association (AHMA), the Housing for the Homeless Consortium and other entities to educate landlords about persons with disabilities and other protected classes about their rights and responsibilities in renting to these individuals and families.
5. SDHDA has educated landlords about their ability to request waivers in order to rent to non-targeted populations in properties with vacancy problems and will continue to stress the need to do so.
6. SDHDA has successfully worked with FHEO to accomplish more flexible determinations of accessibility standards so that the tenants are accommodated while maintaining the relationships with owners and contractors throughout the state.
7. SDHDA continues to work with GOED, DOL, DHS, and other state agencies to coordinate the development of jobs, job skills, social programs, and housing programs to provide opportunities for low income people to acquire and keep jobs which will support themselves and their families to the extent possible.
8. SDHDA will continue to provide educational opportunities to real estate professionals at the annual housing conference, through the quarterly newsletter and at community meetings. SDHDA works with building officials; contractor, engineer, and architectural organizations; and other related parties to address the lack of knowledge or commitment on behalf of architects, engineers, and contractors regarding compliance with federal fair housing and accessibility standards. Steve Hughes, as 504 Coordinator for South Dakota Housing Development Authority, has an established relationship with building officials, contractors, engineers and architectural organizations which provides as a means in providing additional information and training.

ASSESSMENT OF ANNUAL PERFORMANCE

The State of South Dakota has been very successful in meeting the objectives outlined in the 2008 Consolidated Plan. SDHDA anticipates the current market conditions will definitely impact the success of housing in 2009. SDHDA is, however, committed to working to resolve these barriers and preserve the existing and create new housing stock where practical.

The HOME Program has continued to flourish with many projects in the various stages of development. In addition, the Housing Tax Credit Program, the Mortgage Revenue Bonds Program and the Governor's House continue to be popular among developers, low-income families and elderly in the State. All these programs are beneficial to providing affordable housing in South Dakota.

GENERAL DEFINITIONS USED WITH THE CONSOLIDATED PLAN

Affordable Housing: Affordable housing is generally defined as housing where the occupant is paying no more than 30 percent of gross income for gross housing costs, including utility costs.

AIDS and Related Diseases: The disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

Alcohol/Other Drug Addiction: A serious and persistent alcohol or other drug addiction that significantly limits a person's ability to live independently.

Assisted Household or Person: For the purpose of identification of goals, an assisted household or person is one, which during the period covered by the annual plan, will receive benefits through the federal funds, either alone or in conjunction with the investment of other public or private funds. The program funds providing the benefit(s) may be from any funding year or combined funding years. A renter is benefited if the person takes occupancy of affordable housing that is newly acquired, newly rehabilitated, or newly constructed, and/or receives rental assistance through new budget authority. An existing homeowner is benefited during the year if the home's rehabilitation is completed. A first-time homebuyer is benefited if a home is purchased during the year. A homeless person is benefited during the year if the person becomes an occupant of transitional or permanent housing. A non-homeless person with special needs is considered as being benefited, however, only if the provision of supportive services is linked to the acquisition, rehabilitation, or new construction of a housing unit and/or the provision of rental assistance during the year. Households or persons who will benefit from more than one program activity must be counted only once. To be included in the goals, the housing unit must, at a minimum, satisfy the HUD Section 8 Housing Quality Standards (see 24 CFR section 882.109). See also, instructions for completing Table 3B of the CHAS and Table 1 of the Annual Performance Report.

Barrier Free: The term used to describe housing that complies with 1986 ANSI Standard A.117.1 which includes federal and private construction systems. This reference is made because, unlike handicap accessible, barrier-free indicates that the home is fully accessible to an individual who utilizes a wheelchair.

CHDO (Community Housing Development Organization): A nonprofit community-based and low-income community service organization that has, or intends to retain, staff with the capacity to develop affordable housing for the community it serves.

Committed: Generally means there has been a legally binding commitment of funds to a specific project to undertake specific activities.

Consistent with the Consolidated Plan: A determination made by the jurisdiction that a program application meets the following criterion: The Annual Plan for that fiscal year's funding indicates the jurisdiction planned to apply for the program or was willing to support an application by another entity for the program; the location of activities is consistent with the geographic areas as specified in the plan; and the activities benefit a category of residents for which the jurisdiction's five-year strategy shows a priority.

ConPlan: Consolidated Plan

Cost Burden > 30%: The extent to which gross housing costs, including utility costs, exceed 30 percent of gross income, based on data published by the U.S. Census Bureau.

Cost Burden > 50% (Severe Cost Burden): The extent to which gross housing costs, including utility costs, exceed 50 percent of gross income, based on data published by the U.S. Census Bureau.

Economic Independence and Self-Sufficiency Programs: Programs undertaken by Public Housing Agencies (PHAs) to promote economic independence and self-sufficiency for participating families. Such programs may include Project Self-Sufficiency and Operation Bootstrap Programs that originated under earlier Section 8 rental certificate and rental voucher initiatives, as well as the Family Self-Sufficiency Program. In addition, PHAs may operate locally-developed programs or conduct a variety of special projects designed to promote economic independence and self-sufficiency.

Elderly Household: For HUD rental programs, a one or two person household in which the head of the household or spouse is at least 62 years of age.

Elderly Person: A person who is at least 62 years of age.

Entitlement Cities: Metropolitan cities with a population of 50,000 or more who meet criteria, set by a formula, to apply for federal funds. An example of this is the Community Development Block Grant (CDBG) funds. In South Dakota these cities are Sioux Falls and Rapid City.

Existing Homeowner: An owner-occupant of residential property who holds legal title to the property and who uses the property as his/her principal residence.

Extremely Low-Income: Households whose incomes do not exceed 30 percent of the median area income for the area, as determined by HUD.

FMR (Fair Market Rent): The rent, including utilities, which would be required to be paid in order to obtain privately owned, existing, decent, safe, and sanitary rental housing of modest nature with suitable amenities. Separate FMRs will be established by HUD for dwelling units of varying sizes.

Family: See definition in 24 CFR 812.2 (The National Affordable Housing Act definition required to be used in the CHAS rule differs from the Census definition). The Bureau of Census defines a family as a householder (head of household) and one or more other persons living in the same household who are related by birth, marriage, or adoption. The term "household" is used in combination with the term "related" in the CHAS instructions when compatibility with the Census definition of family (for reports and data available from the Census based upon that definition) is dictated. (See also "Homeless Family.")

Family Self-Sufficiency (FSS) Program: A program enacted by Section 554 of the National Affordable Housing Act which directs Public Housing Agencies (PHAs) and Indian Housing Authorities (PHAs) to use Section 8 assistance under the rental certificate and rental voucher programs, together with public and private resources to provide supportive services, to enable participating families to achieve economic independence and self-sufficiency.

Federal Preference for Admission: The preference given to otherwise eligible applicants under HUD's rental assistance programs who, at the time they seek housing assistance, are involuntarily displaced, living in substandard housing, or paying more than 50 percent of family income for rent. (see, for example, 24 CFR 882.219.)

First-Time Homebuyer: An individual or family who has not owned a home during the three-year period preceding the HUD-assisted purchase of a home that must be used as the principal residence of the homebuyer, except that any individual who is a displaced homemaker (as defined in 24 CFR 92) or a single parent (as defined in 24 CFR 92) may not be excluded from consideration as a first-time homebuyer on the basis that the individual, while a homemaker or married, owned a home with his or her spouse or resided in a home owned by the spouse.

FmHA: The Farmers Home Administration or programs it administers. FmHA has recently been reorganized and is now operating under the name of USDA Rural Development after operating under the name Rural Economic and Community Development (RECD) for a period of time.

For Rent: Year round housing units which are vacant and offered/available for rent. (U.S. Census definition)

For Sale: Year round housing units which are vacant and offered/available for sale only. (U.S. Census Definition)

Frail Elderly: An elderly person who is unable to perform at least activities of daily living (i.e., eating, dressing, bathing, grooming, and household management activities). (See 24 CFR 889.205.)

Group Quarters: Facilities providing living quarters that are not classified as housing units. (U.S. Census definition). Examples include: prisons, nursing homes, dormitories, military barracks, and shelters.

HOME: The HOME Investment Partnerships Program, which is authorized by Title II of the National Affordable Housing Act.

Homeless Family: Family that includes at least one parent or guardian and one child under the age of 18, a homeless pregnant woman, or a homeless person in the process of securing legal custody of a person under the age of 18.

Homeless Individual: An unaccompanied youth (17 years or younger) or an adult (18 years or older) without children.

Homeless Youth: Unaccompanied person 17 years of age or younger who is living in situations described by terms "sheltered" or "unsheltered."

HOPE 1: The HOPE for Public and Indian Housing Homeownership Program, which is authorized by Title IV, Subtitle A of the National Affordable Housing Act.

HOPE 2: The HOPE for Homeownership of Multifamily Units Program, which is authorized by Title IV, Subtitle B of the National Affordable Housing Act.

HOPE 3: The HOPE for Homeownership of Single Family Homes Program, which is authorized by Title IV, Subtitle C of the National Affordable Housing Act.

Household: One or more persons occupying a housing unit (U.S. Census definition). See also "Family".

Housing Problems: Households with housing problems include those that: (1) occupy units meeting the definition of Physical Defects; (2) meet the definition of overcrowded; and (3) meet the definition of cost burden greater than 30%.

HTC: (Federal) Housing Tax Credit or Low Income Housing Tax Credit.

Housing Unit: An occupied or vacant house, apartment, or a single room (SRO housing) that is intended as separate living quarters. (U.S. Census definition)

IMPACT: Individualized and Mobile Program of Assertive Community Treatment Program (IMPACT) is administered by the South Dakota Department of Human Services' Division of Mental Health.

Institutions/Institutional: Group quarters for persons under care or custody. (U.S. Census definition)

Large Related: A household of 5 or more persons which includes at least one person related to the householder by blood, marriage, or adoption.

Lead-Based Paint Hazard: Any condition that causes exposure to lead from lead-contaminated dust, lead-contaminated soil, lead-contaminated paint that is deteriorated or present in accessible surfaces, friction surfaces, or impact surfaces that would result in adverse human health effects as established by the appropriate federal agency. (Residential Lead-Based Paint Hazard Reduction Act of 1992 definition.)

Lease/Purchase: A lease-to-own housing option designed to bring home ownership within reach of low- and very low-income households. Residents must assume most of the property maintenance responsibilities, although a reserve fund will be established to cover major expenses. The residents sign a lease and an agreement of understanding describing their opportunity to purchase the home.

Low-Income: Households whose incomes do not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes. NOTE: HUD income limits are updated annually and are available from local HUD office.

MFI: Median Family Income. Established for each county.

Metropolitan Area: A Metropolitan Statistical Area (MSA) as established by the Office of Management and Budget. This includes metropolitan cities and urban counties. In South Dakota this is Sioux Falls/Minnehaha and Lincoln Counties and Rapid City/Pennington County.

Moderate Income: Households whose incomes are between 81 percent and 95 percent of the median income for the area as determined by HUD, with adjustments for smaller or larger families. HUD may establish income ceilings higher or lower than 95 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes. (This definition is different than that for the CDBG Program.) Mortgage Revenue Bond definition of moderate income is 80.01 percent to 115 percent of area median income.

Non-Elderly Household: A household which does not meet the definition of "Elderly Household," as defined above.

Non-Homeless Persons with Special Needs: Includes frail elderly persons, persons with AIDS, disabled families, and families participating in organized programs to achieve economic self-sufficiency.

Non-Institutional: Group quarters for persons not under care or custody. (U.S. Census definition used)

Non-Metropolitan Area: An area which is not a metropolitan city and is not included as part of an urban county. This term applies to every community in South Dakota with the exception of Sioux Falls/Minnehaha County and Rapid City/Pennington County.

Non-Recreational Units: Those housing units which are considered a primary residence.

Occupied Housing Unit: A housing unit that is the usual place of residence of the occupant(s).

Other Household: A household of one or more persons that does not meet the definition of a Small Related household, Large Related household, or Elderly Household.

Other Income: Households whose incomes exceed 80 percent of the median income for the area, as determined by the Secretary, with adjustments for smaller and larger families.

Other Low-Income: Households whose incomes are between 51 percent and 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

Other Vacant: Vacant year round housing units that are not For Rent or For Sale. This category would include Awaiting Occupancy or Held.

Overcrowded: A housing unit containing more than one person per room. (U.S. Census definition)

Owner: A household that owns the housing unit it occupies. (U.S. Census definition)

PATH (Projects in the Assistance for the Transition from Homelessness Program): A federal program administered by the State Division of Mental Health targeted to individuals with severe mental illness. Recipients must be homeless or at-risk of becoming homeless.

Person with Disability: A household composed of one or more persons at least one of whom is an adult (a person of at least 18 years of age) who has a disability. A person shall be considered to have a disability if the person is determined to have a physical, mental, or emotional impairment that: (1) is expected to be of long-continued and indefinite duration; (2) substantially impeded his or her ability to live independently; and (3) is of such a nature that the ability could be improved by more suitable housing conditions. A person shall also be considered to have a disability if he or she has a developmental disability as defined in the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001-6006). The term also includes the surviving member or members of any household described in the first sentence of this paragraph who were living in an assisted unit with the deceased member of the household at the time of his or her death.

Physical Defects: A housing unit lacking complete kitchen or bathroom (U.S. Census definition). Jurisdictions may expand upon the Census definition.

Primary Housing Activity: A means of providing or producing affordable housing -- such as rental assistance, production, rehabilitation or acquisition -- that will be allocated significant resources and/or pursued intensively for addressing a particular housing need. (See also, "Secondary Housing Activity".)

Project-Based (Rental) Assistance: Rental Assistance provided for a project, not for a specific tenant. Tenants receiving project-based rental assistance give up the right to that assistance upon moving from the project.

Public Housing CIAP: Public Housing Comprehensive Improvement Assistance Program.

Public Housing MROP: Public Housing Major Reconstruction of Obsolete Projects.

RECD: Rural Economic and Community Development, formerly the Farmers Home Administration (FmHA), now USDA Rural Development.

Recreational Units: Those housing units which are not considered a primary residence but are constructed for recreational purposes. They are established as seasonal housing such as a cabin at a lake or a cabin in the Hills.

Rent Burden > 30% (Cost Burden): The extent to which gross rents, including utility costs, exceed 30 percent of gross income, based on data published by the U.S. Census Bureau.

Rent Burden > 50% (Severe Cost Burden): The extent to which gross rents, including utility costs, exceed 50 percent of gross income, based on data published by the U.S. Census Bureau.

Rental Assistance: Rental assistance payments provided as either project-based rental assistance or tenant-based rental assistance.

Renter: A household that rents the housing unit it occupies, including both units rented for cash and units occupied without cash payment of rent. (U.S. Census Definition)

Renter Occupied Unit: Any occupied housing unit that is not owner occupied, including units rented for cash and those occupied without payment of cash rent.

Rural Homelessness Grant Program: Rural Homeless Housing Assistance Program, which is authorized by Subtitle G, Title IV of the Stewart B. McKinney Homeless Assistance Act.

Secondary Housing Activity: A means of providing or producing affordable housing -- such as rental assistance, production, rehabilitation, or acquisition -- that will receive fewer resources and less emphasis than primary housing activities for addressing a particular housing need. (See also, "Primary Housing Activity".)

Section 215: Section 215 of Title II of the National Affordable Housing Act. Section 215 defines "affordable" housing projects under the HOME Program.

Service Needs: The particular services identified for special needs populations, which typically may include transportation, personal care, housekeeping, counseling, meals, case management, personal emergency response, and other services to prevent premature institutionalization and assist individuals to continue living independently.

Severe Cost Burden: See Cost Burden > 50%.

Severe Persistent Mental Illness (SPMI): A serious and persistent mental or emotional impairment that significantly limits a person's ability to live independently.

Sheltered: Families and persons whose primary nighttime residence is a supervised publicly or privately operated shelter, including emergency shelters, transitional housing for the homeless, domestic violence shelters, residential shelters for runaway and homeless youth, and any hotel/motel/apartment voucher arrangement paid because the person is homeless. This term does not include persons living doubled up or in overcrowded or substandard conventional housing. Any facility offering permanent housing is not a shelter, nor are its residents homeless.

Small Related: A household of 2 to 4 persons which includes at least one person related to the householder by birth, marriage, or adoption.

Substandard Condition and not Suitable for Rehab: By local definition, dwelling units that are in such poor condition as to be neither structurally nor financially feasible for rehabilitation.

Substandard Condition but Suitable for Rehab: By local definition, dwelling units that do not meet standard conditions but are both financially and structurally feasible for rehabilitation. This does not include units that require only cosmetic work, correction, minor livability problems, or maintenance work. The jurisdiction must define this term (i.e., standard condition, financially and structurally feasible for rehab) and include this definition in the Appendix (Glossary of Terms) portion of its CHAS submission.

Substantial Amendment: A major change in an approved housing strategy. It involves a change to the five-year strategy, which may be occasioned by a decision to undertake activities or programs inconsistent with that strategy.

Substantial Rehabilitation: Rehabilitation of residential property at an average cost for the project in excess of \$25,000 per dwelling unit.

Supportive Housing: Housing, including Housing Units and Group Quarters that have a supportive environment and includes a planned service component.

Supportive Service Need in FSS Plan: The plan that PHAs administering a Family Self-Sufficiency Program are required to develop to identify the services they will provide to participating families and the source of funding for those services. The supportive services may include child care; transportation; remedial education; education for completion of secondary or post secondary schooling; job training, preparation and counseling; substance abuse treatment and counseling; training in homemaking and parenting skills; money management, and household management; counseling in homeownership; job development and placement; follow-up assistance after job placement; and other appropriate services.

Supportive Services: Services provided to residents of supportive housing for the purpose of facilitating the independence of residents. Some examples are case management, medical or psychological counseling and supervision, child care, transportation, and job training.

Tenant-Based (Rental) Assistance: A form of rental assistance in which the assisted tenant may move from a dwelling unit with a right to continued assistance. The assistance is provided for the tenant, not for the project.

Total Vacant Housing Units: Unoccupied year round housing units. (U.S. Census definition)

Unsheltered: Families and individuals whose primary nighttime residence is a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings (e.g., streets, parks, alleys).

USDA Rural Development: Formerly Rural Economic and Community Development (RECD).

Vacant Awaiting Occupancy or Held: Vacant year round housing units that have been rented or sold and are currently awaiting occupancy, and vacant year round housing units that are held by owners or renters for occasional use. (U.S. Census definition)

Vacant Housing Unit: Unoccupied year-round housing units that are available or intended for occupancy at any time during the year.

Very Low-Income: Households whose incomes do not exceed 50 percent of the median area income for the area, as determined by HUD, with adjustments for smaller and larger families and for areas with unusually high or low incomes or where needed because of prevailing levels of construction costs or fair market rents. (This term corresponds to low-income households in the CDBG Program.) (For the purpose of further distinguishing needs within this category, two subgroups (0 to 30% and 31 to 50% of MFI) have been established in the CHAS tables and narratives.)

Worst-Case Needs: Unassisted, very low-income renter households who pay more than half of their income for rent, live in seriously substandard housing (which includes homeless people), or have been involuntarily displaced.

Year Round Housing Units: Occupied and vacant housing units intended for year round use. (U.S. Census definition.) Housing units for seasonal or migratory use are excluded.

Exhibit One

Domestic Abuse Programs

DOMESTIC ABUSE PROGRAM

Program Name	FY2008 Grants	5% Admin.	Sub-grants	Purpose	Grant Period	Fund Source
Victims of Crime Assistance – Victims' Assistance (VOCA-VA)	1,226,000	61,300	39	Provide subgrants to public or private non-profit organizations to provide direct services to victims of crime, primarily child abuse, spouse abuse and sexual assault victims.	10/1-9/30	U.S. Dept. of Justice
Domestic and Sexual Abuse (DASA)	250,000	-0-	24	Provide subgrants to public or non-profit organizations providing shelter and other services to victims of domestic violence and sexual abuse.	07/1 - 06/30	State General Funds
Family Violence and Prevention Services (FVPS)	739,450	36,972	27	To support programs to prevent incidents of family violence and provide shelter and related assistance to victims.	07/01-06/30	U.S. Health and Human Services
STOP/ (Services, Training, Officers, Prosecutor) Violence Against Women	794,387	39,719	34	To enhance prosecution of violent crimes against women, enhance advocacy for victims, and enhance training for law enforcement, prosecutors, and judges.	07/01-06/30	U.S. Dept. of Justice

Total	3,009,837	137,991	124			
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VOCA-VA, DASA, FVPS:

Grantees provide various direct services to victims of crime that include the following:

- emergency shelter
- crisis intervention
- group treatment
- counseling
- emergency legal advocacy
- emergency transportation
- assistance in filing compensation claims

STOP/VAWA:

. Grantees use the funds to enhance advocacy for victims, increase prosecution of violent crimes against women, enhance training of law enforcement, prosecutors, and judges.