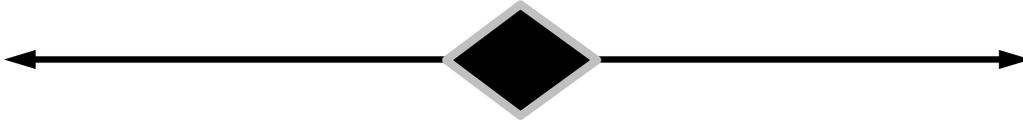


South Dakota 2013-2017
Five Year
Consolidated Plan
As Amended September 2016



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Executive Summary

ES-05 Executive Summary - 91.300(c), 91.320(b)

1. Introduction

The Consolidated Plan, hereafter referred to as "the Plan", is the five-year housing and community development planning document for the State of South Dakota. The Community Development Block Grant (CDBG), Emergency Solutions Grants Program (ESG) and HOME Investment Partnerships Program (HOME) are US Department of Housing and Urban Development's funded formula programs covered under the Plan. In 2016, SDHDA will also be administering the National Housing Trust Fund (HTF) Program. The overall goals of community development and planning programs covered in the Plan are to develop viable communities by providing decent affordable 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 and economic development. For the State of South Dakota, South Dakota Housing Development Authority (SDHDA) administers the HOME, HTF and ESG programs and the Governor's Office of Economic Development (GOED) administers the CDBG Program.

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

Demand for housing remains strong in South Dakota. Growing communities are experiencing tight rental markets with vacancy rates around two percent (2%) or less and the sale of single family homes is steady in most communities. Based on these reasons, our emphasis will continue to be placed on providing housing opportunities geographically across the State for both rental and homeownership. The HOME Program will be utilized for financing rehabilitation, acquisition and rehabilitation, or new construction activities for both multi-family and single family housing. To take advantage of historically low interest rates, HOME funds will continue to be available for homebuyer assistance along with homeowner rehabilitation and payment of security deposits.

Many communities need additional housing for extremely low income households; Section 8 waiting lists are extremely long and vacancies at project based housing developments are low. The HTF program will provide a much needed resource to develop additional units for 30% AMI. Currently competitive scoring results in four percent (4%) of the annual housing units, or 11 units, developed with the Housing Tax Credit and HOME programs, being dedicated to 30% AMI. The \$3 million in HTF is estimated to produce an additional 30 units annually.

In addition, SDHDA will continue to prioritize housing opportunities for homeless and special needs population groups. SDHDA submitted an application to HUD for the Section 811 Project Rental Assistance Demonstration. Changes were made to the HOME and Housing Tax Credit (HTC) allocation plans to account for funding of the 811 Program to ensure these programs will work well together. In addition, the State of South Dakota was recently named a recipient of Money Follows the Person Rebalancing Demonstration Grant from the U.S. Department of Health and Human Services. The purpose of this funding is aimed at helping people transition into home and community-based settings from such institutions as nursing homes and intermediate care facilities for individuals with intellectual disabilities. A partnership between SDHDA and South Dakota Department of Human Services will ensure program success.

Changes to the ESG and Continuum of Care (CoC) funding is also providing a great opportunity for the State of South Dakota to have mechanisms in place to accomplish goals in providing housing for targeted populations by being able to combine housing and additional services.

The State will continue to develop viable communities by providing a suitable living environment and expanding economic opportunities for low- and moderate- income (LMI) persons through the Community Development Block Grant (CDBG) program. Through public hearings and State Planning District comments, the state has determined that the public need at the local level is community development, infrastructure, public facilities, economic development, and workforce training. In order to meet these local needs, the CDBG program will provide application cycles in the spring and fall to ensure local governments may apply for CDBG funds throughout the year.

3. Evaluation of past performance

SDHDA was the recipient of several federal stimulus programs such as the Homelessness Prevention and Rapid Re-housing Program, Neighborhood Stabilization Programs 1 and 3, and Tax Credit Assistance Program (TCAP). With the stimulus programs South Dakota was able to provide housing assistance to many more individuals – expanding the scope and availability. As these programs come to a close, the number of housing units developed and individuals assisted will unfortunately decrease and reflect more normal activity numbers.

For 2012, SDHDA anticipated constructing 200 new rental housing units; a total of 155 were financed. The projection for acquisition and rehabilitation of multi-family rental was 200 units and 90 were financed. The projection of 200 units by activity was generated five years ago when it was typical to develop that number of units annually. With increase in housing costs, decrease in Housing Tax Credit equity pricing, and push for green and energy star features, the federal funds are not able to produce the same number of housing units.

Addressing the need for service enriched housing, SDHDA's goal was to provide 20 housing units; 27 units are being developed and 22 emergency shelters were funded, meeting SDHDA's goal for these two categories.

For homeownership opportunities, SDHDA projected to serve 2,400 households and to date in 2012, 604 households were assisted with the purchase of their home through SDHDA's First-time Homebuyer Program, the Governor's House Program and USDA Rural Development's 502 and 504 single family programs. In addition, 181 single family homes were rehabilitated to date, compared to the goal of 200. There were a total of 3,022 households who received homeownership counseling and education, well above the projected goal of 2,400. Actual activity compared to projections from five years ago evidences the change of times.

Not meeting the homeownership goals set five years ago indicates how the housing economy has changed over the years.

4. Summary of citizen participation process and consultation process

Two different methods were utilized to gather citizen participation during the drafting of the Consolidated Plan. During the first part of July, SDHDA completed an on-line housing survey asking general housing questions. Questions were asked regarding what is the greatest housing need in their community, conditions of available housing, is there a homeless population and what barriers exist for affordable housing along with other housing questions.

The second method of public participation was the completion of public meetings. SDHDA held meetings in the communities of Aberdeen, Sioux Falls, Pierre and Rapid City. There were over 75 people in attendance at the public meetings. Very valuable discussion was held as to the housing needs in the different communities around the state, along with discussion on housing priorities under the HOME Program and funding priorities under the CDBG Program.

A second public meeting was held on November 29, 2010, via the Digital Dakota Network. This meeting was accessible in eight different communities across the state and provided participants an opportunity to provide comments regarding the draft Consolidated Plan. There were 24 people in attendance.

During the public participation process in January and February 2016, SDHDA presented information regarding the Housing Trust Fund Program. SDHDA highlighted the \$3 million in allocation and proposed activities. A Housing Trust Fund Allocation Plan was also presented for a 30 day public comment period.

5. Summary of public comments

Public meetings and written comments provided great public input. Discussions revolved around the cost of new housing; SDHDA financing limits; development characteristics such as green features, energy efficiency and amenities that should be required and/or incentivized; cost containment; and establishing lower rents to make the units affordable without rental assistance.

SDHDA stated homeownership is still an eligible activity under the HOME Program, but not a funding priority. Agencies such as Habitat for Humanity and Neighborworks asked SDHDA to reconsider this position and not make changes to the HOME Program that would have a negative impact on homeownership opportunities.

SDHDA is working with SD Dept. of Human Services and Dept. of Social Services to address this issue of tenants being able to access services. SDHDA received approval for the HUD 811 demonstration program providing a financial mechanism (via rental assistance) to keep this movement going forward.

NSP provided a great opportunity for SDHDA to develop housing that may not have been competitive under the HOME Program. As the NSP funds diminish, there will be a void in financing opportunities, especially for service enriched housing. As program income is received, the availability of HOME funds has grown and due to this steady stream of HOME funds, SDHDA proposed to set-aside up to \$500,000 annually for grant funding for eligible developments, such as service enriched housing. The funding amount will not match what was available with NSP, but SDHDA hopes to continue the movement in developing service enriched housing. Other ideas proposed were for rehab/repair of trailer houses and wheel chair ramps.

Attendees also inquired about the use of CDBG funds for housing activities.

Within the Housing Tax Credit Program, SDHDA made the suggestion to revise the 30% Basis Boost eligibility for rural areas by reducing it to 15%. There was great discussion and disagreement by the public regarding this proposed change. SDHDA reviewed prior housing tax credit developments which received this boost and the financial benefit to the development outweighs the additional credits that could be utilized for another development. Based on this determination the 30% basis boost will remain for rural areas, as further described in the Qualified Allocation Plan.

The second public meeting provided comments on financing limits that SDHDA imposes. An increase in the financing limits is proposed for 0, 3, and 4 bedroom units. A request was made for SDHDA to consider increasing the 2 bedroom limit as well. A summary of comments received by Dec. 10 follows:

- Request HOME funds for down payment, closing cost, purchase, rehab and resale or new construction to include development subsidy;
- Remove developer and project financing limitations;
- Increase financing limits for 1 and 2 bedroom units;
- Reduce points for preservation of existing projects;
- Consider different level of points for different levels of services;
- Reduce or eliminate requirement of operating reserves;
- Modify point structure for Deep Income Targeting, designation of HUD 811 units, and additional accessible units; and
- Modify Letter of Support from local official.

Comments received and accepted regarding the Housing Trust Fund were to consider setting aside 20% of the Housing Trust Fund allocation for use in Indian areas; provide competitive points for HUD-Designated Promise Zones, re-evaluate the proposed subsidy limits and increase the Project Finance Limits.

6. Summary of comments or views not accepted and the reasons for not accepting them

A written request to establish a set-aside of funding for single family homeownership developments was declined but SDHDA did evaluate and modify scoring criteria to ensure single family developments are competitive with rental developments.

SDHDA proposed to reduce the Governor's House Pilot Program maximum homebuyer assistance from \$20,000 to \$14,900. Comments requested to retain the \$20,000. Over the last two years, the average amount of HOME funds utilized for homebuyer assistance was \$14,300, evidencing that reduction in funds will not eliminate housing opportunities. Households receiving this assistance are typically not able to receive financing from conventional lenders – classifying these loans as “risky”. Unfortunately some homeowners and/or developers utilized the \$20,000 to build a bigger house or add amenities that were not necessary. Conserving the limited resources by reducing the assistance from \$20,000 to \$14,900 will hopefully provide housing opportunity for more families and increase the ability for repayment.

Comments received during the second public comment period requested HOME funds for single family development, for rehab, acquisition/rehab, or new construction of single family homes. In addition it was requested to allow HOME funds in the form of development subsidy, down payment assistance or payment of closing costs. These activities are currently eligible under the HOME Program. With the creation of the \$500,000 grant set-aside, applicants could request a portion of these funds as a development subsidy, or as down payment or closing costs assistance. Applicants are reminded that lead based paint requirements must be met. The Homeowner Rehabilitation set-aside of \$500,000 is also available. Based on these reasons, no changes were made.

A comment requested the Developer and Project Limitations to be removed. To provide these valuable and limited resources in the most effective manner, SDHDA will not be incorporating this change. SDHDA encourages applicants to leverage HOME and HTC funding with other programs. By keeping these limitations in place SDHDA is able to distribute HOME and HTC funding to more developments providing greater geographic distribution and diversity of housing options.

Within the Housing Tax Credit Program, a change was incorporated requiring applicants to establish an operating reserve equivalent to six months of operating expenses. A comment was received asking SDHDA to eliminate this requirement. SDHDA revised the requirement to be an operating reserve equivalent to three months of expenses and must be maintained for a minimum of three years from the placed in service date.

One comment requested revision to the point structure for Deep Income Targeting, HUD Section 811 Units and Additional Accessible units. SDHDA continues to strive towards serving the lowest income households for the longest term while providing housing opportunities for those with disabilities. Based on these reasons, no changes were made.

One comment requested reducing points awarded for preservation of existing projects. Preservation of existing affordable housing, with preference for housing with project based rental assistance, will continue to be priority for SDHDA. Due to this reason, no change was made.

A request was made to incorporate different point levels for different level of tenant services. SDHDA does not have sufficient information at this time to make such a change.

2016 - There were no comments received regarding the Housing Trust Fund that were not incorporated into the allocation plan.

7. Summary

The public participation in housing has greatly increased over the years. Local communities have become more involved with addressing their housing needs, public housing authorities are looking to expand their housing opportunities to better serve their tenants, nonprofit service agencies are becoming housing developers, and management companies are reaching out to services and partner agencies to help tenants remain in housing. Housing is vital component for communities to survive and grow. Involvement with more partners will continue to enhance the quality of housing provided in the state of South Dakota.

The Process

PR-05 Lead & Responsible Agencies 24 CFR 91.300(b)

1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	SOUTH DAKOTA	
CDBG Administrator		Governor's Office of Economic Development
HOPWA Administrator		
HOME Administrator	SOUTH DAKOTA	South Dakota Housing Development Authority
ESG Administrator	SOUTH DAKOTA	South Dakota Housing Development Authority
HOPWA-C Administrator	SOUTH DAKOTA	South Dakota Housing Development Authority

Table 1 – Responsible Agencies

Narrative

South Dakota Housing Development Authority (SDHDA) in conjunction with the Governor’s Office of Economic Development (GOED) prepares the Consolidated Plan. SDHDA administers the HOME, Housing Trust Fund and ESG Programs through the Rental Housing Development division. The CDBG Program is administered through the Finance Division of GOED.

Sioux Falls Housing & Redevelopment Commission administers Housing Opportunities for Persons with Aids (HOPWA) for South Dakota. Since the HOPWA funding received by Sioux Falls Housing & Redevelopment Commission, is on a competitive basis the program information is not required to be a part of the Statewide Consolidated Plan. Those interested in learning more about the program are encouraged to contact Sioux Falls Housing and Redevelopment Commission. Information regarding the Tri-State HELP program can be found at the following web address - <http://siouxfallshousing.org/tri-state-help.html>.

Consolidated Plan Public Contact Information

South Dakota Housing Development Authority - HOME and ESG
 Lorraine Polak - (605) 773-3108 - Lorraine@sdhda.org - Rental Housing Development

PR-10 Consultation - 91.110, 91.300(b); 91.315(l)

1. Introduction

SDHDA has over 1400 individuals and organizations who were contacted via email or newsletter regarding the Consolidated Planning process. In addition, there were two paid ads, two press releases and information on our website encouraging people to become involved. Agencies that were contacted to participate in the online housing survey, to attend the public meetings and provide comments during the 30 day comment period included local, state and federal governmental agencies, public and Indian housing authorities, advocacy groups, non-profit and for-profit developers, planning districts, congressional offices, local economic development offices and the general public.

In addition, SDHDA staff has participated in meetings with SD Department of Human Services and Social Services, meetings with city officials, public housing authorities, service agencies and nonprofit and for profit developers. The information sharing from these meetings provides SDHDA with suggestions, concerns, and recommendations regarding the housing programs and how they are or are not effective in serving those who need housing, across the state. In addition knowledge gained by SDHDA staff regarding services, programs and assistance offered by the agencies listed above provides an opportunity to better coordinate services and ensure programs are effectively working together. Information gathering is a year-long process and is not limited to the four months during which time the housing plans are created.

Provide a concise summary of the state's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))

SDHDA is a member of several trade organizations and committees that increase the opportunity to coordinate efforts. At the state government level, SDHDA participate on the Mental Health Advisory Council, the State Independent Living Council, the Department of Corrections Re-Entry Council, and SDHDA's Executive Director attends the Governor's cabinet meetings. SDHDA is also a member of National Association of Housing and Redevelopment Organizations (NAHRO) and National Council of State Housing Agencies (NCSHA) providing information from the national perspective as well. Involvement with these different organizations provides SDHDA an opportunity to interact and enhance coordination among public and assisted housing providers, private and government health, mental health and service agencies throughout the year.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

The Statewide Continuum of Care (CoC) is South Dakota Housing for the Homeless Consortium. SDHDA is the lead agency for the CoC providing a great opportunity for coordination of efforts. SD Department of Education, SD Department of Veterans Affairs, Domestic Violence Providers and service agencies are all active members of the CoC providing direct contact to information and resources.

Describe consultation with the Continuum(s) of Care that serves the state in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS

SDHDA as the lead agency for the CoC also administers the ESG Program and is the administrator of the HMIS system.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Aberdeen Housing Authority
	Agency/Group/Organization Type	PHA
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Aberdeen Housing, Sioux Falls Housing and Pennington County Housing were contacted via email regarding public housing authority needs. Aberdeen and Sioux Falls also participated in the public meetings. There are no specific outcomes resulting from this consultation.
2	Agency/Group/Organization	PENNINGTON COUNTY HOUSING AND REDEVELOPMENT COMM.
	Agency/Group/Organization Type	PHA
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Aberdeen Housing, Sioux Falls Housing and Pennington County Housing were contacted via email regarding public housing authority needs. Aberdeen and Sioux Falls also participated in the public meetings. There are no specific outcomes resulting from this consultation.

3	Agency/Group/Organization	SIoux FALLS HOUSING AND REDEVELOPMENT COMMISSION
	Agency/Group/Organization Type	PHA
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Aberdeen Housing, Sioux Falls Housing and Pennington County Housing were contacted via email regarding public housing authority needs. Aberdeen and Sioux Falls also participated in the public meetings. There are no specific outcomes resulting from this consultation.
4	Agency/Group/Organization	DEVELOPMENT FOR THE DISABLED
	Agency/Group/Organization Type	Housing Services-Persons with Disabilities CHDO
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Contacted via email, press release, and newsletter regarding the public meetings and comment period. Comments were received from this organization.
5	Agency/Group/Organization	INTERLAKES COMMUNITY ACTION, INC
	Agency/Group/Organization Type	Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-homeless Services-Education Services-Employment Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Non-Homeless Special Needs Market Analysis

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Contacted via email, press release, and newsletter regarding the public meetings and comment period. Comments were received from this organization.
6	Agency/Group/Organization	NEIGHBORHOOD HOUSING SERVICES OF THE BLACK HILLS, INC.
	Agency/Group/Organization Type	Housing Regional organization Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Contacted via email, press release, and newsletter regarding the public meetings and comment period. Comments were received from this organization.
7	Agency/Group/Organization	NESDCAP
	Agency/Group/Organization Type	Housing Services-Elderly Persons Services-Education Services-Employment Regional organization Planning organization Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Economic Development Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Contacted via email, press release, and newsletter regarding the public meetings and comment period. Comments were received from this organization.
8	Agency/Group/Organization	HASTINGS GOOD SAMARITAN HSG, INC.
	Agency/Group/Organization Type	Housing Services-Elderly Persons Services-Persons with Disabilities Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment

<p>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>Contacted via email, press release, and newsletter regarding the public meetings and comment period. Comments were received from this organization.</p>
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Identify any Agency Types not consulted and provide rationale for not consulting

While SDHDA did not consult with each type of agency listed above, these agencies were included on the notices and given the opportunity to provide feedback. Completion of a statewide consolidated plan does make it more difficult to personally consult with all the agencies that have a vested interest. Thus, SDHDA provides the opportunities and invites their participation in the public meetings and during the public comment period.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	South Dakota Housing Development Authority	South Dakota Housing for the Homeless Consortium is in the process of drafting a Ten Year Plan to End Homelessness. SDHDA as the lead agency for both the statewide consortium and the statewide consolidated plan, provides the opportunity to plan and coordinate efforts, funding and priorities among the different programs.
Community Mental Health Services Block Grant	State of SD Dept. of Social Services	Providing housing opportunities for low income individuals and families with special needs.
2010-2013 Statewide Program for Independent Living	Statewide Independent Living Council (SILC)	Providing service enriched housing opportunities for individuals and families with disabilities.

Table 3 – Other local / regional / federal planning efforts

Describe cooperation and coordination among the State and any units of general local government, in the implementation of the Consolidated Plan (91.315(l))

This is a statewide consolidated plan. The service area for CDBG does not cover the two largest communities of Sioux Falls and Rapid City, but these communities are eligible to receive HOME and ESG funding. Local governments were invited to participate in the survey, public meetings and the 30 day comment period. As local governments are becoming aware of their housing need for economic development purposes they are becoming more active in the public process.

SDHDA recently introduced a Housing Needs Study Program in which SDHDA will provide grant funding up to \$5,000 per community to complete local housing studies. The city or county must support the effort and provide match funding. As results of the study are released, the market analyst will hold community meetings which SDHDA will participate in. In addition in 2012, SDHDA partnered with other agencies for the creation of the Home Address Program. This program will assist several communities across the state in identifying and addressing their housing needs.

SDHDA contracts with the local planning districts across the state. The planning districts attend many local community and county meetings. The planning districts provide information on SDHDA programs and reports back to SDHDA on any follow up that may be necessary.

These different opportunities provide SDHDA will valuable insight on the local housing needs and provides an opportunity for the local communities to learn about SDHDA.

PR-15 Citizen Participation - 91.115, 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

Two different methods were utilized to gather citizen participation. During July, SDHDA completed an on-line housing survey. Questions were asked regarding what is the greatest housing need in their community, conditions of available housing, is there a homeless population and what barriers exist for affordable housing along with other housing questions. Results of the survey were then provided during the public meetings for discussion purposes. There were a total of 257 surveys completed and over 17% of the surveys were completed by members of the general public. Based on these results, the survey was an effective tool that will be utilized again.

The second method was public meetings held in the communities of Aberdeen, Sioux Falls, Pierre and Rapid City. There were over 75 people in attendance.

The second public meeting was held over the Digital Dakota Network with viewing sites located in eight different communities. This meeting was held to take comments on the draft Consolidated Plan; 24 people were in attendance.

Notices of the on-line survey and public meetings were sent to the 1425 email contacts on SDHDA's email list which consists of homebuilders, lenders, real estate brokers/agents, congressional offices, community leaders, contractors, developers, public and tribal housing authorities, local Rural Development Officials, advocacy groups, nonprofit organizations, service agencies, city, state and federal government agencies, economic development offices, newspapers, community action agencies, and the general public.

Notice of the meetings and the public comment period was published in the following eleven daily newspapers: The Aberdeen American News, The Rapid City Journal, The Sioux Falls Argus Leader, The Watertown Public Opinion, The Brookings Register, The Yankton Daily Press & Dakotan, The Madison Daily Leader, The Mitchell Daily Republic, The Huron Plainsman, The Pierre Capital Journal, and The Spearfish Black Hills Pioneer

The first 30 Day Comment Period ended August 17, 2012, and written comments were received from thirteen different organizations/individuals providing comments and suggestions for the housing programs.

After the release of the DRAFT Consolidated, HOME and Housing Tax Credit plans, another public hearing was held on November 29, 2012, via the Dakota Digital Network (DDN) with sites in Aberdeen, Rapid City, Mitchell, Pierre, Watertown, Sioux Falls, Pine Ridge and Yankton. A press release and public notice of the public meeting and 30 day comment period was provided. In addition this information was posted on SDHDA's website and included in the monthly newsletter. There were a total of 24 people in attendance. Questions were asked and one verbal comment was received. Attendees were reminded that written comments were being accepted until 5:00 PM CT, Dec. 10, 2012.

In 2016, four public meetings were held on Jan. 25, Feb. 1, 2 and 3, in the communities of Rapid City, Sioux Falls, Aberdeen, and Pierre, to take public comments on the administration of the HOME, ESG and CDBG programs and receive ideas for the administration of the Housing Trust Fund (HTF). The meetings were held prior to drafting of the 2016 allocation plans, including the Housing Trust Fund. There were a total of 40 attendees.

The second public meeting was held on March 9, 2016, beginning at 2:00 pm CT, via the Digital Dakota Network (DDN) with connections to the following seven locations: Aberdeen, Pierre, Rapid City, Sioux Falls, Mitchell, Watertown and Yankton.

Notices of the above meetings and the 30 day comment period, were provided through a public notice (paid ad) in the daily newspapers.

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
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1	Public Meeting	<p>Minorities</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	<p>The first public meeting in August was held in four different communities with over 75 people in attendance. The second meeting was held via the Dakota Digital Network and 24 people were in attendance.</p>	<p>The public meetings and written comments received provided great public input. Many discussions revolved around the cost of new housing and whether or not SDHDA should increase the financing limit. This discussion revolved around what development characteristics such as green features, energy efficiency and amenities should be required and/or incentivized in affordable housing developments and whether they are worth the additional cost. Additional discussion was held regarding the cost containment of affordable housing and establishing lower rents to make the units more affordable to tenants without the use of rental assistance. SDHDA stated that while home ownership is still an eligible activity under the HOME Program, it is not a funding priority. Agencies such as Habitat for Humanity and Neighborworks asked SDHDA to reconsider this position and not make any changes to the HOME Program that would have a negative impact on homeownership opportunities. Accessing services for tenants was also discussed. Many times tenants are able to locate units but don't have the skills necessary to keep their tenancy. SDHDA is working with SD Department of Human Services and</p>	<p>There were several comments received regarding the need to increase the financing cost per unit limit under the HOME and Housing Tax Credit Programs. In an effort to keep housing units affordable, SDHDA has not increased the financing limit for several years. After reviewing prior year's development costs, SDHDA did adjust the financing limit for some of the unit sizes but not all of them. SDHDA continues to encourage developers to be creative in providing quality affordable housing at reasonable costs. As federal financial resources are reduced and building costs increase the number of housing units developed will continue to decline. In order to preserve the important programs currently available and to continue to rehab or construct necessary housing units SDHDA and housing developers must constantly evaluate what is the best housing choice and how to achieve it. A written request was made to establish a set-aside of funding for single family homeownership developments. SDHDA declined to establish a set-aside but did evaluate and modify scoring criteria to ensure single family developments are competitive with rental developments. Under the HOME Program, SDHDA proposes to reduce the Governor's</p>	<p>www.sdhd.org</p>
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			<p>Department of Social Services to address this issue and the partnership between these agencies is the best approach at this time. SDHDA did submit an application for the HUD 811 Project Rental Assistance Demonstration Program. If successful, the 811 funds will provide a financial mechanism in the form of rental assistance to keep this movement going forward. The Neighborhood Stabilization Program 1 and 3 (NSP) provided great opportunities for SDHDA to develop additional housing that may not have normally been competitive under the HOME Program. As the NSP funds diminish, there will be a void in financing opportunities, especially for service enriched housing. With the exception of Security Deposit Assistance and Homeowner Rehabilitation, the HOME Program is administered as a loan with full repayment. As program income continues to be received, the availability of HOME funds has grown over the years. Due to this steady stream of HOME funds, SDHDA has proposed to set-aside up to \$500,000 annually that can be granted for eligible developments, such as service enriched housing. While the funding amount will not match what was available with NSP, SDHDA hopes to continue the movement in</p>	<p>House Down payment Assistance Program maximum homebuyer assistance from \$20,000 to \$14,900. Per the 2007 American Community Survey, on average 47.1% of homeowners will move during the first five years of homeownership and many more will refinance with favorable interest rates. Based on the structure of the Governor's House Down payment Assistance Program, the HOME loan must be repaid with either of these occurrences. Over the last two years, the average amount of HOME funds utilized for homebuyer assistance was \$14,300, evidencing that reduction in funds will not eliminate housing opportunities. Households receiving this assistance are typically not able to receive financing from conventional lenders classifying these loans to be risky loans. By reducing the dollar amount of the assistance, repayment of the full amount becomes more likely. Unfortunately some homeowners and/or nonprofit developers utilized the entire \$20,000 of assistance to build a bigger house or add additional amenities that were not necessary. Conserving the limited resources by reducing the assistance from \$20,000 to \$14,900 will hopefully provide housing opportunity for more families in South Dakota.</p>	
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Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
				<p>developing service enriched housing. SDHDA utilized the public meetings to gather additional ideas of how to utilize the \$500,000 of HOME grant funds. Other ideas proposed were for rehab/repair of trailer houses and wheel chair ramps. Attendees at the public meeting also inquired about the use of CDBG funds for housing activities. Within the Housing Tax Credit Program, SDHDA made the suggestion to revise the 30% Basis Boost eligibility for rural areas by reducing it to 15%. There was great discussion and disagreement by the public regarding this proposed change. SDHDA reviewed prior housing tax credit developments which received this boost and the financial benefit to the development outweighs the additional credits that could be utilized for another development. Based on this determination the 30% basis boost will remain for rural areas, as further described in the Qualified Allocation Plan.</p>		

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
2	Newspaper Ad	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing	Notice of the meetings and the public comment period was published in the eleven daily newspapers for the communities of Aberdeen, Rapid City, Sioux Falls, Watertown, Brookings, Yankton, Madison, Mitchell, Huron, Pierre, and Spearfish.	There were no separate comments received from this method of outreach.	There were no separate comments received from this method of outreach.	

3	Internet Outreach	<p>Minorities</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	<p>SDHDA conducted an on-line survey. The on-line survey was a new tool utilized to gather general public participation and information. The survey was publicized on SDHDA's website, email campaign to SDHDA's 1425 contacts, a press release in the community papers across the</p>	<p>The need for additional affordable housing was consistently documented in the survey results. Since the survey was not specific to the Consolidated Plan comments received were more general housing.</p> <p>The results of the survey were then provided during the public meetings for discussion purposes. There were a total of 257 surveys completed and based on the responses of the survey over 17% of the surveys were completed by members of the general public. Based on these results, the survey was an effective tool that will be utilized again in the future.</p>	<p>Since the survey was not specific to the Consolidated Plan comments received were more general housing.</p>	
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Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
			state, and included in SDHDA's monthly newsletter.			

Table 4 – Citizen Participation Outreach

Needs Assessment

NA-05 Overview

Needs Assessment Overview

The new methodology utilized for the consolidated plan process provides pre-populated tables from different sources of information. Most of the information is gathered from the American Community Survey (ACS). The ACS is based on (and has replaced) the long form questionnaire formerly used in the decennial census. It takes the ACS five years to collect enough data to produce the geographic detail formerly available in a decennial census. The ACS refers to 1, 3 and 5-year estimates. One year estimates are only available for communities of population greater than 65,000, which would be Sioux Falls and Rapid City. The 3-year estimates are available for communities with population greater than 20,000, which would include the communities of Aberdeen, Brookings and Watertown. All other communities fall under the 5-year estimates. The 5-year estimates are the most reliable due to sample size, but are the least current information.

The charts within the Consolidated Plan are those generated by HUD's Consolidated Plan template. SDHDA does not agree with all of the chart information but due to lack of ACS data, SDHDA is not able to produce more accurate information at this time. The following chart lists total population of 580,263, which is the data for the state CDBG service area, which would exclude Sioux Falls, Rapid City and Indian Reservations. Per the US Census Bureau, the 2011 estimate is 824,082. State entitlement CDBG funds can only be utilized in the CDBG service area, however, HOME and ESG funds can be utilized statewide. Due to this reason, it is important to review statewide data in addition to the CDBG service area data. It is also important to note that data on the following charts could be greatly impacted by including data from the communities outside of the CDBG service area.

Regardless of whether this information is a sampling of the entire state, it is evident that there are many households paying more than 30% of their income for housing. The reality of housing is that cost burden will continue to become a larger problem as housing costs continue to increase faster than median incomes. In South Dakota, this problem is not as evident as it is on the east and west coast areas however, it is a growing concern.

SDHDA is addressing this issue by awarding developments to serve lower income tenants for a longer term. Given that HOME funds are available statewide, it is difficult for SDHDA to estimate housing needs for the ensuing five-year period, according to HUD's prescribed categories including income level and household type. Based on past experience SDHDA can project the number and type of housing units to be developed but it is evident that housing needs will continue to out-weigh the accomplishments.

NA-10 Housing Needs Assessment - 24 CFR 91.305 (a,b,c)

Summary of Housing Needs

The following chart lists total population of 580,263, which is the data for the state CDBG service area, which would exclude Sioux Falls, Rapid City and Indian Reservations. Per the US Census Bureau, the 2011 estimate is 824,082. State entitlement CDBG funds can only be utilized in the CDBG service area, however, HOME and ESG funds can be utilized statewide. Due to this reason, it is important to review statewide data in addition to the CDBG service area data. It is also important to note that data on the following charts could be greatly impacted by including data from the communities outside of the CDBG service area.

Regardless of whether this information is a sampling of the entire state, it is evident that there are many households paying more than 30% of their income for housing. As indicated in the Number of Households Table, there are a total of 22,126 or 67% of the households with at least one person age 75 or older that are at or below 80% AMI. HAMFI stands for Housing and Urban Development Area Median Family Income.

Fortunately the table also indicates that households with one or more children 6 years or younger are doing better with only 16,324 households at or below 80% AMI and 21,107 households above 80% AMI.

Table 7 indicates that 8,727 (69%) of the households at 0 – 30% AMI have one or more of the four housing problems. As income increases the number and percentage decreases. One could conclude that many people at 0-30% AMI are not living in subsidized housing, but instead living with family and are over-crowded or living in substandard housing.

The Cost Burden Table indicates that over 56% of renters 0 – 30% AMI and an additional 31% of renters 30% to 50% AMI are cost burden by paying more than 30% of their income towards rent. For Owners, this calculation is 36% and 29%.

More staggering is the fact that over 80% of these same renter households are paying more than 50% of their income for rent. For households 50% AMI and less, the percentage is 97%.

The reality of housing is that cost burden will continue to become a larger problem as housing costs continue to increase faster than median incomes. In South Dakota, this problem is not as evident as it is on the east and west coast areas however, it is a growing concern. SDHDA is addressing this issue by awarding developments to serve lower income tenants for a longer term. Given that HOME funds are available statewide, it is difficult for SDHDA to estimate housing needs for the ensuing five-year period, according to HUD's prescribed categories including income level and household type. Based on past experience SDHDA can project the number and type of housing units to be developed but it is evident that housing needs will continue to out-weigh the accomplishments.

Demographics	Base Year: 2000	Most Recent Year: 2012	% Change
Population	754,844	815,871	8%
Households	290,336	320,467	10%
Median Income	\$35,282.00	\$49,091.00	39%

Table 5 - Housing Needs Assessment Demographics

Data Source: 2000 Census (Base Year), 2008-2012 ACS (Most Recent Year)

Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households *	38,575	37,745	59,860	36,595	147,685
Small Family Households *	9,065	10,015	19,685	14,170	82,830
Large Family Households *	2,345	2,705	4,780	3,380	12,700
Household contains at least one person 62-74 years of age	5,620	6,670	10,605	6,805	26,305
Household contains at least one person age 75 or older	8,635	9,170	8,245	3,980	9,580
Households with one or more children 6 years old or younger *	6,705	6,640	10,095	6,960	17,720
* the highest income category for these family types is >80% HAMFI					

Table 6 - Total Households Table

Data Source: 2008-2012 CHAS

Housing Needs Summary Tables

1. Housing Problems (Households with one of the listed needs)

	Renter					Owner				
	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	770	360	515	185	1,830	585	270	155	90	1,100
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	540	310	200	75	1,125	80	25	115	25	245
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	665	680	675	230	2,250	155	385	555	290	1,385
Housing cost burden greater than 50% of income (and none of the above problems)	12,250	2,930	420	65	15,665	5,975	3,080	2,520	750	12,325

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Housing cost burden greater than 30% of income (and none of the above problems)	4,235	7,570	4,035	565	16,405	2,765	4,655	7,855	4,380	19,655
Zero/negative Income (and none of the above problems)	1,305	0	0	0	1,305	1,215	0	0	0	1,215

Table 7 – Housing Problems Table

Data 2008-2012 CHAS
Source:

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Having 1 or more of four housing problems	14,225	4,280	1,810	560	20,875	6,795	3,755	3,345	1,155	15,050
Having none of four housing problems	10,130	15,175	23,245	9,805	58,355	4,905	14,535	31,460	25,075	75,975

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Household has negative income, but none of the other housing problems	1,305	0	0	0	1,305	1,215	0	0	0	1,215

Table 8 – Housing Problems 2

Data 2008-2012 CHAS
Source:

3. Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	4,535	3,425	1,445	9,405	1,815	2,215	4,205	8,235
Large Related	1,200	600	140	1,940	410	705	1,010	2,125
Elderly	4,030	2,580	1,445	8,055	4,850	3,600	2,480	10,930
Other	8,015	4,290	1,670	13,975	2,160	1,400	2,835	6,395
Total need by income	17,780	10,895	4,700	33,375	9,235	7,920	10,530	27,685

Table 9 – Cost Burden > 30%

Data 2008-2012 CHAS
Source:

4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	3,495	840	45	4,380	1,495	950	875	3,320
Large Related	850	135	0	985	270	230	190	690
Elderly	2,560	1,160	445	4,165	2,955	1,235	755	4,945
Other	6,120	895	90	7,105	1,595	695	725	3,015

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Total need by income	13,025	3,030	580	16,635	6,315	3,110	2,545	11,970

Table 10 – Cost Burden > 50%

Data 2008-2012 CHAS
Source:

5. Crowding (More than one person per room)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	795	820	685	235	2,535	210	325	480	265	1,280
Multiple, unrelated family households	375	190	155	75	795	55	85	180	55	375
Other, non-family households	79	25	35	40	179	0	0	15	4	19
Total need by income	1,249	1,035	875	350	3,509	265	410	675	324	1,674

Table 11 – Crowding Information – 1/2

Data 2008-2012 CHAS
Source:

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Households with Children Present								

Table 12 – Crowding Information – 2/2

Data Source
Comments:

Describe the number and type of single person households in need of housing assistance.

Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.

What are the most common housing problems?

The most common housing problem is being cost burdened. Unfortunately it is anticipated that this trend will continue as housing costs continue to rise more rapidly than median incomes. One solution would be to create more housing targeted to 30% AMI or less; however, it often requires more federal subsidies to develop this housing, producing less units annually.

Are any populations/household types more affected than others by these problems?

As indicated on the Number of Households Table, there is a large portion of households containing at least one person age 75 or older that have incomes at or below 50% AMI. These households are most likely to be cost burdened. Based on their limited and fixed incomes it would be difficult to change this situation.

The greatest number of renter and owner occupied housing units that have a cost burden greater than 50% are the households at or below 30% AMI.

Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance

The characteristics and needs of low-income individuals and families with children who are at imminent risk of residing in shelters or becoming unsheltered are those who are employed but have only part time employment and do not have benefits such as health insurance. Part time employment does not provide sufficient income on a continual basis to allow households to save money. At any time when there is an unexpected financial emergency the household must then begin choosing which bills to pay and how to stretch their already limited income.

Homelessness Prevention and Rapid Re-Housing Program (HPRP) was one of the first funding sources available in South Dakota to rapidly re-house families and individuals. Even though the HPRP program ended September 1, 2012, many lessons were learned and partnerships created while administering the HPRP funds. The new Emergency Solutions Grants Program (ESG) will continue some of the same funding opportunities; however, the sub-recipients are different than those who administered HPRP.

The top three services/assistance provided by HPRP, by number of households, was case management, short-term rental assistance, and security deposits. If short-term and medium-term rental assistance is combined, this would far exceed the utilization of other services. The household makeup was 58% white and 32% American Indian/Alaskan Native, with 94% non-Hispanic/Latino. The 20 to 29 age group represented 39% of the households age 30 to 39 represented 27% of the households, evidencing a younger population was being served with HPRP funding.

Majority of the households utilizing HPRP services were single head of household with 66% of them having no children. For the two person household the majority of the households had more than two children.

The agencies that administered HPRP did not apply to administer ESG, thus there was not a continuation of services. As the termination date of September 1, 2012, approached, the HPRP agencies worked with the clients to find other assistance and services necessary to keep the clients permanently housed.

If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:

For the state of South Dakota, there is not an estimate of the at-risk population. However, an estimate of the at-risk populations could be created by reviewing the annual statewide homeless count, public housing authority waiting lists, recipients of the Homelessness Prevention and Rapid Re-Housing Program, and reviewing unemployment data.

Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness

Particular housing characteristics that have been linked with instability and increased risk of homelessness include households that are cost burdened and severely cost burdened along with those which are over-crowded. This is particularly true for households at or below 50% AMI.

Discussion

Although HPRP has ended, the lessons learned and the partnerships created will help in the transition to providing some of the same services through the ESG Program. The most common housing problem, as described in Table 3, is being cost burdened. By being able to utilize ESG funding, families who experience an unexpected financial burden can be helped financially to keep them housed or rapidly re-house them. Priorities include providing sufficient training and education to the ESG sub-recipients as they are different entities from the HPRP sub-recipients and looking at ways to provide more housing targeted at 30% AMI while not reducing the number of units annually produced.

NA-15 Disproportionately Greater Need: Housing Problems - 91.305 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

The following charts show when a disproportionately greater need exists for members of a racial or ethnic group at a certain income level as opposed to the whole jurisdiction. As indicated in Table 8, Black/African American, Asian and Hispanics equally share a greater need than the whole at 0-30% AMI. In Table 9, Asians followed by Black/African Americans have a greater need than the whole at 30-50% AMI. Table 10 indicates that Hispanics have a greater need than the whole at 50-80% AMI and Table 11 indicates that no racial or ethnic group has a greater need than the whole at 80-100% AMI.

0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	27,310	8,613	2,034
White	21,588	6,900	1,696
Black / African American	383	93	20
Asian	216	33	0
American Indian, Alaska Native	4,201	1,323	235
Pacific Islander	0	0	0
Hispanic	542	129	35

Table 13 - Disproportionally Greater Need 0 - 30% AMI

Data 2008-2012 CHAS

Source:

*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	20,399	17,735	0
White	17,461	15,768	0
Black / African American	275	90	0
Asian	150	28	0
American Indian, Alaska Native	1,682	1,365	0
Pacific Islander	0	0	0
Hispanic	517	364	0

Table 14 - Disproportionally Greater Need 30 - 50% AMI

Data 2008-2012 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	16,200	43,281	0
White	14,674	38,978	0
Black / African American	124	358	0
Asian	72	225	0
American Indian, Alaska Native	847	2,168	0
Pacific Islander	0	15	0
Hispanic	405	861	0

Table 15 - Disproportionally Greater Need 50 - 80% AMI

Data 2008-2012 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	6,882	31,432	0
White	6,339	28,719	0
Black / African American	40	288	0
Asian	45	297	0
American Indian, Alaska Native	189	1,258	0
Pacific Islander	0	19	0
Hispanic	133	626	0

Table 16 - Disproportionally Greater Need 80 - 100% AMI

Data 2008-2012 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

Discussion

The findings in this section lead a person to believe that Black/African American, Asian and Hispanics have the greatest disproportionate need as compared to the whole, but if one looked at the population and demography of our state, one would question why American Indians who live in some of the poorest and fastest growing communities in the nation do not show up as having a disproportionate need. As stated before, the data for the state CDBG service area, which is the information generated by HUD’s Consolidated Plan charts, excludes Sioux Falls, Rapid City, and the tribal areas, which could explain why American Indians are not showing up as having a disproportionate need. More research would have to be done to accurately analyze and thus express which racial or ethnic groups have the greatest need.

NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.305(b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

The following charts show when a disproportionately greater need exists for members of a racial or ethnic group at a certain income level as opposed to the whole jurisdiction. Severe housing problems

include overcrowding and households with cost burdens greater than 50 percent of their income. As indicated in Table 12, Asians have the greatest disproportionate need as compared to the whole followed by Black/African Americans, American Indians and Hispanics at 0-30% AMI. In Table 13, Black/African Americans have the greatest disproportionate need as compared to the whole followed by American Indians and Hispanics at 30-50% AMI. Tables 14 and Table 15 indicate that no racial or ethnic group has a greater need than the whole at 50-80% AMI and 80-100% AMI.

0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	20,318	15,587	2,034
White	15,522	13,003	1,696
Black / African American	379	97	20
Asian	216	33	0
American Indian, Alaska Native	3,486	2,020	235
Pacific Islander	0	0	0
Hispanic	431	240	35

Table 17 – Severe Housing Problems 0 - 30% AMI

Data 2008-2012 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

30%-50% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	8,332	29,673	0
White	6,707	26,411	0
Black / African American	150	215	0
Asian	36	143	0
American Indian, Alaska Native	1,031	2,021	0

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Pacific Islander	0	0	0
Hispanic	301	575	0

Table 18 – Severe Housing Problems 30 - 50% AMI

Data 2008-2012 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

50%-80% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	4,994	54,501	0
White	4,133	49,516	0
Black / African American	50	432	0
Asian	48	253	0
American Indian, Alaska Native	528	2,476	0
Pacific Islander	0	15	0
Hispanic	224	1,044	0

Table 19 – Severe Housing Problems 50 - 80% AMI

Data 2008-2012 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

80%-100% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,728	36,574	0

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
White	1,376	33,686	0
Black / African American	10	318	0
Asian	40	301	0
American Indian, Alaska Native	105	1,349	0
Pacific Islander	0	19	0
Hispanic	99	660	0

Table 20 – Severe Housing Problems 80 - 100% AMI

Data 2008-2012 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

Discussion

Again looking at the demographics of South Dakota, one would question why American Indians who live in some of the poorest communities in the nation do not show up as having the greatest disproportionate need. Due to HUD’s Consolidated Plan charts excluding Sioux Falls, Rapid City, and the tribal areas, one is not able to clearly define the relative disproportionate need for members of a racial or ethnic group as they relate to the whole state.

NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.305 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

As indicated in Table 16, Black/African Americans have a larger number of cost-burdened households that pay between 30-50% of their income on housing-related costs as you compare them to the jurisdiction as a whole. Black/African Americans have the greatest number of severely cost burdened households who pay more than 50% of their income on housing-related costs, followed by Asians, American Indians and Hispanics as you compare them to the jurisdiction as a whole.

Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	239,731	43,654	30,245	2,193
White	219,484	39,532	25,193	1,799
Black / African American	1,266	313	504	20
Asian	1,369	186	282	0
American Indian, Alaska Native	11,369	2,234	3,080	291
Pacific Islander	34	0	0	0
Hispanic	3,642	672	621	35

Table 21 – Greater Need: Housing Cost Burdens AMI

Data 2008-2012 CHAS
Source:

Discussion

According to the 2009 ACS information, 807,067 individuals live in South Dakota. If this number is reduced by Rapid City with a population of 67,305 and Sioux Falls with a population of 152,290 because they are not included in the CDBG entitlement area, that leaves 587,472 individuals in South Dakota. As stated earlier CDBG areas also exclude tribal areas so 587,472 minus 580,263 (CDBG population Table 1) leaves 7,479 individuals on tribal areas, which is not accurate. The 2009 ACS Intercensal Estimate states that 71,791 American Indians live in South Dakota. At a minimum, 10 percent of Native Americans are not being represented in these tables and that number is most likely higher as many Native Americans also live in our two largest cities and would not be counted there either. One should question whether the data in these charts is truly indicative of South Dakota. In addition, since South Dakota allocates HOME funds statewide, statewide information would need to be evaluated to accurately reflect funding priorities.

NA-30 Disproportionately Greater Need: Discussion – 91.305 (b)(2)

Are there any Income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?

In relationship to housing problems Black/African Americans, Asians and Hispanics equally share a greater need than the whole at 0-30% AMI, Black/African Americans have a greater need than the whole at 30-50% AMI, and Hispanics have a greater need than the whole at 50-80% AMI. At 80-100% AMI no racial or ethnic group shares a greater need than the jurisdiction as a whole.

Severe housing problems include overcrowding and households with cost burdens greater than 50 percent of their income. Asians have the greatest disproportionate need as compared to the whole followed by Black/African Americans, American Indians and Hispanics at 0-30% AMI. Black/African Americans have the greatest disproportionate need as compared to the whole followed by American Indians and Hispanics at 30-50% AMI. No racial or ethnic group has a greater need than the whole at 50-80% AMI and 80-100% AMI.

Black/African Americans have a larger number of cost-burdened households that pay between 30-50% of their income on housing-related costs and have the greatest number of severely cost burdened households who pay more than 50% of their income on housing-related costs. Asians, American Indians and Hispanics also have a greater number of severely cost burdened households who pay more than 50% of their income on housing-related costs than the jurisdiction as a whole.

If they have needs not identified above, what are those needs?

All needs have been identified above, but as stated throughout this section, due to HUD's Consolidated Plan charts excluding Sioux Falls, Rapid City, and the tribal areas, one is not able to clearly define the relative disproportionate need for members of a racial or ethnic group as they relate to the whole state.

Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?

This section is not applicable.

NA-35 Public Housing – (Optional)

Introduction

Table NA-35 on Characteristics of Residents contained inaccurate information due to formula calculations. The formulas are being re-written by HUD and will hopefully be correct with the final implementation of the Consolidated Plan. Until that time the data has been removed from the table.

As indicated on the Characteristics of Residents chart, there are 2,131 disabled families being served under the different program types. The next chart indicates 7,339 families requesting some form of accessibility features – based on this information one can conclude that additional rental assistance in the form of Housing Choice vouchers and accessibility features are some of the most immediate needs of residents.

This consolidated plan is statewide and incorporates a total of 35 active Public Housing Authorities; information has not been gathered from all of the PHAs to answer the questions above. However, SDHDA is a member of the National Association of Housing and Redevelopment Officials (NAHRO). Through this trade organization, SDHDA is kept apprised of issues and concerns experienced by the PHAs. The PHAs are in communication with SDHDA staff and offer suggestions to the housing programs that can better serve their tenants. The most immediate needs expressed by the PHAs are as follows:

- Additional forms of rental assistance in the form of Housing Choice vouchers, HUD-VASH vouchers or other funding sources to address the long waiting lists,
- Increase supply of affordable housing units in their community, providing additional choices for tenants to utilize their vouchers, and
- Increase supply of affordable housing units with rents low enough that tenants can afford the housing unit without the use of rental assistance or rents not exceeding Fair Market Rent, allowing less rental assistance per client allowing for additional tenants to be served.

The needs of residents of Public Housing closely mirror the needs of the population at large – access to affordable adequate housing and employment opportunities.

Totals in Use

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	127	1,563	5,649	0	5,246	148	2	232

Table 22 - Public Housing by Program Type

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

Characteristics of Residents

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	
# Homeless at admission	0	45	44	171	0	89	82	0	
# of Elderly Program Participants (>62)	0	7	768	1,100	0	1,050	8	0	
# of Disabled Families	0	26	388	1,725	0	1,482	43	0	
# of Families requesting accessibility features	0	127	1,563	5,649	0	5,246	148	2	
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0	
# of DV victims	0	0	0	0	0	0	0	0	

Table 23 – Characteristics of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Race of Residents

Race	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	74	1,297	4,223	0	3,904	106	2	192
Black/African American	0	5	27	284	0	259	18	0	7
Asian	0	0	4	25	0	23	0	0	2
American Indian/Alaska Native	0	48	234	1,092	0	1,036	23	0	31
Pacific Islander	0	0	1	25	0	24	1	0	0
Other	0	0	0	0	0	0	0	0	0

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 24 – Race of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Ethnicity of Residents

Ethnicity	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	6	34	144	0	135	4	0	5
Not Hispanic	0	121	1,529	5,505	0	5,111	144	2	227

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 25 – Ethnicity of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:

As indicated on the Characteristics of Residents chart, there are 2,131 disabled families being served under the different program types. The next chart indicates 7,339 families requesting some form of

accessibility features – based on this information one can conclude that additional rental assistance in the form of Housing Choice vouchers and accessibility features are some of the most immediate needs of residents.

This consolidated plan is statewide and incorporates a total of 35 active Public Housing Authorities; information has not been gathered from all of the PHAs to answer the questions above. However, SDHDA is a member of the National Association of Housing and Redevelopment Officials (NAHRO). Through this trade organization, SDHDA is kept apprised of issues and concerns experienced by the PHAs. The PHAs are in communication with SDHDA staff and offer suggestions to the housing programs that can better serve their tenants. The most immediate needs expressed by the PHAs are as follows:

- Additional forms of rental assistance in the form of Housing Choice vouchers, HUD-VASH vouchers or other funding sources to address the long waiting lists,
- Increase supply of affordable housing units in their community, providing additional choices for tenants to utilize their vouchers, and
- Increase supply of affordable housing units with rents low enough that tenants can afford the housing unit without the use of rental assistance or rents not exceeding Fair Market Rent, allowing less rental assistance per client allowing for additional tenants to be served.

The needs of residents of Public Housing closely mirror the needs of the population at large – access to affordable adequate housing and employment opportunities.

What are the number and type of families on the waiting lists for public housing and section 8 tenant-based rental assistance? Based on the information above, and any other information available to the jurisdiction, what are the most immediate needs of residents of public housing and Housing Choice voucher holders?

As indicated on the Characteristics of Residents chart, there are 2,131 disabled families being served under the different program types. The next chart indicates 7,339 families requesting some form of accessibility features – based on this information one can conclude that additional rental assistance in the form of Housing Choice vouchers and accessibility features are some of the most immediate needs of residents.

This consolidated plan is statewide and incorporates a total of 35 active Public Housing Authorities; information has not been gathered from all of the PHAs to answer the questions above. However, SDHDA is a member of the National Association of Housing and Redevelopment Officials (NAHRO). Through this trade organization, SDHDA is kept apprised of issues and concerns experienced by the PHAs. The PHAs are in communication with SDHDA staff and offer suggestions to the housing programs that can better serve their tenants. The most immediate needs expressed by the PHAs are as follows:

- Additional forms of rental assistance in the form of Housing Choice vouchers, HUD-VASH vouchers or other funding sources to address the long waiting lists,
- Increase supply of affordable housing units in their community, providing additional choices for tenants to utilize their vouchers, and
- Increase supply of affordable housing units with rents low enough that tenants can afford the housing unit without the use of rental assistance or rents not exceeding Fair Market Rent, allowing less rental assistance per client allowing for additional tenants to be served.

The needs of residents of Public Housing closely mirror the needs of the population at large – access to affordable adequate housing and employment opportunities.

How do these needs compare to the housing needs of the population at large

As indicated on the Characteristics of Residents chart, there are 2,131 disabled families being served under the different program types. The next chart indicates 7,339 families requesting some form of accessibility features – based on this information one can conclude that additional rental assistance in the form of Housing Choice vouchers and accessibility features are some of the most immediate needs of residents.

This consolidated plan is statewide and incorporates a total of 35 active Public Housing Authorities; information has not been gathered from all of the PHAs to answer the questions above. However, SDHDA is a member of the National Association of Housing and Redevelopment Officials (NAHRO). Through this trade organization, SDHDA is kept apprised of issues and concerns experienced by the PHAs. The PHAs are in communication with SDHDA staff and offer suggestions to the housing programs that can better serve their tenants. The most immediate needs expressed by the PHAs are as follows:

- Additional forms of rental assistance in the form of Housing Choice vouchers, HUD-VASH vouchers or other funding sources to address the long waiting lists,
- Increase supply of affordable housing units in their community, providing additional choices for tenants to utilize their vouchers, and
- Increase supply of affordable housing units with rents low enough that tenants can afford the housing unit without the use of rental assistance or rents not exceeding Fair Market Rent, allowing less rental assistance per client allowing for additional tenants to be served.

The needs of residents of Public Housing closely mirror the needs of the population at large – access to affordable adequate housing and employment opportunities.

Discussion:

As indicated above, it is difficult to know how accurate the information is as presented in the charts. This consolidated plan is statewide and SDHDA works well with the 35 active Public Housing

Authorities. Information was not gathered from all of the PHAs to answer the questions. However, SDHDA is a member of the National Association of Housing and Redevelopment Officials (NAHRO). Through this trade organization, SDHDA is kept apprised of issues and concerns experienced by the PHAs. The PHAs are in communication with SDHDA staff and offer suggestions to the housing programs that can better serve their tenants. The most immediate needs expressed by the PHAs are as follows:

- Additional forms of rental assistance in the form of Housing Choice vouchers, HUD-VASH vouchers or other funding sources to address the long waiting lists,
- Increase supply of affordable housing units in their community, providing additional choices for tenants to utilize their vouchers, and
- Increase supply of affordable housing units with rents low enough that tenants can afford the housing unit without the use of rental assistance or rents not exceeding Fair Market Rent, allowing less rental assistance per client allowing for additional tenants to be served.

The needs of residents of Public Housing closely mirror the needs of the population at large – access to affordable adequate housing and employment opportunities.

NA-40 Homeless Needs Assessment – 91.305(c)

Introduction:

Homeless information provided below came from the September 27, 2011, point-in-time statewide homeless count conducted by the South Dakota Housing for the Homeless Consortium (Consortium). The Consortium conducts two homeless counts each year - the one required by HUD on the last week of January, as well as a count during the last week of September. The January count may not truly reflect the number of homeless in South Dakota since many individuals will move into doubled-up situation during the cold winter months. The September count provides an opportunity to re-evaluate the number of homeless during a warmer month.

The September count is conducted over a 24-hour period. Many volunteers and agencies from across the state come together to search out and survey who are homeless, either on the street, or in emergency/transitional housing programs. Also, those living in motels that were being paid for by a charitable organization were also included in the count.

Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	217	64	280	120	50	150
Persons in Households with Only Children	0	0	0	0	0	0
Persons in Households with Only Adults	807	238	1,045	521	214	150
Chronically Homeless Individuals	154	42	196	109	44	456
Chronically Homeless Families	42	9	51	25	10	578
Veterans	102	28	130	154	63	365

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Unaccompanied Child	0	0	0	0	0	0
Persons with HIV	0	0	0	0	0	0

Table 26 - Homeless Needs Assessment

Data Source Comments: Information provided by the September 27, 2011, state-wide point-in-time homeless count.

Indicate if the homeless population is: Partially Rural Homeless

Rural Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	0	0	0	0	0	0
Persons in Households with Only Children	0	0	0	0	0	0
Persons in Households with Only Adults	0	0	0	0	0	0

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Chronically Homeless Individuals	0	0	0	0	0	0
Chronically Homeless Families	0	0	0	0	0	0
Veterans	0	0	0	0	0	0
Unaccompanied Youth	0	0	0	0	0	0
Persons with HIV	0	0	0	0	0	0

Table 27 - Homeless Needs Assessment

Data Source Comments: Information provided by the September 27, 2011, state-wide point-in-time homeless count.

For persons in rural areas who are homeless or at risk of homelessness, describe the nature and extent of unsheltered and sheltered homelessness with the jurisdiction:

Results from the 2011 statewide homeless count indicated that in the counties with 10,000 or less in population, a total of 40 adults and 7 children were considered homeless. The majority of them were Domestic Violence Victims and their children. However, with limited services and the fact that majority of the homeless move into doubled-up situations in rural counties, it's hard to articulate the exact number of homeless on any given night or the total number experiencing homeless in a year.

If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):

Not Applicable.

Nature and Extent of Homelessness: (Optional)

Race:	Sheltered:	Unsheltered (optional)
White	0	0
Black or African American	0	0
Asian	0	0
American Indian or Alaska Native	0	0
Pacific Islander	0	0
Ethnicity:	Sheltered:	Unsheltered (optional)
Hispanic	0	0
Not Hispanic	0	0

Data Source
Comments:

Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.

Based on the homeless count in 2011, there were 91 single parent families and 33 married couples with children who were homeless. In addition, there are probably more families who are not yet homeless but are living doubled up and in need of housing assistance.

Twenty-two percent of the people surveyed indicated that they had served in the US Armed Forces. Unfortunately, based on the questions asked, it cannot be determined which of these individuals were of a family household. Recently Veteran's Affairs programs have been added into the HMIS database. It is anticipated that questions such as this will easily be answered by reviewing HMIS data.

Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.

Within the 2011 statewide homeless count, 48% surveyed were white and 39% were American Indian. South Dakota has eight federally recognized Indian Reservations within the state. However, within the Indian Reservations, supportive services and affordable housing are more limited and many times individuals need to relocate to other areas, such as Rapid City and Sioux Falls, to find assistance.

Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.

A statewide homeless count is conducted in the month of September in order to get a better count of homelessness in South Dakota. During the cold winter months there is relatively little or no unsheltered homeless. During the September 2011 count, there were a total of 1,453 homeless individuals counted

of which 1,034 were sheltered in emergency, transitional or motels/hotels. Fourteen percent (15%) or 156 reported to be sleeping outdoors and another 32 people reported sleeping in their vehicle.

Discussion:

In South Dakota there is a concern on the number of homeless individuals and the number of those living in doubled up situations. All too often there are accounts of families that have three generations and twenty or more people living within one home. Many occurrences of doubled up situations are located on Indian Reservations. As stated earlier in the Consolidated Plan, the population and household characteristic charts do not reflect households and housing conditions for Sioux Falls, Rapid City, or Indian Reservations. The lack of this information does not provide an accurate picture of housing in South Dakota. In addition, the doubled up situation does not give a clear indication of homelessness in South Dakota.

NA-45 Non-Homeless Special Needs Assessment – 91.305 (b,d)

Introduction

Through the last several years, there has been an increase in development of special needs housing in South Dakota. The NSP 1 and 3 programs provided SDHDA with financing flexibility that proved beneficial for supportive housing. There has been an increase in the number of housing units developed for individuals with physical, developmental, and mental disabilities.

SDHDA is hopeful this progress can continue with funding under the HUD 811 Project Rental Assistance Demonstration Program. SDHDA has modified the HOME and Housing Tax Credit Allocation Plans to ensure successful implementation of the HUD 811 program which would provide many more housing opportunities for special needs populations.

The Homelessness Prevention and Rapid Re-Housing Program (HPRP) also provided another mechanism to help keep families in permanent housing while providing the case management services. While the HPRP program has since expired, the new Emergency Solutions Grants Program will continue were we left off.

SDHDA has strengthened relationships with Department of Human Services and the Department of Social Services. In addition many service agencies have begun filling the role as developer and owner of small rental properties providing other housing options for their clients. These relationships are extremely beneficial as we continue to seek alternative housing options and ask housing existing managers and owners to work with their existing tenants to keep them in permanent housing by connecting them to service providers.

The State of South Dakota Department of Human Services was recently awarded 2012 Money Follows the Person (MFP) Rebalancing Demonstration Grant. SDHDA will assist Department of Human Services

in implementing this program and finding alternative housing options for individuals transitioning from institutions to community based services.

Describe the characteristics of special needs populations in your community:

Being a statewide consolidated plan requires SDHDA to review the needs of the entire state. Based on this, the special needs populations across that state include homeless, physical disabilities, developmental disabilities, mental disabilities, those with substance abuse issues, those exiting the correctional system and those in need of life skills training.

What are the housing and supportive service needs of these populations and how are these needs determined?

The housing and supportive needs of the populations listed above include an array of different needs. The needs will be determined by the agency providing the service and developing the housing.

Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:

There are few organizations in South Dakota that specifically assist individuals with HIV/AIDS. Sioux Falls Housing and Redevelopment Commission administer the Tri-State HELP Program which is Housing Opportunities for Persons with Aids (HOPWA) competitive funding. The one year goals for HOPWA in South Dakota are to assist seven households with short-term rent, mortgage and utility assistance payments and to assist 30 households with tenant-based rental assistance. Sioux Falls Housing annually applies for renewal funding for this program.

Discussion:

As indicated above, SDHDA reviews the needs of the entire state, but needs are determined by the agency providing the service and developing the housing. SDHDA's goal is to continue to utilize the knowledge learned and success of the HPRP and NSP Programs to continue partnering with agencies to develop additional special needs housing and hopefully administer the HUD 811 Project Rental Assistance Demonstration Program. To entice developers to develop special needs housing, competitive points will continue to be awarded for HOME and Housing Tax Credit applications willing to set-aside units for special needs. Meetings and trainings will continue to be conducted allowing housing and service agencies opportunities to discuss coordination of efforts, learning of each other's programs, and best practices for serving the clientele.

NA-50 Non-Housing Community Development Needs - 91.315 (f)

Describe the jurisdiction's need for Public Facilities:

Many rural communities within the State simply do not have facilities such as community buildings, fire halls, and medical clinics. Because they are lacking in one or more of these facilities, the community is often in jeopardy of losing their economic base to another nearby community that can provide these services. Other communities may have these facilities, but have outgrown the facility or the facility is becoming economically obsolete.

How were these needs determined?

Local needs assessments are completed to determine what is needed in a particular community.

Describe the jurisdiction's need for Public Improvements:

Many communities have either outgrown the water and wastewater systems available within the community or the current systems have deteriorated to such a point where they must be replaced. Some water systems no longer meet the requirements set forth by Environmental Protection Agency.

The State has been very successful in its economic development efforts. Other industries have moved to South Dakota from other areas because of the favorable economic climate in the State. Many of these industries want to expand within the State and are in need of additional resources for the purchase of equipment and land, the purchase and renovation of commercial buildings and infrastructure construction.

How were these needs determined?

Needs are determined through surveys, engineering and the Department of Environment and Natural Resources.

Describe the jurisdiction's need for Public Services:

Many communities have had the need for workforce training outside of traditional school courses. Communities have had trouble finding qualified people in areas such as welding and machinists.

The State has been proactive in recognizing this short fall in qualified workforce and has implemented ways for individuals to gain the training to advance in the workforce.

How were these needs determined?

Department of Labor studies and statistics on a state wide basis showed areas where there are multiple openings with very few individuals that are qualified to fill the positions.

Housing Market Analysis

MA-05 Overview

Housing Market Analysis Overview:

The unmet housing need continues to be broad and vary by each community in South Dakota. SDHDA housing programs are available for every community across the state, making it difficult to establish funding priorities. While not all of the following needs can currently be met with SDHDA programs, the overall housing needs are as follows:

- Preservation of existing rental housing stock to keep deeply subsidized units affordable;
- New construction of affordable rental housing in areas of market demand some of which will be focused on service enriched housing, extremely low income and other characteristics that may be specific to any community;
- Rental assistance for extremely low-income, cost burdened households (households whose incomes are below 30 percent of median income and who pay more than 30 percent of their income toward housing);
- Coordinated homeless housing and supportive services such as support for the chronic homeless and housing with intensive services;
- Development of affordable housing units for low to moderate income homebuyers; and
- Development of workforce housing.

MA-10 Number of Housing Units – 91.310(a)

Introduction

The need for housing continues across the state. The number and targeting of units varies by community. Each community should complete a housing needs study/market analysis for their area prior to construction of new housing units. SDHDA will continue to require developers to complete a market analysis with submission of financing application, further documenting the number and targeting of units proposed.

Many communities across the state are becoming more proactive in monitoring rental housing developments. Unfortunately in tight rental markets, it is more difficult to shut down substandard housing when there isn't adequate supply of housing to begin with. Based on the tight rental markets seen across the state the availability of housing units currently does not meet the needs of the population.

All residential properties by number of units

Property Type	Number	%
1-unit detached structure	250,509	69%
1-unit, attached structure	12,590	3%
2-4 units	19,152	5%
5-19 units	27,070	7%
20 or more units	21,348	6%
Mobile Home, boat, RV, van, etc	33,124	9%
Total	363,793	100%

Table 28 – Residential Properties by Unit Number

Data Source: 2008-2012 ACS

Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	293	0%	3,332	3%
1 bedroom	4,794	2%	23,708	24%
2 bedrooms	44,728	20%	42,244	42%
3 or more bedrooms	170,067	77%	31,301	31%
Total	219,882	99%	100,585	100%

Table 29 – Unit Size by Tenure

Data Source: 2008-2012 ACS

Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

SDHDA monitors SDHDA financed and HUD financed developments with Section 8 Housing Assistance. SDHDA monitors 5,418 rental units. In calendar year 2012, SDHDA also developed 280 affordable units with NSP, HOME and Housing Tax Credit funding. Of these units, 27 were service enriched, 8 were for homeownership, and 245 were rental housing. Of these units, 44 were designated for elderly. All rental units are serving households at 30%, 40%, 50% and 60% AMI.

Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.

It is very difficult to access the number of housing units to be lost from inventory statewide. SDHDA monitors SDHDA financed and HUD financed developments with Section 8 Housing Assistance and is proactive in keeping these units affordable, marketable and serving low-income households long term. SDHDA is also informed when USDA Rural Development projects are requesting prepayment options. In some rural communities where population has declined over the years, the most feasible choice for the owner is to opt out of the HUD or USDA RD programs.

Does the availability of housing units meet the needs of the population?

No, in many communities across the state, the rental vacancy rate is 3% or less. The PHAs within the state typically have waiting lists for Section 8 assistance, with Rapid City and Sioux Falls having waiting lists of over two years. The demand for HOME and HTC funding exceeds what is available typically on a 2 to 1 or 3 to 1 ratio the past 5 years.

One would assume that the all-time low mortgage rates would drive up homeownership opportunities, leaving large vacancies for rental housing. However, this is not happening. Reduced household incomes, more stringent lending practices and stagnant home values are keeping households in rental housing. And as housing costs continue to increase faster than median incomes; the need for affordable housing continues to grow.

Describe the need for specific types of housing:

While SDHDA cannot accurately say which housing types are needed through statistics, SDHDA implemented the Housing Needs Study program to help communities identify their need and so far nine communities have partnered with SDHDA to complete housing studies in their community. These studies, along with the market analysis/housing needs studies done with all HOME and HTC projects funded by SDHDA, will help identify needs and generalize for the state.

Discussion

SDHDA knows that more housing units are needed due to tight rental markets and communities asking us for help, however SDHDA cannot accurately say which housing types and at what income levels are needed or will be funded. With the implementation of the Housing Needs Study program and the market analysis that are required on all HOME and HTC projects, projects and their demand are identified before funding is awarded.

MA-15 Cost of Housing – 91.310(a)

Introduction

The cost of housing continues to increase faster than average incomes. During the public meetings, there was discussion regarding housing costs, what amenities and green features should be

incorporated into affordable housing, along with leveraging of federal resources. Developers are encouraged to be creative in developing housing that is sustainable and incorporates long-term affordability.

The Rent Paid chart indicates that South Dakota has relatively low rents compared to many other areas in the country. However, one must also analyze the household incomes for accurate reflection of true affordability. The Housing Affordability chart below does not contain information.

Cost of Housing

	Base Year: 2000	Most Recent Year: 2012	% Change
Median Home Value	74,300	129,800	75%
Median Contract Rent	359	505	41%

Table 30 – Cost of Housing

Data Source: 2000 Census (Base Year), 2008-2012 ACS (Most Recent Year)

Rent Paid	Number	%
Less than \$500	54,387	54.1%
\$500-999	40,340	40.1%
\$1,000-1,499	4,296	4.3%
\$1,500-1,999	896	0.9%
\$2,000 or more	666	0.7%
Total	100,585	100.0%

Table 31 - Rent Paid

Data Source: 2008-2012 ACS

Housing Affordability

% Units affordable to Households earning	Renter	Owner
30% HAMFI	13,030	No Data
50% HAMFI	40,030	22,660
80% HAMFI	72,670	59,200
100% HAMFI	No Data	86,735
Total	125,730	168,595

Table 32 – Housing Affordability

Data Source: 2008-2012 CHAS

Monthly Rent

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent					
High HOME Rent					
Low HOME Rent					

Table 33 – Monthly Rent

Data Source: HUD FMR and HOME Rents

Is there sufficient housing for households at all income levels?

There is not sufficient data in the charts above to answer this question.

How is affordability of housing likely to change considering changes to home values and/or rents?

Home values have not decreased in South Dakota, however, lending requirements have become more stringent due to the economic crisis. Based on these reasons, it is anticipated that home values will maintain or increase but rental rates will continue to increase steadily. The rental vacancy rates has increased in majority of the communities in South Dakota causing rental rates to increase and tenant selection to become more selective.

The Rent Paid chart indicates that South Dakota has relatively low rents compared to many other areas in the country. However, one must also analyze the household incomes for accurate reflection of true affordability. The Housing Affordability chart below does not contain information.

How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?

Completion of a statewide consolidated plan would make it difficult to answer how the Fair Market Rent would compare to the Area Median Rent. However in communities that have increasing population and tightening rental markets, the Fair Market Rent has fallen behind the Area Median Rents. In larger communities, the Fair Market Rent is much more comparable to the Area Median Rents.

Discussion

Because data was not sufficient in this area due to default data sources not reflective of South Dakota, no extra narrative is needed.

MA-20 Condition of Housing – 91.310(a)

Introduction:

Information cannot be easily gathered statewide for the following questions.

Definitions

The chart below does not include information for the number of housing units suitable for rehabilitation.

Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	41,489	19%	36,086	36%
With two selected Conditions	1,171	1%	1,875	2%
With three selected Conditions	209	0%	391	0%
With four selected Conditions	0	0%	65	0%
No selected Conditions	177,013	81%	62,168	62%
Total	219,882	101%	100,585	100%

Table 34 - Condition of Units

Data Source: 2008-2012 ACS

Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	37,279	17%	12,920	13%
1980-1999	51,757	24%	25,938	26%
1950-1979	75,653	34%	40,622	40%
Before 1950	55,193	25%	21,105	21%
Total	219,882	100%	100,585	100%

Table 35 – Year Unit Built

Data Source: 2008-2012 CHAS

Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	130,846	60%	61,727	61%
Housing Units build before 1980 with children present	17,475	8%	7,970	8%

Table 36 – Risk of Lead-Based Paint

Data Source: 2008-2012 ACS (Total Units) 2008-2012 CHAS (Units with Children present)

Vacant Units

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units			
Abandoned Vacant Units			
REO Properties			
Abandoned REO Properties			

Table 37 - Vacant Units

Data Source: 2005-2009 CHAS

Need for Owner and Rental Rehabilitation

There are only two nonprofit organizations that currently provide homeowner rehabilitation under the HOME Program. There are other organizations and programs available to provide the same services, but SDHDA will work to increase the number of nonprofits willing to administer this program to ensure coverage statewide.

Rental rehabilitation will continue to be a funding priority for SDHDA, especially in areas where there is greater risk of losing subsidized housing.

Estimated Number of Housing Units Occupied by Low or Moderate Income Families with LBP Hazards

Majority of the housing units in South Dakota were constructed prior to 1980. However, it would be difficult to determine how many of these units are occupied by low or moderate income families with LBP Hazards.

Discussion:

No additional narrative is needed.

MA-25 Public and Assisted Housing – (Optional)

Introduction:

Based on the chart below, there is limited information regarding public and assisted housing from HUD's Public and Indian Housing Information Center. SDHDA does not have access to any additional information for further analysis.

Totals Number of Units

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers available	0	127	1,654	6,305	0	2,286	1,086	0	3,083
# of accessible units									
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 38 – Total Number of Units by Program Type

Data Source: PIC (PIH Information Center)

Describe the supply of public housing developments:

Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:

This consolidated plan is for the entire state. There is limited information regarding public and assisted housing from HUD's Public and Indian Housing Information Center and SDHDA does not have access to any additional information for further analysis to answer this question.

Describe the Restoration and Revitalization Needs of public housing units in the jurisdiction:

This consolidated plan is for the entire state. There is limited information regarding public and assisted housing from HUD's Public and Indian Housing Information Center and SDHDA does not have access to any additional information for further analysis to answer this question.

Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:

This consolidated plan is for the entire state. SDHDA does not have access to any additional information for further analysis to answer this question.

Discussion:

This consolidated plan is for the entire state. There is limited information regarding public and assisted housing from HUD's Public and Indian Housing Information Center and SDHDA does not have access to any additional information for further analysis to answer this question.

MA-30 Homeless Facilities – 91.310(b)

Introduction

As indicated in Table 12, South Dakota has 1,304 beds in emergency shelters serving households with adults and children, unaccompanied youth and chronically homeless households. For transitional beds there are 324 serving households with adults and children, unaccompanied youth, chronically homeless households, and veterans. South Dakota also has 846 beds providing permanent supportive housing to serve households with adults and children, unaccompanied youth, households with only adults and chronically homeless households.

Through the HPRP program, which ended September 1, 2012, the top three services/assistance provided by HPRP, by number of households, was case management, short-term rental assistance, and security deposits. If short-term and medium-term rental assistance is combined, this would far exceed the utilization of other services.

Facilities Targeted to Homeless Persons

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	506	64	187	247	0
Households with Only Adults	0	0	0	139	0
Chronically Homeless Households	346	21	40	93	0
Veterans	0	0	60	0	0
Unaccompanied Youth	346	21	307	367	0

Table 39 - Facilities Targeted to Homeless Persons

Data Source Comments:

Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons

South Dakota offers a wide range of mainstream support and resources to meet basic needs, such as Medicaid, TANF, SNAP, WIC, Health and mental health programs (Community Health Center and Medicare); SSI, SSDI, housing subsidy program, veteran and employment assistance. Homeless individuals and families must qualify based on income, disability and family composition. Access to targeted and mainstream programs, as well as housing, is essential for moving homeless individuals and families out of homelessness. The 211 statewide program is a good resource for individuals and agencies serving those in need by providing a directory of services and contacts for communities across the state.

Nonprofit agencies across the state have become more involved in providing services for unaccompanied youth. The Veterans programs have become more widely available and utilized as well.

Mainstream programs work together with South Dakota Housing for the Homeless Consortium to create a coordinated, collaborative fashion to more effectively serve homeless families. In addition SDHDA is currently creating a centralized intake assessment and hopeful that service agencies, not utilizing HUD programs will be open to utilizing the same centralized assessment as well.

Based on the 2011 Statewide Homeless Count, the top 3 needs are Life Skills, Transportation and Housing assistance.

List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.

Majority of the facilities serving homeless persons in South Dakota are domestic violence shelters however, there are several emergency homeless shelters located in the larger communities across the state.

In the last several years movement has been made in providing services specifically for veterans and unaccompanied youth. The majority of the housing units and beds are located in the communities of Sioux Falls and Rapid City where there is access to more services, employment opportunities, and housing options.

MA-35 Special Needs Facilities and Services – 91.310(c)

Introduction

South Dakota is fortunate to have several agencies serving individuals with disabilities, which are also developers of affordable housing. Their ability to develop housing with the mission of South Dakota's Department of Human Services (DHS) to promote the highest level of independence for all individuals regardless of disability or disorder ensures appropriate supportive housing will be available. In 2012, SDHDA on behalf of the State of South Dakota, submitted an application for the HUD 811 Demonstration Program. This application process provided an opportunity to openly discuss housing and services for special needs with owners, management companies, Dept. of Human Services and Dept. of Social Services. During this process agencies were engaged to develop and assist with providing services for special needs. Even if SDHDA is not awarded the 811 Program, progress has been made. Future meetings and training opportunities will continue discussions, education and changes in providing affordable special needs housing.

To the extent information is available, describe the facilities and services that assist persons who are not homeless but who require supportive housing, and programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

DHS provides rehabilitation services, services for the blind and visually impaired, services to individuals with developmental disabilities and operates the SD Development Center which provides individualized treatment services and supports to people with development disabilities and challenging behaviors only when needed services are not available in a community setting. As of June 30, 2012, approximately 3,700 individuals received services during FY 2012. The CHOICES Home and Community-Based Services Waiver provided services to 2,377 adults and 166 children. The Community Training Services program provided services to 288 adults. The Family Support 360 Home and Community-Based Services Waiver provided services to 872 children and adults.

To ensure adequate services are available to individuals, state offices are located across the state. Four offices provide services for individuals with development disabilities, 12 offices provide rehabilitation services and four offices provide services for the blind and visually impaired. In addition there are 19 community support providers, 34 alcohol and drug service providers, and 11 community health centers.

The mission of the Department of Social Services (DSS) is to strengthen and support individuals and families by promoting cost effective and comprehensive services in connection with our partners that foster independent and healthy families. DSS's goals are to ensure access to services, protect individuals, foster partnership to leverage resources, improve outcomes through continuous quality improvement and strengthen and align human resources.

DSS has 64 local offices providing a variety of services statewide. However, mental health services are provided via contracts with community mental health providers. Community Mental Health Centers

served a total of 18,769 individuals in FY 2012 – this includes adults and children in all programs with all funding sources. Fifteen thousand of these individuals received DSS funded services (no insurance or private pay). For the adult programs, funded by DSS through state general funds, Medicaid, and federal block grant funding, there were 233 served through the IMPACT Program, 5,578 served in the CARE Program, and 111 served with Transitional Services.

Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

Providing services to individuals returning from mental and physical institutions is and will remain a high priority for the State of South Dakota and all agencies involved. As evidenced by Governor Daugaard's Medicaid Solutions Work Group – South Dakota will continue to provide the necessary services but as a state we need to review the programs and processes to ensure citizens continue to receive services, such as home based services. This pro-active approach to finding solutions evidences commitment and future planning to ensure safe and affordable housing options to individuals with disabilities.

in 2012, the State of South Dakota applied for and received funding under the Money Follows the Person program, ensuring persons can receive the level of services necessary to live independently and not in institutional settings.

Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)

The NSP Program provided a great mechanism for development of housing for individuals with disabilities in South Dakota. However, this program is unlikely to receive future funding, requiring SDHDA to look to alternative funding sources. While reviewing other alternatives, SDHDA realized that the mechanisms are currently in place but developers were not necessarily using them.

The HOME and HTC programs will be the main funding source to rehab or develop new service enriched housing. Revision of the administrative plans and point categories will provide more emphasis on serving individuals with disabilities with little effort or impact on the multifamily owners.

From 2000 – 2007, SDHDA financed only 94 permanent supportive multifamily housing units. In the last five years (2007 – 2012), 285 units were developed utilizing the HOME, HTC and NSP programs, in the last two years this number was 58 housing units.

In 2012 SDHDA on behalf of the State of South Dakota, submitted an application for the HUD Section 811 Demonstration Program. If awarded, this program will provide great opportunity to expand housing opportunities for supportive housing. The HOME and HTC Allocation Plans have been modified to assist with the implementation of the 811 Program.

Specific activities that will be undertaken this next year is the implementation of the HUD 811 Program along with additional training, meetings, and networking among housing and service agencies to ensure appropriate housing and services can be provided. Education and partnerships are key to seeing results in providing special needs housing.

The Neighborhood Stabilization Program provided a great mechanism for development of housing for individuals with disabilities in South Dakota. However, this program is unlikely to receive future funding, requiring SDHDA to look to alternative funding sources to complete the same task at hand. While reviewing other alternatives, SDHDA realized that the mechanisms are currently in place but developers were not necessarily using them.

The HOME and HTC programs will be the main funding source to rehab or develop new service enriched housing. Revision of the administrative plans and point categories will provide more emphasis on serving individuals with disabilities with little effort or impact on the multifamily owners.

One of the changes to the HOME and HTC programs is to mandate that 10% of the proposed housing units to be designated for individuals with disabilities. Typically the requirement of having rents at Fair Market Rent (FMR) would cause concern for multifamily owners, especially HTC developers because HTC rents are typically higher than FMR. However, SDHDA has mandated for many years that at least 20% of the affordable units have rents established at FMR. SDHDA also awards points for developments willing to develop fully accessible housing units, beyond the federal requirements. SDHDA also incorporated many years ago, that HTC developments, even though not federally required, must meet 504 requirements. All of these requirements, which normally would be a hindrance for many HTC and some HOME developments, are already in place and will serve individuals with disabilities.

From 2000 – 2007, SDHDA financed only 94 permanent supportive multifamily housing units. In the last five years (2007 – 2012), SDHDA financed 285 units (13% of total units) serving individuals with disabilities by utilizing the HOME, HTC and NSP programs, in the last two years this number was 58 housing units.

There are no specific activities proposed for the next year, however, SDHDA anticipate additional housing units being developed based on the changes discussed above.

For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))

Not Applicable

MA-40 Barriers to Affordable Housing – 91.310(d)

Negative Effects of Public Policies on Affordable Housing and Residential Investment

There are several local and federal policies that have a negative effect on the affordability of housing. At the local level, additional building codes and zoning requirements, which vary by community, can create project delays and additional costs. Federal policies such as Davis Bacon reporting results in additional project costs. Contractor bids increase to cover the administrative cost of Davis Bacon. While these policies may be justified at times, the policies are not always relevant based on the community and the housing developers.

The push to develop green and energy efficient housing can also have negative implications. Access to products and expertise of contractors to install specialized products can be cost prohibitive in rural areas. There are many policies that sound good in theory but are not as effective when implemented. These barriers make affordable housing, less affordable.

MA-45 Non-Housing Community Development Assets -91.315(f)

Introduction

As indicated in the following charts, there is relatively a low unemployment rate and an oversupply of workers in several business sectors. GOED will utilize up to 15% of the CDBG funds to provide workforce training to help balance the number of workers with the number of jobs available.

In addition, the CDBG funds will also be utilized for public facilities - community buildings, senior centers, fire halls, medical facilities and facilities that serve disadvantaged individuals or other special needs clientele; water and wastewater facilities - water line replacement, distribution, supply, treatment, storage, wastewater treatment, lagoons and other associated appurtenances. Rural water systems, which serve rural residents as well as communities, are also funded under this category; and economic development - purchase of equipment and land, the purchase and renovation of commercial buildings and infrastructure construction.

Economic Development Market Analysis

Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	6,417	5,553	3	3	0
Arts, Entertainment, Accommodations	27,444	23,041	13	13	0
Construction	13,037	11,908	6	7	1
Education and Health Care Services	39,684	28,328	18	16	-2
Finance, Insurance, and Real Estate	15,733	9,903	7	6	-2
Information	3,791	2,727	2	2	0
Manufacturing	30,355	30,407	14	17	3
Other Services	7,100	5,593	3	3	0
Professional, Scientific, Management Services	10,342	7,918	5	4	0
Public Administration	0	0	0	0	0
Retail Trade	34,391	26,313	16	15	-1
Transportation and Warehousing	7,068	5,556	3	3	0

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Wholesale Trade	14,765	12,127	7	7	0
Total	210,127	169,374	--	--	--

Table 40- Business Activity

Data Source: 2008-2012 ACS (Workers), 2011 Longitudinal Employer-Household Dynamics (Jobs)

Labor Force

Total Population in the Civilian Labor Force	313,007
Civilian Employed Population 16 years and over	297,769
Unemployment Rate	4.87
Unemployment Rate for Ages 16-24	15.74
Unemployment Rate for Ages 25-65	3.07

Table 41 - Labor Force

Data Source: 2008-2012 ACS

Occupations by Sector	Number of People
Management, business and financial	68,078
Farming, fisheries and forestry occupations	10,105
Service	33,984
Sales and office	68,391
Construction, extraction, maintenance and repair	35,391
Production, transportation and material moving	19,784

Table 42 – Occupations by Sector

Data Source: 2008-2012 ACS

Travel Time

Travel Time	Number	Percentage
< 30 Minutes	226,616	82%
30-59 Minutes	38,458	14%
60 or More Minutes	9,728	4%
Total	274,802	100%

Table 43 - Travel Time

Data Source: 2008-2012 ACS

Education:

Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	11,163	1,512	7,629

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
High school graduate (includes equivalency)	72,917	3,606	17,072
Some college or Associate's degree	84,581	2,859	15,685
Bachelor's degree or higher	67,686	1,114	8,802

Table 44 - Educational Attainment by Employment Status

Data Source: 2008-2012 ACS

Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	1,307	1,331	1,171	3,990	12,005
9th to 12th grade, no diploma	8,858	3,939	2,970	6,903	6,682
High school graduate, GED, or alternative	17,019	19,200	18,595	55,882	36,274
Some college, no degree	24,375	15,499	16,046	37,039	16,946
Associate's degree	3,491	9,653	9,185	16,768	3,014
Bachelor's degree	3,581	15,101	14,190	27,755	9,585
Graduate or professional degree	216	4,014	5,026	11,879	5,819

Table 45 - Educational Attainment by Age

Data Source: 2008-2012 ACS

Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	0
High school graduate (includes equivalency)	0
Some college or Associate's degree	0
Bachelor's degree	0
Graduate or professional degree	0

Table 46 – Median Earnings in the Past 12 Months

Data Source: 2008-2012 ACS

Based on the Business Activity table above, what are the major employment sectors within the state?

The three largest employment sectors within the state are the following: Education and Health Care Services; Retail Trade; and Manufacturing.

Describe the workforce and infrastructure needs of business in the state.

Per the Business by Sector chart, there are several sectors that have an over-supply of workforce such as agriculture, construction, and manufacturing. However there are a couple of sectors that have a shortage of labor. The Workforce Training funds will be used to help create the balance. Criteria for utilization of the Workforce Training funds are as follows:

- Any reasonable job training expenditures, predominantly benefitting low and moderate-income persons, will likely result in a full-time employment position in South Dakota immediately upon completion of training.
- Applications must demonstrate a compelling case for funding by addressing the specific elements in their training plans. A breakdown of the use of training funds must be included in the application.
- The maximum grant amount for each trainee is \$5,000. The maximum amount for the following expenditures is \$100,000:
- The length of the training program must be a term of one year or less.
- The GOED will evaluate each proposal on a case-by-case basis. The funding decision will be based on the level of benefit and impact to low and moderate-income individuals. The key area include: the kind of training offered; opportunities for employment; and job benefits from potential employers in the area.

Infrastructure needs in the state vary by community. Many rural communities within the State simply do not have facilities such as community buildings, fire halls, and medical clinics. Because they are lacking in one or more of these facilities, the community is often in jeopardy of losing their economic base to another nearby community that can provide these services. Other communities may have these facilities, but have outgrown the facility or the facility is becoming economically obsolete.

At the same time, many communities have either outgrown the water and wastewater systems available within the community or the current systems have deteriorated to such a point where they must be replaced. Some water systems no longer meet the requirements set forth by Environmental Protection Agency.

The State has been very successful in its economic development efforts. Other industries have moved to South Dakota from other areas because of the favorable economic climate in the State. Many of these industries want to expand within the State and are in need of additional resources for the purchase of equipment and land, the purchase and renovation of commercial buildings and infrastructure construction.

Describe any major changes that may have an economic impact, such as planned public or private sector investments or initiatives that have affected or may affect job and business

growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.

At this time there are no major changes proposed that would have an economic impact.

How do the skills and education of the current workforce correspond to employment opportunities in the state?

Several business sectors indicate a shortage of skilled laborers. The CDBG Workforce Training funds and other programs described below are providing opportunities to ensure education and skills are available for the economic opportunities that exist.

Describe current workforce training initiatives supported by the state. Describe how these efforts will support the state's Consolidated Plan.

The state has two workforce training initiatives through the Governor's Office of Economic Development. One program is funded by the CDBG program and has been discussed previously. The second program is the South Dakota Workforce Development Program. This program is funded by the State of South Dakota to extend education and training resources so South Dakota employers will be provided with a well-trained and skilled workforce. Through matching grants, the Workforce Development Program funds industry-education partnerships through which customized training programs and short-term, job-specific training is delivered. The Workforce Development Program supports up to one-half the total cost of training.

The positions for training must be new positions created by a new company or the expansion of an existing company. For expansion, the training project needs to be out-of-the-ordinary training and beyond what is needed in the normal course of business. Examples include: training for a new piece of equipment, new certification, and opportunity for trainees to move into a new position that require different or additional skills than used in the current position.

Funding can be provided for three skill sets – hard (technical and functional aspects of the job), soft (interpersonal skills such as communication, teamwork, problem solving, etc.) or basic academic skills (reading, writing, and mathematics).

The basic goal of the Workforce Development Program is to assist businesses with the cost of training for hard skills. The program will only consider funding for soft skill and academic training if it is conducted in conjunction with hard skill training.

Describe any other state efforts to support economic growth.

Other state efforts to support economic growth consist of the following:

Dakota Roots – The purpose of Dakota Roots is to bring individuals, employers, and state government resources together, to assist friends and family members living elsewhere to move back to South Dakota and make it their permanent home. The Department of Labor and Regulation has pooled its statewide employment representatives' expertise to ensure Dakota Roots' success. They are working with some of South Dakota's most dynamic and growing businesses to guide job seekers directly to the employer's door. Dakota Roots features the kind of job opportunities that encourage families to move back, while supplying employers with a talented and productive workforce.

SD WINS - South Dakota created the SD WINS to create our economy by growing and training our people. South Dakota WINS is a workforce development program that brings together government, education and business leaders to capitalize on South Dakota's tremendous potential. The components of this program will help South Dakota develop and attract a stronger, better educated workforce, positioning us well to compete in a dynamic global economy.

This program will better prepare our young people for the future, all while providing immediate training to our citizens so they can fill the positions already in our state. It will also work to improve access to rural health care and aggressively market South Dakota to attract new citizens and encourage the return of those who've moved away from our state.

SD WINS has several components – Preparing the Youth, Workforce Training, Promoting Rural Healthcare Occupations, and Recruiting New People.

Preparing the youth - SD MyLife is an online career development tool for South Dakota students by the South Dakota Department of Education. This web portal allows students access to Career Cluster Camps in engineering, IT, skill trades, and other high-demand areas, giving students an opportunity to gain the hands-on experience needed to confidently make informed career decisions.

The Workforce Training piece is the CDBG funding being utilized for workforce training.

Promoting Rural Healthcare Occupations is targeted to keep doctors, nurses, and other health care professionals in rural communities across our state. Through education, recruitment and retention incentives, South Dakota hopes to include more providers in more rural communities.

South Dakota has looked for innovative ways to recruit new South Dakotans to fill chronically vacant positions in our workplaces and communities such as the Dakota Roots Program.

For more information on any of these programs please visit the state website at www.sdreadytowork.com.

Discussion

Due to the high demand for and diversity of the activities discussed in this priority, the Governor's Office of Economic Development (GOED) has designed three programs under which the Community Development Block Grant (CDBG) funds will be allocated for non-housing needs. The three programs include the Special Projects Account (to be used for economic development and job creation), the Community Projects Account (to be used for public facilities and infrastructure projects), and the Imminent Threat Account (to be used to alleviate an immediate threat to public health or safety). GOED will allocate all of the State's CDBG non-housing allocation under these programs in each fiscal year for which funds are awarded to the State.

To ensure the efficient administration of these programs, GOED will continue to coordinate with other State agencies such as the Department of Transportation, the Department of Health, and the Department of Environment and Natural Resources and will continue to evaluate community and economic development needs across the state.

Communities will be encouraged to pursue as many of the programs listed as applicable to the project or projects they need to ensure that all resources are utilized to the highest extent possible.

MA-50 Needs and Market Analysis Discussion

Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")

There are many areas of the state that are in need of affordable housing. However the greatest need is demonstrated on the eight Indian Reservations.

While there are differences between each of the Indian Reservations, there are many common housing problems with the first being a severe lack of available housing units. In addition the Indian Reservations are lacking employment opportunities, infrastructure, commercial lending, and community assets. Indian Housing Authorities and nonprofit organizations are actively trying to resolve the housing situation; however, it is difficult to overcome the many obstacles.

South Dakota is home to the 3 poorest counties in the Nation , which are located within 3 American Indian reservations – Cheyenne River, Rosebud and Pine Ridge.

The overall poverty rate in South Dakota is about 13%, which is lower than the than the rate for the U.S. as a whole. However, the poverty rates for Ziebach, Todd, and Shannon counties are at or slightly above 50%. The reason for this is that the counties with the highest rates of poverty also have a high proportion of Native American residents, the latter having the highest poverty rate of any ethnic group in the country.

Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")

There are many areas of the state that are in need of affordable housing. However the greatest need is demonstrated on the eight Indian Reservations.

While there are differences between each of the Indian Reservations, there are many common housing problems with the first being a severe lack of available housing units. In addition the Indian Reservations are lacking employment opportunities, infrastructure, commercial lending, and community assets. Indian Housing Authorities and nonprofit organizations are actively trying to resolve the housing situation; however, it is difficult to overcome the many obstacles.

A recent proposed change within the HOME Program is the requirement that developers have the capacity to complete housing developments. While capacity can be measured in different ways, this requirement will have a negative impact on small nonprofit organizations wanting to develop housing on Indian Reservations. Limited staff and financial resources could deem an organization as not being capable of developing housing.

It will take a concerted effort by many different partners to make positive movement in providing affordable housing for Indian Reservations.

What are the characteristics of the market in these areas/neighborhoods?

While there are differences between the Indian Reservations, there is a severe lack of housing units available; due to this, housing units typically have more than one person per room. Housing units on the reservation typically lack complete kitchen and plumbing facilities. Within the communities there is also a lack of employment opportunity, lack of banking institutions and services, geographic isolation, increase behavioral problems such as violent crimes, higher drug and alcohol use.

Are there any community assets in these areas/neighborhoods?

While there are differences between the Indian Reservations, typically the Indian Reservations are lacking employment opportunities, infrastructure, commercial lending, and community assets.

Progress is being made with Lakota Federal Credit Union, which opened its doors in November 2012 in Kyle, South Dakota, on the north end of the Pine Ridge Indian Reservation. This is the first credit on the Pine Ridge Reservation and it will provide consumer financial services—secured and unsecured loans, money orders, cashier’s checks, online banking, check cashing and more to a potential customer pool of about 40,000, according to the credit union administration.

There are many nonprofits organizations working to develop services and assist entrepreneurs and businesses to build the community assets on the Indian Reservations.

Are there other strategic opportunities in any of these areas?

Indian Housing Authorities and nonprofit organizations are actively trying to resolve the housing situation however it is difficult to overcome the many obstacles.

SDHDA will be working with Tribal Housing Authorities and the State Office of Tribal Relations to explore options, services and strategies to determine what opportunities exist for these areas.

Strategic Plan

SP-05 Overview

Strategic Plan Overview

SDHDA directly administers the HOME and Emergency Solutions Grants (ESG) Programs statewide. The CDBG program is administered within the CDBG service area by the Governor's Office of Economic Development.

The Housing Tax Credit (HTC) Program is also administered directly by SDHDA and is an integral part of meeting housing objectives. The HOME, ESG, and HTC allocation plans outline the methods of distribution and funding criteria, which can be found on SDHDA's website – www.sdhda.org. Information regarding the CDBG program can be found on the State's website - www.sdreadytowork.com.

HOME funds can be utilized for new construction of single family homes and rental units, preservation of multifamily rental housing, homeowner rehabilitation, security deposit assistance and downpayment assistance for purchase of a Governor's House. All housing proposals will be evaluated based on the housing need, financial feasibility, and other requirements as outlined within the allocation plans. All housing units must comply with the rent limitations and other program requirements specific to the financing source.

The Risk Share Program, SDHDA Multifamily Bond Financing, Rural Development 538 Guarantee Program, and various FHA Insurance Programs are also available to develop or preserve multifamily units.

SDHDA will also target resources to the homeless and special needs populations where appropriate to provide the necessary transitional or permanent housing with supportive services allowing them the opportunity to live as independently as possible. SDHDA as the lead agency of the SD Housing for the Homeless Consortium will ensure coordination of efforts.

The ESG Program will continue to serve homeless individuals. Emergency shelters and domestic violence shelters typically apply for and are funded under the ESG Program.

The CDBG Program will continue to be utilized for community development needs such as workforce training, Special Projects Account, Imminent Threat Account, and Community Projects Account.

SP-10 Geographic Priorities – 91.315(a)(1)

Geographic Area

Table 47 - Geographic Priority Areas

General Allocation Priorities

Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)

South Dakota administers the HOME, ESG, and Housing Tax Credit programs statewide. In 2016, SDHDA will begin administering the Housing Trust Fund program. The CDBG program is administered in the CDBG service area. There are no Geographic Priorities being established at this time for the above stated programs. Funding under the programs is competitive in nature and many factors are taken into consideration when awarding funds, such as demonstrated need, capacity of developer and financial feasibility of the development.

Though there may not be geographic priorities, the Housing Trust Fund program designates the state into three different zones. These zones are reflective of the amount of HTF subsidy applicants are eligible to apply for based on location of their proposed housing development.

SP-25 Priority Needs – 91.315(a)(2)

Priority Needs

Table 48 – Priority Needs Summary

1	Priority Need Name	Affordable Housing
	Priority Level	High
	Population	Extremely Low Low Families with Children Elderly Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families
	Geographic Areas Affected	
	Associated Goals	Acquisition and Rehabilitation of rental units Develop new rental housing units Development of special needs housing Homebuyer Assistance Homeowner Rehabilitation Provide homeownership opportunities Security Deposit Assistance

	Description	<p>Development and rehabilitation of affordable rental housing is a high priority for many areas in South Dakota. Utilizing the HOME, NSP, and Housing Tax Credits, it is anticipated that 150 new rental units will be developed with an additional 50 units rehabilitated for affordable housing. The additional housing units will only be developed in areas of documented need which is also the communities demonstrating population growth. Several communities across the state are experiencing vacancy rates below 3%, creating very tight housing markets.</p> <p>Additional preference will be given via competitive application points to serve lower income households and also to develop service enriched housing. Based on the point categories within the HOME and HTC programs, the following would be determined as priorities under development of affordable housing.</p> <p>In 2016, SDHDA will also be administering the Housing Trust Fund Program which will provide additional financing to assist in the development of housing units targeted to serve households at or below 30% AMI. Waiting lists for Section 8 vouchers is extremely long. The availability of HTF is a great opportunity to help relieve some of this demand. Currently the competitive point structure of HOME and Housing Tax Credits helps to develop approximately 11 units (4%) annually. It is anticipated the HTF can provide an additional 30 units annually.</p>
	Basis for Relative Priority	No funding is set-aside for the priorities listed above, with the exception of Homeowner Rehabilitation. Priority is given by establishing point incentives for specific characteristics.
2	Priority Need Name	Homelessness
	Priority Level	High
	Population	<p>Extremely Low</p> <p>Low</p> <p>Families with Children</p> <p>Elderly</p> <p>Rural</p> <p>Chronic Homelessness</p> <p>Individuals</p> <p>Families with Children</p> <p>Mentally Ill</p> <p>Chronic Substance Abuse</p> <p>veterans</p> <p>Persons with HIV/AIDS</p> <p>Victims of Domestic Violence</p> <p>Unaccompanied Youth</p>

	Geographic Areas Affected	
	Associated Goals	Acquisition and Rehabilitation of rental units Develop new rental housing units Development of special needs housing Provide ESG funds to emergency shelters Security Deposit Assistance

<p>Description</p>	<p>South Dakota continues to work on several initiatives as it pertains to Homelessness:</p> <ul style="list-style-type: none"> •Expansion of the ESG Program - The Homelessness Prevention and Rapid Re-Housing Program (HPRP) has ended however many lessons learned from HPRP have carried over into ESG. With the 2011 and 2012 ESG funding, additional entities across the state became involved with the ESG program. South Dakota continues to work with these agencies to understand and provide a continuation of services for individuals they are serving and providing greater opportunity for long-term success. •Expansion of HMIS - Agencies utilizing Veterans Affairs programs has begun utilizing the HMIS system. SDHDA as the HMIS administer for the state will continue to work with additional agencies to begin using this system, allowing it to become a useful database of information that can be used for program evaluation, planning, and homeless counts. •Creation of a 10 Year Plan - While operational goals have been created and utilized, a formal 10 Year Plan has not been created for South Dakota. In 2012 a work group began the process of drafting the 10 Year Plan. Statewide effort will be necessary to complete and begin implementing the plan in 2013. •Re-activation of the state's Inter-Agency Council on Homelessness - Changes in administration has left the Inter-Agency Council on Homelessness inactive. With statewide involvement and movement in creation of the 10 Year Plan, work will also be done to try and invigorate the statewide ICH. •South Dakota Housing for the Homeless Consortium (SDHHC) - is the statewide Continuum of Care (CoC). SDHDA as the lead agency will review and propose changes necessary to the SDHHC to ensure full compliance with HEARTH Act and corresponding changes to the CoC program. Changes will be made to assist in long-term sustainability of the organization. <p>As the homeless network is strengthened, priority of funding will also be pursued.</p> <p>The addition of Housing Trust Fund in 2016 and the availability it brings in developing additional units for households at or below 30% AMI will have a positive impact in addressing homelessness. Cost of housing development continues to increase making it difficult to finance housing to serve the lowest of income. The allocation of \$3 million is expected to assist in developing approximately 30 additional housing units.</p>
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	Basis for Relative Priority	There have been many changes in homeless programs in the last several years and more changes are necessary at the state level to ensure the programs and processes are functional and efficient. One current change is to allow CoC administrative funding to assist the Collaborative Agent (lead agency). This funding opportunity will provide the lead agencies with an opportunity to devote additional time and services necessary to move the program forward. The Housing Trust Fund will be instrumental in serving the homeless population.
3	Priority Need Name	Non-housing Community Development
	Priority Level	High
	Population	Non-housing Community Development
	Geographic Areas Affected	
	Associated Goals	Workforce Training
	Description	Priority of funding under the CDBG program is for Special Projects consisting of economic development/job creation and retention, Imminent Threat projects that alleviate an imminent threat to public health or safety, Community Projects such as wastewater projects, and workforce training.
	Basis for Relative Priority	

Narrative (Optional)

South Dakota administers the HOME and ESG program statewide and the CDBG program in the CDBG service area. Funding under the programs is competitive in nature and many factors are taken into consideration when awarding funds. such as demonstrated need, capacity of the developer and financial feasibility of the development. For housing developments, different housing markets across the state will help determine what the priority needs may be for their area.

South Dakota will consider the following as priority needs –

Affordable Housing –

Security Deposit Assistance Program

Development of new units

Development of special needs housing

Rehabilitation of existing units

Acquisition of existing units

Homelessness –

Outreach

Emergency shelter operations

Rapid Re-housing

Prevention

Non-Housing Community Development

SP-30 Influence of Market Conditions – 91.315(b)

Influence of Market Conditions

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	HOME funds will not be used for TBRA at this time except for use as a Security Deposit Assistance. Housing Trust Fund will not be used as TBRA. HTF proceeds will be used to offset development costs thus reducing the debt of the development and ensuring it can feasibility operate while serving 30% AMI households.
TBRA for Non-Homeless Special Needs	HOME and Housing Trust Fund dollars will not be used for TBRA at this time.
New Unit Production	HOME and Housing Trust Fund dollars will only be approved for competitive applications in markets that demonstrate a housing demand. The demand must be evidenced by the housing study submitted as part of the application. Please review the HOME and the Housing Trust Fund allocation plans for further guidance.
Rehabilitation	HOME and Housing Trust Fund dollars will only be approved for rehabilitation for competitive applications in markets that demonstrate a housing demand. The demand must be evidenced by the housing study submitted as part of the application. For rehabilitation, it must be evidenced that rehabilitation is more cost effective than new construction. Please review the HOME and Housing Trust Fund allocation plans for further guidance.
Acquisition, including preservation	HOME and Housing Trust Fund dollars will only be approved for acquisition with competitive applications in markets that demonstrate a housing demand. The demand must be evidenced by the housing study submitted as part of the application. For acquisition and rehabilitation, it must be evidenced that the project is more cost effective than new construction. Please review the HOME and Housing Trust Fund allocation plans for further guidance.

Table 49 – Influence of Market Conditions

SP-35 Anticipated Resources - 91.315(a)(4), 91.320(c)(1,2)

Introduction

The HOME, HTF, ESG and CDBG funding sources are only partial funding for the many different activities and services provided. As federal funds continue to diminish, developers, communities and service providers must be creative and have partnerships and other resources to successfully complete the proposed projects. Other financing and services are being provided by local, state, and federal programs, private individuals, foundations, and commercial lenders.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	4,800,000	0	350,000	5,150,000	0	We anticipate a cut in CDBG funding and currently have \$350,000 remaining from previous allocation.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	3,000,000	1,725,000	2,130,000	6,855,000	0	Annually, there is approximately \$2 million of program income that becomes available. SDHDA anticipates full allocation of the 2013 available resources.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	500,000	0	0	500,000	0	SDHDA anticipates receiving approximately \$500,000 annually for the ESG program. With expanded eligible activities and sub-recipients the full allocation will be utilized.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Housing Trust Fund	public - federal	Acquisition Admin and Planning Housing Multifamily rental new construction Multifamily rental rehab	3,000,000	0	0	3,000,000	3,000,000	Created via the Housing and Economic Recovery Act of 2008, the Housing Trust Fund (HTF) will be funded for the first time in 2016. The purpose of the HTF is to provide funding to increase and preserve the supply of permanent housing for extremely low income families (30% AMI). Per program regulations, HTF may be utilized for both rental and homeownership activities, however, in South Dakota, the funds will only be utilized for rental housing.

Table 50 - Anticipated Resources

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

CDBG funding will assist in projects such as infrastructure, community buildings, fire halls, and workforce training. The match requirement will be on a scoring basis. Each project will submit a budget sheet with their application and will receive a score of low, medium, or high. Any funds that are not CDBG will be considered match.

Recipients of HOME funds are required to provide 12.5% of the match requirement. The match is typically in the form of donated services, land, or materials, reduction of interest rates or lender fees, tax abatements and waiving of city fees. SDHDA provides the remaining 12.5% of the match requirement.

ESG recipients are required to provide 100% of the match requirement. Forms of match are typically volunteer hours and donation of money, goods, or services.

There is no match requirement with the Housing Trust Fund, however, competitive points are available for applications that demonstrate the ability to leverage financial resources.

If appropriate, describe publically owned land or property located within the state that may be used to address the needs identified in the plan

At this time we are unaware of any publically owned land or property that may be used to address the identified needs.

Discussion

The additional \$3 million available in 2016 through the Housing Trust Fund program will be extremely beneficial for producing additional units serving 30% AMI. SDHDA anticipates applicants will be applying for combination of Housing Trust Fund, with HOME funds and Housing Tax Credits.

SP-40 Institutional Delivery Structure – 91.315(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
SOUTH DAKOTA	Non-profit organizations	Homelessness Non-homeless special needs Ownership Planning Rental	State
SOUTH DAKOTA (CDBG GRANT PAYMENTS ONLY)	Government	Economic Development Non-homeless special needs Planning public facilities public services	State

Table 51 - Institutional Delivery Structure

Assess of Strengths and Gaps in the Institutional Delivery System

Strengths in this delivery system are the consistent manner in which funds are provided, oversight of projects, reporting and compliance monitoring. The gaps would be in fact that with delivery of services and funding statewide, it is more difficult to determine and sometimes address specific local community needs.

Availability of services targeted to homeless persons and persons with HIV and mainstream services

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/Advocacy			
Legal Assistance			
Mortgage Assistance			
Rental Assistance			
Utilities Assistance			
Street Outreach Services			
Law Enforcement			
Mobile Clinics			
Other Street Outreach Services			

Supportive Services			
Alcohol & Drug Abuse			
Child Care			
Education			
Employment and Employment Training			
Healthcare			
HIV/AIDS			
Life Skills			
Mental Health Counseling			
Transportation			
Other			

Table 52 - Homeless Prevention Services Summary

Describe the extent to which services targeted to homeless person and persons with HIV and mainstream services, such as health, mental health and employment services are made available to and used by homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families and unaccompanied youth) and persons with HIV within the jurisdiction

The above chart was not completed because not all of these services are available in each community, however, they are available within the jurisdiction of the State of South Dakota.

Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above

Strengths of the service delivery system would be the partnerships that exist between the agencies creating an atmosphere where agencies work together for the betterment of the person being served. The gaps of the system would be due to the rural nature of the state. There are many areas of the state that do not have access to direct services and the distance to services can be a hindrance.

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs

Partnerships is the best strategy for overcoming gaps in the system.

SP-45 Goals Summary – 91.315(a)(4)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Develop new rental housing units	2013	2017	Affordable Housing		Affordable Housing Homelessness		Rental units constructed: 150 Household Housing Unit
2	Acquisition and Rehabilitation of rental units	2013	2017	Affordable Housing		Affordable Housing Homelessness		Rental units rehabilitated: 50 Household Housing Unit
3	Development of special needs housing	2013	2017	Affordable Housing Homeless Non-Homeless Special Needs		Affordable Housing Homelessness		Other: 20 Other
4	Administer Section 8 Rental Assistance	2013	2017	Affordable Housing				Other: 20000000 Other
5	Provide ESG funds to emergency shelters	2013	2017	Homeless		Homelessness		Overnight/Emergency Shelter/Transitional Housing Beds added: 22 Beds
6	Provide homeownership opportunities	2013	2017	Affordable Housing		Affordable Housing		Direct Financial Assistance to Homebuyers: 1000 Households Assisted
7	Homeowner Rehabilitation	2013	2017	Affordable Housing		Affordable Housing		Homeowner Housing Rehabilitated: 150 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
8	Provide homeowner counseling homebuyer education	2013	2017	Affordable Housing				Other: 2000 Other
9	Workforce Training	2013	2017	Non-Housing Community Development Economic Development/Workforce Training		Non-housing Community Development		Other: 1000 Other
10	Security Deposit Assistance	2013	2017	Affordable Housing		Affordable Housing Homelessness	HOME: \$125,000	Homelessness Prevention: 315 Persons Assisted
11	Homebuyer Assistance	2013	2017	Affordable Housing		Affordable Housing	HOME: \$150,000	Direct Financial Assistance to Homebuyers: 15 Households Assisted

Table 53 – Goals Summary

Goal Descriptions

1	Goal Name	Develop new rental housing units
	Goal Description	Development of new rental housing units - utilize approximately \$2 million annually of HOME Program funds to create 150 new units. Over the five year period there would be a total of 750 new rental housing units. 2016 will be the first year of funding for the Housing Trust Fund Program with \$3 million in funding. The additional funds may not produce additional housing units but it will provide additional units for extremely low-income (30% AMI) households. Currently four percent (4%) or an average of 11 units annually are developed for 30% AMI. It is anticipated the additional funding will provide an additional 30 units annually.
2	Goal Name	Acquisition and Rehabilitation of rental units
	Goal Description	Utilize HOME and Housing Trust funds for the acquisition and rehabilitation or just the rehabilitation of rental housing units. Approximately \$1 million annually could rehabilitate 50 rental units. The Housing Trust Fund will not produce additional housing units but may correlate to additional units being targeted to extremely low-income households.
3	Goal Name	Development of special needs housing
	Goal Description	The goal is to utilize approximately \$500,000 of HOME funds annually to newly construct or rehabilitate 20 rental units for homeless/special needs housing. The addition of Housing Trust Fund will make this goal more feasible by targeting extremely low-income households. Many tenants of special needs housing are extremely low-income often making it difficult to develop financially feasible housing developments. Availability of Housing Trust Fund as a forgivable loan will assist in financial feasibility.
4	Goal Name	Administer Section 8 Rental Assistance
	Goal Description	Administer the HUD Section 8 rental assistance program, providing approximately \$20,000,000 annually to assist low income households across the state.
5	Goal Name	Provide ESG funds to emergency shelters
	Goal Description	Provide ESG funds to emergency shelters across the state. Unit of measurement is to assist 22 shelters annually.

6	Goal Name	Provide homeownership opportunities
	Goal Description	Provide homeownership opportunities to 1,000 households annually through the use of HOME funds, the First-Time Homebuyer Program, USDA Rural Development, and the Governor's House Downpayment Assistance Program. By regulation, the Housing Trust Fund program can assist with homeownership opportunities. Due to limitation of serving extremely low-income households, South Dakota has made the determination to not allocate HTF for homeownership activities.
7	Goal Name	Homeowner Rehabilitation
	Goal Description	Provide funding opportunities to assist 150 homeowners annually with rehabilitation activities. Programs utilized will be the HOME Program, USDA Rural Development, and SDHDA's CHIP program.
8	Goal Name	Provide homeowner counseling homebuyer education
	Goal Description	Provide homeownership counseling and education through HERO and HUD Counseling Program for 2000 households annually.
9	Goal Name	Workforce Training
	Goal Description	To provide CDBG funds for workforce training. Maximum of 15% of yearly allocation will be utilized to train up to 1,000 low-to-moderate individuals annually.
10	Goal Name	Security Deposit Assistance
	Goal Description	Annually up to \$125,000 of HOME funds will be utilized to assist approximately 315 individuals and families with security deposit assistance keeping them from homelessness.
11	Goal Name	Homebuyer Assistance
	Goal Description	Annually up to \$150,000 of HOME funds is set-aside to assist homebuyers with downpayment assistance with the purchase of a Governor's House. It is anticipated that 15 households will be assisted annually. Housing Trust Fund dollars will not be utilized at this time for homeownership activities.

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

It is difficult to determine the number of extremely low-income and moderate-income families who will be served, however, based on the goals listed above there will be 1,170 households that will be assisted with new housing opportunities and 200 households assisted with rehabilitation. In 2016, the funding of the Housing Trust Fund program will assist in development of additional housing units for extremely low-income families. Historically four percent (4%) or on average 11 housing units are designated annually for 30% AMI households. The additional funding is estimated to produce 30 housing units for the extremely low-income. While the additional funding source may not physically produce additional units, it will result in additional units being designated as extremely low-income.

SP-50 Public Housing Accessibility and Involvement – 91.315(c)

Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)

Not applicable

Activities to Increase Resident Involvements

Statewide consolidated plan does not provide an opportunity to know how each public housing authority will address this item.

Is the public housing agency designated as troubled under 24 CFR part 902?

No

Plan to remove the ‘troubled’ designation

Reviewing the HUD listing, there were no public housing authorities in South Dakota designated as "troubled".

SP-55 Barriers to affordable housing – 91.315(h)

Barriers to Affordable Housing

There are several local and federal policies that have a negative effect on the affordability of housing. At the local level, additional building codes and zoning requirements, which vary by community, can create project delays and additional costs. Federal policies such as Davis Bacon reporting results in additional project costs. Contractor bids increase to cover the administrative cost of Davis Bacon. While these policies may be justified at times, the policies are not always relevant based on the community and the housing developers.

The push to develop green and energy efficient housing can also have negative implications. Access to products and expertise of contractors to install specialized products can be cost prohibitive in rural areas. There are many policies that sound good in theory but are not as effective when implemented. These barriers make affordable housing, less affordable.

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

Open communication is the best approach to address barriers. As SDHDA becomes aware of barriers we will work with the appropriate parties to address and hopefully resolve the barriers.

SP-60 Homelessness Strategy – 91.315(d)

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

With the new Emergency Solutions Grant, applicants received outreach funding to help locate, identify, and build relationships with homeless individuals and families to engage them for the purpose of providing immediate support, intervention, and connections with homeless assistance programs and/or mainstream social services and housing programs. This will be helpful in the smaller communities as those living unsheltered do not always know where to go for resources.

When we conduct our statewide homeless count and we encounter individuals or families that are planning on sleeping outside, the survey volunteers try and help them find shelter during the survey process. Some families welcome the help and others do not want any assistance, but assistance is provided to help them with their needs.

Also many communities are doing their “Project Homeless Connect” in conjunction with the statewide homeless count in order to identify those needing immediate assistance. The Veteran’s Administration conducts “stand-downs” in many communities across the state to locate and assist homeless veterans in their area with services.

A close relationship has been formed with the Homeless Liaisons in the school districts to help families that need not only educational services for their children but to get families on needed assistance.

Addressing the emergency and transitional housing needs of homeless persons

The majority of our emergency shelters in the state are Domestic Violence Shelters. Emergency Shelters for homeless populations, not DV, are located in Sioux Falls, Rapid City and Yankton. The Housing for the Homeless Consortium is making it a goal to work towards transitional housing and/or permanent supportive housing as the first step in helping homeless individuals and families obtain and sustain housing. Currently the success rate is at 68% for those individuals and families leaving transitional housing to permanent housing. Transitional housing is becoming a very successful program in South Dakota. The need for more intensive case management for those coming from emergency shelters or the streets to helping individuals and families learn how to maintain permanent housing long term. The South Dakota Housing for the Homeless Consortium (SDHHC) works closely with agencies across the state to make sure they are coordinating their services in order to help those wanting permanent housing the ability to keep permanent housing.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals

and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

The SDHHC works with the VA and the Department of Military and Veteran's affairs to help reduce the number of homeless veterans in South Dakota. HUD-VASH is administered in Sioux Falls and Rapid City. Also, Volunteers of America in Sioux Falls received funding through the VA for the Healthcare for Homeless Veterans grant (HCHV) as well as the Grants and Per Diem program. Sicangu Oyate Tipi in Rosebud also recently received an SSVF grant to service those in their county.

SDHHC works closely with Volunteers of America, Dakotas who specialize in housing services for homeless youth in South Dakota. They have been member of the SDHHC since 2000. They currently received funding for transitional housing for homeless youth in Aberdeen.

The new Emergency Solutions Grant will be used to provide housing relocation and stabilization services and short- and/or medium term rental assistance as necessary to help homeless individuals or families move as quickly as possible into permanent housing and achieve stability in that housing.

Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs

The Department of Social Services, Division of Child Protection Services has defined procedures in place for the discharge of children from custody/placement. The planning that occurs prior to children being discharge from custody/placement depends on the age of the child, the discharge resource and the services that will be needed to support the child in his/her discharge placement. Children discharging from custody/placement prior to age 18 may be discharged to their birth parent, relative caregiver, a legal guardian or may be adopted. Youth who were in placement upon turning 18 years of age are ready for discharge are eligible for Independent Living Services through the Division of Child Protections Services. Youth are involved in planning their exit from the program and are provided financial resources and on-going case management to help ensure success upon discharge. Several service agencies such as Volunteers of America also provide services to this client base as they make the transition. The additional services provided help to ensure success during this critical time.

South Dakota Department of Health (DOH) provides some standards of care for the homeless when discharged. SDHHC works with DOH towards implementation of appropriate discharge planning protocols to track homeless individuals and families receiving services through the DOH.

The Division of Mental Health has a discharge criteria and required documentation for the CARE (Continuous Assistance, Rehabilitation and Education Program). Discharge may occur when: (1) The consumer moves outside of the geographical area; (2) the consumer demonstrates ability to function in South Dakota 2013-2017 Consolidated Plan – Amended

all major life areas; or (3) the consumer refuses to participate in the CARE program services. The Community Mental Health Centers then need to submit the following documentation to the Division for approval: (1) reason for discharge; (2) consumer status and condition at time of discharge; (3) written evaluation summary of progress made towards case service plan goals; (4) a plan for care and follow-up developed in conjunction with the consumer; and (5) signature of clinical supervisor, qualified mental health professional, or CARE team member.

The Department of Corrections has established procedures in place governing release planning for adults and juvenile offenders. Each adult offender within 5 years of possible release must develop a release plan with the assistance of Corrections case management staff. These release plans have established components of residence, employment and programming needs (chemical dependency, mental health, physical health, sex offender treatment and academic education). The State of South Dakota is a recipient of a Second Chance Act Prisoner Re-Entry Initiative grant. The grant funds are being utilized to implement programs and strategies to reduce recidivism. SDHDA along with either other state agencies and many local government organization and associations are members of the reentry workshop which are identifying existing services as well as gaps and barriers that exist. The information and programs that result from the Second Chance Act funding will enhance DOC's discharge planning.

The new Emergency Solutions Grant required coordination with other targeted homeless services to create a "buffet" of service for those who are homeless or at-risk of homelessness. Coordinating ESG funded activities with other programs targeted to homeless people in the area will help to provide a strategic, community-wide system to prevent and end homelessness.

SP-65 Lead based paint Hazards – 91.315(i)

Actions to address LBP hazards and increase access to housing without LBP hazards

All housing units funded through HOME and ESG must be inspected to ensure no lead based paint hazards exist. The mitigation requirements for lead based paint can have a substantial impact on the affordability of housing. SDHDA has been working towards ensuring that the public is educated about these requirements and any housing financed by HOME or ESG funds are in compliance. To encourage compliance with this requirement, up to \$2,000 per unit of HOME funds can be awarded as grant funds and will not be required to be repaid for the encapsulation, abatement, or stabilization of Lead Based Paint and the corresponding inspection costs. These costs must be pre-approved by SDHDA.

How are the actions listed above integrated into housing policies and procedures?

The lead based paint information and requirements are outlined within the HOME and ESG Plans. SDHDA project files incorporate checklists and reporting requirements to ensure lead based paint is addressed for each housing unit and development assisted with either ESG or HOME funds. If

abatement is required, additional documentation is received prior to completion of the project to ensure requirements have been met.

SP-70 Anti-Poverty Strategy – 91.315(j)

Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families

SDHDA and GOED will work in conjunction with other agencies in implementing poverty reducing goals, programs and policies as appropriate. At this time there are no jurisdictional goals for reducing the number of poverty-level families, however, work is being done in this area through the Continuum of Care and ESG programs and other state initiatives and programs.

How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan

Recipients of CoC and ESG funding provide services to assist individuals and families with poverty reducing goals. Under the CDBG program, up to 15% of the CDBG funds are being provided for a job training program, providing the skills being demanded in geographical employment centers, which benefits both the employee and the employer.

SP-80 Monitoring – 91.330

Describe the standards and procedures that the state will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

For activities financed under the HOME, ESG, and CDBG, staff oversight ensures the activities are carried out within program regulations. SDHDA has separate administrative plans for both ESG and HOME programs that outlines the requirements during both development and operations.

Prior to award of HOME or ESG funds, the application is thoroughly reviewed to ensure program requirements are met including review of architectural drawings for incorporation of 504 and Fair Housing Requirements. During construction/rehabilitation, SDHDA's Construction Management Officer reviews all construction sites prior to draw down of HOME funds. In addition the coordinator attends the construction inspections. 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.

For program requirements, HOME and ESG funded projects are monitored by SDHDA staff, both file and on-site reviews. Program requirements are reiterated within a Restrictive Covenant that is filed on the

property. Annual inspections allow SDHDA staff to review operating practices, complete tenant file reviews for income test, review of Affirmative Fair Housing marketing, and allow for physical inspection of the property.

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

Internal review completed by SDHDA's accounting department provides a checks and balance for expenditure deadlines and reporting requirements. In addition SDHDA hires a third party accounting firm to complete an audit on SDHDA programs.

The Governor's Office of Economic Development (GOED) is responsible for insuring that grantees under the CDBG Program are carrying out their projects in accordance with Federal and State statutory and regulatory requirements set forth in the grant contract executed between the State and the grantee. GOED will provide maximum feasible delegation of responsibility and authority to grantees under the CDBG Program. GOED monitoring of CDBG grantees will be conducted in a positive, assistance oriented manner. Whenever possible, deficiencies will be rectified through constructive discussion, negotiation and assistance, and in a manner which preserves local discretion.

GOED will conduct two basic types of monitoring: off-site, or "desk" monitoring, and on-site monitoring. Desk monitoring is an ongoing process in which the project administrator responsible for overseeing the grantee's project uses all available information to review the grantee's performance in carrying out the approved project. On-site monitoring is a structured review conducted by the project administrator at the locations where project activities are being carried out and/or where project records are being maintained. Checklists are utilized to ensure that all issues are addressed. The number of times a project is monitored varies upon the issues that arise during the desk and on-site monitoring.

Expected Resources

AP-15 Expected Resources – 91.320(c)(1,2)

Introduction

The HOME, HTF, ESG and CDBG funding sources are only partial funding for the many different activities and services provided. As federal funds continue to diminish, developers, communities and service providers must be creative and have partnerships and other resources to successfully complete the proposed projects. Other financing and services are being provided by local, state, and federal programs, private individuals, foundations, and commercial lenders.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	4,800,000	0	350,000	5,150,000	0	We anticipate a cut in CDBG funding and currently have \$350,000 remaining from previous allocation.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	3,000,000	1,725,000	2,130,000	6,855,000	0	Annually, there is approximately \$2 million of program income that becomes available. SDHDA anticipates full allocation of the 2013 available resources.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	500,000	0	0	500,000	0	SDHDA anticipates receiving approximately \$500,000 annually for the ESG program. With expanded eligible activities and sub-recipients the full allocation will be utilized.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Housing Trust Fund	public - federal	Acquisition Admin and Planning Housing Multifamily rental new construction Multifamily rental rehab	3,000,000	0	0	3,000,000	3,000,000	Created via the Housing and Economic Recovery Act of 2008, the Housing Trust Fund (HTF) will be funded for the first time in 2016. The purpose of the HTF is to provide funding to increase and preserve the supply of permanent housing for extremely low income families (30% AMI). Per program regulations, HTF may be utilized for both rental and homeownership activities, however, in South Dakota, the funds will only be utilized for rental housing.

Table 54 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

CDBG funding will assist in projects such as infrastructure, community buildings, fire halls, and workforce training. The match requirement will be on a scoring basis. Each project will submit a budget sheet with their application and will receive a score of low, medium, or high. Any funds that are not CDBG will be considered match.

Recipients of HOME funds are required to provide 12.5% of the match requirement. The match is typically in the form of donated services, land, or materials, reduction of interest rates or lender fees, tax abatements and waiving of city fees. SDHDA provides the remaining 12.5% of the match requirement.

ESG recipients are required to provide 100% of the match requirement. Forms of match are typically volunteer hours and donation of money, goods, or services.

There is no match requirement with the Housing Trust Fund, however, competitive points are available for applications that demonstrate the ability to leverage financial resources.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

At this time we are unaware of any publically owned land or property that may be used to address the identified needs.

Discussion

The additional \$3 million available in 2016 through the Housing Trust Fund program will be extremely beneficial for producing additional units serving 30% AMI. SDHDA anticipates applicants will be applying for combination of Housing Trust Fund, with HOME funds and Housing Tax Credits.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Develop new rental housing units	2013	2017	Affordable Housing		Affordable Housing	HOME: \$2,000,000 Housing Trust Fund: \$1,500,000	Rental units constructed: 150 Household Housing Unit
2	Acquisition and Rehabilitation of rental units	2013	2017	Affordable Housing		Affordable Housing	HOME: \$1,000,000 Housing Trust Fund: \$700,000	Rental units rehabilitated: 50 Household Housing Unit
3	Development of special needs housing	2013	2017	Affordable Housing Homeless Non-Homeless Special Needs		Affordable Housing	HOME: \$500,000 Housing Trust Fund: \$500,000	Other: 20 Other
4	Administer Section 8 Rental Assistance	2013	2017	Affordable Housing		Affordable Housing		Other: 20000000 Other
5	Provide ESG funds to emergency shelters	2013	2017	Homeless			ESG: \$500,000	Overnight/Emergency Shelter/Transitional Housing Beds added: 22 Beds

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	Provide homeownership opportunities	2013	2017	Affordable Housing		Affordable Housing	HOME: \$500,000	Homeowner Housing Added: 1000 Household Housing Unit
7	Homeowner Rehabilitation	2013	2017	Affordable Housing		Affordable Housing	HOME: \$500,000	Homeowner Housing Rehabilitated: 150 Household Housing Unit
8	Provide homeowner counseling homebuyer education	2013	2017	Affordable Housing		Affordable Housing		Other: 2000 Other
9	Workforce Training	2013	2017	Non-Housing Community Development Economic Development/Workforce Training		Non-housing Community Development	CDBG: \$750,000	Other: 1000 Other
10	Security Deposit Assistance	2013	2017	Affordable Housing		Affordable Housing Homelessness	HOME: \$125,000	Homelessness Prevention: 315 Persons Assisted
11	Homebuyer Assistance	2013	2017	Affordable Housing		Affordable Housing	HOME: \$200,000	Direct Financial Assistance to Homebuyers: 15 Households Assisted

Table 55 – Goals Summary

Goal Descriptions

1	Goal Name	Develop new rental housing units
	Goal Description	Development of new rental housing units - utilize approximately \$2 million annually to create 150 new rental housing units. Over a five year period this would provide a total of 750 new rental housing units. The combination of HOME funds and Housing Tax Credits is vital for meeting this goal. The additional funding provided through the Housing Trust Fund will provide an opportunity to develop additional housing units designated for 30% AMI. It is estimated that \$1.5 million of HTF funding will assist in development of additional housing units but at this time it is hard to quantify the net impact of this funding source.
2	Goal Name	Acquisition and Rehabilitation of rental units
	Goal Description	Utilize HOME funds in combination with Housing Tax Credits and Housing Trust Fund for the acquisition and rehabilitation or just the rehabilitation of rental housing units. Approximately \$1 million annually could be utilized to rehabilitate 50 rental units - equating to 150 units over a 5 year period. It is estimated \$700,000 of HTF will be utilized for rehabilitation, which will produce some additional units and definitely impact the number of housing units designated to serve the extremely low-income families.
3	Goal Name	Development of special needs housing
	Goal Description	The goal is to utilize approximately \$500,000 in HOME funds and \$500,000 of Housing Trust Funds in combination with Housing Tax Credits, for the development of 20 rental units for special needs annually.
4	Goal Name	Administer Section 8 Rental Assistance
	Goal Description	SDHDA's goal is to continue to administer the HUD Section 8 rental assistance program, providing approximately \$20,000,000 annually to households across the state.
5	Goal Name	Provide ESG funds to emergency shelters
	Goal Description	Provide ESG funds to emergency and domestic violence shelters across the state. Unit of measurement is to assist 22 shelters annually. Given the fact that majority of the shelters funded with ESG funds are domestic violence shelters, it would be difficult to track other measurements based on individuals.

6	Goal Name	Provide homeownership opportunities
	Goal Description	The goal is to provide homeownership opportunities to 1,000 households annually through the assistance of the First-Time Homebuyer Program, HOME Program, Governor's House Program and the USDA Rural Development programs. HOME program funds will be utilized to develop single family homeownership activities. While the Housing Trust Fund has homeownership as an eligible activity, South Dakota will not be utilizing this funding source for this activity, at this time.
7	Goal Name	Homeowner Rehabilitation
	Goal Description	Provide funding opportunities to assist 150 homeowners annually with rehabilitation activities. Programs utilized would be the HOME Program, SDHDA's CHIP Program, and USDA Rural Development programs.
8	Goal Name	Provide homeowner counseling homebuyer education
	Goal Description	Provide homeownership counseling and homebuyer education through HERO and HUD counseling agencies for 2,000 homeowners annually.
9	Goal Name	Workforce Training
	Goal Description	Provide up to 15% of the CDBG allocation for workforce training opportunities. The goal is to train up to 1,000 low-to-moderate individuals annually.
10	Goal Name	Security Deposit Assistance
	Goal Description	To provide security deposit assistance to low income families at risk of becoming homeless. Up to \$125,000 of HOME funds annually will be available to assist approximately 315 households.
11	Goal Name	Homebuyer Assistance
	Goal Description	Annually \$150,000 of HOME funds will be set-aside to assist homebuyers with the purchase of a Governor's House. through a downpayment assistance program. It is anticipated that approximately 15 households will be assisted annually. The Housing Trust Fund program will not be utilized to assist with homeownership activities.

AP-25 Allocation Priorities – 91.320(d)

Introduction:

The chart below reflects percentages of funding that are likely to occur based on the different eligible activities and goals. It is important to remember that not all of the priorities actually have the funds set-aside for this activity. While it is listed as a priority there may not necessarily be funds or sufficient competitive points to ensure this percentages will be met.

Funding Allocation Priorities

	Develop new rental housing units (%)	Acquisition and Rehabilitation of rental units (%)	Development of special needs housing (%)	Administer Section 8 Rental Assistance (%)	Provide ESG funds to emergency shelters (%)	Provide homeowner ship opportunities (%)	Home owner Rehabilitation (%)	Provide homeowner counseling homebuyer education (%)	Workforce Training (%)	Security Deposit Assistance (%)	Homebuyer Assistance (%)	Total (%)
CDBG	0	0	0	0	0	0	0	0	15	0	0	15
HOME	45	25	10	0	0	3	10	0	0	3	4	100
ESG	0	0	0	0	100	0	0	0	0	0	0	100
Housing Trust Fund	15	5	10	0	0	0	0	0	0	0	0	30

Table 56 – Funding Allocation Priorities

Reason for Allocation Priorities

The allocation priorities are a combination of past experience and goals to be accomplished. The Housing Trust Fund program requires designation of housing units for extremely low-income households. This funding source will assist in development of housing units for special needs and homeless populations. Providing housing opportunities for extremely low-income households is a high priority due to the long Section 8 voucher waiting lists and the number of families experiencing homelessness and over-crowded housing conditions.

How will the proposed distribution of funds will address the priority needs and specific objectives described in the Consolidated Plan?

Funds are necessary to achieve any priority or goal, however, the developers and applicants are the ones submitting the applications for funding and dictating which projects they would like to do. Based on past experience of competition for funding, feasibility of projects, geographic locations, etc. we anticipate the funding is appropriate to achieve the goals established. Application scoring criteria is utilized to entice developers to assist in meeting priority needs and specific objectives.

AP-30 Methods of Distribution – 91.320(d)&(k)

Introduction:

HOME, Housing Trust Fund, ESG and CDBG funding is open to all eligible applicants through application processes. The HOME Program Allocation Plan, the Housing Trust Fund Allocation Plan, the ESG Plan and the Consolidated Plan outline the application process for the respective programs. For ease of applicants, a combined application form and application cycle has been created for utilization of HOME, HTF and HTC.

Distribution Methods

Table 57 - Distribution Methods by State Program

1	State Program Name:	South Dakota - CDBG
	Funding Sources:	CDBG

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>This statement describes the policies and procedures that will be used by the State to allocate the HUD CDBG Program funds in South Dakota for Federal Fiscal Year (FFY) 2013. Funds for this program are provided through the Title I of the Housing and Community Development Act of 1974 as amended. The State of South Dakota will receive approximately \$5,279,481 in 2013 to fund the CDBG program. A minimum of 70 percent of the State's allocation, as a whole, will be used to fund projects that primarily benefit low and moderate-income persons.</p> <p>Program Objectives. The South Dakota CDBG program will provide grants to units of general local governments in non-entitlement areas. Since the potential demand for funds could exceed the amount available, eligible applicants selected for funding will be those communities having the greatest need and whose applications most adequately address locally determined need of low and moderate-income persons, consistent with one or more of the following purposes:</p> <ol style="list-style-type: none"> 1. Promote more rational land use; 2. Provide increased economic opportunities for low and moderate-income persons; 3. Correct deficiencies in public facilities that affect the public health, safety or welfare, especially of low and moderate income-persons. <p>CDBG funds will be distributed from three separate programs that address distinct areas of need. Of the approximately \$5,279,481 CDBG funds received by the State, five hundred thousand dollars (\$500,000) will be available through the Special Projects Account, five hundred thousand dollars (\$500,000) will be available through the Imminent Threat Account, and the remainder of the annual allocation will be available for distribution through the Community Projects Account. A maximum of 15% of our annual allocation will be utilized for eligible</p>
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		<p>Job Training activities classified as Public Services. The State will withhold two percent of the annual allocation plus one hundred thousand dollars (\$100,000) for program administration. The State will set aside one percent of their allocation to provide technical assistance to local governments through the state's council of governments.</p> <p>One requirement of the CDBG program is that all funds be obligated to projects within 15 months of the State receiving the funds from HUD. It is our intention to stimulate applicants through a series of funding cycle deadlines which will be April 1, and October 1.</p>
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<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Eligible applicants are counties and incorporated municipalities, excluding the cities of Sioux Falls, Rapid City and Tribal Governments.</p> <p>Application Requirements. A project must meet one of three national objectives in addition to being an eligible activity as described in section 105(a) of the Act. The national objectives are to eliminate slums and blight, benefit people of predominately low and moderate income, or eliminate a threat to public health or safety that is unusual in nature and does not occur with regularity in the State. In addition to these requirements, the following criteria must be met:</p> <ol style="list-style-type: none"> 1. Eligible applicants must have a local Planning District prepare their CDBG application and administer an awarded grant through close out of the project. 2. There is no limit to the number of grants from the 2013 program funds that an eligible applicant may receive for themselves or on behalf of an ineligible applicant such as an area development corporation, rural water system, sanitary district or other legally organized entity. All eligible applications not funded may be resubmitted. 3. Previous CDBG Program grants awarded prior to Year 2009 must be closed out. This restriction applies to grantees that have not done an administrative closeout on their awards from Years 2005 to 2008 and have not done a final closeout on their awards from Years 2005 to 2008. A grantee that has an open grant that was awarded during Years 2005-2008 because of circumstances beyond their control may request a waiver to this requirement. The waiver should include the current status of the grant, the reason the grant is not yet closed, and the expected closeout date. The waiver should be submitted to GOED with the application and will be ruled upon by the CDBG Staff. 4. All applicants must have complied with the public hearing requirements of the act as amended. A public hearing must have been conducted to receive
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	<p>comments from interested parties on the proposed activities before an application for funds may be submitted.</p> <p>5. A Community Development Housing Needs Assessment public hearing must be held before submitting a CDBG application. This public hearing is conducted to receive comments from interested parties on the development and housing needs of the community.</p> <p>6. CDBG application shall include data on the racial, ethnic, and gender characteristics of project beneficiaries.</p> <p>E. Eligible projects and activities are defined in Section 105(a) of Title I of the Housing and Community Development Act of 1974 as amended.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Potential applicants can gather additional information by contacting the Governor's Office of Economic Development via phone - 605-773-3301 or by visiting their website - www.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>Not applicable</p>

<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	
<p>Describe how resources will be allocated among funding categories.</p>	<p>CDBG funds will be distributed from three separate programs that address distinct areas of need. Of the approximately \$5,279,481 CDBG funds received by the State, five hundred thousand dollars (\$500,000) will be available through the Special Projects Account, five hundred thousand dollars (\$500,000) will be available through the Imminent Threat Account, and the remainder of the annual allocation will be available for distribution through the Community Projects Account. A maximum of 15% of our annual allocation will be utilized for eligible Job Training activities classified as Public Services. The State will withhold two percent of the annual allocation plus one hundred thousand dollars (\$100,000) for program administration. The State will set aside one percent of their allocation to provide technical assistance to local governments through the state’s council of governments.</p>

	<p>Describe threshold factors and grant size limits.</p>	<p>Size of Grants.</p> <ol style="list-style-type: none"> 1. Ceilings. There is a maximum ceiling of \$500,000 per grant application. 2. Individual grant amounts. Individual grants will be awarded only in amounts commensurate with the requirements of the proposed project. 3. Available funding. Each funding cycle will award approximately half of the annual funds available through the account. The Commissioner of Governor’s Office of Economic Development (GOED) has the discretion to increase or decrease the amount on any given funding cycle. Additionally, any funds carried over from the previous year not obligated by April 1st will be added to the first cycle pool of funds to maintain timeliness. <p>There is no limit to the number of grants from the 2013 program funds that an eligible applicant may receive for themselves or on behalf of an ineligible applicant such as an area development corporation, rural water system, sanitary district or other legally organized entity. All eligible applications not funded may be resubmitted.</p> <p>Previous CDBG Program grants awarded prior to Year 2009 must be closed out.</p>
	<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>Outcomes will be based on the number of projects completed, allocation of training dollars, and number of individuals assisted with training dollars.</p>
<p>2</p>	<p>State Program Name:</p>	<p>South Dakota - ESG Program</p>
	<p>Funding Sources:</p>	<p>ESG</p>

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>The Emergency Solutions Grants Program (ESG), formerly known as the Emergency Shelter Grants Program is a federal block grant authorized by subtitle B of the McKinney Vento Homeless Assistance Act and administered by the U.S. Department of Housing and Urban Development (HUD). The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH) revised the Emergency Shelter Grants Program and renamed it the Emergency Solutions Grants Program.</p> <p>As a result of the HEARTH Act, the new ESG expands the eligible activities for emergency shelter and homelessness prevention activities to include short- and medium-term rental assistance and services to stabilize and rapidly re-house individuals and households who are homeless or at risk of becoming homeless. One of the main changes to the ESG program is an increased focus on homelessness prevention services and rapid re-housing activities as evidenced with the emphasis on homelessness prevention and the addition of a new rapid re-housing activity.</p> <p>Emergency Solutions Grants will be utilized to provide services to homeless and those at risk of becoming homeless in the following eligible activities. It is important for applicants to remember that ESG funds are to be used for direct assistance, only when there is no other assistance available for the individual or household. Applicants should refer to 24 CFR Part 576.100 – 576.109 for further clarification on the following eligible activities:</p> <ol style="list-style-type: none"> 1) Street Outreach; 2) Emergency Shelter; 3) Homelessness Prevention; 4) Rapid Re-housing Assistance; 5) Homeless Management Information System; and 6) Administrative.
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<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Applicants must be non-profits or units of local government. Governmental organizations such as public housing agencies and local housing finance agencies are not eligible applicants under the ESG Program. Applicants must be in compliance with ESG guidelines 24 CFR Part 576 and applicable state and federal policies and procedures, including compliance with federal and state non-discrimination laws.</p> <p>Applicants must have written standards for providing ESG assistance that will be consistently applied throughout the program.</p> <p>Applicants must have established standard accounting practices including internal controls and fiscal accounting procedures which may include cost allocation plans; and be able to track agency and program budgets by revenue sources and expenses. Applicants must also have available cash flow to effectively operate their programs since ESG funding is a reimbursement program.</p> <p>Applicants with outstanding monitoring or audit findings issued by the Internal Revenue Service, HUD, or SDHDA are not eligible ESG applicants and will not be eligible to receive an allocation of ESG funding. Applicants are encouraged to contact SDHDA to ensure no unresolved monitoring findings exist or to work to resolve any outstanding items.</p> <p>Eligible applicants must be able to demonstrate prior experience serving individuals and households at-risk of or experiencing homelessness. Also, applicants must have staff with demonstrated expertise in case management skills.</p> <p>Applicants will be required to utilize the Homeless Management Information System (HMIS). Domestic violence service providers must establish and operate a comparable database that collects client level data over time and generates unduplicated aggregate reports based on the data.</p>
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	<p>Applicants must be members of the South Dakota Housing for the Homeless Consortium. Homelessness can only be addressed and resolved with all agencies working together.</p> <p>Applications which show a concerted effort to coordinate services with other agencies and other funding sources to best serve the Individuals and households will be given priority.</p> <p>Applicants meeting the above eligibility requirements and documenting a concerted effort to coordinate services with other agencies and other funding sources to best serve the individuals and households will be given priority for funding.</p> <p>Due to the demand for the funds, ESG grants will be awarded based upon the following:</p> <ol style="list-style-type: none">1. Need for the funding to provide the corresponding services and assistance;2. Plan for distribution of the funds in an effective and efficient manner;3. Collaboration efforts with other agencies, and4. Applicants performance measurements resulting from the new ESG funding. <p>A committee of state employees, who work with or have knowledge of homeless programs, will review the applications along with SDHDA staff. The review committee consists of representatives from the Governor's Office, the Department of Health, the Department of Education, the Department of Labor, the Department of Human Services, the Department of Social Services, and the South Dakota Housing Development Authority. All of these agencies are members of the statewide continuum of care.</p>
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<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>The ESG Plan further defines the application process and eligibility. The ESG Plan can be found on SDHDA's website - www.sdhda.org or applicants can contact SDHDA at 605-773-3181 for additional information.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>Applicants must be non-profits or units of local government. Governmental organizations such as public housing agencies and local housing finance agencies are not eligible applicants under the ESG Program. Applicants must be in compliance with ESG guidelines 24 CFR Part 576 and applicable state and federal policies and procedures, including compliance with federal and state non-discrimination laws. The availability of ESG Funds is presented to the general public through a press release, notice on SDHDA's website and email to all interested parties. SDHDA directly administers the ESG funds with sub-recipients directly providing the services.</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	

<p>Describe how resources will be allocated among funding categories.</p>	<p>The Interim ESG Rule shifts the focus from emergency shelter to assisting people to quickly regain stability in permanent housing along with increasing communities' capacity to engage in strategic planning and program oversight. Increase in planning and oversight can be accomplished by additional funding allowed for administrative activities.</p> <p>Administrative Activities – The Interim Rule increases the expenditure limit for administrative activities from 5 percent to 7.5 percent. SDHDA will make available to sub-recipients up to 2 percent of the ESG funds utilized for homelessness prevention, rapid re-housing and HMIS activities.</p> <p>Street Outreach and Emergency Shelter Activities - The total amount of ESG funds that may be used for street outreach and emergency shelter activities (also referred to as homeless assistance) cannot exceed the greater of:</p> <ol style="list-style-type: none"> 1. 60% of the recipient's fiscal year grant; or 2. The amount of FY 2010 grant funds committed for homeless assistance activities. <p>In FY 2010, \$309,441 of the ESG funds were committed for homeless assistance. For FY 2012, the ESG allocation was \$629,445, of which no more than \$377,667 (60%) was allocated for street outreach and emergency shelter activities.</p>
<p>Describe threshold factors and grant size limits.</p>	<p>Applicants are not limited (minimum or maximum) in the dollar amount of ESG funds that may be requested per the ESG application. Applicants may receive less ESG funds than requested based on the Selection Criteria outlined in the ESG Plan. In addition, SDHDA must ensure federal program requirements are being met.</p>

	What are the outcome measures expected as a result of the method of distribution?	Outcome measurements will consist of the number of shelters receiving assistance, geographic distribution of services, and the number of individuals being served. Majority of the ESG funds in South Dakota are allocated to domestic violence shelters. Based on this funding, individual outcome information will not be available in HMIS.
3	State Program Name:	South Dakota - HOME Program
	Funding Sources:	HOME

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>SDHDA is the agency responsible for the administration of the HOME funds throughout the State of South Dakota, with the exception of Sioux Falls, which receives its own allocation of HOME funds, and the Indian reservations, which receive funds under the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA). Even though Sioux Falls receives their own allocation of HOME funds and Indian reservations receive NAHASDA funds, these areas are eligible to receive HOME funds from SDHDA. Funding limitations may be imposed in these areas if available HOME funds warrant such a change. SDHDA is expected to receive approximately \$3,000,000 in HOME Funds for 2013.</p> <p>HOME Funds and HOME program income will be utilized for the following activities:</p> <ol style="list-style-type: none"> 1. To further the single family affordable housing goal, funds will be used for new construction, rehabilitation, and site development of owner occupied properties and lease/purchase properties. HOME funds will also be available for homebuyer assistance under the Governor’s House Pilot Program and similar gap financing assistance. 2. To further the goal of preservation of affordable rental housing, funds will be used for rehabilitation, conversion and acquisition with rehabilitation of rental properties. Funds will be also used for new construction of rental housing where there is an identified need.
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<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Funds will be awarded annually (applications due last working day of February, awards within 75 days) to eligible applicants who rank the highest on the selection criteria set out within the HOME Program Allocation Plan. If funds remain upon completion of the application cycle, SDHDA may hold another application cycle.</p> <p>Selection Criteria consists of the following -</p> <ul style="list-style-type: none"> • Deep Income Targeting - serving lower income households • Extended Use Commitment - serving longer than standard affordability period • Construction Type - rehabilitation vs. new construction • Housing developed as part of a Concerted Community Revitalization Plan • Mixed Income use developments • Evidence of Financial support from local sources • Applicant Characteristics • Tenant Ownership – Lease Purchase • Service Enriched Housing • Units for Persons with Disabilities – HUD Section 811 • Accessibility of additional units • Leveraging of financial resources • Percentage of Soft Costs Used for Project Costs • Project Location • Developments serving individuals with children • Public Housing Notification of available units • Completeness of Plans and Specifications
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	<ul style="list-style-type: none"> • Evidence of site control • Evidence of financing commitments (construction and permanent) • Evidence of equity commitment for HTC developments • Availability of utilities • Proper Zoning • Platted properties • Project Characteristics <p>Additional information regarding these point categories and other selection criteria can be found in the HOME Program Allocation Plan.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Potential applicants can view the HOME Program Allocation Plan on the SDHDA website - www.sdhda.org or they may contact SDHDA at 605-773-3181.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>Not applicable</p>

Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	
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<p>Describe how resources will be allocated among funding categories.</p>	<p>HOME funds will be distributed geographically throughout South Dakota taking into consideration the priorities outlined in the Consolidated Plan and the following percentage set asides:</p> <p>CHDOs - 15%</p> <p>Homeowner Rehab Pool - \$500,000</p> <p>The Governor's House Pilot Program - \$200,000</p> <p>Security Deposit Assistance Program - \$125,000</p> <p>The Community Housing Development Organization (CHDO) set-aside is federally mandated. Once this set-aside has been committed, CHDO applications will be referred to the SDHDA Board of Commissioners for possible funding from the General Pool.</p> <p>The funds for the Homeowner Rehabilitation Pool have been set aside for Community Action Program (CAP) agencies and nonprofit agencies for the purpose of enhancing the rehabilitation of single family owner occupied properties eligible for funding under the Weatherization Program. Funds will be set aside for 12 months following the award letter from HUD. If at that time any funds remain, they will revert to the general pool. These agencies are eligible for an administrative fee based on program expenses. This fee is specific to administration and is not available to applicants who are developing or rehabilitating a project. There is a maximum grant amount of \$200,000 per sub recipient per year.</p> <p>The Governor's House Pilot Program offers financing to qualified households who are unable to obtain financing for a Governor's House through other means. The maximum gap loan available under this program is limited to \$14,900 or 30 percent of the total acquisition costs less all granted and donated items, whichever is less. If after 12 months following the award letter from HUD, any funds that are not reserved they will revert to the General Pool.</p>
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	<p>Funds for the Security Deposit Assistance Program are set aside for qualified Public Housing Authorities (PHAs) and qualified nonprofit entities for the purpose of providing security deposits to qualified families and individuals. Funds in the amount of \$125,000 are set aside for 12 months following the award letter from HUD. If after 12 months following the award letter from HUD these funds are not reserved, they will revert to the General Pool.</p>
<p>Describe threshold factors and grant size limits.</p>	<p>No more than 20 percent of the General Pool will be allocated to any one project; no more than a cumulative of 25 percent to any one developer/sponsor/owner and no more than 50 percent of the available General Pool will be allocated to any one community. If, after the initial application cycle, funds remain in the General Pool, an application from a developer/sponsor/owner or for any community which was awarded maximum funds under the initial application cycle may be eligible for additional HOME funds.</p> <p>The minimum amount of HOME funds invested in a project involving rental housing or homeownership is \$1,000 per each HOME assisted unit in the project.</p> <p>SDHDA will not process any application that SDHDA determines is not:</p> <ol style="list-style-type: none"> 1. Consistent with the purposes and goals of the HOME Allocation Plan; 2. Proposing an eligible activity; or 3. Financially feasible. <p>The amount of HOME funds that may be invested in an affordable housing project are regulated under 24 CFR Part 92.250. HOME funds may not exceed the per unit dollar limits established by HUD under the 221(d)(3) Subsidy Limits.</p> <p>For those projects which combine HOME and other governmental subsidies, SDHDA will perform a subsidy layering review in accordance with SDHDA HOME Subsidy Layering Policy, which incorporates HUD CPD Notice 98-01, dated January 22, 1998. A copy of this policy and notice is available from SDHDA upon request.</p>

	What are the outcome measures expected as a result of the method of distribution?	Outcome measures are the number of additional housing units geographically distributed for different income levels, types of housing units, and special needs housing.
4	State Program Name:	South Dakota - Housing Trust Fund
	Funding Sources:	Housing Trust Fund
	Describe the state program addressed by the Method of Distribution.	The Housing Trust Fund was enacted per the Housing and Economic Recovery Act of 2008 and received first allocation of funding in 2008. South Dakota Housing Development Authority will administer the HTF program. In 2016, \$3 million in allocation will be received with up to 10% being available for administration. The remaining 90% or \$2.7 million will be designated for permanent housing serving households at or below 30% AMI.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The Housing Trust Fund Allocation Plan outlines the priorities and competitive scoring that will be utilized to select HTF applicants for funding. Point categories include the following: demonstration of housing need, extending the affordability period beyond 30 years, the type of construction project proposed, projects that contribute to a concerted community revitalization plan, projects that incorporate mixed income use, projects that demonstrate leveraging of funds, demonstration of applicant/owner's capacity for development, ownership and management of the housing units, projects providing services for the tenants, projects designating units for the HUD 811 program, incorporating additional accessible housing units, projects located near services and projects that demonstrate their readiness to proceed with the proposed development. More clarification of these items can be found in the HTF allocation plan.

<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	
<p>Describe how resources will be allocated among funding categories.</p>	<p>Under the HTF program there are no separate funding categories. All applicants will apply for HTF and will compete with all other applications.</p>

<p>Describe threshold factors and grant size limits.</p>	<p>Threshold requirements are outlined within the HTF allocation plan. All applications must be complete, meet eligibility requirements and score a minimum of 400 points to be considered for funding. In addition the amount of HTF funding is outlined per Exhibit 6 - HTF Subsidy Limits. The limits were created based on reduction of potential income lost from renting a housing unit at 60% AMI, down to 30% AMI. The limits were then adjusted to take into account the differential of construction costs that are found in different regions of the state. The counties of the state are divided into zones.</p>
<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>Outcome measurements will be recorded based on the number of housing units designated to extremely low-income households, the differential of unit size, geographic distribution, and the number of units designated as special needs or serving targeted populations.</p>

Discussion:

GOED and SDHDA provide allocation plans and applications for applicants to utilize when applying for CDBG, HOME, HTF and ESG funding. The allocation plans outline the threshold factors, funding size limits, time frames, application processes, etc. The funding is competitive and not all applications will be awarded funding. In addition, past experience and success with these programs will be used to help evaluate future applications for funding. All program information can be found on SDHDA's website - www.sdhda.org and GOED's website www.sreadytowork.com.

AP-35 Projects – (Optional)

Introduction:

There are no 2013 projects to report at this time. Funding for CDBG, HOME and ESG projects will not be determined until after applications are received and evaluated, which typically does not occur until such time funding contracts are awarded by HUD.

#	Project Name

Table 58 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

AP-38 Project Summary

Project Summary Information

AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)

Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?

No

Available Grant Amounts

Not applicable

Acceptance process of applications

Not applicable

AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)

Will the state allow units of general local government to carry out community revitalization strategies?

No

State’s Process and Criteria for approving local government revitalization strategies

AP-50 Geographic Distribution – 91.320(f)

Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed

South Dakota administers the HOME, Housing Trust Fund, Housing Tax Credit and ESG programs statewide. The CDBG program is administered in the CDBG service area. There are no Geographic Priorities being established at this time. Funding under the programs is competitive in nature and many factors are taken into consideration when awarding funds, such as demonstrated need, capacity of developer, financial feasibility of the development and geographic distribution. Scoring criteria dictates successful applications but currently the scoring is more influential on the type of project being developed and not geographic location (with the exception of being located near services).

Limited NSP funding is available for areas meeting NSP program requirements.

Agencies must also be cognizant on the balance of financing and providing additional housing units in

areas of concentration of low income households.

Agencies must also

Geographic Distribution

Target Area	Percentage of Funds

Table 59 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

Not applicable - there are currently no geographic priorities for allocation of funds.

Discussion

South Dakota administers the HOME, Housing Trust Fund, Housing Tax Credit and ESG programs statewide. The CDBG program is administered in the CDBG service area.

Many areas of the state have high demands for additional affordable housing units; there are no Geographic Priorities being established at this time. Funding under the programs is competitive in nature and many factors are taken into consideration when awarding funds, such as demonstrated need, capacity of developer, financial feasibility of the development and ensuring geographic distribution of the housing units. Scoring criteria helps dictate successful applications but currently the scoring is more influential on the type of project being developed and not geographic location (with the exception of being located near services).

Affordable Housing

AP-55 Affordable Housing – 24 CFR 91.320(g)

Introduction:

The one year goals indicated below are based on past years' activity. All funding administered by SDHDA is provided through a competitive open application process and besides scoring criteria, it can be difficult to dictate the applications that are submitted by developers.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	0
Special-Needs	0
Total	0

Table 60 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	70
Acquisition of Existing Units	0
Total	70

Table 61 - One Year Goals for Affordable Housing by Support Type Discussion:

Production and financing of the units listed above will be provided by HOME, Housing Trust Fund, any remaining NSP, Housing Tax Credit, Governor's House Program, First-Time Homebuyer Program, Continuum of Care, and USDA Rural Development.

The one year goals listed above consist of 20 units of permanent or transitional housing for the homeless, 4 units of rental assistance for the homeless, 20 units for special needs housing, 150 units newly constructed and an additional 50 units rehabbed. In addition it is anticipated that 1,000 households will be assisted with homebuyer activities across the state with assistance from the First-Time Homebuyer Program, USDA Rural Development, the Governor's House Program, HOME or NSP funding. Typically homeownership activity is acquisition of existing homes but new construction is also an eligible activity and is typically around 10%. Reaching the goals for permanent or transitional housing for the homeless in addition to the units of special needs housing are more realistic with the funding the of Housing Trust Fund in 2016. HTF designation to serve households at or below 30% AMI and ability to provide grant funding will make this a positive program for the targeted populations.

SDHDA has also been awarded the HUD 811 funding increasing the number of units developed for special needs.

AP-60 Public Housing - 24 CFR 91.320(j)

Introduction:

This is a statewide consolidated plan and actions by the local housing authority are not specifically addressed in this plan.

Actions planned during the next year to address the needs to public housing

Public housing authorities are encouraged and eligible to apply for funding to assist with their public housing needs and several public housing authorities have actively utilized SDHDA programs, including HOME funds. There has been no specific request for assistance from the public housing authorities so no actions are planned to address the needs of public housing.

Actions to encourage public housing residents to become more involved in management and

participate in homeownership

This action will be left up to the local public housing authorities.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Based on available information, SDHDA is not aware of any PHA in South Dakota that is designated as troubled.

AP-65 Homeless and Other Special Needs Activities – 91.320(h)

Introduction

Coordinated effort with the SD Housing for the Homeless Consortium will continue to provide opportunities to develop additional housing for homeless or those at risk of becoming homeless. Funding of the Housing Trust Fund in 2016, provides another opportunity to specifically target extremely low-income and homeless populations. The \$3 million in HTF funding is estimated to develop 30 units designated for this income level. Due to uncertainty of future funding of HTF, SDHDA will not allocate HTF as rental assistance. Instead funding will be provided upfront at time of development to lower costs thus reducing debt service and allowing the development to collect less rent but still be financially feasible.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

With the Emergency Solutions Grant, applicants receive outreach funding to help locate, identify, and build relationships with homeless individuals and families to engage them for the purpose of providing immediate support, intervention, and connections with homeless assistance programs and/or mainstream social services and housing programs. This will be helpful in the smaller communities as those living unsheltered do not always know where to go for resources.

When we conduct our statewide homeless count and we encounter individuals or families that are planning on sleeping outside, the survey volunteers try and help them find shelter during the survey process. Some families welcome the help and others do not want any assistance, but assistance is provided to help them with their needs.

Also many communities are doing their “Project Homeless Connect” in conjunction with the statewide homeless count in order to identify those needing immediate assistance. The Veteran’s Administration

conducts “stand-downs” in many communities across the state to locate and assist homeless veterans in their area with services.

A close relationship has been formed with the Homeless Liaisons in the school districts to help families that need not only educational services for their children but to get families on needed assistance.

South Dakota continues to work on coordinated assessments to assist individuals in assessing their needs. Currently the community of Sioux Falls is partnering with agencies in their community to develop an assessment that works for their community. Discussions with Veteran Association and agencies providing services to veterans is centering around common assessments and creating a statewide "master" list of individuals. These efforts will move us forward as a state to develop appropriate assessments and be better prepared to assist homeless individuals as they are encountered.

Addressing the emergency shelter and transitional housing needs of homeless persons

The majority of our emergency shelters in the state are Domestic Violence Shelters. Emergency Shelters for homeless populations, not DV, are located in Sioux Falls, Rapid City, Aberdeen and Yankton. The Housing for the Homeless Consortium is making it a goal to provide more permanent supportive housing as the first step in helping homeless individuals and families obtain and sustain housing. Currently the success rate is at 68% for those individuals and families leaving transitional housing to permanent housing. Transitional housing has historically been a very successful program in South Dakota. There is a need for more intensive case management for those coming from emergency shelters or the streets to helping individuals and families learn how to maintain permanent housing long term. The South Dakota Housing for the Homeless Consortium (SDHHC) works closely with agencies across the state to make sure they are coordinating their services in order to help those wanting permanent housing the ability to keep permanent housing.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The SDHHC works with the VA and the Department of Military and Veteran’s affairs to help reduce the number of homeless veterans in South Dakota. HUD-VASH is administered in Sioux Falls and Rapid City. Also, Volunteers of America in Sioux Falls received funding through the VA for the Healthcare for Homeless Veterans grant (HCHV) as well as the Grants and Per Diem program. Cornerstone Rescue Mission in Rapid City houses up to 38 veterans at its facility. In 2011, The Veterans Outreach Center, as a collaboration between Cornerstone Rescue Mission and VA Black Hills was opened to provide additional services. Cornerstone also administers the Supportive Services for Veterans Families (SSVF)

Program provide services statewide.

SDHHC works closely with Volunteers of America, Dakotas who provide many services, including specialized services for homeless youth in South Dakota. They have been member of the SDHHC since 2000. VOA coordinates the SD Runaway Network (SDRN), implements National Safe Place activities, has a 24/7 Crisis line and operates an Independent Living Preparation Program for young adults 6-21, allowing the youth the opportunity to transition out of unsafe environments into independent living on a long-term basis. VOA also administers the VA Grants Per Diem Program partnering with the Sioux Falls VA office.

The Emergency Solutions Grant will be used to provide housing relocation and stabilization services and short- and/or medium term rental assistance as necessary to help homeless individuals or families move as quickly as possible into permanent housing and achieve stability in that housing. More domestic violence shelters are making the transition to serve any homeless in their community which is providing more opportunity to quickly house those who are homeless.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

The Department of Social Services, Division of Child Protection Services has defined procedures in place for the discharge of children from custody/placement. The planning that occurs prior to children being discharge from custody/placement depends on the age of the child, the discharge resource and the services that will be needed to support the child in his/her discharge placement. Children discharging from custody/placement prior to age 18 may be discharged to their birth parent, relative caregiver, a legal guardian or may be adopted. Youth who were in placement upon turning 18 years of age are ready for discharge are eligible for Independent Living Services through the Division of Child Protections Services. Youth are involved in planning their exit from the program and are provided financial resources and on-going case management to help ensure success upon discharge. Several service agencies such as Volunteers of America also provide services to this client base as they make the transition. The additional services provided help to ensure success during this critical time.

South Dakota Department of Health (DOH) provides some standards of care for the homeless when discharged. SDHHC works with DOH towards implementation of appropriate discharge planning protocols to track homeless individuals and families receiving services through the DOH.

The Division of Mental Health has a discharge criteria and required documentation for the CARE (Continuous Assistance, Rehabilitation and Education Program). Discharge may occur when: (1) The consumer moves outside of the geographical area; (2) the consumer demonstrates ability to function in South Dakota 2013-2017 Consolidated Plan – Amended

all major life areas; or (3) the consumer refuses to participate in the CARE program services. The Community Mental Health Centers then need to submit the following documentation to the Division for approval: (1) reason for discharge; (2) consumer status and condition at time of discharge; (3) written evaluation summary of progress made towards case service plan goals; (4) a plan for care and follow-up developed in conjunction with the consumer; and (5) signature of clinical supervisor, qualified mental health professional, or CARE team member.

The Department of Corrections has established procedures in place governing release planning for adults and juvenile offenders. Each adult offender within 5 years of possible release must develop a release plan with the assistance of Corrections case management staff. These release plans have established components of residence, employment and programming needs (chemical dependency, mental health, physical health, sex offender treatment and academic education). The State of South Dakota was a recipient of a Second Chance Act Prisoner Re-Entry Initiative grant. The grant funds were utilized to implement programs and strategies to reduce recidivism. SDHDA along with either other state agencies and many local government organization and associations were members of the reentry workgroup. The information gathered from this process will hopefully be utilized to enhance DOC's discharge planning and assist in long-term success of the individuals.

Emergency Solutions Grant requires coordination with other targeted homeless services to create a "buffet" of service for those who are homeless or at-risk of homelessness. Coordinating ESG funded activities with other programs targeted to homeless people in the area will help to provide a strategic, community-wide system to prevent and end homelessness.

Discussion

Understanding the barriers and working towards change takes time. In South Dakota the momentum continues to build in understanding homelessness and looking for ways to prevent it from happening. Every small change or program can have a huge impact and we need to continue to work on these changes.

AP-75 Barriers to affordable housing – 91.320(i)

Introduction:

As barriers to affordable housing arise, SDHDA will review them and determine which course of action is best suited. Being an agency at the state level, many times SDHDA is not aware of obstacles encountered locally. During public meetings the question is asked, what barriers exist, but many times no barriers are presented. The common barriers such as high housing cost versus low income and habitability standards can be met through program requirements, additional funding and advocacy.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning

ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

To assist in development of housing units designated for extremely low-income households, SDHDA incorporated competitive scoring. Most developments will incorporate this into their housing but the impact has still been relatively small - only 4% of the units developed annually, or an average of 11 units. The addition of the Housing Trust Fund will have a greater impact in designating housing units to 30% AMI households. It is anticipated the funding will assist in an additional 30 units annually.

Another barrier that has been addressed is the habitability of housing units. As communities are becoming more educated on their housing needs, many are realizing the importance of local code enforcement and have created appropriate regulations and policies as well as hiring staff necessary to begin inspecting rental housing units and enforcing habitability standards. Along with enforcement some communities have also created financing programs to assist the landlord in rehabilitating their housing unit to bring it back up to appropriate standards.

Enforcement of building codes and accessibility can be an issue in smaller rural communities where they do not have a building inspector. SDHDA inspects every housing development financed under our programs. During these inspections any issues noted must be addressed by the developer and contractor. SDHDA is evaluating ways to address this issue while at the same time trying to ensure the additional level of inspection and enforcement doesn't itself, become a barrier to developing additional housing.

Discussion:

SDHDA will continue to work with developers, service agencies, communities, contractors, and other partners to address barriers as they arise taking into consideration that the additional action steps should not themselves become barriers.

AP-85 Other Actions – 91.320(j)

Introduction:

Actions planned to address obstacles to meeting underserved needs

To address obstacles of those underserved, a coordinated effort must take place at the state and local level among many agencies such as housing, labor, education, human services, social services, economic development and tribal relations. SDHDA's involvement with statewide councils and coalitions provides us the opportunity to learn of and understand obstacles that arise. Many times action steps planned can only be to involve other parties who may be more relevant to address the issue at hand. Utilizing competitive scoring and providing additional funding opportunities such as the Housing Trust Fund are

actions steps that can help address needs.

Actions planned to foster and maintain affordable housing

HOME, Housing Trust Fund, Housing Tax Credits, bond financing and other funding sources will continue to be utilized to foster and maintain affordable housing by offering opportunities to finance new construction, acquisition and rehabilitation, and sometimes the refinancing. SDHDA continues to fund the Housing Needs Study Program which financing assists communities under population of 10,000 to pay for a housing needs study. This program has provided much greater awareness of what is affordable housing and its importance in economic sustainability of communities. This awareness has also brought additional needs to be addressed such as appraisal issues in rural communities, financing the feasibility of new construction with service industry wages, increasing or updating local infrastructure, among other needs. The public participation process provides great insight into the local and current needs and helps address the focus of the housing programs.

Actions planned to reduce lead-based paint hazards

All properties financed with HOME, Housing Trust Fund and ESG funds must meet the lead-based paint standards. The mitigation requirements for lead based paint can have a substantial impact on the affordability of housing. SDHDA has been working towards ensuring that the public is educated about these requirements and that awards using HOME funds are in compliance. To encourage compliance with this requirement, up to \$2,000 per unit of HOME funds awarded toward the encapsulation, abatement, or stabilization of Lead Based Paint and the corresponding inspection costs will be considered as grant funds and will not be required to be repaid. These costs must be pre-approved by SDHDA.

Actions planned to reduce the number of poverty-level families

Use of CDBG funds for workforce training will provide additional opportunities for families to enhance their financial situation.

Actions planned to develop institutional structure

As communities become aware of housing needs there is a desire for them to learn how to address their need. SDHDA has provided trainings to assist nonprofit organizations, communities, and individuals in different aspects of developing housing such as site selection, marketing, construction and operating budgets. More specific trainings and meetings will continue to address this need as well as providing opportunities during the annual housing conference.

SDHDA is also a sponsor of the Home Address which is an organization created to assist rural communities across the state to develop capacity to address various activities such as economic

development, housing, and future leadership.

Actions planned to enhance coordination between public and private housing and social service agencies

Enhancing partnerships through meetings, workshops, etc. will enhance coordination between these agencies. The benefits of a small rural state is that agencies are many time aware of and work in conjunction with other agencies. There is little or no hesitation to meet with others to address and hopefully resolve issues. SDHDA has many roles that allows involvement with other organizations and the ability to coordinate.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

Introduction:

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	500,000
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2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan. 70.00%

**HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.320(k)(2)**

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

In 2013, SDHDA anticipates to receive \$3,000,000 in HOME funds to be used with HOME program income for the following activities:

1. New construction, rehabilitation, and site development of owner occupied properties and lease/purchase properties; homebuyer assistance under the Governor’s House Pilot Program and similar gap financing assistance.
2. Rehabilitation, conversion and acquisition with rehabilitation and new construction of rental properties.

HOME funds will be distributed geographically taking into consideration the priorities outlined in the Consolidated Plan and the following percentage set asides:

CHDOs - 15%

Homeowner Rehab Pool - \$500,000

The Governor's House Pilot Program - \$200,000

Security Deposit Assistance Program - \$125,000

Homeowner Rehabilitation funds have been set aside for the rehabilitation of single family owner occupied properties eligible for funding under the Weatherization Program, with a maximum grant amount of \$200,000 per sub recipient per year.

The Governor’s House Pilot Program offers gap financing, up to \$14,900, to qualified households who are unable to obtain financing for a Governor's House through other means.

Security Deposit Assistance Program funds are set aside for the purpose of providing security

deposits to qualified families and individuals.

HOME funds will be leveraged with other funding sources such as housing tax credit equity, conventional financing, Federal Home Loan Bank, donations and owner equity. The amount of HOME funds that may be invested in an affordable housing project are regulated under 24 CFR Part 92.250.

For those projects which combine HOME and other governmental subsidies, SDHDA certifies that prior to the commitment of funds to a project; SDHDA will evaluate the project in accordance with SDHDA's HOME Subsidy Layering Policy, which incorporates HUD CPD Notice 98-01, dated January 22, 1998. SDHDA certifies that it will not invest any more HOME funds in combination with other governmental assistance than is necessary to provide affordable housing.

The HOME projects will be awarded based on a competitive application process. The applications are due the last working day of February.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

Resale/Recapture Provisions. Homebuyers assisted under HOME will be required to adhere to the following recapture and resale guidelines as specified by 24 CFR 92.254. All recapture and resale restrictions will be imposed by the recorded mortgage and deed restrictions running with the land.

Recapture: If the house is sold prior to the end of the affordability period defined within the HOME Plan, SDHDA will recapture the entire amount of the HOME investment, up to the net proceeds of the sale, if the homebuyer acquired the home through the direct assistance of HOME funds.

Resale: For projects that are provided HOME funds as a development subsidy, the following resale requirements apply:

- a. The housing must remain affordable to low-income homebuyers at or below 80% of area median income for the period of affordability starting at the date of initial purchase. The period of affordability is defined in the Project Period of Affordability section within the HOME Plan. The purchaser's family income must be at or below 80% of area median income as defined by the IRS Form 1040 Adjusted Gross Income definition for annual (gross) income and the purchaser must occupy this property as the purchaser's principal residence.

- b. The percentage of the purchaser's family income that can be used to pay the principal, interest, taxes, and insurance (PITI) is equivalent to the underwriting standards established by the purchaser's lender. However, if a non-traditional lender is underwriting the financing; the principal, interest, taxes, and insurance must be 30 percent or less of the purchaser's family income.

- c. The seller receives a "fair return on investment", which is defined as no more than their

initial investment and up to 5 percent appreciation for each year they owned the home.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

Resale/Recapture Provisions. Homebuyers assisted under HOME will be required to adhere to the following recapture and resale guidelines as specified by 24 CFR 92.254. All recapture and resale restrictions will be imposed by the recorded mortgage and deed restrictions running with the land.

Recapture: If the house is sold prior to the end of the affordability period defined within the HOME Plan, SDHDA will recapture the entire amount of the HOME investment, up to the net proceeds of the sale, if the homebuyer acquired the home through the direct assistance of HOME funds.

Resale: For projects that are provided HOME funds as a development subsidy, the following resale requirements apply:

- a. The housing must remain affordable to low-income homebuyers (80% AMI or below) for the period of affordability starting at the date of initial purchase. The period of affordability is defined in the Project Period of Affordability section within the HOME Plan. The purchaser's family income must be at or below 80% of area median income as defined by the IRS Form 1040 Adjusted Gross Income definition for annual (gross) income and the purchaser must occupy this property as the purchaser's principal residence.
 - b. The percentage of the purchaser's family income that can be used to pay the principal, interest, taxes, and insurance (PITI) is equivalent to the underwriting standards established by the purchaser's lender. However, if a non-traditional lender is underwriting the financing; the principal, interest, taxes, and insurance must be 30 percent or less of the purchaser's family income.
 - c. The seller receives a "fair return on investment", which is defined as no more than their initial investment and up to 5 percent appreciation for each year they owned the home.
4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

Acquisition and Refinancing of Rental Properties. SDHDA will allow the acquisition or refinancing of existing debt secured by multifamily housing that is being rehabilitated by HOME funds under the following conditions: 1. Management practices must be reviewed and it must be demonstrated that disinvestment has not occurred; that the long term needs of the project can be met; and that the feasibility of serving the targeted population over an extended affordability period (no less than 15 years) can be maintained. If it is determined that disinvestment has occurred, SDHDA will finance

the property only if the property is purchased through an arm's length transaction and the current owners and management agent are completely removed from the proposal. 2. New investment must be made to maintain current affordable units or create additional affordable units. The cost in terms of assistance to refinance or acquire and rehabilitate an existing property shall not exceed the amount of assistance to construct a new property of like quality. 3. HOME funds will be used as gap financing and total financing will be limited to 90 percent of the market value of the property (excluding all subsidies) or the total cost of the project as determined by an appraisal of the property. 4. In all cases, an analysis will be made to determine the risk of prepayment or opt out of the existing federal rental subsidy (i.e., a HUD Section 8 contract) and, therefore, the risk of losing the affordable housing supply. Those properties that are financially feasible, are located in a market with substantiated need, and indicate the greatest risk for converting to market rate housing will be given priority for funding. 5. At financing, and after completion of rehabilitation, if applicable, all major systems (roof, windows, heating, etc.) of property must be in like new or new condition. If these systems are not in need of repair at the time of application, sufficient reserves must be established to allow for replacement of such components if the normal life span would require such replacement prior to the end of the affordability period. Consideration will be given to functional obsolescence of the property. If it is not cost effective to overcome structural problems, the property may not be eligible for financing. 6. The term of the HOME loan will not exceed the expected remaining useful life of the property. Affirmative Marketing SDHDA informs the public, homebuyers, homeowners, landlords and potential tenants about the Federal Fair Housing laws and the affirmative marketing goals by: Making SDHDA programs available for public review; Notifying proposed HOME project owners of Equal Opportunity requirements; Including the Equal Housing Opportunity logo or slogan on all advertising and literature used for the HOME Program; Maintaining for public review, copies of media releases, advertisements, and paid ads where the HOME Program was presented; Placing Public Notices and Ads in local newspapers; and Attending and providing information at meetings on a statewide basis with developers, realtors, lenders, and other housing and community officials. Each participating entity must affirmatively further fair housing according to 24 CFR Part 92.351. SDHDA assesses the affirmative marketing efforts of the owners by comparing pre-determined occupancy goals to actual occupancy. Outreach efforts are also examined. SDHDA will assess the affirmative marketing efforts of the owners during the rent-up and marketing of the units, by use of a compliance certificate or personal monitoring visit to the site. Owners must also provide to SDHDA an annual assessment of their affirmative marketing plan.

Emergency Solutions Grant (ESG) Reference 91.320(k)(3)

1. Include written standards for providing ESG assistance (may include as attachment)

For 2013, the Emergency Solutions Grants (ESG) Program will be carried out in a similar manner to previous years, taking into account the goal for geographic distribution. SDHDA will continue to advertise and make available the ESG funds to units of local government and to private, nonprofit

organizations where local government certification of approval of the proposed project will be obtained.

Each recipient will be required to match its ESG award with an equal amount of funds received from sources other than this program. SDHDA will waive up to \$100,000 of the State's overall matching requirement for grantees that are least capable of providing a match. These grantees must be:

- A. Located in areas of racial/ethnic concentration; i.e. counties with 500 or more minority persons and with 20 percent or more of its population comprised of minority individuals. Counties meeting this definition are Charles Mix, Coarsen, Dewey, Roberts, Shannon, and Todd; or
- B. Located in areas of low-income concentration; i.e. counties having more than 40 percent of its population in poverty. Counties meeting this definition are Buffalo, Corson, Dewey, Mellette, Shannon, Todd, and Ziebach; or
- C. Newly-formed, nonprofit organizations that have received their 501(c) (3) tax exempt ruling from the IRS within the last 3 years.

Grants will be awarded based on need, the State recipient's demonstrated ability to comply with Federal requirements, the completeness of the application and the amount of funds available for distribution. A committee of State employees will review the applications and make awards based on the expansion of homeless assistance provided, whether it is the number of additional homeless persons served or the amount of additional services provided. Consideration will also be given to the applicant's efforts at helping the homeless make the transition to permanent accommodations. Awards will be made within 65 days of the ESG award letter from HUD.

ESG amounts are to be used for services to homeless and near homeless individuals and families in these major categories:

- 1) Renovation, major rehabilitation or conversion of building for use as emergency shelter facilities;
- 2) Payment of certain expenses related to operating emergency shelter facilities;
- 3) Provision of essential services related to emergency shelters and street outreach for the

homeless;

- 4) Provision of Rapid Re-Housing assistance;
 - 5) Development and implementation of homelessness prevention activities; and
 - 6) Participating in the Homeless Management Information System
2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

The Continuum of Care has not established a centralized or coordinated assessment system at this time. This is on the workplan for 2013.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

ESG applicants must be non-profits or units of local government and in compliance with ESG guidelines and applicable state and federal policies and procedures, including compliance with federal and state non-discrimination laws.

Applicants must have established standard accounting practices including internal controls, fiscal accounting procedures and cost allocation plans, and be able to track agency and program budgets by revenue sources and expenses.

Grants will be awarded based on need, the State recipient's demonstrated ability to comply with Federal requirements, the completeness of the application and the amount of funds available for distribution. A committee of State employees will review the applications and make awards based on the expansion of homeless assistance provided, whether it is the number of additional homeless persons served or the amount of additional services provided. Consideration will also be given to the applicant's efforts at helping the homeless make the transition to permanent accommodations. Awards will be made within 65 days of the ESG award letter from HUD.

Applicants with outstanding audit findings, IRS findings, SDHDA monitoring findings or other compliance issues are not eligible ESG sub-grantees and any sub-grantees will not be eligible to receive allocations if any of these conditions occur within the grant period. Please note SDHDA will work with all interested parties, where appropriate, toward the resolution of the unresolved matters.

Eligible applicants must be able to demonstrate prior experience serving individuals and families at-risk of or currently experiencing homelessness. Also, the applicant must show their expertise in their staff having case management skills and to what extent are those skills.

Sub-grantees are required to utilize the Homeless Management Information System (HMIS). Domestic Violence Providers are required to use a separate system in which to report aggregate data for the clients they serve with ESG funding.

There are Key Applicant Eligibility factors in which to be eligible to apply for ESG funds:

1. Either non-profit or unit of local government;
2. No outstanding findings or other issues;
3. Experienced homeless services/prevention providers;
4. Must be able to meet recordkeeping and reporting requirements including HMIS utilization;
5. Must be able to meet HMIS requirements (exception of domestic violence programs); and
6. Must be a member of the Housing for the Homeless Consortium.

Applications which show a concerted effort to coordinate services with other agencies and other funding sources to best serve the Program Participants will be given priority.

Due to the demand for the funds, grants will be awarded based upon the following:

1. Need for the funding;
2. Plan for distribution of the funds in an effective and efficient manner; and
3. Collaboration efforts with other agencies

A committee of state employees, who work with or have some knowledge of homeless programs, will review the applications along with SDHDA staff. The review committee consists of representatives from the Governor's Office, the Department of Health, the Department of Education, the Department of Labor, the Department of Human Services, the Department of Social Services, and the South Dakota Housing Development Authority.

When making final selections, the review committee may make a grant award for less than the amount applied for or for fewer than all of the activities identified in the application, based on the demand for grant amounts, the extent to which the respective activities address the needs of the Program Participants, and the reasonableness of the costs proposed.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

All recipients of ESG funds have provided documentation that this requirement has been met.

5. Describe performance standards for evaluating ESG.

recipients, to ensure that the program requirements established by the HUD Notice and any subsequent guidance are met.

SDHDA staff will have responsibility for continuous monitoring of all ESG sub-recipient activities. This will be accomplished with site visits to sub-recipients and monthly review of all reimbursement requests that will be required of sub-recipients. SDHDA will conduct site visits on a bi-annual basis through each grant term. SDHDA will also provide support and technical assistance, as needed.

Additional monitoring of sub-recipients may be conducted by the local HUD office of Community Planning and Development; HUD's Office of Special Needs Assistance Program, or any other applicable federal agency. These agencies will be monitoring the ESG program nationwide to determine compliance with federal program requirements