

MINUTES
SOUTH DAKOTA HOUSING DEVELOPMENT AUTHORITY
BOARD OF COMMISSIONER'S MEETING
SDHDA CONFERENCE ROOM
November 21, 2017

Board Members Present: Brent Dykstra, Vice-Chair
Scott Erickson, Commissioner
Bill Hansen, Treasurer
Rick Hohn, Commissioner
Steve Kolbeck, Commissioner
Mark Puetz, Commissioner
David Pummel, Chairman

Board Members Absent: None.

Staff Present: Mark Lauseng, Executive Director
Brent Adney, Director of Homeownership Programs
Todd Hight, Director of Finance and Administration
Tasha Jones, Director of Rental Housing Management
Lorraine Polak, Director of Rental Housing Development
Mike Harsma, Director of Single Family Development
Amanda Weisgram, Director of Marketing and Research
Sheila Ricketts, Marketing/Executive Assistant
Mona Pries, Mortgage Purchase Officer
Chas Olson, Housing Development Officer
Scott Rounds, Housing Development Officer

Guests Present: Dixie Hieb, Davenport, Evans, Hurwitz & Smith, Counsel to SDHDA
Bonnie Mogen, Costello Companies
Joan Franken, Costello Companies
Erica Beck, Lloyd Companies
Connie Jons, Lloyd Companies
Jacob Quasney, Lloyd Companies
Tyler Arens, Good Samaritan Society
Eric Anderson, Land Home Financial Services
Brenda Strom, Madison Housing & Redevelopment Commission
Jeff Brooks, Brooks Commercial Real Estate/Sandbar
Development
Patty Brooks, Habitat for Humanity Greater Sioux Falls
Darrell Douville, SWA Corporation
Tom Caine, Caine Mitter & Associates (via telephone)
Bronson Martin, Caine Mitter & Associates (via telephone)
Jennifer Shing, Caine Mitter & Associates (via telephone)
John Wagner, Kutak Rock, LLC (via telephone)
Kaziah Haviland, Thunder Valley Community Development Center
(via telephone)
Cindy Koster, Midwest Housing Equity Group (via telephone)
Lorna Fogg, RTHawk Housing Alliance, LLC (via telephone)
Casey Cline, Travois (via telephone)

Karl Fulmer, Sioux Falls Housing & Redevelopment Commission
(via telephone)
Leslie Mastroianni, South Eastern Council of Governments (via
telephone)
Darci Bultje, Rural Office of Community Services, Inc. (via
telephone)
Judy Domalewski, Black Hills Works (via telephone)
Bill Picotte, Eagle Thunder Housing Development Corporation (via
telephone)
Marcia Erickson, GROW South Dakota (via telephone)
Lori Moen, GROW South Dakota (via telephone)
Peter Levavi, Brinshore Development (via telephone)
Joy McCracken, NeighborWorks® Dakota Home Resources (via
telephone)
Paul Kuhn, NeighborWorks® Dakota Home Resources (via
telephone)
Crystal Murray, NeighborWorks® Dakota Home Resources (via
telephone)

I. CALL TO ORDER/CONFLICTS OF INTEREST

The meeting was called to order at 10:00 a.m. and roll was called. In accordance with SDCL 3-23-3.1, Commissioner Hansen disclosed permissible conflicts of interest for which authorization by the SDHDA Board of Commissioners is not required. The Annual Disclosure Form with respect to the disclosed conflict is attached to these minutes.

II. APPROVAL OF AGENDA

The distributed Agenda was amended to add Resolution No. 17-11-P1 under New Business.

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

Via voice vote, the following votes were recorded:

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

There was a motion to amend the amended Agenda to add Resolution No. 17-11-P2 under New Business.

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

III. APPROVAL OF MINUTES

It was moved by Commissioner Puetz and seconded by Commissioner Hohn that the Minutes of the Board of Commissioners' Meeting held on October 4, 2017, be adopted as presented.

Via voice vote, the following votes were recorded:

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

It was moved by Commissioner Hohn and seconded by Commissioner Erickson that the Minutes of the Board of Commissioners' Meeting held on November 9, 2017, be adopted as presented.

Via voice vote, the following votes were recorded:

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

IV. TREASURER'S REPORT

Todd Hight, Director of Finance, presented the Financial Audit Report dated June 30, 2017 and 2016. He also presented the Treasurer's Report; the Statement of Net Position dated September 30, 2017 and the Statement of Revenues, Expenses and Changes in Net Position for the three months ending September 30, 2017. It was moved by Commissioner Hansen and seconded by Commissioner Dykstra that the Treasurer's Report be accepted as presented.

Via voice vote, the following votes were recorded:

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

V. EXECUTIVE DIRECTOR'S REPORT

Executive Director Lauseng stated the House Tax Reform Bill eliminates Private Activity Bonds from being issued after 2017, which is the tax-exempt bond financing mechanism that SDHDA uses to fund single and multifamily loans. The Senate's version of tax reform does not eliminate PABs. Not sure which bill will come out on top, so to prepare for the House bill's version, we will look to issue Convertible Option Bonds before the end of the year. This would give us a two to three-year supply of tax exempt bonds. We will also be doing a bond refunding for an issue that we were planning to do this spring.

VI. PROGRAM REPORTS

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

VII. OLD BUSINESS

A. Resolution No. 17-11-60: Resolution to Amend Eligibility Requirements for New SDHDA Participating Lenders

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

WHEREAS, pursuant to Resolutions No. 05-02-07 and No. 06-01-01, SDHDA Participating Lender Requirements were amended;

WHEREAS, SDHDA staff continues to receive numerous requests to become a Participating Lender; and

WHEREAS, SDHDA wishes to ensure that new Participating Lenders have the financial stability and required knowledge to successfully originate loans for sale to SDHDA;

NOW, THEREFORE, BE IT RESOLVED that the eligibility criteria for Participating Lenders be amended to read as follows:

1. Lender shall be regulated by, and in good standing with FDIC, OTS, CUNA, the Federal Reserve or other federal regulatory agency;
2. Lender, and all originators employed by the lender, shall be registered with the National Mortgage Licensing System (NMLS);
3. Lender shall maintain an office in the State of South Dakota;
4. Lender shall have a net worth of no less than \$500,000;
5. Lender shall maintain minimum errors and omissions coverage of \$500,000;
6. Lender shall maintain a fidelity bond coverage;
7. Lender shall have operated a mortgage origination office in South Dakota for 3 years prior to applying to be an SDHDA Lender or the Lender shall have operated a mortgage origination office in South Dakota for 2 years and employ staff with experience originating/processing/underwriting SDHDA loans;
8. Each calendar year Lender shall originate a minimum of 10 loans and successfully sell such loans to SDHDA;
9. Lender shall annually attend training, as required by SDHDA; and
10. Applications to be approved as a Participating Lender shall be accepted from December 1 of each calendar year through March 31 of the following year.

BE IT FURTHER RESOLVED that Participating Lenders, which have been approved as of December 1, 2017, would be “grandfathered” in and not be required to meet the new requirements.

Via voice vote, the following votes were recorded:

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

B. Resolution No. 17-11-61: Resolution to Amend the Terms of the Rural Site Development Program Relative to Maximum Affordable Sales Price

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

WHEREAS, per Resolution No. 95-04-20, the Rural Infrastructure Loan/Guarantee Program (now known as the Rural Site Development Program) was created;

WHEREAS, per Resolution No. 07-06-67, the maximum sales price under the Rural Site Development (RSD) Program was increased from \$150,000 to \$160,000;

WHEREAS, per Resolution No. 08-10-84, Construction Loan Guarantee and Rural Site Development Program were combined and named the RSD Program;

WHEREAS, per Resolution No. 12-04-15, the maximum sales price under the RSD Program was increased from \$160,000 to \$170,000;

WHEREAS, per Resolution No. 15-03-03, the maximum sales price under the RSD Program was increased from \$170,000 to \$200,000;

WHEREAS, the RSD Program affordable sales price is currently established at \$200,000; and

WHEREAS, SDHDA no longer finances new projects under the RSD Program it is necessary to allow the RSD Program maximum affordable sales price limits to adjust to changing market conditions for existing projects and to have consistency across SDHDA programs;

NOW, THEREFORE, BE IT RESOLVED that the RSD Program's maximum affordable sales price be the same as SDHDA First-time Homebuyer program purchase price limits. As such purchase price limits may be revised from time to time.

Via voice vote, the following votes were recorded:

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

C. Resolution No. 17-11-62: Resolution to Amend the Terms of the Housing Enhancement Loan Program Relative to the Maximum Affordable Sales Price

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

WHEREAS, Resolution 12-07-67 approved the creation of a partnership with the South Dakota Home Builders Association to establish the Housing Enhancement Loan Program (HELP);

WHEREAS, Resolution 14-09-59 increased the maximum home sales price to \$250,000 for the SD Home Builders loan pool and to \$185,000 for the SDHDA loan pool;

WHEREAS, Resolution 15-03-07 increased the maximum home sales price for the SDHDA loan pool to \$200,000;

WHEREAS, it is necessary to allow the HELP maximum affordable sales price limits to adjust to changing market conditions and to have consistency across SDHDA programs;

NOW, THEREFORE, BE IT RESOLVED that the maximum home sales price for both the SD Home Builders loan pool and the SDHDA loan pool be the same as the SDHDA First-time Homebuyer program purchase price limits. As such purchase price limits may be revised from time to time.

Via voice vote, the following votes were recorded:

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

D. Resolution No. 17-11-63: Resolution to Amend the Terms of the Construction Loan Guarantee Program

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

WHEREAS, per Resolution No. 94-04-40, SDHDA's Board of Commissioners authorized the Construction Loan Guarantee Program (Program);

WHEREAS, per Resolution No. 95-06-31, the Construction Loan Guarantee Program was transferred to the FLEX program;

WHEREAS, per Resolution No. 06-11-95, the Construction Loan Guarantee Program Guide and Term Sheet were approved;

WHEREAS, per Resolution No. 08-10-84, the Construction Loan Guarantee and Rural Site Development Program were combined and named the Rural Site Development Program;

WHEREAS, SDHDA no longer finances projects under the Rural Site Development Program and staff wishes to clarify that only loan guarantees are available; and

WHEREAS, it is sometimes difficult to develop housing in rural areas and in communities under 5,000;

NOW, THEREFORE, BE IT RESOLVED that the Construction Loan Guarantee Program Term Sheet be amended as proposed, and by this reference is hereby made a part of this Resolution;

BE IT FURTHER RESOLVED that the Program will now be called the Loan Guarantee Program.

Via voice vote, the following votes were recorded:

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

E. Resolution No. 17-11-64: Resolution to Amend the Terms of the Governor's House Program Guidelines

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

WHEREAS, Resolution No. 06-07-69 authorized non-profits to purchase Governor's Houses to develop and sell to qualified buyers;

WHEREAS, Resolution No. 12-04-11 established that the terms for non-profit and for-profit participation are to be established by the SDHDA Executive Director;

WHEREAS, Resolution No. 14-08-50 omitted the statement the "terms for non-profit and for-profit participation are to be established by the SDHDA Executive Director" from the program guidelines; and

WHEREAS, SDHDA would like to once again incorporate in the program guidelines "terms for non-profit and for-profit participation are to be established by the SDHDA Executive Director";

NOW, THEREFORE, BE IT RESOLVED that the proposed revised Governor's House Program Guidelines are hereby approved effective as of November 21, 2017, and by this reference are hereby made a part of this Resolution.

Via voice vote, the following votes were recorded:

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

F. Resolution No. 17-11-65: Resolution to Conditionally Commit HOME and Community Housing Development Program Funds for Thunder Valley Regenerative Community Development Apartment Building

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

WHEREAS, per Resolution 17-08-39, a Reservation of HOME funds in the amount of \$810,500 and Community Housing Development Program funds in the amount of \$405,485 were previously awarded to the following Applicant;

WHEREAS, the Applicant has agreed to comply with all HOME and Community Housing Development Program requirements; and

WHEREAS, the environmental review has been completed and Applicant has submitted most of the required documentation;

NOW, THEREFORE, BE IT RESOLVED that upon receipt of satisfactory documentation, the Executive Director be authorized to issue a Commitment of HOME and Community Housing Development Program funds for the following:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>HOME FUNDS GENERAL POOL</u>
Thunder Valley Community Development Corporation	Thunder Valley Community Development Apartment Building Sharps Corner Oglala Lakota County	\$810,500
		<u>COMMUNITY HOUSING DEVELOPMENT PROGRAM FUNDS</u>
		\$405,485

Via voice vote, the following votes were recorded:

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

VIII. NEW BUSINESS

A. Resolution No. 17-11-66: Resolution to Conditionally Commit HOME Program Funds under the Security Deposit Assistance Program for Brookings County Housing and Redevelopment Commission

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

WHEREAS, the following HOME Program application was received for the Security Deposit Assistance Program (SDAP) set-aside; and

WHEREAS, the required documentation has been reviewed and evaluated, and the Applicant has agreed to comply with all HOME requirements;

NOW, THEREFORE, BE IT RESOLVED that the Executive Director be authorized to issue a conditional commitment of HOME funds from the SDAP set-aside for the following:

<u>APPLICANT</u>	<u>SECURITY DEPOSIT ASSISTANCE PROGRAM AMOUNT</u>
Brookings County Housing and Redevelopment Commission	\$18,000

Via voice vote, the following votes were recorded:

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

B. Resolution No. 17-11-67: Resolution to Conditionally Commit HOME Program Funds under the Security Deposit Assistance Program for Mobridge Housing and Redevelopment Commission

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

WHEREAS, the following HOME Program application was received for the Security Deposit Assistance Program (SDAP) set-aside; and

WHEREAS, the required documentation has been reviewed and evaluated, and the Applicant has agreed to comply with all HOME requirements;

NOW, THEREFORE, BE IT RESOLVED that the Executive Director be authorized to issue a conditional commitment of HOME funds from the SDAP set-aside for the following:

<u>APPLICANT</u>	<u>SECURITY DEPOSIT ASSISTANCE PROGRAM AMOUNT</u>
Mobridge Housing and Redevelopment Commission	\$18,000

Via voice vote, the following votes were recorded:

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

C. Resolution No. 17-11-68: Resolution to Release of the Draft 2017 Analysis of Impediments to Fair Housing Choice for Public Comment

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

WHEREAS, SDHDA is responsible for the development of the Consolidated Plan which requires the completion of an Analysis of Impediments to Fair Housing Choice; and

WHEREAS, per the South Dakota Citizen Participation Plan, the draft analysis must be made available to the public;

NOW, THEREFORE, BE IT RESOLVED that the above referenced Draft 2017 Analysis of Impediments to Fair Housing Choice dated November 21, 2017, 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 voice vote, the following votes were recorded:
Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hansen, Hohn, Kolbeck and Puetz.

Commissioner Hansen moved to the audience at 11:10 a.m. He abstained from discussion and voting on Resolutions No. 17-11-O1 through 17-11-O39 due to the conflict of interest in connection with his service as a Board member and officer of Inter-Lakes Community Action Partnership, Inc. The Board of Commissioners recessed at 11:45 a.m. and resumed at 11:54 a.m.

D. Resolution No. 17-11-69: Resolution to Deny HOME Funds for Black Hills Works 5-plex Apartment New Construction

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 following application has been reviewed and evaluated in accordance with the Amended 2016-2017 HOME Program Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that the application for HOME funds be denied for:

OWNER/APPLICANT
Black Hills Works

DEVELOPMENT/LOCATION
Black Hills Works 5-plex
New Construction
Rapid City, SD

Via voice vote, the following votes were recorded:
Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.
Abstained: Commissioner Hansen.

E. Resolution No. 17-11-70: Resolution to Conditionally Commit Housing Opportunity Fund Funds for Blacks Hills Works – Governor’s House for the Brain Injury Rehabilitation Center

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Opportunity Fund (HOF) Allocation Plan; and

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

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

OWNER/APPLICANT
Black Hills Works, Inc.

DEVELOPMENT/LOCATION
Black Hills Works – Governor's
House for the Brain Injury
Rehabilitation Center
Rapid City, SD

HOF
URBAN
RENTAL
\$52,805

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

F. Resolution No. 17-11-71: Resolution to Deny Housing Opportunity Fund Funds for Black Hills Works Rehabilitation – Fir and Sitka

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Opportunity Fund Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that the application for Housing Opportunity Fund funds be denied for:

OWNER/APPLICANT
Black Hills Works, Inc.

DEVELOPMENT/LOCATION
Black Hills Works
Rehabilitation – Fir and Sitka
Rapid City, SD

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

G. Resolution No. 17-11-72: Resolution to Reserve Housing Tax Credits, HOME and Housing Trust Fund Funds for Cleveland Center Apartments

After review and discussion, it was moved by Commissioner Erickson 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 Amended 2016-2017 Housing Tax Credit Program Qualified Allocation Plan, the Amended 2016-2017 HOME Program Allocation Plan and the Amended 2016-2017 Housing Trust Fund Program Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that based on information provided in the application, a Conditional Reservation and Binding Commitment Agreement offering a Reservation of Housing Tax Credits and letters offering a Reservation of HOME funds and Housing Trust Fund funds be forwarded to the following Applicant, and that upon satisfaction of all conditions, Housing Tax Credits, HOME and Housing Trust Fund funds be allocated to:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>TAX CREDITS</u>
Cleveland Center Apartments, Limited Partnership	Cleveland Center Apartments Sioux Falls, SD	\$445,787
		<u>HOME FUNDS GENERAL POOL</u> \$659,989
		<u>HOUSING TRUST FUNDS</u> \$427,200

BE IT FURTHER RESOLVED that because there are not sufficient 2017 Housing Tax Credits, the Reservation of \$445,787 be made available first from any remaining 2017 Housing Tax Credits and any Housing Tax Credits returned, recaptured, or otherwise made available after this date, and that the Executive Director be authorized to issue a forward commitment from the first Housing Tax Credits available in 2018 up to the total amount of Housing Tax Credits reserved herein.

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

H. Resolution No. 17-11-73: Resolution to Deny Housing Tax Credits and HOME Funds for Denali Ridge Apartments

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Tax Credit Program Qualified Allocation Plan and the Amended 2016-2017 HOME Program Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that the application for Housing Tax Credits and HOME funds be denied for:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/LOCATION</u>
Denali Ridge Limited Partnership	Denali Ridge Apartments Pierre, SD

Via voice vote, the following votes were recorded:
Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.
Abstained: Commissioner Hansen.

I. Resolution No. 17-11-74: Resolution to Deny Housing Tax Credits and Housing Opportunity Fund Funds for Eagle Thunder Homes I

After review and discussion, it was moved by Commissioner Kolbeck 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 Amended 2016-2017 Housing Tax Credit Program Qualified Allocation Plan and the Amended 2016-2017 Housing Opportunity Fund Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that the application for Housing Tax Credits and Housing Opportunity Fund funds be denied for:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/LOCATION</u>
Eagle Thunder Homes I Limited Partnership	Eagle Thunder Homes I Eagle Butte, SD

Via voice vote, the following votes were recorded:
Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.
Abstained: Commissioner Hansen.

J. Resolution No. 17-11-75: Resolution to Deny Housing Tax Credits and Housing Opportunity Fund Funds for Flandreau LIHTC Homes #1

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Tax Credit Program Qualified Allocation Plan and the Amended 2016-2017 Housing Opportunity Fund Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that the application for Housing Tax Credits and Housing Opportunity Fund funds be denied for:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/LOCATION</u>
Flandreau LIHTC #1 Limited Partnership	Flandreau LIHTC HOMES #1 Flandreau, SD

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

K. Resolution No. 17-11-76: Resolution to Approve Housing Tax Credit and HOME Program Waiver Requests for Glory House Apartments

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

WHEREAS, Glory House Apartments Limited Partnership (Applicant) has submitted an application for Housing Tax Credits and HOME funds for Glory House Apartments; and

WHEREAS, the Applicant has requested a waiver of the Amended 2016-2017 Housing Tax Credit Program Qualified Allocation Plan (QAP) and Amended 2016-2017 HOME Program Allocation Plan requirements with regard to certain development standards that pertain to the required number of parking spaces and installation of playground equipment;

NOW, THEREFORE, BE IT RESOLVED that the waiver is hereby approved for Glory House Apartments contingent upon the City of Sioux Falls approval.

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

L. Resolution No. 17-11-77: Resolution to Reserve Housing Tax Credits and HOME Funds for Glory House Apartments

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Tax Credit Program Qualified Allocation Plan and the Amended 2016-2017 HOME Program Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that based on information provided in the application, a Conditional Reservation and Binding Commitment Agreement offering a Reservation of Housing Tax Credits and a letter offering a Reservation of HOME funds be forwarded to the following Applicant, and that upon satisfaction of all conditions, Housing Tax Credits and HOME funds be allocated to:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>TAX CREDITS</u>
Glory House Apartments Limited Partnership	Glory House Apartments Sioux Falls, SD	\$188,328
		<u>HOME FUNDS</u>
		<u>GENERAL POOL</u>
		\$712,500

BE IT FURTHER RESOLVED that because there are not sufficient 2017 Housing Tax Credits, the Reservation of \$188,328 be made available first from any remaining 2017 Housing Tax Credits and any Housing Tax Credits returned, recaptured, or otherwise made available after this date, and that the Executive Director be authorized to issue a forward commitment from the first Housing Tax Credits available in 2018 up to the total amount of Housing Tax Credits reserved herein.

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

M. Resolution No. 17-11-78: Resolution to Approve Housing Tax Credit Program Waiver Request for Harvest Point Apartments

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

WHEREAS, Harvest Point Apartments, Limited Partnership (Applicant) has submitted an application for Housing Tax Credits (HTC) for Harvest Point Apartments; and

WHEREAS, the Applicant has requested a waiver of the Amended 2016-2017 Housing Tax Credit Program Qualified Allocation Plan (QAP) requirements with regard to certain underwriting standards related to debt coverage ratio;

NOW, THEREFORE, BE IT RESOLVED that the waiver is hereby approved for Harvest Point Apartments.

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

N. Resolution No. 17-11-79: Resolution to Reserve Housing Tax Credits for Harvest Point Apartments

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Tax Credit Program Qualified Allocation Plan; and

NOW, THEREFORE, BE IT RESOLVED that based on information provided in the application, a Conditional Reservation and Binding Commitment Agreement offering a Reservation of Housing Tax Credits be forwarded to the following Applicant, and that upon satisfaction of all conditions, Housing Tax Credits be allocated to:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>TAX CREDITS</u>
Harvest Point Apartments, Limited Partnership	Harvest Point Apartments Madison, SD	\$313,142

BE IT FURTHER RESOLVED that because there are not sufficient 2017 Housing Tax Credits, the Reservation of \$313,142 be made available first from any remaining 2017 Housing Tax Credits and any Housing Tax Credits returned, recaptured, or otherwise made available after this date, and that the Executive Director be authorized to issue a forward commitment from the first Housing Tax Credits available in 2018 up to the total amount of Housing Tax Credits reserved herein.

Via voice vote, the following votes were recorded:
Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.
Abstained: Commissioner Hansen.

O. Resolution No. 17-11-80: Resolution to Deny Housing Tax Credits, HOME, Housing Trust Fund and Housing Opportunity Fund Funds for Lake View Tower

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Tax Credit Program Qualified Allocation Plan, the Amended 2016-2017 HOME Program Qualified Allocation Plan, the Amended 2016-2017 Housing Trust Fund Allocation Plan and the Amended 2016-2017 Housing Opportunity Fund Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that the application for Housing Tax Credits, HOME, Housing Trust Fund and Housing Opportunity Fund funds be denied for:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/LOCATION</u>
Lake View Tower RAD LLC	Lake View Tower Madison, SD

Via voice vote, the following votes were recorded:
Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.
Abstained: Commissioner Hansen.

P. Resolution No. 17-11-81: Resolution to Reserve Housing Tax Credits and HOME Funds for Majestic Ridge Apartments

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 following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Tax Credit Program Qualified Allocation Plan and the Amended 2016-2017 HOME Program Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that based on information provided in the application, a Conditional Reservation and Binding Commitment Agreement offering a Reservation of Housing Tax Credits and a letter offering a Reservation of HOME funds be forwarded to the following Applicant, and that upon satisfaction of all conditions, Housing Tax Credits and HOME funds be allocated to:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>TAX CREDITS</u>
Majestic Ridge Limited Partnership	Majestic Ridge Apartments Sioux Falls, SD	\$546,000
		<u>HOME FUNDS GENERAL POOL</u>
		\$1,000,000

BE IT FURTHER RESOLVED that because there are not sufficient 2017 Housing Tax Credits, the Reservation of \$546,000 be made available first from any remaining 2017 Housing Tax Credits and any Housing Tax Credits returned, recaptured, or otherwise made available after this date, and that the Executive Director be authorized to issue a forward commitment from the first Housing Tax Credits available in 2018 up to the total amount of Housing Tax Credits reserved herein.

Via voice vote, the following votes were recorded:
Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.
Abstained: Commissioner Hansen.

Q. Resolution No. 17-11-82: Resolution to Approve Housing Trust Fund Waiver Request for North Star Senior Housing

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

WHEREAS, Cheyenne River Housing Authority (Applicant) has submitted an application for Housing Trust Fund funds for North Star Senior Housing; and

WHEREAS, the Applicant has requested a waiver of the Amended 2016-2017 Housing Trust Fund (HTF) Program Allocation Plan requirements with regard to certain underwriting standards relating to project cost limits;

NOW, THEREFORE, BE IT RESOLVED that the waiver is hereby approved for North Star Senior Housing.

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

R. Resolution No. 17-11-83: Resolution to Reserve Housing Trust Fund Funds for North Star Senior Housing

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Trust Fund Program Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that based on information provided in the application, a letter offering a Reservation of Housing Trust Fund funds be forwarded to the following Applicant, and that upon satisfaction of all conditions, Housing Trust Fund funds be allocated to:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>HOUSING TRUST FUNDS</u>
Cheyenne River Housing Authority	North Star Senior Housing Eagle Butte, SD	\$479,600

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

S. Resolution No. 17-11-84: Resolution to Reserve Housing Tax Credits, HOME and Housing Trust Fund Funds for Sage View Glen Apartments

After review and discussion, it was moved by Commissioner Kolbeck 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 Amended 2016-2017 Housing Tax Credit Program Qualified Allocation Plan, the Amended 2016-2017 HOME Program Allocation Plan and the Amended 2016-2017 Housing Trust Fund Program Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that based on information provided in the application, a Conditional Reservation and Binding Commitment Agreement offering a Reservation of Housing Tax Credits and letters offering a Reservation of HOME funds and Housing Trust Fund funds be forwarded to the following Applicant, and that upon satisfaction of all conditions, Housing Tax Credits, HOME and Housing Trust Fund funds be allocated to:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>TAX CREDITS</u>
Pennington County Good Samaritan Housing Limited Partnership	Sage View Glen Apartments Rapid City, SD	\$545,956
		<u>HOME FUNDS GENERAL POOL</u>
		\$430,000
		<u>HOUSING TRUST FUNDS</u>
		\$484,500

DRAFT

BE IT FURTHER RESOLVED that because there are not sufficient 2017 Housing Tax Credits, the Reservation of \$545,956 be made available first from any remaining 2017 Housing Tax Credits and any Housing Tax Credits returned, recaptured, or otherwise made available after this date, and that the Executive Director be authorized to issue a forward commitment from the first Housing Tax Credits available in 2018 up to the total amount of Housing Tax Credits reserved herein.

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

T. Resolution No. 17-11-85: Resolution to Deny Housing Tax Credits for Sicangu Village Estates IV

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Tax Credit Program Qualified Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that the application for Housing Tax Credits be denied for:

OWNER/APPLICANT
Sicangu Village Estates IV, LP

DEVELOPMENT/LOCATION
Sicangu Village Estates IV
Mission, SD

Via voice vote, the following votes were recorded:
Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.
Abstained: Commissioner Hansen.

U. Resolution No. 17-11-86: Resolution to Deny Housing Tax Credits and HOME Funds for South Sycamore Estates

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 following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Tax Credit Program Qualified Allocation Plan and the Amended 2016-2017 HOME Program Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that the application for Housing Tax Credits and HOME funds be denied for:

OWNER/APPLICANT
South Sycamore Estates
Limited Partnership

DEVELOPMENT/LOCATION
South Sycamore Estates
Sioux Falls, SD

Via voice vote, the following votes were recorded:
Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.
Abstained: Commissioner Hansen.

V. Resolution No. 17-11-87: Resolution to Approve Housing Tax Credit Program Waiver Request for SWO Elderly Village

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

WHEREAS, per Resolution No. 16-11-77, SWO Elderly Village, Limited Partnership (Owner) received a Reservation of Housing Tax Credits (HTC) for SWO Elderly Village;

WHEREAS, the 2016-2017 Housing Tax Credit Program Qualified Allocation Plan requires that certain documents, including a housing tax credit syndication agreement and documentation of the ten percent test, must be provided to SDHDA by December 31, 2017;

WHEREAS, Owner has requested an extension to complete and submit these documents by July 1, 2018; and

WHEREAS, the federal requirements allow such an extension;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the request, and the Executive Director is authorized to notify Owner that if the remaining Carryover documentation is submitted to the satisfaction of SDHDA, a Carryover Allocation Agreement may be issued for the housing tax credits originally reserved or in an amount determined to be financially necessary by SDHDA.

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

W. Resolution No. 17-11-88: Resolution to Reserve Additional Housing Tax Credits for SWO Elderly Village

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 request for additional Housing Tax Credits (HTC) has been reviewed and evaluated in accordance with the 2016-2017 Housing Tax Credit Program Qualified Allocation Plan; and

WHEREAS, per Resolution No. 16-11-77, Housing Tax Credits were previously reserved for the project;

NOW, THEREFORE, BE IT RESOLVED that based on information provided in the application, a Conditional Reservation and Binding Commitment Agreement offering a Reservation of additional Housing Tax Credits be forwarded to the following Applicant, and that upon satisfaction of all conditions, Housing Tax Credits be allocated to:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT NAME</u>	<u>ADDITIONAL TAX CREDITS RESERVED</u>
SWO Elderly Village Limited Partnership	SWO Elderly Village Sisseton, SD	\$262,874

BE IT FURTHER RESOLVED that because there are not sufficient 2017 Housing Tax Credits, the Reservation of \$262,874 be made available first from any remaining 2017 Housing Tax Credits and any Housing Tax Credits returned, recaptured, or otherwise made available after this date, and that the Executive Director be authorized to issue a forward commitment from the first Housing Tax Credits available in 2018 up to the total amount of Housing Tax Credits reserved herein.

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

X. Resolution No. 17-11-89: Resolution to Deny Housing Tax Credits, Housing Trust Fund and Housing Opportunity Fund Funds for Technology Heights II Apartments

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 Amended 2016-2017 Housing Tax Credit Program Qualified Allocation Plan, the Amended 2016-2017 Housing Trust Fund Allocation Plan and the Amended 2016-2017 Housing Opportunity Fund Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that the application for Housing Tax Credits, Housing Trust Fund and Housing Opportunity Fund funds be denied for:

OWNER/APPLICANT

Technology Heights II Limited Partnership

DEVELOPMENT/LOCATION

Technology Heights II Apartments,
Sioux Falls, SD

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

Y. Resolution No. 17-11-90: Resolution to Reserve Housing Tax Credits and HOME Funds for Yankton Heights II Apartments

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Tax Credit Program Qualified Allocation Plan and the Amended 2016-2017 HOME Program Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that based on information provided in the application, a Conditional Reservation and Binding Commitment Agreement offering a Reservation of Housing Tax Credits and a letter offering a Reservation of HOME funds be forwarded to the following Applicant, and that upon satisfaction of all conditions, Housing Tax Credits and HOME funds be allocated to:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>TAX CREDITS</u>
Yankton Heights II Limited Partnership	Yankton Heights II Apartments Yankton, SD	\$441,631
		<u>HOME FUNDS GENERAL POOL</u>
		\$622,955

BE IT FURTHER RESOLVED that because there are not sufficient 2017 Housing Tax Credits, the Reservation of \$441,631 be made available first from any remaining 2017 Housing Tax Credits and any Housing Tax Credits returned, recaptured, or otherwise made available after this date, and that the Executive Director be authorized to issue a forward commitment from the first Housing Tax Credits available in 2018 up to the total amount of Housing Tax Credits reserved herein.

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

Z. Resolution No. 17-11-91: Resolution to Deny Housing Opportunity Fund Funds for AHS Nesmith Townhomes

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 following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Opportunity Fund Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that the application for Housing Opportunity Fund funds be denied for:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/LOCATION</u>
Affordable Housing Solutions	AHS Nesmith Townhomes Sioux Falls, SD

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

AA. Resolution No. 17-11-92: Resolution to Conditionally Commit Housing Opportunity Fund Funds for Habitat for Humanity Building Homes, Building Communities

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Opportunity Fund (HOF) Allocation Plan; and

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

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

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>HOF URBAN HOMEOWNERSHIP</u>
Habitat for Humanity of Greater Sioux Falls Inc.	Habitat for Humanity Building Homes, Building Communities Sioux Falls, SD	\$148,560

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

BB. Resolution No. 17-11-93: Resolution to Conditionally Commit Housing Opportunity Fund Funds for Lemmon Construction

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Opportunity Fund (HOF) Allocation Plan; and

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

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

<u>OWNER/APPLICANT</u>	<u>LOCATION</u>	<u>HOF URBAN HOMEOWNERSHIP</u>
Black Hills Area Habitat for Humanity (BHAHFH)	Lemmon Construction Rapid City, SD	\$64,050

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.
Abstained: Commissioner Hansen.

CC. Resolution No. 17-11-94: Resolution to Deny HOME Funds for Parkside Village

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the Amended 2016-2017 HOME Program Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that the application for HOME funds be denied for:

OWNER/APPLICANT
Dakota Land Trust

DEVELOPMENT/LOCATION
Parkside Village
Spearfish, SD

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

DD. Resolution No. 17-11-95: Resolution to Deny Housing Opportunity Fund Funds for SEDF Workforce Housing Program – Phase 4

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Opportunity Fund Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that the application for Housing Opportunity Fund funds be denied for:

OWNER/APPLICANT
South Eastern Development
Foundation (SEDF)

DEVELOPMENT/LOCATION
SEDF Workforce Housing
Phase – 4
Sioux Falls, SD

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

**EE. Resolution No. 17-11-96:
Sherwood Place**

Resolution to Reserve HOME Funds for

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the Amended 2016-2017 HOME Program Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that based on information provided in the application, a letter offering a Reservation of HOME funds be forwarded to the following Applicant, and that upon satisfaction of all conditions, HOME funds be allocated to:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>HOME FUNDS GENERAL POOL</u>
Affordable Housing Solutions	Sherwood Place Sioux Falls, SD	\$240,000

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

FF. Resolution No. 17-11-97: Resolution to Conditionally Commit Housing Opportunity Fund Funds for BASEC Grant/Loan Program

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Opportunity Fund (HOF) Allocation Plan; and

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

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

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>HOF RURAL PROGRAM</u>
Beadle and Spink Enterprise Community, Inc. (BASEC)	BASEC Grant/Loan Program Scattered Sites	\$131,250

Via voice vote, the following votes were recorded:
Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.
Abstained: Commissioner Hansen.

GG. Resolution No. 17-11-98: Resolution to Deny Housing Opportunity Fund Funds for GROW South Dakota Down Payment/Closing Cost Rural Assistance Program

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 Amended 2016-2017 Housing Opportunity Fund Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that the application for Housing Opportunity Fund funds be denied for:

OWNER/APPLICANT
GROW South Dakota

DEVELOPMENT/LOCATION
GROW South Dakota Down
Payment/Closing Cost Rural
Assistance Program
Scattered Sites

DRAFT

Via voice vote, the following votes were recorded:
Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.
Abstained: Commissioner Hansen.

HH. Resolution No. 17-11-99: Resolution to Deny Housing Opportunity Fund Funds for GROW South Dakota Down Payment/Closing Cost Urban Assistance Program

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Opportunity Fund Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that the application for Housing Opportunity Fund funds be denied for:

OWNER/APPLICANT
GROW South Dakota

DEVELOPMENT/LOCATION
GROW South Dakota Down
Payment/Closing Cost Urban
Assistance Program
Scattered Sites

Via voice vote, the following votes were recorded:
Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.
Abstained: Commissioner Hansen.

II. Resolution No. 17-11-100: Resolution to Conditionally Commit Housing Opportunity Fund Funds for Inter-Lakes Community Action Partnership ESG Match – Balance of Area

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 following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Opportunity Fund (HOF) Allocation Plan; and

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

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

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>HOF RURAL PROGRAM</u>
Inter-Lakes Community Action Partnership (ICAP)	Inter-Lakes Community Action Partnership ESG Match – Balance of Area Madison, SD	\$40,000

Via voice vote, the following votes were recorded:
Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.
Abstained: Commissioner Hansen.

JJ. Resolution No. 17-11-101: Resolution to Conditionally Commit Housing Opportunity Fund Funds for Inter-Lakes Community Action Partnership ESG Match – Sioux Falls

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Opportunity Fund (HOF) Allocation Plan; and

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

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

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>HOF RURAL PROGRAM</u>
Inter-Lakes Community Action Partnership (ICAP)	Inter-Lakes Community Action Partnership ESG Match – Sioux Falls	\$40,000

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

KK. Resolution No. 17-11-102: Resolution to Conditionally Commit Housing Opportunity Fund Funds for HAPI 2017-2018 Home Buyer Assistance

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Opportunity Fund (HOF) Allocation Plan; and

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

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

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>HOF RURAL PROGRAM</u>
Homes Are Possible, Inc. (HAPI)	HAPI 2017-2018 Home Buyer Assistance Scattered Sites	\$119,700

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

LL. Resolution No. 17-11-103: Resolution to Conditionally Commit Housing Opportunity Fund Funds for Habitat for Humanity – South Dakota Down Payment Assistance Program

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 following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Opportunity Fund (HOF) Allocation Plan; and

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

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

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>HOF RURAL/URBAN PROGRAM</u>
Habitat for Humanity – South Dakota	Habitat for Humanity – South Dakota Down Payment Assistance Scattered Sites	\$52,500

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

MM. Resolution No. 17-11-104: Resolution to Conditionally Commit Housing Opportunity Fund Funds for NESDCAP Home Improvement Forgivable Loan Program

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Opportunity Fund (HOF) Allocation Plan; and

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

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

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>HOF RURAL PROGRAM</u>
Northeast South Dakota Economic Corporation Community Action Partnership	NESDCAP Home Improvement Forgivable Loan Program	\$133,750

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

NN. Resolution No. 17-11-105: Resolution to Conditionally Commit Housing Opportunity Fund Funds for NLS – Down Payment/Closing Costs Assistance

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 following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Opportunity Fund (HOF) Allocation Plan; and

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

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

DRAFT	<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>HOF RURAL PROGRAM</u>
	Neighborhood Lending Services Inc.	NLS Down Payment/ Closing Costs Assistance Scattered Sites – Western, SD	\$105,000 <u>HOF URBAN PROGRAM</u> \$42,000

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

OO. Resolution No. 17-11-106: Resolution to Conditionally Commit Housing Opportunity Fund Funds for NWDHR – Homeowner Rehab Project

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Opportunity Fund (HOF) Allocation Plan; and

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

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

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>HOF RURAL PROGRAM</u>
NeighborWorks Dakota Home Resources (NWDHR)	NWDHR – Homeowner Rehab Project Scattered Sites – Western, SD	\$138,600
		<u>HOF URBAN PROGRAM</u>
		\$59,400

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

PP. Resolution No. 17-11-107: Resolution to Conditionally Commit Housing Opportunity Fund Funds for Rural Office of Community Services, Inc

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 following application has been reviewed and evaluated in accordance with the Amended 2016-2017 Housing Opportunity Fund (HOF) Allocation Plan; and

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

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

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>HOF RURAL PROGRAM</u>
Rural Office of Community Services, Inc. (ROCS)	Rural Office of Community Services, Inc. Lakes Andes, SD	\$36,000

Via voice vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Abstained: Commissioner Hansen.

Commissioner Hansen left the audience and joined the Board of Commissioner's table again at 12:15 p.m.

QQ. Resolution No. 17-11-108: Resolution Authorizing the Issuance and Sale of South Dakota Housing Development Authority Homeownership Mortgage Bonds, in one or more Series, in an Aggregate Principal Amount not to Exceed \$750,000,000, Determining the Final Terms Thereof and Setting Forth Covenants and Authorizing Execution of Documents with Respect Thereto

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

ARTICLE I

CREATION OF SERIES

Section 1.01. Authorization.

(a) **Resolutions.** This resolution, referred to herein as the "2017 Series Resolution," is adopted pursuant to Article II of the Authority's Resolution No. 77-27, adopted June 16, 1977, as amended and supplemented, and entitled: "Resolution Providing for the Issuance of Homeownership Mortgage Bonds of the South Dakota Housing Development Authority," referred to herein as the "Bond Resolution," to authorize the issuance and sale and determination of the terms and provisions of bonds of the Authority which are designated as "Homeownership Mortgage Bonds, 2017 Series __" with such series designations as an Authorized Officer may deem appropriate, in an aggregate principal amount not to exceed \$750,000,000 (such Series of Bonds are collectively referred to herein as the "Series Bonds"). All terms defined in Section 103 of the Bond Resolution are used with like meaning in this 2017 Series Resolution.

(b) **Purposes.** It is determined to be in the best interests of the Authority to issue the Series Bonds for the purpose of providing funding for the Authority's Program of making or purchasing Qualified Mortgage Loans to facilitate the development of a sufficient supply of residential housing in South Dakota at prices that persons and families of low and moderate income can afford, which funding may include the refunding of outstanding Homeownership Mortgage Bonds heretofore issued under the Bond Resolution or bonds or other indebtedness incurred by the Authority to finance its Program (the "Refunded Bonds"), and deposit of sale proceeds of the Series Bonds into the Funds and Accounts set forth in Section 2.02 of Article II hereof to be expended for the Program.

(c) **Sale.**

(i) *Contracts of Purchase Relating to Series Bonds.* The Authority authorizes negotiation for the sale of the Series Bonds to one or more of Merrill Lynch, Pierce, Fenner & Smith Incorporated (“Merrill Lynch”), Citigroup Global Markets Inc. (“Citigroup”), J.P. Morgan Securities LLC, Dougherty & Company LLC and Wells Fargo Securities (Wells Fargo Bank, National Association) (collectively, the “Underwriters” or the “Original Purchasers”). Any single investor may also be the sole purchaser of any Series Bonds if so authorized by an Authorized Officer. The Authority hereby approves the use of the form of Contract of Purchase previously used with respect to its 2017 Series D Bonds, pursuant to which form(s) the Series Bonds are proposed to be sold, executed and delivered. The Chair, Vice Chair or Executive Director (each an “Authorized Officer”) is authorized to select the Underwriters for the Series Bonds, to approve the final terms and provisions of the Contract(s) of Purchase relating to each series of the Series Bonds, and to execute the Contract(s) of Purchase for each on behalf of the Authority.

(ii) *Official Statement.* The Authority hereby approves the use of a Preliminary Official Statement, in the form previously used with respect to its 2017 Series D Bonds, or 2015 Series C Bonds (if any of the Series Bonds are sold to the public as variable rate demand bonds), containing information relating to the Authority and the related Series Bonds and such other information as is deemed appropriate by an Authorized Officer, and hereby approves and ratifies the distribution thereof by the Underwriters. A final Official Statement, substantially in the form of the Preliminary Official Statement except for revisions required or approved by counsel for the Authority, and the officers of the Authority executing the same, and insertion of the final terms of each of the related Series Bonds, is authorized to be prepared and signed by an Authorized Officer and furnished to the Underwriters.

(iii) *Approval of Continuing Disclosure Agreement.* The Authority hereby approves the use of a Continuing Disclosure Agreement relating to the Series Bonds in the form previously used with respect to its 2017 Series D Bonds, wherein the Authority will covenant for the benefit of the beneficial owners of the related Series Bonds to provide annually certain financial information and operating data relating to the Authority and to provide notices of the occurrence of certain enumerated events. Said Continuing Disclosure Agreement is approved

substantially in the form described and is authorized to be signed on behalf of the Authority by an Authorized Officer.

(iv) *Approval of Interest Rate Hedging Agreements.* The Authority hereby approves the use of interest rate hedging agreements with such financial organizations as an Authorized Officer may specify (each, a “Counterparty”), in particular financial organizations with whom the Authority already has such hedging agreements and the form of the interest rate hedging agreements with such counterparties, consisting of an ISDA Master Agreement, including a Schedule and Credit Support Annex, and one or more Confirmations thereto, relating to any one or more series of the Series Bonds which may be variable rate bonds, which Counterparties and form of agreements satisfy the provisions of the Authority’s Interest Rate Swap Policy (collectively, the “Hedging Agreements”), and the Authorized Officers of the Authority are authorized to negotiate the final terms of, approve and execute any such Hedging Agreements; and such execution and delivery shall constitute conclusive evidence of their approval of all changes thereto.

(v) *Continuing Covenant and Standby Bond Purchase Agreements.* The Authority hereby approves the use of a Continuing Covenant Agreement (“CC Agreement”) relating to any one or more of the variable rate Series Bonds in substantially the form used in conjunction with the sale of the 2016 Series E Bonds. The Authority also hereby approves the use of a Standby Bond Purchase Agreement or comparable liquidity agreement (“SBPA”), either itself or with a financial organization, relating to any one or more of the Series Bonds which have a tender right, in substantially the form used in conjunction with the sale of the 2015 Series C Bonds. The Authorized Officers of the Authority are authorized to negotiate the terms of, approve and execute such CC Agreement or SBPA. The execution and delivery by any Authorized Officer of such Agreements shall constitute conclusive evidence of both the Authority’s and said Authorized Officer’s approval of all changes, modifications, amendments, revisions and alterations made therein and shall conclusively establish said Authorized Officer’s absolute, unconditional and irrevocable authority with respect thereto from the Authority and the authorization, approval and ratification by the Authority of the Agreements so executed.

(d) *Pledge; Outstanding Bonds.* The pledge made and security interests granted in the Bond Resolution with respect to all Mortgage Loans, Revenues, money, securities, Funds and Accounts therein defined and created, and all covenants and

agreements made by the Authority therein, are made and granted for the equal benefit, protection and security of the Holders of all Series Bonds, as well as all Bonds presently Outstanding under the Bond Resolution, without preference, priority or distinction of one Bond over any other of that or any other Series similarly authorized and issued under the Bond Resolution, as fully as though set out at length and resolved herein.

(e) **Capital Reserve Requirement.** The Capital Reserve Requirement with respect to the Series Bonds is determined to be 3% of the aggregate Capital Value of the Series Bonds from time to time Outstanding or any lesser amount determined by an Authorized Officer so long as the same does not adversely affect the ratings on the Bonds. Upon issuance, sale and delivery of the Series Bonds, there shall be deposited in the appropriate Account(s) for the Series Bonds in the Capital Reserve Fund from the sources set forth in paragraph (b) of Section 2.02 of Article II hereof, or by transfer from other Accounts therein, the amount, as directed in an Officer's Certificate delivered upon the Issue Date, which is equal to the Capital Reserve Requirement for such Series Bonds.

(f) **Mortgage Reserve Requirement.** The Mortgage Reserve Requirement with respect to the Series Bonds shall be 2% of the Mortgage Loans then outstanding, or any lesser amount determined by an Authorized Officer so long as the same does not adversely affect the ratings on the Bonds. Upon issuance, sale and delivery of the Series Bonds, there shall be deposited in the appropriate Account(s) for the Series Bonds in the Mortgage Reserve Fund from the sources set forth in paragraph (b) of Section 2.02 of Article II hereof, or by transfer from other Accounts therein, the amount, as directed in an Officer's Certificate delivered upon the Issue Date, which is equal to the Mortgage Reserve Requirement for such Series Bonds.

Section 1.02. Form of Bonds.

(a) The Series Bonds shall be issuable in the form of fully registered Bonds, of single maturities, subject to transfer, registration and exchange as provided in Article VI of the Bond Resolution. The Series Bonds authorized hereby shall be numbered serially for each Series, and no such Series Bond, whether issued initially or upon reregistration, transfer or exchange, shall bear the same number as any other Bond of the same Series contemporaneously Outstanding; provided, however, that the form of any of the Series Bonds which are variable rate bonds may be modified in such manner as is approved by the Authority for the purpose of reflecting the addition, substitution or elimination of a CC Agreement or SBPA with respect to such Bonds in accordance with the terms hereof. Following a conversion date for any Series Bonds, the form of such Series Bonds may be appropriately revised

to reflect the conversion of the interest rate on such Series Bonds, to delete the provisions of the form of Series Bonds which are then of no further force and effect, to include a description of the post conversion interest rate bonds, the terms upon which such Series Bonds may or are required to be redeemed and any additional security therefor and to make any other changes therein which are necessary or appropriate in such circumstances.

(b) The Series Bonds shall be typewritten or printed in substantially the form specified in an Officer's Certificate.

ARTICLE II

TERMS OF THE SERIES BONDS

Section 2.01. Terms.

(a) ***Determination of Final Terms of Series Bonds and Refunded Bonds.*** The issuance, sale and delivery of the Series Bonds from time to time is hereby approved, subject, however, to the hereinafter-described subsequent negotiation of the final terms of the Series Bonds, if issued, including the Series numbering and lettering, the interest rates on and maturities and redemption provisions of the Series Bonds, whether the Series Bonds or any portion thereof can be converted to other interest rates or maturities, any bondholder rights or obligations to tender any such Bonds, the purchase price thereof and the underwriting fee; provided, however, that the Series Bonds shall mature no later than 40 years from the date of issuance and bear an interest rate not to exceed 7% per annum with respect to fixed rate bonds and 15% with respect to variable rate bonds. The terms of the Series Bonds and the determination of the Refunded Bonds, if any, to be refunded are subject to further authorization and approval as follows. The Executive Director-Secretary (or Director of Finance if the Executive Director-Secretary is not available) shall consult and coordinate with the Chair (or Vice Chair if the Chair is not available) with respect to the final terms of the Series Bonds and the determination of the Refunded Bonds, if any, and the Executive Director-Secretary (or Director of Finance if the Executive Director-Secretary is not available), after so discussing the final pricing terms and bonds to be refunded, if any, is authorized (subject in all cases to the limitations otherwise set forth herein) to determine the final size of the proposed issuance of the Series Bonds and bonds to be refunded, if any, and to negotiate the final terms of the proposed issuance of the Series Bonds with the Underwriter (which shall be selected from the Underwriters listed above), including the determination of final interest rates, initial fixed or variable interest rates and method of determination of fixed or variable rates and modes, tender provisions, provisions of any SBPA (which may initially be self-liquidity), including a mode change concerning such Series Bonds, redemption provisions (if

any) and maturities, the sale price to the Underwriter and the net underwriting fee (which shall not exceed 1.5% of the principal amount of the Series Bonds to be issued), provided that all or a portion of any Series Bonds may be sold to a single institutional investor (and any CC Agreement or any SBPA negotiated and finalized in conjunction therewith) if the Executive Director-Secretary (or Director of Finance if the Executive Director-Secretary is not available) determines the same will result in more beneficial financing terms for the Authority.

(b) **Issue Date; Interest Payment Dates; Denominations and Record Date.** The Issue Date of the Series Bonds shall be the date of delivery thereof or as may be otherwise specified by an Authorized Officer. The Series Bonds shall be issued in denominations of \$5,000 principal amount, or any integral multiple thereof, or such other denominations as shall be authorized by an Authorized Officer, all specified in the related Series Determinations (hereinafter defined) or such other denominations as shall be authorized by an Authorized Officer, in each case not exceeding the principal amount maturing on any principal payment date. Interest on the Series Bonds shall be payable each May 1 and November 1, or such other dates as may be specified by an Authorized Officer, or such dates set forth in any applicable CC Agreement or SBPA, by check or draft mailed to the person in whose name the Series Bond is registered on the registration books of the Authority maintained by the Trustee at the close of business on the Record Date (as set forth in the Series Determinations) or, upon the written request of a Holder of a Series Bond and payment of any applicable wire transfer fee of the Trustee, by wire transfer on each interest payment date from the Trustee to the Holder thereof as of the Record Date or as set forth in the CC Agreement or applicable SBPA with respect to variable rate Series Bonds purchased thereunder; provided, however, that so long as all of the Outstanding Series Bonds are registered in the name of The Depository Trust Company ("DTC") or its designee, or other securities depository as permitted by paragraph (e) of Section 2.03 hereof, payment of interest on the Series Bonds shall be made in accordance with operational arrangements of the securities depository as agreed to by the Authority. The principal of, any redemption premium, if any, and interest due on Series Bonds shall be payable at the principal corporate trust office of the Trustee, or in the case of convertible or variable rate tender bonds, with respect to the purchase price, at the corporate trust office of the tender agent to be selected by an Authorized Officer, upon presentation and surrender of the Series Bonds on or after the date of maturity or redemption or purchase thereof; provided, however, that so long as all Outstanding Series Bonds are registered in the name of DTC or its designee, or other permitted securities depository, the securities depository may, in its discretion, make a notation on any Series Bond indicating the date and amount of any reduction of principal except in the case of final maturity, in which case the

Series Bonds shall be surrendered to the Trustee for payment or in the case of variable rate bonds, with respect to the purchase price, at the corporate trust office of the Tender Agent. Notwithstanding the foregoing, payments on bonds purchased under a liquidity facility shall be made in accordance with the applicable liquidity facility.

(c) **General Redemption Provisions.**

(i) *Partial Redemption.* If less than all of the Series Bonds of any Series and maturity are to be redeemed at any time, whether by the application of Sinking Fund Installments or otherwise, the Trustee shall select the Series Bonds of said Series to be redeemed among numbers to be assigned by the Trustee to each \$5,000 principal amount or other applicable minimum denomination of any such Series Bond, or such other method as may be authorized by an Authorized Officer; provided, however, that so long as all Outstanding Series Bonds are registered in the name of DTC or its designee, or other permitted securities depository, the Series Bonds to be redeemed shall be selected in accordance with the operational arrangements of the securities depository as agreed to by the Authority.

(ii) *General Provisions.* All actions taken by the Authority and the Trustee in the redemption of Series Bonds shall conform to the provisions of Sections 405 and 409 and Article VII of the Bond Resolution, provided that, pursuant to the provisions of Section 803 of the Bond Resolution, the provisions of Section 704 of the Bond Resolution are hereby modified to require that mailed notice of redemption shall be given not less than 20 days prior to a redemption date and that published notice of redemption of the Series Bonds shall not be required, provided further that, notwithstanding the foregoing, a copy of the notice of the call for any redemption identifying any variable rate Series Bonds to be redeemed may be given by immediate notice, with respect to such Series Bonds, not less than 15 days (20 days if in book-entry-only form), or such lesser time period as may be agreed upon by the Authority and the purchaser of such Series Bonds prior to the date fixed for redemption if authorized by an Authorized Officer, and if Bonds purchased under a SBPA are to be redeemed, the Trustee shall give immediate notice of such Bonds to the SBPA counterparty at least one business day prior to the date fixed for redemption.

(d) **Modes, Tender and Conversion Provisions.** Any convertible or variable rate Series Bonds shall have such variable or fixed rate modes, tender provisions and conversion provisions as

are authorized by an Authorized Officer as set forth in the related Series Determinations.

Section 2.02. Establishment and Funding of Accounts Related to Series Bonds.

(a) **Series Bond Clearing Account.** The Trustee shall establish on its books a Clearing Account for each series of the Series Bonds and deposit therein net proceeds of the related Series Bonds upon receipt by the Trustee from the Underwriters. The Trustee shall then transfer or credit amounts therein to other Funds and Accounts for the financing of Qualified Mortgage Loans and for the payment of the Refunded Bonds or costs of issuing the Series Bonds, if any, as directed in an Officer's Certificate.

(b) **Establishment and Funding of Certain Accounts Relating to the Series Bonds.** The following accounts are hereby created relating to the issuance of the Series Bonds and shall be funded from the sources and in the amounts set forth or determined in the manner as follows:

(i) There are established accounts designated as the Mortgage Loan Accounts for each series of the Series Bonds, moneys in which shall be used for the purposes and as authorized by Section 303 of the Bond Resolution. On the date of issuance of the Series Bonds, there shall be deposited by the Trustee into such Mortgage Loan Accounts, as the case may be, from the respective Series Clearing Accounts the amounts as directed in an Officer's Certificate delivered upon the Issue Date.

(ii) There is established within the Capital Reserve Fund, an account designated as such for each series of the Series Bonds. On the date of issuance of the Series Bonds, there shall be deposited by the Trustee into such Accounts, as the case may be, the Capital Reserve Requirement for the respective Series Bonds, from the respective Clearing Accounts as directed in an Officer's Certificate delivered upon the Issue Date.

(iii) There is established within the Mortgage Reserve Fund, an account designated as such for each series of the Series Bonds. On the date of issuance of the Series Bonds, there shall be deposited by the Trustee into such Accounts, as the case may be, the Mortgage Reserve Requirement for the respective Series Bonds, from the respective Clearing Accounts as directed in an Officer's Certificate delivered upon the Issue Date.

(iv) There is established within the Revenue Fund, an account designated as such for each series of the

Series Bonds. On the date of issuance of the Series Bonds, the Trustee shall deposit the accrued interest, if any, received with respect to the sale of the related Series Bonds into the respective Accounts in the Revenue Fund.

(v) Such moneys shall be transferred to each of the Series Accounts of the Revenue Fund from the related Clearing Accounts, and such deposits shall be made into said Accounts on the dates of issuance of the Series Bonds from such sources, all as directed by an Officer's Certificate, and the Trustee shall make deposits and disbursements of Revenues allocable to the Series Bonds into and from said Accounts from time to time in accordance with Sections 402 and 403 of the Bond Resolution or as otherwise directed by an Officer's Certificate.

(vi) Costs of Issuance of the Series Bonds may be paid from the Revenue Fund or Special Program Fund, or any Costs of Issuance Accounts established in connection with the issuance of the Series Bonds, upon receipt by the Trustee of an Officer's Certificate authorizing and directing such payment.

(vii) There shall be established, if so specified in an Officer's Certificate, a Bond Purchase Account on the books of the Trustee (herein, each a "Bond Purchase Account"), for any series of Series Bonds subject to tender rights, in which shall be deposited as and when received, (A) all proceeds of the remarketing of the related Series Bonds, (B) all amounts received under any SBPA with respect thereto and (C) all payments made directly by the Authority with respect to the purchase of such Series Bonds in accordance with the Series Determinations related to such Series Bonds. Money in such Bond Purchase Account, if any, shall be used as provided in the Series Determinations related to such Series Bonds.

(c) **Single Account.** In lieu of establishing separate accounts for each such series of the Series Bonds as provided above in this Section, one or more single accounts may be established upon receipt by the Trustee of an Officer's Certificate directing the same.

Section 2.03. Conditions Precedent to Issuance and Delivery.

(a) **Documents Furnished to Trustee.** For purposes of the Bond Resolution, the Series Bonds are considered as being issued to provide funds for the making or purchase of Qualified Mortgage Loans, the refunding of Outstanding Bonds as set forth in Section 202(2) of the Bond Resolution, or both. In accordance with the provisions of Section 203 of the Bond Resolution, the Executive

Director shall furnish to the Trustee on the dates of issuance and delivery of the Series Bonds:

(i) Certified copies of the Bond Resolution and this 2017 Series Resolution.

(ii) An opinion of Counsel to the Authority that the Bond Resolution and this 2017 Series Resolution have been duly adopted by the Authority and are valid and binding upon it and enforceable in accordance with their terms, that the Bond Resolution creates the valid pledge it purports to create, and that the principal amount of the Series Bonds then being issued, when added to the principal amount of other obligations theretofore issued by the Authority, does not exceed any legal limitations.

(iii) An Officer's Certificate, stating:

(A) The Series designations, interest rates, maturities, redemption provisions, tender rights (if any), rights to convert interest rates, principal payment dates or other bond term, and any other terms of the Series Bonds then being issued, as well as the form of the Bonds, the purchase price thereof, any underwriting fee and any bonds to be refunded, pursuant to Section 2.01(a) hereof (the "Series Determinations").

(B) The amounts of the proceeds of the Series Bonds then being issued and other funds to be credited to the Funds and Accounts referred to in Section 301 of the Bond Resolution at the time of delivery of such Series Bonds, as provided in this 2017 Series Resolution.

(C) Whether or not interest on the Series Bonds then being issued is to be exempt from federal income taxation.

(D) That upon the issuance of such Series Bonds, the Parity Test and the Cash Flow Test will be satisfied.

(E) That the issuance of such Series Bonds will have no material adverse effect on the ability of the Authority to pay the Principal Installments of and interest on all Bonds.

(iv) An Officer's Certificate:

(A) Identifying the bonds, interest and redemption premiums, if any, to be refunded and identifying separately those bonds to be paid at their respective maturity dates and those to be redeemed at specified Redemption Prices and on specified dates at which such bonds may be redeemed from funds held in the Redemption Fund and from other funds.

(B) Directing the Trustee to make due publication, if applicable, of a notice of redemption and refunding with respect to any Refunded Bonds to be redeemed prior to maturity.

(C) Stating that funds will be deposited with the Trustee at or before the time of delivery of the Series Bonds then being issued, sufficient to effect retirement of any Refunded Bonds, interest and any redemption premiums thereon.

(b) **Trustee's Certification.** The Executive Director shall then request the Trustee to determine and certify:

(i) That it has received the documents listed in paragraph (a) of this Section 2.03.

(ii) That the amount to be deposited in the Capital Reserve Fund is sufficient to increase the amount in that Fund to the Capital Reserve Requirement effective after the issuance of the Series Bonds then being issued, as computed by the Trustee.

(iii) That upon the issuance of the Series Bonds then being issued, and deposit of amounts in all Funds and Accounts as directed in the Officer's Certificate, the Parity Test will be satisfied.

(c) **Certification under Applicable Federal Tax Law.** If the interest on any of the Series Bonds is to be exempt from federal income taxation, an Authorized Officer is authorized and directed, on the date of delivery of such Series Bonds, to prepare and execute a certificate on behalf of the Authority, setting forth in brief and summary terms the facts, estimates and circumstances on the basis of which the Authority reasonably expects that the proceeds of such Series Bonds will not be used in a manner that would cause such Series Bonds to be arbitrage bonds under applicable federal tax law.

(d) **Execution and Delivery of Series Bonds.** The Series Bonds shall be executed in the name of the Authority by the manual or facsimile signature of the Chair or Vice Chair and countersigned by the manual or facsimile signature of its counsel, attested by the manual or facsimile signature of the Executive Director, shall be authenticated by the Trustee by manual signature in accordance with the provisions of Section 603(A) of the Bond Resolution, and shall be sealed with a printed or actual facsimile of the official seal of the Authority. After receipt of the Trustee's Certificate referred to in paragraph (b) of this Section, the Authorized Officers are authorized and directed to prepare, execute on behalf of the Authority and deliver to the Underwriters the certificates, opinions and other documents specified in the related Contract of Purchase and the Bond Resolution and this 2017 Series Resolution and to deliver the Series Bonds (then being issued) to the Underwriters or Original Purchaser, as the case may be, after receipt by the Trustee of the purchase price in the amount and in the manner therein specified.

(e) **Securities Depository.**

(i) For purposes of this Section, the following terms shall have the following meanings:

"Beneficial Owner" shall mean, whenever used with respect to a Series Bond, the person in whose name such Series Bond is recorded as the beneficial owner of such Series Bond by a Participant on the records of such Participant, or such person's subrogee.

"Cede & Co." shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Series Bonds.

"DTC" shall mean The Depository Trust Company of New York, New York.

"Participant" shall mean any broker-dealer, bank or other financial institution for which DTC holds Series Bonds as securities depository.

(ii) The Series Bonds shall be initially issued as separately authenticated fully registered Bonds, and one Series Bond of each Series shall be issued in the principal amount of each stated maturity of the Series Bonds of each such Series. Upon initial issuance, the ownership of such Series Bonds shall be registered in the bond register in the name of Cede & Co., as nominee of DTC. The Trustee and the Authority may treat DTC (or its nominee) as the sole and exclusive owner of the Series Bonds registered in its name for the purposes of payment of the principal of or interest on

the Series Bonds, selecting the Series Bonds or portions thereof to be redeemed, if any, giving any notice permitted or required to be given to registered owners of Series Bonds under the Bond Resolution or this 2017 Series Resolution, registering the transfer of Series Bonds, and for all other purposes whatsoever, and neither the Trustee nor the Authority shall be affected by any notice to the contrary. Neither the Trustee nor the Authority shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Series Bonds under or through DTC or any Participant, or any other person which is not shown on the bond register as being a registered owner of any Series Bonds, with respect to the accuracy of any records maintained by DTC or any Participant, with respect to the payment by DTC or any Participant of any amount with respect to the principal of, interest, redemption premium or purchase price on the Series Bonds, with respect to any notice which is permitted or required to be given to owners of Series Bonds under the Bond Resolution or this 2017 Series Resolution, with respect to the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption or purchase of the Series Bonds, or with respect to any consent given or other action taken by DTC as registered owner of the Series Bonds. So long as any Series Bond is registered in the name of Cede & Co., as nominee of DTC, the Trustee shall pay all principal of and interest on, and purchase price of, such Series Bond, and shall give all notices with respect to such Series Bond, only to Cede & Co. in accordance with DTC's Operational Arrangements, and all such payments shall be valid and effective to fully satisfy and discharge the Authority's obligations with respect to the principal of and interest on, and purchase price of, the Series Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated Series Bond for each separate stated maturity of each Series evidencing the obligation of the Authority to make payments of principal, interest and purchase price. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the Series Bonds will be transferable to such new nominee in accordance with subsection (iv) hereof.

(iii) In the event the Authority determines that it is in the best interest of the Beneficial Owners that they be able to obtain Series Bonds in the form of bond certificates, the Authority may notify DTC and the Trustee, whereupon DTC shall notify the Participants of the availability through DTC of Series Bonds in the form of certificates. In such event, the Series Bonds will be transferable in accordance

with subsection (iv) hereof. DTC may determine to discontinue providing its services with respect to the Series Bonds at any time by giving notice to the Authority and the Trustee and discharging its responsibilities with respect thereto under applicable law. In such event the Series Bonds will be transferable in accordance with subsection (iv) hereof.

(iv) In the event that any transfer or exchange of Series Bonds is permitted under subsection (ii) or (iii) hereof, such transfer or exchange shall be accomplished upon receipt by the Trustee of the Series Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee in accordance with the provisions of the Bond Resolution and this 2017 Series Resolution. In the event Series Bonds in the form of certificates are issued to owners other than Cede & Co., its successor as nominee for DTC as owner of all the Series Bonds, or another securities depository as owner of all the Series Bonds, the provisions of the Bond Resolution and this 2017 Series Resolution shall also apply to all matters relating thereto, including, without limitation, the printing of such Series Bonds in the form of bond certificates and the method of payment of principal of and interest on such Series Bonds in the form of bond certificates.

Section 2.04. General Authorization of Officers. The Authorized Officers are hereby authorized and directed to do all acts and things and to execute and deliver any and all documents, filings, certificates and other instruments necessary or desirable to effectuate the transactions contemplated by the Bond Resolution or this 2017 Series Resolution.

ARTICLE III

THE CODE AND RESTRICTIONS

Section 3.01. Tax Covenant and Restrictions.

(a) **General Tax Covenant.** In Section 505 of the Bond Resolution the Authority has covenanted that, if interest on any of the Series Bonds is to be exempt from federal income taxation, it will at all times do and perform all acts and things permitted by law and necessary or desirable in order to assure that interest paid by the Authority on the Bonds shall be exempt from all federal income taxation, and that no part of the proceeds of the Bonds shall at any time be used directly or indirectly to acquire securities or obligations the acquisition of which, from the funds used for that purpose, if reasonably anticipated on the date of issuance of any Bond, would have caused such Bond to be an arbitrage bond, unless such acquisition is at such time permitted by applicable federal tax law and the Treasury Regulations thereunder, as then in effect. The

Authority shall at all times do and perform all acts and things permitted by law and the Bond Resolution and necessary or desirable in order to assure that the proceeds of such Series Bonds and the Revenues attributable thereto will be used in a manner consistent with the provisions of applicable federal tax law and applicable Regulations.

(b) **Authority and Effect.** Sections 3.01 and 3.02 of this Article III shall be applicable only to the obligations, covenants, agreements, limitations, conditions and restrictions of and upon the Authority in relation to the Holders of the Series Bonds on which interest is to be exempt from federal income taxation. The meaning of capitalized terms used in Sections 3.01 and 3.02 of this Article III are as defined in Section 103 of the Bond Resolution or in this 2017 Series Resolution. The covenants and restrictions set forth in Section 3.02 hereof shall apply to Mortgage Loans made in whole or in part from the proceeds of the Series Bonds on which interest is to be exempt from federal income taxation initially deposited into the Mortgage Loan Accounts or Revenues for the Series Bonds on which interest is to be exempt from federal income taxation attributable thereto. The Authority retains the right to impose covenants with respect to Mortgage Loans, Homes and Mortgagors more restrictive than those imposed by applicable federal tax law.

(c) **Amendments.** If and to the extent that applicable federal tax law is amended or additional Regulations are promulgated or rulings given thereunder, and the Authority determines on the advice of counsel that the effect thereof is to add to, delete from or change the restrictions and limitations contained in applicable federal tax law or the Authority's interpretation thereof, any provision of Sections 3.01 and 3.02 of this Article III may be amended or supplemented to conform to applicable federal tax law and the Regulations and rulings thereunder as then in effect, without the consent of the Trustee or Bondholders, as contemplated in Section 801 of the Bond Resolution.

Section 3.02. Compliance With Applicable Federal Tax Law.

(a) **Code Provisions.** If interest on any of the Series Bonds is to be exempt from federal income taxation, the Authority determines to apply the provisions of Section 103 or 143, as applicable, of the Code to the Mortgage Loans to be made or purchased, in whole or in part, from the proceeds of such Series Bonds, and the Authority determines to take all necessary action to insure that the Series Bonds on which interest is to be exempt from federal income taxation meet the requirements of Section 103 or 143 as an issue of Pre-Ullman single-family mortgage revenue bonds or "qualified mortgage bonds", as applicable. In conjunction with the issuance of any Refunded Bonds the Authority covenanted to comply with then applicable federal tax rules and take all action necessary to insure that such Refunded Bonds (or any "new

money” Bonds refunded thereby) complied with the requirements of said Section 103 or 143, as applicable (or any applicable prior provisions of the Code), including any Mortgage Loans financed with recycled repayments of Mortgage Loans financed by such Refunded Bonds, so that the interest on the related Bonds would be exempt from federal income taxation; the Authority hereby reconfirms and renews such covenants in conjunction with the issuance of the Series Bonds on which interest is to be exempt from federal income taxation.

(b) **Arbitrage.** The Authority will take all actions as may be necessary to assure that the Series Bonds will meet the requirements of Sections 143(g), if applicable, and Section 148 of the Code, if any, and applicable Regulations, relating to arbitrage, and the Authority will pay or cause to be paid the rebate amount with respect to the Series Bonds on which interest is to be exempt from federal income taxation required by Section 148(f) of the Code and the Regulations, as provided in the Arbitrage Rebate Certificates executed by the Trustee and the Authority in conjunction with the issuance and delivery of the Series Bonds on which interest is to be exempt from federal income taxation.

Section 3.03. The Authority hereby declares its intention, within the meaning of Section 1.150-2 of the Internal Revenue Code regulations, to facilitate continuous funding of its homeownership program (as described above) by, from time to time, financing mortgage loans and then issuing bonds in one or more series within 18 months thereof to reimburse itself for such financing, all in an amount presently expected to not exceed one-third of the amount of the Series Bonds authorized by Article I hereof, and hereby confirms that the Executive Director has been and continues to be authorized to also so declare the intention of the Authority within the meaning of said Section 1.150-2 to issue bonds to reimburse itself for the financing of mortgage loans, provided that the final amount of any such bond issuances shall be determined only by subsequent action of the Authority and any such declaration does not authorize or obligate the Authority to issue any such bonds.

ARTICLE IV

EFFECTIVE DATE

This 2017 Series Resolution shall take effect immediately.

Via voice vote, the following votes were recorded:

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

RR. Resolution No. 17-11-109: Resolution to Fund the Housing Opportunity Fund Program

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

WHEREAS, affordable housing is a significant need across South Dakota;

WHEREAS, the Housing Opportunity Fund under Building South Dakota provides housing from low- to moderate- to workforce housing; and

WHEREAS, State revenues are lower than projected, leaving the Housing Opportunity Fund underfunded;

NOW, THEREFORE, BE IT RESOLVED that South Dakota Housing Development Authority will commit up to \$1.5 million for five years for the Housing Opportunity Fund.

Via voice vote, the following votes were recorded:

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

IX. DATE OF NEXT MEETING AND ADJOURNMENT

The next Board of Commissioners' Meeting has not been scheduled. It was moved by Commissioner Dykstra and seconded by Commissioner Hansen that the meeting adjourn. The meeting adjourned at 12:31 p.m.

Via voice vote, the following votes were recorded:

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

Respectfully submitted,

Mark Lauseng
Secretary