

MINUTES
SOUTH DAKOTA HOUSING DEVELOPMENT AUTHORITY
BOARD OF COMMISSIONER'S MEETING
DAVENPORT, EVANS, HURTWITZ & SMITH, L.L.P. CONFERENCE ROOM
FEBRUARY 17, 2016

Board Members Present: Lloyd Schipper, Chairman
Brent Dykstra, Treasurer (via telephone)
Bill Hansen, Commissioner
Rick Hohn, Commissioner
Steve Kolbeck, Commissioner
Mark Puetz, Commissioner (joined at 10:06 a.m.)

Board Members Absent: David Pummel, Vice Chair

Staff Present: Mark Lauseng, Executive Director
Todd Hight, Director of Finance and Administration
Brent Adney, Director of Homeownership Programs
Vona Johnson, Director of Rental Housing Management
Lorraine Polak, Director of Rental Housing Development
Mike Harsma, Director of Single Family Development
Amanda Weisgram, Director of Research and Marketing
Sheila Ricketts, Marketing/Executive Assistant

Guests Present: Dixie Hieb, Davenport, Evans, Hurwitz & Smith, Counsel to
SDHDA
John Wagner, Kutak Rock LLP
Tom Caine, Caine Mitter & Associates
Amy Nelson, Yankton City Manager
Jim Means, Mead Building
Kathy Greenaway, Mead Building
Crystal Nelson, Yankton County Historical Society
Justin Smorawske, Epicosity
Heather Covrig, Epicosity
Michael Roby, Great Western Bank
Wayne McGaugh, Great Western Bank
Paul Logan, Great Western Bank

I. CALL TO ORDER

The meeting was called to order at 10:02 a.m. and roll was called. No conflicts of interest were noted.

II. APPROVAL OF AGENDA

The distributed Agenda was amended to move all Resolutions to New Business with the exception of Resolution No. 16-02-01. Resolution 16-02-09 was taken in front of the board before Resolution No. 16-02-02.

It was moved by Commissioner Kolbeck and seconded by Commissioner Dykstra that the Agenda be adopted as amended, but reserving the right to make further changes during the meeting.

Via roll call, the following votes were recorded:

Voting AYE: Chairman Schipper; Commissioners Dykstra, Hansen, Hohn and Kolbeck.

Excused: Commissioner Puetz and Pummel.

III. APPROVAL OF MINUTES

It was moved by Commissioner Hohn and seconded by Commissioner Hansen that the Minutes of the Board of Commissioners' Meeting held on December 10, 2015, be adopted as presented.

Via roll call, the following votes were recorded:

Voting AYE: Chairman Schipper; Commissioners Dykstra, Hansen, Hohn and Kolbeck.

Excused: Commissioner Puetz and Pummel.

Commissioner Puetz joined the meeting.

IV. TREASURER'S REPORT

Todd Hight, Director of Finance, presented the Treasurer's Report; the Statement of Net Position dated November 30, 2015 and the Statement of Revenues, Expenses and Changes in Net Position for the five months ending November 30, 2015. Tom Caine with Caine Mitter & Associates made a presentation on Variable Rate Debt and Swaps. It was moved by Commissioner Kolbeck and seconded by Commissioner Puetz that the Treasurer's Report be accepted as presented.

Via roll call, the following votes were recorded:

Voting AYE: Chairman Schipper; Commissioners Dykstra, Hansen, Hohn, Kolbeck and Puetz.

Excused: Commissioner Pummel.

V. EXECUTIVE DIRECTOR'S REPORT

Executive Director Lauseng mentioned the upcoming Home Shows in Sioux Falls and Rapid City. He stated that public meetings were held across the state and that the draft plans are included in the Board materials. Executive Director Lauseng also mentioned that the Legislative Session is almost at the midway point and SDHDA has been

monitoring the process and paying attention to any bills that may have an impact on housing.

VI. PROGRAM REPORTS

The Program Reports were given by Directors and discussed with the Board.

VII. OLD BUSINESS

A. Resolution No. 16-02-01: Resolution to Conditionally Commit Neighborhood Stabilization Program Funds for Mead Cultural Education Center

After review and discussion, it was moved by Commissioner Puetz and seconded by Commissioner Dykstra that the above Resolution be adopted as follows:

WHEREAS, the following application has been reviewed and evaluated in accordance with the Neighborhood Stabilization Program (NSP) Plan;

WHEREAS, pursuant to Resolution No. 15-11-93, action on the application was deferred until additional information regarding the project's qualifications could be obtained from the Applicant; and

WHEREAS, based on, the application and the additional information provided, the Applicant is eligible to receive NSP funds and has agreed to comply with all NSP requirements;

NOW, THEREFORE, BE IT RESOLVED that the Executive Director be authorized to issue a Conditional Commitment of NSP funds to the following Applicant:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>NSP AMOUNT</u>
Yankton County Historical Society	Mead Cultural Education Center Yankton, SD	\$500,000

Via roll call, the following votes were recorded:

Voting AYE: Chairman Schipper; Commissioners Dykstra, Hansen, Hohn, Kolbeck and Puetz.

Excused: Commissioner Pummel.

VIII. NEW BUSINESS

A. Resolution No. 16-02-02: Resolution to Approve and Authorize Release of the Draft 2016 Annual Action Plan for Public Comment

After review and discussion, it was moved by Commissioner Hohn and seconded by Commissioner Dykstra that the above Resolution be adopted as follows:

WHEREAS, the 2013-2017 Five-Year Consolidated Plan (Consolidated Plan) has previously been approved by the U.S. Department of Housing and Urban Development (HUD);

WHEREAS, annually HUD requires an action plan with respect to the Consolidated Housing and Community Development Plan to enable the State to access the HOME, Emergency Solutions Grants, Community Development Block Grant, and Housing Trust Fund Program funds; and

WHEREAS, the required public hearing has been held and public comments have been considered in formulating the Draft 2016 Annual Action Plan;

NOW, THEREFORE, BE IT RESOLVED that the above referenced Draft 2016 Annual Action Plan dated February 17, 2016, is hereby approved for public distribution, and the Executive Director is authorized to give the required public notices for a 30-day comment period.

Via roll call, the following votes were recorded:

Voting AYE: Chairman Schipper; Commissioners Dykstra, Hansen, Hohn, Kolbeck and Puetz.

Excused: Commissioner Pummel.

B. Resolution No. 16-02-03: Resolution to Approve and Authorize Release of the Draft 2016-2017 HOME Program Allocation Plan for Public Comment

After review and discussion, it was moved by Commissioner Hansen and seconded by Commissioner Puetz that the above Resolution be adopted as follows:

WHEREAS, SDHDA is responsible for the development of the HOME Program Allocation Plan; and

WHEREAS, the required public hearings have been held and public comments have been considered in formulating the Plan;

NOW, THEREFORE, BE IT RESOLVED that the above referenced Draft 2016-2017 HOME Program Allocation Plan dated February 17, 2016, is hereby approved for public distribution, and the Executive Director is authorized to give the required public notices for a 30-day comment period.

Via roll call, the following votes were recorded:
Voting AYE: Chairman Schipper; Commissioners Dykstra, Hansen, Hohn, Kolbeck and Puetz.
Excused: Commissioner Pummel.

C. Resolution No. 16-02-04: Resolution to Approve and Authorize Release of the Draft 2016-2017 Housing Tax Credit Qualified Allocation Plan for Public Comment

After review and discussion, it was moved by Commissioner Kolbeck and seconded by Commissioner Puetz that the above Resolution be adopted as follows:

WHEREAS, SDHDA is responsible for the development of the Housing Tax Credit Qualified Allocation Plan (QAP); and

WHEREAS, the required public hearings have been held and public comments have been considered in formulating the QAP;

NOW, THEREFORE, BE IT RESOLVED that the above referenced Draft 2016-2017 Housing Tax Credit Qualified Allocation Plan dated February 17, 2016, is hereby approved for public distribution, and the Executive Director is authorized to give the required public notices for a 30-day comment period.

Via roll call, the following votes were recorded:
Voting AYE: Chairman Schipper, Commissioners Dykstra, Hansen, Hohn, Kolbeck and Pummel.
Excused: Commissioner Puetz.

D. Resolution No. 16-02-05: Resolution to Approve and Authorize Release of the Draft South Dakota Housing Opportunity Fund Allocation Plan for Public Comment

After review and discussion, it was moved by Commissioner Dykstra and seconded by Commissioner Kolbeck that the above Resolution be adopted as follows:

WHEREAS, per SDCL 11-13, SDHDA is responsible for the administration of the Housing Opportunity Fund and the development of the Housing Opportunity Fund Allocation Plan (Plan); and

WHEREAS, public hearings have been held and public comments have been considered in formulating the Plan;

NOW, THEREFORE, BE IT RESOLVED that the above referenced Draft South Dakota Housing Opportunity Fund Allocation Plan dated February

17, 2016, is hereby approved for public comment and the Executive Director is authorized to release the Plan for a 30-day comment period.

Via roll call, the following votes were recorded:

Voting AYE: Chairman Schipper, Commissioners Dykstra, Hansen, Hohn, Kolbeck and Puetz.

Excused: Commissioner Pummel.

E. Resolution No. 16-02-06: Resolution to Approve and Authorize Release of the Draft Citizen Participation Plan for Public Comment

After review and discussion, it was moved by Commissioner Puetz and seconded by Commissioner Hohn that the above Resolution be adopted as follows:

WHEREAS, federal regulations require a Citizen Participation Plan (Plan) be adopted relative to the Consolidated Plan and Annual Performance Reporting processes;

WHEREAS, SDHDA is responsible for the development of the Plan; and

WHEREAS, the required public hearings have been held and public comments have been considered in formulating the Plan;

NOW, THEREFORE, BE IT RESOLVED that the above referenced Draft Citizen Participation Plan dated February 17, 2016, is hereby approved for public distribution, and the Executive Director is authorized to give the required public notices for a 30-day comment period.

Via roll call, the following votes were recorded:

Voting AYE: Chairman Schipper, Commissioners Dykstra, Hansen, Hohn, Kolbeck and Pummel.

Excused: Commissioner Puetz.

F. Resolution No. 16-02-07: Resolution to Approve and Authorize Release of the Draft 2016-2017 Emergency Solutions Grant Program Administrative Plan for Public Comment

After review and discussion, it was moved by Commissioner Hansen and seconded by Commissioner Puetz that the above Resolution be adopted as follows:

WHEREAS, SDHDA is responsible for the development of the Emergency Solutions Grants Program Administrative Plan (Plan) for the State of South Dakota; and

WHEREAS the required public hearings have been held and public comments have been considered in formulating the Plan;

NOW, THEREFORE, BE IT RESOLVED that the above referenced Draft 2016-2017 Emergency Solutions Grants Program Administrative Plan dated February 17, 2016, is hereby approved for public distribution, and the Executive Director is authorized to give the required public notices for a 30-day comment period.

Via roll call, the following votes were recorded:

Voting AYE: Chairman Schipper, Commissioners Dykstra, Hansen, Hohn, Kolbeck and Pummel.

Excused: Commissioner Puetz.

G. Resolution No. 16-02-08: Resolution to Approve and Authorize Release of the Draft 2016-2017 Housing Trust Fund Allocation Plan for Public Comment

After review and discussion, it was moved by Commissioner Dykstra and seconded by Commissioner Kolbeck that the above Resolution be adopted as follows:

WHEREAS, the Housing Trust Fund (HTF) is an affordable housing production established under Title I of the Housing and Economic Recovery Act of 2008;

WHEREAS, SDHDA is responsible for the development of the Housing Trust Fund Allocation Plan (Plan) for the State of South Dakota; and

WHEREAS the required public hearings have been held and public comments have been considered in formulating the Plan;

NOW, THEREFORE, BE IT RESOLVED that the above referenced Draft 2016-2017 Housing Trust Fund Allocation Plan dated February 17, 2016, is hereby approved for public distribution, and the Executive Director is authorized to give the required public notices for a 30-day comment period.

Via roll call, the following votes were recorded:

Voting AYE: Chairman Schipper, Commissioners Dykstra, Hansen, Hohn, Kolbeck and Pummel.

Excused: Commissioner Puetz.

H. Resolution No. 16-02-09: Resolution Authorizing the Executive Director to Transfer Loan Servicing

After review and discussion, it was moved by Commissioner Hansen and seconded by Commissioner Kolbeck that the above Resolution be adopted as follows:

WHEREAS, pursuant to that certain 2011 Servicing and Escrow Agreement effective January 1, 2011, by and between SDHDA and Home Federal Bank ("2011 Servicing Agreement"), Home Federal Bank currently services mortgage loans for SDHDA;

WHEREAS, Home Federal Bank has entered into a Bank Agreement and Plan of Merger with Great Western Bank, pursuant to which Great Western Bank shall be the surviving bank and Home Federal Bank shall cease to exist;

WHEREAS, Home Federal Bank and Great Western Bank propose to enter into an Assignment and Assumption Agreement ("Assignment Agreement"), pursuant to which Great Western Bank will assume all rights and obligations of Home Federal Bank under the 2011 Servicing Agreement;

WHEREAS, Great Western Bank has requested that SDHDA consent to the Assignment Agreement; and

WHEREAS, SDHDA staff has reviewed the Assignment Agreement and has recommended that the Board consent to the Assignment Agreement;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby consents to the Assignment Agreement and the related transfer of loan servicing rights and obligations from Home Federal Bank, Sioux Falls, SD, to Great Western Bank, Sioux Falls, SD, and authorizes the Executive Director to execute the Consent to Assignment and Assumption and any related documents in connection with such consent and transfer.

Via roll call, the following votes were recorded:

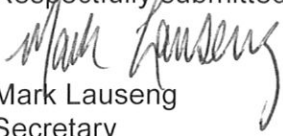
Voting AYE: Chairman Schipper, Commissioners Dykstra, Hansen, Hohn, Kolbeck and Pummel.

Excused: Commissioner Puetz.

IX. DATE OF NEXT MEETING AND ADJOURNMENT

The next Board of Commissioners' Meeting has been scheduled for March 9 at 10:00 a.m. It was moved by Commissioner Puetz and seconded by Commissioner Hohn that the meeting adjourn. The meeting adjourned at 12:38 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark Lauseng". The signature is written in a cursive style with a large initial "M".

Mark Lauseng
Secretary