

# 2010 SOUTH DAKOTA ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE



**FINAL REPORT**

**APRIL 1, 2011**



# 2010 SOUTH DAKOTA ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

Prepared for  
South Dakota Housing Development Authority  
and  
Governor's Office of Economic Development

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**Final Report**  
**April 1, 2011**



# **HAS YOUR RIGHT TO FAIR HOUSING BEEN VIOLATED?**

If you feel you have experienced discrimination in the housing industry, please contact:

U.S. Department of Housing and Urban Development  
Sioux Falls Field Office  
4301 West 57th Street, Suite 101  
Sioux Falls, SD 57108  
(605) 330-4223

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## EXECUTIVE SUMMARY

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### BACKGROUND

In exchange for federal funds, the State of South Dakota is required to submit certification of affirmatively furthering fair housing to the U.S. Department of Housing and Urban Development (HUD). This certification has three elements and requires that the State:

1. Complete an Analysis of Impediments to Fair Housing Choice (AI);
2. Take actions to overcome the effects of any impediments identified; and
3. Maintain records reflecting the actions taken in response to the analysis.

HUD describes impediments to fair housing choice in terms of their applicability to local, state and federal law. The federal Fair Housing Act defines impediments as:

*Any actions, omissions or decisions taken because of race, color, religion, sex, national origin, familial status, and mental or physical disability which restrict housing choices or the availability of housing choice.*

The AI process involves a thorough examination of a variety of sources related to housing, affirmatively furthering fair housing, the fair housing delivery system and housing transactions, particularly for persons who are protected under fair housing law. AI sources include census data, employment and income information, home mortgage application data, federal and state fair housing complaint information, surveys of housing industry experts and stakeholders, and related information found in the public domain.

An AI also includes an involved public input and review process via direct contact with stakeholders, public forums to collect input from citizens and interested parties, distribution of draft reports for citizen review, and formal presentations of findings and possible actions to overcome the identified impediments.

### OVERVIEW OF FINDINGS

#### Socio-Economic Context

The population in South Dakota increased from 754,844 to 812,383 or by 7.6 percent between 2000 and 2009. During this time period, the largest increase in an age cohort group was seen in those aged 55 to 64; this group increased by 33,262 or 53.3 percent. In terms of race and ethnicity, since 2000 white and Native American populations grew relatively slowly, by 5.9 and 10.4 percent, respectively. On the other hand, black, Asian and Hispanic populations grew extremely fast, with growth rates exceeding 60.0 percent. Some racial and ethnic populations were concentrated in certain parts of the state; the American Indian population was concentrated, but exclusively in tribal trust lands. At the time of the 2000 census, the state had a disability rate of 16.7 percent, which was slightly

lower than the 19.0 percent national rate. The disabled population was concentrated in select areas of the state, particularly in American Indian reservation lands.

The labor force in South Dakota, defined as people either working or looking for work, rose from around 410,000 to 446,351 between 2000 and 2009; this growth represented an increase of roughly 8.9 percent. As a result of the increasing labor force and decreasing employment rate in 2009, the unemployment rate increased to 4.8 percent. Average earnings per job in South Dakota have been lagging over recent years, with the absolute difference between state and national estimates reaching \$10,586 in 2009. In South Dakota, the poverty rate in 2000 was 13.2 percent with 95,900 persons considered to be living in poverty, and persons in poverty were concentrated in the native trust lands of the state.

The number of housing units in the state increased by 13.1 percent and rose from 323,208 units to 365,532 units between 2000 and 2009. Of the 323,208 housing units reported in the 2000 census, about 69.6 percent were single-family units. A total of 290,245 units were occupied housing units, and, of these, 68.2 percent were owner-occupied and 31.8 percent were renter-occupied. The portion of owner-occupied units was slightly under the national average of 69.0 percent at that time. At the time that the 2000 census was taken, 5,630 or 1.9 percent of households were overcrowded and another 3,195 or 1.1 percent of households were severely overcrowded. In South Dakota, 1.5 and 2.0 percent of all households were lacking complete plumbing or kitchen facilities, respectively, at that time. Additionally, 12.7 percent of households had a cost burden and 7.8 percent of households had a severe cost burden in 2000.

## **Lending Practices**

Home Mortgage Disclosure Act (HMDA) data were used to analyze differences in denial rates in the state by race, ethnicity, gender, income and location. Evaluated home purchase loan applications from 2004 through 2009 showed that there were 63,910 loan originations and 9,140 loan denials, for an average six-year loan denial rate of 12.5 percent. These HMDA data also showed that American Indian, black and Hispanic applicants experienced significantly higher rates of loan denials than white applicants, even after correcting for income. Further, these protected racial and ethnic households appear to have been disproportionately impacted in some geographic areas of the state where significantly higher denial rates exceeded 80.0 percent. Analysis of the high annual percentage rate loans (HALs) showed that these same protected minority populations also were disproportionately impacted by unusually higher shares of these lower-quality loans.

## **Evaluation of the Fair Housing Profile**

A review of national fair housing studies revealed that despite efforts to curb fair housing discrimination in the U.S., problems still exist in terms of discrimination against racial and ethnic minorities and discrimination against persons with disabilities. Statewide fair

housing studies and cases demonstrated issues of discriminatory advertising based on race and familial status as well as disability discrimination in failure to meet accessibility standards.

Fair housing complaint data was collected from HUD and the South Dakota Division of Human Rights. Data from these sources showed that 134 complaints were filed in South Dakota from January 2004 through August 2010. The protected class populations appearing to be disproportionately impacted by discrimination in rental markets were households with disability and familial status basis. The most prevalent issues were discriminatory terms, conditions, and privileges in the rental market as well as discriminatory refusal to rent and discriminatory advertising, statements and notices.

A review of Craigslist postings in the state for September 2010 also revealed instances of poor language choices in advertisements in the rental market with preferential statements made based on age and familial status.

A fair housing survey regarding the state of fair housing throughout South Dakota showed that some respondents have concerns about fair housing and that they are aware of barriers to affirmatively furthering fair housing, including discrimination in the rental markets and confusion of the availability of affordable housing as a fair housing issue. Some respondents also found fair housing laws difficult to understand and noted that additional outreach and education efforts regarding fair housing are needed in their communities.

## **Research Conclusions**

Based on the research conducted for this AI study, the protected classes that were determined to be disproportionately impacted by discrimination in the housing market were racial and ethnic minorities, persons with disabilities and households with familial status. This conclusion was supported by HMDA data for the home purchase market, which noted higher frequencies of denial for Native Americans, black and Hispanic applicants, and also by fair housing complaint data from HUD for the rental market, which identified the most common bases for complaint as physical disability, familial status, mental disability, and Native American and black races.

## **IDENTIFIED IMPEDIMENTS TO FAIR HOUSING CHOICE AND SUGGESTED ACTIONS**

The 2010 AI for the State of South Dakota uncovered several impediments to fair housing choice. The key issues are presented below and are accompanied by appropriate actions the State will consider implementing in order to alleviate these impediments. These actions were designed to offer greater housing choice to the protected classes frequently experiencing discrimination in the housing market, as noted above.

*Impediment: Ineffective or absent fair housing institutions*

While the State of South Dakota has been served in the past by Fair Housing of the Dakotas (FHD) and the Division of Human Rights (DHR), with the dissolution of FHD and a lack of activity at the DHR, citizens have been left without appropriate fair housing services.

*Actions: Enhance and improve the current fair housing organizational structure*

*Long Term:* In order to improve fair housing services in the state, the State will work to facilitate the creation of fair housing institutions. Currently in South Dakota, state law gives DHR the ability to enforce state or local fair housing laws. It would be the best fit for DHR to become a substantially equivalent agency as designated by HUD. This would allow for DHR to conduct enforcement activities on behalf of HUD and to be compensated for doing so under the Fair Housing Assistance Program (FHAP), a HUD-funded, non-competitive fair housing program. However, currently DHR does not have the budgetary ability to pursue this task. SDHDA will continue to pursue this option with DHR for future possibility.

To keep fair housing initiatives present in South Dakota, the State will work with private agencies that are interested in providing fair housing outreach and education. It is the intent that an agency will eventually become a Fair Housing Initiative Program (FHIP) recipient. This HUD-funded FHIP organization could either be expanded from a recognized nearby state FHIP or established as part of an existing non-profit in the state in the creation of a new fair housing entity.

*Short Term:* Within twelve months, the State will work with organizations that have an interest in providing fair housing outreach and education. The State will provide information, assistance and up to \$5,000 in funding to an organization(s) to provide at least three independent fair housing training opportunities in various communities in South Dakota. SDHDA will also contract with an organization(s) to provide at least one fair housing training at an SDHDA sponsored event during 2011.

*Impediment: Ineffective delivery of fair housing services.*

A lack of sufficient outreach and education regarding fair housing in the state has left citizens and persons involved in the housing industry with a lack of knowledge of fair housing laws, including who is protected, and a lack of understanding of the fair housing process, including where or how to file a complaint.

*Action: Increase effectiveness of delivery of fair housing services*

*Long Term:* Until the provision of fair housing services can be improved through the creation of FHAP or FHIP organizations, the State should focus on resources available to

the existing fair housing agency: DHR. The State should work with DHR to provide additional information on the DHR and SDHDA websites to improve marketing efforts. Communication between these two organizations should continue annually to provide the best information and opportunities for the citizens of South Dakota. In addition, SDHDA will distribute pamphlets and other available material at meetings, trainings and other public events.

*Short Term:* SDHDA will hold a meeting with DHR to discuss the opportunity to enhance their website by providing additional information to the general public. The State will recommend that their website include information such as how to file a discrimination complaint along with web links to pertinent information such as the HUD Equal Opportunity website. Changes to the website are expected to occur in 2011.

SDHDA will also evaluate fair housing material that is currently available for distribution. Material will be ordered for distribution at public meetings, conferences, trainings and workshops that SDHDA attends and markets housing material.

*Impediment: Discrimination in the housing market*

HUD complaint data, survey data and information from recent fair housing cases in the state show that fair housing discrimination in South Dakota persists in the housing market. The most prominent examples found were discrimination in terms, conditions, or privileges relating to rental, discriminatory refusal to rent, discriminatory advertisements, statements and notices and failure to make reasonable accommodation, particularly as these issues pertain to the protected classes of disabled and familial status.

*Action: Reduce discrimination in the housing markets*

*Long Term:* A number of actions should be continued with renewed energy in order to reduce identified discrimination problems in the rental market. To address non-compliance issues in regard to disability accommodations, effort should be made to better communicate to funded projects the importance of reasonable accommodation and also to multifamily properties the importance of compliance with design and construction standards. As for discriminatory advertising, endeavors should be made to remind printed media of the disallowed practices in advertising for housing.

*Short Term:* SDHDA will continue to review new multifamily construction and rehabilitation projects to ensure compliance with design and construction standards. During the architectural plan review in 2011, SDHDA will note the common concerns that are present and provide follow-up information to the architects and contractors.

SDHDA will also create or find appropriate pamphlet material regarding reasonable accommodation for distribution. The information will be provided to multifamily

developers, owners and managers to remind them of the importance of allowing reasonable accommodations.

*Impediment: Difficulties in the home purchase market*

Fair housing problems were also identified in the home mortgage market through Home Mortgage Disclosure Act (HMDA) data including disproportionately high denial rates for selected minority racial and ethnic applicants, higher denial rates in low-income areas, and a disproportionate share of high interest rate loans extended to racial and ethnic minorities.

*Action: Reduce denial rates and other problems in the home mortgage market*

*Long Term:* Reducing problems in the home mortgage market should be addressed through education efforts. For example, enhanced homebuyer education courses should be offered in order to better teach the importance of establishing and keeping good credit as well as the attributes of high interest rate loans and the problems associated with accepting less advantageous loan products. Additionally, the State's Bankers Association should be solicited for assistance in the coordination of these outreach and education efforts.

*Short Term:* During 2011, SDHDA will update their website to include fair housing law and information as it pertains to individuals looking for homeownership financing. In addition, SDHDA will contact management companies of Housing Tax Credit developments to discuss providing tenants with information regarding homeownership, keeping good credit, and the attributes of high interest rate loans. SDHDA will provide information to management companies that they can provide to tenants or publically display in their multifamily housing development to share pertinent information or educational courses being offered.

SDHDA will review the HERO curriculum and first-time homebuyer lender training to ensure fair lending practices within the course material.

SDHDA will also work with the State's Bankers' Association to provide fair housing education materials at either their quarterly or annual meetings or at a minimum provide material for their publications. The material will cover consumer rights, unfair lending practices and other relevant information.

## **SECTION I. INTRODUCTION**

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### **BACKGROUND**

Title VIII of the 1968 Civil Rights Act, also known as the federal Fair Housing Act, made it illegal to discriminate in the buying, selling or renting of housing because of a person's race, color, religion or national origin. Sex was added as a protected class in the 1970s. In 1988, the Fair Housing Amendments Act added familial status and disability to the list, making a total of seven federally protected classes. Federal fair housing statutes are largely covered by the following three pieces of U.S. legislation:

- The Fair Housing Act,
- The Housing Amendments Act, and
- The Americans with Disabilities Act.

State or local government may enact fair housing laws that extend protection to other groups as well. For example, the South Dakota Human Relations Act of 1972 includes the following protected classes: race, color, creed, religion, sex, disability, ancestry, or national origin.

### **WHY ASSESS FAIR HOUSING?**

Provisions to affirmatively further fair housing are long-standing components of the U.S. Department of Housing and Urban Development's (HUD) housing and community development programs. These provisions flow from Section 808(e) (5) of the Federal Fair Housing Act, which requires that the Secretary of HUD administer HUD's housing and urban development programs in a manner that affirmatively furthers fair housing.

In 1994, HUD published a rule consolidating plans for housing and community development programs into a single preparation: the Consolidated Plan for Housing and Community Development. This document incorporates the plans for original consolidated programs, including Community Development Block Grants (CDBG), HOME Investment Partnerships (HOME), Emergency Shelter Grants<sup>1</sup> (ESG), and Housing Opportunities for Persons with AIDS (HOPWA), as well as additional program components that have been enacted.

As a part of the consolidated planning process, states and entitlement communities receiving such funds as a formula allocation directly from HUD are required to submit to HUD certification that they are affirmatively furthering fair housing. This certification has three parts and requires:

- Completing an Analysis of Impediments to Fair Housing Choice (AI);
- Taking actions to overcome the effects of any impediments identified through the analysis; and
- Maintaining records reflecting the analysis and actions taken.

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<sup>1</sup> The Emergency Shelter Grant was recently renamed the Emergency Solutions Grant.

HUD interprets these three certifying elements to entail:

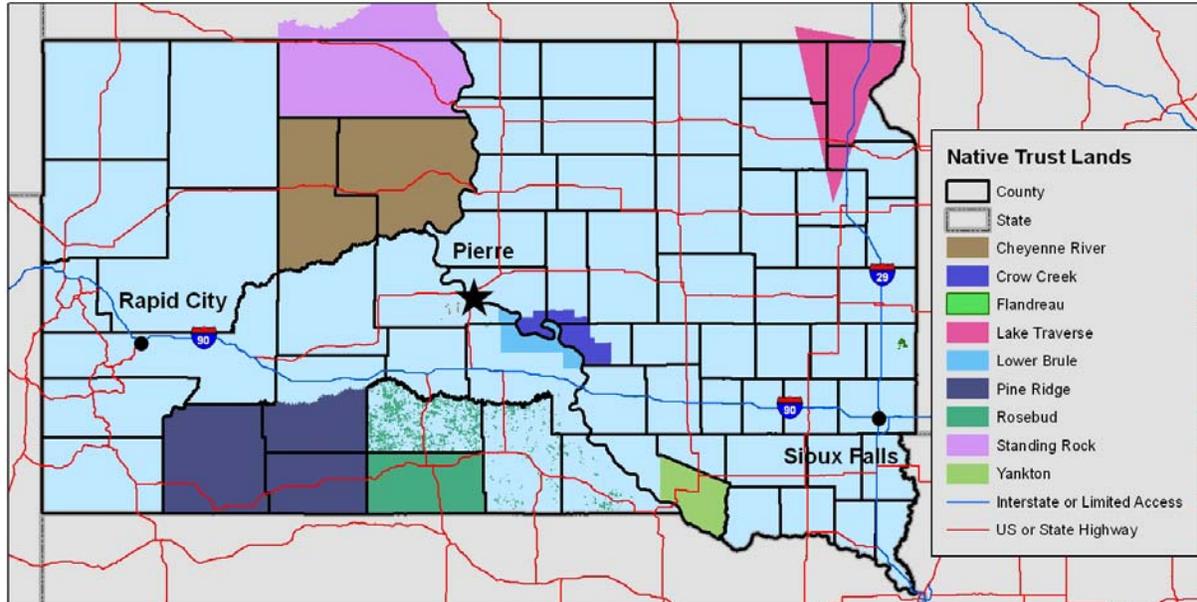
- Analyzing and working to eliminate housing discrimination in the jurisdiction;
- Promoting fair housing choice for all people;
- Providing opportunities for racially and ethnically inclusive patterns of housing occupancy;
- Promoting housing that is physically accessible to, and usable by, all people, particularly individuals with disabilities; and
- Fostering compliance with the nondiscrimination provisions of the Fair Housing Act.<sup>2</sup>

## PURPOSE OF THIS RESEARCH

Thus, the purpose of the *2010 South Dakota Analysis of Impediments to Fair Housing Choice* is to research, analyze and identify prospective impediments to fair housing choice in the State of South Dakota and to suggest actions that the State can consider in working toward eliminating, overcoming or mitigating the identified impediments.

A map of the State of South Dakota, including major cities and designated American Indian trust lands, is presented below.

**Map I.1**  
**State of South Dakota**



<sup>2</sup> *Fair Housing Planning Guide*. U.S. Department of Housing and Urban Development. March 1996, pg.1-3.

## RESEARCH METHODOLOGY

The 2010 South Dakota Analysis of Impediments to Fair Housing Choice offers a thorough examination of a variety of sources related to housing, such as demographic change, economic influences, and the state of the housing market, but also information pertaining to affirmatively furthering fair housing, the state of the fair housing delivery system and housing transactions affecting people throughout South Dakota. This information was collected and evaluated through four general approaches:

1. *Primary Research* – the collection and analysis of raw data that did not previously exist.
2. *Secondary Research* – the review of existing data and studies.
3. *Quantitative Analysis* – the evaluation of objective, measurable and numerical data.
4. *Qualitative Analysis* – the evaluation and assessment of subjective data, such as people’s beliefs, feelings, attitudes, opinions and experiences.

Some of the baseline secondary and quantitative data providing a picture of the state’s housing marketplace were drawn from the 2000 census and intercensal estimates. These data included population, personal income, poverty estimates, housing units by tenure, cost burdens and housing conditions. Other data were drawn from records provided by the Bureau of Economic Analysis, the Bureau of Labor Statistics and a variety of other sources. The narrative below offers a brief description of other key data sources employed for the 2010 South Dakota AI.

### Home Mortgage Disclosure Act Data

To examine possible fair housing issues in the home mortgage market, Home Mortgage Disclosure Act (HMDA) data was analyzed. The HMDA was enacted by Congress in 1975 and has since been amended several times. It is intended to provide the public with loan data that can be used to determine whether financial institutions are serving the housing credit needs of their communities and to assist in identifying possible discriminatory lending patterns. HMDA requires lenders to publicly disclose the race, ethnicity and sex of mortgage applicants, along with loan application amounts, household income, census tract in which the home is located, and information concerning prospective lender actions related to the loan application. For this analysis, HMDA data from 2004 through 2009 were analyzed, with the measurement of denial rates by census tract and by race and ethnicity of applicants as well as the reasons for denial as the key research objectives. These data were also examined to identify the groups and locations most likely to encounter high interest rate loans.

### Fair Housing Complaint Data

Housing complaint data was used to analyze housing discrimination in the renting and selling of housing. HUD provided fair housing complaint data for the State of South Dakota from January 2004 through August 2010. That information included basis of complaint, issues pursuant to the grievance and closure status of the alleged fair housing

infraction, which relates to the result of the investigation including any testing conducted in the enforcement process. This review of more than 130 fair housing complaints allowed for inspection of the tone and relative degree and frequency of certain types of unfair housing practices seen in the state and the degree to which they were found to be with cause, while acknowledging that many individuals may be reluctant to step forward with a fair housing complaint for fear of retaliation or similar repercussion.

## **2010 South Dakota Fair Housing Survey**

One of the methods HUD recommends for gathering public input about perceived impediments to fair housing is to conduct a survey. The State of South Dakota elected to utilize such a survey instrument to measure the degree of understanding of fair housing laws, awareness of actions made to affirmatively further fair housing, perceptions of state and local government policies that adversely affect fair housing including zoning requirements and development practices, as well as known practices in both public and private sectors that may deliberately or unwittingly affect housing choice due to protected class status. This step was a cost effective, efficient method to target research resources. The South Dakota 2010 Fair Housing Survey, which was conducted primarily online, received a total of 248 responses.

The 2010 survey targeted individuals involved in the housing arena. The prospective contact list was assembled by the lead and partner agencies with experts in at least the following areas:

- Residential and commercial building codes and regulations;
- State, local, and federal occupancy standards;
- Residential health and safety codes and regulations (structural, water and sewer);
- State and local land use planning;
- Banking and insurance laws and regulations;
- Real estate development, real estate sales and management laws and regulations;
- Renter rights and obligations, including civil rights;
- Fair housing, disability, social service, and other advocacy organizations;
- Habitat for Humanity or similar housing providers.

The survey approach also assured that selected target populations, through their in-need service provider network or advocacy organizations, were well represented. Furthermore, these entities were utilized to help publicize fair housing planning activities and promote public involvement.

The survey protocol involved sending an e-mail announcement to each prospective respondent, introducing them to the upcoming survey, its purpose and intent. A link was provided that directed the respondent to the online survey. The e-mail message also urged respondents to forward the survey announcement to any other individual or agency involved in fair housing. Furthermore, the announcement and survey link were posted on the lead agency's website and printed copies were distributed during public meetings.

As noted above, the survey was designed to address a wide variety of issues related to fair housing and affirmatively furthering fair housing. The following narrative summarizes key survey themes and data that were to be collected from the survey instrument.

### *Federal, State and Local Fair Housing Law*

Questions in this section related to awareness of fair housing laws, understanding of fair housing laws including protected classes, availability of fair housing training and knowledge of the fair housing complaint referral process. Answers to this question provided a snapshot of understanding and awareness of fair housing in the state.

### *Fair Housing in South Dakota*

This section offered a number of open-ended questions that allowed respondents to identify: general concerns about fair housing in South Dakota, possible barriers or constraints in the fair housing process, geographic areas with fair housing problems and also non-compliance issues with any private lenders or landlords in the state. The use of open-ended questions allowed respondents to address any number of concerns such as redlining, neighborhood issues, lease provisions, steering, sub-standard rental housing, occupancy rules, or other fair housing issues in the state.

### *State and Local Government Policies and Activities Related to Fair Housing*

In this section, respondents were asked to offer insight into state or local government policies and practices related to fair housing in South Dakota. More specifically, questions related to: planning, financing or administrative actions that may have adversely affected fair housing; awareness of non-compliance issues with public housing authorities in the state; codes or regulations, in relation to building, occupancy, health or safety, that may be barriers to fair housing; or public administrative actions or policies, including tax policy, that may represent barriers to fair housing choice. These questions were used to identify fair housing issues in the state in relation to zoning, building codes, accessibility compliance, subdivision regulations, displacement issues, development practices, residency requirements, property tax policies, land use policies, or NIMBYism.<sup>3</sup>

### *Fair Housing Activities in South Dakota*

The questions in this section were utilized to measure awareness of outreach and education activities, fair housing testing efforts, and a state fair housing plan. Respondents were also asked if they believed that fair housing laws in the state need to be changed, and, if so, how they should be changed. The purpose of this section was to gain insight into the effectiveness of current fair housing activities in the state and possible ways to improve the delivery of fair housing services in South Dakota.

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<sup>3</sup> Not In My Backyard

If limited input on a particular topic was received, it was assumed that the entirety of stakeholders did not view the issue as one of high pervasiveness or impact. This does not mean that this issue was non-existent in the state, only that there was not a large perception of its prevalence as gauged by survey participants.

## **LEAD AGENCY**

The South Dakota Housing Development Authority (SDHDA) is the lead agency for preparing the 2010 Analysis of Impediments to Fair Housing Choice. The Governor's Office of Economic Development was also involved in the production of the AI. Western Economic Services, LLC, a Portland, Oregon-based consulting firm specializing in analysis and research in support of housing and community development planning, prepared this AI.

## **Commitment to Fair Housing**

In accordance with the applicable statutes and regulations governing the Consolidated Plan, the SDHDA certifies that it will *affirmatively further fair housing*. This statement means that the SDHDA has conducted an AI within the state of South Dakota, will take appropriate actions to overcome the effects of any impediments identified through that analysis, and will maintain records reflecting that analysis and actions in this regard.

## **PUBLIC INVOLVEMENT**

SDHDA conducted the public input process associated with this AI. The key actions that were used to notify the public of the AI process included e-mail announcements, public postings, including a paid advertisement and press releases, and other communication activities directed to citizens and stakeholders in the fair housing arena. The e-mail announcements and communication activities were directly provided to individuals and entities on SDHDA's contact list. The contact list includes homebuilders, lenders, real estate brokers/agencies, community leaders, contractors, developers, local public and Indian housing authorities, local Rural Development officials, advocacy groups, and service organizations.

SDHDA also held a public input meeting, or Fair Housing Forum, on October 7, 2010 in Pierre. This meeting, broadcast over the state's interactive video system, was designed to offer the public the opportunity to supply commentary on the state of fair housing in South Dakota as well as provide feedback on the initial findings of the AI. Eight locations were made available to interested parties to view this meeting in the cities of: Brookings, Aberdeen, Mitchell, Pierre, Sioux Falls, Watertown, Rapid City and Yankton.

The draft report for public review was released for public review on November 3, 2010 initiating a 30-day public review period. No public comments were received on the draft report. The final AI report is available at the SDHDA website at <http://www.sdhda.org/>.

## SECTION II. SOCIO-ECONOMIC CONTEXT

### INTRODUCTION

This section presents general demographic, economic and housing information collected from: the U.S. Census Bureau, the Bureau of Economic Analysis, the Bureau of Labor Statistics and other resources, and the data were used to analyze a broad range of socioeconomic characteristics including population, race, ethnicity, disability, employment, poverty concentrations and housing trends. These data illustrate the underlying conditions that have helped shape housing market behavior and housing choice, as well as highlight potential impediments to fair housing choice.

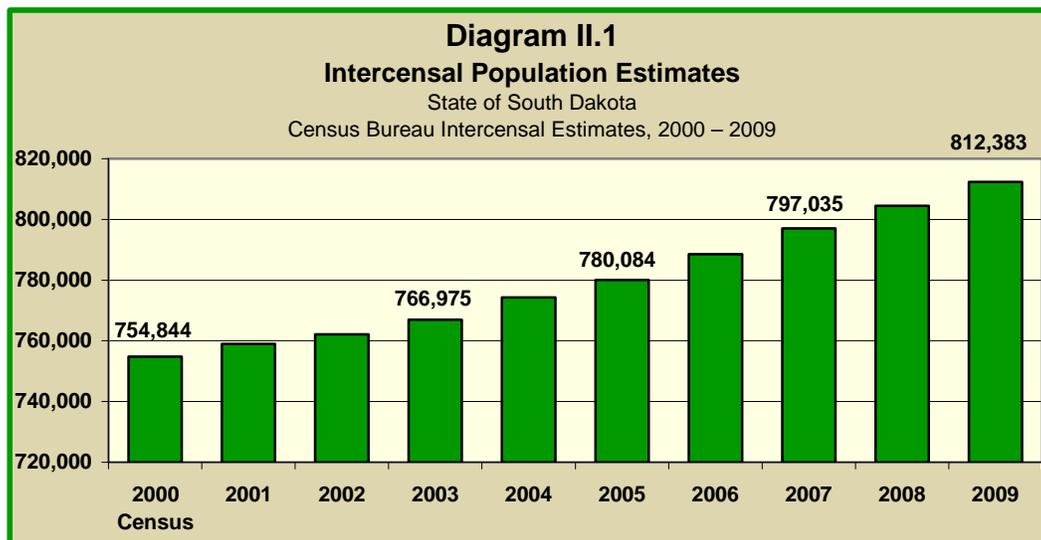
### DEMOGRAPHICS

#### POPULATION DYNAMICS

The population in South Dakota has steadily increased over the last thirty years. From 1980 through 2009, population in the state grew from 690,768 to 812,383. Changes in population can be attributed to natural increases, or births minus deaths, as well as net migration, or the difference in persons moving to or from the state. In the 1980s net migration figures were negative, but since the 1990s both natural increase and net migration have been strongly positive, with the natural increase exceeding the net migration in both decades.

<b>1980 Population</b>	<b>690,768</b>
Natural Increase 80-90	8,092
Net Migration 80-90	-2,856
<b>1990 Population</b>	<b>696,004</b>
Natural Increase 90-00	35,283
Net Migration 90-00	23,557
<b>2000 Population</b>	<b>754,844</b>
Natural Increase 00-09	40,893
Net Migration 00-09	16,646
<b>2009 Population Estimate</b>	<b>812,383</b>

In 2009, the U.S. Census Bureau released population estimates for the state ending July 1, 2009. As Diagram II.1 illustrates, the population in South Dakota rose steadily from 2000 to 2009 from 754,844 to 812,383.



Census estimates of population by year for the State of South Dakota are presented in Table II.2, at right. According to 2009 Census Bureau estimates, the total state population experienced an absolute change of 57,539 or 7.6 percent. Smaller changes in population growth, averaging 0.5 percent, were seen between 2000 and 2003, while increased population changes of around 1.0 percent occurred in the years between 2004 and 2009. This finding suggests that while population growth in the state has not been large, it has been steady over the last decade.

<b>Table II.2</b>		
<b>Intercensal Population Estimates</b>		
State of South Dakota		
Census Bureau Intercensal Estimates, 2000 – 2009		
<b>Year</b>	<b>2009 Estimate</b>	<b>% Increase</b>
2000 Census	754,844	.
2001	758,983	0.5%
2002	762,107	0.4%
2003	766,975	0.6%
2004	774,283	1.0%
2005	780,084	0.7%
2006	788,519	1.1%
2007	797,035	1.1%
2008	804,532	0.9%
2009	812,383	1.0%
<b>% Change 00 - 09</b>	<b>57,539</b>	<b>7.6%</b>

Table II.3, at right, presents population data by age for the year 2000 for the State of South Dakota. In the state, most persons comprised the 35 to 54 age cohort group, with 213,068 persons, and the 5 to 19 age group cohort, with 176,412 persons. Fewest persons were in the groups aged under 5 or between 20 and 24, with 51,069 and 52,802 persons, respectively.

<b>Table II.3</b>	
<b>Population by Age</b>	
State of South Dakota	
Census Bureau SF1 Data, 2000	
<b>Age</b>	<b>Total</b>
Under 5	51,069
5 to 19	176,412
20 to 24	52,802
25 to 34	91,013
35 to 54	213,068
55 to 64	62,349
64 and Over	108,131
<b>Total</b>	<b>754,844</b>

Data on changes in population by age for the State of South Dakota from 2000 through 2009 are presented in Table II.4, below. The largest increase in an age cohort group was seen in those aged 55 to 64; this group increased by 53.3 percent during this time period or by 33,262. The group comprised of prime working age persons aged 25 to 44 decreased by 5.0 percent or 10,256 persons.

<b>Table II.4</b>							
<b>Population Estimates by Age</b>							
State of South Dakota							
Census Bureau Intercensal Estimates, 2000 – 2009							
<b>Year</b>	<b>Under 14 years</b>	<b>15 to 24 years</b>	<b>25 to 44 years</b>	<b>45 to 54 years</b>	<b>55 to 64 years</b>	<b>65 &amp; over</b>	<b>Total</b>
2000	165,018	115,265	206,399	97,682	62,349	108,131	754,844
2001	163,193	117,832	202,571	102,814	64,080	108,493	758,983
2002	161,595	119,468	199,761	105,176	67,452	108,655	762,107
2003	160,660	121,786	196,949	107,693	70,781	109,106	766,975
2004	160,592	123,593	195,554	110,008	74,789	109,747	774,283
2005	160,692	123,585	194,122	112,143	78,858	110,684	780,084
2006	161,635	123,840	193,231	114,208	83,171	112,434	788,519
2007	163,022	122,459	194,342	115,335	87,863	114,014	797,035
2008	164,228	121,948	194,404	116,199	91,640	116,113	804,532
2009	165,712	121,490	196,143	115,695	95,611	117,732	812,383
<b>% Change 00 - 09</b>	<b>0.4%</b>	<b>5.4%</b>	<b>-5.0%</b>	<b>18.4%</b>	<b>53.3%</b>	<b>8.9%</b>	<b>7.6%</b>

## RACIAL AND ETHNIC COMPOSITION

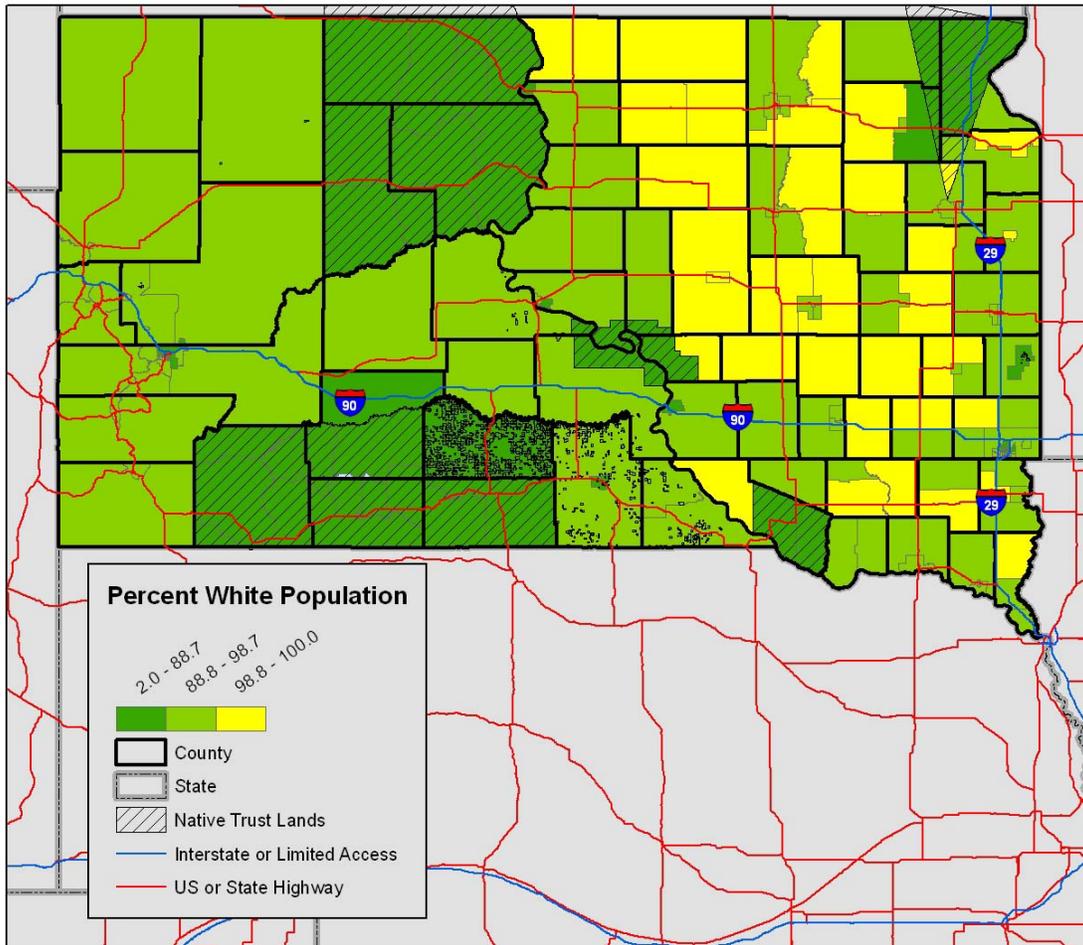
At the time that the 2000 census was taken, the racial composition of South Dakota was predominantly white, and this group comprised 88.7 percent of the total population at 669,404 persons. The next most populous group was American Indian at 8.3 percent or 62,283 persons. In terms of ethnicity, the Hispanic population equated to 1.4 percent of the total population or 10,903 persons.

<b>Table II.5</b>		
<b>Population by Race</b>		
State of South Dakota		
Census Bureau SF1 Data, 2000		
<b>Race</b>	<b>Population</b>	<b>% of Total</b>
White	669,404	88.7%
Black	4,685	0.6%
American Indian	62,283	8.3%
Asian	4,378	0.6%
Native Hawaiian/Pacific Islander	261	0.0%
Other	3,677	0.5%
Two or More Races	10,156	1.3%
<b>Total</b>	<b>754,844</b>	<b>100.0%</b>
Hispanic	10,903	1.4%

However, the geographic distribution of these racial and ethnic minorities was not even throughout the state. HUD defines a population as having a disproportionate share when the portion of that population is more than 10 percentage points higher than the jurisdiction average. For example, the statewide Native American population in South Dakota in 2000 was 8.3 percent. Therefore, any area that had a Native American population higher than 18.3 percent displayed a disproportionate share of the this population. This analysis of racial distribution was conducted by calculating race as the percentage share of total population and then plotting the data on a geographic map of census tracts in South Dakota.

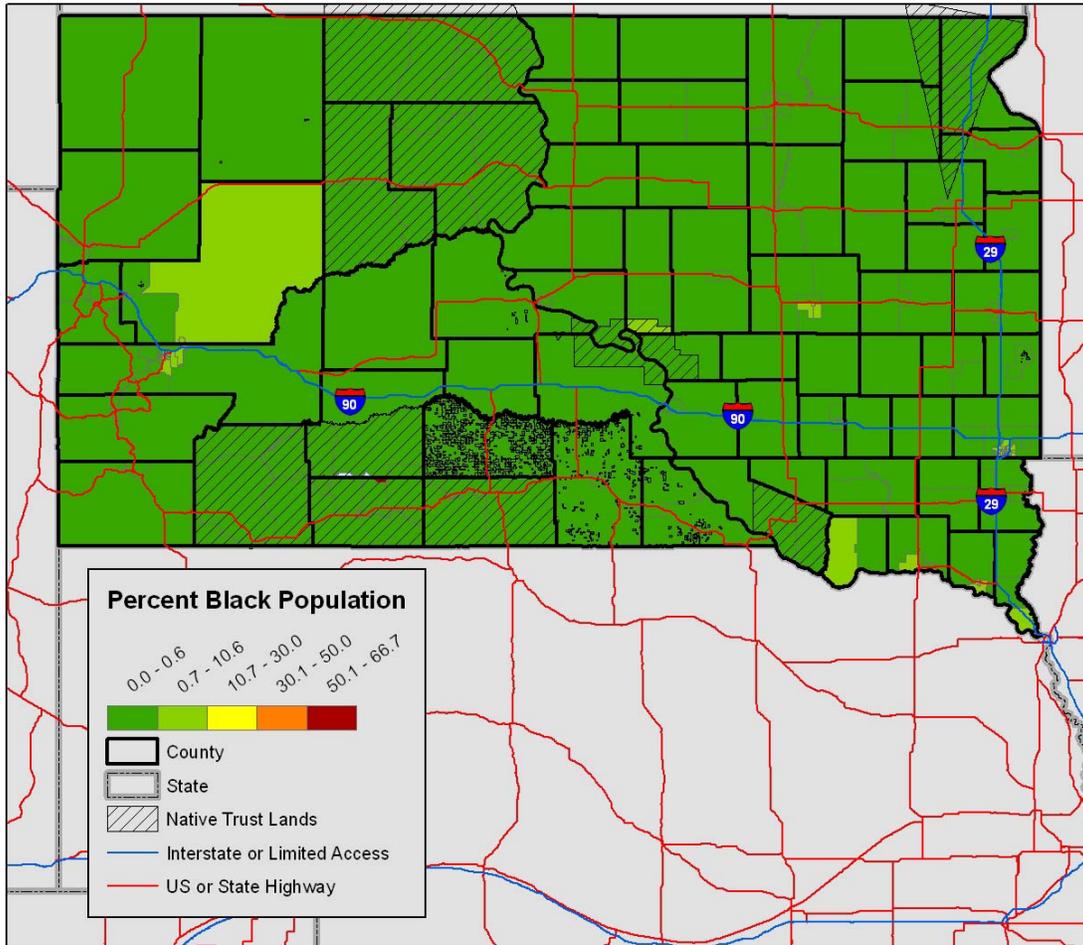
As Map II.1 illustrates, the eastern half of the state had many tracts with a disproportionate share of the white population at over 98.7 percent white.

**Map II.1**  
**Percent White Population by Census Tract**  
State of South Dakota  
Census Bureau Data, 2000



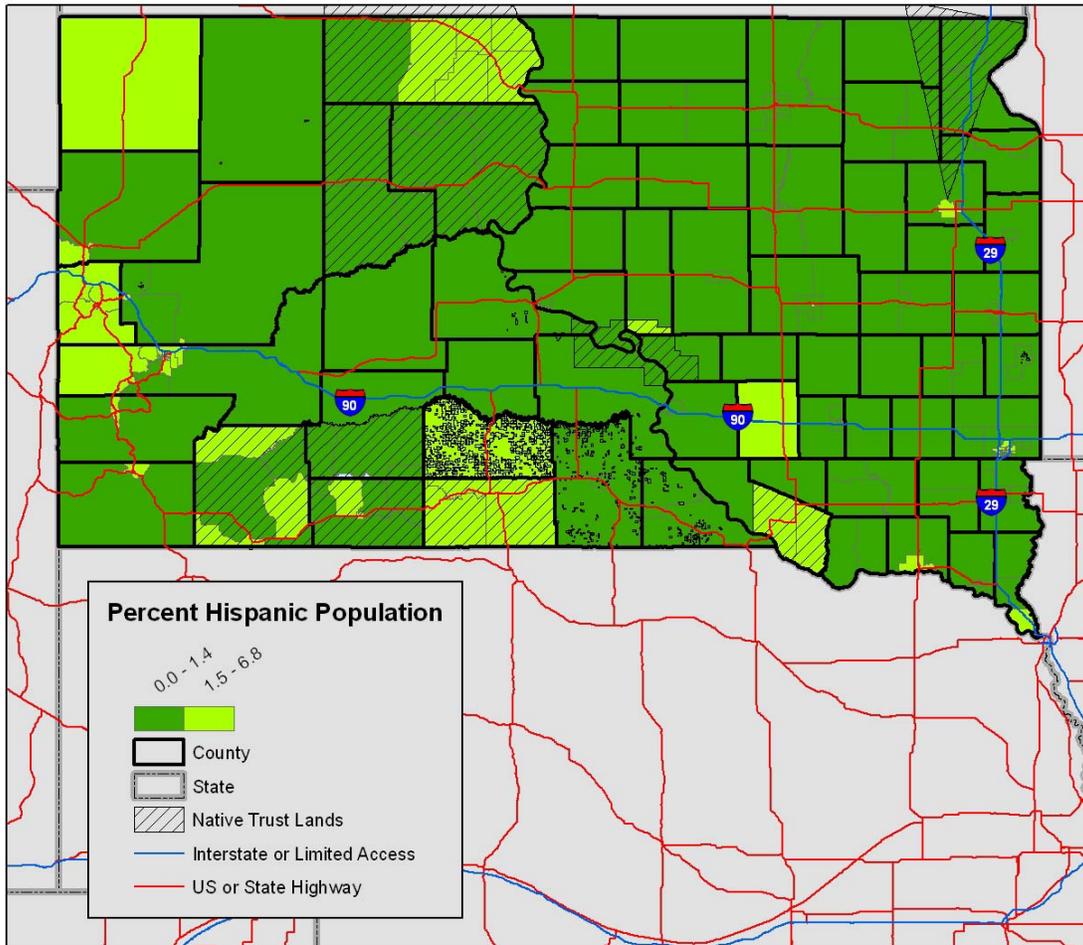
A similar evaluation was conducted for the black population in the state. This analysis revealed that there were no census tracts with a disproportionate share of the black population that exceeded 10.6 percent.

**Map II.2**  
**Percent Black Population by Census Tract**  
State of South Dakota  
Census Bureau Data, 2000



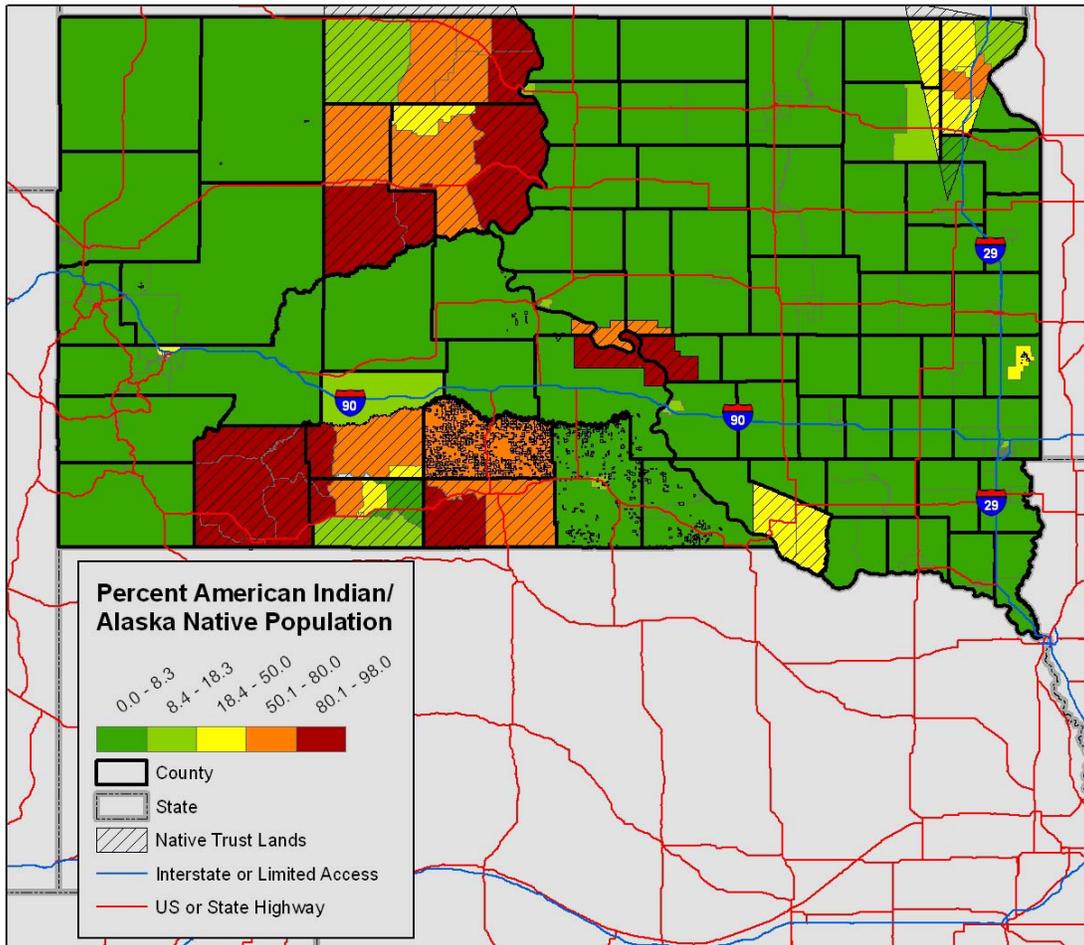
Analysis of the concentration of the Hispanic population at the time of the 2000 census revealed no tracts in the state had a disproportionate share of the population greater than 11.4 percent, as shown in Map II.3, below.

**Map II.3**  
**Percent Hispanic Population by Census Tract**  
State of South Dakota  
Census Bureau Data, 2000



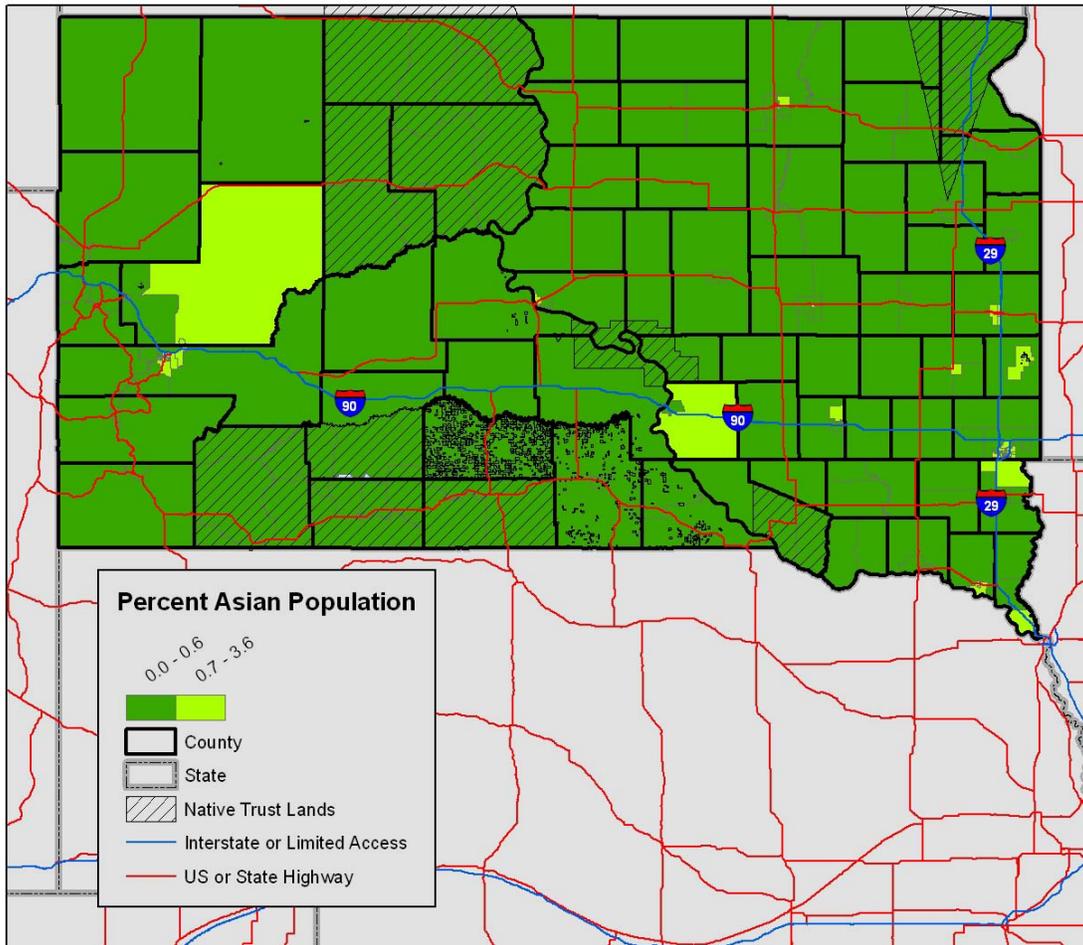
Map II.4 shows that the state had many disproportionate shares of the Native American population as of the 2000 census. The concentration of this population in selected census tracts far exceeded the state average of 8.3 percent and actually comprised as much as 98.0 percent of the population in certain census tracts, as shown in red. However, as demonstrated by this map, these high concentration areas mostly corresponded with American Indian trust lands.

**Map II.4**  
**Percent American Indian Population by Census Tract**  
 State of South Dakota  
 Census Bureau Data, 2000



Map II.5 presents the concentration of the Asian Population and shows that there were no disproportionate shares of this population in South Dakota that exceeded 10.6 percent.

**Map II.5**  
**Percent Asian Population by Census Tract**  
State of South Dakota  
Census Bureau Data, 2000



More recent data regarding racial and ethnic populations in South Dakota are presented in Table II.6, on the following page. From 2000 through 2009, white and American Indian populations grew relatively slowly, by 5.9 and 10.4 percent, respectively. On the other hand, black, Asian and Hispanic populations grew extremely fast, with growth rates of 101.3, 61.8 and 103.7 percent, respectively, over this time period. However, the white population had the greatest total increase, rising from 674,032 persons to 713,702 persons during this time period.

Year	White	Black	American Indian	Asian	Native Hawaiian/ Pacific Islander	Two or More Races	Total	Hispanic
2000	674,032	4,968	62,483	4,461	267	8,633	754,844	10,903
2001	676,251	5,515	63,163	4,726	293	9,035	758,983	12,651
2002	677,683	6,079	63,713	4,937	328	9,367	762,107	14,079
2003	680,654	6,588	64,420	5,287	362	9,664	766,975	15,526
2004	685,732	7,102	65,423	5,577	400	10,049	774,283	17,080
2005	689,657	7,625	66,075	5,826	415	10,486	780,084	18,559
2006	695,948	8,226	66,915	6,193	422	10,815	788,519	19,795
2007	702,454	8,826	67,800	6,355	428	11,172	797,035	21,028
2008	708,194	9,258	68,400	6,664	448	11,568	804,532	22,213
2009	713,702	10,000	68,976	7,219	473	12,013	812,383	23,455
<b>Percent Change 00-09</b>	<b>5.9%</b>	<b>101.3%</b>	<b>10.4%</b>	<b>61.8%</b>	<b>77.2%</b>	<b>39.2%</b>	<b>7.6%</b>	<b>103.7%</b>

## DISABILITY STATUS

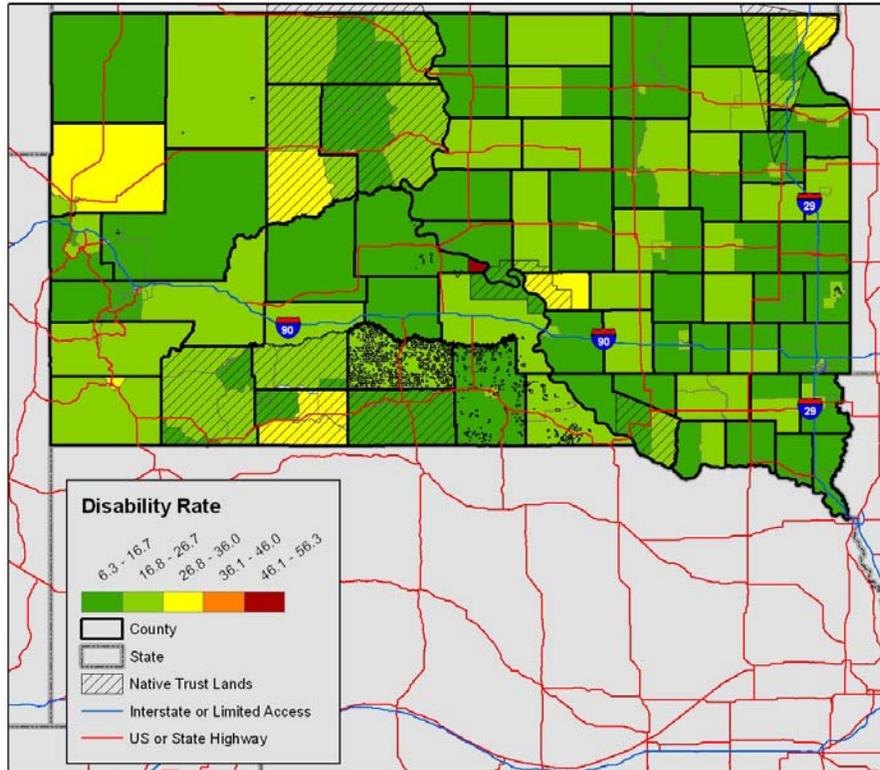
Disability is defined by the Census Bureau as a lasting physical, mental or emotional condition that makes it difficult for a person to conduct daily activities of living or impedes them from being able to go outside the home alone or to work.<sup>4</sup> For all persons aged 5 years or older, the state had a disability rate of 16.7 percent, slightly lower than the 19.0 percent national rate at that time. Still, this figure represented 114,619 persons statewide living with a disability.

Age	Total
5 to 15	6,087
16 to 64	68,804
Over 65	39,728
<b>Total</b>	<b>114,619</b>
Disability Rate	16.7%

<sup>4</sup> The data on disability status were derived from answers to long-form questionnaire items 16 and 17 for the 1-in-6 sample. Item 16 asked about the existence of the following long-lasting conditions: (a) blindness, deafness, or a severe vision or hearing impairment, (sensory disability) and (b) a condition that substantially limits one or more basic physical activities such as walking, climbing stairs, reaching, lifting, or carrying (physical disability). Item 16 was asked of a sample of the population five years old and over. Item 17 asked if the individual had a physical, mental, or emotional condition lasting 6 months or more that made it difficult to perform certain activities. The four activity categories were: (a) learning, remembering, or concentrating (mental disability); (b) dressing, bathing, or getting around inside the home (self-care disability); (c) going outside the home alone to shop or visit a doctor's office (going outside the home disability); and (d) working at a job or business (employment disability). Categories 17a and 17b were asked of a sample of the population five years old and over; 17c and 17d were asked of a sample of the population 16 years old and over. For data products which use the items individually, the following terms are used: sensory disability for 16a, physical disability for 16b, mental disability for 17a, self-care disability for 17b, going outside the home disability for 17c, and employment disability for 17d. For data products which use a disability status indicator, individuals were classified as having a disability if any of the following three conditions was true: (1) they were five years old and over and had a response of "yes" to a sensory, physical, mental or self-care disability; (2) they were 16 years old and over and had a response of "yes" to going outside the home disability; or (3) they were 16 to 64 years old and had a response of "yes" to employment disability.

Geographic distribution of the disabled population in South Dakota as of 2000 is presented below in Map II.6. This map shows that the disabled population was concentrated at a rate of more than 56.0 percent in certain areas of the state, shown in red. Many of the areas demonstrating disability rates in excess of 26.7 percent, shown in yellow, were located within American Indian reservation lands.

**Map II.6**  
**Disabled Population by Census Tract**  
 State of South Dakota  
 Census Bureau Data, 2000



## ECONOMICS

### LABOR FORCE AND EMPLOYMENT

Between 2000 and 2009, the labor force in South Dakota, defined as people either working or looking for work, rose from around 410,000 to 446,351, an increase of roughly 8.9 percent. Over this same time period, the number of employed persons grew similarly through 2008, but in 2009 this figure fell to 425,081, as seen in Diagram II.2 on the following page.

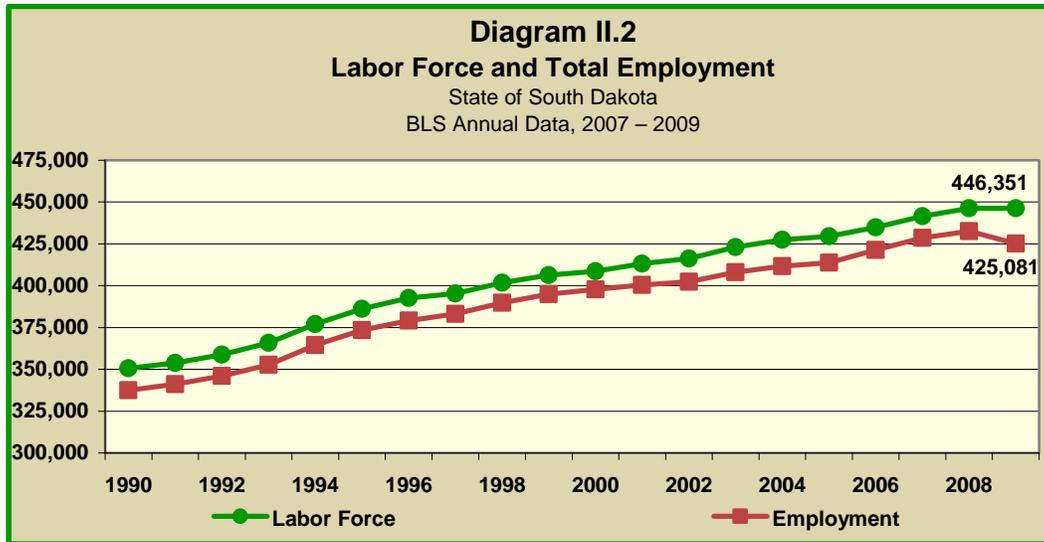
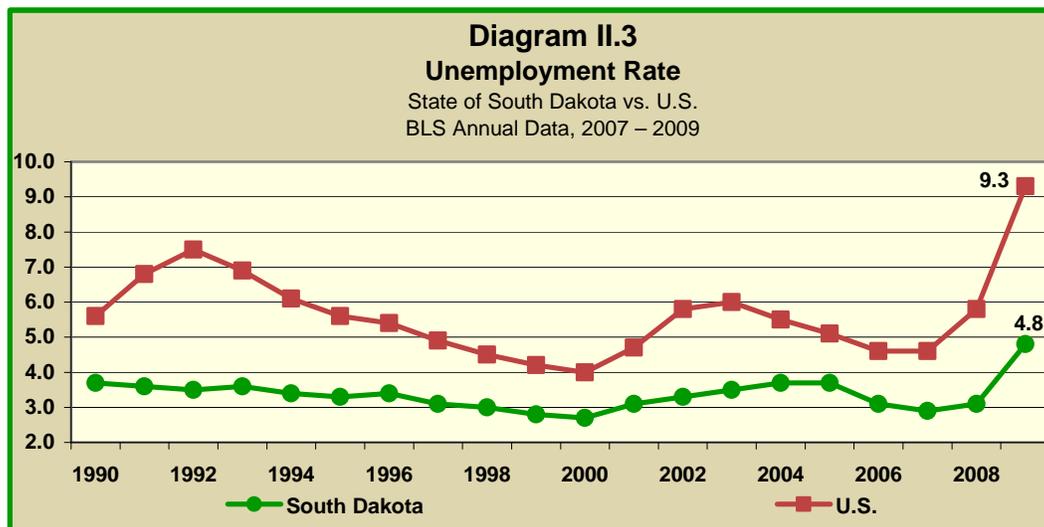
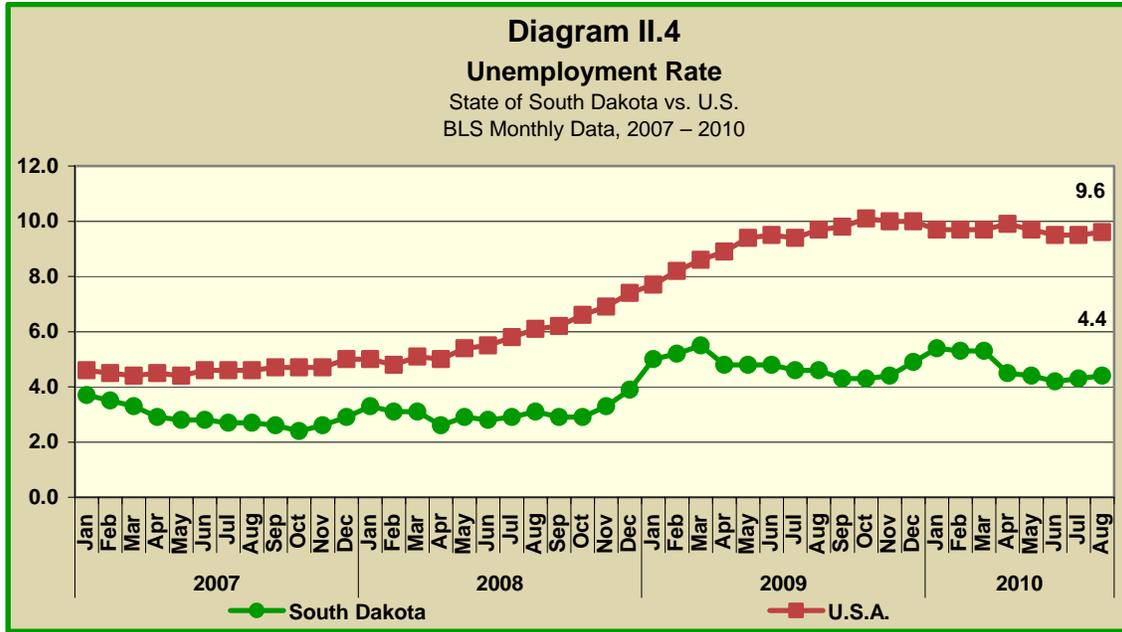


Diagram II.3 presents the unemployment rate in South Dakota and the U.S. from 1990 through 2009. As a result of the increasing labor force and decreasing employment rate in 2009, the unemployment rate increased dramatically. In 2009, South Dakota's unemployment rate stood at 4.8 percent, but this was significantly lower than the national rate of 9.3 percent.

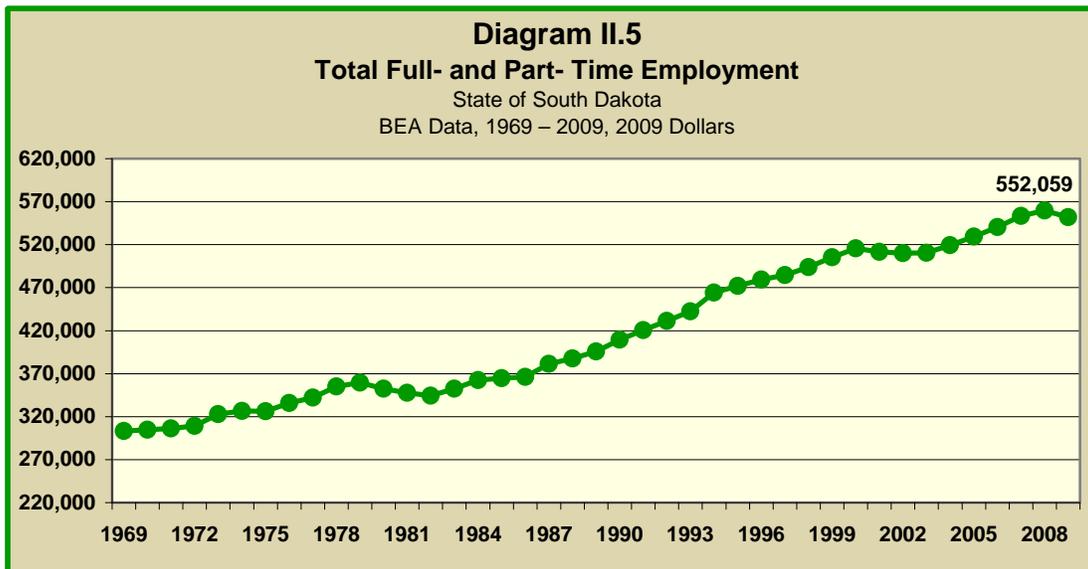


More recent unemployment rate data are presented in Diagram II.4, on the following page. As shown, the unemployment rate for South Dakota swelled through the first part of 2010 to almost 6.0 percent but decreased to 4.4 percent by August.



## FULL- AND PART-TIME EMPLOYMENT AND EARNINGS

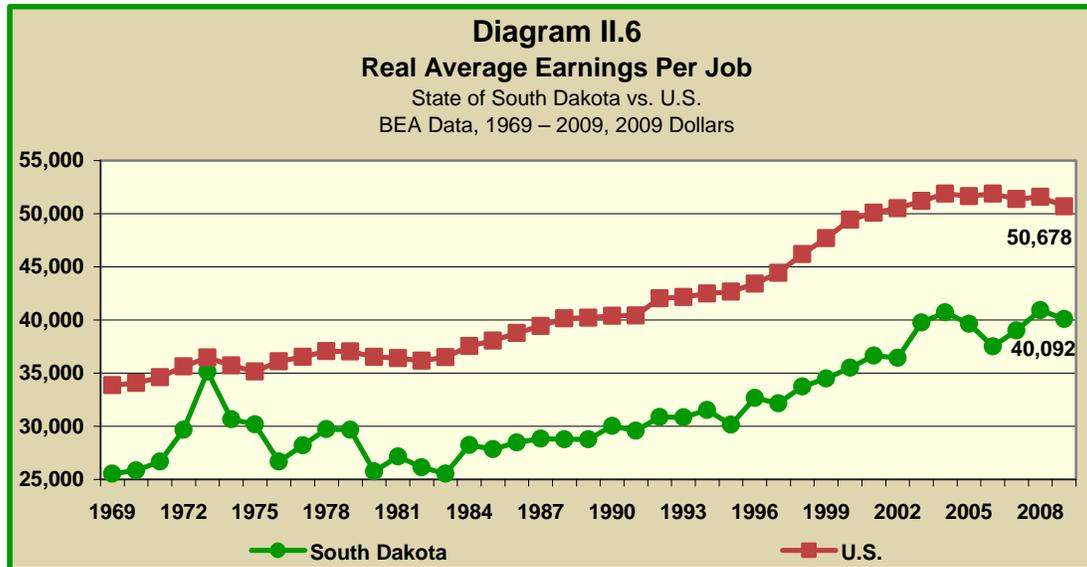
The Bureau of Economic Analysis (BEA) provides an alternate view of employment: a count of both full- and part-time jobs. Thus, a person working more than one job can be counted more than once. As shown in Diagram II.5, below, the total number of full- and part-time jobs increased substantially from 1969 through 2009 from 303,105 jobs to 552,059 jobs, as shown in Diagram II.5, below.<sup>5</sup>



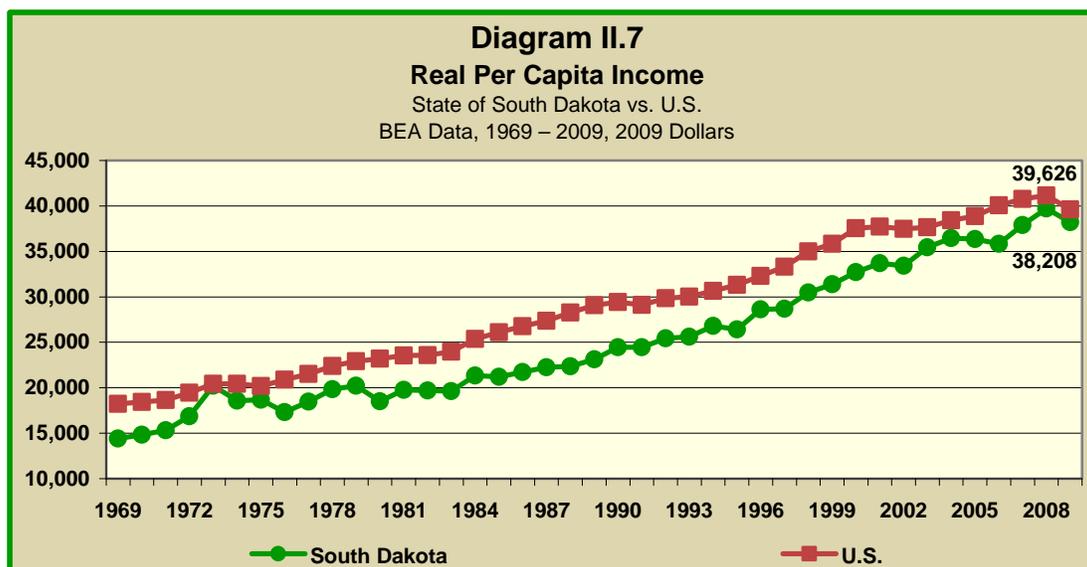
When the total amount of earnings is divided by the number of jobs and then deflated to remove the effects of inflation, average real earnings per job is determined. This figure can

<sup>5</sup> Data are, in part, from administrative records, and the most current BEA data available were through 2009.

be compared to national figures. Unfortunately, despite a rapid climb that neared national rates in the early 1970s, average earnings per job in the State of South Dakota have been lagging over recent years, with the absolute difference between national and state estimates reaching \$10,586 in 2009, as Diagram II.6, below, illustrates.



Another gauge of economic health involves comparing the total of all forms of income: wages earned, transfer payments, and property income, such as dividends, interest and rents. When these data are added together and divided by population, per capita income is determined. Diagram II.7 compares real per capita income in South Dakota to the U.S. from 1969 through 2009. This figure shows that per capita income grew relatively steadily from 1969 through 2000 from roughly \$14,400 to about \$32,726. However, since that time per capita income growth has slowed and become more unstable. In 2009, this figure even declined slightly to \$38,208.



## HOUSEHOLD AND FAMILY INCOME

Table II.8 presents the number of households in the State of South Dakota by income range. As shown, while a significant number of households in the state had incomes above \$50,000 or even \$100,000, more than 20.0 percent of the state had household incomes that were below \$15,000. This figure represented 53,302 households in the state. An additional 22,190 households or 7.9 percent of all households had incomes between \$15,000 and \$19,999, and 24,633 households or 7.9 percent of all households had incomes that were between \$20,000 and \$24,999. In total, 100,125 households or 34.5 percent of households in the state had incomes under \$25,000.

Income	Total	Percentage
Under 15,000	53,302	20.8%
15,000 - 19,999	22,190	7.9%
20,000 - 24,999	24,633	7.9%
25,000 - 34,999	43,884	14.4%
35,000 - 49,999	55,160	17.0%
50,000 - 74,999	53,817	16.5%
75,000 - 99,999	20,150	7.8%
100,000 and above	17,200	7.6%
<b>Total</b>	<b>290,336</b>	<b>100.0%</b>

## POVERTY

The Census Bureau uses a set of income thresholds that vary by family size and composition to determine poverty status. If a family's total income is less than the threshold for their size, then that family, and every individual in it, is considered poor. The poverty thresholds do not vary geographically, but they are updated annually for inflation using the Consumer Price Index. The official poverty definition counts income before taxes and does not include capital gains and non-cash benefits, such as public housing, Medicaid and food stamps. Poverty is not defined for people in military barracks, institutional group quarters or for unrelated individuals under age 15, such as foster children.

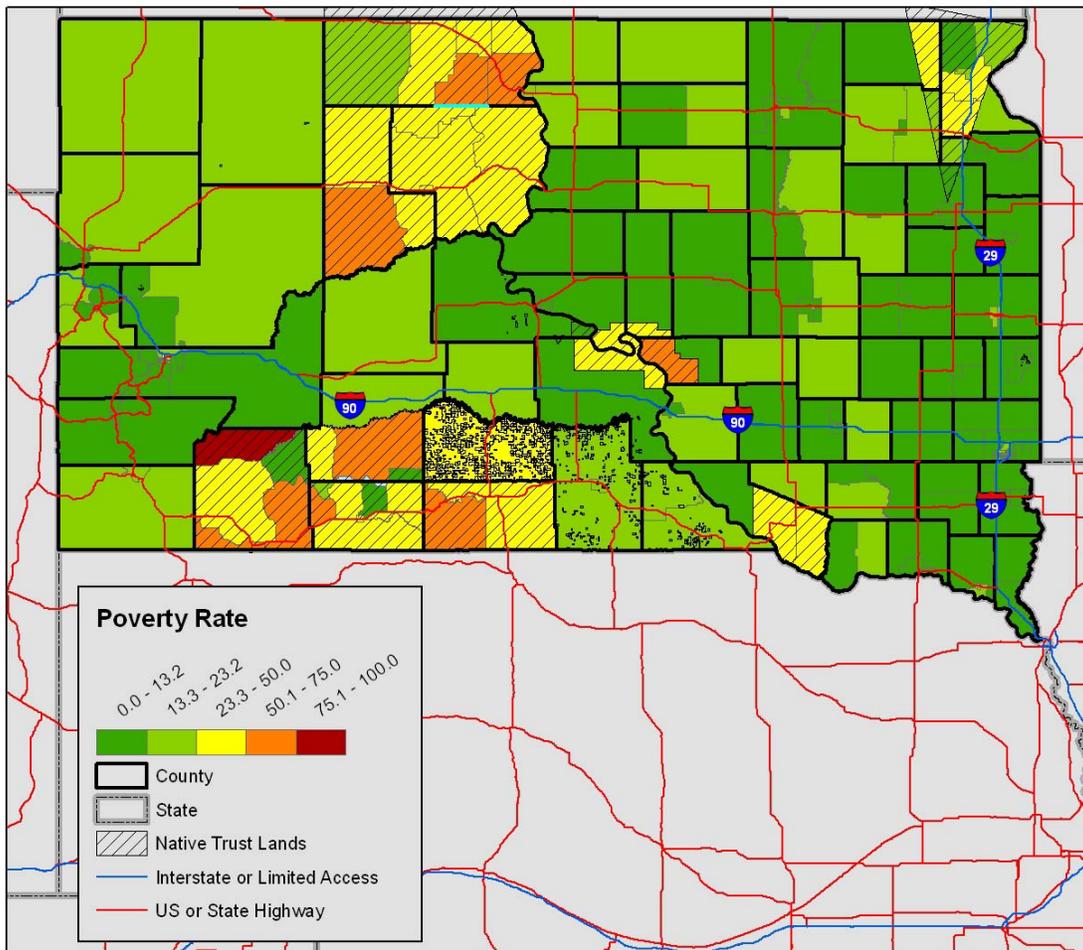
In South Dakota, the poverty rate in 2000 was 13.2 percent with 95,900 persons considered to be living in poverty, as noted in Table II.9. This rate was slightly higher than the national average at that time of 12.4 percent. Further, the state had 11,948 children under the age of five and 11,199 persons aged 65 or older living in poverty at that time.

Additionally, poverty was not spread evenly throughout the State of South Dakota, as some census tracts had higher concentrations of poverty than others.

Age	Total
5 and Below	11,948
6 to 18	22,017
18 to 64	50,736
65 and Older	11,199
<b>Total</b>	<b>95,900</b>
Poverty Rate	13.2%

Map II.7 presents the Census 2000 poverty rate for all census tracts in the state. These data have been segmented to illustrate the census tracts that had a disproportionate share of persons living in poverty or areas where more than 23.2 percent of residents were poor. As shown, most of the census tracts with a disproportionate share of the population living in poverty were located in the American Indian or tribal trust lands of South Dakota. One census tract in the Pine Ridge Tribe trust land area demonstrated a poverty rate as high as 100.0 percent, shown in red.

**Map II.7**  
**Percent of Population in Poverty by Census Tract**  
 State of South Dakota  
 Census Bureau Data, 2000



## HOUSING

Data regarding the number of housing units counted in South Dakota for the years 2000 through 2009 are presented in Table II.10, at right. In total, the number of housing units in the state increased by 13.1 percent in this ten-year time period and rose from 323,208 units to 365,532 units. However, as established previously, during this time the population grew more slowly and increased by only 7.6 percent. This finding suggests that housing production outpaced population growth in this time.

More detailed information regarding the attributes of the housing stock is available from 2000 census data. Of the 323,208 housing units reported in South Dakota in the 2000 census, about 69.6 percent were single-family units. An additional 11.4 percent of units were counted as mobile homes and 12.6 percent were apartments. These data are presented in Table II.11.

Year	Total Units
2000	323,208
2001	329,080
2002	333,241
2003	338,263
2004	343,155
2005	348,726
2006	353,786
2007	358,256
2008	362,535
2009	365,532
<b>% Change</b>	<b>13.1%</b>

Unit Type	Total	% of Total
Single-Family Unit	225,062	69.6%
Duplex	8,572	2.7%
Tri- or Four-Plex	11,998	3.7%
Apartments	40,578	12.6%
Mobile Homes	36,725	11.4%
Boat, RV, Van, Etc.	273	0.1%
<b>Total</b>	<b>323,208</b>	<b>100.0%</b>

The 323,208 housing units reported in the 2000 census can also be examined by tenure status. A total of 290,245 units were occupied housing units, and, of these, 68.2 percent were owner-occupied and 31.8 percent were renter-occupied. The portion of owner-occupied units was slightly lower than the national average of 69.0 percent at that time. A total of 32,963 housing units were vacant, as shown in Table II.12.

Tenure	Total
Occupied Housing Units	290,245
Owner-Occupied	197,907
Renter-Occupied	92,338
Vacant Housing Units	32,963
<b>Total Housing Units</b>	<b>323,208</b>

## VACANT HOUSING UNITS

As shown in Table II.13, at the time of the decennial census the vacant housing stock represented 32,963 units or 10.2 percent of the total housing stock. Data on the disposition of these vacant units indicate that about 24.3 percent were for rent, 13.1 percent were for sale, 7.2 percent were rented or sold but unoccupied, and 33.6 percent were for seasonal, recreational, or occasional use. However, 21.9 percent of the vacant housing stock was counted as “other vacant” units; this term refers to units that are not for sale or rent and tend to contribute to blight.

<b>Disposition</b>	<b>Total</b>	<b>% of Total</b>
For Rent	8,000	24.3%
For Sale	4,309	13.1%
Rented or Sold, Not Occupied	2,357	7.2%
For Seasonal, Recreational, or Occasional Use	11,061	33.6%
For Migrant Workers	28	0.1%
Other Vacant	7,208	21.9%
<b>Total</b>	<b>32,963</b>	<b>100.0%</b>

## HOUSING PROBLEMS

While the 2000 census did not report significant details regarding the physical condition of housing units, some information can be derived from the one in six sample, also called SF3 data.<sup>6</sup> These data relate to overcrowding, incomplete plumbing or kitchen facilities, and cost burdens.

Overcrowding is defined as having from 1.01 to 1.5 people per room per residence, with severe overcrowding defined as having more than 1.5 people per room. At the time that the 2000 census was taken, 5,630 or 1.9 percent of households were overcrowded and another 3,195 or 1.1 percent of units were severely overcrowded, shown in Table II.14. This housing problem was more common in renter households than owner households.

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<sup>6</sup> Summary File 3 (SF3) consists of 813 detailed tables of 2000 census social, economic and housing characteristics compiled from a sample of approximately 19 million housing units (about 1 in 6 households) that received the 2000 census long-form questionnaire. Source: <http://www.census.gov/Press-Release/www/2002/sumfile3.html>. These sample data include sampling error and may not sum precisely to the 100 percent sample typically presented in the 2000 census.

<b>Table II.14</b>				
<b>Overcrowding and Severe Overcrowding</b>				
State of South Dakota				
Census Bureau SF3 Data, 2000				
Household	No Overcrowding	Overcrowding	Severe Overcrowding	Total
<b>Owner</b>				
Households	194,208	2,680	1,019	197,907
Percentage	98.1%	1.4%	0.5%	100.0%
<b>Renter</b>				
Households	87,212	2,950	2,176	92,338
Percentage	94.4%	3.2%	2.4%	100.0%
<b>Total</b>				
Households	281,420	5,630	3,195	290,245
Percentage	97.0%	1.9%	1.1%	100.0%

Incomplete plumbing and kitchen facilities are another indicator of potential housing problems. According to the Census Bureau, a housing unit is classified as lacking complete plumbing facilities when any of the following are not present: piped hot and cold water, a flush toilet, and a bathtub or shower. Likewise, a unit is categorized as deficient when any of the following are missing from the kitchen: a sink with piped hot and cold water, a range or cook top and oven, and a refrigerator.

At the time of the 2000 census, a total of 5,000 units or 1.5 percent of all households in South Dakota were lacking complete plumbing facilities. These data are presented in Table II.15, at right.

<b>Table II.15</b>	
<b>Housing Units with Incomplete Plumbing Facilities</b>	
State of South Dakota	
Census Bureau SF3 Data, 2000	
<b>Facilities</b>	<b>Total</b>
<b>Plumbing Facilities</b>	
Complete Plumbing Facilities	318,208
Lacking Complete Plumbing Facilities	5,000
<b>Total Households</b>	<b>323,208</b>
Percent Lacking	1.5%

Table II.16 shows the number of housing units with incomplete kitchen facilities in South Dakota. A slightly higher percentage of units were found to have incomplete kitchen facilities as compared to plumbing facilities in the state with 6,541 units or 2.0 percent of total units counted in this category.

<b>Table II.16</b>	
<b>Housing Units with Incomplete Kitchen Facilities</b>	
State of South Dakota	
Census Bureau SF3 Data, 2000	
<b>Facilities</b>	<b>Total</b>
<b>Kitchen Facilities</b>	
Complete Kitchen Facilities	316,667
Lacking Complete Kitchen Facilities	6,541
<b>Total Households</b>	<b>323,208</b>
Percent Lacking	2.0%

The third type of housing problem reported in the 2000 census is cost burden. Cost burden is defined as gross housing costs that range from 30.0 to 50.0 percent of gross household income; severe cost burden is defined as gross housing costs that exceed 50.0 percent of gross household income. For homeowners, gross housing costs include property taxes, insurance, energy payments, water and sewer service, and refuse collection. If the homeowner has a mortgage, the determination also includes principal and interest payments on the mortgage loan. For renters, this figure represents monthly rent and selected electricity and natural gas energy charges.

Table II.17 shows that in the State of South Dakota, 12.7 percent of households had a cost burden and 7.8 percent of households had a severe cost burden in 2000. These figures compared very favorably to the national average of 20.8 percent and 19.1 percent at that time, respectively. Roughly 13.3 percent of homeowners with a mortgage experienced a cost burden and 5.6 percent experienced a severe cost burden, while 16.3 percent of renters had a cost burden and 12.7 had a severe cost burden.

<b>Table II.17</b>					
<b>Cost Burden and Severe Cost Burden by Tenure</b>					
State of South Dakota					
Census Bureau SF3 Data, 2000					
<b>Households</b>	<b>Less Than 30.0%</b>	<b>31% - 50%</b>	<b>Above 50%</b>	<b>Not Computed</b>	<b>Total</b>
<b>Owner With a Mortgage</b>					
Households	67,307	11,064	4,707	281	83,359
Percent	80.7%	13.3%	5.6%	0.3%	100.0%
<b>Owner Without a Mortgage</b>					
Households	48,500	3,183	1,793	696	54,172
Percent	89.5%	5.9%	3.3%	1.3%	100.0%
<b>Renter</b>					
Households	52,770	14,329	11,143	9,645	87,887
Percent	60.0%	16.3%	12.7%	11.0%	100.0%
<b>Total</b>					
Households	168,577	28,576	17,643	10,622	225,418
Percent	74.8%	12.7%	7.8%	4.7%	100.0%

People who experience a severe cost burden are at risk of homelessness. For example, cost-burdened renters who experience one financial setback are likely to have to choose between rent and food or rent and healthcare for their family. Similarly, such homeowners with a mortgage and just one unforeseen financial constraint, such as temporary illness, divorce or the loss of employment, may be forced to face foreclosure or bankruptcy. Furthermore, households that no longer have a mortgage yet still experience a severe cost burden may be unable to conduct periodic maintenance and repair of their home, contributing to dilapidation and blight. All three of these situations should be of concern to policy makers and program managers.

## SUMMARY

The population in South Dakota increased from 754,844 to 812,383 or by 7.6 percent between 2000 and 2009. During this time period, the largest increase in an age cohort group was seen in those aged 55 to 64; this group increased by 33,262 or 53.3 percent. In terms of race and ethnicity, since 2000, white and Native American populations grew relatively slowly, by 5.9 and 10.4 percent, respectively. On the other hand, black, Asian and Hispanic populations grew extremely fast, with growth rates exceeding 60.0 percent. Some racial and ethnic populations were concentrated in select areas of the state; American Indian populations were concentrated, but these concentrations were exclusive to tribal trust lands. At the time of the 2000 census, the state had a disability rate of 16.7 percent, which was slightly lower than the 19.0 percent national rate. The disabled population was also concentrated in select areas of the state, particularly in American Indian reservation lands.

The labor force in South Dakota, defined as people either working or looking for work, rose from around 410,000 to 446,351 between 2000 and 2009, an increase of roughly 8.9 percent. As a result of the increasing labor force and decreasing employment rate in 2009, the unemployment rate increased to 4.8 percent. Average earnings per job in South Dakota have been lagging over recent years, with the absolute difference between state and national estimates reaching \$10,586 in 2009. In South Dakota, the poverty rate in 2000 was 13.2 percent with 95,900 persons considered to be living in poverty, and this group was concentrated primarily in the American Indian tribal trust lands of the state.

The number of housing units in the state increased by 13.1 percent and rose from 323,208 units to 365,532 units between 2000 and 2009. Of the 323,208 housing units reported in the 2000 census, about 69.6 percent were single-family units. A total of 290,245 units were occupied housing units, and, of these, 68.2 percent were owner-occupied and 31.8 percent were renter-occupied. The portion of owner-occupied units was slightly under the national average of 69.0 percent at that time. At the time that the 2000 census was taken, 5,630 or 1.9 percent of households were overcrowded and another 3,195 or 1.1 percent of households were severely overcrowded. In South Dakota, 1.5 and 2.0 percent of all households were lacking complete plumbing or kitchen facilities, respectively, at that time. Additionally, 12.7 percent of households had a cost burden and 7.8 percent of households had a severe cost burden in 2000.

## SECTION III. LENDING PRACTICES

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Since the 1970s, the federal government has enacted several laws aimed at promoting fair lending practices in the banking and financial services industries. A brief description of selected federal laws aimed at promoting fair lending follows:

The 1968 **Fair Housing Act** prohibits discrimination in housing based on race, color, religion or national origin. Later amendments added sex, familial status and disability. Under the Fair Housing Act, it is illegal to discriminate against any of the protected classes in the following types of residential real estate transactions: making loans to buy, build or repair a dwelling; selling, brokering or appraising residential real estate; or selling or renting a dwelling.

The **Equal Credit Opportunity Act** was passed in 1974 to prohibit discrimination in lending based on race, color, religion, national origin, sex, marital status, age, receipt of public assistance or the exercise of any right under the Consumer Credit Protection Act.<sup>7</sup>

The **Community Reinvestment Act** was enacted in 1977 to require each federal financial supervisory agency to encourage financial institutions to help meet the credit needs of their entire community, including low- and moderate-income neighborhoods.

Under the **Home Mortgage Disclosure Act (HMDA)**, enacted in 1975 and later amended, financial institutions are required to publicly disclose the race, sex, ethnicity and household income of mortgage applicants by the census tract in which the loan is proposed, as well as outcome of the loan application. The analysis presented herein is from the HMDA data system.

### HOME MORTGAGE DISCLOSURE ACT DATA ANALYSIS

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The HMDA requires both depository and non-depository lenders to collect and publicly disclose information about housing-related loans and applications for such loans.<sup>8</sup> Both types of lending institutions must meet a set of reporting criteria, as follows:

1. The institution must be a bank, credit union or savings association.
2. The total assets must exceed the coverage threshold.<sup>9</sup>
3. The institution must have had a home or branch office in a metropolitan statistical area (MSA).
4. The institution must have originated at least one home purchase loan or refinancing of a home purchase loan secured by a first lien on a one- to four-family dwelling.
5. The institution must be federally insured or regulated.
6. The mortgage loan must have been insured, guaranteed or supplemented by a federal agency or intended for sale to Fannie Mae or Freddie Mac.

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<sup>7</sup> *Closing the Gap: A Guide to Equal Opportunity Lending*, The Federal Reserve Bank of Boston, April 1993.

<sup>8</sup> Data are considered "raw" because they contain entry errors and incomplete loan applications. Starting in 2004, the HMDA data made substantive changes in reporting. It modified the way it handled Hispanic data, loan interest rates, as well as the reporting of multifamily loan applications.

<sup>9</sup> Each December the Federal Reserve announces the threshold for the following year. The asset threshold may change from year to year, based on changes in the Consumer Price Index for Urban Wage Earners and Clerical Workers.

For other institutions, including non-depository institutions, the reporting criteria are as follows:

1. The institution must be a for-profit organization.
2. The institution's home purchase loan originations must equal or exceed 10.0 percent of the institution's total loan originations, or more than \$25 million.
3. The institution must have had a home or branch office in an MSA or have received applications for, originated or purchased five or more home purchase loans, home improvement loans, or refinancing mortgages on property located in an MSA in the preceding calendar year.
4. The institution must have assets exceeding \$10 million or have originated 100 or more home purchases in the preceding calendar year.

HMDA data represent most mortgage lending activity and are thus the most comprehensive collection of information regarding home purchase originations, home remodel loan originations and refinancing available.

As presented in Table III.1, HMDA information was collected for the State of South Dakota for 2004 through 2009. During this time, 305,286 loan applications were reported by participating institutions for home purchases, home improvements and refinancing mortgages. About 118,537 of these loan applications were specifically for home purchases.

<b>Table III.1</b>							
<b>Purpose of Loan by Year</b>							
State of South Dakota HMDA Data, 2004 – 2009							
<b>Purpose</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>Total</b>
Home Purchase	20,153	23,151	23,476	20,728	15,860	15,169	118,537
Home Improvement	4,140	4,723	5,228	5,227	4,161	3,487	26,966
Refinancing	30,077	28,100	24,560	21,477	21,192	34,377	159,783
<b>Total</b>	<b>54,370</b>	<b>55,974</b>	<b>53,264</b>	<b>47,432</b>	<b>41,213</b>	<b>53,033</b>	<b>305,286</b>

Within this set of data, it is of prime importance to evaluate only the owner-occupied home purchase transactions. Home purchases and access to the ability to enter into homeownership are the focus of this particular analysis because the other categories typically apply to units already purchased and do not reflect the ability of an individual to choose an owner-occupied home. As seen in Table III.2, of the 118,537 home purchase loan applications, 105,706 were specifically for owner-occupied homes. The number of owner-occupied home purchase loan applications was highest in 2006 at 20,926.

<b>Table III.2</b>							
<b>Owner Occupancy Status for Home Purchase Loan Application</b>							
State of South Dakota HMDA Data, 2004 – 2009							
<b>Status</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>Total</b>
Owner-Occupied	18,063	20,400	20,926	18,310	14,080	13,927	105,706
Not Owner-Occupied	1,984	2,511	2,474	2,205	1,698	1,155	12,027
Not Applicable	106	240	76	213	82	87	804
<b>Total</b>	<b>20,153</b>	<b>23,151</b>	<b>23,476</b>	<b>20,728</b>	<b>15,860</b>	<b>15,169</b>	<b>118,537</b>

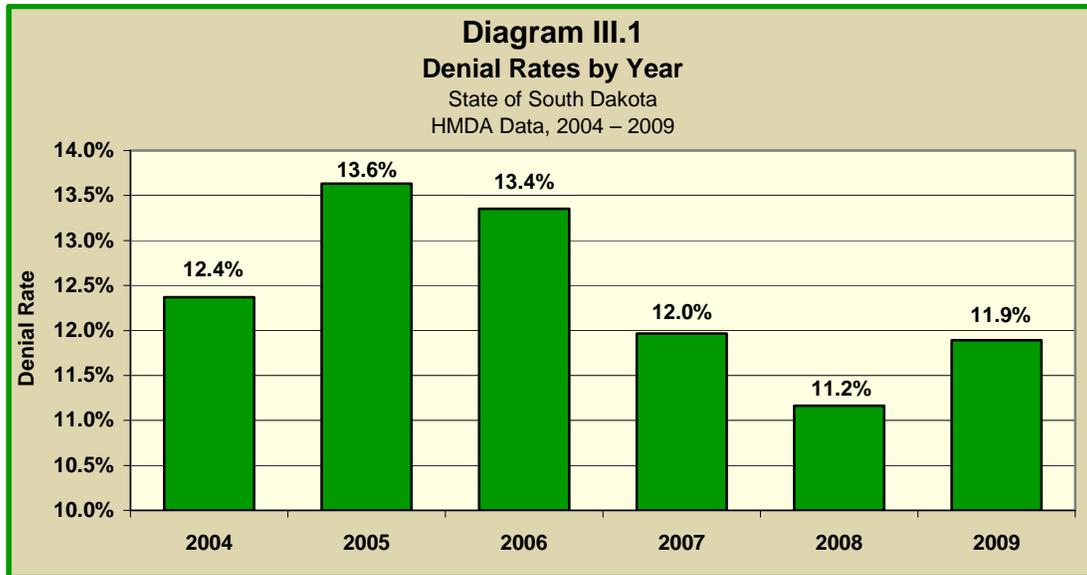
After the owner-occupied home purchase loan application is submitted, the financing institution makes one of several decisions:

- “Originated” indicates that the loan was made by the lending institution.
- “Approved but not accepted” notes loans approved by the lender, but not accepted by the applicant.
- “Application denied by financial institution” defines a situation wherein the loan application failed.
- “Application withdrawn by applicant” means that the applicant closed the application process.
- “File closed for incompleteness” means that the loan application process was closed by the institution due to incomplete information.
- “Loan purchased by the institution” indicates that the previously originated loan was purchased on the secondary market.

These outcomes were used to determine denial rates presented herein. For this analysis, only loan originations and loan denials were inspected as an indicator of the underlying success or failure of home purchase loan applicants. Altogether, there were 63,910 loan originations and 9,140 loan denials for an average five-year denial rate of 12.5 percent, as seen in Table III.3.

<b>Table III.3</b>							
<b>Owner-Occupied Home Purchase Loan Applications by Action Taken</b>							
State of South Dakota							
HMDA Data, 2004 – 2009							
<b>Action</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>Total</b>
Loan Originated	10,972	12,285	12,355	10,977	8,793	8,528	63,910
Application Approved but not Accepted	947	995	1,170	1,129	897	631	5,769
Application Denied	1,549	1,939	1,904	1,492	1,105	1,151	9,140
Application Withdrawn by Applicant	864	1,028	963	714	564	560	4,693
File Closed for Incompleteness	150	276	254	257	103	53	1,093
Loan Purchased by the Institution	3,581	3,870	4,277	3,741	2,618	3,004	21,091
Preapproval Request Denied	0	5	2	0	0	0	7
Preapproval Approved but not Accepted	0	2	1	0	0	0	3
<b>Total</b>	<b>18,063</b>	<b>20,400</b>	<b>20,926</b>	<b>18,310</b>	<b>14,080</b>	<b>13,927</b>	<b>105,706</b>
Denial Rate	12.4%	13.6%	13.4%	12.0%	11.2%	11.9%	12.5%

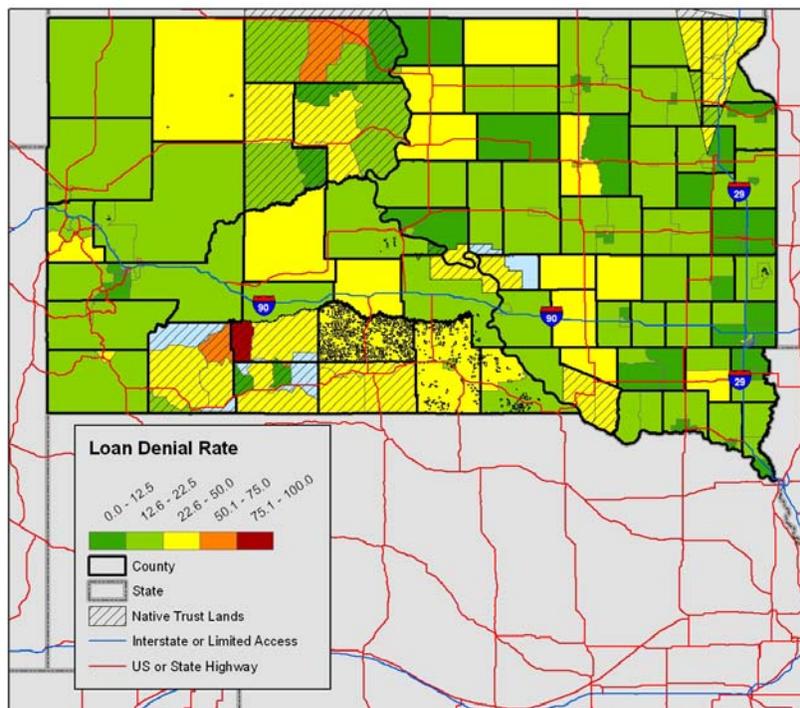
Denial rates varied by year, as seen in Diagram III.1 on the following page. In general, the number of loans denied in the State of South Dakota decreased between 2004 and 2009, and in this six-year time period denial rates fell from 13.6 percent in 2005 to 11.9 percent in 2009.



Importantly, denial rates were not evenly distributed throughout the state. As shown in Map III.1, below, numerous census tracts in South Dakota had denial rates well above the state average of 12.5 percent. Tracts displayed in yellow, orange and red represent those areas with census tracts that demonstrated a share of loan denials 22.6 percent or greater.

### Map III.1 HMDA Denial Rate by Census Tract

State of South Dakota  
HMDA Data, 2004 – 2009



HMDA data were also used to determine denial rates by gender. Table III.4 shows that in those applications in which gender was provided by the applicant, denial rates were uneven with females experiencing higher denial rates as compared to males. On average, between 2004 and 2009 male applicants experienced a denial rate of 11.0 percent while female applicants experienced a denial rate of 15.0 percent. However, female denial rates declined more sharply during this time from 15.3 percent to 13.8 percent.

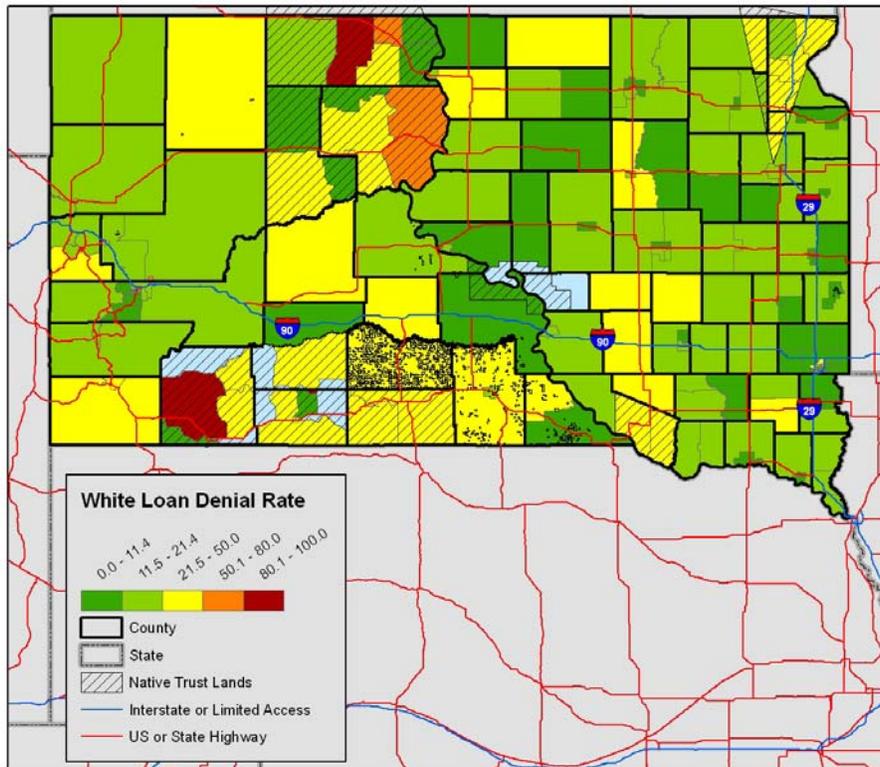
Year	Male	Female	Not Provided by Applicant	Not Applicable	Total
2004	10.8%	15.3%	22.3%	0.0%	12.4%
2005	12.1%	16.9%	21.9%	0.0%	13.6%
2006	11.6%	15.8%	28.7%	0.0%	13.4%
2007	10.4%	13.9%	29.5%	0.0%	12.0%
2008	10.1%	12.9%	25.0%	9.1%	11.2%
2009	10.8%	13.8%	21.7%	33.3%	11.9%
<b>Total</b>	<b>11.0%</b>	<b>15.0%</b>	<b>25.4%</b>	<b>8.0%</b>	<b>12.5%</b>

Denial rates were calculated by race and ethnicity of the loan applicants as well and these data are presented in Table III.5. As shown therein, most minority racial and ethnic applicants had higher denial rates than white applicants. American Indian applicants had the highest denial rate at 30.1 percent, compared to 11.4 percent for white applicants. Black and Hispanic applicants also had high denial rates at 21.5 percent and 25.2 percent, respectively.

Race	2004	2005	2006	2007	2008	2009	Total
American Indian or Alaskan Native	35.7%	32.3%	25.0%	26.7%	23.8%	37.2%	30.1%
Asian	13.5%	7.9%	15.0%	21.8%	10.9%	12.5%	13.0%
Black	22.9%	15.2%	24.5%	20.5%	25.5%	22.1%	21.5%
White	11.0%	12.6%	11.9%	10.6%	10.3%	11.1%	11.4%
Not Applicable	26.0%	27.7%	31.8%	30.1%	25.0%	20.9%	27.8%
No Co-Applicant	9.1%	0.0%	0.0%	0.0%	12.5%	0.0%	7.7%
<b>Total</b>	<b>12.4%</b>	<b>13.6%</b>	<b>13.4%</b>	<b>12.0%</b>	<b>11.2%</b>	<b>11.9%</b>	<b>12.5%</b>
Hispanic (Ethnicity)	17.4%	35.8%	22.6%	25.2%	18.8%	24.5%	25.2%

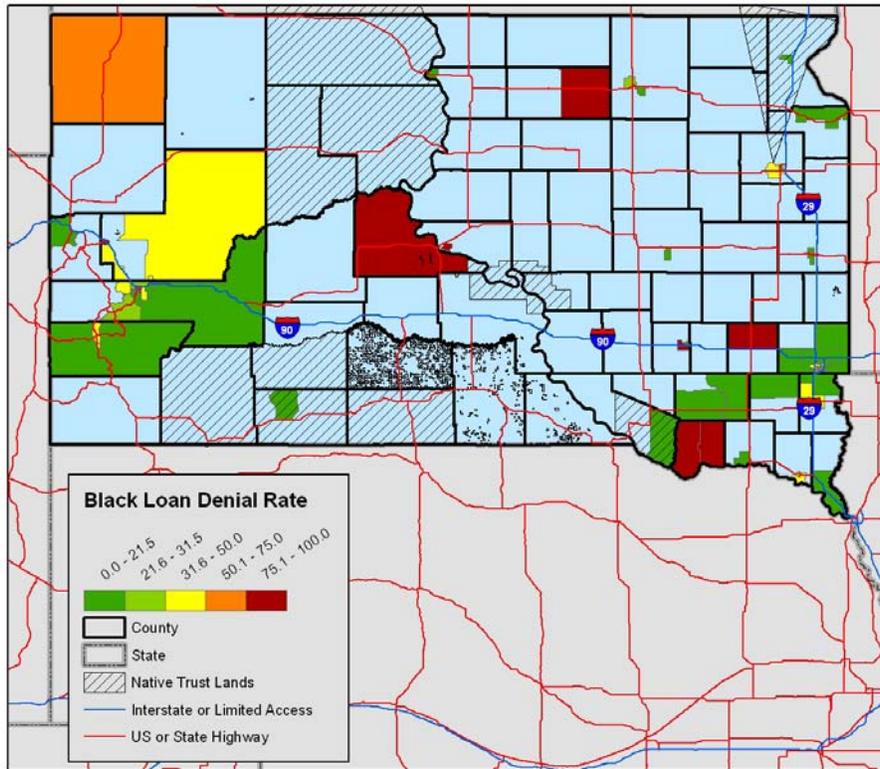
Denial rates by race and ethnicity were plotted on a map to examine geographic location of loan denials. For example, Map III.2, below, presents home loan application denial rates in South Dakota for white applicants and shows that some areas of the state experienced denial rates above 21.4 percent, shown in yellow, orange and red.

**Map III.2**  
**Denial Rate for White Applicants by Census Tract**  
State of South Dakota  
HMDA Data, 2004 – 2009



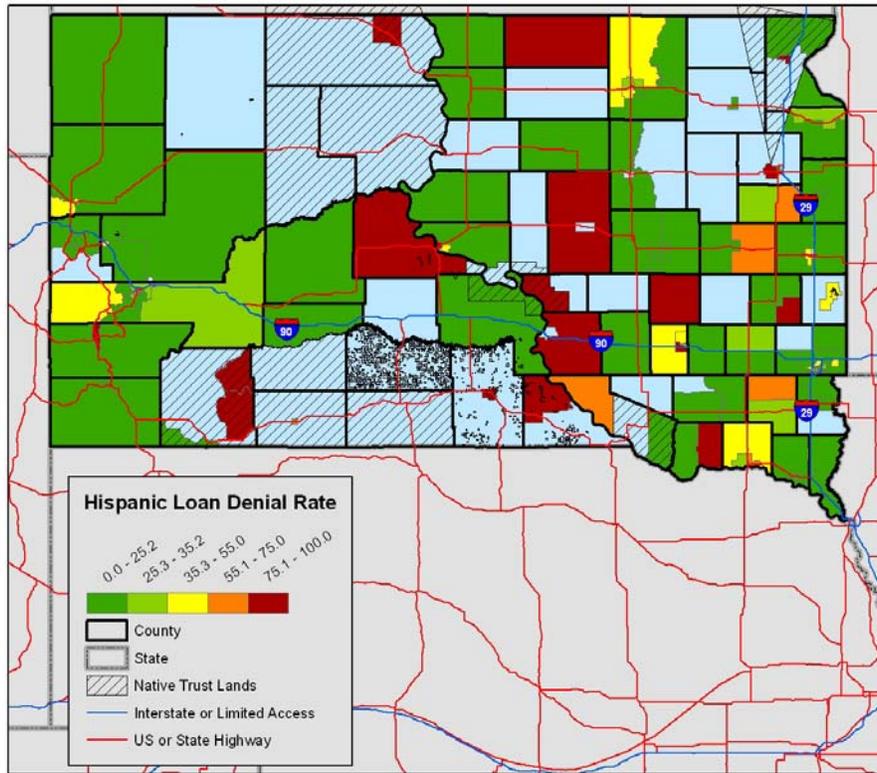
Map III.3 presents the geographic distribution of HMDA denial rates for black applicants. Denial rates for this group were as high as 100.0 percent, but this high rate is often more representative of few applicants, all of whom are denied.

**Map III.3**  
**Denial Rate for Black Applicants by Census Tract**  
State of South Dakota  
HMDA Data, 2004 – 2009



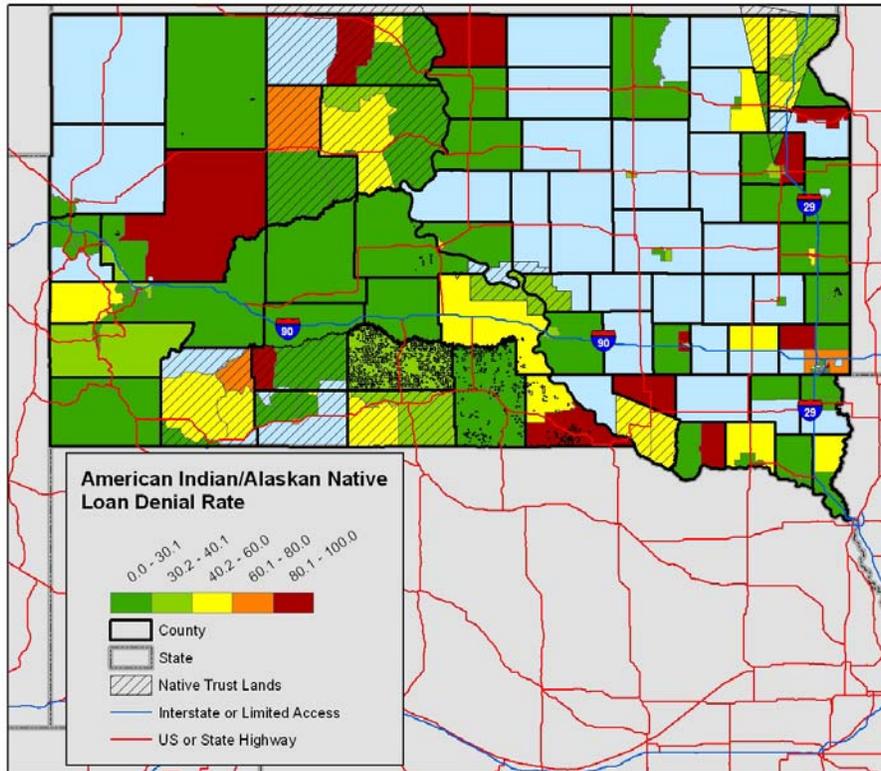
Map III.4 presents geographic data on denial rates for Hispanic applicants in South Dakota. A number of census tracts dispersed throughout the state demonstrated denial rates in excess of 35.2 percent, shown in yellow, orange and red.

**Map III.4**  
**Denial Rate for Hispanic Applicants by Census Tract**  
State of South Dakota  
HMDA Data, 2004 – 2009



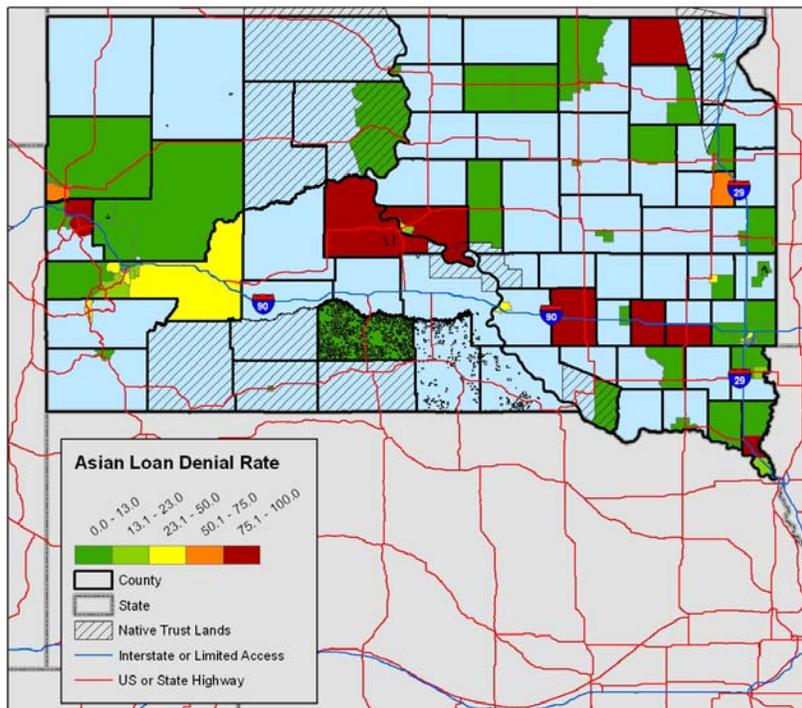
Map III.5 presents geographic data on denial rates for Native American applicants in South Dakota. Some census tracts throughout the state exhibited denial rates above 40.1 percent, shown in orange, and numerous census tracts demonstrated denial rates in excess of 80.0 percent, shown in red. Many of these high-denial rate areas were actually located outside of American Indian trust lands.

**Map III.5**  
**Denial Rate for American Indian Applicants by Census Tract**  
State of South Dakota  
HMDA Data, 2004 – 2009



Data regarding denial rates for Asian applicants are presented in Map III.6 and show that census tracts throughout the state had denial rates exceeding 50.1 percent, shown in orange and red. Although, again this finding may represent a situation of very few applicants in the census tract, all of whom were denied.

**Map III.6**  
**Denial Rate for Asian Applicants by Census Tract**  
 State of South Dakota  
 HMDA Data, 2004 – 2009



Part of the HMDA data includes information about the reason for the loan denial, although financial institutions are not uniformly required to fill out this field. Nevertheless, the most frequently cited categories of denials were credit history and debt-to-income ratio, as shown in Table III.6, on the following page. It cannot be conclusively stated from these data alone that discriminatory lending in the home purchase market occurred, only that there is an institutional inequity in these denial rates. This problem could potentially be reduced through enhancing programs for consumers to better understand the importance of establishing good credit.

**Table III.6**  
**Owner-Occupied Home Purchase Loan Applications by Reason for Denial**

State of South Dakota  
HMDA Data, 2004 – 2009

Denial Reason	American Indian or Alaskan Native	Asian	Black	White	Not Applicable	No Co-Applicant	Total	Hispanic (Ethnicity)
Credit History	87	17	21	1,518	205	0	1,848	53
Debt-to-Income Ratio	16	18	14	1,004	90	0	1,142	21
Collateral	14	7	5	671	63	0	760	10
Credit Application Incomplete	11	7	7	467	59	0	551	13
Unverifiable Information	3	3	3	211	23	1	244	5
Employment History	2	0	1	152	15	0	170	5
Insufficient Cash	5	2	4	146	10	0	167	7
Mortgage Insurance Denied	0	0	0	8	0	0	8	0
Other	22	6	15	899	89	1	1,032	24
Missing	189	24	32	2,568	404	1	3,218	146
<b>Total</b>	<b>349</b>	<b>84</b>	<b>102</b>	<b>7,644</b>	<b>958</b>	<b>3</b>	<b>9,140</b>	<b>284</b>
% Missing	54.2%	28.6%	31.4%	33.6%	42.2%	33.3%	35.2%	51.4%

Table III.7 shows denial rates by income for South Dakota. As one might expect, households with lower incomes tended to be denied for loans more often. Households with income from \$15,000 to \$30,000 were denied an average of 21.6 percent of the time, but those with incomes above \$75,000 were denied just 7.2 percent of the time on average.

**Table III.7**  
**Percent Denial Rates by Income**

State of South Dakota  
HMDA Data, 2004 – 2009

Income	2004	2005	2006	2007	2008	2009	Total
<= \$15K	45.9%	58.1%	53.1%	45.6%	55.4%	63.1%	51.4%
\$15K - \$30K	20.7%	22.3%	22.5%	22.0%	20.2%	21.5%	21.6%
\$30K - \$45K	12.6%	16.3%	15.2%	12.7%	13.3%	12.1%	14.1%
\$45K - \$60K	10.0%	11.3%	12.6%	10.7%	10.2%	10.3%	11.1%
\$60K - \$75K	7.8%	9.2%	8.9%	9.5%	9.2%	8.7%	8.9%
Above \$75K	7.4%	7.1%	8.0%	7.6%	5.7%	7.8%	7.2%
Data Missing	11.9%	9.0%	11.7%	7.6%	10.7%	11.5%	10.2%
<b>Total</b>	<b>12.4%</b>	<b>13.6%</b>	<b>13.4%</b>	<b>12.0%</b>	<b>11.2%</b>	<b>11.9%</b>	<b>12.5%</b>

Table III.8 presents denial rates segmented by race or ethnicity and income. Even when correcting for income, minority racial and ethnic applicants faced a much higher loan denial rate than whites. For example, American Indian applicants experienced much higher loan denial rates than white applicants at all income levels; at income levels below \$15,000 American Indian applicants had a denial rate of 79.6 percent compared to a denial rate of 48.0 percent for white applicants, and at incomes over \$75,000 American Indian applicants had a denial rate of 15.6 percent compared to 6.6 percent for white applicants. The same finding held true for black and Hispanic applicants.

<b>Table III.8</b>								
<b>Percent Denial Rates of Owner-Occupied Home Purchase Loans by Race by Income</b>								
State of South Dakota HMDA Data, 2004 – 2009								
<b>Race</b>	<b>&lt;= \$15K</b>	<b>\$15K - \$30K</b>	<b>\$30K - \$45K</b>	<b>\$45K - \$60K</b>	<b>\$60K - \$75K</b>	<b>Above \$75K</b>	<b>Data Missing</b>	<b>Total</b>
American Indian or Alaskan Native	79.6%	41.1%	31.4%	25.0%	17.4%	15.6%	7.1%	30.1%
Asian	.	29.0%	18.0%	6.4%	9.0%	6.4%	22.7%	13.0%
Black	100.0%	34.8%	24.3%	14.7%	19.4%	11.4%	20.0%	21.5%
White	48.0%	19.8%	12.6%	10.0%	8.2%	6.6%	9.1%	11.4%
Not Applicable	78.6%	41.9%	29.9%	26.6%	18.3%	18.6%	29.1%	27.8%
No Co-Applicant	100.0%	33.3%	0.0%	0.0%	0.0%	0.0%	6.3%	7.7%
<b>Total</b>	<b>52.6%</b>	<b>21.6%</b>	<b>13.9%</b>	<b>11.0%</b>	<b>8.9%</b>	<b>7.3%</b>	<b>10.4%</b>	<b>12.5%</b>
Hispanic (Ethnicity)	73.1%	32.6%	25.8%	23.7%	21.3%	14.0%	7.4%	25.2%

In addition to modifications implemented in 2004 for documenting loan applicants' race and ethnicity, the HMDA reporting requirements were changed in response to the Predatory Lending Consumer Protection Act of 2002, as well as the Home Owner Equity Protection Act (HOEPA). Consequently, loan originations are now flagged in the data system for three additional attributes:

1. If they are HOEPA loans;
2. Lien status, such as whether secured by a first lien, a subordinate lien, not secured by a lien, or not applicable (purchased loans); and
3. Presence of high annual percentage rate loans (HALs), defined as more than three percentage points for home purchases when contrasted with comparable treasury instruments or five percentage points for refinance loans.

Originated owner-occupied home purchase loans qualifying as HALs were identified for 2004 through 2009. These high interest loans were considered predatory in nature. Table III.9 shows that between 2004 and 2009 there were 7,533 owner-occupied HALs originated in the state. Fortunately, the number of HALs decreased significantly over this time period and the overall percentage of originated owner-occupied HALs was relatively low at 11.8 percent.

<b>Table III.9</b>							
<b>Originated Owner-Occupied Loans by Purpose by Predatory Status</b>							
State of South Dakota HMDA Data, 2004 – 2009							
<b>Loan Type</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>Total</b>
Other Originated	9,979	10,274	10,322	9,863	7,995	7,944	56,377
High APR Loan	993	2,011	2,033	1,114	798	584	7,533
<b>Total</b>	<b>10,972</b>	<b>12,285</b>	<b>12,355</b>	<b>10,977</b>	<b>8,793</b>	<b>8,528</b>	<b>63,910</b>
Percent High APR	9.1%	16.4%	16.5%	10.1%	9.1%	6.8%	11.8%

Still, this figure is a measure of the state’s underlying foreclosure risk, and it is important to examine characteristics of those householders who purchased these HALs in the state over the six-year time period.

As seen in Table III.10, below, the group with the greatest number of HALs was whites, whose households had 6,789 such loans. Native American applicants had 201 home purchase HALs, Hispanic applicants had 145 home purchase HALs and black applicants had 66 home purchase HALs.

<b>Table III.10</b>							
<b>Owner-Occupied Home Purchase HALs Originated by Race</b>							
State of South Dakota							
HMDA Data, 2004 – 2009							
<b>Race</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>Total</b>
American Indian	28	49	47	32	28	17	201
Asian	8	23	11	3	10	3	58
Black or African American	10	21	21	10	2	2	66
White	874	1,841	1,784	1,012	728	550	6,789
Not Applicable	73	77	170	57	30	11	418
No Co-Applicant	0	0	0	0	0	1	1
<b>Total</b>	<b>993</b>	<b>2,011</b>	<b>2,033</b>	<b>1,114</b>	<b>798</b>	<b>584</b>	<b>7,533</b>
Hispanic	19	42	45	10	17	12	145

On the other hand, further evaluation of the HMDA data revealed that an unusually high *proportion* of HALs was made to American Indian householders. While white applicants had 11.4 percent and Asian applicants had 10.3 percent of loans as HALs, American Indian applicants had a rate of HALs of 24.8 percent. As seen in Table III.11, below, black applicants also had a high rate of HALs of 17.7 percent along with Hispanic applicants who had a rate of HALs at 17.2 percent.

<b>Table III.11</b>							
<b>Percent of Predatory Owner-Occupied Home Purchase Loans Originated by Race</b>							
State of South Dakota							
HMDA Data, 2004 – 2009							
<b>Race</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>Total</b>
American Indian	20.7%	27.8%	30.1%	21.6%	24.3%	21.0%	24.8%
Asian	8.9%	17.8%	10.2%	4.9%	12.2%	3.3%	10.3%
Black or African American	18.5%	26.9%	28.4%	15.2%	4.9%	3.3%	17.7%
White	8.6%	16.1%	15.6%	9.8%	8.8%	6.8%	11.4%
Not Applicable	13.6%	16.9%	31.2%	13.5%	10.4%	4.7%	16.8%
No Co-Applicant	0.0%	0.0%	0.0%	0.0%	0.0%	50.0%	2.8%
<b>Total</b>	<b>9.1%</b>	<b>16.4%</b>	<b>16.5%</b>	<b>10.1%</b>	<b>9.1%</b>	<b>6.8%</b>	<b>11.8%</b>
Hispanic	13.4%	23.5%	23.4%	8.8%	16.3%	10.8%	17.2%

Again, these data do not conclusively prove that predatory lending targeted selected racial and ethnic minorities, only that such inequitable shares should be of concern to South Dakota policy makers and bankers alike.

## SUMMARY

Home Mortgage Disclosure Act (HMDA) data were used to analyze differences in denial rates in the state by race, ethnicity, gender, income and location. Evaluated home purchase loan applications from 2004 through 2009 showed that there were 63,910 loan originations and 9,140 loan denials, for an average six-year loan denial rate of 12.5 percent. These HMDA data also showed that American Indian, black and Hispanic applicants experienced significantly higher rates of loan denials than white applicants, even after correcting for income. Further, these protected racial and ethnic households appear to have been disproportionately impacted in some geographic areas of the state where significantly higher denial rates exceeded 80.0 percent. Analysis of the high annual percentage rate loans (HALs) showed that these same protected minority populations also were disproportionately impacted by unusually higher shares of these lower-quality loans. While these statistics do not unequivocally prove that discriminatory practices exist in South Dakota lending markets or that selected minorities are targeted for predatory loan products, such institutional inequalities should be of concern to the State of South Dakota.

## **SECTION IV. FAIR HOUSING AGENCIES AND PROGRAMS**

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The following narrative provides an enumeration of key agencies and organizations contributing to affirmatively furthering fair housing in South Dakota. It concludes with a succinct review of the complaint process within each organization.

### **MAJOR FAIR HOUSING ORGANIZATIONS**

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#### **THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

The United States Department of Housing and Urban Development (HUD) oversees, administers and enforces the Fair Housing Act. HUD's regional office in Denver oversees housing, community development and fair housing enforcement in South Dakota, as well as North Dakota, Montana, Utah Wyoming, and Colorado.<sup>10</sup> The Office of Fair Housing and Equal Opportunity (FHEO), within HUD's Denver office, enforces the federal Fair Housing Act and other civil rights laws that prohibit discrimination in housing, mortgage lending and other related transactions in South Dakota. HUD also provides education and outreach, monitors agencies that receive HUD funding for compliance with civil rights laws, and works with state and local agencies under the Fair Housing Assistance Program and Fair Housing Initiative Program, as described below.

#### **FAIR HOUSING ASSISTANCE PROGRAM**

In the U.S., many agencies receive funding directly from HUD as Fair Housing Assistance Programs (FHAP) recipients. FHAP recipients require an ordinance or law that empowers a state or local governmental agency to enforce the state or local fair housing laws; if HUD determines that the local entity can operate on a "substantially equivalent" level to federal agency enforcement activities, HUD contracts with that agency to process fair housing complaints and reimburses the jurisdiction on a per case basis.<sup>11</sup> FHAP grants are given to public, not private, entities and are given on a noncompetitive, annual basis to substantially equivalent state and local fair housing enforcement agencies.

To create a substantially equivalent agency, a state or local jurisdiction must first enact a fair housing law that is substantially equivalent to federal laws. In addition, the local jurisdiction must have both the administrative capability and fiscal ability to carry out the law. With these elements in place, the jurisdiction may apply to HUD in Washington D.C. for substantially equivalent status. The jurisdiction's law would then be examined, and the federal government would make a determination as to whether it was substantially equivalent to federal fair housing law.

When substantially equivalent status has been granted, complaints of housing discrimination are dually filed with the state (or local agency) and with HUD. The state or local agency investigates most complaints; however, when federally subsidized housing is involved, HUD will typically investigate the complaint. Still, the state or local agencies are

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<sup>10</sup> <http://www.hud.gov/offices/fheo/aboutfheo/fhhubs.cfm#hdcent>

<sup>11</sup> <http://www.hud.gov/offices/fheo/progdesc/title8.cfm>

reimbursed for complaint intake and investigation and are awarded funds for fair housing training and education.

## **FAIR HOUSING INITIATIVE PROGRAM**

A Fair Housing Initiative Program (FHIP) participant may be a government agency, a private non-profit or a for-profit organization. FHIPS are funded through a competitive grant program that provides funds to organizations to carry out projects and activities designed to enforce and enhance compliance with fair housing laws. Eligible activities include education and outreach to the public and the housing industry on fair housing rights and responsibilities, as well as enforcement activities in response to fair housing complaints, including testing and litigation. The following FHIP initiatives provide funds and competitive grants to eligible organizations:

**The Fair Housing Organizations Initiative (FHOI)** provides funding that builds the capacity and effectiveness of non-profit fair housing organizations by providing funds to handle fair housing enforcement and education initiatives more effectively. FHOI also strengthens the fair housing movement nationally by encouraging the creation and growth of organizations that focus on the rights and needs of underserved groups, particularly people with disabilities.

**Grantee eligibility:**

Applicants must be qualified fair housing enforcement organizations with at least two years of experience in complaint intake, complaint investigation, testing for fair housing violations, and meritorious claims in the three years prior to the filing of their application.

**Eligible activities:**

The basic operation and activities of new and existing non-profit organizations.

**The Private Enforcement Initiative (PEI)** offers a range of assistance to the nationwide network of fair housing groups. This initiative funds non-profit fair housing organizations to carry out testing and enforcement activities to prevent or eliminate discriminatory housing practices.

**Grantee eligibility:**

Fair housing enforcement organizations that meet certain requirements related to the length and quality of previous fair housing enforcement experience may apply for FHIP-PEI funding.

**Eligible activities:**

Conducting complaint-based and targeted testing and other investigations of housing discrimination, linking fair-housing organizations in regional enforcement activities, and establishing effective means of meeting legal expenses in support of fair housing litigation.

**The Education and Outreach Initiative (EOI)** offers a comprehensive range of support for fair housing activities, providing funding to state and local government agencies and non-profit organizations for initiatives that explain to the general public and housing providers what equal opportunity in housing means and what housing providers need to do to comply with the Fair Housing Act.

**Grantee eligibility:**

State or local governments, qualified fair housing enforcement organizations (those with at least two years of experience), other fair housing organizations, and other public or private nonprofit organizations representing groups of people protected by the Fair Housing Act may apply for FHIP-EOI funding.

**Eligible activities:**

A broad range of educational activities that can be national, regional, local or community-based in scope. Activities may include developing education materials, providing housing counseling and classes, convening meetings that bring together the housing industry with fair housing groups, developing technical materials on accessibility, and mounting public information campaigns. National projects that demonstrate cooperation with the real estate industry or focus on resolving the community tensions that arise as people expand their housing choices may be eligible to receive preference points.

**The Administrative Enforcement Initiative (AEI)** helps state and local governments who administer laws that include rights and remedies similar to those in the Fair Housing Act implement specialized projects that broaden an agency's range of enforcement and compliance activities. No funds are available currently for this program.

In 2006, the FHIP program awarded \$18.1 million: \$13.9 million for PEI grants and \$4.2 million for EOI. One organization in North Dakota and also serving South Dakota received a FHIP grant in 2006.<sup>12</sup>

Fair Housing of the Dakotas (FHD) has been providing fair housing services in North Dakota since 1995 and in South Dakota since 2003. FHD will continue to provide complaint intake, investigation, mediation, and referral services. Additionally, FHD will conduct 60 paired-tests of the rental market and 3 tests of the mortgage-lending market for evidence of unlawful discrimination. FHD expects that its investigations will result in 30 complaints being filed with HUD. FHD also plans to hold fair housing workshops for housing providers and consumers.

In 2007, the FHIP program awarded \$18.1 million: \$14 million for PEI and \$4.1 for EOI. One organizations operating in North Dakota but also serving South Dakota received FHIP grants that year.<sup>13</sup>

Fair Housing of the Dakotas (FHD) will conduct fair housing enforcement, education, and outreach activities in North Dakota and South Dakota. Specifically, FHD will conduct tests of rental housing providers and mortgage lenders for evidence of unlawful discrimination; hold 24 fair housing workshops on a range of topics, including accessibility and predatory lending; and distribute 30,000 fair housing publications.

In 2008 the FHIP program awarded \$21.8 million: \$20 million for PEI and \$1.3 million for EOI. An additional \$500,000 was granted for an EOI Clinical Law School Component. One organization located in North Dakota but also serving South Dakota received FHIP grants in 2008.<sup>14</sup>

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<sup>12</sup> <http://www.hud.gov/offices/fheo/partners/FHIP/fhip.cfm>

<sup>13</sup> <http://www.hud.gov/news/releases/pr07-148.pdf>

<sup>14</sup> <http://www.hud.gov/offices/fheo/partners/FHIP/FY2008FHIP.cfm#mn>

Fair Housing of the Dakotas (FHD) will operate in North and South Dakota and serve the residents in those two states. FHD's main goal is to strengthen enforcement activities through testing and other investigative methods, resulting in providing remedies for acts of discrimination in housing transactions. FHD will conduct rental and mortgage lending tests, conduct 24 Fair Housing workshops, distribute publications on fair housing, reach out to 45 underserved communities, collaborate with other organizations and provide accessibility or predatory/lending trainings. This is the only FHIP in the two-state region and in the Denver region.

One organization located in North Dakota but also serving South Dakota received FHIP funding in 2009.<sup>15</sup>

Fair Housing of the Dakotas will use its grant to conduct fair housing enforcement activities in North and South Dakota. FHD's main goal is to strengthen enforcement activities through testing and other investigative methods that will result in providing remedies for acts of discrimination in housing transactions. FHD will also conduct rental and mortgage lending tests, conduct 24 Fair Housing workshops, distribute 30 thousand publications on fair housing, reach out to 45 underserved communities, collaborate with other organizations, and provide accessibility or predatory/lending trainings.

However, recently the Fair Housing of the Dakotas organization was dissolved due to internal conflict. Thus, the State of South Dakota has been left with no fair housing agency beyond the Human Rights Commission to address fair housing concerns or accept fair housing complaints. The dissolution of the Fair Housing of the Dakotas has left a noticeable hole in the availability of fair housing services in the state.

## **STATE AND LOCAL FAIR HOUSING ORGANIZATIONS**

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### **SOUTH DAKOTA DIVISION OF HUMAN RIGHTS**

The South Dakota Division of Human Rights (DHR) is located in Pierre and exists to address issues of human rights in the state of South Dakota. Specifically, the mission of the DHR is to promote equal opportunity through the administration and enforcement of the Human Relations Act of 1972. The Act was designed to protect the public from discrimination in regard to race, color, creed, religion, sex, disability, ancestry or national origin in relation to employment practices, labor union membership, education, public accommodations, public services, and also housing accommodations and property rights. The Act also prohibits discriminating against someone who has filed a complaint with the Division of Human Rights, has testified on a matter before the Division or has assisted the Division in carrying out the purposes of the Act.

This law also created the South Dakota Commission of Human Rights. The Commission is comprised of five members who are appointed by the governor with Senate confirmation for four-year terms. The Division of Human Rights addresses administration issues in relation to enforcement of the Human Relations Act, offers technical assistance, accepts fair housing complaint in relation to violations of the Act, investigates complaints that are filed with the agency, and also attempts to settle complaints that are filed through conciliatory efforts.

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<sup>15</sup> <http://www.hud.gov/offices/fheo/partners/FHIP/FY2009FHIP.cfm#nd>

## COMPLAINT AND COMPLIANCE REVIEW

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A myriad of federal laws provide the backbone for fair housing regulations in the U.S. While some laws have already been discussed previously in this report, a brief review of laws related to fair housing as presented on the HUD website<sup>16</sup> is presented below.

**Fair Housing Act.** Title VIII of the Civil Rights Act of 1968, also known as the federal Fair Housing Act, as amended prohibits discrimination in the sale, rental and financing of dwellings and in other housing-related transactions based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18), and handicap (disability).

**Title VI of the Civil Rights Act of 1964.** Title VI prohibits discrimination on the basis of race, color or national origin in programs and activities receiving federal assistance.

**Section 504 of the Rehabilitation Act of 1973.** Section 504 prohibits discrimination based on disability in any program or activity receiving federal housing assistance.

**Section 109 of Title I of the Housing and Community Development Act of 1974.** Section 109 prohibits discrimination on the basis of race, color, national origin, sex or religion in programs and activities receiving financial assistance from HUD's Community Development and Block Grant program.

**Title II of the Americans with Disabilities Act of 1990.** Title II of the Americans with Disabilities Act of 1990 prohibits discrimination based on disability in programs, services and activities provided or made available by public entities. HUD enforces Title II when it relates to state and local public housing, housing assistance and housing referrals.

**Architectural Barriers Act of 1968.** The Architectural Barriers Act of 1968 requires that buildings and facilities designed, constructed, altered, or leased with certain federal funds after September 1969 must be accessible to and useable by handicapped persons.

**Age Discrimination Act of 1968.** The Age Discrimination Act of 1968 prohibits discrimination on the basis of age in programs or activities receiving federal financial assistance.

**Title IX of the Education Amendments Act of 1972.** Title IX prohibits discrimination on the basis of sex in education programs or activities that receive federal financial assistance.

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<sup>16</sup> <http://www.hud.gov/offices/fheo/FHLaws/index.cfm>

## COMPLAINT PROCESS FOR THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

According to the HUD website, any person who feels their housing rights have been violated may submit a complaint to HUD via phone, mail or the Internet. A complaint can be submitted to the national HUD office at:

Office of Fair Housing and Equal Opportunity  
Department of Housing and Urban Development  
451 Seventh St. SW, Room 5204  
Washington, DC 20410-2000  
(202) 708-1112  
1-800-669-9777  
<http://www.hud.gov/offices/fheo/online-complaint.cfm>

In South Dakota, the contact information for the regional HUD office in Denver is:

Denver Regional Office of FHEO  
U.S. Department of Housing and Urban Development  
1670 Broadway  
Denver, Colorado 80202-4801  
(303) 672-5437  
1-800-877-7353

There is also a field HUD office located in South Dakota in Sioux Falls:

Sioux Falls Field Office  
4301 West 57th Street, Suite 101  
Sioux Falls, SD 57108  
(605) 330-4223

When a complaint is submitted, intake specialists review the information and contact the complainant in order to gather additional details and determine if the case qualifies as possible housing discrimination. Complaints that are specific to a state or locality that is part of HUD's FHAP organizations are referred to the appropriate parties who have 30 days to address the complaint. If HUD is handling the case, the formal complaint is sent to the complainant for review and is then sent to the alleged violator for review and response.

Next, the circumstances of the complaint are investigated through conducting interviews and examining relevant documents. During this time, the investigator attempts to rectify the situation through conciliation, if possible.

The case is closed if conciliation of the two parties is achieved or if the investigator determines that there was no reasonable cause of discrimination. If reasonable cause is found, then either a federal judge or a HUD Administrative Law Judge hears the case and determines damages, if any.<sup>17</sup> A respondent may be ordered:

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<sup>17</sup> <http://www.hud.gov/offices/fheo/complaint-process.cfm>

- To compensate for actual damages, including humiliation, pain and suffering.
- To provide injunctive or other equitable relief to make the housing available.
- To pay the Federal Government a civil penalty to vindicate the public interest. The maximum penalties are \$10,000 for a first violation and \$50,000 for an additional violation within seven years.
- To pay reasonable attorney's fees and costs.<sup>18</sup>

## **COMPLAINT PROCESS FOR THE SOUTH DAKOTA HUMAN RIGHTS COMMISSION**

The South Dakota Division of Human Rights (DHR) accepts complaints from within South Dakota that are in violation of the Human Relations Act. A complaint can be filed at:

700 Governors Drive  
Pierre, SD 57501  
Phone: (605) 773-4493  
Fax: (605) 773-4211

After a complaint is filed, the Division determines if the complaint is justified. If it finds justification, the Division seeks to settle a complaint through conference and conciliation. If conciliation is not reached and probable cause is found, then the complaint is presented at public hearing where the Commission issues final orders to correct discriminatory practices and prevent their recurrence.

### **SUMMARY**

Two main organizations play a role in fair housing in South Dakota: the U.S. Department of Housing and Urban Development and the South Dakota Division of Human Rights. These entities exist to address fair housing complaints in the state and to rectify fair housing disputes as well as to offer education and advocacy for the general public.

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<sup>18</sup> <http://www.hud.gov/offices/fheo/FHLaws/yourrights.cfm>



## **SECTION V. EVALUATION OF THE FAIR HOUSING PROFILE**

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The following narrative presents several perspectives about the status of the fair housing system in South Dakota, including national and state fair housing studies and cases, state Department of Justice fair housing cases, fair housing complaint data and results of the 2010 South Dakota Fair Housing Survey.

### **RELATED NATIONAL AND STATEWIDE FAIR HOUSING STUDIES**

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#### **NATIONAL FAIR HOUSING STUDIES AND ARTICLES**

In 2000, The United States Department of Housing and Urban Development (HUD) released a publication entitled “Discrimination in Metropolitan Housing Markets” (HDS2000), measuring the prevalence of housing discrimination based on race or color in the U.S. The third nationwide effort to measure discrimination against minority home seekers since 1977, HDS2000 measured discrimination in metropolitan areas with populations greater than 100,000 and with significant black, Hispanic and/or Native American minorities. The study found that discrimination persists in both rental and sales markets of large metropolitan areas nationwide, but that its incidence has generally declined since 1989. The exception was for Hispanic renters, who faced essentially the same incidence of discrimination in 2000 as they did in 1989.

In April 2002, HUD released, “How Much Do We Know?,” a national study which assessed public awareness of and support for fair housing law. The study found that only one-half of the general public was able to identify six or more of eight scenarios describing illegal conduct. In addition, 14.0 percent of the nationwide survey’s adult participants believed that they had experienced some form of housing discrimination in their lifetime. However, only 17.0 percent of those who had experienced housing discrimination had done something about it. Last, two-thirds of all respondents said that they would vote for a fair housing law.<sup>19</sup>

As a follow-up, HUD later released a study in February 2006 called “Do We Know More Now? Trends in Public Knowledge, Support and Use of Fair Housing Law.” One aim of the study was to determine whether a nationwide media campaign had proven effective in increasing the public’s awareness of housing discrimination, as well as its desire to report such discrimination. Unfortunately, the study found that overall public knowledge of fair housing laws had not improved between 2000 and 2005. As before, just half of the public knew the law with respect to six or more illegal housing activities. In the 2006 report, 17.0 percent of the study’s adult participants claimed to have experienced discrimination when seeking housing; however, after reviewing descriptions of the perceived discrimination, it was determined that only about 8.0 percent of the situations might be covered by the Fair Housing Act. Four out of five individuals who felt they had been discriminated against did not file a fair housing complaint, indicating that they felt it “wasn’t worth it” or that it “wouldn’t have helped.” Others didn’t know where to complain, assumed it would cost

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<sup>19</sup> *How Much Do We Know?* United States Department of Housing and Urban Development, Office of Policy Development and Research, 2002. Document available at <http://www.huduser.org/Publications>.

too much, were too busy or feared retribution.<sup>20</sup> One positive finding of the survey was that public support for fair housing laws increased from 66.0 percent in 2000 to 73.0 percent in 2005.

In 2004, the U.S. General Accounting Office's (GAO) released a report titled "Fair Housing: Opportunities to Improve HUD's Oversight and Management of the Enforcement Process." The GAO report found that, although the process had improved in recent years, between 1996 and 2003 the median number of days required to complete fair housing complaint investigations was 259 for HUD's Fair Housing and Equal Opportunity Offices and 195 for FHAP agencies. The report did find a higher percentage of investigations completed within the FHA's 100-day mandate.<sup>21</sup> The GAO report also identified the following trends between 1996 and 2003:

- The number of fair housing complaints filed each year steadily increased since 1998. An increasing proportion of grievances alleged discrimination based on disability, and a declining proportion alleged discrimination based on race, though race was still the most cited basis of housing discrimination over the period.
- FHAP agencies conducted more fair housing investigations than FHEO agencies over the eight-year period. The total number of investigations completed each year increased somewhat after declining in 1997 and 1998.
- Investigation outcomes changed during this time, and an increasing percentage closed without a finding of reasonable cause to believe discrimination occurred. A declining percentage of investigations were resolved by the parties themselves or with help from FHEO or FHAP agencies.

In January 2005, the Center for Community Capital at the University of North Carolina at Chapel Hill reported that the following three predatory loan terms increase the risk of mortgage foreclosure in subprime home loans: prepayment penalties, balloon payments and adjustable rates. The study examined recent home mortgages while controlling for credit scores, loan terms and varying economic conditions.<sup>22</sup> For example, in the prime lending market only 2.0 percent of home loans carry prepayment penalties of any length. Conversely, up to 80.0 percent of all subprime mortgages carry a prepayment penalty, which is a fee for paying off a loan early. An abusive prepayment penalty extends more than three years and/or costs more than six months' interest.<sup>23</sup> While previous studies have linked subprime lending with home loss, this study was the first to identify specific abusive terms that lead to foreclosure.

Released by the Poverty and Race Research Action Council in January 2008, "Residential Segregation and Housing Discrimination in the United States" asserts that many current governmental efforts to further fair housing actually result in furthering unfair housing practices across the U.S. This article suggests that fair housing efforts can cause residential

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<sup>20</sup> *Do We Know More Now?* United States Department of Housing and Urban Development, Office of Policy Development and Research, 2006. Document available at <http://www.huduser.org/Publications>.

<sup>21</sup> *Fair Housing: Opportunities to Improve HUD's Oversight and Management of the Enforcement Process*, United States General Accounting Office, Report to Congressional Requesters, April 2004.

<sup>22</sup> <http://www.kenan-flagler.unc.edu/assets/documents/foreclosurerelease.pdf>

<sup>23</sup> <http://www.responsiblelending.org/pdfs/2b003-mortgage2005.pdf>

segregation. For example, the majority of public housing residents are non-white and most public housing accommodations are grouped in the same census tracts, which results in residential segregation. Similarly, many Section 8 voucher holders are racial or ethnic minorities and most housing that accepts Section 8 vouchers is grouped in a few select areas, which again results in residential segregation. The report offers recommendations to curb such residential segregation, which include:

- Dispersing public housing developments throughout cities and communities; and
- Providing greater incentives for landlords with properties throughout an area to accept the coupons.<sup>24</sup>

Published in 2009 by the National Fair Housing Alliance, “For Rent: No Kids!: How Internet Housing Advertisements Perpetuate Discrimination” presented research on the prevalence of discriminatory housing advertisements on popular websites such as Craigslist. According to the article, while newspapers are prohibited from publishing discriminatory housing advertisements, no such law exists for websites such as Craigslist, as they are considered interactive internet providers rather than publishers of content. As such, they are not held to the same legal standards as newspapers. Currently, while individual landlords who post discriminatory advertisements may be held responsible, there are no such standards for companies, like Craigslist, that post the advertisements that are discriminatory. Other publishers of content, like newspapers, are currently required to scan the advertisements they accept for publishing for content that could be seen as discriminatory such as phrases like “no children” or “Christian only” that violate provisions of the Fair Housing Act in their stated preferences that violate protected groups like families with children and religion.

## **OTHER CASES WITH NATIONAL IMPLICATIONS**

In a landmark fraud case, Westchester County, New York, was ordered to pay more than \$50 million dollars to resolve allegations of misusing federal funds for public housing projects and falsely claiming their certification of furthering fair housing. The lawsuit, which was filed in 2007 by an anti-discrimination center, alleged that the County failed to reduce racial segregation of public housing projects in larger cities within the county and to provide affordable housing options in its suburbs. The County had accepted more than \$50 million from HUD between 2000 and 2006 with promises of addressing these problems. In a summary judgment in February 2009, a judge ruled that the County did not properly factor in race as an impediment to fair housing and that the County did not accurately represent its efforts of integration in its analysis of impediments. In the settlement, Westchester County will be forced to pay more than \$30 million to the federal government, with roughly \$20 million eligible to return to the county to aid in public housing projects. The County must also set aside \$20 million to build public housing units in suburbs and areas with mostly white populations. The ramifications of this case are expected to affect housing policies of both states and entitlement communities across the nation, in which activities taken to affirmatively further fair housing will likely be held to

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<sup>24</sup> <http://www.prrac.org/pdf/FinalCERDHousingDiscriminationReport.pdf>

higher levels of scrutiny to ensure that federal funds are being spent to promote fair housing and affirmatively further fair housing.

In 2008, \$3 billion of federal disaster aid was allotted to Texas State government to provide relief from damage caused by hurricanes Ike and Dolly. These storms ravaged homes in coastal communities, and many of these homes were owned by low-income families who could not afford to rebuild. However, instead of directing the federal funds to the areas most affected by the storms, the State spread the funds across Texas and let local planning agencies spend at will. In reaction to this, two fair housing agencies in the state filed a complaint with HUD stating that the plan violated fair housing laws as well as federal aid requirements that specify that half of the funds be directed to lower-income persons. In light of the complaint, HUD withheld \$1.7 billion in CDBG funds until the case could be resolved. A settlement was reached in June 2010. As part of the settlement, the State was required to redirect 55.0 percent of the amount of the original funds to aid poorer families who lost their homes. The State was also asked to rebuild public housing units that were destroyed by the storms and offer programs to aid minority and low-income residents in relocating to less storm-prone areas or areas with greater economic opportunities.

## **RECENT SOUTH DAKOTA FAIR HOUSING CASES AND STUDIES**

In 2005, the Department of Housing and Urban Development (HUD) filed a suit alleging unlawful discrimination. According to the case, the defendant owned an eight-unit apartment complex in Vermillion, South Dakota. HUD investigated the defendant after receiving complaints regarding advertisements printed in multiple newspapers specifying “no minors” as a requirement for tenancy. Two HUD fair housing testers called the defendant requesting information about the apartments and were told that there were three requirements “no pets, no kids and no smokers.” The tester claiming to have children received no additional information about the apartment, while the tester claiming to be a couple and their elderly mother received information about amenities and rent and was offered a tour.

## **RECENT SOUTH DAKOTA SUITS FILED BY THE U.S. DEPARTMENT OF JUSTICE**

The U.S. Department of Justice (DOJ) enacts lawsuits on behalf of individuals based on referrals from HUD. Under the Fair Housing Act, the DOJ may file lawsuits in the following instances:

- Where there is reason to believe that a person or entity is engaged in what is termed a “pattern or practice” of discrimination or where a denial of rights to a group of people raises an issue of general public importance;
- Where force or threat of force is used to deny or interfere with fair housing rights;
- Where people who believe that they have been victims of an illegal housing practice file a complaint with HUD or file their own lawsuit in federal or state court.

In November 2008, the Department of Justice sued the owners and managers of three Sioux Falls apartment buildings. The three buildings, which encompassed 28 units, were owned by a couple and managed by Triple R. Industries, Inc. The suit alleged

discrimination against the owners and managers based on familial status and race. Potential tenants were told that the apartments are not rented to African-Americans or people with children, which was a direct violation of the Fair Housing Act. The Department of Justice filed suit after receiving complaints from HUD, Fair Housing of the Dakotas, and a tenant.

A suit was filed by the Department of Justice against six multi-family housing developments in Sioux Falls, in May 2009. The suit alleged that Equity Homes Inc, PBR LLC, BBR LLC, and the defendant failed to provide accessible features required by the Fair Housing Act in their multi-family developments. New multi-family housing developments are required by law to be designed with basic accessible features, such as doors wide enough for wheelchairs, kitchens and bathrooms with sufficient room to maneuver in a wheelchair, outlets and thermostats in easily accessible locations, and accessible routes to and through apartments. The lawsuit sought a court order requiring the defendants to modify the complexes to bring them into compliance with federal laws and prohibit future discrimination by the defendants, as well as monetary damages to compensate victims.

On October 16, 2009, the DOJ filed suit against TK Properties, LLC, its officer, and two employees for racial discrimination that violated the Fair Housing Act. Three families, two white and one black, filed a complaint with HUD alleging that the company purposely created a hostile living environment. HUD investigated the allegations and found reasonable cause to believe that unlawful discrimination occurred. The matter was referred to the Department of Justice by HUD.

## FAIR HOUSING COMPLAINTS

### COMPLAINTS FILED WITH THE SOUTH DAKOTA DIVISION OF HUMAN RIGHTS

The South Dakota Division of Human Rights (DHR) accepts complaints from within the state that are in relation to violations of the real property and housing section of the South Dakota Human Rights Act. Complaint data from 2003 through 2009 was downloaded from the DHR website and are presented below in Table V.1. However, these data only related to the number of complaints filed in the state between 2003 and 2009.

In total, seven complaints were filed with this agency between fiscal years 2003 and 2009, with three filed in 2004, two filed in 2006 and two filed in 2007.

The very low number of complaints filed with this agency during this time period could be attributed to the difficulties associated with understanding the DHR complaint process. While the DHR website indicates that this agency accepts complaints, it neither demonstrates the process for doing so nor offers complaints forms to aid in ease of filing.

Year	Real Property and Housing
2003	0
2004	3
2005	0
2006	2
2007	2
2008	0
2009	0
<b>Total</b>	<b>7</b>

## COMPLAINTS FILED WITH HUD

HUD maintains records of all complaints filed with the agency that represent violations of federal housing law. Over the January 2004 through August 2010 time period, HUD reported a total of 134 fair housing complaints from within the state, with a high of 39 in 2004 and a low of 11 in 2007, excluding 2010 as an incomplete year. These data are presented in Table V.2, at right.

Table V.3 presents the complaint data by basis or the protected class status of the person alleged to have been aggrieved in the complaint. Complainants may cite more than one basis; hence the number of bases cited can exceed the total number of complaints. A total of 156 bases were cited in relation to the 134 complaints filed. The majority of the complaints were filed on the basis of physical disability, with 44 of the 156 bases cited referring to this class. An additional 40 complaints were filed on the basis of familial status, 25 were filed on the basis of mental disability, and 17 were filed on the basis of race discrimination for American Indian complainants.

Year	Complaints
2004	39
2005	27
2006	26
2007	11
2008	14
2009	13
2010	4
<b>Total</b>	<b>134</b>

Basis	2004	2005	2006	2007	2008	2009	2010	Total
Disability - Physical	24	6	7	1	4	1	1	44
Familial Status	6	9	9	4	7	5	0	40
Disability - Mental	5	5	8	1	4	2	0	25
Race - American Indian	4	2	4	2	2	1	2	17
Race- Black	2	2	0	0	3	4	1	12
Sex- Female	0	0	2	2	2	0	0	6
Retaliation	0	1	1	0	1	1	0	4
National Origin - Hispanic	0	0	1	2	0	0	0	3
Color	0	1	0	0	1	0	0	2
Sex - Male	1	0	0	0	0	0	0	1
Harassment	0	0	1	0	0	0	0	1
Religion	1	0	0	0	0	0	0	1
<b>Total Basis</b>	<b>43</b>	<b>26</b>	<b>33</b>	<b>12</b>	<b>24</b>	<b>14</b>	<b>4</b>	<b>156</b>
Total Complaints	39	27	26	11	14	13	4	134

The issue, or alleged discriminatory action, that was related to each complaint is presented in Table V.4, on the following page; in the same way that bases are reported, more than one issue may be counted per each complaint. In this case, 256 issues were cited with discrimination in terms, conditions or privileges relating to rental cited 44 times, discriminatory refusal to rent cited 43 times and discriminatory advertising, statements and notices cited 32 times. The most commonly cited issues related to rental transactions, which suggests that discriminatory acts leading to the filing of fair housing complaints are more commonly associated with the rental market.

<b>Table V.4</b>								
<b>Fair Housing Complaints by Issue</b>								
State of South Dakota								
HUD Data, January 2004 – August 2010								
<b>Issue</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>Total</b>
Discrimination in terms-conditions-privileges relating to rental	10	8	13	4	7	1	1	44
Discriminatory refusal to rent	6	14	6	7	5	4	1	43
Discriminatory advertising, statements and notices	2	10	6	2	7	4	1	32
Failure to make reasonable accommodation	8	7	8	0	6	2	1	32
Discriminatory terms, conditions, or services and facilities	8	2	5	2	3	2	1	23
Discriminatory acts under Section 818 (coercion, Etc.)	4	3	7	1	1	6	0	22
Non-compliance with design and construction requirements	17	4	0	0	0	0	0	21
Discriminatory advertisement - Rental	4	1	3	1	0	4	0	13
Steering	3	0	2	0	1	0	0	6
Otherwise deny or make housing available	0	1	0	0	0	3	2	6
Discriminatory refusal to negotiate for rental	0	1	1	0	0	1	0	3
Discriminatory refusal to rent and negotiate for rental	0	0	1	1	0	0	0	2
False denial or representation of availability - Rental	0	0	1	0	0	1	0	2
Discrimination in services and facilities relating to rental	0	1	0	0	0	1	0	2
False denial or representation of availability - Sale	0	0	0	0	1	0	0	1
Restriction of choices relative to a rental	1	0	0	0	0	0	0	1
Failure to meet senior housing exemption criteria	0	0	0	1	0	0	0	1
Failure to meet senior housing exemption criteria (55+)	0	0	1	0	0	0	0	1
Failure to permit reasonable modification	0	1	0	0	0	0	0	1
<b>Total Issues</b>	<b>63</b>	<b>53</b>	<b>54</b>	<b>19</b>	<b>31</b>	<b>29</b>	<b>7</b>	<b>256</b>
Number of Complaints	39	27	26	11	14	13	4	134

Housing complaints filed with HUD can also be examined by closure status. Of the 134 total complaints, the majority of the complaints, 57, were successfully conciliated. However, an additional 48 complaints were found to have a no cause determination. These data are presented below in Table V.5.

<b>Table V.5</b>								
<b>Fair Housing Complaints by Closure</b>								
State of South Dakota								
HUD Data, January 2004 – August 2010								
<b>Closure Status</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>Total</b>
Conciliation successful	11	15	17	3	6	4	1	57
No cause determination	11	11	8	6	4	6	2	48
Election made to go to court	8	1	0	0	2	3	0	14
DOJ files suit	5	0	0	0	0	0	0	5
Complainant failed to cooperate	2	0	0	1	0	0	0	3
Complaint withdrawn by complainant without resolution	2	0	0	1	0	0	0	3
Complaint withdrawn after resolution	0	0	1	0	2	0	0	3
Dismissed for lack of jurisdiction	0	0	0	0	0	0	1	1
<b>Total</b>	<b>39</b>	<b>27</b>	<b>26</b>	<b>11</b>	<b>14</b>	<b>13</b>	<b>4</b>	<b>134</b>

Table V.6, on the following page, shows that successfully resolved fair housing complaints in South Dakota most commonly related to familial status, followed by physical disability and mental disability.

<b>Table V.6</b>								
<b>Successfully Conciliated Fair Housing Complaints by Basis</b>								
State of South Dakota								
HUD Data, January 2004 – August 2010								
<b>Basis</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>Total</b>
Familial Status	5	6	8	2	5	4	0	30
Disability - Physical	3	6	5	0	2	0	0	16
Disability - Mental	1	0	5	0	3	0	0	9
Race - American Indian	2	1	2	1	0	0	0	6
Sex- Female	0	0	2	0	1	0	0	3
Race- Black	0	1	0	0	0	0	1	2
Retaliation	0	0	1	0	1	0	0	2
Harassment	0	0	1	0	0	0	0	1
National Origin - Hispanic	0	0	1	0	0	0	0	1
<b>Total Basis</b>	<b>11</b>	<b>14</b>	<b>25</b>	<b>3</b>	<b>12</b>	<b>4</b>	<b>1</b>	<b>70</b>
Total Successful Complaints	11	15	17	3	6	4	1	57

Table V.7 shows the successful complaints broken down by issue. Again, discriminatory terms, conditions, or privileges relating to rental was most often cited followed by discriminatory advertising, statements and notices as well as discriminatory refusal to rent.

<b>Table V.7</b>									
<b>Successfully Conciliated Fair Housing Complaints by Issue</b>									
State of South Dakota									
HUD Data, January 2004 – August 2010									
<b>Issue</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>Total</b>	
Discrimination in terms-conditions-privileges relation to rental	5	6	9	1	4	0	0	25	
Discriminatory advertising, statements and notices	2	7	5	2	4	1	1	22	
Discriminatory refusal to rent	4	6	4	1	1	3	0	19	
Failure to make reasonable accommodation	2	2	6	0	4	0	0	14	
Discriminatory advertisement - Rental	3	1	3	0	0	3	0	10	
Discriminatory acts under Section 818 (coercion, Etc.)	2	1	4	0	1	0	0	8	
Steering	3	0	2	0	1	0	0	6	
Discriminatory terms, conditions, or services and facilities	1	1	1	1	1	0	0	5	
Non-compliance with design and construction requirements	1	4	0	0	0	0	0	5	
Discriminatory refusal to negotiate for rental	0	0	1	0	0	0	0	1	
Discriminatory refusal to rent and negotiate for rental	0	0	1	0	0	0	0	1	
False denial or representation of availability - Rental	0	0	1	0	0	0	0	1	
Discrimination in services and facilities relating to rental	0	1	0	0	0	0	0	1	
Otherwise deny or make housing available	0	0	0	0	0	0	1	1	
Restriction of choices relative to a rental	1	0	0	0	0	0	0	1	
Failure to meet senior housing exemption criteria	0	0	0	1	0	0	0	1	
Failure to meet senior housing exemption criteria (55+)	0	0	1	0	0	0	0	1	
<b>Total Issues</b>	<b>24</b>	<b>29</b>	<b>38</b>	<b>6</b>	<b>16</b>	<b>7</b>	<b>2</b>	<b>122</b>	
Number of Complaints	11	15	17	3	6	4	1	57	

Housing complaints that were brought to litigation were also more closely examined. Table V.8, on the following page, shows that of the 19 complaints taken to trial 42 bases were cited in relation to physical disability, race, familial status and color.

<b>Table V.8</b>								
<b>Fair Housing Complaints Brought to Litigation by Basis</b>								
State of South Dakota								
HUD Data, January 2004 – August 2010								
<b>Basis</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>Total</b>
Disability - Physical	13	0	.	.	0	0	.	16
Race- Black	0	0	.	.	2	3	.	15
Familial Status	0	1	.	.	2	0	.	8
Color	0	0	.	.	1	0	.	3
<b>Total Basis</b>	<b>13</b>	<b>1</b>	<b>.</b>	<b>.</b>	<b>5</b>	<b>3</b>	<b>.</b>	<b>42</b>
Total Litigated Complaints	13	1	.	.	2	3	.	19

Table V.9 presents the issues related to the 19 complaints brought to litigation. Most of these complaints were filed in due to non-compliance issues, but many complaints were also related to discriminatory advertising, statements and notices as well as discriminatory refusal to rent.

<b>Table V.9</b>								
<b>Fair Housing Complaints Brought to Litigation by Issue</b>								
State of South Dakota								
HUD Data, January 2004 – August 2010								
<b>Issue</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>Total</b>
Non-compliance with design and construction requirements	13	0	0	0	0	0	0	13
Discriminatory advertising, statements and notices	0	1	2	3	0	0	0	6
Discriminatory refusal to rent	1	1	2	0	0	0	0	4
Discrimination in terms-conditions-privileges relation to rental	1	0	2	0	0	0	0	3
Otherwise deny or make housing available	0	0	0	3	0	0	0	3
Discriminatory acts under Section 818 (coercion, Etc.)	0	0	0	3	0	0	0	3
Discriminatory terms, conditions, or services and facilities	0	0	0	1	0	0	0	1
<b>Total Issues</b>	<b>15</b>	<b>2</b>	<b>6</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>33</b>
Number of Complaints	13	1	0	0	2	3	0	19

## DISCRIMINATION IN RENTAL ADVERTISING

Housing discrimination in the rental markets can also be examined through the prevalence of discriminatory advertising for rental properties. As established previously, according to federal law it is illegal to prohibit sale, lease, rental, assignment, or sublease based on familial status, sex, national origin, color, religion, disability, or race and state law includes the additional classes of ancestry and creed. Consequently, it is also illegal to directly or indirectly advertise that the sale, lease, rental, assignment or sublease of housing is unwelcome or objectionable for any of the aforementioned protected classes. This law does have an exception regarding sex in that an individual may advertise that they prefer a male or female renter if they reside in the dwelling or the dwelling permits no more than two families living independently. There is also an exception for housing that is designated for seniors; it is not illegal to advertise that potential tenants must be above a certain age if the housing is specifically designated for seniors.

In order to examine the prevalence of discrimination in advertising for rental housing, a sample of advertisements was derived from the Craigslist website. This website allows rental management companies and individuals to post advertisements for available rental units. Two types of rental advertisements are posted: apartments and homes for rent and rooms or shared living quarters for rent. A total of 588 advertisements posted in September 2010 were examined for discriminatory or preferential phrasing including 398 advertisements for apartments or homes and 190 for rooms or shared living quarters. Advertisements were posted by both management companies and individuals.

Table V.10 shows the number and type of listing for each region of the state. Most of the postings were for housing located in the more populous Southeast region of the state.

<b>Table V.10</b>			
<b>Housing Advertisements by Region and Type</b>			
State of South Dakota Craigslist Listings, September 2010			
<b>Location</b>	<b>Houses/Apartments</b>	<b>Rooms/Shared</b>	<b>Total</b>
Northeast	2	33	35
Southeast	331	86	417
Central	2	11	13
Western	63	60	123
<b>Total</b>	<b>398</b>	<b>190</b>	<b>588</b>

As shown in Table V.11, there were no illegal housing advertisements identified in the sample for apartment or houses for rent. However, some of the advertisements seeking to rent rooms or shared living quarters demonstrated questionable phrasing. Of the 190 advertisements listing rooms or shared living quarters for rent, two listed a preference of religion and five sought persons of a certain age. One advertisement directly stated “no kids” which may be interpreted as potential discrimination based on familial status.

<b>Table V.11</b>				
<b>Advertisements with Legal and Illegal Preferences</b>				
State of South Dakota Craigslist Listings, September 2010				
<b>Female Preference</b>	<b>Male Preference</b>	<b>Religion Preference</b>	<b>Familial Status Preference</b>	<b>Age Preference</b>
12	2	2	1	4

Pets were often mentioned in housing advertisements. While it is legal for advertisements to note a pet policy, individuals with service animals may not be aware that housing advertised as “no pets” must allow services animals. If an individual with a service animal does not know their rights, it may hinder their ability to find housing. At right is a table summarizing the postings that addressed allowance of pets. In total, 105 advertisements were posted indicating that “no pets” were allowed. This represented more than 20.0 percent of the advertisements in the sample. These data are presented in Table V.12, at right.

<b>Table V.12</b>		
<b>Advertised Pet Policies</b>		
State of South Dakota Craigslist Listings, September 2010		
	<b>No Pets</b>	<b>Pets</b>
Houses/Apartments	86	253
Rooms/Shared	19	112
<b>Total</b>	<b>105</b>	<b>365</b>

As shown in Table V.13, below, a very limited amount of housing was advertised as wheelchair accessible. All of the units advertised as wheelchair accessible or as having accessibility features were located in the Southeast region of South Dakota. None of the rooms for rent or shared living quarters advertised wheel chair accessibility. Of the 21 apartments advertising wheel chair access, almost all of the units were advertised by large leasing agencies that posted multiple postings a month. These data suggest that there may be a shortage of suitable housing for those who use a wheel chair, especially in areas other than the Southeast.

<b>Table V.13</b>	
<b>Advertised Wheel Chair Access</b>	
State of South Dakota Craigslist Listings, September 2010	
<b>Location</b>	<b>Number of Advertisements Listing Wheelchair Access</b>
Northeast	0
Southeast	21
Central	0
West	0
<b>Total</b>	<b>21</b>

Because most of the listings for apartments and homes were posted by large leasing companies that list multi-family units and no discrimination was found in this data set, these findings suggest that these larger leasing establishments are aware of fair housing laws and do not advertise in a discriminatory manner. However, some questionable phrasing was found in the rooms or shared living quarters rental section, and these advertisements appeared to be mostly posted by individuals rather than management companies. Subsequently, housing providers with only a few units or persons offering just a room for rent may benefit from additional education on fair housing laws.

## **FAIR HOUSING SURVEY**

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Additional evaluation of South Dakota’s fair housing profile was conducted via a survey of stakeholders in the state. The purpose of the 2010 South Dakota fair housing survey, a relatively more qualitative component of the analysis of impediments, was to gather insight into knowledge, experiences, opinions and feelings of stakeholders and interested citizens regarding fair housing, as well as to gauge the ability of informed and interested parties to understand and affirmatively further fair housing.

Nearly 250 persons in the state completed the survey, which was conducted mostly online. Individuals solicited for participation included representatives of: housing groups, minority organizations, disability resource groups, real estate and property management associations, banking entities, and other groups involved in the fair housing arena. Survey questions were used to assess the respondent’s knowledge of fair housing laws; awareness of barriers, policies or codes related to fair housing; and knowledge of fair housing violations.

Most questions in the survey required simple “yes,” “no,” or “don’t know” responses, although many questions allowed the respondent to offer written comments. While the numerical tallies of results are presented in this section along with summaries of some comment-driven questions, a complete listing of written responses is available in Appendix D of this report.

The first question in the survey asked for the respondent to identify their role in the housing industry. Responses are presented in Table V.14 and show that the majority of respondents identified their role in the housing industry as concerned citizen, followed by property management, service agency representative, advocate and banking/financial services.

**“FEDERAL, STATE AND LOCAL FAIR HOUSING LAW”**

Respondents were then asked a series of questions relating to federal and state fair housing laws. The overwhelming majority of respondents, 146, noted that fair housing laws serve a useful purpose and only 14 respondents suggested that these laws are not useful. A total of 55 respondents said that these laws are difficult to understand or follow, but most respondents, 91, indicated that these laws are understandable. Only 87 respondents noted that fair housing training is available to them in their job or occupation and, of those respondents, less than 70 had actually participated in fair housing training. The results of this section suggest that while respondents generally view fair housing laws as useful and essentially easy to understand or follow, additional fair housing outreach and education, particularly training exercises, may be beneficial to citizens of the state. The tabulations associated with this section are presented in Table V.15.

<b>Table V.14</b>	
<b>Primary Role in the Housing Industry</b>	
State of South Dakota 2010 Fair Housing Survey	
<b>Role</b>	<b>Total</b>
Concerned citizen	46
Property management	45
Service agency	35
Advocate	22
Banking/Financial services	12
Mortgage lending	11
Other services	11
Program manager	8
Housing developer	5
Building inspection	3
Construction	3
Education/Educator	3
Real estate agent	3
Financial management	2
Insurance	2
Public safety	2
Brokerage services	1
Business services	1
Law/Legal services	1
Other (please specify)	29
Missing	3
<b>Total</b>	<b>248</b>

<b>Table V.15</b>					
<b>Survey Responses</b>					
State of South Dakota 2010 Fair Housing Survey					
<b>Questions</b>	<b>Responses</b>				
	<b>Yes</b>	<b>No</b>	<b>Don't Know</b>	<b>Missing</b>	<b>Total</b>
<b>Federal, State and Local Fair Housing Law</b>					
Do these laws serve a useful purpose?	146	14	12	76	248
Are these laws difficult to understand or follow?	55	91	26	76	248
Is there a specific training process to learn about fair housing law?	87	26	59	76	248
Have you participated in fair housing training?	68	36	.	144	248

## “FAIR HOUSING IN YOUR COMMUNITY”

The next section in the survey asked about the status of fair housing in the respondents’ communities in relation to general concerns about fair housing, possible barriers to affirmatively furthering fair housing, geographic areas with fair housing problems and awareness of fair housing non-compliance issues with private landlords or lenders. Data related to this section are presented in Table V.16.

A total of 58 respondents indicated that they have concerns about fair housing in their communities. In other terms, nearly 40.0 percent of persons who answered this question suggested that they do have concerns about fair housing in the state. Written comments that were submitted in relation to concerns about fair housing in the state included:

- A lack of understanding of fair housing by general public and providers of housing;
- A lack of affordable and accessible housing options;
- Discrimination against domestic violence victims, American Indians, mentally and physically disabled persons, families with children;
- A lack of available housing, especially on American Indian reservations; and
- A lack of a fair housing organization in the state without the Fair Housing of the Dakotas.

Next, respondents were asked if they see barriers to affirmatively furthering fair housing in their communities and to identify these barriers in written comments. Of the persons who answered this question, 40 respondents or 26.5 percent answered affirmatively, and written comments mentioned discrimination, housing affordability and accessibility, problems with the complaint process, and location of transportation in relation to housing.

A similar number of respondents, 48, or 32.2 percent of persons who answered this question, said that there are geographic areas in the state with fair housing problems. Geographic areas that were indicated by respondents to have fair housing problems covered most of the state and included: rural areas, areas inside and near reservations, areas with more diverse populations, and also cities like Pierre, Rapid City and Sioux Falls.

The final question in this section asked about non-compliance issues with private lenders or landlords in the state. More than 14.0 percent of persons who answered this question, or almost 20 respondents, answered affirmatively and comments related to: harassment, violation of policies, discrimination, inconsistent terms, and accessibility issues.

<b>Table V.16</b>					
<b>Survey Responses</b>					
State of South Dakota					
2010 Fair Housing Survey					
Questions	Responses				
	Yes	No	Don't Know	Missing	Total
<b>Fair Housing in Your Community</b>					
Do you have concerns about fair housing in your community?	58	80	18	92	248
Do you see barriers to affirmatively furthering fair housing in your community?	40	80	31	97	248
Are there geographic areas that have fair housing problems?	48	24	77	99	248
Are you aware of fair housing non-compliance issues with private landlords/lenders?	19	95	19	115	248

In general, many comments in this section mentioned housing availability and affordability as a primary fair housing barriers or concerns. However, while both housing availability and affordability are extremely important housing planning issues, they do not fall directly under the realm of impediments to fair housing choice because housing affordability and availability do not directly relate to protected class status. Additional outreach and education efforts may help to resolve this confusion between fair housing and access to affordable housing.

### **“LOCAL GOVERNMENT POLICIES AND ACTIVITIES RELATED TO FAIR HOUSING”**

Respondents were also asked to evaluate local government policies and activities in terms of their relationship to fair housing. Questions in this section addressed state or local government actions that may have affected fair housing, fair housing non-compliance issues with public housing authorities, state or local codes or regulations that may represent barriers to fair housing choice, and public administrative policies or practices that may have affected fair housing. Tabulations of respondent answers are presented on the following page in Table V.17.

The first question in this section, which asked if state or local government had taken planning, financing or administrative actions that may have adversely affected fair housing, received nine affirmative responses. Written comments indicated that respondents were aware of issues such as:

- Decreasing the amount of available housing vouchers and increasing the amount of rent that tenants have to pay;
- NIMBYism<sup>25</sup> in relation to the development of low-income housing;
- Uncontrolled limits on high cost housing unit development;
- Rural land valuation is driving out low-income owners in favor of expensive developments;
- Segregation of reservation lands and lack of representation of American Indian groups in housing decisions; and
- Excessive forms for small building projects.

Only eight respondents noted awareness of non-compliance issues with public housing authorities, and these respondents indicated that these non-compliance issues were related to preferential treatment, sub-standard housing, intimidation and overcrowding.

Slightly more respondents, 15, noted problems with state or local codes or regulations that represent barriers to fair housing choice. In the written comments, these respondents suggested that

- Additional codes and regulations can increase costs but outweigh benefits;
- There is a lack of lack of compliance with codes outside of metropolitan areas;

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<sup>25</sup> Not in My Backyard

- Housing codes can be problematic, such as those that place a burden on property owners to limit the number of tenants per unit or those regarding modifications regarding disability access,
- Communities implement planning and zoning regulations that are not inclusive to various housing types in different areas;
- Poorly thought out local zoning codes could cause undue concentration of low-income residents in one area.

The final question in this section asked respondents about public administrative policies or practices that represent barriers to fair housing choice. Only four respondents answered “yes” to this question and submitted written comments such as the high voucher co-pay amount and high property taxes for those seeking to buy a home.

<b>Table V.17</b>					
<b>Survey Responses</b>					
State of South Dakota					
2010 Fair Housing Survey					
Questions	Responses				
	Yes	No	Don't Know	Missing	Total
<b>Local Government Policies and Activities Related to Fair Housing</b>					
Has local government taken actions which adversely affected fair housing choice?	9	67	64	108	248
Are there fair housing non-compliance issues with any public housing authorities?	8	112	19	109	248
Are there codes or regulations that represent barriers to fair housing choice?	15	96	29	108	248
Are there any public administrative policies that represent barriers to fair housing choice?	4	89	46	109	248

### “FAIR HOUSING ACTIVITIES IN YOUR COMMUNITY”

Table V.18 presents survey results regarding fair housing activities in the respondents’ communities. Questions in this section addressed awareness of fair housing testing activities, awareness of a statewide fair housing plan, and if fair housing laws need to be changed.

Survey results showed that most respondents were not aware of fair housing testing in their communities or of a statewide fair housing plan, 89 and 73 respondents, respectively. Only a small number of respondents, 11, suggested that fair housing laws in South Dakota need to be changed. Comments related to this question showed that respondents felt that the laws should be made equivalent to federal law.

<b>Table V.18</b>					
<b>Survey Responses</b>					
State of South Dakota					
2010 Fair Housing Survey					
Questions	Responses				
	Yes	No	Don't Know	Missing	Total
<b>Fair Housing Activities in Your Community</b>					
Are you aware of any fair housing testing in your community?	21	89	23	115	248
Are you aware of a statewide fair housing plan?	39	73	21	115	248
Do fair housing laws need to be changed?	11	50	70	117	248

The adequacy of fair housing outreach and education efforts was also evaluated in the survey, although fewer respondents chose to address the questions in this section. As shown in Table V.19, 57 respondents noted that there was too little outreach and education in their community, but 115 respondents chose not to answer this question and 40 said that they did not know. In contrast, only 33 respondents said it was the right amount and just three respondents said there was too much, suggesting that more outreach and education efforts are needed. In regard to fair housing testing activities, an even greater number of respondents chose not to answer this question, but of the few respondents who did, six said that there was too little fair housing testing, five said that there was the right amount, two said that there was too much and almost thirty said that they did not know.

<b>Table V.19</b>						
<b>Survey Responses</b>						
State of South Dakota 2010 Fair Housing Survey						
Questions	Responses					Total
	Too Little	Right Amount	Too Much	Don't Know	Missing	
<b>Outreach and Education in Your Community</b>						
Is there sufficient outreach and education regarding affirmatively further fair housing in your community?	57	33	3	40	115	248
Is there sufficient fair housing testing in your community?	6	5	2	29	206	248

At the end of the survey, respondents were also asked to offer any additional comments related to fair housing in the state. Comments related to increased fair housing training opportunities, such as for landlords, as well as fair housing outreach efforts, such as offering a fair housing hotline for citizens of the state.

Respondents were also asked to identify protected classes covered by fair housing law in the state. Race and disability were provided as examples of a protected class in the question and respondents were asked to provide a list of additional classes of persons that are protected by fair housing law in South Dakota. As established previously, the federal Fair Housing Act offers the protections of race, color, religion, national origin, sex, disability and familial status, while the South Dakota Human Relations Act of 1972 covers race, color, creed, religion, sex, disability, ancestry or national origin. Many respondents were correctly able to identify religion, familial status, sex, national origin and color. However, many respondents also included groups on this list that are protected by neither federal or state fair housing laws including age, gender, sexual

<b>Table V.20</b>	
<b>Protected Classes Cited</b>	
State of South Dakota 2010 Fair Housing Survey	
Status	Total
Religion	64
Familial status	55
Sex	49
National origin	42
Color	40
Age	33
Gender	24
Creed	15
Ethnicity	13
Sexual orientation	13
Marital status	9
Ancestry	5
Low income	5
Race	5
Disability	4
Political affiliation	3
Education	2
Origin	2
Veterans	2
Other	30
<b>Total</b>	<b>385</b>

orientation, marital status, low-income status, political affiliation, education and veteran status. These tabulations are presented in Table V.20. Again, these findings suggest that current outreach and education efforts are insufficient and that greater emphasis on dispersal of educational materials or seminars might be beneficial to the citizens of South Dakota in relation to who is protected by fair housing laws.

Additionally, respondents were asked to indicate where they would refer someone who had a fair housing complaint. While most respondents were correctly able to identify HUD as a proper organization for lodging a fair housing complaint, unfortunately many respondents listed Fair Housing of the Dakotas, a now defunct organization. Most of the remaining responses related to housing authorities, and, while these groups may be able to refer persons to HUD or the Division of Human Rights, they are not typically able to adequately process fair housing complaints. These data are presented in V.21 and suggest that there is confusion as to the proper means of referral for fair housing complaints in the state.

<b>Table V.21</b>	
<b>Where would you refer a victim of a fair housing violation</b>	
State of South Dakota 2010 Fair Housing Survey	
<b>Referral</b>	<b>Total</b>
HUD	35
Fair Housing of The Dakotas	20
South Dakota Housing Authority	19
Don't Know	8
South Dakota Housing Program	6
Local Housing Authority	5
Housing Authority	3
The State	2
Lawyer	1
US Department of Justice	1
Other	39
Missing	109
<b>Total</b>	<b>248</b>

## SUMMARY

A review of national fair housing studies revealed that despite efforts to curb fair housing discrimination in the U.S., problems still exist in terms of discrimination against racial and ethnic minorities and discrimination against persons with disabilities. Statewide fair housing studies and cases demonstrated issues of discriminatory advertising based on race and familial status as well as disability discrimination in failure to meet accessibility standards.

Fair housing complaint data was collected from HUD and the South Dakota Division of Human Rights. Data from these sources showed that 134 complaints were filed in South Dakota from January 2004 through August 2010. The protected class populations appearing to be disproportionately impacted by discriminations in rental markets were

households with disability and familial status basis. The most prevalent issues were discriminatory terms, conditions, and privileges in the rental market as well as discriminatory refusal to rent and discriminatory advertising, statements and notices.

A review of Craigslist postings for September 2010 also revealed instances of poor language choices in advertisements in the rental market with preferential statements made based on age and familial status.

A fair housing survey regarding the state of fair housing throughout South Dakota showed that some respondents have concerns about fair housing in their communities and that they are aware of barriers to affirmatively furthering fair housing, including discrimination in the rental markets and confusion of the availability of affordable housing as a fair housing issue. Some respondents also found fair housing laws difficult to understand and noted that additional outreach and education efforts regarding fair housing are needed in their communities.

## **SECTION VI. IMPEDIMENTS AND SUGGESTED ACTIONS**

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Provisions to affirmatively furthering fair housing are long-standing components of HUD's housing and community development programs. In exchange for receiving federal funds from HUD, the State of South Dakota certifies that it is affirmatively furthering fair housing. The requirements of such certification comprise the following elements:

1. Conduct an Analysis of Impediments to Fair Housing Choice;
2. Take actions to remedy impediments, if impediments are identified;
3. Maintain records of the analysis and actions taken.

The first element in the certification process noted above has resulted in the identification of selected impediments and specific actions that the State can consider to address these impediments. These items are outlined below.

### **IDENTIFIED IMPEDIMENTS TO FAIR HOUSING CHOICE AND SUGGESTED ACTIONS**

The 2010 Analysis of Impediments for the State of South Dakota uncovered several impediments to fair housing choice. The key issues are presented below and are accompanied by appropriate actions the State can consider implementing in order to alleviate these impediments, which were designed to offer greater housing choice to the protected classes frequently experiencing discrimination in the housing market, as noted above.

#### *Impediment: Ineffective or absent fair housing institutions*

While the State of South Dakota has been served in the past by Fair Housing of the Dakotas (FHD) and the Division of Human Rights (DHR), with the dissolution of FHD and a lack of activity at the DHR, citizens have been left without appropriate fair housing services.

#### *Action: Enhance and improve the current fair housing organizational structure*

In order to improve fair housing services in the state, the State should work to facilitate and support a request to HUD to designate the DHR as a substantially equivalent agency. This will allow the DHR to conduct enforcement activities on behalf of HUD and be compensated for doing so under the Fair Housing Assistance Program (FHAP), a HUD-funded non-competitive fair housing program. Since this process is unfamiliar to State, the one-year action objective will be to determine how to best accomplish this status change and then, following the accomplishment of this objective, execute that plan.

Additionally, the State should consider assisting in re-establishing a Fair Housing Initiative Program (FHIP) recipient in the state to occupy the vacancy in services left by dissolution of Fair Housing of the Dakotas, such as outreach, education, testing and

enforcement activities. This HUD-funded FHIP organization could either be expanded from a recognized nearby state FHIP or established as part of an existing non-profit in the state in the creation of a new fair housing entity. This action will represent a two-step process: 1) design an RFP that solicits interest by an existing fair housing entity or organization currently offering some form of fair housing or fair lending guidance and 2) secure those services.

All protected classes are expected to benefit from this activity but especially those who are most disproportionately impacted by discrimination, persons with disabilities and households with familial status.

*Impediment: Ineffective delivery of fair housing services.*

A lack of sufficient outreach and education regarding fair housing in the state has left citizens and persons involved in the housing industry with a lack of knowledge of fair housing laws, including who is protected, and a lack of understanding of the fair housing process, including where or how to file a complaint.

*Action: Increase effectiveness of delivery of fair housing services*

Until the provision of fair housing services can be improved through creation of FHAP or FHIP organizations, the State should focus on resources available to the existing fair housing agency: the DHR. The State should also acquire the services of another fair housing services provider in South Dakota. The State should request technical assistance from HUD for aid in developing appropriate outreach and education efforts to be conducted in this interim period. Additionally, the State will initiate an RFP process to secure the services of a fair housing entity for outreach and education activities. This RFP and contractor selection process will occur within the first year of the Five-Year Consolidated Plan.

In the future, with an enhanced fair housing organizational structure, the State should focus on expanding and improving fair housing outreach and education efforts to include actions directed toward both housing consumers and housing providers, such as distribution of pamphlets, facilitation of training sessions, or hosting of webinar meetings.

All protected classes are expected to benefit from this activity but especially those who are most disproportionately impacted by discrimination, persons with disabilities and households with familial status.

*Impediment: Discrimination in the housing market*

HUD complaint data, survey data and information from recent fair housing cases in the state show that fair housing discrimination in South Dakota persists in the housing market. The most prominent examples found were discrimination in terms, conditions, or privileges relating to rental, discriminatory refusal to rent, discriminatory

advertisements, statements and notices and failure to make reasonable accommodation, particularly as these issues pertain to the protected classes of disabled and familial status.

*Action: Reduce discrimination in the housing markets*

A number of actions should be continued with renewed energy in order to reduce identified discrimination problems in the rental market. To address non-compliance issues in regard to disability accommodations, effort should be made to better communicate to funded projects the importance of reasonable accommodation and also to multi-family properties the importance of compliance with design and construction standards. As for discriminatory advertising, endeavors should be made to remind printed media of the disallowed practices in advertising for housing.

Furthermore, for housing consumers, additional steps need to be taken to conduct outreach and education, thereby allowing persons who may feel that they have been adversely impacted in a housing transaction to better understand their rights and where to turn. To implement this change, additional efforts for outreach and education will need to be implemented. Hence, the SDHDA will undertake an RFP process to locate, screen and contract for fair housing education services. This will be accomplished and educational services will begin in the first year of the Five-Year Consolidated Plan. The SDHDA will then track the success of these activities thereafter.

The groups most likely to benefit from these activities are those within the disabled community and those with familial status.

*Impediment: Difficulties in the home purchase market*

Fair housing problems were also identified in the home mortgage market through Home Mortgage Disclosure Act (HMDA) data including disproportionately high denial rates for selected minority racial and ethnic applicants, higher denial rates in low-income areas, and a disproportionate share of high interest rate loans extended to racial and ethnic minorities.

*Action: Reduce denial rates and other problems in the home mortgage market*

Reducing problems in the home mortgage market should be addressed through education efforts. For example, enhanced homebuyer education courses should be offered in order to better teach the importance of establishing and keeping good credit as well as the attributes of high interest rate loans and the problems associated with accepting less advantageous loan products. Additionally, the State's Bankers Association should be solicited for assistance in the coordination of these outreach and education efforts.

Together, or if only the SDHDA is successful in generating interest in this activity, outreach and educational activities will be implemented for consumers to better

understand credit and the ways to establish better credit. The SDHDA will accomplish this by hiring expert educators to conduct training seminars for prospective homebuyers. This process will be conducted by use of an RFP process and educators will be secured and begin holding seminars within the first year of the Five-Year Consolidated Plan.

Persons most likely to benefit from these actions are Native American and black race and Hispanic ethnic households.

## APPENDIX A: ADDITIONAL CENSUS DATA

This section of the document contains additional data from the U.S. Census Bureau for the State of South Dakota.

<b>Table A.1</b> <b>Population by Ethnicity</b> State of South Dakota Census Bureau SF1 Data, 2000	
<b>Ethnicity</b>	<b>Total</b>
Hispanic	10,903
Non-Hispanic	743,941
<b>Total Population</b>	<b>754,844</b>
Percent Hispanic	1.44%

<b>Table A.2</b> <b>Group Quarters Population</b> State of South Dakota Census Bureau SF1 Data, 2000	
<b>Group Quarters</b>	<b>Total</b>
<b>Institutionalized</b>	
Correctional Institutions	4,479
Nursing Homes	7,791
Other Institutions	2,117
<b>Total</b>	<b>14,387</b>
<b>Noninstitutionalized</b>	
College Dormitories	8,998
Military Quarters	566
Other Noninstitutional Group Quarters	4,467
<b>Total</b>	<b>14,031</b>
<b>Group Quarters Population</b>	<b>28,418</b>

<b>Table A.3</b> <b>Persons Per Household</b> State of South Dakota Census Bureau SF3 Data, 2000	
<b>Persons</b>	<b>Total</b>
One Person	80,020
Two Person	100,142
Three Person	42,501
Four Person	38,289
Five Person	18,800
Six Person	6,436
Seven Person	4,057
<b>Total</b>	<b>290,245</b>

**Table A.4**  
**Lead-Based Paint Risks to Occupied Housing Units**  
 State of South Dakota  
 Census Bureau SF3 Data, 2000

<b>Year Built</b>	<b>Owner</b>	<b>Renter</b>	<b>Total</b>
Built 1939 or earlier	45,230	15,592	60,822
Built 1940 to 1949	9,487	5,276	14,763
Built 1950 to 1959	17,784	7,675	25,459
Built 1960 to 1969	12,381	7,112	19,493
Built 1970 to 1979	22,977	13,592	36,569
<b>Total</b>	<b>107,860</b>	<b>49,247</b>	<b>157,107</b>

**Table A.5**  
**Elderly Population by Age**  
 State of South Dakota  
 Census Bureau SF1 Data, 2000

<b>Age</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
65 to 66	5,099	5,653	10,752
67 to 69	7,526	8,848	16,374
70 to 74	12,005	13,998	26,003
75 to 79	9,913	12,607	22,520
80 to 84	6,336	10,060	16,396
85 and over	4,736	11,350	16,086
<b>Total</b>	<b>45,615</b>	<b>62,516</b>	<b>108,131</b>

## APPENDIX B: ADDITIONAL BLS/BEA DATA

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This section of the document contains additional Bureau of Labor Statistics (BLS) and Bureau of Economic Data (BEA) as it pertains to employment and income for the State of South Dakota.

<b>Table B.1</b>				
<b>South Dakota Labor Force Statistics</b>				
State of South Dakota				
BLS Data, 1990 – 2009				
<b>Year</b>	<b>Labor Force</b>	<b>Employment</b>	<b>Unemployment</b>	<b>Unemployment Rate</b>
1990	350,642	337,503	13,139	3.7
1991	353,780	341,025	12,755	3.6
1992	358,701	345,996	12,705	3.5
1993	365,745	352,666	13,079	3.6
1994	377,093	364,452	12,641	3.4
1995	386,088	373,515	12,573	3.3
1996	392,554	379,222	13,332	3.4
1997	395,276	383,216	12,060	3.1
1998	401,677	389,748	11,929	3.0
1999	406,328	394,898	11,430	2.8
2000	408,685	397,678	11,007	2.7
2001	413,264	400,352	12,912	3.1
2002	416,185	402,397	13,788	3.3
2003	423,045	408,089	14,956	3.5
2004	427,359	411,708	15,651	3.7
2005	429,534	413,819	15,715	3.7
2006	434,826	421,328	13,498	3.1
2007	441,446	428,601	12,845	2.9
2008	446,248	432,574	13,674	3.1
2009	446,351	425,081	21,270	4.8

**Table B.2**  
**Real Earnings by Industry**  
 State of South Dakota  
 BEA Data, 2000 – 2009, 2009 Dollars

NAICS Categories	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	% Change 00-09
Farm earnings	1,654,098	1,382,106	580,732	1,860,480	2,201,340	1,900,780	837,268	1,872,536	2,838,221	1,717,594	3.8%
Forestry, fishing, related activities, and other	100,930	97,030	97,386	98,574	116,585	114,849	117,161	120,350	123,018	124,822	23.7%
Mining	81,468	84,847	63,121	58,954	55,227	58,019	62,955	62,164	72,335	59,023	-27.6%
Utilities	142,585	154,671	171,508	174,361	178,545	194,213	208,385	206,854	228,914	238,152	67.0%
Construction	1,079,876	1,199,459	1,241,412	1,301,504	1,365,701	1,402,520	1,456,855	1,449,790	1,340,308	1,290,662	19.5%
Manufacturing	1,930,844	1,913,871	1,846,704	1,884,887	1,960,775	1,995,559	2,073,818	2,151,971	2,201,198	1,971,845	2.1%
Wholesale trade	860,125	917,366	980,767	1,012,023	1,065,241	1,080,038	1,099,149	1,140,857	1,197,297	1,146,770	33.3%
Retail trade	1,478,333	1,512,491	1,557,324	1,602,635	1,599,933	1,599,593	1,596,126	1,609,058	1,612,348	1,580,156	6.9%
Transportation and warehousing	631,121	674,826	649,395	666,787	690,192	711,379	739,604	733,274	746,767	710,981	12.7%
Information	325,339	346,498	360,743	372,202	381,089	380,579	397,516	414,560	402,600	386,452	18.8%
Finance and insurance	1,167,544	1,300,231	1,349,865	1,330,645	1,350,163	1,383,803	1,478,360	1,533,490	1,557,069	1,527,455	30.8%
Real estate and rental and leasing	524,837	337,383	383,609	401,938	405,034	378,658	323,353	255,959	232,196	225,450	-57.0%
Professional and technical services	567,501	620,875	601,003	602,082	636,729	697,570	745,999	783,469	827,559	821,953	44.8%
Management of companies and enterprises	305,609	343,020	320,804	288,600	273,561	250,608	233,811	263,160	297,314	280,020	-8.4%
Administrative and waste services	410,405	511,827	444,234	459,791	438,740	415,430	426,939	469,701	449,730	411,608	0.3%
Educational services	166,787	181,876	204,147	212,535	210,016	209,618	214,700	220,233	230,145	239,086	43.3%
Health care and social assistance	2,058,710	2,192,371	2,406,056	2,542,863	2,648,530	2,647,317	2,697,840	2,762,409	2,920,079	3,028,841	47.1%
Arts, entertainment, and recreation	252,260	253,805	292,268	290,732	272,538	262,758	259,122	259,431	260,718	265,159	5.1%
Accommodation and food services	553,864	561,776	589,147	594,942	615,848	611,334	618,659	633,485	661,029	669,282	20.8%
Other services, except public administration	744,752	755,795	903,292	854,683	875,298	867,155	862,240	866,361	891,175	879,499	18.1%
Government and government enterprises	3,272,341	3,401,685	3,539,841	3,685,963	3,811,521	3,833,585	3,819,404	3,848,533	3,952,282	4,186,747	27.9%
<b>Total</b>	<b>18,309,329</b>	<b>18,743,811</b>	<b>18,583,356</b>	<b>20,297,182</b>	<b>21,152,604</b>	<b>20,995,365</b>	<b>20,269,264</b>	<b>21,657,645</b>	<b>23,042,299</b>	<b>21,761,557</b>	<b>18.9%</b>

**Table B.3**  
**Employment by Industry**

State of South Dakota  
BEA Data, 2000 – 2008

<b>NAICS Categories</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>% Change 00-08</b>
Farm employment	38,030	37,677	34,488	32,113	32,629	32,736	31,500	31,471	32,063	-15.7
Forestry, fishing, related activities, and other	3,963	3,430	3,838	3,472	3,710	3,872	4,019	4,382	4,632	16.9
Mining	1,367	1,565	1,249	1,335	1,224	1,309	1,389	1,603	1,888	38.1
Utilities	2,121	2,075	2,095	2,072	2,085	2,181	2,288	2,289	2,389	12.6
Construction	28,879	29,083	28,956	30,158	31,344	33,297	34,516	35,168	35,826	24.1
Manufacturing	44,048	42,340	39,888	39,089	40,300	41,403	43,049	43,864	44,797	1.7
Wholesale trade	18,221	18,419	18,480	18,384	18,772	19,136	19,626	19,767	20,168	10.7
Retail trade	63,609	61,476	61,319	61,645	62,461	63,888	64,200	64,870	65,219	2.5
Transportation and warehousing	14,630	14,639	14,629	14,286	14,244	14,859	15,362	15,609	16,054	9.7
Information	7,949	7,789	7,618	7,628	7,658	7,829	8,008	8,310	8,133	2.3
Finance and insurance	30,601	30,746	31,021	30,653	30,824	31,636	33,295	36,496	37,664	23.1
Real estate and rental and leasing	12,785	12,591	13,072	13,295	14,526	15,744	16,832	18,023	19,695	54.0
Professional and technical services	15,142	15,107	14,952	14,965	15,987	16,912	17,445	18,765	19,755	30.5
Management of companies and enterprises	4,022	3,911	4,075	3,422	3,102	2,975	3,005	3,260	3,527	-12.3
Administrative and waste services	17,847	18,044	17,501	17,544	17,818	17,553	18,548	19,609	19,821	11.1
Educational services	7,316	8,004	8,597	8,977	8,778	9,252	9,673	9,654	9,961	36.2
Health care and social assistance	54,881	54,023	55,048	56,700	57,317	57,850	59,001	60,865	63,291	15.3
Arts, entertainment, and recreation	9,969	9,572	9,745	9,820	10,243	10,775	10,841	11,394	11,615	16.5
Accommodation and food services	36,165	35,822	36,698	37,081	37,950	38,541	39,714	39,917	40,290	11.4
Other services, except public administration	26,057	26,201	27,541	27,423	27,729	27,446	27,730	27,951	28,268	8.5
Government and government enterprises	77,967	79,010	79,316	80,228	80,751	80,281	80,400	80,505	81,434	4.4
<b>Total</b>	<b>515,569</b>	<b>511,524</b>	<b>510,126</b>	<b>510,290</b>	<b>519,452</b>	<b>529,475</b>	<b>540,441</b>	<b>553,772</b>	<b>566,490</b>	<b>9.9</b>

**Table B.4**  
**Real Earnings Per Job by Industry**  
 State of South Dakota  
 BEA Data, 2000 – 2008, 2009 Dollars

NAICS Categories	2000	2001	2002	2003	2004	2005	2006	2007	2008	% Change 00-08
Farm employment	43,495	36,683	16,839	57,935	67,466	58,064	26,580	59,500	88,520	103.5
Forestry, fishing, related activities, and other	25,468	28,289	25,374	28,391	31,424	29,661	29,152	27,465	26,558	4.3
Mining	59,596	54,216	50,537	44,160	45,120	44,323	45,324	38,780	38,313	-35.7
Utilities	67,225	74,540	81,866	84,151	85,633	89,048	91,077	90,369	95,820	42.5
Construction	37,393	41,243	42,872	43,156	43,571	42,122	42,208	41,225	37,412	0.0
Manufacturing	43,835	45,202	46,297	48,220	48,654	48,198	48,173	49,060	49,137	12.1
Wholesale trade	47,205	49,805	53,072	55,049	56,746	56,440	56,005	57,715	59,366	25.8
Retail trade	23,241	24,603	25,397	25,998	25,615	25,037	24,862	24,804	24,722	6.4
Transportation and warehousing	43,139	46,098	44,391	46,674	48,455	47,875	48,145	46,978	46,516	7.8
Information	40,928	44,486	47,354	48,794	49,763	48,611	49,640	49,887	49,502	20.9
Finance and insurance	38,154	42,289	43,515	43,410	43,802	43,741	44,402	42,018	41,341	8.4
Real estate and rental and leasing	41,051	26,796	29,346	30,232	27,883	24,051	19,211	14,202	11,790	-71.3
Professional and technical services	37,479	41,099	40,195	40,233	39,828	41,247	42,763	41,752	41,891	11.8
Management of companies and enterprises	75,984	87,707	78,725	84,337	88,189	84,238	77,807	80,724	84,296	10.9
Administrative and waste services	22,996	28,366	25,383	26,208	24,623	23,667	23,018	23,953	22,690	-1.3
Educational services	22,798	22,723	23,746	23,675	23,925	22,657	22,196	22,813	23,105	1.3
Health care and social assistance	37,512	40,582	43,708	44,848	46,208	45,762	45,725	45,386	46,137	23.0
Arts, entertainment, and recreation	25,304	26,515	29,992	29,606	26,607	24,386	23,902	22,769	22,447	-11.3
Accommodation and food services	15,315	15,682	16,054	16,044	16,228	15,862	15,578	15,870	16,407	7.1
Other services, except public administration	28,582	28,846	32,798	31,167	31,566	31,595	31,094	30,996	31,526	10.3
Government and government enterprises	41,971	43,054	44,630	45,944	47,201	47,752	47,505	47,805	48,534	15.6
<b>Total</b>	<b>35,512</b>	<b>36,644</b>	<b>36,429</b>	<b>39,775</b>	<b>40,721</b>	<b>39,654</b>	<b>37,506</b>	<b>39,109</b>	<b>40,675</b>	<b>14.5</b>

**Table B.5**  
**Total Employment and Real Personal Income**

State of South Dakota  
BEA Data, 1969 – 2008, 2009 Dollars

Year	1,000s of 2008 Dollars						Per Capita Income	Total Employment	Average Real Earnings Per Job
	Earnings	Social Security Contributions	Residents Adjustments	Dividends, Interest, Rents	Transfer Payments	Personal Income			
1969	7,744,081	427,526	29,242	1,351,798	922,937	9,620,531	14,400	303,105	25,549
1970	7,873,458	432,224	27,357	1,418,393	1,001,586	9,888,571	14,834	304,839	25,827
1971	8,169,222	458,829	26,209	1,454,518	1,097,284	10,288,405	15,323	306,132	26,686
1972	9,174,223	500,678	27,446	1,550,805	1,163,795	11,415,592	16,854	309,069	29,684
1973	11,344,097	619,409	27,417	1,690,941	1,278,426	13,721,473	20,208	322,850	35,137
1974	10,007,843	657,932	28,135	1,877,178	1,369,638	12,624,863	18,569	326,414	30,659
1975	9,844,766	657,341	33,803	2,002,908	1,492,588	12,716,725	18,663	326,343	30,166
1976	8,966,256	696,892	37,630	2,039,664	1,550,949	11,897,607	17,322	335,977	26,686
1977	9,642,123	693,220	38,431	2,201,650	1,537,026	12,726,010	18,471	342,003	28,192
1978	10,551,445	747,967	41,294	2,271,903	1,559,570	13,676,244	19,841	354,884	29,732
1979	10,662,991	810,530	41,103	2,410,295	1,626,080	13,929,939	20,216	359,364	29,671
1980	9,084,140	791,192	40,707	2,715,327	1,743,071	12,792,054	18,516	352,638	25,760
1981	9,436,601	824,026	29,682	3,170,761	1,827,051	13,640,069	19,780	347,563	27,152
1982	9,003,739	816,116	22,866	3,482,436	1,914,429	13,607,354	19,704	344,303	26,151
1983	9,000,218	839,724	9,374	3,441,913	1,981,871	13,593,653	19,616	352,537	25,529
1984	10,235,305	902,559	-3,780	3,533,956	2,019,874	14,882,796	21,345	362,378	28,244
1985	10,155,784	944,320	-8,684	3,525,848	2,085,102	14,813,730	21,212	364,778	27,842
1986	10,423,425	1,001,336	-19,897	3,592,283	2,123,229	15,117,704	21,719	366,030	28,476
1987	10,997,659	1,048,134	-31,909	3,445,790	2,131,064	15,494,470	22,261	381,298	28,843
1988	11,154,473	1,134,008	-42,409	3,464,401	2,152,823	15,595,279	22,338	387,779	28,765
1989	11,384,962	1,186,204	-56,720	3,719,368	2,259,864	16,121,270	23,139	395,870	28,759
1990	12,288,171	1,295,536	-83,998	3,809,655	2,319,396	17,037,688	24,441	409,374	30,016
1991	12,438,556	1,357,285	-100,127	3,817,483	2,421,449	17,220,077	24,472	420,472	29,582
1992	13,304,283	1,426,068	-120,936	3,809,695	2,570,595	18,137,568	25,446	431,189	30,855
1993	13,639,439	1,490,497	-137,374	3,833,654	2,648,366	18,493,588	25,609	442,481	30,825
1994	14,636,612	1,582,907	-174,087	3,965,781	2,743,231	19,588,629	26,805	464,396	31,518
1995	14,229,460	1,629,191	-201,637	4,219,372	2,864,702	19,482,706	26,402	472,046	30,144
1996	15,654,491	1,666,475	-250,943	4,546,393	2,968,170	21,251,636	28,633	479,226	32,666
1997	15,579,451	1,723,371	-245,251	4,735,759	2,991,933	21,338,521	28,673	484,646	32,146
1998	16,660,604	1,822,645	-308,123	5,157,835	3,045,969	22,733,639	30,472	493,668	33,749
1999	17,428,418	1,920,118	-323,477	5,248,795	3,126,381	23,559,999	31,397	505,253	34,494
2000	18,309,329	1,989,049	-343,036	5,476,059	3,277,288	24,730,591	32,726	515,569	35,512
2001	18,743,811	2,023,658	-283,025	5,703,233	3,466,243	25,606,604	33,738	511,524	36,644
2002	18,583,356	2,053,345	-255,810	5,564,901	3,643,251	25,482,352	33,437	510,126	36,429
2003	20,297,182	2,084,105	-242,675	5,591,762	3,665,995	27,228,158	35,501	510,290	39,775
2004	21,152,604	2,144,701	-255,492	5,723,687	3,757,493	28,233,591	36,465	519,452	40,721
2005	20,995,365	2,175,203	-221,269	5,866,997	3,894,353	28,360,244	36,355	529,475	39,654
2006	20,269,264	2,258,709	-203,373	6,378,999	4,080,028	28,266,209	35,847	540,441	37,506
2007	21,657,645	2,299,159	-212,661	6,647,628	4,214,684	30,008,136	37,650	553,772	39,109
2008	23,042,299	2,365,829	-221,867	6,513,992	4,492,805	31,461,399	39,105	566,490	40,675
2009	21,761,557	2,377,483	-232,106	5,958,945	4,894,736	30,005,649	36,935	(N)	(N)



## **APPENDIX C: ADDITIONAL HMDA DATA**

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The Home Mortgage Disclosure Act (HMDA) requires both depository and non-depository lenders to collect and publicly disclose information about housing-related loans and applications for such loans.<sup>26</sup> Both types of lending institutions must meet a set of reporting criteria, as follows:

1. The institution must be a bank, credit union or savings association.
2. The total assets must exceed the coverage threshold.<sup>27</sup>
3. The institution must have had a home or branch office in a metropolitan statistical area (MSA).
4. The institution must have originated at least one home purchase loan or refinancing of a home purchase loan secured by a first lien on a one- to four-family dwelling.
5. The institution must be federally insured or regulated.
6. The mortgage loan must have been insured, guaranteed or supplemented by a federal agency or intended for sale to Fannie Mae or Freddie Mac.

For other institutions, including non-depository institutions, the reporting criteria are as follows:

5. The institution must be a for-profit organization.
6. The institution's home purchase loan originations must equal or exceed 10.0 percent of the institution's total loan originations, or more than \$25 million.
7. The institution must have had a home or branch office in an MSA or have received applications for, originated or purchased five or more home purchase loans, home improvement loans, or refinancing mortgages on property located in an MSA in the preceding calendar year.
8. The institution must have assets exceeding \$10 million or have originated 100 or more home purchases in the preceding calendar year.

HMDA data represent most mortgage lending activity and are thus the most comprehensive collection of information regarding home purchase originations, home remodel loan originations and refinancing available.

The information presented in this section of the Analysis of Impediments offers details pertaining to HMDA data as related to the State of South Dakota.

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<sup>26</sup> Data are considered "raw" because they contain entry errors and incomplete loan applications. Starting in 2004, the HMDA data made substantive changes in reporting. It modified the way it handled Hispanic data, loan interest rates, as well as the reporting of multifamily loan applications.

<sup>27</sup> Each December the Federal Reserve announces the threshold for the following year. The asset threshold may change from year to year, based on changes in the Consumer Price Index for Urban Wage Earners and Clerical Workers.

**Table C.1**  
**Owner-Occupied Home Purchase Loan Applications by Loan Type**

State of South Dakota  
HMDA Data, 2004 – 2009

Loan Type	2004	2005	2006	2007	2008	2009	Total
Conventional	14,612	17,379	17,978	15,429	9,259	6,693	81,350
FHA - Insured	1,899	1,362	1,161	1,043	2,767	4,196	12,428
VA - Guaranteed	918	864	904	948	1,052	1,268	5,954
Rural Housing Service or Farm Service Agency	634	795	883	890	1,002	1,770	5,974
<b>Total</b>	<b>18,063</b>	<b>20,400</b>	<b>20,926</b>	<b>18,310</b>	<b>14,080</b>	<b>13,927</b>	<b>105,706</b>

**Table C.2**  
**Owner-Occupied Home Purchase Loan Applications by Selected Action Taken by Gender**

State of South Dakota  
HMDA Data, 2004 – 2009

Gender		2004	2005	2006	2007	2008	2009	Total
Male	Originated	7,913	8,840	8,813	7,786	6,401	6,033	45,786
	Denied	960	1,216	1,155	904	716	732	5,683
	Denial Rate %	10.8%	12.1%	11.6%	10.4%	10.1%	10.8%	11.0%
Female	Originated	2,710	3,154	3,149	2,910	2,193	2,331	16,447
	Denied	490	642	592	471	325	373	2,893
	Denial Rate %	15.3%	16.9%	15.8%	13.9%	12.9%	13.8%	15.0%
Not Provided by Applicant	Originated	345	289	390	279	189	162	1,654
	Denied	99	81	157	117	63	45	562
	Denial Rate %	22.3%	21.9%	28.7%	29.5%	25.0%	21.7%	25.4%
Not Applicable	Originated	4	2	3	2	10	2	23
	Denied	0	0	0	0	1	1	2
	Denial Rate %	0.0%	0.0%	0.0%	0.0%	9.1%	33.3%	8.0%
<b>Total</b>	Originated	10,972	12,285	12,355	10,977	8,793	8,528	63,910
	Denied	1,549	1,939	1,904	1,492	1,105	1,151	9,140
	<b>Denial Rate %</b>	<b>12.4%</b>	<b>13.6%</b>	<b>13.4%</b>	<b>12.0%</b>	<b>11.2%</b>	<b>11.9%</b>	<b>12.5%</b>

**Table C.3**  
**Owner-Occupied Home Purchase Loan Applications by Reason for Denial**

State of South Dakota  
HMDA Data, 2004 – 2009

Denial Reason	American Indian or Alaskan Native	Asian	Black	White	Not Applicable	No Co-Applicant	Total	Hispanic (Ethnicity)
Debt-to-income Ratio	16	18	14	1,004	90	0	1,142	21
Employment History	2	0	1	152	15	0	170	5
Credit History	87	17	21	1,518	205	0	1,848	53
Collateral	14	7	5	671	63	0	760	10
Insufficient Cash	5	2	4	146	10	0	167	7
Unverifiable Information	3	3	3	211	23	1	244	5
Credit Application Incomplete	11	7	7	467	59	0	551	13
Mortgage Insurance Denied	0	0	0	8	0	0	8	0
Other	22	6	15	899	89	1	1,032	24
Missing	189	24	32	2,568	404	1	3,218	146
<b>Total</b>	<b>349</b>	<b>84</b>	<b>102</b>	<b>7,644</b>	<b>958</b>	<b>3</b>	<b>9,140</b>	<b>284</b>
% Missing	54.2%	28.6%	31.4%	33.6%	42.2%	33.3%	35.2%	51.4%

<b>Table C.4</b>								
<b>Action of Owner-Occupied Home Purchase Loan Applications by Income: Originated and Denied</b>								
State of South Dakota								
HMDA Data, 2004 – 2009								
<b>Income Group</b>		<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>Total</b>
\$15,000 or less	Loan Originated	106	72	67	62	33	31	340
	Application Denied	90	100	76	52	41	53	359
	Denial Rate %	45.9%	58.1%	53.1%	45.6%	55.4%	63.1%	51.4%
More than \$15,000 up to \$30,000	Loan Originated	1,729	1,736	1,514	1,338	965	1,034	7,282
	Application Denied	451	499	439	378	245	283	2,012
	Denial Rate %	20.7%	22.3%	22.5%	22.0%	20.2%	21.5%	21.6%
More than \$30,000 up to \$45,000	Loan Originated	2,721	2,947	2,830	2,482	1,990	2,041	12,970
	Application Denied	392	572	506	362	304	280	2,136
	Denial Rate %	12.6%	16.3%	15.2%	12.7%	13.3%	12.1%	14.1%
More than \$45,000 up to \$60,000	Loan Originated	2,313	2,719	2,640	2,206	1,770	1,694	11,648
	Application Denied	257	348	380	264	202	194	1,451
	Denial Rate %	10.0%	11.3%	12.6%	10.7%	10.2%	10.3%	11.1%
More than \$60,000 up to \$75,000	Loan Originated	1,490	1,634	1,798	1,438	1,252	1,241	7,612
	Application Denied	126	165	175	151	127	118	744
	Denial Rate %	7.8%	9.2%	8.9%	9.5%	9.2%	8.7%	8.9%
More than \$75,000	Loan Originated	2,175	2,644	3,000	3,050	2,509	2,194	13,378
	Application Denied	174	202	261	252	153	185	1,042
	Denial Rate %	7.4%	7.1%	8.0%	7.6%	5.7%	7.8%	7.2%
Data Missing	Loan Originated	438	533	506	401	274	293	2,152
	Application Denied	59	53	67	33	33	38	245
	Denial Rate %	11.9%	9.0%	11.7%	7.6%	10.7%	11.5%	10.2%
Total	Loan Originated	10,972	12,285	12,355	10,977	8,793	8,528	55,382
	Application Denied	1,549	1,939	1,904	1,492	1,105	1,151	7,989
	Denial Rate %	<b>12.4%</b>	<b>13.6%</b>	<b>13.4%</b>	<b>12.0%</b>	<b>11.2%</b>	<b>11.9%</b>	<b>12.6%</b>

<b>Table C.5</b>							
<b>Percent Denial Rates by Income by White Applicants</b>							
State of South Dakota							
HMDA Data, 2004 – 2009							
<b>Income</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>Total</b>
<= \$15K	42.2%	54.1%	46.0%	40.0%	50.0%	60.3%	48.0%
\$15K - \$30K	19.0%	20.7%	20.2%	19.9%	18.7%	20.0%	19.8%
\$30K - \$45K	11.1%	14.9%	13.9%	11.6%	12.2%	11.0%	12.6%
\$45K - \$60K	8.6%	10.9%	11.6%	9.3%	9.4%	9.7%	10.0%
\$60K - \$75K	7.0%	9.0%	8.0%	8.4%	8.6%	8.6%	8.2%
Above \$75K	6.8%	6.3%	7.0%	6.7%	5.4%	7.5%	6.6%
Data Missing	9.5%	8.9%	9.9%	6.6%	9.6%	10.5%	9.1%
<b>Total</b>	<b>11.0%</b>	<b>12.6%</b>	<b>11.9%</b>	<b>10.6%</b>	<b>10.3%</b>	<b>11.1%</b>	<b>11.4%</b>

<b>Table C.6</b>									
<b>Action of Owner-Occupied Home Purchase Loan Applications by Income By Race:</b>									
<b>Originated and Denied</b>									
State of South Dakota									
HMDA Data, 2004 – 2009									
<b>Race</b>		<b>&lt;= \$15K</b>	<b>\$15K - \$30K</b>	<b>\$30K - \$45K</b>	<b>\$45K - \$60K</b>	<b>\$60K - \$75K</b>	<b>&gt; \$75K</b>	<b>Data Missing</b>	<b>Total</b>
American Indian or Alaskan Native	Loan Originated	10	162	203	150	95	178	13	811
	Application Denied	39	113	93	50	20	33	1	349
	Denial Rate %	79.6%	41.1%	31.4%	25.0%	17.4%	15.6%	7.1%	30.1%
Asian	Loan Originated	0	66	109	131	91	147	17	561
	Application Denied	0	27	24	9	9	10	5	84
	Denial Rate %	.	29.0%	18.0%	6.4%	9.0%	6.4%	22.7%	13.0%
Black	Loan Originated	0	43	103	99	50	70	8	373
	Application Denied	6	23	33	17	12	9	2	102
	Denial Rate %	100.0%	34.8%	24.3%	14.7%	19.4%	11.4%	20.0%	21.5%
White	Loan Originated	349	7,738	14,019	12,468	8,261	14,530	2,280	59,645
	Application Denied	322	1,911	2,022	1,391	742	1,028	228	7,644
	Denial Rate %	48.0%	19.8%	12.6%	10.0%	8.2%	6.6%	9.1%	11.4%
Not Applicable	Loan Originated	12	305	571	490	352	642	112	2,484
	Application Denied	44	220	244	178	79	147	46	958
	Denial Rate %	78.6%	41.9%	29.9%	26.6%	18.3%	18.6%	29.1%	27.8%
No Co-Applicant	Loan Originated	0	2	6	4	4	5	15	36
	Application Denied	1	1	0	0	0	0	1	3
	Denial Rate %	100.0%	33.3%	0.0%	0.0%	0.0%	0.0%	6.3%	7.7%
<b>Total</b>	Loan Originated	371	8,316	15,011	13,342	8,853	15,572	2,445	63,910
	Application Denied	412	2,295	2,416	1,645	862	1,227	283	9,140
	<b>Denial Rate %</b>	<b>52.6%</b>	<b>21.6%</b>	<b>13.9%</b>	<b>11.0%</b>	<b>8.9%</b>	<b>7.3%</b>	<b>10.4%</b>	<b>12.5%</b>
Hispanic (Ethnic)	Loan Originated	7	157	230	180	107	135	25	841
	Application Denied	19	76	80	56	29	22	2	284
	Denial Rate %	73.1%	32.6%	25.8%	23.7%	21.3%	14.0%	7.4%	25.2%

<b>Table C.7</b>							
<b>Percent Denial Rates by Income by Native American Applicants</b>							
State of South Dakota							
HMDA Data, 2004 – 2009							
<b>Income</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>Total</b>
<= \$15K	72.7%	92.3%	76.9%	50.0%	100.0%	100.0%	79.6%
\$15K - \$30K	40.7%	40.8%	31.7%	46.8%	37.0%	50.0%	41.1%
\$30K - \$45K	38.1%	34.4%	23.4%	22.4%	23.5%	43.6%	31.4%
\$45K - \$60K	28.1%	25.0%	13.2%	28.6%	32.1%	25.0%	25.0%
\$60K - \$75K	31.6%	15.4%	20.0%	6.3%	9.5%	25.0%	17.4%
Above \$75K	16.0%	17.1%	18.6%	12.5%	8.8%	21.4%	15.6%
Data Missing	0.0%	0.0%	0.0%	0.0%	25.0%	0.0%	7.1%
<b>Total</b>	<b>35.7%</b>	<b>32.3%</b>	<b>25.0%</b>	<b>26.7%</b>	<b>23.8%</b>	<b>37.2%</b>	<b>30.1%</b>

**Table C.8**  
**Originated Owner-Occupied Loans by Loan Purpose by Predatory Status**

State of South Dakota  
HMDA Data, 2004 – 2009

<b>Loan Purpose</b>		<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>Total</b>
Home Purchase	Other Originated	9,979	10,274	10,322	9,863	7,995	7,944	56,377
	High APR Loan	993	2,011	2,033	1,114	798	584	7,533
	Percent High APR	9.1%	16.4%	16.5%	10.1%	9.1%	6.8%	11.8%
Home Improvement	Other Originated	1,516	1,764	1,851	1,873	1,608	1,506	10,118
	High APR Loan	396	445	590	593	437	405	2,866
	Percent High APR	20.7%	20.1%	24.2%	24.0%	21.4%	21.2%	22.1%
Refinancing	Other Originated	10,239	8,200	6,281	6,246	8,034	16,084	55,084
	High APR Loan	2,060	2,571	2,470	1,911	1,505	1,178	11,695
	Percent High APR	16.7%	23.9%	28.2%	23.4%	15.8%	6.8%	17.5%
<b>Total</b>	Other Originated	21,734	20,238	18,454	17,982	17,637	25,534	121,579
	High APR Loan	3,449	5,027	5,093	3,618	2,740	2,167	22,094
	<b>Percent High APR</b>	<b>13.7%</b>	<b>19.9%</b>	<b>21.6%</b>	<b>16.8%</b>	<b>13.4%</b>	<b>7.8%</b>	<b>15.4%</b>

**Table C.9**  
**Owner-Occupied Home Purchase HALs Originated by Race**

State of South Dakota  
HMDA Data, 2004 – 2009

<b>Race</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>Total</b>
American Indian	28	49	47	32	28	17	201
Asian	8	23	11	3	10	3	58
Black or African American	10	21	21	10	2	2	66
White	874	1,841	1,784	1,012	728	550	6,789
Not Applicable	73	77	170	57	30	11	418
No Co-Applicant	0	0	0	0	0	1	1
<b>Total</b>	<b>993</b>	<b>2,011</b>	<b>2,033</b>	<b>1,114</b>	<b>798</b>	<b>584</b>	<b>7,533</b>
Hispanic	19	42	45	10	17	12	145

**Table C.10**  
**Originated Owner-Occupied Home Purchase Loans by Income by Predatory Status**

State of South Dakota  
HMDA Data, 2004 – 2009

<b>Income Group</b>		<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>Total</b>
\$15,000 or less	Other Originated	76	48	48	41	23	24	260
	High APR Loan	30	24	19	21	10	7	111
	Percent High APR	28.3%	33.3%	28.4%	33.9%	30.3%	22.6%	29.9%
More than \$15,000 up to \$30,000	Other Originated	1,476	1,382	1,218	1,122	818	934	6,950
	High APR Loan	253	354	296	216	147	100	1,366
	Percent High APR	14.6%	20.4%	19.6%	16.1%	15.2%	9.7%	16.4%
More than \$30,000 up to \$45,000	Other Originated	2,456	2,319	2,294	2,203	1,795	1,919	12,986
	High APR Loan	265	628	536	279	195	122	2,025
	Percent High APR	9.7%	21.3%	18.9%	11.2%	9.8%	6.0%	13.5%
More than \$45,000 up to \$60,000	Other Originated	2,117	2,255	2,157	1,982	1,622	1,583	11,716
	High APR Loan	196	464	483	224	148	111	1,626
	Percent High APR	8.5%	17.1%	18.3%	10.2%	8.4%	6.6%	12.2%
More than \$60,000 up to \$75,000	Other Originated	1,375	1,391	1,515	1,323	1,151	1,163	7,918
	High APR Loan	115	243	283	115	101	78	935
	Percent High APR	7.7%	14.9%	15.7%	8.0%	8.1%	6.3%	10.6%
More than \$75,000	Other Originated	2,059	2,410	2,685	2,834	2,329	2,043	14,360
	High APR Loan	116	234	315	216	180	151	1,212
	Percent High APR	5.3%	8.9%	10.5%	7.1%	7.2%	6.9%	7.8%
Data Missing	Other Originated	420	469	405	358	257	278	2,187
	High APR Loan	18	64	101	43	17	15	258
	Percent High APR	4.1%	12.0%	20.0%	10.7%	6.2%	5.1%	10.6%
<b>Total</b>	Other Originated	9,979	10,274	10,322	9,863	7,995	7,944	56,377
	High APR Loan	993	2,011	2,033	1,114	798	584	7,533
	<b>Percent High APR</b>	<b>9.1%</b>	<b>16.4%</b>	<b>16.5%</b>	<b>10.1%</b>	<b>9.1%</b>	<b>6.8%</b>	<b>11.8%</b>

## APPENDIX D: ADDITIONAL SURVEY DATA

This section of the document contains tabulations of the narrative responses provided by participants in the 2010 South Dakota Fair Housing Survey. Each table presents answers provided in the question stated in the table title. Respondent answers have not been edited.

<b>Table D.1</b> <b>What is your primary role in the housing industry?</b> State of South Dakota 2010 Fair Housing Survey
Role
case manager for individuals with disabilities
Certified Independent Consultant for Home Modifications for People with Physical and Neurological Disabilities and Construction Management and Project Coordinator
Chamber of Commerce
Community Planning
county government
disabled renter n very limited income
ED for Public Housing and Section 8
Government CDBG and Rehab Program Manager
homeless provider
housing & community development consultant
housing counseling agency
Housing Counseling Agency
Landlord
LIHTC consultant
municipal employee
Municipal finance officer
Pastor (sometimes providing advocacy/assistance finding housing)
person has close to losing their housing a number of times since they were a child
Planning District
Prospective Home Buyer
Provide services to people with developmental disabilities
Public Housing Administrator
Public Housing Authority Executive Director
Referral Agency
renter
Renter
restore historical
SALES REP GOVERNORS HOUSE
Service provider for those looking for housing.

**Table D.2**  
**What are your concerns about fair housing?**

State of South Dakota  
 2010 Fair Housing Survey

**Comments**

access by disabled populations  
 Affordability  
 Affordability and availability  
 Agencies that refuse to get involved, look the other way, and side with landlords like Evergreen Management.  
 all possible areas  
 Because some places have made unwed mothers a priority for housing and they aren't they only ones who need affordable housing.  
 Can we protect against discrimination against Domestic Violence Victims?  
 Discrimination against Lakota people  
 Discrimination against mentally ill.  
 discrimination against Native Americans  
 Discrimination against Lakota and other racial minorities in renting and buying housing  
 Fair Housing of the Dakotas is currently without a director and has not scheduled on-going Fair Housing Seminars for 2010; further, they are currently under investigation for wrongful termination of their prior director.  
 Housing available for all South Dakotans  
 Housing unavailable at a fair price in small towns in SD  
 i am a low income disabled single mother with a disabled child struggleing to keep my housing i have.  
 I am concerned that some management companies do not offer or require training of their personnel and that there is discrimination occurring against Native Americans and immigrant populations.  
 I beleive the American Indian population struggles finding quality housing. It always seems the house has been rented  
 I have concerns regarding disabled persons "recovering alcoholics/drug addicts" and their ability to find a place to live.  
 I see people not being able to get housing due to waiting lists and the apts that are available are too spendy for them. It's got to be discouraging.  
 I sometimes feel I am discriminated against because I am white. Especially if there is Indian landlords or managers.  
 I think people continue to discriminate against Native Americans and other minorities. I think it is sometimes difficult for people to find a place to rent if they have a disability or a family.  
 Incomes in South Dakota are some of the lowest in the nation, yet home prices are rediculously high, what gives?  
 Information isn't getting out to tenants or prospective tenants that may have a fair housing issue  
 It exists  
 It may over step it's baundersies and not allow the rentor the right to chose whom he or she wishes to rent to.  
 It seems like there isn't enough housing for the people.  
 It should always be a concern for everyone....reminder of it should be considered a necessary element to housing.  
 It still exists.  
 Lack of knowledge of the regulations  
 Lack of knowledge/education on the part of small landlords (as opposed to large commercial firms).  
 Lack of suitable available choices  
 Landlords are not informed and those with mental health issues are sometimes taken advantage of.  
 Landlords not obeying fair housing laws  
 Landlords of a small number of one-unit proeperties  
 may not be aware of their fair housing obligations (i.e. someone who doesn't make their main living off rental housing, but has one or two for a little extra income.)  
 Lawsuits  
 mt concern is the availability of proper housing and people assigned to assist in helping people obtaining housing.  
 Native Americans, Disabled persons, Ethnic Diversity  
 Not enough available  
 Not enough housing on the reservations  
 Personal issues used by the independant companies that own properties where your rent is determined by your income. There were many violations committed by the owners that the Fair Housing Authorities would dispute..A person on disability approx 687.00a mo., has an option to live in these personally owned apartments, or go through Housing and get a voucher. The houses a person can afford to live in are few and far between, as far as a 1 bedroom goes.The conditions that the owners are allowed to keep these homes in is unacceptable.  
 Persons with disabilities or mental illness, who act "differently" from others are passed over for others who are more "normal".  
 Reluctance provide services to persons from different cultures.  
 Private landlords who discriminate against prospective tenants.  
 Property managers not understanding Fair Housing laws  
 Question>Knowledge of percentage of housing assistance for immigrants, etc as related to SD residents in need.  
 SD has some deeply imbeded discrimination against Natives & people with disabilities.

See #11

Seems like you have to have perfect credit and fit what the feds say you should be.

single parents and how to afford payments on wages today

Small communities around the reservations areas

Some landlords are not familiar with these protected classes and won't rent to tenants with children.

That equal housing opportunities are provided to all citizens; regardless of ethnicity. And for SDHDA to do frequent and accurate investigations on agencies to ensure that this is done.

that the cut off for income is to low.

The availability of affordable housing.

the maintainence of the trailers, houses, or apartments that people live in that technically allows owners to rent some places that aren't really in that good a shape

The process for complaints is that we are guilty of discrimination until we prove ourselves innocent. We educate our employees internally and take advantage of classes as they are available but they are not often available. We take fair housing very seriously and sometimes find that our fear of compliance gets in the way of us being able to make good business decisions that would also be good for the consumer but we fear being able to apply the decision at all times so we go with a policy that we can stick with.

The rules may come down from HUD; wherever their source, there is far too much busywork among the documentation. FAR TOO MUCH. It is a definite impediment to getting property let.

well alots of things

### Table D.3

#### What are the barriers or constraints to affirmatively furthering fair housing?

State of South Dakota  
2010 Fair Housing Survey

##### Comments

###### Affordability

affordable apartments for large families with very low incomes

Agency attitudes - Pro landlord - failure to track and pass on informal and formal complaints about abusive landlords.

Credit Race Being a single person w no dependents

Currently, many State Prison Inmates being released from prison have no State identification or have expired State identification.

They do not have the resources to comply with the state's requirements for obtaining an ID card. This means, they cannot apply for assistance of any kind including housing and food, nor can they apply for a legitimate job. It's a horrible circle that breeds crime and homelessness. It should and can be fixed by altering State law.

Fair Housing of the Dakotas - should be Fair Housing of ND. The lady who ran it in 2009, should be nice - period.

###### Financial

Financial and transportaion. Those that need housing the most have a difficult time getting transportaion to their jobs and everyday things like grocery shopping.

Hard to educate "old school" landlords who may not want to be educated on the topic.

Housing is not accessible. Also it still is not affordable

Housing is WAY too expensive here

ID requirements (most people use drivers license) are onerous for people just out of incarceration; without ID and other recent rental history it's hard for these folks to secure housing.

If you don't have a job you cannot rent an apartment. Even if you are on SSI or SSDI.

It is difficult to reach applicants in certain protected classes because of small populations that cannot financially support publications and other advertising sources specifically targeted towards non-English speakers or ethnic groups. There is also a limited availability of social service support for certain populations which impedes their success in rental housing (understanding and executing rights and responsibilities). Inadequate social service support for immigrants is a barrier as well.

Lack of education for small landlords.

lack of knowledge by landlords and tenants

Land, transportation, Income, child care. tough times for question.

language, - so many different languages and primary information is in english information isn't readily available to people to know what fair housing rules are

###### Money

More education and outreach regarding fair housing to the private sector.

Neighborhoods, Income limits, Ethnic Diversity, Politics.

Not enough housing that is wheelchair accessible

Not sure what "affirmatively furthering fair housing" means. I even looked it up but couldn't figure out what was being asked in this question.

one barrier I've seen is to hispanics and Native Americans

People are just uncomfortable with others who are different.

Politically conservative persons, including housing owners, do not understand and/or do not wish to treat all persons in need of housing equally.

politicians

Programs to help people with housing assistance

racial and other types of discrimination

Racial discrimination Credit checks that unfairly deny housing based on credit problems due to periods of unemployment

racism, low wages  
 Stereotyping people  
 the housing lists are awful  
 The income guidelines are an impediment to non-market tenants. The paperwork required to let to a tenant and then heaven forbid he or she move out, then the paperwork is worse.  
 the lack of availability of supported housing severely limits access by disabled  
 The quality of available housing  
 The question inquiring the RACE of an applicant on an application is useless (and could hurt the applicant) unless it is enforced for the benefit of the applicant; and not to keep "undesirables" out.  
 The way that each property owner is allowed to decide who gets affordable housing (see #9).

**Table D.4**  
**What geographic areas have fair housing problems?**

State of South Dakota  
 2010 Fair Housing Survey

**Comments**

Aberdeen, Sioux Falls  
 All of South Dakota  
 all of the state outside the two metropolitan areas  
 Areas on or bordering reservations, also seen in small rural towns with mostly white populations  
 Areas with large populations of migrant workers and communities bordering reservations  
 Areas with more diverse populations.  
 everywhere  
 Everywhere, but Sioux Falls is terrible  
 Haakon County  
 Huron area - we see it happening constantly but have difficulty moving cases forward through the Office of Fair Housing.  
 I believe minorities have greater access.  
 I think every community in some way has fair housing problems. Native Americans being discriminated against, families being discriminated against. I think people just don't realize that it is against the law.  
 I think it is harder on reservation land when the title is held in trust, not all loan types can be utilized as some lenders or investors shy away from the complications. I don't know that the protected classes in those areas are treated unfairly, more that it may be a more difficult region to obtain financing for all residents, not only protected class citizens.  
 I think it is more prevalent than people want to admit. Possible a bigger problem in smaller towns. Where there may be less enforcement.  
 I think you can find discrimination in smaller communities as well as larger cities.  
 Mostly the smaller cities of South Dakota, such as Yankton, Tabor, and Brandon to name a few.  
 near Indian Reservation areas  
 Near Native American reservations  
 No matter where you are there are going to be Fair housing issues but as apt managers are reported and get educated we will see less of it.  
 Pierre  
 Pierre/Ft. Pierre area  
 Rapid City and Sioux Falls  
 Rapid City and Sioux Falls, certainly  
 rapid city.....box elder  
 reservations  
 Reservations  
 Reservations and low income areas  
 Rural areas  
 Rural areas - don't think the regulations pertain to them.  
 Rural areas, reservations  
 Rural Areas, Reservations, locals and neighborhoods, social standing in some parts of the state.  
 Sioux Falls  
 Small communities  
 Smaller towns Rapid City Reservation  
 Some areas near reservations  
 Sturgis - Evergreen Management  
 The entire state  
 The Yankton and Sioux falls areas = over built.  
 There may be areas that are underserved but not truly a fair housing issue.  
 various places mostly the Rapid City and surrounding areas  
 Yes, There is a lack of market rate rental apartments for working single and working families in Pierre, SD

**Table D.5**  
**What are the problems in these geographic areas?**

State of South Dakota  
2010 Fair Housing Survey

**Comments**

A couple of bad apples and then people generalize and stereotype.  
 Accessibility Accommodations for single people Economy  
 Available units funding  
 complications with titling and perfecting security interest  
 Everyone I know stereotypes prospective tenants. Based on past experiences property owners are very hesitant to rent to groups of people with whom they have had bad experiences with.  
 Housing isn't available to low income persons  
 Ignorance  
 In the personally owned apartments for example, the inspectors come around and inspect the buildings, which the owners make sure everything is "up to code" before the inspectors come. The personal issues that go on between the owners and the tenants, that are wrong-illegal, are not addressed. The tenants would not be able to say anything due to fear of retaliation, nor is there any survey for them to do to report wrong doings, that could be paper traced..  
 income and unemployment, unfair education, ethnic diversity, disabilities, lack of services.  
 Lack of acceptance of persons different from the property owner/manager.  
 Lack of access to available credit sources.  
 Lack of acknowledgement  
 Lack of education.  
 Lack of funding  
 Lack of housing and financial support  
 Lack of Private investment for new apartment complexes and new businesses moving into the area  
 lack of supported housing  
 Landlords not getting enough training or knowledge of the laws.  
 Life style  
 limited incomes  
 Long-standing prejudices  
 low incomes; building costs; tenants without knowledge of how to be a good tenant;  
 Misinformation and long held perceptions  
 Money  
 Overbuilding subsidized housing.  
 People are afraid not to cater to the Native American population.  
 People many times have issue with different being a scary thing. Therefore some landlords and/or tenants assume there will be bigger issues with tenants of a different race or background or any of the protected areas. I have had some tenants comment to me about moving in "bad" tenants, when in fact many in the protected classes have been some of my best tenants. A bad tenant is a bad tenant....but that must be determined by history of their actions not the color of their skin or their religion.  
 Poverty, education, lack of financial resources  
 Prejudices ingrained over several generations, stereotypes. lack of understanding of consequences for violation of fair housing law  
 Property owners/managers not wanting to rent to "undesirables" in fear of lowering the property value or discouraging other desirable applicants from renting at their property[ies].  
 racism, poverty  
 racism, poverty, lack of enforcement  
 realators and high housing market  
 Shortage of housing  
 some based on experience with certain races, in the small towns folks just don't want strangers there  
 Stereotyping of individuals  
 sub standard housing  
 the low incomes  
 The private citizen who is an injured party does not have the knowledge of how they must prove up a fair housing claim and are many times are concerned about consequences against them if they report an incident.  
 To many other races claiming discrimination when there has been none  
 Under educated  
 under privileged conditions  
 Untrained and uncaring people on power trips.

**Table D.6**  
**Has state or local government taken planning, financing or administrative actions that may have adversely affected fair housing choice?**

State of South Dakota  
 2010 Fair Housing Survey

**Comments**

Aberdeen has lowered the amount for a housing voucher and upped the amount people have to pay.  
 didn't understand the question  
 I do not have specific examples but it appears that communities and counties need to experience training which could avoid poor decision making  
 I have heard of some western counties in the state that will not allow affordable housing projects built in their communities because they don't want "those kinds of people in their county". Some of the development policies/practices of SDHDA has hindered development of affordable housing which has hindered furthering fair housing choice.  
 Pierre city commission apparent uncontrolled limits on high cost housing units development  
 property evaluations favor wealthy owners and businesses, place disproportionate burden on owners of affordable housing. some rural land valuation is also driving out lower-income owners in favor of expensive development  
 Same complaints as previously outlined plus the difficulty with the excessive forms -- particularly for small projects.  
 SDHDA  
 Segregation of reservations, lack of representation, unfair services, low income housing.  
 State Dept of Public Safety / Driver Licensing. See previous answer regarding released inmates being unable to obtain a State ID card.

**Table D.7**  
**What are the fair housing non-compliance issues with any public housing authorities?**

State of South Dakota  
 2010 Fair Housing Survey

**Comments**

As I stated earlier, there are many public housing providers in the smaller towns of South Dakota (Yankton, Brandon, etc.), but they're very discriminative about who they rent to.  
 Cheap and non-standard housing for low income housing. Discrimination of diverse populations  
 I lived in a personally owned apartment for 9 years that went by my income(HUD) There were SO many violations, i can't cite them here. I did at one time between approx. 1998-2007 report violations to my social worker through Adult and Aging Services, Senators and representatives offices. After i moved out, i reported some things to the HUD office, I talked with a gentleman once from the HUD office and didn't hear anything else. I moved to a house i rented with a S.D. Housing Voucher. It was basically all I could afford, but was not comfortable there due to the inspectors remark that "he could get me out of my lease". I told him that due to my disability, i needed my daughters help with quite a few things, and she owned a house 2 doors away. As of Sept 2010, i moved into my daughters home with her, the stress of that house was not good for my medical problems.  
 I'm not sure if it is covered under fair housing, but the Madison area for housing assistance/ section 8 is horrible in the way they treat people. I myself have been affected along with other friends or people i know.  
 make landlords be responsible without giving you the fear of eviction  
 overcrowding  
 Rural Development does not adequately monitor its borrowers for competency and fair housing protections for tenants - looks the other way  
 there a few that need to be looked into in the Rapid City area

**Table D.8**  
**What are the state or local codes or regulations that may represent barriers to fair housing choice?**

State of South Dakota  
 2010 Fair Housing Survey

**Comments**

Additional codes and regulations that increase costs outweighing benefits makes the housing less affordable. No specific examples -  
 Building covenants  
 generally the lack of any local health codes outside the larger metropolitan areas  
 Housing codes may place a burden on property owners to limit the number of tenants in their units.  
 If you have to remodel a apartment to accommodate a person with a disability you may not want to spend the money so therefore you may discourage that person from renting from you.  
 In larger communities there are to many codes and regulations  
 landlords not following through  
 Landlords who usually rent to protected classes or low income with poor credit rarely follow code regulations and often evict tenants who complain. Often, a landlord can receive complaints regarding poor housing condition for years before authorities step in to do anything.

limits on numbers of unrelated people who can occupy a dwelling  
 Many communities implement planning and zoning regulations which are not inclusive of various housing types in different areas of the communities.  
 No specific examples but many cities and towns across SD have local codes that present barriers to building affordable housing and in turn affects fair housing choice in SD  
 overcrowding and not enough homes.  
 The purpose of codes seem pointless when land lords do not have to be compliant. while on section 8, my house did not pass inspection 2 years on a row...now off section 8, my house has never been fixed to what the inspectors said it was supposed to. Open wires, lead paint (daughter tested positive for high lead) leaking ceiling, windows missing (over 3 years) glass, covered in plastic. A friend of mine was approved to move, completed her move and then told she couldnt move her voucher...kicked off of housing assistance. (single mom, no child support, trying to get through college)  
 Theoretically, any regulation such as building codes, zoning regulations, etc. will increase the cost of housing - thereby "pricing out" certain people. And the more restrictive the requirements, the more people will be excluded from the housing market.  
 There are a lot of slum houses in Aberdeen that are not safe but pass inspection.  
 We run into some issues with requiring a government issued ID and SSN for running our criminal background checks to be in compliance with Crime Free housing. Service animals can also become challenging because we respect the right of privacy for our residents and when someone sees a service animal in a non pet building it creates all kinds of questions with residents.  
 Weak Disability Income, unsubstantial health and nutrition, allowance of slum housing.

<b>Table D.9</b> <b>What are the public administrative actions or policies, including tax policy, that may represent barriers to fair housing choice?</b> State of South Dakota 2010 Fair Housing Survey
<b>Comment</b>
Co pay in Aberdeen is too high with vouchers Poorly thought out local zoning codes could cause undue concentration of low-income residents in one area. property taxes for those buying a home The disabled need more than insubstantial income.

<b>Table D.10</b> <b>How should fair housing laws be changed?</b> State of South Dakota 2010 Fair Housing Survey
<b>Comment</b>
Fair housing laws need to be routinely looked at, re-evaluated and changed to meet the needs of people. for there to be less racial discrimination I don't know if they need to be changed but they need to be understood by the people they are there to protect. I don't think they need to give preference to any one class of people. I think first of all, more people need to be aware of the the laws, and should be able to have public meetings concerning these issues. I think there should be more support for applicants who feel that they have been discriminated against. More testing such as that in question # 26 should be done frequently, and there should be serious consequences for discriminatory actions. i would like more education on housing rights and on my rights. Make them equivalent with federal law Need to have a fair housing agency in SD to help tenants - Fair Housing of the Dakota has closed its doors - ND DOL can help ND residents - nothing now available in SD - UNACCEPTABLE!! The area of near west Downtown Sioux Falls is poor, and basically a slum, also the area along All along W. 12 in Sioux Falls w 12th There needs to be someone that a person getting housing assistance can go to without the fear of retaliation. The majority of the people i have met in these living conditions are not very educated and or are so oppressed because "they are poor, on assistance, so they have no voice, be glad you have what we give you belief" they wouldn't dare say anything, if they believe or know they have been violated.

<b>Table D.11</b> <b>Do you have any other comments about fair housing?</b> State of South Dakota 2010 Fair Housing Survey
<b>Comments</b>
As you can tell information seems to be limited. Referral and resources need to be available i am in a difficult situation where i'm at and i know my rights are being violated and i don't know where to go or what to do.i can't afford to be thrown out either. I am more concerned with landlords renting properties that are unsafe.

I have a hard time with writing, typing, and due to my medicine , remembering. So it would be better if i could look for my old calender books that i documented things in and talk to someone.

It is almost impossible to keep up with the requisites for documentation. It has reached an imprctical level.

Landlords who have more than 4 rental properties should have some sort of requirement for fair housing training with more stringent consequences for failing to comply with fair housing.

Social Security vastly poor for the disabled, Low income Housing is rediculous.

Tenants are being abused as agency personnel look the other way - no ombudsman available to help tenants except a lawyer in extreme situations. The way tenants are being treated by Evergreen Management in the Sturgis and Spearfish area is reprehensible

The information regarding the applicants rights and responsibilities should be readily available to the applicant and they should be given contact information should they encounter any problems. Maybe having a fair housing hotline available for questions and concerns would help mitigate these issues as well.

We need more housing that is wheelchair accessible!!!!!!!