

MINUTES
SOUTH DAKOTA HOUSING DEVELOPMENT AUTHORITY
BOARD OF COMMISSIONER'S MEETING
SDHDA CONFERENCE ROOM
Telephonic
June 25, 2019

Board Members Present: David Pummel, Chairman
Brent Dykstra, Vice-Chair
Bill Hansen, Treasurer
Scott Erickson, Commissioner

Board Members Absent: Rick Hohn, Commissioner
Steve Kolbeck, Commissioner
Mark Puetz, Commissioner

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

Guests Present: Dixe Hieb, Davenport, Evans, Hurwitz & Smith, Counsel to SDHDA
Joy McCracken, Dakota Land Trust
Bonnie Mogen, Costello Companies

I. CALL TO ORDER/CONFLICTS OF INTEREST

The meeting was called to order at 10:00 a.m. and roll was called. Chairman Pummel called for conflicts of interest and none were noted.

II. PUBLIC COMMENT

None.

III. APPROVAL OF AGENDA

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

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

IV. APPROVAL OF MINUTES

It was moved by Commissioner Hansen and seconded by Commissioner Dykstra that the Minutes of the Board of Commissioners' Meeting held on May 21, 2019, be adopted as presented.

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

V. EXECUTIVE DIRECTOR'S REPORT

Executive Director Lauseng stated the first DakotaPlex Project was awarded to Tyndall. He stated Commissioner Hansen will be reappointed. Executive Director Lauseng stated Jolene Kline, Executive Director of North Dakota Housing Finance Agency is retiring. He stated the Audit Committee met this morning. Executive Director Lauseng stated Auditors will be here July 22-26 to do a Compliance Audit of HAP, HTF and NSP. He stated Auditors will be back September 16-20 for the financial portion. Executive Director Lauseng stated the Grants for Grad program will be ending June 28, 2019.

VI. OLD BUSINESS

A. Resolution No. 19-06-40: Resolution to Commit HOME and Housing Trust Fund Funds for Whisper Rock II Apartments

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 18-11-87, a Reservation in the amount of \$950,000 of HOME funds and \$287,700 of Housing Trust Fund (HTF) funds was previously awarded to the following Applicant;

WHEREAS, the Applicant has agreed to comply with all HOME and HTF requirements; and

WHEREAS the environmental review is underway and Applicant has submitted most of the required reservation documentation;

NOW, THEREFORE, BE IT RESOLVED that, upon receipt of satisfactory documentation and the environmental review, the Executive Director be authorized to issue a Commitment of HOME and HTF Funds for the following:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>HOME FUNDS GENERAL POOL</u>
Whisper Rock II Limited Partnership	Whisper Rock II Apartments Rapid City, SD	\$950,000
		<u>HOUSING TRUST FUNDS</u>
		\$287,700

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

B. Resolution No. 19-06-41: Resolution to Modify Terms of FLEX Funds to the City of Sioux Falls on Behalf of Pettigrew Heights – Neighborhood Conservation Area Program

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

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WHEREAS, per Resolution No. 08-10-72, FLEX Program funds in the amount of \$500,000 were authorized to the City of Sioux Falls for the Neighborhood Conservation Area Program for the Pettigrew Heights Neighborhood;

WHEREAS, per Resolution 13-08-59 the original terms were modified to include additional neighborhoods;

WHEREAS, per Resolution 17-08-40 the original terms were modified to include additional neighborhoods; and

WHEREAS, the City of Sioux Falls has requested additional modification to further expand the program boundaries to be citywide;

NOW, THEREFORE, BE IT RESOLVED that the expansion of the program be approved.

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

VII. NEW BUSINESS

A. Resolution No. 19-06-42: Resolution to Conditionally Commit Housing Opportunity Fund Funds for Centerville Dev Corp 111 Broadway Home Rehab

After review and discussion, it was moved by Commissioner Dykstra 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 2018-2019 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 DEVELOPMENT</u>
Centerville Development Corporation	Centerville Dev Corp 111 Broadway Home Rehab Centerville, SD	\$40,000

Via roll call vote, the following votes were recorded:

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

Excused: Commissioners Hohn, Kolbeck and Puetz.

B. Resolution No. 19-06-43: Resolution to Conditionally Commit Housing Opportunity Fund Funds for DLT Lot Purchase 2019 – 619 Monroe Street

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 application has been reviewed and evaluated in accordance with the 2018-2019 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 DEVELOPMENT</u>
Dakota Land Trust	DLT Lot Purchase 2019 – 619 Monroe Street Rapid City, SD	\$25,000

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

C. Resolution No. 19-06-44: Resolution to Approve Housing Opportunity Fund Waiver Request for South Dakota Housing Development Authority

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

WHEREAS, South Dakota Housing Development Authority (SDHDA) is requesting Housing Opportunity Fund funds to administer a 2019 Disaster Recovery Funding program;

WHEREAS, per the Amended 2018-2019 Housing Opportunity Fund (HOF) Allocation Plan (Plan), HOF funds may be used to finance up to 50 percent of the project or program costs, with the remaining 50 percent being leveraged funds (or match);

WHEREAS, per the Plan, if applicants are unable to meet the requirement of the 50 percent leverage funds (match), applicants may request a waiver from the SDHDA Board of Commissioners;

WHEREAS, SDHDA anticipates that the funds awarded to program recipients under the 2019 Disaster Recovery Funding program will in most instances be leveraged or matched with FEMA recovery funds, insurance proceeds, donations or existing home values, but that in some instances program recipients will not have the ability to provide matching funds; and

WHEREAS, SDHDA has requested a waiver from the SDHDA Board of Commissioners permitting SDHDA to waive the leverage/match requirement on a case-by-case basis;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the request, and the Executive Director is authorized to approve a waiver of the 50 percent leveraged funds (match) on a case-by-case basis, as he determines is warranted.

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

D. Resolution No. 19-06-45: Resolution to Conditionally Commit Housing Opportunity Fund Funds for The 2019 Disaster Recovery Funding

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 the Amended 2018-2019 Housing Opportunity Fund (HOF) Allocation Plan, South Dakota Housing Development Authority (Applicant) is requesting the ability to utilize remaining FY 2019 HOF funding to assist in disaster relief efforts; and

WHEREAS, 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 FUNDS</u>
South Dakota Housing Development Authority	The 2019 Disaster Recovery Funding Bon Homme, Charles Mix, Hutchinson, Minnehaha and Yankton Counties; Pine Ridge, Rosebud and Cheyenne River Sioux Reservations	\$165,000

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

VIII. DATE OF NEXT MEETING AND ADJOURNMENT

The next Board of Commissioners' Meeting is scheduled for July 16. It was moved by Commissioner Dykstra and seconded by Commissioner Erickson that the meeting adjourn.

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

The meeting adjourned at 10:23 a.m.

Respectfully submitted,

Mark Lauseng
Secretary

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