

SECTION 2 - HOUSING

Housing Needs

Housing needs as identified in Community Needs Assessments, the Consolidated Plan and public comment periods center around 4 key issues:

- Lack of affordable housing
- Substandard housing
- Lack of affordable efficiency apartments and one(1) bedroom units
- Shortage of gap assistance for rent for very low income people

Affordable housing is difficult to address because "affordability" is dependent on each person's situation. Affordability issues stem from wages not high enough for a person's taste in homes, other credit obligations that don't leave enough for the market rents, size of family dictating the space requirements for the household, cost of land in the area a person wants to live, and construction costs due to material shortages or local building requirements.

Typically, affordability is based on a house rent or payment that is 30% of a person's income or less. However, the open market dictates the rent or mortgage payment. Very low income people end up paying a larger percentage of their income in order to secure housing when there is no assistance available.

Assistance programs to "bridge the gap" in rents and acquisition costs of housing are needed to help low-to-moderate income people avoid homelessness or secure decent housing at an affordable rate.

Lot costs and rising construction costs have significantly impacted the housing market and the ability of low income people to afford their own home, even with the current low interest rates.

Substandard housing affects not only the people living in it, but the neighborhoods around it. The 2006-2010 American Community Survey shows that just over thirty percent (30.6%) of the housing in Rapid City is over fifty (50) years old and over forty-two percent (42.5%) is over 40 years old. At this age, if homes have not been well cared for and maintained, they will require major repairs and upgrades to avoid economic obsolescence. In low income neighborhoods substandard homes may become an issue. There are three (3) main areas of Rapid City experiencing issues of substandard homes, North Rapid, Robbinsdale Area and the center city area. The estimated number of pre-1970 homes in Rapid City totals 12,625 homes. The study also shows that approximately one hundred fifteen (115) housing units lack complete plumbing facilities and one hundred forty-three (143) lack complete kitchen facilities. One hundred ninety (190) homes indicated they use no heating fuel.

The same study shows that there are seven hundred eighty-one (781) efficiency units and three thousand one hundred fifty one (1) bedroom units in Rapid City. The point-in-time homeless count for 2010 showed one hundred ninety-seven (197) homeless people with no family accompanying them and sixty-nine (69) were with spouses only. Two hundred forty-four (244) of the two hundred ninety-two (292) surveyed made less than \$900, making it impossible for them to afford even a one bedroom apartment at the market rate of between \$350 - \$650 per month.

The 2005 Homeless Needs Assessment interviewed seven hundred forty-nine (749) homeless people. Sixty-six per cent (66%) of the respondents made less than \$1,000 per month. A rent of six hundred dollars (\$600) per month would consume a minimum of sixty percent (60%) of their income. Forty-one percent (41%) of the respondents made less than five hundred dollars (\$500) per month. There is a great need for rental gap assistance in some form to provide help with obtaining and maintaining rental housing.

Homeownership was made possible for eight (8) low income households through programs offered by non-profit housing agencies for lot purchases for new home construction and down payment and closing cost assistance. Assistance helped bridge the growing gap between what people could qualify for with low income wages and the rising costs of homes. Two (2) additional lot purchases were made and projects are underway. Lots were purchased for construction of new single-family homes.

- **Rapid City Community Development Corporation (RCCDC)**
 - *CDBG Funded Projects*
 - 1 new construction home built and sold to a low income household
 - *Non-CDBG funded Projects*
 - None
 - *Projects Underway*
 - 1 lot purchased in 2010, construction underway
 - 2 lots purchased in 2011, construction underway
 - *Loan Repayments – Program Income Received*
 - RCCDC received two (2) loan payoffs (\$37,309.33) in 2011 from homes sold by buyers who received CDBG assistance. The funds will be “recycled” to help new households achieve homeownership.

- **Teton Coalition**
 - *CDBG Funded Projects*
 - 5 Households assisted with down payment and closing cost assistance for low-income households.

- **Black Hills Area Habitat for Humanity**
 - *CDBG Funded Projects*
 - 1 New construction home built and sold to low income household
 - *Non-CDBG Funded Projects*
 - 2 new construction homes built and sold to low income households;
 - 2 acquisition rehabilitation projects for existing housing completed and sold to low income households
 - *Projects Underway*
 - 6 home constructions underway
 - 4 properties purchased, construction not started

Rehabilitation projects are offered on owner occupied and rental properties through two community programs.

- **Western Resources for dis-Abled Independence (WRDI)** provides handicap accessibility modifications to homes, both owner occupied and rental properties for people with any type of disability. In FY 2011 WRDI completed 33 handicap accessibility projects that included:
 - 31 rehab projects for an owner occupied homes
 - 2 projects used CDBG funding
 - 29 projects used other funding
 - 2 rehab projects were completed on rental units
 - 1 project used CDBG funding
 - 1 project used other funding
- **The City of Rapid City Neighborhood Restoration Loan Program (RCNRLP)** provides assistance to low-to-moderate income homeowners to address sub-standard conditions and health, safety, weatherization, energy efficiency or handicap accessibility issues, allowing families to remain in their own homes. Three RCNRLP programs are offered within the corporate limits of the city and all are subject to income restrictions. In some cases, both a 0% and 3% loan may be provided with a maximum combined loan of \$12,000; additional qualifying criteria applies to the combined loan. The programs available are:
 - Grant for mobile home repairs or rehab – Maximum \$4,000
 - 0% Loans – deferred payments for owner-occupied homes that are forgiven after 10 years – Maximum \$7,000
 - 3% Loans – terms from 1 year to 15 years for owner-occupied homes – Maximum loan amount \$12,000.

The City's Neighborhood Restoration Loan Program received eleven (11) applications for rehabilitation projects. One of the eleven (11) people who requested information and an application never submitted their application. Six (6) people submitted applications that are pending additional documentation and two (2) have already completed their projects. Two (2) people withdrew their applications, not wanting liens placed against their properties.

Total FY 2011 Housing Accomplishments

Rapid City Neighborhood Restoration Program provided rehabilitation on four (4) homes in FY 2011. Two (2) of the projects completed were from applications started in FY 2010 and two (2) were FY 2011 applications.

The Community Development Block Grant helped seven (7) low-to-moderate income households become homeowners in 2011 and six (8) homeowners and two (2) rental properties received rehabilitation assistance for repairs, new water or sewer lines or handicap accessibility modifications.

Other non-CDBG funding sources enabled an additional four (4) low-to-moderate income households to become homeowners and thirty (30) households received handicap accessibility rehabilitation.

Safe affordable housing helps to provide stability for children and the family. Homeownership also helps promote a sense of belonging and involvement with the community that benefits everyone with more pride in their home, neighborhood and city, as well as being a wealth-building asset.

Actions Taken During The Last Year To Foster And Maintain Affordable Housing.

Affordable workforce housing is one of the top concerns of the community. Community Needs Assessments continue to list affordable housing of all kinds as a priority need. In FY 2011 the CDBG projects provided single-family homeownership assistance, acquisition of property for new construction of single-family housing, and rehabilitation of owner-occupied housing.

The City's Neighborhood Restoration Loan Program provides zero percent (0%) and three percent (3%) interest loans for rehabilitation projects on low-income owner occupied homes located within the corporate limits of Rapid City. In 2011 three (3) rehab projects were completed by the City's Neighborhood Restoration Loan Program. Two (2) homeowners are on disability, one (1) was elderly and two (2) of them are Native American. All projects completed addressed substandard conditions, allowing the owners to remain in their own home.

Western Resources for dis-abled Independence to provides assistance to homeowners and tenants in need of renovations for handicap accessibility. They completed three (3) projects with CDBG funds and thirty (30) using other funding. Thirty-one of the projects were for homeowners and 2 were for tenants.

The Rapid City Community Development Corporation (RCCDC) sold and closed one (1) home and purchased two (2) new lots for development. RCCDC is a non-profit housing organization made up of banks and credit unions that provide housing assistance to low-to-moderate income households through down payment and closing cost assistance, acquisition rehabilitation and new construction development.

Habitat for Humanity completed construction and sale of one (1) new CDBG funded home on a lot purchased in 2010 and purchased three (3) new lots for development. They also sold and closed two (2) additional homes funding with other funds. Habitat for Humanity provides housing to very low income households that live in sub-standard or dangerous housing conditions and are unable to qualify for housing loans through traditional lenders. The properties are all close to needed services and jobs, and provided very-low, low and moderate income families living in substandard conditions with a decent, affordable home. The Habitat program uses volunteer labor from the community to build homes, relationships and understanding between people of different backgrounds and life circumstances. Buyers are required to have a personal investment in the home, both monetary and personal "sweat equity".

Teton Coalition provides down payment and closing cost assistance, develops property, and works with developers to provide housing for low- and very-low income people. The Teton Coalition helps all low income people, with an emphasis on outreach to Native Americans. They provide culturally sensitive education classes for Native Americans interested in becoming homebuyers. The Teton Coalition provided down payment and closing cost assistance to eight (6) low income households in FY 2011.

All housing agencies receiving loan payoffs from the sale or refinance of a home use the "program income" to provide assistance to another low-income homebuyer. "Recycling" CDBG funding dollars makes it possible for more people to be helped. The City requires that all funds used for home purchases be fully recoverable.

Specific Housing Objectives

Progress In Meeting Specific Objective Of Providing Affordable Housing

Table 7 shows the goals and accomplishments for providing affordable housing by income level and tenure set by the City in the Five Year Consolidated Plan for 2008 through 2012. Rapid City's five year objective is to maintain the existing housing stock, eliminate substandard conditions in homes of low income households so they can remain in their homes, and provide subsidy for housing to help keep costs low enough to maintain affordability for those in the lowest income categories.

City funded programs target minority households and households making less than eighty (80%) percent of the HUD Area Median Income (AMI). Emphasis is put on trying to make homeownership affordable for people under fifty (50%) percent of AMI. In addition, the City continues to seek additional funding to provide deep subsidy or vouchers for rentals to provide affordable housing for tenants making less than fifty (50%) percent and thirty (30%) percent of AMI. *See Table 7 for progress on meeting goals.*

The City also seeks to create permanent affordable housing by encouraging and supporting placement of properties into the Dakota Land Trust. The land trust makes properties more affordable for low income households and ensures that there will be affordable properties for future homebuyers. The highest five (5) year goal set in the consolidated plan is the fifty (50) properties for inclusion in the land trust. We are behind in meeting this goal. The concept of the land trust is new to this area and it has taken longer than expected to educate the community and other housing agencies about how a land trust works, why it will benefit the community and low income homebuyers. The cost of purchasing lots has also been a factor along with getting legal documents and procedures in place with title companies and local lenders. Funding was provided to the Dakota Land Trust to purchase two (2) lots for placement into the land trust in 2011. Properties were identified at the end of 2011, and will be purchased and reported in 2012. We are still at 2% of goal.

The City's Neighborhood Restoration Loan Program provides affordable grants and loans for the rehabilitation of existing owner-occupied housing to maintain livability and affordability of existing housing stock. The City has set a goal of rehabilitating 30 (30) owner-occupied homes during the five years of the consolidated plan; in the first year of the plan four (4) homes were assisted, in year two twelve (12) homes were assisted and in year three two (2) homes were assisted. In 2011 5 housing units were assisted. We have assisted 23 homes and achieved 76% of our goal.

Homeownership is a high priority goal for the City. Affordable workforce housing is needed in all areas of the city and goals were set to encompass three different forms of assistance:

- Acquisition of lots for new construction homes to increase the inventory of affordable housing for low income homeowners – Goal – 10 households;
- Acquisition cost assistance to help low income homebuyers bridge the gap between wages and rising housing prices – Goal 40 households; and
- Land or property purchases for inclusion in a land trust to ensure permanent affordability for low income households – Goal 50 households.

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**TABLE 7
Housing Accomplishments FY2011**

Category	5 Year Goal	FY 2008	FY 2009	FY 2010	FY 2011	5 Year Total
REHABILITATION OF EXISTING PROPERTIES						
Owner Occupied Rehab	30 homes	# Homes	# Homes	# Homes	# Homes	Yrs TD # Homes
Extremely Low Income	15		4- WRDI		1 - WRDI	5
Very Low Income	10	3-RC/NRP	7-RC/NRP	1- RC/NRP	2 -RC/NRP 1- WRDI	14
Low Income	5	1-RC/NRP	1-RC/NRP	1 -RC/NRP	1 -RC/NRP 29 - WRDI	31
					% of Goal	166%
Special Populations - Handicap Accessibility Modifications	40 homes	# Homes	# Homes	# Homes	# Homes	YTD # Homes
Owner Occupied Homes	20					
Extremely Low Income	20	1-RC/NRP	4-WRDI		1-WRDI	6
Very Low Income					1-WRDI	1
Low Income					29-WRDI	29
					% of Goal	180%
Rental Units	20					
Extremely Low Income	20	5-WRDI	1-WRDI		1-WRDI	7
Very Low Income		2-WRDI			1-WRDI	3
Low Income						
					% of Goal	50%

ACQUISITION REHAB FOR HOMEOWNERSHIP

Homeownership Acquisition Rehab	3 homes	# Homes	# Homes	# Homes	# Homes	YTD # Homes
Extremely Low Income	1					
Very Low Income	1	2-Habitat			1-Habitat	3
Low Income	1			1-Habitat	1-RCCDC	2
					% of Goal	166%

Table 7 - continued						
Category	5 Year Goal	FY 2008	FY 2009	FY 2010	FY 2011	5 Year Total
HOMEOWNERSHIP						
Homeownership Acquisition Property	10 homes	# Homes	# Homes	# Homes	# Homes	YTD # Homes
Extremely Low Income	1					
Very Low Income	2	1-Habitat	*3-Habitat 1-RCCDC		*5-Habitat	10
Low Income	7	1-Habitat	1-Habitat 2-RCCDC	1-Habitat		5
*RC Afford Housing/Habitat purchased 3 properties in FY 2009, 5 lots purchased in FY2011- construction not started yet.				% of Goal		100%
Homeownership Acquisition Cost Assistance	40 homes	# Homes	# Homes	# Homes	# Homes	YTD #Homes
Extremely Low Income	40		1-Teton		2-Teton	3
Very Low Income		10-Teton 1-RCCDC	7-Teton 3-RCCDC		3-Teton	24
Low Income		3-RCCDC	2-RCCDC 2-Teton	2-RCCDC; 8-Teton		17
				% of Goal		100%
Category	5 Year Goal	FY 2008	FY 2009	FY 2010	FY 2011	5 Year Total
HOMEOWNERSHIP PROPERTIES FOR LAND TRUST						
	10 properties	# properties	# properties	# properties	# properties	YTD # properties
Extremely Low Income						
Very Low Income						
Low Income						
				1 lot purchased (not sold)/ RCCDC	Construction complete, home not sold	
				% of Goal		25%

Progress In Providing Section 215 Affordable Housing For Rental And Owner Households

Section 215 Affordable Housing for rental units and homeownership are defined as:

Rental Housing

A rental housing unit is considered to be an affordable housing unit if it is occupied by a low income household or individual and bears a rent that is the lesser of:

- (1) the Existing Section 8 Fair Market Rent (FMR) for comparable units in the area or,
- (2) 30 percent of the adjusted income of a household whose income equals 65 percent of the median income for the area, except that HUD may establish income ceilings higher or lower than 65 percent of the median because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

Homeownership

(a) Housing that is for purchase (with or without rehabilitation) qualifies as affordable housing if it:

- (1) is purchased by a low-income, first-time homebuyer who will make the housing his or her principal residence; and
- (2) has a sale price which does not exceed the mortgage limit for the type of single family housing for the area under HUD's single family insuring authority under the National Housing Act.

(b) Housing that is to be rehabilitated, but is already owned by a household when assistance is provided, qualifies as affordable if the housing:

- (1) is occupied by a low-income household which uses the housing as its principal residence, and
- (2) has a value, after rehabilitation that does not exceed the mortgage limit for the type of single family housing for the area, as described above.

All CDBG funded housing projects completed in 2011 met the Section 215 definition of affordable housing as defined in 24 CFR 92.252 (rental housing) and 24 CFR 92.254 (homeownership).

"Worst-Case" Housing Needs And Housing Needs Of Persons With Disabilities

The major barrier to affordable housing, for home purchase and rentals, continues to be a lack of livable wage jobs for people without higher education. A person making only minimum wage in South Dakota needs to have 2.3 minimum wage jobs in order to afford a two bedroom apartment.

The 2010 Census shows that 5,411 households in Rapid City are cost burdened paying more than 30 percent of their income for housing expenses. The City will continue to seek additional funding sources to provide more job training, education, livable-wage jobs, and assistance to bridge the gap.

The most pressing housing needs are those of low income people on fixed incomes, disability income, who are unemployed, have a felony criminal record, or a severe, persistent mental illness or substance abuse addiction. Long waiting lists that now extend to over two (2) years for subsidized housing, too few Section VIII vouchers and restrictions against criminal or substance abuse issues make it difficult to impossible for those most in need of assistance to access it. The City is working with non-profit agencies and homeless shelters to pursue private funding dollars to provide housing assistance for placement and subsidy for people who are not eligible for traditional funding assistance. The City will provide CDBG funding to Volunteers

of America in FY 2012 for rental assistance with deposits and first month rent for low-to-moderate income homeless households.

Community comments show that the primary obstacle for persons with disabilities is the lack of affordable housing that is handicap accessible, especially rentals. The City provided funding in FY 2011 to Western Resources for dis-Abled Independence to provide rehabilitation on rental properties. The City Neighborhood Restoration Loan program was available to assist applicants with handicap modifications for three (3) households, two (2) of the clients were handicapped and one (1) elderly.

More substandard housing units are being reported to Code Enforcement, both rental and owner occupied properties. Increasing living costs over the past five years and the economic downturn have left people with limited resources for general maintenance on homes. Approximately fifty percent (50%) of the Rapid City housing stock is now over 50 years old, contributing to the increasing numbers of substandard homes, as roofs, siding and major mechanical systems near the end of their effective life. The City's Neighborhood Restoration Loan program provides assistance to qualifying low income households however more middle income people are struggling to cover the cost of such "big ticket item" repairs.

Funding for rehabilitation on mobile homes is an increasingly pressing need, inside the City limits and outside. Many extremely-low and very-low income people and persons with felony records purchase older mobile homes on a lease-to-own option, as it is the lowest "rental cost" option available. However, the mobile homes are often substandard, with electrical and plumbing issues, poor quality windows and deteriorating siding. Very limited resources are available to assist with repairs on mobile homes. In many cases the cost of repairs would not be cost effective, costing almost as much, or more, than the value of the mobile home. However, in absence of any other living accommodation options that are both available and affordable, there is a need for emergency assistance funds. The City will continue to work with housing agencies to develop programs to address these special needs. One property owner of mobile homes is in the process of replacing very old mobile homes within the park with new models. Funding is difficult to come up with for the large number of substandard mobile homes in the parks. The City is in discussions with housing agencies about creating a program to help people replace their old mobile homes, but has not found anyone to take on the project yet.

Public Housing Strategy

The City of Rapid City does not fund public housing improvements or resident initiatives. Pennington County Housing and Redevelopment Corporation (PCHRC) receives Public Housing Capital Program funds, Section 8 Tenant Based Assistance Funds, and Shelter Plus Care funds to maintain its properties in safe and sanitary conditions for the residents and fund assistance programs for low-income tenants.

PCHRC offers a Self-Sufficiency Program to tenants who wish to pursue homeownership and qualify for the program.

Rapid City has a joint cooperation agreement with PCHRC that provides for the collaboration on the development of affordable housing units. The administrator of PCHRC works closely with Rapid City's Community Development Specialist in reviewing needs for housing development, public housing tenant needs within the community and jointly working to further additional affordable housing locally.

PCHRC's Agency Plan is on file with Rapid City. Rapid City will consider requests by PCHRC for Certifications of Consistency with the Consolidated Plan.

Pennington County Housing and Redevelopment Corporation partners with Cornerstone Rescue Mission and provides rental management services for the new Cornerstone Transitional Apartments. PCHRC also handles the rental management of Behavior Management Systems' Shelter Plus Care scattered site housing.

Pennington County Housing and Redevelopment Corporation completed the reconstruction of 10 units of subsidized housing that were demolished because of structural issues and they are now occupied by low income and disabled families.

Barriers to Affordable Housing

Impediments to obtaining affordable housing identified in the 2002 Analysis of Fair Housing Impediments, the 2005 Housing Needs Assessment and amended in FY 2009 to incorporate issues identified through public comments include:

1. Housing development costs and fees;
 2. Neighborhood objections (the "Not In My Back Yard" syndrome - NIMBY);
 3. Lack of emergency and transitional housing units;
 4. Lack of affordable housing units for both owner-occupied and rental housing for very low and low-income households for single parents, families with children, seniors and persons with disabilities;
 5. Low-income and wage levels/ lack of good paying jobs/ lack of job opportunities;
 6. Housing discrimination;
 7. Lack of affordable apartments for larger households of more than 5 people;
 8. Long waiting lists for subsidized housing or Section VIII vouchers;
 9. Lack of affordable housing or housing assistance for persons who cannot qualify for subsidized or Section VIII housing assistance due to felony records, previous unpaid debts or utility bills, bad credit or other financial issues.
 10. Lending regulations eliminating low-down or no-down payment loans; and
 11. Lack of rental assistance for single persons who are not elderly or disabled.
- The Analysis was amended to include item 9 in 2008 to reflect comments received during the public comment periods of the 2008-2012 Consolidated Plan. Items 10 and 11 are being added this year and will be included in the new study for September 2010.
 - In 2009 two new impediments for low income people were identified.
 - Tightened lending regulations that eliminated no- or low-down payment loans and required a minimum borrower investment minimum of 10% down became a barrier for low income people seeking homeownership.
 - The lack of rental assistance or subsidized housing for non-elderly or non-disabled single persons was also identified as a barrier for many low income individuals.

Eliminating Barriers to Affordable Housing

Actions taken to overcome effects of impediments identified

The following actions have been taken to overcome effects of impediments identified above:

❖ **Housing development costs and fees**

Development costs and fees continue to affect the affordability of housing however, the City will consider developer requests for exceptions on the following items:

- Although no reductions in housing development costs or fees have been requested for any low income housing projects, the City Council has the ability to grant exceptions to fees if they determine it necessary or worthwhile.
- Higher densities for low-income housing are considered on a case by case basis by the Planning Commission and City Council for exceptions to the existing ordinance requirements.
- Tax Increment Financing (TIF) Districts may be requested by developers and considered by Council for infrastructure costs for an affordable housing project.

The Planned Development Overlay District does allow the lot sizes to be reduced with approval of the Planning Commission. The Planned Unit Development Ordinance allows a mix of lot sizes and housing products with the approval of City Council.

Additionally, lot sizes can be reduced administratively by up to 20% by the Director of Community Planning & Development Services, and reduced further than 20% with the approval of a variance by the Board of Adjustment.

❖ **Neighborhood objections (the "Not In My Back Yard" syndrome - NIMBY) and Housing Discrimination**

Neighborhood objections (NIMBY'ism) and housing discrimination exist in many forms. Objections are raised against people of other races, financial status, family size, disability, and age. Objections may also be voiced about different types of housing, commercial development, and locations of those projects.

- NIMBY'ism stems from a lack of understanding and fear, and is best overcome through education. The City and non-profit organizations work to educate the community about housing issues, social needs, and development and growth processes. Education is provided in a number of ways and through a number of topics in order to dispel fears and false impressions of low income people. It is also important to provide people with the life skills necessary to be a good neighbor, properly take care of themselves and their homes, and be active in their community.
- The City funds life skills programs and supports grassroots neighborhood revitalization projects, watches and associations that bring all of the people in the neighborhood together for common goals.
- The most recent such project is the Lemmon Street Revitalization program that is a partnership between NeighborWorks Dakota Resources, the police

department, and the people residing on Lemmon Street. Great progress has been made on beautifying and increasing safety within the neighborhood, establishing a sense of community among the residents, and involving all of the residents, from at-risk youth to the senior citizens and the ethnic groups. A community garden has been created through their collaborative efforts and the assistance of the Box Elder Job Corps. New motion lights have been installed in the alleyways.

Over the past five (5) years new low income housing has been built in the southeast area of town, below and near upper end housing neighborhoods. There were some NIMBY complaints regarding the project during the planning review stages, but the project was approved and two phases have been completed.

❖ **Enforcement of 1994 UBC accessibility requirements rather than Fair Housing Act standards**

The City has updated the codes and ordinances used for Planning and Development in 2012, officially adopting the International Residential Building Codes and ordinances, updated in 2009.

❖ **Lack of emergency and transitional housing units**

- No new transitional or emergency housing projects were funded with CDBG funds in FY 2011. However, the County identified a property to convert to transitional housing for women coming out of prison and placed it into use at the end of FY 2011.
- The City is working with agencies to shift to a "housing first" model that places people directly into permanent housing and provides supportive services as needed instead of pursuing more transitional housing. This plan is part of the five-year strategy for ending chronic homelessness and Reentry Program.

❖ **Lack of affordable housing units for both owner-occupied and rental housing for very-low and low-income households of single parents, families with children, seniors and persons with disabilities**

- Funding is also provided every year through the City's Neighborhood Restoration Loan Program for rehabilitation for homes and to address accessibility issues for owner-occupied properties. This program assists low income, elderly and handicapped people with major repairs or accessibility issues to allow them to remain in their homes. One hundred ten percent (110%) of the goal set for handicap accessibility modifications has been met.
- Down payment and closing cost assistance was provided to six (6) low- and moderate- income homebuyers in FY 2011 by the Teton Coalition for the purchase of a home. Black Hills Area Habitat for Humanity is in the process of developing lots they purchased in FY 2009 and 2010 and Rapid City Community Development Corporation has purchased two lots for construction of new homes for low income families.

❖ **Low-income and wage levels/ lack of good paying jobs/ lack of job opportunities**

- The City of Rapid City actively pursues economic development projects that will bring new higher paying jobs to the area and it remains a high priority. Affordability issues all relate back to a lack of livable wage jobs for the

unskilled and uneducated. Several new businesses for retail, food service, customer support and manufacturing, have opened in Rapid City in FY 2011 that will bring more competition for good workers. Some of them are offering starting wages that are higher than minimum wage and include benefits.

- The City of Rapid City utilizes other available funding sources for Economic Development. The City will continue to support economic development projects with funds from the Vision 2012 fund, Tax Increment Financing (TIF), and the Infrastructure Development Partnership Fund.
 - In addition to inadequate income, the lack of savings and assets adversely affects low income households. The City has made poverty reduction through asset building a high priority initiative under the Mayor's Strengthening Families Task Force. The first goal of the initiative is to create a Bank On Rapid City program. The City has been working with local lenders, the FDIC and non-profit organizations to develop programs that connect un-banked and under-banked low income residents to mainstream financial services and products. The programs provide low-interest, low-fee alternatives for low income people and help them develop relationships with mainstream lenders. The program launched in 2011 and seven (7) people were referred to financial institutions and opened accounts. Bank On is now stepping up their outreach efforts to encourage more of the unbanked and underbanked to seek mainstream services.
 - The Black Hills Business Development Center is committed to offering quality, affordable space to attract start-ups and businesses with growth potential. Within the Center a full range of business services is provided free or at a low cost through sharing. The facility offers office, lab and light manufacturing space for lease.
 - The West River Business Service Center provides assistance to small businesses for business plan development and loan programs.
- ❖ **Lack of affordable apartments for larger households of more than 5 people**
- Affordable apartments for larger families will continue to be a high priority need in the community. Some multi-generational or larger families have 12 or more people that require more space and five to six bedrooms. The cost to build larger housing units often exceeds the affordability of the people most in need of them and with the shortage of Section VIII Vouchers, we have no assistance to support families at this time. The shortage of funding and funding sources has been a barrier to implementing a program. The City will continue to seek additional funding sources to provide deep subsidy for larger affordable housing units and work with and encourage developers to include a few affordable, larger units in their developments.
- ❖ **Long waiting lists for subsidized housing or Section VIII vouchers**
- Waiting list times for subsidized housing and Section VIII vouchers have increased significantly over the past two years due to the substantial increases in living costs. The waiting list continues to be over 2,000 people and PCHRC have stopped taking new names. It can take over two years to rise to the top for eligibility. Pennington County Housing and Redevelopment Commission and the City of Rapid City continue to work together to try to find

additional ways to reduce the cost of construction of subsidized units, so that the savings can be passed on to the tenants.

- Cornerstone Rescue Mission, Behavior Management Systems and Pennington County Health and Human Services received a three year grant from the John T. Vucurevich Foundation for housing assistance vouchers for homeless families entering transitional housing until they either qualify for Section VIII vouchers or acquire employment and can afford to cover their full rent costs. The grant was refunded for FY 2011.
 - Second Chance Act Grant assistance funds for ex-offenders returning to the community have been received by the State of South Dakota and are offered through a partnership with the City of Rapid City Reentry Program through the Community Development Division office. Funds are used for short or long term assistance (up to 18 months) to help ex-offenders access permanent housing.
- ❖ **Lack of affordable housing or housing assistance for persons who can not qualify for subsidized or Section VIII housing assistance due to felony records, previous unpaid debts or utility bills, etc**
- Local agencies working collaboratively secured private grant funds from the John T. Vucurevich Foundation for housing vouchers for persons not eligible for Section VIII vouchers. Supportive services and case management will be provided to recipients to help them overcome their housing barriers so they can transition to Section VIII or market rate housing. Funding was also granted to cover miscellaneous needs such as costs for accessing identification records, unpaid debts, deposits and utility bills. Funding was renewed for FY 2011.
 - Homeless Prevention and Rapid Re-housing (HPRP) funding was awarded to Volunteers of America who is working with a collaborative group to provide case management to people needing the assistance. The funding enables people to move into permanent housing with rental assistance for up to 18 months, to allow them time to access Section VIII vouchers or secure new employment.
 - Second Chance Act Grant assistance funds for ex-offenders returning to the community have been received by the State of South Dakota and are offered through a partnership with the City of Rapid City Reentry Program through the Community Development Division office. Funds are used for short or long term assistance (up to 18 months) to help ex-offenders access permanent housing.
- ❖ **Lending regulations eliminating low-down or no-down payment loans.**
- The City has provided funding to Consumer Credit Counseling Services of the Black Hills (CCCS/BH) for matching funds for an Individual Deposit Account (IDA) fund in FY 2007. Funding was carried forward to FY 2011. IDA funds have been available to be used to match savings of low-income people for the purchase a home, to start or expand a small business, or to pay for post secondary education. However, only four (4) people in the last three (3) years have enrolled in the program. All four (4) of the participants completed their savings program and utilized the funds for furthering their education with the final draws taking place in FY 2011.

❖ **Lack of rental assistance for single persons who are neither elderly or disabled**

The City is seeking local agencies to develop single occupancy efficiency or one bedroom apartments with smaller square footages in order to keep rental costs down for single persons who do not qualify for Section VII Vouchers or subsidized housing. To date, no agency or developer has chosen to work on this project.

The City and Volunteers of America are recipients of grant funds that may be used for single persons in addition to families:

- Homeless Prevention and Rapid Re-housing (HPRP) funding was awarded to Volunteers of America who is working with a collaborative group to provide case management to people needing the assistance. The funding enables people to move into permanent housing with rental assistance for up to 18 months, to allow them time to access Section VIII vouchers or secure new employment.
- Second Chance Act Grant assistance funds for ex-offenders returning to the community have been received by the State of South Dakota and are offered through a partnership with the City of Rapid City Reentry Program through the Community Development Division office. Funds are used for short or long term assistance (up to 18 months) to help ex-offenders access permanent housing.

Item #10 - The City funded housing agencies to assist with down-payment and closing cost assistance, land acquisition for new home construction, rental rehab, and purchase rehab of existing homes. All of the programs provide zero 0% percent loans, with no payment to the buyer, to assist them in qualifying for the homes. The programs help to bridge the gap between escalating home prices and wages.

The City's Neighborhood Restoration Loan Program provided financial assistance to low income owners for needed repairs and handicap accessibility renovations, in order to bring substandard homes up to code and make homes safe and more energy efficient. Assistance was provided as grants, zero percent (0%) deferred loans and three percent (3%) loans.

Handicap accessible modifications to homes occupied by disabled individuals were offered in FY 2011 through the City Neighborhood Restoration Loan program. One handicap accessibility project was completed and two other disabled persons were assisted with non-accessibility projects.

Western Resources for dis-abled Independence completed three (3) CDBG projects and twenty-nine non-CDBG projects in 2011. They provide zero% forgivable loans for rental properties for handicap accessibility modifications to provide more handicap accessible rental units and make it possible for a recently disabled person to remain in their home.

Two housing agencies, Consumer Credit Counseling Service of the Black Hills (CCCSBH), and the Teton Coalition provide homebuyers education classes at no cost for anyone interested in learning about the home buying process. Other grants and private funds are used to fund the financial education and homebuyers education courses. CCCSBH also offers financial literacy classes, as well as credit, budgeting and foreclosure counseling. Their programs help homebuyers understand the

process, what their rights are and how to avoid predatory sales and lending practices.

The Dakota Land Trust was created by the Neighborhood Housing Services of the Black Hills with the support of Rapid City and other area communities in order to provide long term affordability of homes in the area. The Land Trust became operable in late 2008. In 2009 4 homes in Pennington County were placed in the land trust. The Community Development Corporation purchased a home in April, 2010 to place in the trust upon sale. In FY 2011 the Dakota Land Trust received funding in the amount of \$50,000 for the acquisition of two properties to be placed in the land trust. Properties were identified just before the end of FY 2011 and will be purchased in early FY 2012.

Dakota Plains Legal Services provided legal services to low income people, the elderly and victims of domestic violence including issues involving landlord and tenant rights.

The City continues to work with non-profit agencies and Rapid Transit on affordable transportation issues that can be a barrier to where low income people live if they do not own their own car. The issue is being addressed by a subcommittee of the Strengthening Families for Better Outcomes for Children and Youth Task Force. Non-profit agencies who provide transportation to work and service appointments are working with the City transportation Director to develop solutions to transportation issues that include weekend and evening hours, locations outside of the normal bus routes, transporting homeless children residing in the emergency shelters to numerous schools all over town so they can continue their classes in the school they attended prior to becoming homeless. One new route to transport college students to an new campus area located adjacent to low income housing has been added.

Lead-based Paint

Actions Taken During The Last Year To Evaluate And Reduce Lead-Based Paint Hazards

Western SD Community Action Agency performs risk assessments and clearance activities for the City on units receiving CDBG funding assistance from the City's Neighborhood Restoration housing rehabilitation program. All rehabilitation work on units built before 1978 and assisted by CDBG funds is undertaken with the assumption of the existence of lead-based paint. The City program requires contractors to be EPA certified for lead-based paint safe practices and stabilization of all deteriorated painted surfaces. Lead-based paint abatement is allowed if it can be done within the funding limitations of the program, however there have been no projects brought forward. Western SD Community Action Agency has invested in training and certification of several of their employees in the areas of risk assessors, clearance technicians, and lead-safe work practices and has purchased equipment to identify lead paint in the units eligible for their programs.

Lead-based paint testing was performed as needed for rehabilitation projects carried out in 2011. Western SD Community Action Agency continues to sponsor classes on lead safe practices and lead-based paint certification training for their expanded Weatherization program and open the classes to other contractors and interested persons in the community.

HOME

The City of Rapid City is not a HOME funds entitlement community. HOME funds are disbursed at the state level through direct applications to South Dakota Housing Development Authority. The City provided support letters to developers or organizations applying for funding for qualifying activities that were identified as a high priority in the Rapid City Consolidated Plan.

SECTION 3 - HOMELESSNESS

Homeless Needs

Actions Taken To Address Needs Of Homeless Persons

Rapid City has placed a high priority on addressing the needs of the homeless and supporting non-profit agencies' efforts for moving the homeless to permanent affordable housing with the supportive services needed to stabilize the households.

A Homeless Connect Day, sponsored by the Black Hills Area Homeless Coalition is held every year in June to provide a "one-stop" center where the homeless can access information, services, medical check-ups, eye exams, haircuts, employment assistance, clothing vouchers for interview clothing, personal care items and a meal at one convenient location. Last year 42 agencies provided assistance to 255 people (181 adults and 74 children). They were assisted by over 43 additional volunteers from the community. Eight of the service providers participated for the first time.

Agencies participating included:

- ❖ CSRM & CSRM Thrift Store
- ❖ WAVI
- ❖ VOA
- ❖ LSS & Stepping Stones
- ❖ WRDI
- ❖ Pennington County Extension Office
- ❖ Goodwill
- ❖ Teton Coalition
- ❖ Pioneer Credit Counseling
- ❖ Department of Labor
- ❖ Experience Works
- ❖ A+ Payee Services
- ❖ Social Security Office
- ❖ Oglala Lakota College
- ❖ Salvation Army
- ❖ Veterans Center & VA Admin/HUD VASH
- ❖ RC Public Library
- ❖ SANI-T
- ❖ YFS
- ❖ Pennington County Housing
- ❖ CCCS of the Black Hills
- ❖ Community Health Center of the Black Hills
- ❖ Behavior Management Systems
- ❖ DSS
- ❖ City County Alcohol & Drug Programs
- ❖ Penn Co H&HS/Rebound

- ❖ Rapid City Public Schools & the Para Pros (who provided activities for the children)
- ❖ SD Dept of Health
- ❖ SHINE

Also included were the following services:

- ❖ 77 Haircuts – various stylists
 - JC Penney Salon – Lauri Rust & April Johnson
 - Deb Hadcock
 - Black Hills Beauty College
 - The Factory – Dennis Halterman 80 haircuts
- ❖ 35 Family Portraits-(Unique Photography)
- ❖ BH Center for Equality – HIV testing
- ❖ Early Childhood Connections – Hearing and Vision
- ❖ 12 Dental checks – Dr. Mary Roth, DDS, PC
- ❖ Sioux San Dental – Hygienists
- ❖ Dr. Buckwoldt – toothpaste & toothbrushes
- ❖ Dr. Nelson & staff – toothpaste
- ❖ Snacks – Amcom Distributing, Bill Bailey
- ❖ Shampoo & conditioner – Sally's Beauty Supply, Jade Williams

Actions To Help Homeless Persons Make The Transition To Permanent Housing And Independent Living

Funds were provided to WAVI to provide emergency shelter services and counseling support of homeless women and children who are victims of domestic violence. WAVI assists battered women by providing emergency shelter, counseling, and assistance with transitioning to their own apartment, if needed, through use of other assistance funds or referrals to other agencies.

Dakota Plains Legal Services provided legal advice and representation to the homeless, victims of domestic violence, low-income people and the elderly to resolve civil matters.

The Rapid City Offender Re-Entry Program, led by the Community Development Division of Rapid City and the Rapid City Police Department is a collaborative effort of city, county, and state agencies, non-profit service providers, medical and mental health facilities, housing providers, family support agencies, the Department of Corrections, and faith-based organizations. The collaboration has developed a program to assist offenders with their reintegration into the community and reduce recidivism. The program has received referrals from the State Department of Corrections and self referrals of ex-offenders in the community who need assistance. Funding for the program is from the Department of Justice Second Chance Act. Funding provides assistance for temporary, transitional, and permanent housing for homeless offenders as well as supportive services needed for their mental health, substance abuse and living skills stabilization.

Salvation Army received funding to provide assistance for accessing housing through utility deposits or paying off delinquent utility bills.

Lutheran Social Services received funding for renovations on transitional apartments for homeless youth exiting the foster care or juvenile detention systems. The apartments provide youth with safe affordable housing, supportive services and life skills training for a successful transition to their independence.

New Federal Resources Obtained From Homeless SuperNOFA

Cornerstone Apartments Permanent Supportive Housing program was awarded a renewal of \$73,704 in FY 2011. The apartments serve homeless people with disabilities.

Pennington County Housing's Shelter Plus Care project is a partnership with Behavior Management Systems to provide housing and supportive care to homeless people with persistent severe mental illness or substance abuse issues. They received renewal funds in the amount of \$160,560.

Behavior Management Systems – The Stages, a supportive housing program, was awarded \$67,248 by HUD to house the homeless with mental illnesses.

Specific Homeless Prevention Elements

Actions Taken To Prevent Homelessness

The City supports community and non-profit efforts for homeless prevention education and services. Financial literacy, budgeting, homebuyer education, fair housing and tenant rights seminars were held throughout the year by non-profit agencies to provide citizens with information needed in order to make good decisions regarding the expenditure and management of their funds and their legal rights. Agencies providing these services included Consumer Credit Counseling Services of the Black Hills, Teton Coalition, Love, Inc., Dakota Home Resources, Black Hills Community Loan Fund and Dakota Plains Legal Services.

Funds were allocated to Salvation Army to provide assistance for utility deposits and delinquent utility bills, to access housing and prevent eviction or foreclosure.

Dakota Plains Legal Services received funding to provide legal assistance to the tenants engaged in tenant-landlord disputes to prevent evictions or unfair housing practices. They provided service to the elderly, homeless, disabled, minorities, and victims of domestic violence.

Homeless Prevention and Rapid Rehousing Program (HPRP) funds were awarded to Volunteers of America through South Dakota Housing Development Authority to provide funding to prevent evictions and to provide rent assistance for short and long term needs of clients waiting for Section VIII Vouchers, a new job, or stabilization of finances. Funding was also used for deposits for rent and utility hook-ups.

Area non-profit organizations working to end homelessness meet monthly as members of the Black Hills Area Homeless Coalition to discuss the homeless and housing needs of the community and ways to address those needs. The organizations have formed partnerships and referral systems in order to provide expanded or new services. A sub-committee meets weekly to better coordinate their efforts and the delivery of services and treatment to their mutual clients. The Coalition completed a Five Year Strategic Plan to end involuntary homelessness and are implementing the plan. At the end of FY 2011 they recruited the volunteer services of a project coordinator to help organize and keep the plan moving forward. In June 2011 they held their annual Homeless Service Connect Day and participated in a point-in-time statewide homeless count in September 2011 and a HUD point-in-time homeless count in January, 2012.

First United Methodist Church's Hope Center opened. The Hope Center serves as a day drop-in center for the homeless in the morning and early afternoon, then as a center for an after-school program for youth. The renovations to the building, funded with CDBG dollars, were completed in May, 2011. The drop-in center provides a place for the homeless to go during the day where they can receive assistance with finding jobs, housing, fellowship and referrals to needed services. The center also provides a phone message center and mail box for the homeless to use when applying for jobs, services, and to stay in touch with family.

The Community Development staff serves as a conduit for information on trends, new programs, grant sources, partnerships and community interests for agencies in order to develop new programs and identify additional funding sources for the programs.

Emergency Shelter Grants (ESG)

N/A – Handled through the State

The City of Rapid City does not receive Emergency Shelter Grant (ESG) funds. ESG funds are allocated to the State of South Dakota and are administered by South Dakota Housing Development Authority (SDHDA). Emergency shelters located in Rapid City apply directly to SDHDA for grants and have been recipients of ESG funding.

Shelter Plus Care Grants (S+C)

N/A – Handled through the State

Shelter Plus Care (S+C) provides housing and supportive services on a long-term basis for homeless persons with disabilities, (primarily those with serious mental illness, chronic problems with alcohol and/or drugs, and acquired immunodeficiency syndrome (AIDS) or related diseases) and their families who were living in places not intended for human habitation (e.g., streets) or in emergency shelters.

The City of Rapid City does not receive Shelter Plus Care Grant (S+C) funds. ESG funds are allocated to the State of South Dakota and are administered by South Dakota Housing Development Authority (SDHDA). Non-profit agencies located in Rapid City apply directly to SDHDA for grants as part of the Homeless Consortium and have been recipients of Shelter Plus Care funding.

Pennington County Housing and Redevelopment Commission, in partnership with Behavior Management Systems and Cornerstone Rescue Mission have received shelter plus care funding.

Pennington County Housing and Redevelopment Commission received funding in FY 2011 in the amount of \$459,060.

SECTION 4 - COMMUNITY DEVELOPMENT**Community Development**

*Please also refer to the Community Development Table in the Needs.xls workbook.

Assessment of Relationship of CDBG Funds to Goals and Objectives***Use of CDBG funds in relation to the priorities, needs, goals, and specific objectives in the Consolidated Plan***

Community Development Block Grant funds (CDBG) are only awarded to activities that address high priority activities as identified in the Five-Year Consolidated Plan for Rapid City. Activities are chosen with consideration to the number of people that can be helped for the amount of dollars expended, the agency's ability to deliver the services and complete the projects within the program year, and the timeliness and completeness of their reporting. Their programs must be goal based and outline expected outcomes. The City made good progress towards meeting goals set in the Consolidated Plan, but was limited by reduced funding, increased requests for assistance, and shortage of staffing and technical knowledge within agencies needed to add programs to address gaps in services.

Progress Made Toward Meeting Goals for Providing Affordable Housing Using CDBG Funds***Rehabilitation******• Owner-Occupied Rehabilitation***

A goal has been set to accomplish thirty (30) rehabilitation projects on owner-occupied homes for the five year period from April 1, 2008 to March 31, 2012. In 2011, three (3) homes were rehabilitated under the City's Neighborhood Restoration Loan Program and three (3) projects were completed by Western Resources for dis-abled Independence. In addition, they completed twenty-nine (29) projects using other funding sources.

• Acquisition Rehabilitation

The City set a five (5) year goal of accomplishing three (3) acquisition rehabilitation projects to preserve existing housing stock for affordability. No projects were funded with CDBG funds in 2011, however, Black Hills Area Habitat for Humanity completed two acquisition rehabilitation projects in 2011 utilizing other funding sources. It is difficult to find affordable homes to purchase and rehab that will not exceed the lending guidelines for combined loan-to-value, and still be affordable for a low income person. Agencies considered several homes but the ones available required more rehab than the funds available can accomplish. The City will continue to seek additional funds to leverage with CDBG dollars for acquisition rehabilitation projects.

• Special Populations Handicap Accessibility Modifications

A five (5) year goal of forty (40) units was set for handicap accessibility modifications for twenty (20) owner occupied homes and twenty (20) rental properties. Modifications to homes allow people with handicaps to remain in their homes or find rental properties that are accessible. Thirty-one (31) handicap accessibility rehab projects were accomplished in FY 2011 on owner-occupied homes and two (2) on rental properties. Three (3) of the projects

utilized CDBG funding and the others utilized other funding sources. The City has completed 110% of the goal set.

Homeownership

FY 2011 CDBG funds were allocated to four housing agencies for homeownership projects. Program income from loan payoffs was used for some of the projects carried out in FY 2011, which affected the amount of grant funds expended. The five (5) year goals for homeownership projects include:

- **Acquisition of property for construction or acquisition of existing property – Goal: ten (10) lots or homes**

Rapid City has not experienced the major property value losses that other areas of the country have, so lot costs remain high, making it difficult to build affordable housing for low income people. A slow down in new construction affected the number of lots available and the economic down turn has led to fewer people applying to purchase a home.

- Rapid City Community Development Corporation completed, sold and closed one (1) home and purchased two (2) new lots for development.
- Habitat for Humanity completed, sold and closed one home with CDBG funds and two homes using other funds. They purchased two additional lots.

The City has reached 94% of the goal

- **Acquisition cost assistance for down payment and closing costs – Goal: Forty (40) homebuyers**

Acquisition cost assistance is provided to assist buyers with down payment and/or closing costs for the purchase of a home. Lenders tightened underwriting guidelines increasing the required buyer investment and down payment amounts, making it much more difficult for low income households to qualify. In spite of the reduced number of people seeking to purchase a home Teton Coalition assisted six (6) families to obtain homeownership with down payment and closing cost assistance.

- **Land purchase for Scattered Site Land Trust – Goal: Fifty(50) lots or homes**

A land trust was created to provide permanent affordability for low income homebuyers. One (1) lot was purchased by the Rapid City Community Development Corporation to be placed in the Dakota Land Trust to ensure long term affordability. The property has been developed but the home has not yet been sold to a family. The City will continue to encourage agencies to place properties in the land trust. Dakota Land Trust received funding to purchase two lots. Two properties were identified for purchase just before the end of the fiscal year and closings on the lots will take place in FY 2012.

Rental Properties

- **Subsidized Apartments- Goal: Forty-six (46) rental units**

There is a need for affordable rental units for very-low and extremely-low income households and for larger families. The forty-six (46) unit goal includes twenty (20) units for single persons, ten (10) units for small related families, eight (8) units for large related families and eight (8) units for other/special needs households. Rental properties are not typically funded with CDBG dollars. They primarily utilize HOME Funds and Low Income

Housing Tax Credits (LIHTC). There were no low income apartment projects brought forward in FY 2011

Changes in Program Objectives

Changes in program objectives and how the jurisdiction would change its program as a result of its experiences.

The City may alter program objectives or funding allocations during the year with Council approval as long as the changes meet HUD guidelines for eligible activities and program procedures for public notification and comments are followed. The changes may accommodate the changing needs of agencies and the community to address unexpected natural disasters, or in order to ensure the timely expenditure of the funds. In FY 2011 there were no changes to program objectives.

Amendments to the original plan approved in 2011 included:

Amendment # 1- Major Amendment

City Council has provided final approval for the following funding changes to the FY 2011 Annual Action Plan:

- 1) Recapture balance remaining of Consumer Credit Counseling Service FY 2007 IDA Matching Funds in the amount of \$19,000. They were unable to get additional people to enroll in the program due to the economic downturn and extremely tight budgets;
- 2) Recapture Neighborhood Restoration Program grant allocation for FY 2009 in the amount of \$64,973.65. The City received numerous loan repayments over the past couple of years and few applicants;
- 3) Recapture Neighborhood Restoration Program grant allocation for FY 2009 in the amount of \$1,500.00;
- 4) Recapture remaining funds from Western SD Community Action's rehab project to install a fire sprinkler system that came in under budget in the amount of \$13,438.08;
- 5) Recapture remaining construction funding from Cornerstone Rescue Mission from a sewer line repair that came in under budget in the amount of \$3,290;
- 6) The Subsidy Committee recommendation to reallocate unused CDBG funding in the amount of \$136,212 to Cornerstone Rescue Mission to purchase a building for their Dear Ones Child Care program on January 12, 2011 was approved by Council. Cornerstone submitted an application for FY 2011 funding for this project, but was able to move forward immediately if funds were available. The City could realize a benefit from funding this project in 2010 program year, as it could close and submit a draw for funds before the end of January, thereby helping the City achieve HUD's required spend-down ratio. Council provided preliminary approval December 6, 2010 and a thirty day public comment period was accomplished. No comments were received prior to final approval by Council.

Amendment #2 - Minor Amendment:

The City received a request from Cornerstone Rescue Mission for emergency funding assistance for temporary housing for homeless families with children.

Cornerstone Mission experienced a major influx of homeless families that was exhausting their funds and ability to house people in crisis safely during our extremely cold weather periods.

- Council approved the reallocation of \$4,391.19 in unused Community Development Block Grant funds previously awarded to the Boys Club and

Care Net in FY 2010 to Cornerstone Rescue Mission for emergency housing assistance for homeless families on April 4, 2011.

- There was a minor adjustment to the amount funded, reducing it by \$100 to \$4,291.19. The adjustment was needed to ensure the City did not exceed the Public Service Cap of 15% for the year.

American Recovery and Reinvestment Act (ARRA)

Community Development Block Grant – Recovery Funds

The City received three requests for minor amendments to activities funded with American Recovery and Reinvestment Act dollars in FY 2010. All requests were granted and each affected less than 25% of the funding allocated and did not change the intent of use of funds.

In FY 2011 the City received one request for a minor amendment to the plan to use remaining funds from Living Hope's window replacement and electrical rehab project that came in under budget to fund another new part-time child care worker position at North Point Child Care Center in the amount of \$3,697.26. The request was granted as job creation is the number one high priority issue for the city and it was for an already approved activity. *See American Recovery and Reinvestment Act section at the end of this report.*

This report highlights the progress that the City of Rapid City made in FY 2010 in implementing and achieving the goals of the fourth year of the City's Strategic Five Year Consolidated Plan. It also covers activities carried out by the City of Rapid City Community Development Division and non-profit sub-grantee agencies awarded CDBG funds for the time period of April 1, 2011 to March 31, 2012.

The City will continue to evaluate and modify the program as needed in order to meet the most pressing needs for the largest number of people possible and timely expenditure of the funds.

Assessment of Efforts in Carrying Out Planned Actions

Indicate how grantee pursued all resources indicated in the Consolidated Plan.

The Community Development Division staff worked with local non-profit agencies and City departments to identify additional funding sources, federal, state and private, for funding the various projects brought forward, or in the planning stages. Staff also provided technical assistance for grant writing and collaborations between agencies in order to leverage more funding and access new grant sources. Additionally, staff met with foundations and funding organizations to discuss the consolidated plan findings and local service and funding needs for possible collaborative efforts.

Indicate how grantee provided certifications of consistency in a fair and impartial manner.

The City of Rapid City has adopted a set of goals to meet the urgent needs of the community and is dedicated to meeting those goals. The City's policy is to provide certifications to all projects that meet a high priority item identified in the Consolidated Plan.

Certifications provided in FY 2011:*Local Governing Body Certifications & Consistency with Consolidated Plan*

- Cornerstone Rescue Mission - Emergency Shelter Grant funds from South Dakota Housing Development Authority;
- Cornerstone Women & Children's Home - Emergency Shelter Grant funds from South Dakota Housing Development Authority;
- Montana Department of Public Health and Human Services – HOPWA/HIV-AIDS funding;
- WAVI – Emergency Shelter Grant funds from South Dakota Housing Development Authority

Indicate how grantee did not hinder Consolidated Plan implementation by action or willful inaction.

The City's Community Development Specialist conducted a pre-application training class for all persons interested in applying for CDBG funds for FY 2011. The training class was conducted to provide applicants with specific information identifying high priority activities included in the Consolidated Plan, HUD guidelines for the CDBG program, guidance on how to develop a logic plan for tracking results, and evaluation information for grant awards so that applicants could submit strong, approvable applications.

A second training is provided to recipients of CDBG funding on the contract that will be executed with them, identifying their responsibilities for program delivery, reporting and file maintenance of records.

The projects selected for funding are required to meet high priority needs as identified in the Consolidated Plan.

The Community Development Division actively seeks agencies to address high priority issues and gaps in services and assists in identifying possible funding sources beyond Community Development Block Grants.

Contracts are executed with Sub-recipients as quickly as possible upon program approval from HUD. Environmental Reviews are started on public service and Public Facilities projects as soon as Council Approval has been given and information is provided by the Sub-recipients.

The City provides Certifications of Consistency and Local Governing Body Approvals for all projects seeking funding that meet high priority needs of the community.

The Community Development manager provides technical assistance to any agency seeking to provide needed services in the community, with priority given to high priority issues.

Funds Not Used for National Objectives

All activities funded met at least one of the HUD National Objectives.

Anti-displacement and Relocation – for activities that involve acquisition, rehabilitation or demolition of occupied real property

Due to limited and decreasing CDBG funding, the City of Rapid City does not fund any projects that will require displacement or relocation. Acquisition rehab projects

are only undertaken on vacant properties, or properties that will be vacated by the owner at time of sale. Rehabilitation of owner-occupied properties is limited to renovations that do not require owners to vacate the property during the rehabilitation. No activities receiving 2011 funding caused the displacement or relocation of tenants or owners, demolition of occupied property or rehab on a home that required relocation of occupants.

Low/Mod Job Activities

N/A – No new projects were undertaken in FY 2011 that involved economic development or the creation of jobs with the use of CDBG funds, but unspent funds from a FY 2009 CDBG-R project were reallocated to create another half time job.

One activity that received American Recovery and Reinvestment Act funding in FY 2009 was completed in FY 2010 that involved retention of jobs with construction/rehabilitation projects and the creation of two new employment positions funded for one year at Bethel Assembly of God Church's North Point Day Care Center. Other projects came in under budget and additional funds were reallocated to Bethel's North Point Day Care Center at the end of FY 2011, providing additional funds for a part time position. Bethel is utilizing the funds to expand an existing part time position to a full time position, enabling them to expand the program to care for 5 more children.

Other funding is available for economic development projects through Rapid City Community Economic Development and the Black Hills Business Development Center.

Low/Mod Limited Clientele Activities – for activities not falling within one of the categories of presumed limited clientele low- and moderate- income benefit

All activities undertaken during 2011 used presumed limited clientele or income verification to qualify clients for participation in CDBG funded projects. There now exists only one designated low income census tract in Rapid City, Tract 103, blocks 1,2 and 3. This area is bordered on the north by I-90, on the west by North Maple Avenue down to Anamosa Street, then west to I-190 where it runs south along I-190 almost to Omaha Street. It then extends to the west to the western side of Cowboy Hill Ridge.

- Block 1 lies between N. Maple Ave. and Haines Ave., south of I-90 to Anamosa Street.
- Block 2 lies between Haines Ave. and I-190, south of I-90 to Anamosa Street.
- Block 3 lies between I-190 and the western side of Cowboy Hill Ridge, south of I-90 to Rapid Creek. It includes primarily the Silver Street area, Harmony Heights and undeveloped hillsides.

TABLE 8 LOW-INCOME CENSUS TRACT					
Census Tract	Qualified	Poverty Rate	Households Below Median Income Limit	Number Low Income Housing Tax Credit Projects	Total Number Low Income Housing Tax Credit Units in Census Tract
46103010300	2006 to 2011	35.60%	52.40%	3	146

There is currently no breakdown of statistics for the block level in the 2010 Census or American Community Survey available for Rapid City, SD.

For additional information see Low Income Census Tracts, Persons Below the Poverty Level, and Median Household Income Maps in the Appendix.

Program Income

Program income is reported in Table 9 for funds held by Sub-recipients and in Table 10 for funds held by the City.

TABLE 9			
TOTAL PROGRAM INCOME (RE) ACTIVITY FOR FUNDS HELD BY SUB-RECIPIENTS			
RC COMMUNITY DEVELOPMENT CORPORATION	Income	Balance	Total Remaining
FY 2010 Funds Carried Forward to 2011			\$ 10,000.00
FY 2011 Activity			
Program Income Received			
Loan Payoff Received	\$ 27,800.00		
Loan Payoff Received	\$ 9,509.33		
Loan Payoff Received	\$ 26.05	\$ 37,335.38	\$ 37,335.38
Program Income Expenditures	Expenditures		
N/A	\$ (10,000.00)	\$ (0.00)	\$ (10,000.00)
RCCDC Balance Remaining			\$ 37,335.38
TOTAL SUB-RECIPIENT'S PROGRAM INCOME CARRIED FORWARD TO FY 2012 (RE)			\$ 37,335.38

Detail the amount repaid on each float-funded activity.

N/A - Rapid City has no float-funded activities.

Detail all other loan repayments broken down by the categories of housing rehabilitation, economic development, or other.

See Table 9 below. No program income funds were received from economic development and there are no other revolving loan funds.

TABLE 10	
FY 2011 PROGRAM INCOME HELD BY THE CITY	
REVOLVING LOAN (RL) INCOME CARRIED FORWARD TO FY 2011	
Total Program Income (RL) Carried Forward by City to FY 2011	\$ 56,160.20
Total Program Income (RL) Carried Forward in Escrow Acct.	\$ 6,936.00
Total Program Income (RL) Earned by City in FY 2011	\$ 22,374.19
Total Program Income (RL) Expended by City in FY 2011	\$ (4,002.64)
<i>Less Interest Earned & Returned To HUD</i>	\$ (6.66)
Total City Revolving Loan Income Funds Carried Forward To 2012	\$ 81,461.09
Total City Program Income (PI) Carried Forward to FY 2011	
Total Program Income Earned by City in FY 2011	\$ 2,349.95
Total Program Income Expended by City in FY 2011	\$ (2,349.95)
Total City Revolving Loan Income Funds Carried Forward To 2012	\$ 6,698.72
TOTAL PROGRAM INCOME HELD BY THE CITY CARRIED FORWARD TO FY 2012	\$ 88,159.81

TABLE 11			
AGENCY BREAKDOWN FOR PROGRAM INCOME ACTIVITY			
Fund Agency / Type of Project	#/Unit	Type Activity	Total Amount Received
Rapid City Community Development Corporation			
Single Family Homeownership	1 home	Owner Loan Payoff	\$27,800.00
Single Family Homeownership	1 home	Owner Loan Payoff	\$9,509.33
Program Delivery Costs		Overpayment Refund	\$26.05
TOTAL FUNDS RECEIVED			\$37,335.38
City of Rapid City – Community Development			
Neighborhood Restoration Loan Program – Owner Occupied Rehab loans (RL)	13 loans	Monthly loan payments/	\$8,374.19
	2 loans	Loan repayments	\$14,000.00
Land Leases (PI)	2 leases	Annual payments	\$2,349.95
TOTAL FUNDS RECEIVED			\$24,724.14
TOTAL PROGRAM INCOME			\$62,059.52

Prior period adjustments

N/A – No disallowed expenditures were made and/or reimbursed.

Loans and Other Receivables***Float-Funded Activity Outstanding As Of The End Of The Reporting Period***

N/A – No float funded activities conducted.

Outstanding Loans and the Principal Balance Owed as of the End of the Reporting Period

See Table 11 below for itemization of all outstanding loans held by the City and Sub-grantees.

TABLE 12**Outstanding Loans Originated with CDBG Funds**

Total loans outstanding	# of Loans	Principal Balance	D = Deferred F = Forgivable G = Grant	Terms of Loans
Rapid City Community Development Corp				
Forgivable Mortgages - Land Acquisition	4	\$ 25,100.00	F	0% -10 years Step rate 20% per year reduction
Non-Forgivable Mortgages - Land Acquisition	10	\$146,300.00	D	0% - 30 years
Down Payment/Closing Cost Deferred Mortgages	43	\$406,918.24	D	0% - 30 Years
TOTAL RCCDC LOAN BALANCES		\$578,318.24		

Rapid City - Neighborhood Restoration Loan Program (Rehabilitation)				
Forgivable Rehab Grants				
Grants Originated in 2008	1	\$ 4,000.00	G	Grant
Grants Originated in 2009	5	\$10,210.34	G	Grant
Grants Originated in 2010	0			
Grants Originated in 2011	1	\$ 147.96	G	Grant
Ten Year Forgivable Rehab Loans - 0% interest				
Loans Originated in 1999	9	Forgiven	F	0% - 10 years then forgiven
Loans Originated in 2000	4	Forgiven	F	
Loans Originated in 2001	1	Forgiven	F	
Loans Originated in 2002	4	\$21,343.03	F	
Loans Originated in 2003	2	\$ 7,602.05	F	
Loans Originated in 2004	3	\$14,075.60	F	
Loans Originated in 2005	9	\$58,057.15	F	
Loans Originated in 2006	4	\$20,775.55	F	
Loans Originated in 2007	6	\$26,439.48	F	
Loans Originated in 2008	0	\$ 0.00	F	
Loans Originated in 2009	2	\$14,000.00	F	
Loans Originated in 2010	1	\$ 4,100.00	F	
Loans Originated in 2011	2	\$ 3,854.68	F	
TOTAL TEN YEAR FORGIVABLE LOANS		\$170,247.54		

TABLE 12 - Continued

Total loans outstanding	# of Loans	Principal Balance	D = Deferred F = Forgivable G = Grant	Terms of Loans
Uncollectable Loans				
Owner Occupied Rehab Loan	0			
TOTAL UNCOLLECTABLE LOANS		\$0.00		
Loans in Default				
Owner Occupied Rehab Loan	0	\$0.00		
TOTAL DEFAULT LOANS		\$0.00		
Rehab Loans - 3% Interest (Terms vary from 1-15 years)				
Owner Occupied Rehab Loan	3	\$10,090.35	Total Due	3% for 10 yrs
Owner Occupied Rehab Loan	8	\$46,163.05	Total Due	3% for 15 yrs
TOTAL 3% INTEREST REHAB LOANS		\$56,253.40		

**TABLE 13
Outstanding Loans Originated with CDBG Funds**

Total loans outstanding	# of Loans	Principal Balance	D = Deferred F = Forgivable G = Grant	Terms of Loans
Black Hills Area Habitat for Humanity				
Homeownership Assistance	15	\$216,287.25	D	0% - 20 to 33 years
Western Resources for dis-Abled Independence				
Rental Property Rehab - Handicap accessibility	15	\$60,307.92	F	0% - 5 years then forgiven
West River Foundation				
Acquisition Rehab Loan	1	\$15,000.00	D	0% - 30 years
Teton Coalition				
Homeownership Assistance	10	\$105,167.75	D	0% - 10 years
Homeownership Assistance	8	\$91,468.00	D	0% - 30 years
Homeownership Assistance	11	\$37,442.58	D	0% - 33 years
Homeownership Assistance	5	\$13,642.50	D	0% - 38 years

CDBG Funded Loans in Default or Written Off in FY 2011

- **Default/Bankruptcy**

RCCDC received notice of a short sale situation on a property and was able to make arrangements with the owner, in October 2009, for an unsecured loan payoff plan for their outstanding loan amount of \$9,412.87. The home was in foreclosure. If the home wasn't sold in a short sale, the foreclosure would have been finalized. The loan agreement was for monthly payments from the owner in the amount of \$100 per month.

The owner made intermittent payments from October 2009 through November 2011 in the amount of \$1,300. The owner filed for bankruptcy in November 2011 and the remaining debt in the amount of \$8,112.87 was written off.

- **Foreclosed Properties**

There was one foreclosure on a CDBG assisted property reported in FY 2011 by Teton Coalition. CDBG funding written off was \$8,750.

- **Deed-in-Lieu of Foreclosure**

Black Hills Area Habitat for Humanity received a Deed-in-Lieu of foreclosure on one property that utilized CDBG funding for property acquisition.

TABLE # 14
Default/Foreclosure Loans of CDBG Funds

Type of Loan	Principal Balance	Reason
Rapid City Community Development Corporation		
Down Payment/Closing Cost Loan	\$8,112.87	Bankruptcy
Teton Coalition, Inc.		
Down Payment/Closing Cost Loan	\$8,750.00	Foreclosure
Black Hills Area Habitat for Humanity		
Property Acquisition	\$4,884.25	Deed-in-Lieu

List Of CDBG Funded Properties Owned By The Grantee Or Its Sub-Recipients Available For Sale As Of The End Of The Reporting Period

There are no new construction properties completed and available for sale as of the end of the reporting period.

Black Hills Area Habitat for Humanity has one home with construction completed, waiting for family to complete their sweat-equity hours to close. Closing expected by summer, 2012.

Rapid City Community Development Corporation has 1 property funded with Community Development Block Grant funds under construction.

Lump sum agreements

The City does not provide lump sum agreements.

Housing Rehabilitation

Types of rehabilitation programs for which projects/units were reported as completed during the program year:

TABLE 15
Rehabilitation Projects Completed in FY 2011

Type of Project	Number of Units Underway	Number of Units Completed	CDBG Funds Utilized	Total Other Funds Leveraged
City of Rapid City – Neighborhood Restoration Loan Program				
Owner Occupied Rehab Program	3 homes	3 homes	\$4,002.14	\$ 0.00
Western Resources for dis-Abled Independence				
Owner Occupied	-	3 homes	\$11,557.00	\$ 0.00

Neighborhood Revitalization Strategies

The City of Rapid City does not have any HUD-approved neighborhood revitalization strategies. The City also does not contain any federally designated empowerment zones or enterprise communities.

The Rapid City Police Department continues to work with NeighborWorks Dakota Home Resources and the Lemmon Street neighborhood organization in North Rapid to renovate homes and revitalize the neighborhood that includes the four (4) block area of Lemmon Street. They conducted a Paint the Town project hosted by the College Park Block Club. Projects have addressed exterior maintenance of the homes, landscaping, additional lighting for the neighborhood, and crime prevention. The community garden launched through the collaborative efforts of the NeighborWorks Dakota Home Resources staff, the neighborhood, the police department, the Box Elder Job Corps, and community and business volunteers in summer 2011 was a big success and the catalyst for others to start one in surrounding areas.

The City supports the Adopt a Creek program, providing administrative assistance with mailing notifications and distribution of the clean-up sacks. Citizens adopt sections of Rapid Creek and clean and maintain their areas, to include tree trimming, trash removal, and weeding. In addition to cleaning up the area, it has reduced the number of homeless sleeping in the bushes along the creek and crime in the area. The Rapid City Police Force created a special Street Crimes Division to patrol the downtown and bike path areas along Rapid Creek. The Street Crimes division has been very successful in reducing crime in those areas. In addition, Officer Ryan Phillips, a member of the Street Crimes team, in partnership with community leaders, the RUSH Hockey League Foundation and the Roosevelt Neighborhood Watch Association initiated a fund drive to raise \$312,500 in public and private funding to provide solar lighting along the bike path from the Roosevelt Park Recreational Center to Memorial Park. This area was previously a high crime call area where homeless issues were frequent, and the bike path largely unused by the general population. Providing energy efficient solar lighting will enhance Officer Phillips

A new neighborhood revitalization collaborative initiative was begun in late FY 2011 between the South Dakota School of Mining and Technology housing department, the Rapid City Police Department, Rapid City Code Enforcement and local developers to

reduce crime, remove substandard housing and build new apartments for students and their families. No CDBG dollars are involved; state and private funding are being used.

The Rapid City Police Department and the Community Development Division work with neighborhood groups wishing to implement Neighborhood Watch groups or civic associations wishing to improve their areas.

Antipoverty Strategy

Actions taken during the last year to reduce the number of persons living below the poverty level

Consumer Credit Counseling Service of the Black Hills offered the Individual Deposit Account (IDA) program to help low income people build personal assets through a four to one (4:1) matched savings program. The matched savings are provided as an incentive to save money and set goals that will allow the clients to improve their earning potential through higher education or by starting their own small business. It will also allow for building personal assets through saving for the purchase of a home. Four people enrolled in the IDA savings plan to save money for continuing their education. All four completed their plans in FY 2011.

Consumer protection and financial literacy classes were provided to the community by Consumer Credit Counseling Services of the Black Hills. They provided the following classes from April 1, 2011 through March 31, 2012:

TABLE 15 Education Classes Offered	Total Number in Attendance
Home Buyers Education	Attendance numbers not available at time of print.
Credit When Credit Is Due , financial literacy	
Foreclosure	
Money in Motion	
ID Theft	
Predatory Lending	
CheckWise	
Budgeting/Credit/Credit Scores/Credit Cards	

Two non-profit organizations have adopted poverty initiatives, Youth and Family Services (YFS) and South Dakota Voices for Children (SDVC).

CDBG-R funds were used to create two new jobs for the North Point Child Care facility that serves primarily low income households. One full time and 1 part-time job were initially created. The jobs enabled the child care facility to expand and serve up to 52 children. At the end of FY 2011 there was a small amount of funding left from a project that came in under budget and the funds were reallocated to North Point to create another part time position or to expand an existing part-time position to a full time position, to allow an increase the number of youth enrolled. The funds were used to expand a part-time position to full time and another 5 children were able to be enrolled. This center is located in the North Rapid area of

town, in a low income area that also has a high Native American population, and had limited quality child care available. The Center has been a valuable addition to the area.

Bank On Rapid City was launched in November 2011. Bank On Rapid City is a poverty reduction through asset building initiative that will focus on activities that

- help people make better financial decisions through education
 - provide budgeting and financial education courses
 - free tax preparation, file for Earned Income Tax Credit and Early Childcare Tax Credit
- encourage asset building
 - provide Individual Deposit Account incentive programs
 - savings programs
 - payroll automatic deposit enrollments
 - saving for homeownership
 - banking the unbanked and under-banked
- increase earning potential
 - job training and cross training programs
 - obtain GED
 - obtain higher education or vocational-technical training
 - assistance with starting a business

The program already offers free financial education and budgeting assistance, assistance with filing for EITC and ETC refunds, homebuyers education, IDA's and now has launched the Save for Your Future campaign to help get the unbanked banked, using mainstream financial products instead of high fee/high interest predatory check cashing and title loan services.

Non-homeless Special Needs

*Refer to the Goals and Accomplishments Table 2 for CDBG funded accomplishments

211 Help!Line Center

Fiscal Year 2011 dollars were provided to 211 HELP!Line Center to provide valuable referral services and information to people in need and searching for supportive services for issues related to domestic violence, elderly, disabled, homeless, literacy, AIDS, migrant farm worker and other services for low income people. 211 HELP!Line Center provides an important link for services and emergency and disaster information. See Table #5 for a breakdown of referral calls received by the Help!Line in 2011.

Western Resources for dis-Abled Independence

Western Resources for dis-Abled Independence provided handicap accessibility modifications for people with disabilities that allow them to remain in their own homes or apartments. They assisted 31 owner-occupied households and 2 rental households using CDBG funds for 3 units and other funds for 30 units.

Community Health Center of the Black Hills

The Community Health Center of the Black Hills provides medical services to the indigent and low income people in Rapid City. They have outgrown their current facility and are in need of expanding in order to meet the growing number of clients and update their medical equipment. CDBG funding was provided for the acquisition of land in North Rapid that is centrally located for the clients they service and within close proximity to several other non-profit service providers and the bus routes. Construction is expected to start in the summer of 2012 on the new facility.

Rapid City Crisis Care Center (CCC)

A new 24/7 Mental Health and Substance Abuse Crisis Center was opened in January, 2011. No CDBG funding was used on this project but it meets several high priority needs included in the Consolidated Plan. City Vision 2012 funding in the amount of \$500,000 was granted to the project along with grants from Regional Health (\$1.5 million), the John T. Vucurevich Foundation (\$500,000), SD Community Foundation (\$45,000), Pioneer Bank & Trust and the F.L. Clarkson Family Foundation (\$30,000), Deanna Lien (\$15,000), Gwendolyn Stearns Foundation (\$5,000). Pennington County is establishing a reserve for sustainability of \$750,000 with a goal of \$1million. In addition, there have been many hundreds of hours of in-kind donations through staff time from the collaborative partners, space from Rapid City Regional Hospital, and software from Pennington County. Other county, state, private and federal funds are also being accessed through the partnering service agencies. The Crisis Center provides the community with a diversion option for people in a mental health or substance abuse crisis, who need immediate services, but not hospitalization or incarceration. The Center is a valuable addition that is lowering the number of inappropriate placements for people with mental health and substance abuse issues.

In the first year of operation the CCC had a total of 623 client visits with an average length of stay for initial observation of 10.9 hours. Seventy-two clients returned for 2 to 6 additional visits. Sixty-two% of the people were referred to the CCC by the

police or the Rapid City Regional Health Emergency Room, and 13% were self-referrals. The primary services accessed by the clients were medical triage, mental health/crisis assessment and observation. The largest age group accessing care was 18 to 25 years old. Eighty-five (85%) of the clients were not homeless, 15% were, and 56% were males.

The CCC's impact on Pennington County in the first year was:

- \$494,000 savings from diversion from involuntary mental health petitions;
- \$ 5,898 savings from reduction in Pennington County Jail & City County Alcohol & Drug housing;
- \$499,898 Total Estimated Cost Savings from Crisis Care Diversion

In addition to the Crisis Care Center, crisis intervention training (CIT) has been provided to law enforcement agencies and first responders, and staff from the CCC and the VA.

HIV/AIDS assistance is provided through Volunteers of America and the Tri-State Help Program. *See HOPWA below.*

Specific HOPWA Objectives

*Please also refer to the HOPWA Table in the Needs.xls workbook.

HIV/AIDS

No Housing Opportunities for People with AIDS (HOPWA) funds have been allocated directly to the State of South Dakota or the City of Rapid City.

South Dakota, Montana and North Dakota have a partnership (Tri-State HELP) to receive Housing for Persons with AIDS (HOPWA) funding through the U.S. Department of Housing and Urban Development (HUD). The lead agency is the Montana Department of Public Health and Human Services and there are four sponsor agencies. The sponsor agency for South Dakota is the Sioux Falls Housing and Redevelopment Commission. Funding has been in place since March 2002 to provide long term and short term tenant-based rental assistance, emergency assistance, supportive services and case management services to eligible persons and households living with HIV/AIDS.

There are currently four individuals/households in Rapid City receiving assistance with HOPWA funds. There are an additional five persons on the waiting list. Tri-state HELP is applying for renewal funding to be able to continue this program.

Services available for persons with AIDS include:

- housing information;
- short-term rent, mortgage and utility assistance
- long-term rent assistance;
- case management services;
- assistance with application fee/security deposit, utilities, back rent, and monthly bus pass;
- supportive services and referral services, and
- emergency housing assistance

All services are dependent on available funds.

OTHER NARRATIVE

Include any CAPER information that was not covered by narratives in any other section.

Community Development Block Grant Recovery Funds (CDBG-R)