SOUTH DAKOTA HOUSING OPPORTUNITY FUND - FISCAL YEAR 2015

# 2015 ANNUAL REPORT

## THE PURPOSE

To promote economic development in South Dakota by expanding affordable housing opportunities for low- and moderate-income individuals and families.

SOUTH DAKOTA HOUSING DEVELOPMENT AUTHORITY

EQUAL HOUSING OPPORTUNITY

SDHOF

SOUTH DAKOTA HOUSING **OPPORTUNITY** FUND

# A BRIEF OVERVIEW
# HOUSING OPPORTUNITY FUND

The Housing Opportunity Fund program was created with the passing of Senate Bill 235, the "Building South Dakota Fund," during the 2013 Legislative Session. The Housing Opportunity Fund (HOF) was designed to promote economic development in South Dakota by expanding the supply of decent, safe, sanitary and affordable housing targeted to low and moderate income families and individuals in South Dakota. The Housing Opportunity Fund may be used for new construction, the purchase and rehabilitation of rental or homeownership housing, housing preservation, homelessness prevention activities and community land trusts.

The South Dakota Housing Development Authority (SDHDA) and the SDHDA Board of Commissioners are responsible for the administration of the Housing Opportunity Fund in accordance with SDCL 11-13. SDHDA developed an allocation plan that provides a system to award HOF funds and HOF program income.

Housing opportunities financed by HOF serve individuals and families at or below 115 percent of the Area Median Income (AMI) for the corresponding county. SDHDA distributes HOF funds geographically throughout the state with 30 percent of the funds targeted for Sioux Falls and Rapid City and 70 percent of the funds targeted for the rest of the state.

Any for-profit entity, non-profit entity, tribal government, housing authority, political subdivision of South Dakota or its agencies, or any agency of South Dakota is eligible to apply for Housing Opportunity Funds. Individuals are only allowed to apply for program funding through HOF recipients.

SDHDA holds an application cycle annually, and for fiscal year 2016 it will correspond with the HOME and Housing Tax Credit application cycle at the end of August.

Applications for the 2015 fiscal year were due February 28, 2015. A total of $3.25 million was requested. As a result of the application cycle, 347 families will benefit from more than $2.7 million awarded to 15 projects. The projects consist of new construction of single family homes and multifamily units, homelessness prevention programs and homebuyer assistance. An additional $100,000 was allocated to assist 36 households who were impacted by the natural disasters affecting Lincoln, Union and Jerauld counties.

# PROJECTS

# HOUSING OPPORTUNITY FUND

## SDHDA Board approved projects during FY 2015

| DEVELOPER | LOCATION | TOTAL ASSISTED | HOUSING OPPORTUNITY FUND DOLLARS |
|---|---|---|---|
| Black Hills Area Habitat for Humanity | Rapid City | 1 Home | $51,157 |
| GROW South Dakota | Rapid City/Sioux Falls | 25 Homebuyers | $275,000 |
| GROW South Dakota | Scattered Sites | 50 Homebuyers | $275,000 |
| Habitat for Humanity Greater Watertown Region | Watertown | 1 Home | $62,000 |
| Habitat for Humanity of Greater Sioux Falls | Sioux Falls | 7 Homes | $346,640 |
| Habitat for Humanity of Yankton County | Yankton | 1 Home | $55,000 |
| Homes are Possible, Inc. | Scattered Sites | 120 Homebuyers | $231,000 |
| Inter-Lakes Community Action Partnership | Scattered Sites | 20 Individuals/Families | $79,618 |
| Inter-Lakes Community Action Partnership | Sioux Falls | 20 Individuals/Families | $82,382 |
| Neighborworks® Dakota Home Resources | Scattered Sites | 8 Homebuyers | $60,000 |
| Oglala Sioux (Lakota) Housing | Pine Ridge Indian Reservation | 45 Homes | $675,000 |
| Rapid City Community Development Corporation | Rapid City | 20 Homebuyers | $130,000 |
| Rasmusson Properties | Dell Rapids | 9 Units | $91,407 |
| Sioux Falls Housing Corporation | Sioux Falls | 12 Homebuyers | $132,000 |
| Sioux Falls Housing Corporation | Sioux Falls | 8 Units | $200,000 |
| 2015 Disaster Funds | Union County | 36 Individuals/Families | $100,000 |
| | **TOTALS** | **383** | **$2,846,204** |

- Homebuyer Assistance - 235 Individuals/families
- Homelessness Prevention- 40 Individuals/families
- Multifamily New Construction - 8 units
- Discretionary - 36 Individuals/families
- Multifamily Rehabilitation - 9 units
- Single Family New Construction - 10 homes
- Single Family Rental New Construction - 45 homes

# PROJECTS

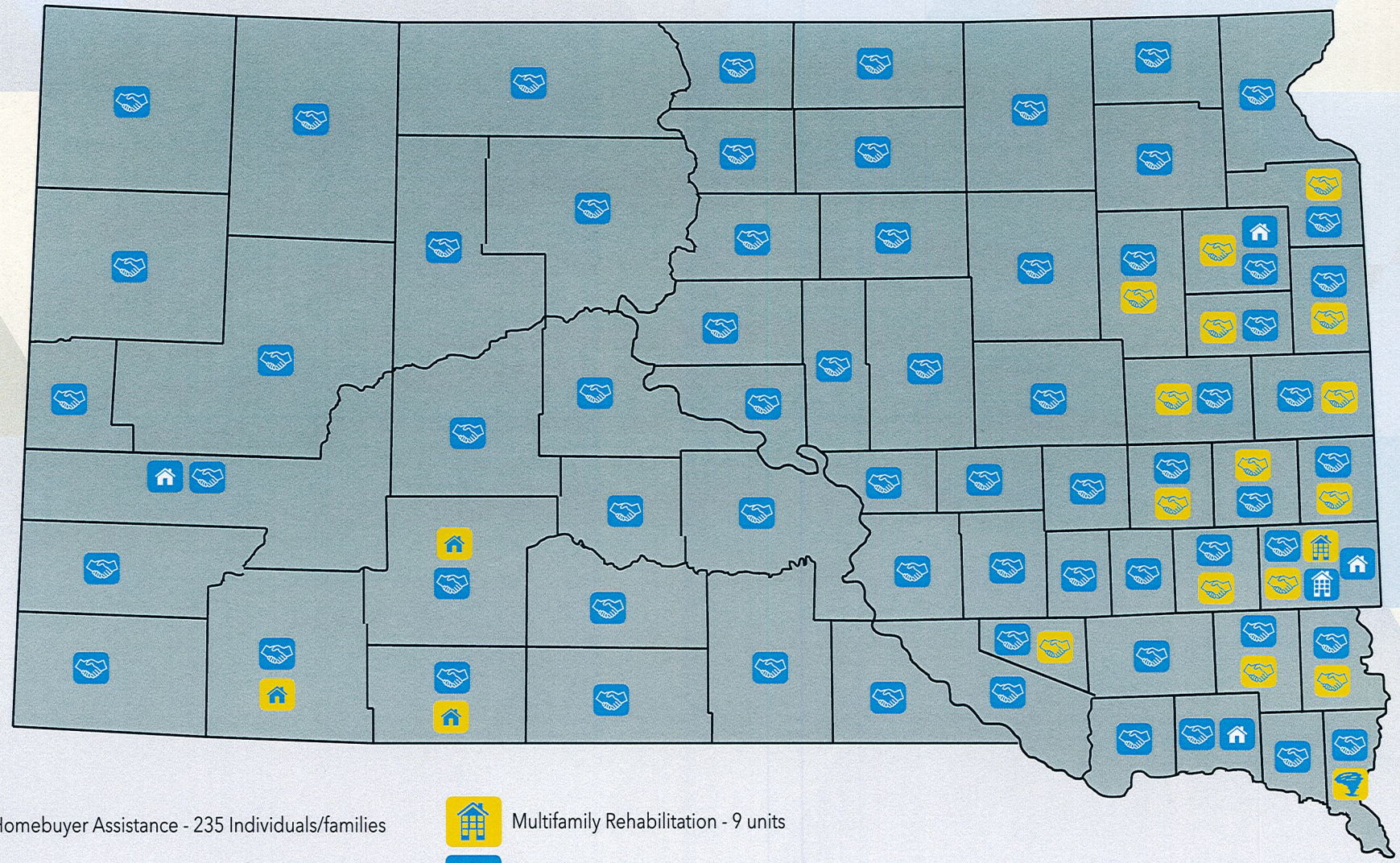
# HOUSING OPPORTUNITY FUND

## Program Summary Report

| PROJECT YEAR | AMOUNT | RURAL RENTAL | RURAL HOMEOWNERSHIP | RURAL PROGRAM | URBAN RENTAL | URBAN HOMEOWNERSHIP | URBAN PROGRAM | RURAL % | URBAN % |
|---|---|---|---|---|---|---|---|---|---|
| **December 2013** | **$ 2,094,750.00** | | | | | | | | |
| Applications - 24 | $ 2,600,908.00 | $ 103,980.00 | $ 790,321.00 | $ 942,500.00 | $ 226,800.00 | $ 294,807.00 | $ 242,500.00 | $ 1,836,801.00 | $ 764,107.00 |
| | | | | | | | | 70.62 % | 29.38 % |
| Reservation - 21 | $ 1,958,122.00 | $ 78,980.00 | $ 818,262.00 | $ 493,500.00 | $ 226,800.00 | $ 198,080.00 | $ 142,500.00 | $ 1,390,742.00 | $ 567,380.00 |
| | | | | | | | | 71.02 % | 28.98 % |
| Discretionary | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| SDHDA Admin. | $ 154,075.00 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Returned Funds | $ - | $ - | ($ 245,321.00) | $ - | $ - | $ - | $ - | $ - | $ - |
| **May 2014** | **$ 2,530,878.00** | | | | | | | | |
| Applications - 23 | $ 3,675,824.00 | $ 1,405,812.00 | $ 932,932.00 | $ 449,000.00 | $ 505,000.00 | $ 348,080.00 | $ 35,000.00 | $ 2,787,744.00 | $ 888,808.00 |
| | | | | | | | | 75.84 % | 24.16 % |
| Reservation - 18 | $ 1,724,222.00 | $ 306,710.00 | $ 257,932.00 | $ 431,500.00 | $ 370,000.00 | $ 323,080.00 | $ 35,000.00 | $ 996,142.00 | $ 728,080.00 |
| | | | | | | | | 57.77 % | 42.23 % |
| Discretionary | $ 96,450.72 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| SDHDA Admin. | $ 222,310.39 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Returned Funds | $ - | $ - | ($ 24,592.00) | $ - | $ - | $ - | $ - | $ - | $ - |
| **May 2015** | **$ 3,143,692.00** | | | | | | | | |
| Applications - 17 | $ 3,250,204.00 | $ 766,407.00 | $ 117,000.00 | $ 744,618.00 | $ 605,000.00 | $ 397,797.00 | $ 619,382.00 | $ 1,628,025.00 | $ 1,622,179.00 |
| | | | | | | | | 50.09 % | 49.91 % |
| Reservation - 15 | $ 2,746,204.00 | $ 766,407.00 | $ 117,000.00 | $ 645,618.00 | $ 200,000.00 | $ 397,797.00 | $ 619,382.00 | $ 1,529,025.00 | $ 1,217,179.00 |
| | | | | | | | | 55.68 % | 44.32 % |
| Discretionary | $ 98,085.07 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| SDHDA Admin. | $ 145,272,00 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Returned Funds | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| **Total Funding** | **$ 7,131,853.90** | | | | | | | | |
| Funds not committed | $ 257,025.72 | | | | | | | | |
| Funds disbursed | $ 1,426,741.31 | | | | | | | | |
| Total number of applications | 64 | $ 2,276,199.00 | $ 1,840,253.00 | $ 2,136,118.00 | $ 1,336,800.00 | $ 1,040,684.00 | $ 896,882.00 | | |
| Total application request | $ 9,526,936.00 | 24 % | 19 % | 22 % | 14 % | 11 % | 9 % | | |
| Total number of reservations | 54 | $ 1,152,097.00 | $ 1,193,194.00 | $ 1,570,618.00 | $ 796,800.00 | $ 918,957.00 | $ 796,882.00 | | |
| Total reservations | $ 6,428,548.00 | 18 % | 19 % | 24 % | 13 % | 14 % | 12 % | | |

# FY 2015 SD HOUSING OPPORTUNITY FUNDS AWARDED

More than 383 families will benefit from more than $2.8 million awarded to 16 projects



- Homebuyer Assistance - 235 Individuals/families
- Homelessness Prevention- 40 Individuals/families
- Multifamily New Construction - 8 units
- Discretionary Funds - 36 Individuals/families
- Multifamily Rehabilitation - 9 units
- Single Family New Construction - 10 homes
- Single Family Rental New Construction - 45 homes