

MINUTES
SOUTH DAKOTA HOUSING DEVELOPMENT AUTHORITY
BOARD OF COMMISSIONERS' MEETING
BEST WESTERN KELLY INN
ROOM A
June 23, 2011

Board Members Present: Lloyd Schipper, Chairman
Linda Barker, Vice-Chair (via telephone)
Bill Hansen, Commissioner
David Pummel, Commissioner
Paul Symens, Commissioner

Board Members Absent: Brent Dykstra
Kurt Pfeifle

Staff Present: Mark Lauseng, Executive Director
Todd Hight, Director of Finance and Administration
Brent Adney, Director of Homeownership Programs
Vona Johnson, Director of Rental Housing Management
Lorraine Polak, Director of Rental Housing Development
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
John Wagner, KutakRock
Brent Tucker, Sioux Falls Community Development
Erica Beck, Sioux Falls Community Development
Aaron Rietsema, Dakota Enhancement
Jackson Dorhout, Dakota Enhancement
Tom Caine, Caine Mitter & Associates
Bronson Martin, Caine Mitter & Associates

I. CALL TO ORDER

The meeting was called to order at 11:06 A.M. and roll was called. A quorum was present. It is noted that Commissioner Barker left the meeting at approximately 11:16 a.m. and was not present for items presented after that time, but a quorum was still present.

II. APPROVAL OF AGENDA

The distributed Agenda was changed to revise the order in which items would be heard. It was moved by Commissioner Pummel and seconded by Commissioner Symens that the Agenda be adopted as revised, but reserving the right to make changes during the meeting. The motion carried unanimously.

III. APPROVAL OF MINUTES

It was moved by Commissioner Hansen and seconded by Commissioner Pummel that the Minutes of the Board of Commissioners' Meeting dated May 26, 2011, be adopted as presented. The motion carried unanimously.

IV. TREASURER'S REPORT

Finance Director, Todd Hight, presented the Treasurer's Report, Statement of Net Assets dated April 30, 2011; the Statement of Revenues, Expenses and Changes in Net Assets for the ten months ending April 30, 2011; and the Comparison of Actual Expenses to Budget as of April 30, 2011. It was moved by Commissioner Barker and seconded by Commissioner Symens that the Treasurer's Report be accepted as presented. The motion carried unanimously.

V. EXECUTIVE DIRECTOR'S REPORT

Executive Director Lauseng reported on the details of the Board Training that took place in Yankton. Executive Director Lauseng also reported on the flood related items in South Dakota and that SDHDA is leading a South Dakota Disaster Housing Task Force in developing a Disaster Housing Strategy for the South Dakota Flooding for the Spring and Summer of 2011.

VI. Program Reports

The Program Reports were included in the Board book, but no presentation was given by the Directors.

VII. NEW BUSINESS

A. Resolution No. 11-06-49: Resolution to Approve HOME Application for Commitment of Funds for Inter-Lakes Community Action, Inc. under the Homeowner Rehabilitation Program

Commissioner Hansen abstained from the discussion and vote on this matter. 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 following HOME Program application was received in accordance with the set-aside for Homeowner Rehabilitation and has been reviewed and evaluated; and

WHEREAS, the required documentation has been reviewed, 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 commitment of HOME funds from the Homeowner Rehabilitation Program for the following:

<u>APPLICANT</u>	<u>DEVELOPMENT NAME</u>	<u>HOMEOWNER REHABILITATION PROGRAM AMOUNT</u>
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Inter-Lakes Community Action, Inc.	Homeowner Rehabilitation Madison, SD	\$200,000
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Via roll call vote, the motion carried with Commissioner Hansen abstaining. Commissioner Barker left the call after the vote.

VIII. OLD BUSINESS

B. Resolution No. 11-06-50: Resolution to Commit HOME Program Funds for Habitat for Humanity – Harrisburg Affordable Housing 2

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

WHEREAS, per Resolution 11-04-21, a Reservation in the amount of \$73,600 was previously awarded to the following HOME Applicant;

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

WHEREAS, the environmental review has been initiated;

NOW, THEREFORE, BE IT RESOLVED that the Executive Director be authorized to issue a Commitment of HOME Funds, conditioned upon receipt of a favorable conclusion of the environmental review for the following:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT NAME</u>	<u>GENERAL POOL HOME AMOUNT</u>
Habitat for Humanity of Greater Sioux Falls, Inc.	Habitat for Humanity Harrisburg Affordable Housing 2 Harrisburg, SD	\$73,600

The motion carried unanimously.

C. Resolution No. 11-06-51: Resolution to Commit HOME Program Funds for Mulberry Street Project

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

WHEREAS, per Resolution 11-04-24, a Reservation in the amount of \$180,000 was previously awarded to the following HOME Applicant;

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

WHEREAS, the environmental review has been initiated;

NOW, THEREFORE, BE IT RESOLVED that the Executive Director be authorized to issue a Commitment of HOME Funds, conditioned upon receipt of a favorable conclusion of the environmental review for the following:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT NAME</u>	<u>GENERAL POOL HOME AMOUNT</u>
Habitat for Humanity of Yankton County, Inc.	Mulberry Street Project Yankton, SD	\$180,000

The motion carried unanimously.

D. Resolution No. 11-06-52: Resolution to Commit HOME Program Funds for North Rapid New Home Construction

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

WHEREAS, per Resolution 11-04-26, a Reservation in the amount of \$174,422 was previously awarded to the following HOME Applicant;

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

WHEREAS, the environmental review has been initiated;

NOW, THEREFORE, BE IT RESOLVED that the Executive Director be authorized to issue a Commitment of HOME Funds, conditioned upon receipt of a favorable conclusion of the environmental review for the following:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT NAME</u>	<u>GENERAL POOL HOME AMOUNT</u>
Black Hills Area Habitat for Humanity	North Rapid New Home Construction Rapid City, SD	\$174,422

The motion carried unanimously.

E. Resolution No. 11-06-53: Resolution to Conditionally Commit Neighborhood Stabilization Program (NSP3) Funds for Bella Sierra Apartments

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the Neighborhood Stabilization Program Plan (NSP3); and

WHEREAS, based on information provided, the Applicant is eligible to receive NSP3 funds and has agreed to comply with all NSP3 requirements;

NOW, THEREFORE, BE IT RESOLVED that the Executive Director be authorized to issue a Conditional Commitment of NSP3 funds to the following Applicant, conditioned upon receipt of additional required documentation and a favorable conclusion of the environmental review for the site:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT NAME</u>	<u>NSP3 AMOUNT</u>
Dakota Enhancement, LLC	Bella Sierra Apartments Sioux Falls, SD	\$870,126

The motion carried unanimously.

F. Resolution No. 11-06-54: Resolution to Approve the Neighborhood Stabilization Program (NSP3) Plan as Amended

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

WHEREAS, per Title III of Division B of the Housing and Economic Recovery Act of 2008, for the purpose of assisting in the redevelopment of abandoned and foreclosed homes, the Neighborhood Stabilization Program (NSP) was created;

WHEREAS, per Section 1497 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, additional assistance under the Neighborhood Stabilization Program was authorized as NSP3;

WHEREAS, SDHDA is responsible for the development of the NSP3 Plan which the Board adopted at the February 25, 2011, Board meeting;

WHEREAS, on May 26, 2011, the Board of Commissioners approved the draft Neighborhood Stabilization Program (NSP3) Plan, as amended, and authorized the Executive Director to make it available for public comment;

WHEREAS, as required by Federal Regulations, notice of the 15 day comment period was published in area newspapers and no comments were received during the comment period, which ended on June 15, 2011;

NOW, THEREFORE, BE IT RESOLVED that the Neighborhood Stabilization Program (NSP3) Plan, as amended, dated June 23, 2011, is hereby adopted; and

BE IT FURTHER RESOLVED that the Executive Director is authorized to submit the amended NSP3 Plan to the U.S. Department of Housing and Urban Development (HUD) and, upon notification of approval, distribute it to the public.

The motion carried unanimously.

G. Resolution No. 11-06-55: Resolution Authorizing the Issuance and Sale of South Dakota Housing Development Authority Single Family Mortgage Bonds, 2011 Series 1 in the Principal Amount of \$30,000,000 and Setting Forth Covenants with Respect Thereto

After review and discussion, it was moved by Commissioner Hansen and seconded by Commissioner Pummel that the above Resolution, which by this reference shall be herein included, be adopted.

The motion carried unanimously.

H. Resolution No. 11-06-56: Resolution Authorizing the Release of Proceeds of, and the Conversion of the Interest Rate on, \$45,000,000 Principal Amount of the South Dakota Housing Development Authority Single Family Mortgage bonds, 2009 Series 1 to be Designated 2009 Series 1-C, and Setting Forth Covenants with Respect Thereto

After review and discussion, it was moved by Commissioner Symens and seconded by Commissioner Pummel that the above Resolution, which by this reference shall be herein included, be adopted.

The motion carried unanimously.

I. Report on FLEX Fund Loan to City of Sioux Falls for Pettigrew Heights Development

Erica Beck, Economic Development Manager for the City of Sioux Falls, provided an update regarding the 2008 FLEX Fund request and the updated 2011 FLEX Fund request. No Board action was taken with respect to this report.

IX. NEW BUSINESS

A. Resolution No. 11-06-57: Resolution to Approve HOME Application for Commitment of Funds for Neighborhood Housing Services of the Black Hills, Inc. under the Homeowner Rehabilitation Program

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

WHEREAS, the following HOME Program application was received in accordance with the set-aside for Homeowner Rehabilitation and has been reviewed and evaluated; and

WHEREAS, the required documentation has been reviewed, 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 commitment of HOME funds from the Homeowner Rehabilitation Program for the following:

<u>APPLICANT</u>	<u>DEVELOPMENT NAME</u>	<u>HOMEOWNER REHABILITATION PROGRAM AMOUNT</u>
Neighborhood Housing Services of the Black Hills, Inc.	Homeowner Rehabilitation Deadwood, SD	\$200,000

The motion carried unanimously.

B. Resolution No. 11-06-58: Resolution to Reserve Rural Housing Service 515 Preservation Revolving Loan Fund (RHS 515) Program for Madison Arms Apartments

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

WHEREAS, the following Rural Housing Service 515 Preservation Revolving Loan Fund (RHS 515 PRLF) Program application has been reviewed and evaluated in accordance with the established Guidelines; and

WHEREAS, required documentation has been received, and the Applicant has agreed to comply with all RHS 515 PRLF requirements;

NOW, THEREFORE, BE IT RESOLVED that the Executive Director be authorized to provide a reservation of a RHS 515 PRLF Program funds, as per the attached summary, for the following:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT NAME</u>	<u>AMOUNT</u>
Madison Arms, LLC	Madison Arms Apartments Madison, SD	\$120,000

The motion carried unanimously.

X. DATE OF NEXT MEETING AND ADJOURNMENT

The next Board of Commissioners' Meeting has not been yet scheduled. It was moved by Commissioner Pummel and seconded by Commissioner Symens that the meeting adjourn. The meeting adjourned at 12:03 P.M.

Respectfully submitted,



Mark Lausehg
Secretary