Safe & Sound
Housing & Economic Development track

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Abrelio Francisco & Chris Barraza, Centro Campesino
Christy Lewis, Crawford Sebastian CDC
Marcia Erickson, GROW South Dakota
Cathy Glover, USDA Rural Development
Becky Sherblom, B. Sherblom Consulting
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<tr>
<th><strong>Title of Workshop:</strong> Safe and Sound</th>
<th><strong>Note Taker:</strong> Trisha Guditz</th>
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<td><strong>Date:</strong> September 10, 2019</td>
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<td><strong>Presenters:</strong> Elena Kaye-Schiess, NeighborWorks America (Moderator), Chris Barraza and Abrelio Francisco, Centro Campesino, Christy Lewis, Crawford-Sebastian Community Development Council, Marcia Erickson, GROW South Dakota, Cathy Glover, USDA Rural Development, Becky Sherblom, B. Sherblom Consulting</td>
<td><strong>Approx # of Attendees:</strong> Full room</td>
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**Workshop Description:**

A housing rehab and replacement program that works! Now in its 4th year of funding, come hear from your peers on how this unique program has worked for them and engage with panelists on how we can grow this valuable resource.

**Key Discussion Points**

Started with a description of the Safe and Sound Program which is funded by Wells Fargo. The program is partnered with Success Measures which designed a custom property assessment tool for participating network organizations. Success Measures also helps with the data analysis. Data needs to be partnered with storytelling.

NW received a 5th round of Safe and Sound funding from Wells. NW wants to grow the program to $3-5M

Safe and Sound Program provides funding that network groups wouldn’t ordinarily have. “We still need this great program!”

Crawford-Sebastian: Leverages Safe and Sound funds; can do small repairs in advance of weatherization work.

GROW South Dakota: Safe and Sound is an important source of funding for housing rehab when other sources are ineligible or not available. The demand far outweighs the resources. They have a four-year wait list.

Other source of funding is USDA RD 504 loans/grants. This is under-utilized in S. Dakota. Also, USDA Single Family Housing Programs

**Themes/Overall Impressions**

Funding is flexible and more funding is needed
Organizations can “wrap around Wells Fargo money” with other more restrictive funds
Energy savings is estimated to be between 20-25%

As a result of the rehab, in 27 out of 48 cases, there was an increase of 25 years in the viable life of a house as a result of the rehab/replacement.
SAFE & SOUND
Partnership with Centro Campesino
CENTRO CAMPESINO MISSION

- Centro Campesino’s Mission Statement: Centro Campesino empowers families and strengthens communities by providing affordable housing, homeownership support, and economic and educational opportunities. We envision a thriving community that leverages diversity and collaboration to create a pathway to economic opportunity.

- The Weatherization Assistance Program allows Centro Campesino to oversee the weatherization/rehab of homes for eligible families utilizing licensed contractors. Every effort is made to encourage bids on these projects from contractors within the counties in which the work takes place. All work is inspected by Centro Campesino and building and code enforcement departments in each county.

- Under the weatherization assistance program we cover 13 counties.
How do we select the applicants

Clients that we were not able to assist for the Weatherization program
- Homes that didn’t qualify for weatherization
- Has severe structural damage
- Clients that need repairs that the weatherization program could not address
- Clients who were already serviced for the Weatherization program
- Insufficient funds from the Weatherization program

How we Prioritize
- Main priority is the client’s health
- Safety concerns that effect client lively hood
- Clients that were deferred or postponed from the Weatherization program for various reasons.
- Projected cost of the repairs are to severe for the client to pay.
The great impact Safe & Sound provides

pictures are worth a thousands words

With the assistance of the Safe and Sound Program, clients are able to live in a healthy and safe home. Furthermore, clients are no longer having to worry on weather to pay for repairs or pay their bills, buy food, or pay for medicine. In some cases, not being removed from their home by the Building Dept for code violations.
Before & After projects
We still need the assistance of this great program
Crawford-Sebastian Community Development Council, Inc.

Fort Smith, Arkansas
Safe and Sound - 2019
Safe and Sound - 2019
Safe and Sound - 2019
Safe and Sound - 2019
GROW South Dakota is an equal opportunity organization.
Safe & Sound

- Source of funding to address housing needs
- Owner occupied
- Safer, healthier, and more efficient

“No more worrying about how we can afford to have our house shingled.”
So much more than a roof over a family’s head.

- Furnaces
- Siding
- Roofing
- Plumbing
- Structural
- Windows
- Insulation
- Ventilation
- Water heaters
- Electrical
Weatherization Assistance Program + Safe & Sound

- Energy Savings estimated at 20-25%

- Weatherized over 6,500 homes
  - Air Sealing Measures
  - Insulation
  - Furnace/water heater/ refrigerator
SD Native Homeownership Coalition

- A collaborative group of key agencies dedicated to increasing homeownership opportunities for Native Americans in the State of South Dakota.

- Funding Provided by:
  - USDA Rural Development (RCDI)
  - NWA
USDA RD 504 Loan/Grant

- Demand
- Resource
- Partnership
- Delivery
NWA Network Members

- Pilot
- Leverage Dollars
- Address housing needs
Address: 104 Ash St. East
Sisseton, SD 57262;
Also Offices in Aberdeen,
Langford, and Webster

Telephone: (605) 698-7654

Fax: (605) 698-3038

Website: www.growsd.org

Email: info@growsd.org
### USDA - Single Family Housing Programs - Repairs

| 1 | 504 Repair Loan Program |
| 2 | 504 Grant Repair Program |
| 3 | 502 Direct Loan Program |
| 4 | 502 Guaranteed Loan Program |
| 5 | 533 Housing Preservation Grants |
504 Repair Loan Program

Overview

- Repairs or modest additions
- 20 year loan
- 1% Interest Rate
- Meet “Very-Low” Income Limit (50% of AMI)
  - Banded income now apply to all-states 1-4 and 5-8
- $20,000 Maximum Loan Amount
  - Pilot – 22 States can loan up to $40,000
- Packaging Fee - $750

Challenges:

- Finding Qualified Contractors
504 Repair Grants

Overview
• 62 years of age or older
• Must remove health and safety hazard and/or make home accessible
• Grants up to $7,500
  • 22 Pilot States up to $10,000
• Meet “Very-Low” Income Limit

Challenges
• Finding Qualified Contractors
• $7,500 may not be enough
502 Direct Loan Program

Overview
- Purchase
  - Existing - Newly Constructed - Build
- Repair Existing Home with/without Purchase
- Subsequent Loan to Existing Borrowers
- Low Income (80% of Area Median Income)
- Area Loan Limits
- Self-Help Housing

Challenges
- Lack of rural inventory
- Finding qualified contractors
502 Direct Loan Program – Relending Pilot

- South Dakota Native Homeownership Coalition
- Two non-profit Native Community Development Financial Institutions (NCDFIs)
- Total Demonstration - $2 Million
  - RD – $1.6
  - NCDFIs - $400,000
- Persistent Poverty Areas of South Dakota
- Ultimate Recipients (Homeowners)
  - Meet 502 Direct Requirement
  - NCDFIs Service Loans (about 20 loans)
- Challenges
  - Never done it before
  - Reduces available funds for 502 Direct program
502 Guaranteed Loan Program

Overview
• Purchase
  • Existing - Newly Constructed - Build
• Low to Moderate Income (115% of Area Median Income)

New Feature
• Construction to Perm

Challenge
• Low Inventory
533 Housing Preservation Grants

Multi-Family Housing

- Non-Profits – State & Local Governmental Entities – Federally recognized Tribes
- Notice of Funding Availability – Federal Register
- Recipients' provide grants or low-interest loan
- Low or very-low income homeowners
- Rental property owners – units for low and very-low income families
Wells Fargo Safe and Sound Rural Rehab/Replacement Project

Outcome Evaluation – Key Findings
Safe & Sound Data Collection Plan

Success Measures designed a custom property assessment tool for the Safe & Sound Project with input from the participating local organizations in 2015-2016

- Property Assessment of Exterior and Interior Conditions
- Document for Photos of key changes made on home
- Optional Health Survey of family after work has been completed, to document health benefits of the work
2018 Project Year Key Findings

- 38 of the 48 properties recorded the viable remaining life of the structure; 27 of those homes had an average increase of 25 years in estimated viable life as a result of the rehab/replacement.

- Many homes were initially in critical enough condition to have had no viable remaining life before the intervention.

- The primary reasons for the intervention were
  - structural stability to extend the life of the building
  - physical improvements for the residents’ quality of life (often replacing heating/cooling systems, repairing holes in floor)
The work addressed critical conditions in the homes of 48 homes served in 2018:

- 24 had at least 1 exterior element ranked as Critical/replacement needed
- 28 had an interior element ranked as Critical/replacement needed
- 18 had both exterior and interior elements ranked as Critical

- Roofs and windows were the exterior elements most Critical
- Window frames/sills and floors were the interior elements most often rated as Critical
Similar results in 2015-2016 Safe & Sound

• In two years of work, 154 homes were rehabbed or replaced.
• 124 homes showed an increase in the viable remaining life of the structure, average of 28 years.
• 55 of the properties had an estimated increase in assessed value, averaging a $42,000 increase.
• The most common reason for intervention was for structural stability to extend the life of the building, 76 of the 154 homes.
• Other top reasons were health benefits (such as mold remediation), energy efficiency improvements and other physical improvements to improve the quality of life of the residents.
Most prevalent critical conditions in 2015-2016

• 71 of the homes had roofs rated as being in Critical condition/replacement needed.
• 55 had windows in critical condition/replacement needed.
• 47 had their heating system in critical condition.
• 43 had flooring in critical condition (with several assessments noting holes in the floor/ appliances sinking through the floor)
• 66 of the 154 properties had both Exterior and Interior elements that were rated as being in Critical condition prior to the work.
With a relatively modest per house investment
Safe and Sound organizations were able to achieve significant positive change for the families they served:

- Eliminating critical conditions in the homes
- Preserving and extending the viable remaining life of the structures
- Stabilizing, *and sometimes increasing*, the value of the home, protecting a family’s most significant asset
- Having positive health impacts for the family