

MINUTES
SOUTH DAKOTA HOUSING DEVELOPMENT AUTHORITY
BOARD OF COMMISSIONERS' MEETING
SDHDA CONFERENCE ROOM
Telephonic
September 29, 2011

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)
Paul Symens, Commissioner (via telephone)

Board Members Absent: None

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
Kelsey Baker, Marketing/Executive Assistant
Peggy Severson, Housing Development Officer

Guests Present: Dixie Hieb, Davenport, Evans, Hurwitz & Smith, Counsel to SDHDA (via telephone)
John Wagner, KutakRock (via telephone)
Bryan Slaba, Parkview Villa Apartments (via telephone)
Dan Rosen, Bank of America Merrill Lynch (via telephone)

I. CALL TO ORDER

The meeting was called to order at 10:03 A.M. and roll was called.

II. APPROVAL OF AGENDA

It was moved by Commissioner Pummel and seconded by Commissioner Pfeifle that the Agenda be adopted as presented, but reserving the right to make changes during the meeting. The motion carried unanimously.

III. EXECUTIVE DIRECTOR'S REPORT

Executive Director Lauseng noted that the Annual Housing Conference is coming up November 8 and 9 and asked that the Commissioners let Kelsey Baker know if they will attend. Executive Director Lauseng reported that he was in Canton for "Capitol of the Day," and shared SDHDA information at an affordable housing round table. Executive Director Lauseng clarified that the changes approved to the Employee Handbook from the August 25, 2011 board meeting should not have removed "years of service with the

State of South Dakota” from the annual leave, sick leave and longevity pay sections of the Handbook.

IV. OLD BUSINESS

A. Resolution No. 11-09-79: Resolution Authorizing the Issuance and Sale of South Dakota Housing Development Authority Single Family Mortgage Bonds, 2011 Series 2 in the Principal Amount of \$56,900,000 and Setting Forth Covenants with Respect Thereto

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

Via roll call vote, the motion carried unanimously.

B. Resolution No. 11-09-80: Authorizing the Release of Proceeds of, and the Conversion of the Interest Rate on, \$43,100,000 Principal Amount of the South Dakota Housing Development Authority Single Family Mortgage Bonds, 2009 Series 1 to be Designated 2009 Series 1-D, and Setting Forth Covenants with Respect Thereto

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

Via roll call vote, the motion carried unanimously.

C. Resolution No. 11-09-81: Resolution to Revise Conditional Commitment of Neighborhood Stabilization Program (NSP) Funds for Parkview Villa, (aka Heritage Court), Wagner

Commissioner Barker abstained from the discussion and voting on the above Resolution due to a conflict of interest. After review and discussion, it was moved by Commissioner Pummel and seconded by Commissioner Hansen that the above Resolution be adopted as follows:

WHEREAS, per Resolution No. 10-04-34, an NSP application from Parkview Villa, Inc., has previously been considered and approved for \$787,300 in NSP funds; and

WHEREAS, per Resolution No. 10-11-89, due to adjustments in the project's acquisition cost and rehabilitation needs, the commitment of NSP funds was increased to \$1,107,439;

WHEREAS, the firm bids for the proposed rehabilitation are higher than originally anticipated and increasing the amount of NSP funds in the project will allow the Applicant to complete the extensive list of necessary and immediate repairs,

NOW, THEREFORE, BE IT RESOLVED that the Executive Director be authorized to revise the Conditional Commitment of NSP funds to:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT NAME</u>	<u>NSP AMOUNT</u>
Parkview Villa, Inc.	Parkview Villa Wagner, SD	\$1,307,439

Via roll call vote, the motion carried with Commissioner Barker abstaining.

D. Resolution No. 11-09-82: Resolution to Increase Loan Guarantee Commitment for Highlands Ridge Phase IV in Pierre, SD

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

WHEREAS, per Resolution No. 11-08-74 a commitment of a Loan Guarantee in the amount of \$786,000 was provided; and

WHEREAS, it has since been discovered that there was a miscalculation during the appraisal process which resulted in the estimated value being understated;

NOW, THEREFORE, BE IT RESOLVED that the Executive Director be authorized to increase the Loan Guarantee commitment by \$120,600 for a total of \$906,600, as per the attached summary, for the following:

<u>APPLICANT</u>	<u>DEVELOPMENT NAME</u>	<u>ADDITIONAL LOAN GUARANTEE AMOUNT</u>
BankWest	Highlands Ridge Phase IV Pierre, SD	\$120,600

Via roll call vote, the motion carried unanimously.

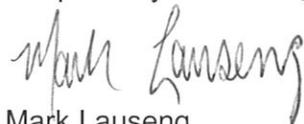
V. NEW BUSINESS

A. None

VI. DATE OF NEXT MEETING AND ADJOURNMENT

The next Board of Commissioners' Meeting has not been scheduled yet. It was moved by Commissioner Dykstra and seconded by Commissioner Barker that the meeting adjourn. The meeting adjourned at 10:20 A.M.

Respectfully submitted,



Mark Lauseng
Secretary