



**SOUTH DAKOTA
HOUSING
DEVELOPMENT
AUTHORITY**

Who is SDHDA?

- **Mission is to provide opportunities for quality, affordable housing for South Dakotans**
- **Statewide organization; staff in Pierre and Springfield**
- **Self-supporting, non-profit public corporation**
- **Utilize bond financing, tax credits and other federal, state, and SDHDA resources to fund housing opportunities and programs**

Who is SDHDA?

Financing: housing development and programs

- Acquisition of single family homes
- New construction, rehabilitation and acquisition/rehabilitation – single family homeownership or multifamily rental
- Programs for down payment assistance, homeowner rehabilitation, homebuyer education, homelessness services, etc.
- Partners: lenders, realtors, developers (for-profit and non-profit), service agencies, housing authorities, management companies and economic development

First-time Homebuyer Program

- Partner with local lenders
- Long-term low fixed rate financing – 4.875% to 7.00%
- Down payment assistance – 3% or 5% loan amount
- Purchase price limits – \$340,000 and \$413,000
(Repeat)
- Household income limits by county
- Additional services
 - Mortgage Credit Certificate
 - Repeat Homebuyer Program
 - Homebuyer education and counseling services
 - Home improvement loan program – 2.9% interest

First-time Homebuyer Program

Fiscal Year 2022 -

- Issued \$333 million in tax exempt bonds
- Purchased 2,199 homeownership loans totaling \$421 million
- Represents 1,692 first-time homebuyers and 507 repeat homebuyers
- FTHB facts:
 - Average age is 31
 - Average income is \$57,874
 - Average loan amount is \$187,899

Governor's House

- Constructed at Mike Durfee State Prison
- Over 3,200 homes constructed since 1996
- 2BR – 1,008 sq. ft - \$62,800
- 3BR – 1,200 sq. ft. - \$75,900
- Income limits - \$59,780 and \$68,320
- Net worth limits

- Fiscal Year 2022 statistics
 - 140 homes sold
 - 151 inmates employed – 17.7 hours per week
 - Average age of homebuyer was 39
 - Average income of homebuyer was \$39,544

Governor's House



House purchased for development

- **Non-profit or for profit entity**
- **For sale to qualified homebuyer**
- **For rental for income qualified renters**
- **Any community is eligible**
- **Developer limited to 10% profit**
- **School districts have no restrictions**

DakotaPlex

- Built at Mike Durfee State Prison
- Communities with less than 5,000 population
- Two and Three bedroom configurations for duplex, triplex or quadruplex
- Current purchase price
2BR - \$75,900 / 3BR - \$85,900
- No limitations on household income
- Maximum rents of \$1,345 and \$1,495
- First unit placed in Tyndall Fall 2019

DakotaPlex



Rental Housing Development

- HUD Programs – HOME and Housing Trust Fund
- US Treasury Programs – Low Income Housing Tax Credits and Tax-exempt Bond Financing
- SDHDA and State of SD - Housing Opportunity Fund
- SDHDA - Community Housing Development Program

FY 2022 – 592 housing units approved for financing

Total SDHDA financing of \$24,720,763

Total project costs exceeding \$76 million

22 communities

Rental Housing Development

General Program Guidelines

- Available for construction and permanent financing
- New construction, rehabilitation, or acquisition/rehabilitation projects
- Single family homes, townhomes or apartments
- Programs can be combined for one development
- Typically 0% loan with variable repayment terms
- Each program has an allocation plan to outline the process for application, compliance and eligibility
- The housing being developed determines which financing program is the best option

Housing Infrastructure Financing

House Bill 1033 – 2022 Legislative Session

- \$50M ARPA funding for wastewater and sewer costs
- \$150M State general funds for infrastructure costs
- 30% funding for Sioux Falls and Rapid City
- 70% funding for remaining areas of the State
- Grant funding limited to one-third of the total project costs

Housing Infrastructure Financing

\$50M ARPA funding for wastewater and sewer

- SDHDA is currently administering the funds
- Program information on website – www.sdhda.org

Housing Infrastructure Financing | SDHDA

- Applications accepted first-come, first-serve beginning August 1, 2022
- Grant funding with per project limits – lesser of
 - \$2M per application
 - One-third of total project costs
 - Actual cost of eligible wastewater / sewer costs
 - Calculated amount based on the number of housing units to be served
 - \$10,000 per multifamily rental unit
 - \$15,000 or \$25,000 per single family lot depending on location

Housing Infrastructure Financing

\$150M State general funds for housing infrastructure

- **Transferred to Housing Opportunity Fund**
- **\$100M in loan funding**
- **\$50M in grant funding**
- **30% funding for Sioux Falls and Rapid City**
- **70% funding for remaining areas of the State**
- **Grant funding limited to one-third of total project costs**
- **SDHDA is requesting legislative changes prior to administration of the funds**

Other Programs

- SD Cares Housing Assistance Program –
Rental and Homeowner Assistance
- SD Housing for the Homeless Consortium
- Emergency Solutions Grants Program
- Housing Needs Study Program
- HUD Section 8 project based administrator
- Paint SD
- Fair Housing SD - 1-877-832-0161 (outside of SF)
- BuildSpec Loan Program
- Annual housing conference – November 7-8
Ramkota Hotel & Conference Center, Pierre

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