



GOAC Meeting | July 21, 2026

Housing Opportunity Fund (HOF) & Housing Infrastructure Financing Program (HIFP)

SOUTH DAKOTA
HOUSING



SDH OVERVIEW

- Created by the State Legislature in 1973 (SDCL 11-11) as an independent public instrumentality
- Not a state agency – State appropriated funds include the Housing Opportunity Fund and Housing Infrastructure Financing Program
- Executive Director and Board of Commissioners are appointed by the Governor

REPORTING TO THE STATE

- Monthly report to Governor
- Monthly check-in with the Governor's Director of Operations
- Annual Bonding Report to the Legislative Executive Committee
- Annual Housing Opportunity Fund Program Report and presentation to the Legislative Government Operations and Audit Committee
- Annual Housing Infrastructure Financing Program Report to the Interim Joint Committee on Appropriations
- Present informational budget to the Joint Legislative Appropriations Committee

SDH OVERVIEW

- 69 employees across six departments
- **Homeownership:** Annually lend approximately \$400-\$500 million through First-Time Homebuyer and Repeat Homebuyer Programs; also provide downpayment assistance and homebuyer education, and CHIP
- **Rental Housing Development:** Administer federal and state housing funds including HOME, Housing Trust Fund, Continuum of Care, and Emergency Solutions Grant (HUD); Low-Income Housing Tax Credits and Tax-Exempt Bond Financing (IRS) Housing Opportunity Fund (State and SDH) and Housing Infrastructure Financing Program (State)
- **Single Family Development:** Governor's House & DakotaPlex Programs, BuildSpec Program

SDH OVERVIEW

- **Rental Housing Management:** Conduct compliance for a portfolio of 407 housing developments totaling 12,484 units of affordable housing; Also manage the performance-based contract administration of the Section 8 program administering approximately \$31 million in rental subsidy
- **Research & Marketing:** Primarily responsible for planning and coordinating SDH's annual conference, board meetings, and other trainings and events; steer the marketing efforts of the organization
- **Finance and Administration:** Perform accounting functions for federal and state housing programs as well as day to day operations. Includes IT Department and HR

HOF VS HIFP

	Housing Opportunity Fund (HOF)	Housing Infrastructure Finance Program (HIFP)
Creation	Created in 2013 via SB 235 within the Building South Dakota Fund	Created in 2023 via SB 41
Leveraging	May fund up to 1/2 of project or program cost	May fund up to 1/2 of infrastructure project cost
Eligible Activities	Housing production, homebuyer assistance, homeowner rehab, homelessness prevention	Public infrastructure for housing
Income Requirements	At or below 115% area median income	None
Funding	Approximately \$3 million annually: Funded by State and SD Housing	\$200 million: One-time funding comprised of State General Funds and ARPA funds

FY26 HOF ALLOCATION

Annual Allocation from State of SD	\$1,040,000
Annual Allocation from SD Housing	\$1,500,000
FY2026 Bond Volume Cap	\$ 633,559
FY2026 Interest Income	<u>\$ 88,000</u>
TOTAL	\$3,261,559
Less 10% Admin	<u>-\$ 326,156</u>
	\$2,935,403 available

Urban Communities 30% = \$880,620

75% Housing Projects = \$660,465

Maximum request = \$200,000

25% Support Programs = \$220,155

Maximum request = \$50,000 + 10% admin

Rural Communities 70% = \$2,054,782

75% Housing Projects = \$1,541,086

Maximum request = \$500,000

25% Support Programs = \$513,695

Maximum request = \$118,000 + 10% admin

HOF ACCOUNT

- Overall Current Balance: **\$7,538,829**
- Funds previously awarded to projects and programs – not yet disbursed: **\$3,182,690**
- SDH Admin: **\$1,420,298** - \$1 million to be reverted to general pool funds in FY27
- Program Income Balance: **\$2,253,045** – To be included in general pool funds in FY27
- Remaining Fiscal Year 2026 Funds: **\$682,796**

HOF PROJECT AWARDS FY26

PROJECT NAME	DEVELOPER	PROJECT TYPE	UNITS	HOF DOLLARS	TOTAL PROJECT COST	HOF COST/UNIT
DeSmet Calumet Townhomes – Part 4	De Smet Housing and Redevelopment Commission – <i>non-profit</i>	New construction of two townhomes for rent	2	\$333,500	\$668,264	\$166,750
Fitness on Main	Fitness on Main, Inc. – <i>non-profit</i>	Rehabilitation of apartment units	2	\$130,000	\$259,282	\$65,000
TJN Properties 4-Plex	TJN Properties, LLC – <i>for-profit</i>	New construction of four-plex for rent	4	\$470,000	\$946,521	\$235,000
Lake Francis Case Governors House	Lake Francis Case Development Corporation – <i>non-profit</i>	New construction of governors home for resale	1	\$121,000	\$242,180	\$121,000

HOF PROJECT AWARDS FY26

PROJECT NAME	DEVELOPER	PROJECT TYPE	UNITS	HOF DOLLARS	TOTAL PROJECT COST	HOF COST/UNIT
Skyview Watertown	Skyview Construction Co., LLC – <i>for-profit</i>	New construction of two single family homes for rent	2	\$257,000	\$514,500	\$128,500
LifeScape Cathy Home	SD Achieve dba LifeScape – <i>non-profit</i>	Rehabilitation of special needs housing	12	\$86,500	\$173,000	\$7,208
FPDC Governor's Homes	Fort Pierre Economic Development Corporation – <i>non-profit</i>	New construction of two governors homes for resale	2	\$240,000	\$480,000	\$120,000
Pine View Properties	Pine View Properties, LLC – <i>for-profit</i>	New construction of two twin-homes for rent	4	\$500,000	1,128,282	\$125,000

HOF PROJECT AWARDS FY26

PROJECT NAME	DEVELOPER	PROJECT TYPE	UNITS	HOF DOLLARS	TOTAL PROJECT COST	HOF COST/UNIT
Burke Friendship Village	Burke Housing Authority – <i>development authority</i>	Rehabilitation of a nursing home for independent senior living	8	\$452,000	\$900,000	\$56,500
SEDF Workforce Housing 2026	South Eastern Development Foundation – <i>non-profit</i>	New construction of 7 single family homes – Purchase price Reduction (DPA)	7	\$105,000	\$2,030,000	\$15,000
Millard Acres	Habitat for Humanity of Greater Sioux Falls – <i>non-profit</i>	New construction of two twin homes for resale	4	\$200,000	\$791,522	\$50,000
			48	\$2,895,000	\$8,133,551	

HOF PROGRAM AWARDS FY26

PROGRAM TYPE	DOLLAR AMOUNT	PEOPLE ASSISTED	HOF COST/UNIT	SUBRECIPIENTS
Downpayment Assistance	\$446,050	45	\$9,912	Black Hills Area Habitat for Humanity, GROW SD, Homes Are Possible, Inc. (HAPI), Mitchell Area Housing, Inc. (MAHI), and Neighborhood Lending Services (NLS)
Homeowner Rehabilitation	\$241,450	12	\$20,120	Inter-lakes Community Action Partnership (ICAP), and NeighborWorks Dakota Home Resources (NWDHR)
Homelessness Prevention	\$55,000	100	\$550	Cornerstone Rescue Mission
TOTALS	\$742,500	157		All of the above HOF subrecipients are nonprofit organizations.

HOF ADMIN FY26

- Eligible Administrative Fees (10%) - \$326,156
- Total Staff Salary: \$184,194
 - Program Administration: \$96,249 (3 staff)
 - Compliance: \$84,764 (3 staff)
 - Accounting: \$3,181 (1 staff)
- Overhead: \$24,505 (payroll tax, software maintenance, etc.)
- Admin to subrecipients - \$67,500 (8 subrecipients administering 9 programs)

HIFP APPLICATIONS BY FISCAL YEAR

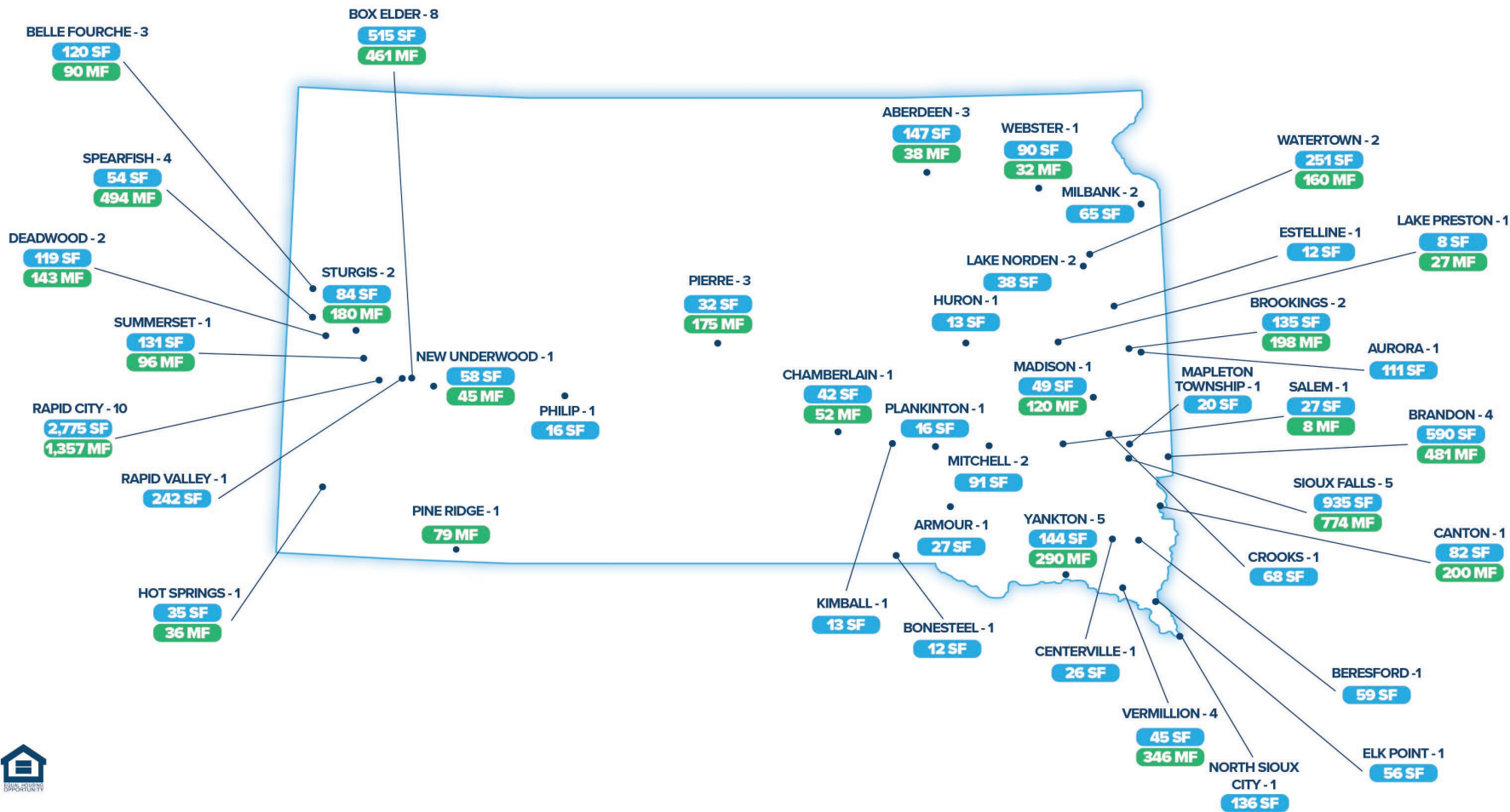
FISCAL YEAR	APPLICATIONS RECEIVED	PROJECTS APPROVED	HIFP FUNDS INVESTED
2024	101	73	\$117,555,288
2025	12	10	\$ 11,325,935
2026	14	9	\$34,958,025 (includes \$15M for Douglas School)
TOTALS	116	89	\$163,839,248

- Projects have been awarded in 44 communities
- 7,489 single family lots and 5,882 multifamily units planned
- Includes 4 pending loan applications totaling \$12,351,650



HOUSING INFRASTRUCTURE FINANCING PROGRAM FUNDED PROJECTS as of June 30, 2026

SDH has awarded **\$135** million in HIFP funds to support projects with total costs of **\$438.9** million.



Total Projects: **88**

Total Single Family Lots: **7,489**

Total Multifamily Units: **5,882**

HIFP FUNDS DISBURSED

FISCAL YEAR	ARPA FUNDS	GENERAL FUND GRANT FUNDS	GENERAL FUND LOAN FUNDS	TOTALS
2024	\$7,792,328.92	\$4,505,567.36	\$5,496,810.30	\$17,794,706.58
2025	\$16,730,345.08	\$24,111,849.04	\$4,415,470.00	\$45,257,664.12
2026	\$16,428,750.00	\$13,340,008.27	\$8,231,788.00	\$38,000,546.27
TOTALS	\$40,951,424.00	\$41,957,424.67	\$18,144,068.30	\$101,052,916.97

HIFP PROJECTS COMPLETED/PROGRESS

- 37 Projects completed to date - \$31,858,375 HIFP investment
1,932 multi-family units
1,259 single family lots
- 10 Projects completed and working on closeout documentation - \$8,556,001
- 20 Projects 90%+ complete and projected to be completed by late summer - \$60,802,720

HIFP ADMIN FY26

- Eligible Administrative Fee is 1% of funding
- Staff Salary: \$46,431 (2 staff)
- Overhead: \$73,390

HIFP ADMIN TOTAL

- Staff Salary: \$155,477 (2 staff)
- Overhead: \$400,474

GOVERNOR'S HOUSE PROGRAM FY26

	Homes Complete	Inmate Hours	ICAP Classroom Hours	SDHDA Staff Hours
Jul-25	10	17848.00	0.00	1370.00
Aug-25	8	11853.00	0.00	1360.00
Sep-25	9	13159.00	123.90	1490.00
Oct-25	7	14333.30	186.80	1543.75
Nov-25	4	6847.60	81.10	1300.17
Dec-25	6	10857.10	57.40	1331.25
Jan-26	3	10071.00	33.50	1265.75
Feb-26	8	11865.80	0.00	1362.00
Mar-26	10	15662.20	30.40	1345.50
Apr-26	8	13807.00	109.20	1495.50
May-26	10	11346.00	107.80	1335.75
Jun-26	8	9137.00	59.70	1427.25
Year Total	91.00	146,787.00	789.80	16,626.92



THANK YOU!

QUESTIONS?

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