

# Agenda

Welcome/Overview –

Lorraine Polak, Executive Director

South Dakota Housing Development Authority (SDHDA)

Consolidated Annual Performance Evaluation Report (CAPER), HTC, HOME, and HTF Allocation Plan changes – Chas Olson, SDHDA

Housing Assistance Fund (HAF) – Brent Adney, SDHDA

# Locations

## Public meeting

- June 23, 2021 via Skype
- 15 day comment period for CAPER June 16 – June 30
- 30 day comment period for HTC, HOME, and HTF allocation plans June 16 – July 15
- Comments regarding the CAPER, HTC, HOME, or HTF allocation plans changes to Chas Olson
- Comments regarding HAF to Brent Adney
- Contact information at the end of the presentation

# CAPER

## What is the CAPER?

- Performance summary outlining the accomplishments of all Community Planning and Development (CPD) federally funded programs
- Report to US Department of Housing and Urban Development for the following programs:
  - Community Development Block Grant (CDBG)
  - Emergency Solutions Grants Program (ESG)
  - HOME
  - Housing Trust Fund (HTF)
- Made available to the public to inform on outcomes of the programs and solicit feedback

# CAPER Highlights

- HOME/HTF – 771 households/individuals assisted!
  - 664 assisted with TBRA (security deposit assistance)
  - 68 rental units created: 51 HOME, 17 HTF (214 total in 5 developments)
  - 50 owner-occupied homes rehabilitated
  - 6 homebuyers assisted with homebuyer assistance
- ESG – 3,072 individuals served!
  - 19 agencies located in 15 communities statewide
  - 153 HP, 313 RRH, 2,606 assisted in shelters
- CDBG - \$3.3 million awarded to 6 communities resulting in over 25,000 residents impacted

# HTC, HOME & HTF Allocation Plans Changes

## Emergency Funding Requests

- SDHDA Board may declare an emergency during unforeseen conditions such as natural disasters or a pandemic
- Declaration allows SDHDA to forego a competitive application cycle and allow additional HTCs and HOME/HTF funds for projects who meet the following criteria:
  - 1) Previously received a reservation of HTCs, HOME and/or HTF funds
  - 2) Experienced a significant increase in the project's eligible basis and/or eligible HOME/HTF costs, as applicable
  - 3) Has a building or buildings that have not been issued a certificate of occupancy (i.e. have not been placed in service)

# Allocation Plan Changes continued..

- In the event of an emergency declaration, SDHDA will notify all eligible applicants in writing of the available funding, the expedited application process, and the deadline for applications
- Any award of additional HTC, HOME, and/or HTF funds in connection with an emergency declaration may be made without regard to the finance limits or the applicant limitations in the respective plans
- No negative consequences for developers/owners who apply for additional funding as a result of an emergency declaration

# Housing Assistance Fund (HAF)

## Purpose

The HAF program was established under Section 3206 of the American Rescue Plan Act of 2021 (“the ARP”) to mitigate financial hardships associated with the coronavirus pandemic by providing funds to eligible entities for the purpose of preventing homeowner mortgage delinquencies, defaults, foreclosures, loss of utilities or home energy services, and displacements of homeowners experiencing financial hardship after January 21, 2020 through qualified expenses related to mortgages and housing.

# Housing Assistance Fund (HAF)

## Scope

- \$50,000,000
- Up to 15% for administrative and planning costs
- 5% for counseling or education efforts
- Secretary of the Treasury has created a special set-aside for Tribal areas which are not included in the \$50,000,000
- SDHDA will prioritize 40% of HAF funds for homeowners who are determined to be “Socially Disadvantaged”



# Housing Assistance Fund (HAF)

## Borrower Qualifications

- Must have experienced a Qualified Financial Hardship after January 21, 2020.
- Must meet the Homeowner Income Eligibility Requirements (100% Area Median Income).
- Must own and occupy not more than one property.
- Must attest that they experienced a financial hardship after January 21, 2020.
- Agrees to provide all necessary documentation to satisfy program guidelines with timeframes established SDHDA.
- Co-owners are not permitted to separately apply for HAF.

# Housing Assistance Fund (HAF)

## Partners

- Helpline Center, Statewide
- Interlakes Community Action Program, Madison
- Rural Office of Community Services, Wagner
- Consumer Credit Counseling Service - LSS, Sioux Falls
- GROW SD, Sisseton
- Western SD Community Action, Rapid City
- Mazaska Owecaso Otipi Financial, Pine Ridge
- Neighborworks Dakota Home Resources, Deadwood
- Pennington County Health and Human Services, Rapid City
- Lakota Funds, Kyle
- Codington County Welfare, Watertown
- South Dakota Housing Development Authority



Building A Better Quality of Life

# Housing Assistance Fund (HAF)

## Qualified Expenses

Expenses that are for the purpose of preventing homeowner mortgage delinquencies, homeowner mortgage defaults, homeowner mortgage foreclosures, homeowner loss of utilities or home energy services, and displacements of homeowners experiencing financial hardship (not incurred/billed prior to January 21, 2020):

# Housing Assistance Fund (HAF)

## Qualified Expenses (continued)

- Existing first mortgage lien loan payment (PITI);
- Subordinate mortgage lien payment (P&I) and/or principal reduction or payoff of a non-profit/government bond second lien;
- Financial assistance to allow a homeowner to reinstate a mortgage or to pay other housing-related costs related to a period of forbearance, delinquency, or default;
- Payment assistance for utilities, internet service; hazard insurance, flood insurance, and mortgage insurance, HOA fees and DPA loans provided by nonprofit;
- Measures to prevent homeowner displacement, such as home repairs to maintain the habitability;

# Housing Assistance Fund (HAF)

## Qualified Expenses (continued)

- Counseling or educational efforts by housing counseling agencies approved by HUD or agencies approved by SDHDA's Homeownership Education Resource Organization (HERO);
- Reimbursement of funds expended by a state, local government, or entity during the period beginning on January 21, 2020;
- Planning, community engagement, needs assessment and administrative expenses not to exceed 15%;
- Land Contract monthly payment (P&I); and
- Manufactured/mobile home loan monthly payment (P&I) and lot rent, if applicable.

# Housing Assistance Fund (HAF)

## Where do I start?

Program Partners across South Dakota are available to help households complete an application and provide financial assistance. Once determined eligible, you will be asked to complete the full application and will be expected to submit required documentation before assistance is provided.

# Comments

Comments are due by 5:00 PM (CT)

June 28, 2021 for HAF

June 30, 2021 for CAPER

July 15, 2021 for Allocation Plans

## CAPER/Allocation Plan Changes

Attn.: Chas Olson

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## HAF Program

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# Wrap Up

Questions?

Thank you for attending