

# **SOUTH DAKOTA**

**Chapter Of The**  
**National Association of Housing &  
Redevelopment Officials**

**John Stengle, President**  
**Pierre Housing & Redevelopment Commission**  
**301 West Pleasant, P.O. Box 937**  
**Pierre, SD 57501**  
**(605)773-7425**  
**Fax: 605/773.7375**  
**E-mail: [john.stengle\\_hrcp@dakota2k.net](mailto:john.stengle_hrcp@dakota2k.net)**

**ECONOMIC IMPACT OF PUBLIC HOUSING CAPITAL AND OPERATING FUNDS  
AND  
SECTION 8 HOUSING CHOICE VOUCHER HOUSING ASSISTANCE PAYMENTS AND ADMINISTRATIVE FEES  
ON LOCAL COMMUNITIES IN SOUTH DAKOTA**

Under SD Codified Law 11-7 housing and redevelopment commissions (HRC) have the power, within its area of operation, to undertake, prepare, carry out, and operate projects and to provide for the construction, reconstruction, improvement, extension, alteration, or repair of any project or part thereof. This includes operating and maintaining the federally funded Public Housing and the Section 8 Housing Choice Voucher programs. Low-income citizens of South Dakota benefit from these programs by having an affordable, safe and healthy place to live.

Public Housing across SD is a far cry for the stereotypical Public Housing found in other parts of the U.S.; it is not the tenement high-rises, ghettos or slums. Rather, most Public Housing properties in SD consist of small properties for elderly and/or disabled persons. The Public Housing and Voucher programs provide security for these households.

Federal dollars appropriated by Congress to the United States Department of Housing & Urban Development (HUD) are allocated to local HRC across South Dakota. These funds provide Operating and Capital Funds for the 1,521 Public Housing units owned by the SD HRC and Housing Assistance Payments and Administrative Fees for the 6,431 Section 8 Housing Choice Vouchers (Vouchers) administered by local HRC. These federal funds have an impact on each community through job creation/maintenance, support of local businesses and taxes and improvement of the quality of life of community members.

Fiscal and economic policy choices at the federal level have substantial impacts on SD HRC and their communities. This became very evident during the fiscal year 2013 sequester. According to the Economic Policy Institute, SD was one of five states with the largest cuts in federal funding including the Public Housing Operating and Capital Funds and Annual Budget Authority for Section 8 Voucher Housing Assistance Payments and Administrative Fees.

The South Dakota Chapter of the National Association of Housing & Redevelopment Officials (NAHRO) has prepared the attached information to show that federal dollars provided to SD HRCs are an investment in each community using an Input-Output Model of economic impact analysis. The Input-Output Model uses multipliers to provide an estimate of the number of times each dollar or input or direct spending cycles through the economy in terms of indirect or induced output or additional spending, personal income and employment.

The Direct Impacts are measured by the number of jobs generated/maintained, wages and benefits paid directly to HRC employees, the purchase of goods and services, construction projects and housing assistance payments to landlords through the Voucher program.

Indirect Impacts are a result of “second round” spending resulting from all intermediate rounds of goods and services produced by various firms that are stimulated by the direct capital expenditures. For example, HRC’s purchase of appliances from a supplier, who in turn, purchases additional supplies, labor, delivery vehicle, etc. from other businesses.

Induced Impact are a result of expenditures are those generated through the spending of household’s salaries and wages earned as part of direct and indirect spending.

SD NAHRO used fiscal multipliers from the Congressional Budget Office found The South Dakota Chapter of the National Association of Housing & Redevelopment Officials has prepared the attached information to show that federal dollars provided to SD HRCs are an investment in each community. In Working Paper 2015-02, released February 2015, by Charles Whalen, Macroeconomic Analysis Division, CBO and Felix Reichleng, Macroeconomic Analysis Division, CBO. For government entities, such as SD HRC this report confirms that every federal dollar invested creates more than a dollar’s worth of value for the local community.

**The economic impact of HUD dollars for the Public Housing and Voucher programs is significant!**





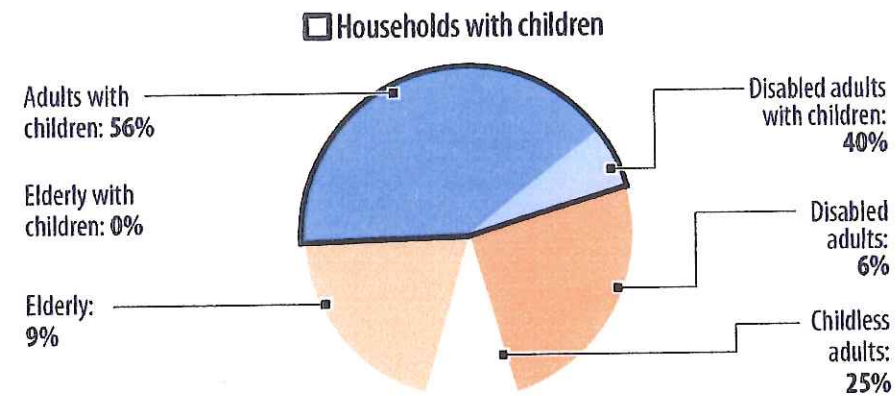
## South Dakota

### Fact Sheet: The Housing Choice Voucher Program

The Housing Choice Voucher (HCV) Program is the nation's largest rental assistance program. More than 5 million people in 2.1 million low-income households use vouchers.

#### Who Do Housing Choice Vouchers Help?

**Nearly All Households Using Housing Choice Vouchers in South Dakota Include Children or People Who Are Elderly or Disabled**



Note: Childless adults are households headed by a person under 62 without disabilities, and without children in the home.  
Disabled adults are younger than 62.  
Source: CBPP tabulation of 2010 and 2011 HUD administrative data.

Center on Budget and Policy Priorities | [cbpp.org](http://cbpp.org)

#### 5,526 low-income households used Housing Choice Vouchers

in South Dakota to afford decent, privately owned housing in safer neighborhoods in December 2012.

Housing vouchers help low-wage working families to make ends meet: in 2010, 66.8 percent of the non-elderly, non-disabled households using vouchers in South Dakota were working or had worked recently.

#### Sequestration Sharply Cut Housing Choice Voucher Assistance in 2013

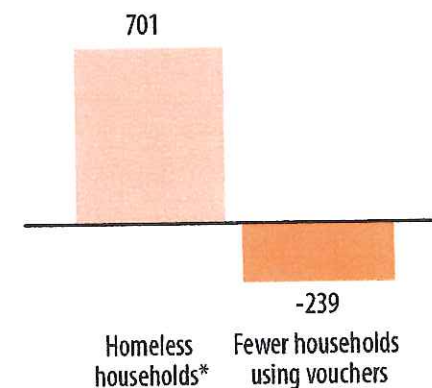
##### 239 fewer households were using Housing Choice Vouchers at the end of 2013

in South Dakota, compared to a year earlier, due to the sequestration cuts implemented in March. 70,000 fewer households nationally were using vouchers.

12 of the 20 agencies administering housing vouchers in South Dakota reduced the number of households they served as a result of sequestration.

Congress increased HCV funding in 2014, but agencies will be able only to restore less than half of the housing vouchers lost due to sequestration.

##### Housing Choice Voucher Cuts Undermined Efforts to Address Homelessness in 2013



\*Point in time count in January 2013  
Source: Department of Housing and Urban Development  
Center on Budget and Policy Priorities | [cbpp.org](http://cbpp.org)

Housing Costs Strain Family Budgets

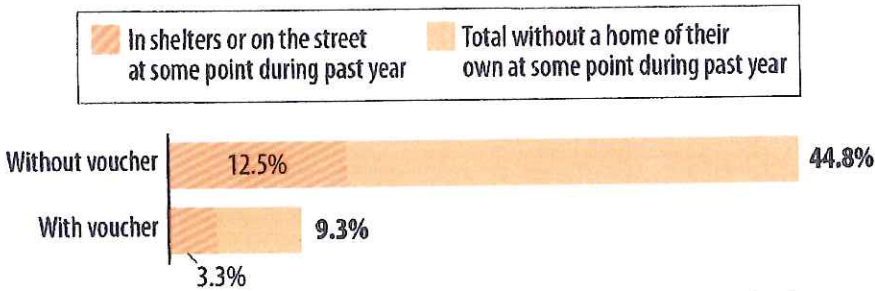
10,765 poor renter households in South Dakota pay more than half their monthly income for housing costs.

In South Dakota, many households struggle to make ends meet. 3.6% of the labor force was unemployed in 2013. 13.6% of the population lives below the poverty line. 18.5% of children live below the poverty line. 12.9% of households struggle to afford a nutritionally adequate diet.

Housing Choice Vouchers Sharply Reduce Homelessness and Housing Instability Among Families with Children

On a single night in South Dakota in 2013, 1,094 people were homeless, including 400 children and 125 veterans.

Rigorous studies show that Housing Choice Vouchers are very effective at making housing affordable and reducing homelessness and instability.



Note: Chart compares housing status of low-income families who were randomly selected to receive a voucher and used a voucher during the year when families were surveyed about housing status to families in a control group who did not use vouchers. Source: Michelle Wood, Jennifer Turnham, and Gregory Mills, "Housing Affordability and Family Well-Being: Results from the Housing Voucher Evaluation," Housing Policy Debate, 2008.

Center on Budget and Policy Priorities | cbpp.org

Housing Choice Vouchers Benefit the Community

Private owners in South Dakota received \$25,412,622 in HCV assistance payments in 2013. This helped owners to pay property taxes and prevent blight by maintaining their properties in good condition, in addition to helping low-income families to afford housing.

In addition to improving the lives of vulnerable low-income people, vouchers can produce savings in healthcare, child welfare, corrections, and other program areas that offset part (in some circumstances all) of the cost of the rental assistance.

For more information on the Housing Choice Voucher program, including South Dakota-specific information, please see:

Sources and methods: <http://www.cbpp.org/files/3-6-14hous-sources.pdf>  
Policy Basics on Housing Choice Vouchers: <http://www.cbpp.org/cms/?fa=view&id=279>  
Paper on Benefits of Housing Vouchers: <http://www.cbpp.org/cms/index.cfm?fa=view&id=4098>  
Local Data on Housing Choice Voucher Cuts Due to Sequestration: <http://www.houserscorner.org/content/uploads/2014/03/3-6-14hous-localdata.pdf>



# Homeless woman died from hypothermia

Mark Walker, mwalker@argusleader.com 6:47 p.m. CST December 5, 2014



(Photo: Jay Pickthorn - Argus Leader)

A homeless woman who was found dead atop a parking garage near City Hall on the morning of Nov. 12 succumbed to hypothermia after falling asleep outside, according the county coroner.

A death certificate released Friday says Irma Jacqueline Swiftbird's primary cause of death was "hypothermia".

Her death has been ruled accidental.

Swiftbird's frozen body was found by a patrolling merchant officer about 6 a.m. Nov. 12 on the upper level of a parking ramp at 132 N. Dakota Ave., inside of a glass stairwell.

Several bottles of alcohol were found near Swiftbird's body.

The coroner listed the high levels of alcohol in her body as a contributing cause.

Read or Share this story: <http://argusne.ws/1A2gdVz>

**Amdahl**  
*Motors*

SEE OUR COMPLETE  
INVENTORY HERE ▶

Area's **LARGEST**  
selection of **NEW**

**SILVERADOS**  
**SIERRAS**

*Nicest, cleanest used cars, trucks  
and suv's in the Area!*

MORE STORIES

**Sioux Falls beats national  
average in college grads**  
[\(/story/news/2014/12/04/sioux-falls-beats-national-average-college-grads/19925167/\)](/story/news/2014/12/04/sioux-falls-beats-national-average-college-grads/19925167/)  
falls-beats-national-average-grads/19925167/

Dec. 7, 2014, 9:18 p.m.

**Q and A:  
Architect  
enjoys  
problem  
solving**  
[\(/story/news/business-journal/2014/12/07/architect-enjoys-problem-solving/20068429/\)](/story/news/business-journal/2014/12/07/architect-enjoys-problem-solving/20068429/)

enjoys-problem-solving/20068429/

**Q and A:  
Architect  
enjoys  
problem  
solving**  
[\(/story/news/business-journal/2014/12/07/architect-enjoys-problem-solving/20068429/\)](/story/news/business-journal/2014/12/07/architect-enjoys-problem-solving/20068429/)

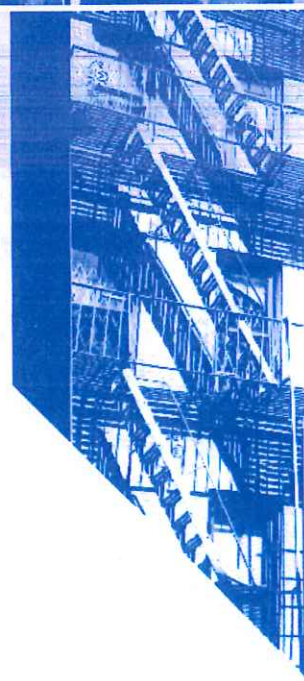
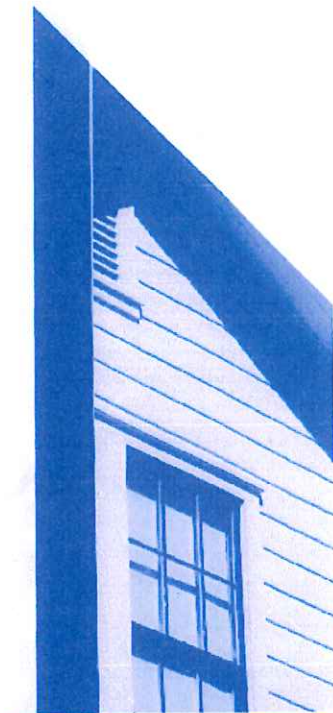
enjoys-problem-solving/20068429/



# WORST CASE HOUSING NEEDS

2015 REPORT TO CONGRESS

EXECUTIVE SUMMARY



PD&R



## EXECUTIVE SUMMARY

### WORST CASE HOUSING NEEDS 2015 REPORT TO CONGRESS

The U.S. Department of Housing and Urban Development (HUD) finds that worst case housing needs decreased during the 2011-to-2013 period but persist at high levels across demographic groups, household types, and regions. Substantial unmet needs for affordable rental housing remain even as economic conditions are improving. The unmet need for decent, safe, and affordable rental housing continues to outpace the ability of federal, state, and local governments to supply housing assistance.

Worst case needs are defined as renters with very low incomes—below 50 percent of the Area Median Income (AMI)—who do not receive government housing assistance and who pay more than one-half of their income for rent, live in severely inadequate conditions, or both. *Worst Case Housing Needs: 2015 Report to Congress* examines the causes of and trends in worst case needs, using the most recent data from the American Housing Survey.

#### Worst Case Needs Have Decreased

The number of renter households with worst case needs decreased to 7.7 million in 2013 from the record high of 8.5 million in 2011, ending a sustained period of large increases. The number of worst case needs in 2013 is 9 percent lower than in 2011, yet it remains 9 percent greater than in 2009 and 49 percent greater than in 2003.

The likelihood that a very low-income renter household had worst case needs decreased from 44 percent in 2011 to 42 percent in 2013, about the same as in 2009. The decrease in worst case needs between 2011 and 2013 reflects both a smaller population of susceptible very low-income renters and a lower prevalence of severe housing problems among that population. The data suggest that the nation's on-going economic recovery is beginning to have beneficial effects on the incomes and housing problems of very low-income renters.



Worst Case Needs Affect All Demographic Groups and Household Types

Worst case needs affect very low-income renters across racial and ethnic groups. The prevalence of worst case needs among such renters during 2013 was 44 percent for non-Hispanic Whites and Hispanics, 35 percent for non-Hispanic Blacks, and 42 percent for others. The rate decreased between 2011 and 2013 for non-Hispanic Whites, non-Hispanic Blacks, and Hispanics but not for others.

Worst case needs also affect all types of households. In 2013, 2.8 million families with children, 1.5 million elderly households without children, 2.7 million other “nonfamily” households (unrelated people sharing housing), and 0.7 million “other family” households experienced worst case needs.

Compared with 2011 levels, worst case needs decreased within the two largest categories—families with children and other non-family households—but changed little for the other categories. The proportion of very low-income renters with worst case needs in 2013 ranged somewhat narrowly from a high of 46 percent for other nonfamily households, to 43 percent for other family households, 40 percent for families with children, and 37 percent for elderly households without children.

About one in seven renters with worst case needs—14 percent—included a nonelderly person with disabilities. The 1.1 million such households are 17 percent fewer than in 2011 but remain 10 percent above the 2009 estimate.

Worst Case Needs Result From a Shortage of Affordable Rental Housing

Most worst case needs are caused by severe rent burdens—paying more than one-half of income for rent. Inadequate housing caused only 3 percent of worst case needs.

A decline by 1 million from 2011 to 2013 in the number of very low-income renters who lack housing assistance—the group at risk of experiencing worst case needs—explains about 600,000 cases of the 800,000 reduction in worst case needs. Four contradictory demographic factors affected the size of the at-risk group. Two factors contributed to an increase in worst case needs by 300,000 cases: a modest level of household formation and an ongoing (though slowing) shift from homeownership to renting. These factors were more than offset by two other demographic factors that contributed to declines in worst case needs: renter income increases (and changes in income limits) that raised renters out of the very low-income population and, to a lesser extent, a mitigation of the gap in rental assistance, which together accounted for 900,000 fewer worst case needs in 2013.

Fewer unassisted, very low-income renters mean less demand for affordable units. Even if the housing supply were unchanged, we would expect decreased competition for affordable units, decreasing rents, and decreasing prevalence of worst case needs. The reduction in very low-income renters reflects, in part, the 7.2-percent increase in the median renter’s income over the 2011-to-2013 period. Further, because median rent increased only 1.0 percent, rent burdens decreased for many households. After demographic factors on net reduced worst case needs by 600,000, it is reasonable that market-driven reductions in the proportion of unassisted very low-income renters with worst case needs should account for a further decrease of 200,000 cases.

Modest expansions of the overall number of rental units were less important than household income and other demographic factors in affecting worst case needs. Although the total supply of rental units increased by 900,000, or 2 percent, between 2011 and 2013, renter households expanded by 1.4 million, or 3.7 percent. As a result, new renters absorbed all the net increase of rental units and also occupied 500,000 previously vacant units. The rental vacancy rate declined from 9.8 to 8.4 percent as the rental market tightened.

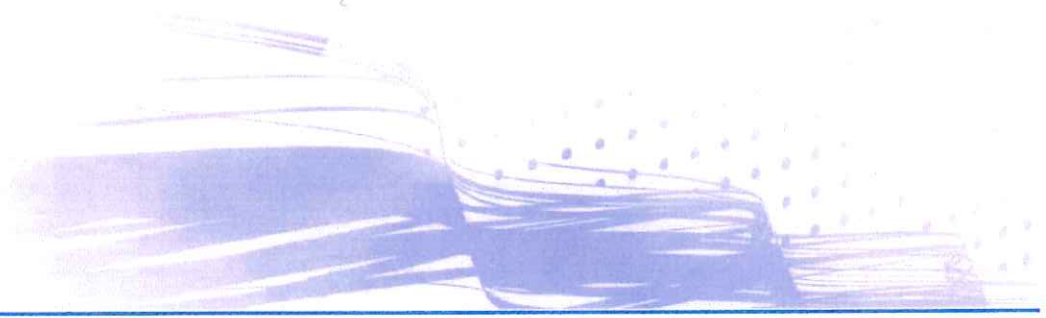
Although the number of renters increased overall, the number of renters with extremely low incomes (0 to 30 percent of AMI) decreased in 2013. An expanded number of affordable units became available for the smaller number of extremely low-income renters, increasing the ratio of affordable and available units by 5 from 2011 levels to 39 units per 100 renters. For very low-income renters, there was little change in availability, leaving the ratio at 65 units per 100 renters.

Conclusion

Worst case housing needs are a national problem. They have expanded dramatically during the past decade and were exacerbated by the economic recession and associated collapse of the housing market, which reduced homeownership through foreclosures and increased demand for renting. During the most recent 2-year period, 2011 to 2013, worst case needs decreased modestly but significantly. The improvement is attributable primarily to demographic factors, especially increasing renter incomes, that reduced the number of susceptible households. Modest housing market responses that reduced the proportion of unassisted very low-income renters with severe rent burdens played a secondary yet substantial role.

Even with rental assistance, 6 of 10 extremely low-income renters and 3 of 10 very low-income renters do not have access to affordable and available housing units. In 2013, there are 1.6 very low-income households with worst case needs for every very low-income household with rental assistance. A broad strategy at the federal, state, and local levels is needed to continue to rebuild the economy, strengthen the market, and provide assistance to those families most in need.





U.S. Department of Housing and Urban Development  
Office of Policy Development and Research  
Washington, DC 20410-6000

Visit PD&R's website [www.hud.gov/policy](http://www.hud.gov/policy) or [www.huduser.org](http://www.huduser.org) to find this report and others sponsored by HUD's Office of Policy Development and Research (PD&R). Other services of HUD USER, PD&R's Research and Information Service, include listservs, special interest and bimonthly publications (best practices, significant studies from other sources), access to public use databases, and a hotline (1-800-245-2691) for help with accessing the information you need.



February 2015

Lemmon  
\$115,919/\$250,898

Sisseton  
\$204,686/\$442,498

Mobridge  
\$473,941/\$995,276

Aberdeen  
\$1,940,281/\$4,094,559

Webster  
\$88,537/\$296,736

Millbank  
\$235,881/\$495,250

Redfield  
\$181,870/\$381,92

Watertown  
\$936,831/\$1,984,434

Butte County  
\$69,575/\$146,108

Lake Norden  
\$56,089/\$120,584

Lawrence County  
\$1,132,197/\$2,377,614

Meade County  
\$1,146,221/2,419,626

Miller  
\$72,545/158,360

DeSmet  
\$62,768/\$137,807

Brookings  
\$1,398,531/\$2,936,915

Huron  
\$801,552/\$1,683,196

Wessington Springs  
\$139,481/\$296,736

Volga  
\$51,670/\$112,287

Pierre  
\$822,822/\$1,738,947

Kennebec  
\$62,474/\$134,629

Madison  
\$680,989/\$1,444,850

Pennington County  
\$8,827,149/\$18,653,840

Murdo  
\$99,740/\$214,958

Mitchell  
\$470,392/\$1,006,94

Howard  
\$801,552/\$1,683,196

Sioux Falls  
\$10,956,382/\$23,015,186

Burke  
\$53,290/\$115,748

Parker  
\$49,937/\$108,836

Canton  
\$318,373/\$671,062

Hot Springs  
\$198,224/\$432,030

Tripp County  
\$31,863/\$66,912

Charles Mix County  
\$4,795/\$10,070

Lake Andes  
\$129,780/\$278,018

Lennox  
\$178,143/\$379,095

Martin  
\$118,902/\$256,619

Gregory County  
\$11,040/\$23,184

Bon Homme County  
\$15,544/\$32,642

Yankton  
\$469,674/\$970,330

Vermillion  
\$960,261/\$2,016,548



2014 ECONOMIC IMPACT OF APPROPRATIONS FOR VOUCHER AND PUBLIC HOUSING PROGRAM IN SD (03/15)

HRC	# HCV	# Pub Hsg	2014 HCV ABA - HAP	2014 HCV Admin Fee	Total 2014 HCV Funding	2014 PH PH Operating Fund	2014 PH PH Capital Fund	Total 2014 - PH PH Funding	Total 2014 HCV and PH	Economic Impact 2014
Aberdeen	503	100	\$1,470,091	\$275,327	\$1,745,418	\$95,021	\$99,842	\$194,863	\$1,940,281	\$4,094,559
Brookings	359		\$1,202,025	\$196,506	\$1,398,531				\$1,398,531	\$2,936,915
Burke		23				\$34,094	\$19,196	\$53,290	\$53,290	\$115,748
Butte Coun	20		\$58,628	\$10,947	\$69,575				\$69,575	\$146,108
Canton	68	20	\$245,322	\$37,718	\$283,040	\$19,492	\$15,541	\$35,033	\$318,073	\$671,062
DeSmet		35				\$32,799	\$29,969	\$62,768	\$62,768	\$137,807
Hot Springs		100				\$119,425	\$78,799	\$198,224	\$198,224	\$432,030
Howard		21				\$45,142	\$16,829	\$61,971	\$61,971	\$133,505
Huron	258		\$660,301	\$141,221	\$801,522				\$801,552	\$1,683,196
Kennebec		17				\$45,312	\$17,162	\$62,474	\$62,474	\$134,628
Lake Andes		24				\$102,379	\$27,401	\$124,780	\$124,780	\$278,018
Lake Norden		18				\$42,102	\$13,987	\$56,089	\$56,089	\$120,584
Lawrence C	294		\$971,270	\$160,927	\$1,132,197				\$1,132,197	\$2,377,614
Lemmon		43				\$78,579	\$37,340	\$115,919	\$115,919	\$250,898
Lennox	30	29	\$87,233	\$17,081	\$104,314	\$48,854	\$24,975	\$73,829	\$178,143	\$379,095
Madison	111	94	\$331,344	\$60,758	\$392,102	\$215,024	\$73,863	\$288,887	\$680,989	\$1,444,850
Martin		34				\$84,278	\$34,624	\$118,902	\$118,902	\$256,619
Meade Cou	245	80	\$798,019	\$134,105	\$932,124	\$151,386	\$62,711	\$214,097	\$1,146,221	\$2,419,606
Milbank	64		\$200,849	\$35,032	\$235,881				\$235,881	\$495,350
Miller		38				\$42,470	\$30,075	\$54,545	\$54,545	\$158,360
Mitchell	116	113	\$201,364	\$63,494	\$264,858	\$109,905	\$95,629	\$205,534	\$470,392	\$1,006,949
Mobridge	150		\$391,836	\$82,105	\$473,941				\$473,941	\$995,276
Murdo		32				\$72,221	\$27,519	\$99,740	\$99,740	\$214,958
Parker		25				\$30,097	\$19,840	\$49,937	\$49,937	\$108,836
Penningtor	1,329	490	\$6,581,582	\$700,880	\$7,282,462	\$960,553	\$584,134	\$1,544,687	\$8,827,149	\$18,653,840
Pierre	218	50	\$513,199	\$129,672	\$642,871	\$124,848	\$55,103	\$179,951	\$822,822	\$1,738,947
Redfield	67		\$145,196	\$36,674	\$181,870				\$181,870	\$381,927
Sioux Falls	1,849	25	\$9,802,189	\$1,005,213	\$10,807,402	\$115,059	\$33,921	\$148,980	\$11,779,204	\$23,015,186
Sisseton		73				\$141,398	\$63,288	\$204,686	\$204,686	\$442,498
Vermillion	258		\$819,040	\$141,221	\$960,261				\$960,261	\$2,016,548
Volga		20				\$35,037	\$16,830	\$51,867	\$51,867	\$112,287
Watertowr	315	85	\$534,591	\$172,421	\$707,012	\$144,376	\$85,443	\$229,819	\$936,921	\$1,984,434
Webster		32				\$61,019	\$27,519	\$88,538	\$88,538	\$191,434
Wessingtor	17	23	\$40,818	\$9,305	\$50,123	\$70,228	\$19,130	\$89,358	\$139,481	\$296,736
Yankton	160		\$374,483	\$87,579	\$462,062				\$462,062	\$970,330
Bon Homme			\$15,544						\$15,544	\$36,571
Gregory Co			\$11,040						\$11,040	\$11,281
Charles Mi	1		\$4,795						\$4,795	\$25,974
Tripp Co			\$31,863						\$31,863	\$74,965
The direct effects of appropriations are magnified when stronger demand for goods and services prompts businesses to increase investment and hire more workers than they otherwise would. The indirect effect represents the total change in output per dollar of direct effect on dem										
Total	6,431	1,644	\$25,429,380	\$3,498,186	\$28,927,566			\$ -	\$57,855,132	
Average	322	63	\$1,271,469	\$174,909	\$1,446,378			#DIV/0!	\$1,653,004	