

MINUTES
SOUTH DAKOTA HOUSING DEVELOPMENT AUTHORITY
BOARD OF COMMISSIONERS' MEETING
SDHDA CONFERENCE ROOM
Telephonic
March 13, 2012

Board Members Present: Lloyd Schipper, Chairman (via telephone)
Linda Barker, Vice-Chair (via telephone)
Brent Dykstra, Treasurer (via telephone)
Bill Hansen, Commissioner (via telephone)
Kurt Pfeifle, Commissioner (via telephone)
David Pummel, Commissioner (via telephone)

Board Members Absent: Paul Symens

Staff Present: Mark Lauseng, Executive Director
Todd Hight, Director of Finance & Administration
Brent Adney, Director of Homeownership Programs
Vona Johnson, Director of Rental Housing Management
Lorraine Polak, Director of Rental Housing Development
Paul Kostboth, Director of Single Family Development
Amanda Weisgram, Director of Marketing & Research
Kelsey Baker, Marketing/Executive Assistant

Guests Present: Dixie Hieb, Davenport, Evans, Hurwitz & Smith, Counsel to SDHDA (via telephone)
John Wagner, Kutak Rock, Counsel to SDHDA (via telephone)

I. CALL TO ORDER

The meeting was called to order at 2:01 P.M. and roll was called.

II. APPROVAL OF AGENDA

It was moved by Commissioner Pummel and seconded by Commissioner Hansen that the Agenda be adopted as presented, but reserving the right to make changes during the meeting. The motion carried unanimously. It is noted that Commissioner Barker came on the call at approximately 2:06 p.m. and was not present for items presented before that time, but a quorum was still present.

III. EXECUTIVE DIRECTOR'S REPORT

Executive Director Lauseng updated the Commissioners on the Mortgage Backed Securities (MBS) Program. Homeownership staff will be holding lender training in Sioux Falls and Rapid City on March 19th through March 22nd. Executive Director Lauseng also reported that he had appointed Commissioners Barker, Dykstra, and Pummel to the Housing Tax Credit and HOME Task Force and that there will be a Task Force meeting on April 18th.

IV. OLD BUSINESS

A. There was no old business brought before the meeting.

IV. NEW BUSINESS

A. Resolution No. 12-03-06: Resolution to Approve and Authorize Release of Draft 2011 Consolidated Plan Annual Performance Report for Public Comment

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

WHEREAS, SDHDA is responsible for the development of Draft 2011 Consolidated Plan Annual Performance Report; and

WHEREAS, such Report, which has been reviewed by the Board, must be made available for public comment for a 15-day period;

NOW, THEREFORE, BE IT RESOLVED that the Draft 2011 Consolidated Plan Annual Performance Report, dated March 13, 2012, is hereby approved and the Executive Director is authorized to release the Report for the purpose of taking public comment; and

BE IT FURTHER RESOLVED that public comments received be incorporated into the Report and the final Report be submitted to the U.S. Department of Housing and Urban Development (HUD) by March 31, 2012.

Via roll call vote, the motion carried unanimously.

B. Resolution No. 12-03-07: Resolution to Approve Release of the Draft Substantial Amendment to the 2011 Consolidated Plan Update for Public Comment

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

WHEREAS, the 2008-2012 Five-Year Consolidated Housing and Community Development (Consolidated Plan) Plan has previously been approved by the U.S. Department of Housing and Urban Development (HUD);

WHEREAS, annually HUD requires an update to the Consolidated Plan to enable the State to access funds for the HOME Program, Emergency Shelter Grants Program, Community Development Block Grant Program, and Housing Opportunities for Persons with AIDS (HOPWA);

WHEREAS, per Resolution No. 10-11-83, the Board previously approved the 2011 Consolidated Plan Update, which has also been approved by HUD; and

WHEREAS, HUD has changed the Emergency Shelter Grants Program to the Emergency Solutions Grants Program (ESGP) and recently provided guidance on the changes to ESGP and modifications to the Consolidated Plan and Annual

Updates; which changes must be incorporated in the Draft Substantial Amendment to the 2011 Consolidated Plan Update,

NOW, THEREFORE, BE IT RESOLVED that the above referenced Draft Substantial Amendment to the 2011 Consolidated Plan Update dated March 13, 2012, is hereby approved for public distribution, and the Executive Director is authorized to give the required public notice for a final 30-day comment period.

Via roll call vote, the motion carried unanimously.

C. Resolution No. 12-03-08: Resolution to Approve Release of the Draft Substantial Amendment to the 2012 Consolidated Plan Update for Public Comment

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

WHEREAS, the 2008-2012 Five-Year Consolidated Housing and Community Development Plan (Consolidated Plan) has previously been approved by the U.S. Department of Housing and Urban Development (HUD);

WHEREAS, annually HUD requires an update to the Consolidated Plan to enable the State to access funds for the HOME Program, Emergency Shelter Grants Program, Community Development Block Grant Program, and Housing Opportunities for Persons with AIDS (HOPWA);

WHEREAS, per Resolution No. 11-11-83, the Board previously approved the 2012 Consolidated Plan Update, which has also been approved by HUD; and

WHEREAS, HUD has changed the Emergency Shelter Grants Program to the Emergency Solutions Grants Program (ESGP) and recently provided guidance on the changes to ESGP and modifications to the Consolidated Plan and Annual Updates; which changes must be incorporated in the Draft Substantial Amendment to the 2012 Consolidated Plan Update,

NOW, THEREFORE, BE IT RESOLVED that the above referenced Draft Substantial Amendment to the 2012 Consolidated Plan Update dated March 13, 2012, is hereby approved for public distribution, and the Executive Director is authorized to give the required public notice for a final 30-day comment period.

Via roll call vote, the motion carried unanimously.

D. Resolution No. 12-03-09: Resolution to Approve 2011-2012 Emergency Solutions Grants Program Administrative Plan

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

WHEREAS, Title 24, Code of Federal Regulations, Parts 91 and 576, outline the requirements of the Homeless Emergency Assistance and Rapid Transition to

Housing: Emergency Solutions Grants Program and Consolidated Plan Conforming Amendments;

WHEREAS, South Dakota Housing Development Authority administers the Emergency Solutions Grants Program for the State of South Dakota; and

WHEREAS the Board of Commissioners has reviewed the 2011-2012 Emergency Solutions Grants Program Administrative Plan;

NOW, THEREFORE, BE IT RESOLVED that the 2011-2012 Emergency Shelter Grants Program Administrative Plan is hereby adopted, and by this reference is hereby made a part of this Resolution; and

BE IT FURTHER RESOLVED that the Executive Director is authorized to distribute the 2011-2012 Emergency Shelter Grants Program Administrative Plan to the public.

Via roll call vote, the motion carried unanimously.

E. Resolution No. 12-03-10: Resolution to Authorize and Confirm the Authority of the Executive Director and Director – Finance and Administration to Implement a Mortgage Backed Securities or Mortgage Loan Sale Program to Continue SDHDA’s Single Family Homeownership Program

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

WHEREAS, the South Dakota Housing Development Authority (SDHDA) has had to seek alternative funding strategies to achieve affordable mortgage interest rates and products for homebuyers under its Single Family Homeownership Program; and

WHEREAS, as previously discussed, possible alternative lower cost funding sources for the Authority’s Single Family Homeownership Program are the utilization of a GNMA, Fannie Mae or Freddie Mac mortgage-backed securities (“MBS”) program and the sale of such MBSs, the sale of mortgage loans, or both; and

WHEREAS, SDHDA staff, in consultation with SDHDA’s financial advisor, have determined that such alternative lower cost funding sources would facilitate the continuation of SDHDA’s Single Family Homeownership Program and be in the best interests of the residents of South Dakota;

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners hereby authorizes and confirms the power of each of the SDHDA Executive Director and Director–Finance and Administration to (A) enter into negotiations with lenders, financial institutions or other entities with respect to the implementation of an MBS program, or the sale of mortgage loans, or both, as alternative funding sources for SDHDA’s Single Family Homeownership Program, (B) commit SDHDA to the sale or assignment of mortgage loans with respect to the MBS programs, and the sale of MBSs generated thereby, (C) commit SDHDA to the sale or assignment of mortgage loans with respect to the whole loan purchase programs of Fannie Mae or Freddie Mac, (D) contract with third parties both for advice and with respect to the execution of any sale or assignment of MBSs or mortgage loans, and (E) if SDHDA

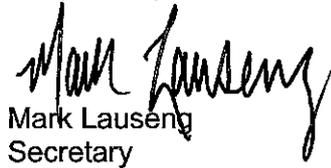
staff deem implementation of the foregoing programs reasonable and appropriate to maintain the most cost effective financing for SDHDA's Single Family Homeownership Program, execute and deliver any and all documents which they deem necessary and appropriate to effectuate the same.

Via roll call vote, the motion carried unanimously.

A. DATE OF NEXT MEETING AND ADJOURNMENT

The next Board of Commissioners' Meeting has been scheduled for Wednesday, April 25, 2012. It was moved by Commissioner Barker and seconded by Commissioner Pummel that the meeting be adjourned. The meeting was adjourned at 2:24 P.M.

Respectfully submitted,


Mark Lauseng
Secretary