

EXECUTIVE SUMMARY

INTRODUCTION - CONSOLIDATED PLAN & ANNUAL ACTION PLAN

Rapid City South Dakota has been an entitlement community under the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant Program (CDBG) since 1975. The Community Development Block Grant Program provides annual grants on a formula basis to entitled cities and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons. Entitlements are based on a dual formula under Section 106 of the Act using statistical factors. The factors involved in the first formula are population, extent of poverty and extent of overcrowded housing, weighted 0.25, 0.50, and 0.25, respectively. The factors involved in the second formula are population growth lag, poverty, and age of housing, weighted 0.20, 0.30, and 0.50, respectively. Each metropolitan city and urban county is entitled to receive an amount equaling the greater of the amounts calculated under the two formulas. The CDBG program is authorized under Title 1 of the Housing and Community Development Act of 1974, Public Law 93-383, as amended; [42 U.S.C.-5301](#) et seq.

The Community Development Block Grant program is a flexible program that provides Rapid City with resources to address a wide range of unique community development needs. However, the City must give maximum feasible priority to activities that benefit low- and moderate-income persons. Activities may also be carried out which aid in the prevention or elimination of slums or blight, or certified activities that meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs. CDBG funds may not be used for activities that do not meet these broad national objectives.

In addition, activities funded under the CDBG program must be eligible activities. CDBG funds may be used for activities that include, but are not limited to:

- acquisition of real property;
- relocation and demolition;
- rehabilitation of residential and non-residential structures;
- construction of public facilities and improvements, such as water and sewer facilities, streets, neighborhood centers, and the conversion of school buildings for eligible purposes;
- public services, within certain limits;
- activities relating to energy conservation and renewable energy resources; and
- provision of assistance to profit-motivated businesses to carry out economic development and job creation/retention activities.

Generally, the following types of activities are *ineligible*:

- acquisition, construction, or reconstruction of buildings for the general conduct of government;
- political activities;
- certain income payments; and
- construction of new housing by units of general local government.

The CDBG program works to:

- ensure decent affordable housing;
- provide services to the most vulnerable in our communities; and
- to create jobs through the expansion and retention of businesses.

As a HUD entitlement community, Rapid City is required to prepare a five-year Consolidated Plan (CP) in order to implement Federal programs that fund housing, community development and economic development within the community for the period of April 1, 2008 to March 31, 2012. Each year, the City will prepare an Annual Action Plan, that will outline the activities and services that will be supported, in an effort to meet the goals and priorities set out in the Consolidated Plan.

Under the Consolidated Plan regulations, HUD combined the applications and reporting requirements for four formula-based Federal grant programs:

- 1) Community Development Block Grants (CDBG),
- 2) HOME Investment Partnerships (HOME),
- 3) Emergency Shelter Grants (ESG), and
- 4) Housing Opportunities for Persons with AIDS (HOPWA).

By combining the process for the grant programs, HUD intended that communities develop a comprehensive vision that encompasses affordable housing, adequate infrastructure, fair housing, enhancement of civic design, vigorous economic development combined with human development, and a continuum of care for helping the homeless. Rapid City only receives an entitlement for CDBG funds. The State receives and administers the HOME Investment Partnerships, Emergency Shelter Grants and Housing Opportunities for Persons with AIDS funds through the South Dakota Housing Development Authority.

The goals of the Federal programs covered by the Consolidated Plan are to:

“strengthen partnerships among all levels of government and the private sector, including for-profit and non-profit organizations, to enable them to provide decent housing, establish and maintain a suitable living environment and expand economic opportunities for every American, particularly for very low-income and low-income persons.”

The Consolidated Plan has required Rapid City to state in a single document its plan to pursue goals for all the housing, community development, economic development, and planning programs. It is these goals against which HUD will

evaluate the Annual Action Plan and Rapid City's performance under the Consolidated Plan.

Consistency with the Consolidated Plan is also a prerequisite to receiving funds under the following Federal programs:

- HOPE I - Public Housing Home ownership;
- HOPE II - Home ownership of Multi-Family Housing Units;
- HOPE III - Home ownership of Single Family Homes;
- HOPE IV - Public Housing
- Low-income Housing Preservation;
- Section 202 - Supportive Housing for the Elderly;
- Section 811 - Supportive Housing for Persons with Disabilities;
- Homeless Assistance Programs - SuperNOFA
 - Supportive Housing Program (SHP);
 - Single Room Occupancy (SRO) Housing;
 - Shelter Plus Care (SPC);
- Revitalization of Severely Distressed Public Housing;
- Youthbuild - Hope for Youth;
- John Heinz Neighborhood Development;
- Lead-Based Paint Hazard Reduction;
- Regulatory Barrier Removal Strategies and Implementation; and
- Competitive Homeless People with Aids (HOPWA) grants.

Other Federal programs do not require consistency with an approved Consolidated Plan. HUD funding, however, for the Section 8 Certificate Voucher Program is to be made in a way that enables Rapid City to carry out its Consolidated Plan action plan.

Rapid City has developed a single, consolidated planning and application document in consultation with public and private agencies and the general public. This Rapid City Consolidated Plan encompasses the application for the Community Development Block Grant (CDBG) Program. Rapid City is not an entitlement community under the HOME Investment Partnerships (HOME) Program, the Emergency Shelter Grant (ESG) Program or the Housing Opportunities for Persons with AIDS (HOPWA) Program. Funding for these programs is administered for the State by the South Dakota Housing and Development Agency (SDHDA) in Pierre, SD.

The Consolidated Plan serves the following functions for Rapid City:

- A **planning document** that enables Rapid City to view its HUD funding, not in isolation, but as one tool in a comprehensive strategy to address housing, community development, and economic development needs;
- An **application** for Federal funds under HUD's formula grant programs, in particular the CDBG program;
- A **strategy** to be followed in carrying out HUD programs; and
- An **action plan** that provides a basis for assessing performance.

Each year the City of Rapid City creates an Annual Action Plan to address the housing, public service, community development, and economic development needs of the City, as outlined in the Consolidated Plan.

PLANNING, PREPARATION AND PROCESS

The Rapid City Community Development Division, under the supervision of the Community Resources Department, is responsible for preparing the Consolidated Plan with the direction of the City Council. Rapid City solicited input for the development of the Consolidated Plan from housing and service providers, citizen groups, City departments, and others. Public hearings and listening sessions to gather information regarding community needs were held for the public. Group and individual sessions were held to solicit information from non-profit and governmental agencies providing housing assistance and public services to the people of Rapid City. Additional input was received from City Task Forces addressing affordable housing issues and family issues affecting children.

In agreement with 24 CFR 91.100(4), Rapid City notified the adjacent units of government that it is completing this Consolidated Plan. Copies of the letters are contained in [Appendix C](#) of this document. Rapid City also has sent a copy of the completed Consolidated Plan to the State Agency. A copy of the letter transmitting the document to the State is also [in Appendix C](#).

Through this process, Rapid City was able to gather data on the needs of the community, funding resources and strategies for addressing needs. The input from the groups, agencies, individuals, and organizations are cited throughout the Rapid City Consolidated Plan.

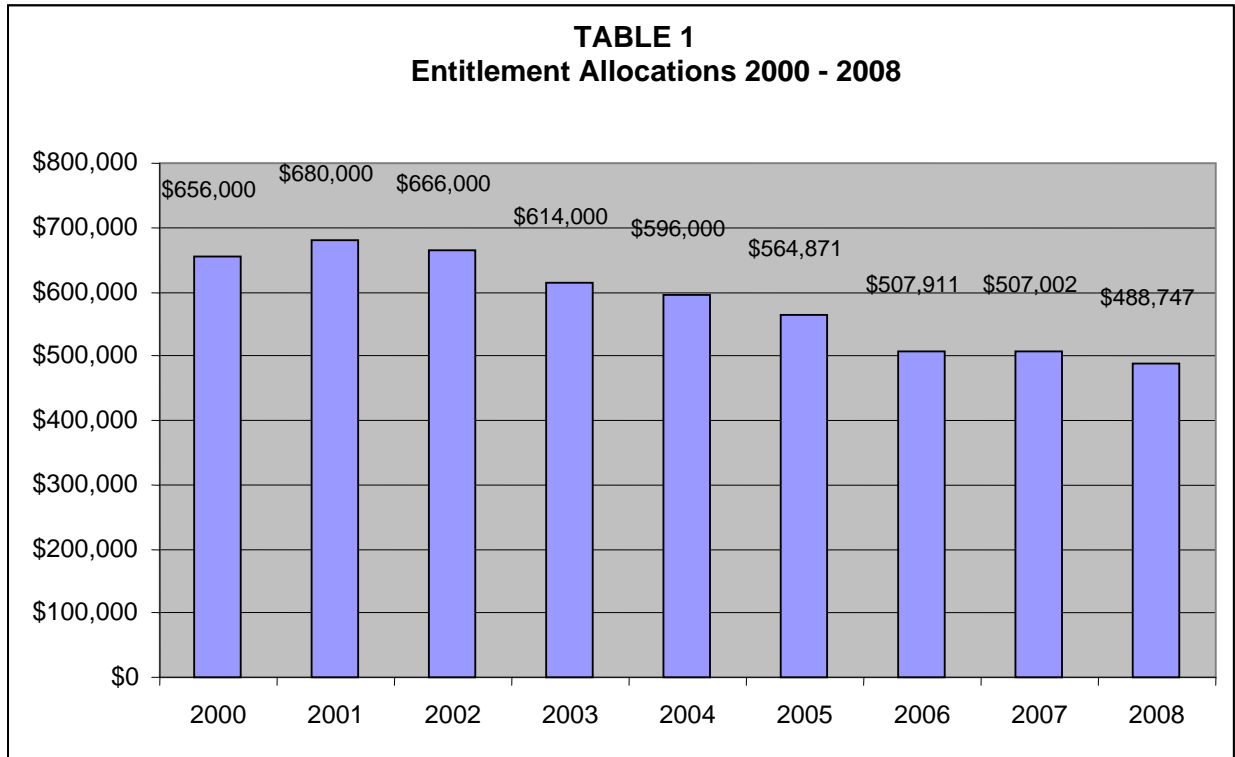
TARGETED EFFORTS OF THE CONSOLIDATED PLAN

Diversify Funding Sources

Rapid City has very limited funding available for public services, housing and public facilities. CDBG is an important tool that helps Rapid City tackle serious challenges facing our community. The CDBG program has made a difference in the lives of thousands of Rapid City residents over the past thirty-three (33) years, providing over \$25.6 million dollars for flood recovery and to be leveraged with other federal, state, local and private dollars for housing, public facilities and public services. The City also received \$5,000 in Emergency Shelter Grant dollars in 1987.

However, entitlement funds have decreased annually since 1995 (see Table 1), a 31.6% loss of \$226,253 in funding for public services, housing, public facilities and improvements, and economic development projects to assist low-income people. The City CDBG Entitlement has been reduced by \$171,253 since 2001. With federal dollars being reduced the City will work to identify other funding sources to meet the growing needs of the community. The City, as a first step, has allocated \$100,000 in Capital Improvement Program (CIP) funds for affordable housing projects for both 2008 and 2009. Other possible future funding sources that may

be considered include Tax Increment Financing, Vision 2012 funds, HOME funds, HUD Section 108 funds, and a Fannie Mae Line of Credit.



The City will continue to encourage and work with non-profit, for-profit and faith-based organizations to identify and apply to other funding sources available to them, such as foundations and grant programs.

HIGH PRIORITY NEEDS

The following table outlines the needs identified by the community, non-profit service providers, businesses, and government entities through surveys, assessments, public meetings, and public comment periods over the past two years.

TABLE 2
Top Issues Identified in Community Needs Assessment – December 2006

Top Ten Community Issues	
Lack of good paying jobs	80.8%
Alcohol use/abuse	61.0%
Drug use/abuse	59.3%
Lack of job opportunities	54.9%
Lack of affordable medical care	53.8%
Homelessness	50.3%
Unemployment/underemployment	48.3%
Gambling	48.0%
Tobacco use	45.3%
Domestic violence	45.1%
Top Ten Household Issues	
Depression	10.5%
Other mental health issues (stress, anxiety, etc.)	10.5%
Lack of medical insurance	10.5%
Internet safety	9.3%
Lack of affordable medical care	8.1%
Tobacco use	7.8%
Ability to pay utility bills	7.3%
Domestic violence	6.1%
Lack of dental services	6.1%
Safety of children	5.5%
Top Ten School Issues	
Truancy / drop outs	31.1%
Bullying	27.6%
Difficulty in reading, writing, and math	24.7%
Overcrowding	23.0%
Tobacco use	19.2%
Drug use/ abuse	18.3%
Teen pregnancy	15.1%
Alcohol use/ abuse	14.8%
Safety of children	13.1%
Affordable youth activities	11.9%
Homelessness	
Lack of money or mismanagement of money	78.7%
Family crisis (divorce, violence, separation)	47.9%
Inadequate space (overcrowding)	25.0%
Income (making less than \$1,000/mo)	66.4%
Lack of funds for move in costs	57.9%
Lack of funds for utility deposits	38.3%

TABLE 3
Housing Priority Issues

Housing – Purchase (new construction or existing)
Lack of affordable lots for development
Acquisition cost gap for down payment and closing costs
Lack of funding for major foundation or structural repairs
Lack of funding for purchase of land for new construction
Lack of funding for purchase of existing homes for rehab and resale to low income households.
Lack of funding to assist low income people purchase mobile homes not on permanent foundations.
Housing – Rentals
Shortage of subsidy dollars for rental units and Section VIII vouchers
Lack of subsidized units for persons with disabilities
Lack of funding for architectural modifications for rentals
Lack of funding for purchase of existing rentals for low-income housing
Lack of efficiency and 1 bedroom subsidized rental units for single persons
Lack of subsidized units with supportive services for persons with mental illness
Housing – Owner occupied
Lack of funding for major repairs including foundations
Lack of funding for housing purchases located outside city limits
Lack of funding for sidewalk repair, tree trimming/removal, landscaping
Lack of funding for rehabilitation of homes and mobile homes outside city limits
Housing – Sustainability
Lack of funding for mortgage or rental payment assistance
Lack of funding for utility bill assistance
Repair & replacement of sewer and water lines
Aging housing stock in need of major rehabilitation
Housing – Emergency
Shortage of emergency shelter beds
Shortage of domestic violence shelter beds for Native Americans
Housing – Transitional
Lack of transitional housing for parolees/sexual offenders
Lack of transitional housing for people after substance abuse treatment
Shortage of transitional housing for youth transitioning from foster care or Juvenile detention facilities to independence.
Housing – Mobile Homes
Lack of funds for repair and maintenance of owner-occupied mobile homes
Lack of funds for repair and maintenance of mobile homes outside City limits

TABLE 4 Other Priority Issues
Public Service Needs
Early childhood development programs, education & affordable child care
Programs or services to address truancy and drop out issues
Treatment for mental health and addictions, including smoking, counseling & services,
Transportation services: affordability, routes, times for shifts and weekends, repairs, emergency funds for travel to another area(perm relocation or funeral, illness, etc.)
Affordable medical care, dental care and medical insurance
Legal services for low-income, elderly, victims of domestic violence
Child safety programs for bullying, molestation, internet safety, and abuse
Lack of assistance and services for homeless single persons
Livable wage jobs; job training; job skills education;
Life skills training
Re-entry assistance for youth and adults ending incarceration
Teen Pregnancy programs/counseling
Affordable youth activities or services, all ages
Handicapped services
Senior Programs
Economic Development
Programs to help low income people build assets or wealth – i.e. - Individual Deposit Accounts, Tax filing assistance services for Earned Income Tax Credit & Child Care Tax Credits
Micro-enterprise Loans for low income business start-up or expansion
Infrastructure
Water/Sewer Improvements
Street Improvements
Parking
Drainage

Non-Housing Community Development
Removal of architectural barriers
Parks and Recreational Facilities- new and/or upgrades to existing
Public Facilities and Improvements – General
Public Facilities and Improvements – Youth and Seniors
Emergency & Transitional Shelter
Homeless persons and families, including rooms for large families
Domestic Violence victims

The City will work with state and local government agencies, non-profit, for-profit, and faith based organizations as well as businesses and community groups to address the issues outlined above as well as assist in identifying possible funding sources and collaborations for delivering the services.

GOALS AND PRIORITIES

FIVE YEAR CONSOLIDATED PRIORITIES AND GOALS - 2008 - 2012

					EST. \$ AVAILABLE
PROGRAM ADMINISTRATION					\$465,200
HOUSING					\$26,850,000
DESCRIPTION	NEED	DOLLARS NEEDED	PRIORITY	5 YEAR GOAL	DOLLARS NEEDED
Owner Occupied Housing - Rehab				30 Homes	
Extremely low income (<30% Med Income)	233 Households		HIGH	30 units	
Very low income (<50% Med Income)	162 Households	\$4,200,000			
Low income home owners and mobile home owners (<80% Med. Income)	100 Households				
Home Ownership - Acquisition				10 Homes	
Extremely low income (<30% Med Income)	25 Households		HIGH	10 units	
Very low income (<50% Med Income)	25 Households	\$3,000,000			
Low income (<80% Med. Income)	50 Households				
Home Ownership - Acquisition Cost Assistance				40 units	
Low income (<80% Med. Income)	50	\$1,000,000	HIGH	40	

	Households				
Home Ownership - Land Purchase for Scattered Site Land Trust				50 units	
Low income (<80% Med. Income)	400	\$12,000,000	HIGH	50 units	
Home Ownership - Acquisition Rehab				3 units	
Extremely low income (<30% Med Income)	10				
Very low income (<50% Med Income)	20	\$1,250,000	HIGH	3 units	
Low income (<80% Med. Income)	20				
Special Populations - Handicap Accessibility Modifications				40 units	
Handicap accessibility modifications - Owner occupied homes	35 units	\$375,000	HIGH	20 units	
Handicap accessibility modifications - Rental Units	40 units			20 units	
Rental Units - Subsidized Apartments				46 Units	
Low Income Rentals for Single Persons - Efficiency Apartments	20 units				
Low Income Rentals for Single Persons - One Bedroom Apartments	30 units	\$3,150,000	HIGH	20 units	
Grants for Construction, Acquisition or Rehab costs	300 units				
Small Related -					
Extremely low income (<30% Med Income)	12 units	\$918,000	HIGH	10 units	
Very low income (<60% Med Income)	22 units				
Large Related -					
Extremely low income (<30% Med Income)	8 units	\$432,000	HIGH	8 units	
Very low income (<60% Med Income)	8 units				
Elderly -					
Extremely low income (<30% Med Income)			HIGH		
Very low income (<60% Med Income)					
Other/Special -					
Extremely low income (<30% Med Income)	35 units	\$525,000	HIGH	8 units	
Very low income (<60% Med Income)					
Low Income (<80% Med Income)					
Housing - Rehab Affordable Rental Units					
Small Related -					
Extremely low income (<30% Med Income)			LOW		
Very low income (<60% Med Income)					
Large Related -					
Extremely low income (<30% Med Income)			LOW		
Very low income (<60% Med Income)					
Elderly -					

Extremely low income (<30% Med Income)			LOW		
Very low income (<60% Med Income)					
Other/Special -					
Extremely low income (<30% Med Income)			LOW		
Very low income (<60% Med Income)					
Low Income (<80% Med Income)					
HOMELESSNESS & SPECIAL NEEDS POPULATION				\$4,610,000	\$477,975
Homelessness - Individuals					
Emergency Shelter - Beds or Units	50 Beds	\$1,070,000	HIGH	12 beds	
Transitional Housing - Beds or Units	100 people	\$50,000		100 people	
Case Management - Supportive Service					
Life Skills Training - Supportive Service					
Homelessness - Families				24 beds/ 150 people	
Emergency Shelter - Beds or Units	50 beds	\$50,000	HIGH	12 beds	
Transitional Housing - Beds or Units	100 people	\$50,000		100 people	
Case Management - Supportive Service	50 people	\$90,000		50 people	
Life Skills Training - Supportive Service					
Permanent Housing				61 units	
Beds or Units			HIGH		
Chronic Substance Abusers	25 beds			25 beds	
Dually Diagnosed					
Victims of Domestic Violence	36 beds	\$3,200,000		36 beds	
Homelessness and Special Needs Population - Families with Children				123 units/200 people	
Emergency Shelter - Beds or Units	75 beds	\$100,000	HIGH	10 beds	
Transitional Housing - Beds or Units	24 units			12 units	
Case Management - Supportive Service	200 people			200 people	
Life Skills Training - Supportive Service					
Permanent Housing - Assisted Living Chronically Mentally Ill	24 units			24 units	
Homelessness - Support Services for Outreach & Referrals				HIGH	
NON-HOUSING COMMUNITY DEVELOPMENT				\$620,000	\$433,925
Economic Development					
Micro-enterprise loans	10 loans	\$35,000	HIGH		
Infrastructure					
Lot purchase for drainage basin			HIGH		
Water/Sewer Improvements					
Street Improvements					
Removal of Architectural Barriers					
	20	\$100,000	HIGH		

	homes/bldgs				
Public Facilities & Improvements - General					
		\$500,000	HIGH		
Public Facilities & Improvements - Seniors Centers					
		\$100,000	HIGH		
Neighborhood Facilities					
		\$100,000	HIGH		
Parks & Recreational Facilities					
North Rapid - safe trails & a over the interstate ped/bike skywalk		\$300,000	HIGH		
PUBLIC SERVICES				\$348,900 est amt available	
General				\$1,535,050 Total	
Counseling services low income people	1669	\$236,000	HIGH		\$90,000
Deposits, utility hook-ups, car repairs	1,705 people	\$173,700			
People at risk	769 people	\$88,350			
Medication program	520 people	\$30,000			
Recreational Programs		\$10,000			
IDA Program	205 people	\$500,000			
Advocates- 4 positions	200 people	\$36,000			
Mental Health Services	2,776 people	\$461,000			
Education				\$53,100	
Financial Education (budget, credit, bankruptcy)	485	\$29,100	HIGH		\$10,000
Homebuyers education	600	\$24,000			
Handicap Services					
			HIGH		
Legal Services					
Legal services for low income, elderly, victims domestic violence and housing issues	2,000 people	\$100,000	HIGH		\$30,000
Transportation Services				\$488,100 Total	
Passes	12,100 passes	\$12,100	HIGH		\$100,000
Buses - 3	3 buses	\$135,000			
Transportation costs	10,000 youth	\$275,000			
Advocate Pick up truck	1 truck	\$28,000			
Advocate Van	1 van	\$24,000			
Transportation Expenses Maintenance - Insurance - Gas	2,400 youth	\$14,000			
Substance Abuse Services				\$50,000	
Adult outpatient Treatment Group	613	\$78,000	HIGH		\$50,000
Senior Programs				\$420,000	
Senior Programs - Services			HIGH		\$18,900
Senior Programs - Senior Centers					
Youth Programs				\$475,000	

				Total	
Youth Centers	300 children	\$150,000	HIGH		\$75,000
Child Care Centers	300 children	\$3,500,000			
Abused/Neglected Children					
Emotional/Behavioral problems	24 youth	\$145,000			
Medicaid match	56 youth	\$140,000			
Youth Services				\$125,000	
Suicide Prevention		\$160,900	HIGH		\$75,000
Youth Services	2,258 youth	\$530,000			
Juvenile delinquency	80 youth	\$90,000			
Counseling services	1,150 youth	\$262,000			
Counseling for incarcerated youth	60 youth	\$30,000			
Health Ed/Advocacy	200 youth	\$300,000			
Mentoring programs	120 youth	\$90,000			
ECONOMIC DEVELOPMENT & JOB CREATION					
<i>Micro Enterprise Loans for low income people</i>	50 people	\$350,000	HIGH	20 loans	
<i>Job Training Programs for low income people</i>	200 people	\$150,000	HIGH	50 people	

CDBG FUNDING ESTIMATED FOR FY 2008 THROUGH 2012

Estimations of funds that will be available for use to meet the goals below include:

CDBG Entitlement – FY 2008	\$444,000.00
CDBG Entitlement – FY 2009	432,000.00
CDBG Entitlement – FY 2010	420,000.00
CDBG Entitlement – FY 2011	410,000.00
CDBG Entitlement – FY 2012	400,000.00
Program Income – FY 2008	4,000.00
Program Income – FY 2009	4,000.00
Program Income – FY 2010	4,000.00
Program Income – FY 2011	4,000.00
Program Income – FY 2012	4,000.00
CIP Funds – FY 2008	100,000.00
CIP Funds – FY 2009	100,000.00

Total Funds Available **\$2,326,000.00**

Less 20% Cap for Administration **- 465,200.00**

Less 15% Cap for Public Services **- 348,900.00**

Balance remaining **\$1,511,900.00**

Public services are capped at 15% of entitlement plus program income; other categories may be allocated by any ratio deemed necessary. Equal division is used for this illustration of goals and estimated funds available.

Estimated CDBG and CIP funds available for 2008-2012 for:

Public Services	\$348,900.00
Housing	377,975.00
Non-Housing Public Facilities & Improvements	377,975.00
Economic Development and Job Creation	377,975.00
Homeless & Special Needs Populations	377,975.00