

JCA Meeting | July 30, 2024

GOVERNOR'S HOUSE PROGRAM

SOUTH DAKOTA
HOUSING



Governor's House Program **HISTORY**

- Started in 1996 as the Governor's Transitional Housing Program for the elderly by Governor Bill Janklow with 15 building sites on the South Dakota State Prison Farm just west of Sioux Falls
- The program moved to the Mike Durfee State Prison in 1997 and expanded to include all South Dakotans under certain income guidelines



- In 1997 SDHDA took over the program
- Began offering a 960 sq ft house, in addition to the original 768 sq ft house, in 2000
- In 2006, the 768 and 960 sq ft houses were no longer offered and the 1008 sq ft house was introduced
- A three-bedroom, 1200 sq ft, design was added in 2013
- In 2014, the house was redesigned to be eligible for Energy Star-certification
- Introduced the DakotaPlex Program in 2019

Governor's House Program **OBJECTIVES**

- Teach offenders valuable skills to use upon release
- Build affordable housing for income qualified individuals and families
- Use as an economic development tool
- Support the local economy through the sale of lots, foundation/concrete construction, sale of appliances, flooring and more!



Governor's House Program **GENERAL INFORMATION**

- Receives no direct taxpayer funding
- Offenders work under the direct supervision of SDHDA employees
- SDHDA pays Department of Correction for all offender hours worked each month and the cost of that labor is part of the sales price
- All offenders apply to work with the program and only those offenders deemed eligible by DOC can be hired



● House Price

- \$75,900 | Two-Bedroom
- \$89,900 | Three-Bedroom

● Income Qualifications

- 70% of state median income for household size of two or less (currently \$66,570)
- 80% of state median income for household size of two or more (currently \$76,080)

● Net Worth Qualifications

- \$125,000 | age 61 and under
- \$250,000 | age 62 and older



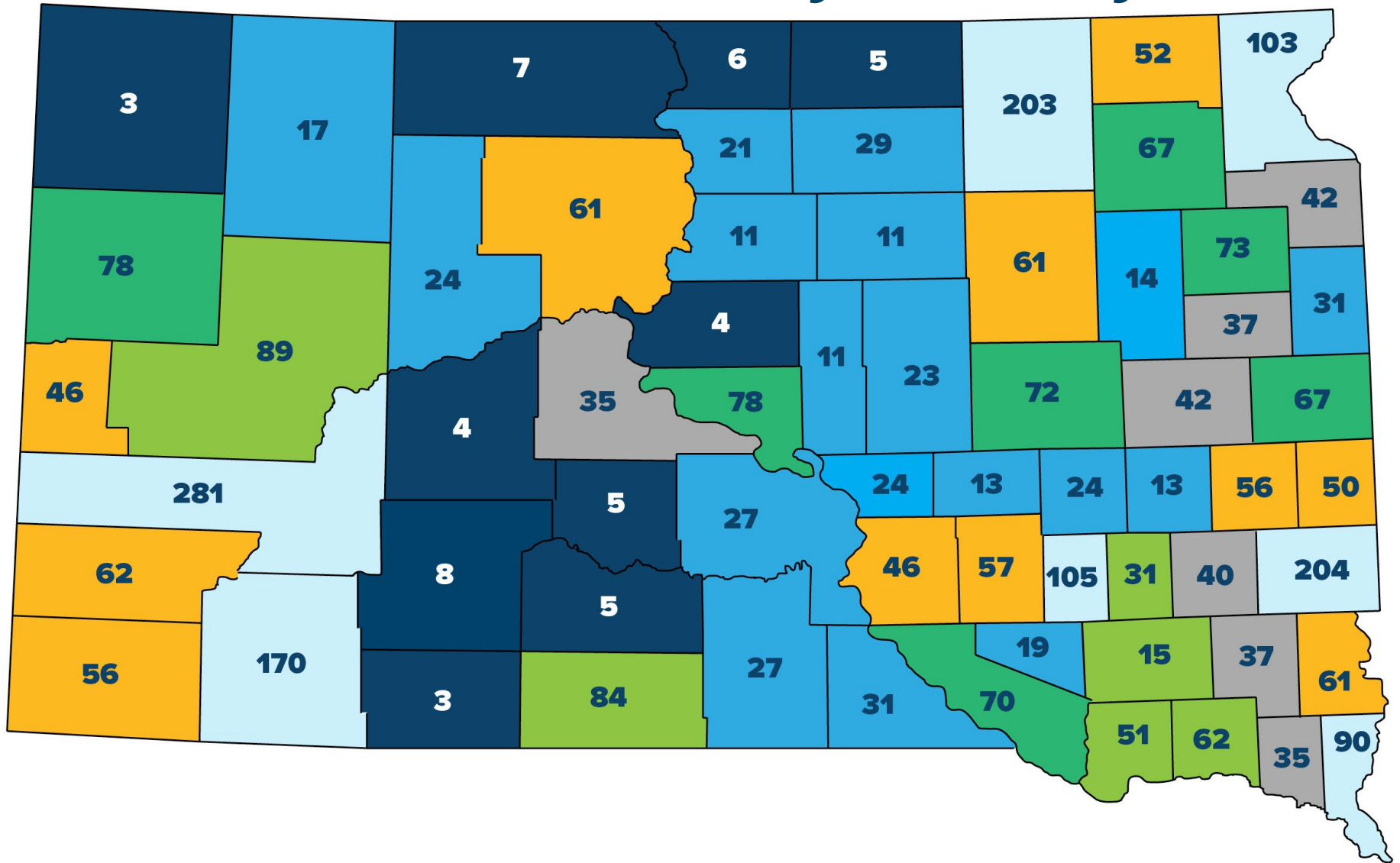
- Can be placed anywhere in South Dakota
- Eligible buyers also include housing authorities, non-profit organizations, economic development corporations, developers and local chambers of commerce planning to sell to qualified purchasers
- School districts in rural communities may purchase for the purpose of providing housing to teachers and other school district employees.



- Sales and Production as of 06/30/24
- Sold | 3,328
- Constructed | 3,166
 - One in every SD county
- Currently employee approx. 150 offenders per day

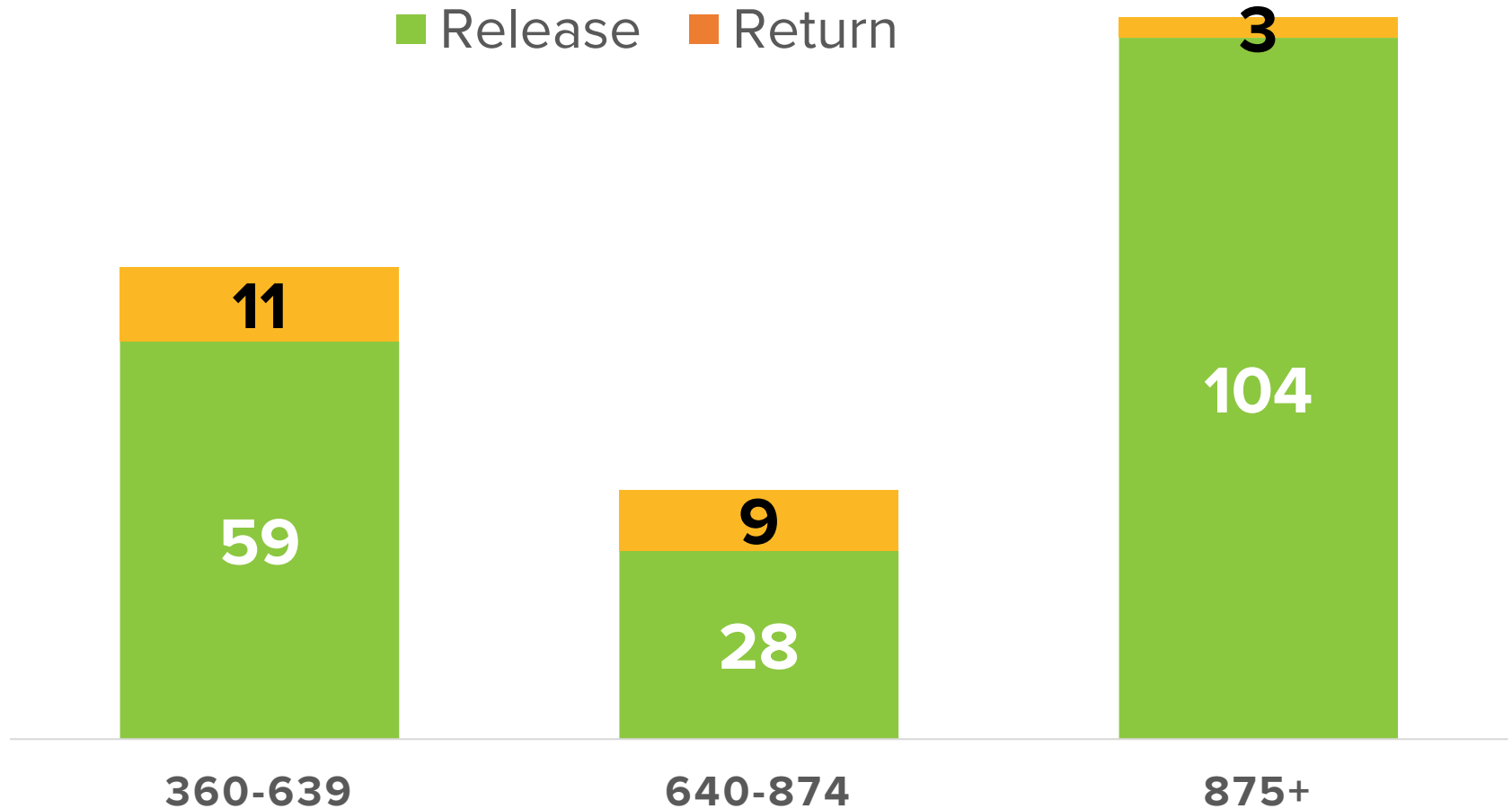


Homes Sold by County



The three-year return to prison rate for all offenders in DOC for the 2020 release cohort was **43%**. The three-year return rate for Governor's House Program workers was **25%**.

Returns within 12 months by hours worked in Program



Governor's House
Program
**PROGRAM
EFFICIENCIES**

- Started serving lunch and doing the mid-day count in the
 - Reduces lunch breaks from 1.5 to 2 hours down to 45 minutes to 1 hour
 - SDH purchased food trays and warming carts to transport and serve lunch to offender workers on the job site
- Hired a construction supervisor to increase the number of available workers when we are limited to offenders under direct supervision



- Purchased an asset management and tool control software system
 - No longer check tools in and out individually four times a day
 - Barcodes allow electronic record of each tool in inventory and check-out to individually to offenders
 - Improves tool control and speeds up the process of checking tools in and out
- Hired a tool control supervisor to manage the tool inventory and check-in/check-out process

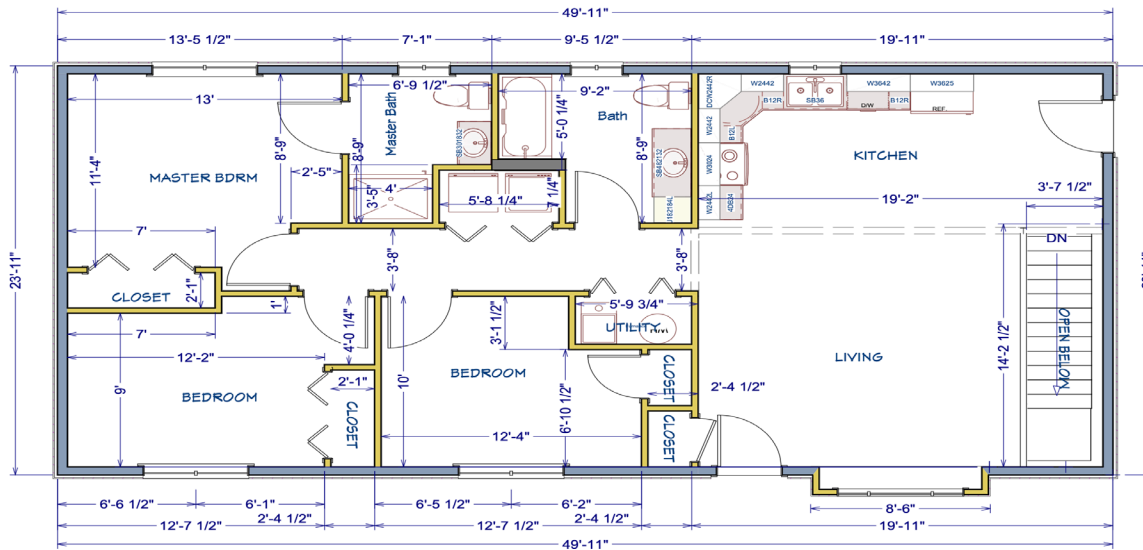
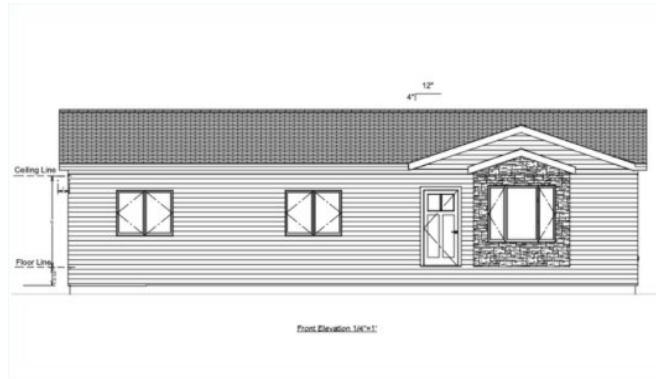


- There are 9 licensed apprentice plumbers working in 2024
- There are 15 licensed apprentice electricians working on the project in 2024
- There will be 8-12 apprentice carpenters starting class at the new semester in September
- There were 8 apprentice carpenters that graduated last May
- Graduated 33 apprentice carpenters since it became an option in 2019



Governor's House Program **FLOOR PLANS**

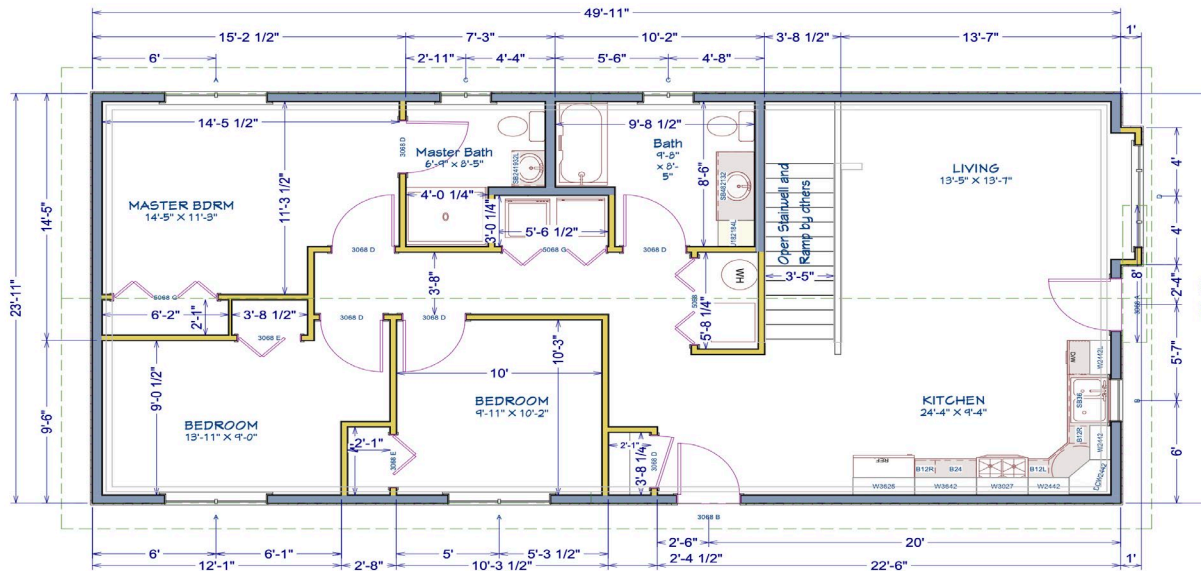
- Three-Bedroom | Two-Bath
- 1200 Square Feet (24' x 50')



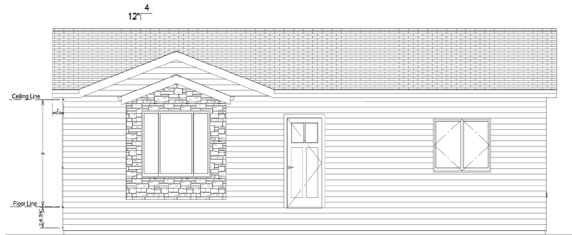
- Three-Bedroom Narrow Lot | Two-Bath
- 1200 Square Feet (24' x 50')



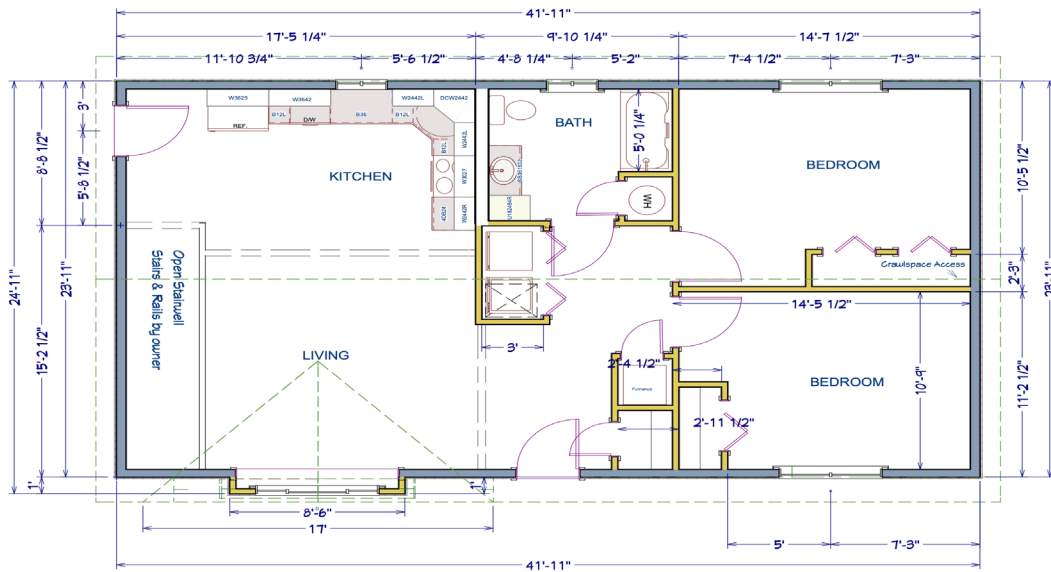
Front Elevation 1/4"=1'



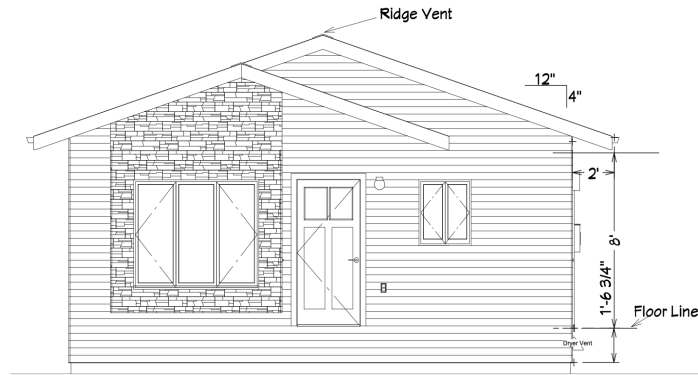
- Two-Bedroom | One-Bath
- 1008 Square Feet (24' x 42')



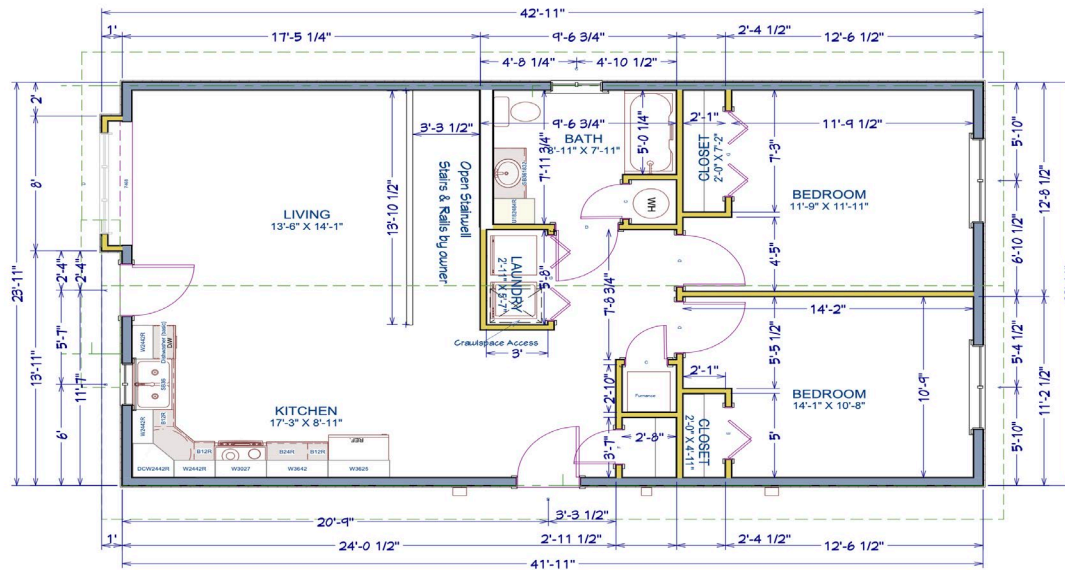
Front Elevation 1/4"x1"



- Two-Bedroom Narrow Lot | One-Bath
- 1008 Square Feet (24' x 42')



Front Elevation 1/4"=1'



DakotaPlex
Program

**TERMS & GENERAL
INFORMATION**

- Must be placed within city limits in communities of 5,000 or less in populations
- Community must show a documented need for housing via housing study or market needs analysis
- Can be purchased, owned and managed by a community, a non-profit or a for profit developer
- Cannot be owner occupied, but must be offered as an affordable rental



- Purchaser can market units to any potential tenant in the community, but are limited in the maximum amount of rent they can charge
- In 2024, those max rents are:
 - Two-bedroom | \$1,436
 - Three-bedroom | \$1,597
- It must remain an affordable rental for ten years
- Terms enforced via Declaration of Land Use Restrictive Covenants
- Sales and Production
 - Placed 50 units
 - 26 units on order and in production



DakotaPlex Program **UNITS**

- The units are designed to be mixed and matched as the community needs and lot requirements dictate.
- Each unit is priced separately and then combined for a total purchase price
- Unit Purchase Price are:
 - Two-bedroom | \$89,900
 - Three-bedroom | \$99,200
- The price includes delivery and the location site work required to tie units together, but does not include sales or excise tax, or any improvements done.

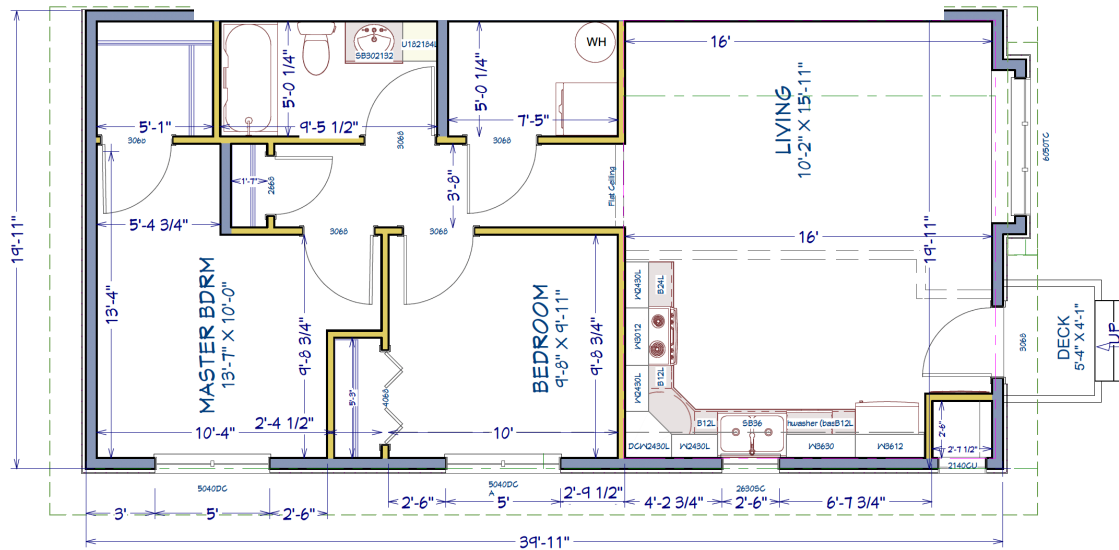


DakotaPlex Program **FLOOR PLANS**

- Two-Bedroom | One-Bath
- 800 Square Feet (20' x 40')



Front Elevation 1/4"=1'



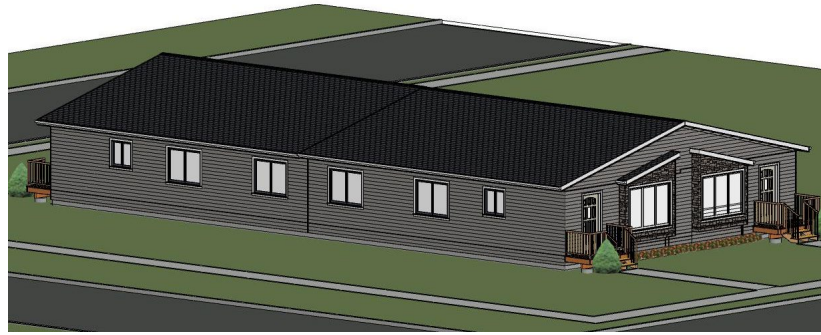
- Duplex



- Triplex



- Quadruplex



- Duplex with Garages





THANK YOU!

QUESTIONS?

Chas Olson | Executive Director | chas@sdhda.org

Mike Harsma | Director of Single Family Development | mike@sdhda.org

605.773.3181