

MINUTES
SOUTH DAKOTA HOUSING DEVELOPMENT AUTHORITY
BOARD OF COMMISSIONERS' MEETING
SDHDA CONFERENCE ROOM
Telephonic
February 27, 2014

Board Members Present: Lloyd Schipper, Chairman (via telephone)
David Pummel, Vice-Chair (via telephone)
Brent Dykstra, Treasurer (via telephone) (joined prior to V.E.)
Linda Barker, Commissioner (via telephone)
Bill Hansen, Commissioner (via telephone)
Mark Puetz, Commissioner (via telephone)

Board Members Absent: Steve Kolbeck

Staff Present: Mark Lauseng, Executive Director
Todd Hight, Director of Finance & Administration
Brent Adney, Director of Homeownership Programs
(via telephone)
Vona Johnson, Director of Rental Housing Management
Lorraine Polak, Director of Rental Housing Development
Amanda Weisgram, Director of Marketing and Research
Mike Harsma, Director of Single Family Development
Sheila Ricketts, Marketing/Executive Assistant

Guests Present: Dixie Hieb, Davenport, Evans, Hurwitz & Smith, Counsel to
SDHDA (via telephone)
Joy McCracken, NeighborhoodWorks Dakota Home Resources
(via telephone)

I. CALL TO ORDER

The meeting was called to order at 2:02 P.M. and roll was called.

II. APPROVAL OF AGENDA

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

Commissioners' Dykstra joined the meeting 2:30, just prior to V.E.

III. EXECUTIVE DIRECTOR'S REPORT

Executive Director Lauseng reported that the open position for the Director of Single Family Development has been filled. Mike Harsma started in this position effective February 27, 2014.

IV. OLD BUSINESS

A. Resolution No. 14-02-01: Resolution to Approve Request to Extend FLEX-Rural Site Development Loan for Deadwood Stage Run

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

WHEREAS, per Resolution No. 09-02-07, a commitment for a loan under the FLEX-Rural Site Development/Loan Guarantee Program (the "Program") was provided to NeighborWorks Dakota Home Resources for the Deadwood Stage Run development;

WHEREAS, the Rural Site Development Loan is scheduled to mature on February 12, 2014; and

WHEREAS, the developer has requested a one-year extension of the loan term;

NOW, THEREFORE, BE IT RESOLVED that the modification is hereby approved for:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT NAME</u>
NeighborWorks Dakota Home Resources	Deadwood Stage Run Deadwood, SD

Via roll call vote, the motion carried unanimously.

B. Resolution No. 14-02-02: Resolution to Commit HOME Program Funds for Sicangu Village Estates III

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

WHEREAS, per Resolution 13-04-29, a Reservation in the amount of \$500,000 was previously awarded to the following HOME Applicant;

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

WHEREAS, the environmental review has been initiated and the required documentation has been received;

NOW, THEREFORE, BE IT RESOLVED that the Executive Director be authorized to issue a Commitment of HOME Funds for the following:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT NAME</u>	<u>GENERAL POOL HOME AMOUNT</u>
Sicangu Village Estates III, Limited Partnership	Sicangu Village Estates III Rosebud Reservation	\$500,000

Via roll call vote, the motion carried unanimously.

C. Resolution No. 14-02-03: Resolution Authorizing the South Eastern Development Foundation to use Funds under the Participation Loan Program for Construction Financing of Governor's Houses

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

WHEREAS, per Resolution No. 04-04-28, a loan was made to South Eastern Development Foundation ("the Foundation") for the USDA Rural Development 502 Home Ownership Program Participation Loan Program; and

WHEREAS, the Foundation has funds available that have been repaid, but no Rural Development 502 loans have been made in that area in recent years; and

WHEREAS, there is a need for construction financing for Governor's Houses for eligible applicants;

NOW, THEREFORE, BE IT RESOLVED that construction financing of Governor's Houses is an eligible activity in the use of these funds.

Via voice vote, the motion carried unanimously with Commissioner Hansen abstaining.

V. NEW BUSINESS

A. Resolution No. 14-02-04: Resolution to Approve and Authorize Release of Draft 2013 Consolidated Plan Annual Performance Report for Public Comment

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

WHEREAS, SDHDA is responsible for the development of the 2013 Consolidated Plan Annual Performance Report (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 2013 Consolidated Plan Annual Performance Report, dated February 27, 2014, 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 will be incorporated into the Report and the final Report will be submitted to the U.S. Department of Housing and Urban Development (HUD) by March 31, 2014.

Via roll call vote, the motion carried unanimously.

B. Resolution No. 14-02-05: Resolution to Approve HOME Application for Commitment of Funds for Northeast South Dakota Community Action Program (dba as GROW South Dakota) under the Security Deposit Assistance Program

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

WHEREAS, the following HOME Program application was received in accordance with the set-aside for the Security Deposit Assistance Program (SDAP) 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 SDAP for the following:

	<u>SECURITY DEPOSIT</u>
	<u>ASSISTANCE</u>
<u>APPLICANT</u>	<u>PROGRAM AMOUNT</u>
Northeast South Dakota	\$12,500
Community Action Program	

Via roll call vote, the motion carried unanimously.

C. Resolution No. 14-02-06: Resolution to Approve Continuation of "Paint-South Dakota" Campaign 2014

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

WHEREAS, on July 1, 1998, the South Dakota Housing Development Authority (SDHDA) officially began a celebration of its 25th Anniversary with a "Paint-South Dakota" campaign which was held in conjunction with National Homeownership Week;

WHEREAS, over the past sixteen years, the campaign has resulted in hundreds of homeowners in need receiving assistance in painting their homes; and

WHEREAS, the Authority has received positive exposure in rural areas through the publication of countless news articles and press coverage;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the continuance of the "Paint-South Dakota" campaign in 2014, and the Executive Director is authorized to approve expenditures related to the campaign, including the primer and paint necessary to paint one home in 25 different communities; and

BE IT FURTHER RESOLVED that each community will be responsible for organizing the "Paint-South Dakota" campaign, including soliciting volunteers, equipment, sponsors for meals, etc; and

BE IT FURTHER RESOLVED that if more than 25 communities apply and meet the criteria, a drawing may be held to select the communities that will participate in the campaign.

Via roll call vote, the motion carried unanimously.

D. Resolution No. 14-02-07: Resolution to Allow Executive Director to Enter into Purchase Agreement on the Sale of Logan Hill Apartments

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

WHEREAS, the previous owners of Logan Hill Apartments, Gregory, South Dakota, transferred the property to the South Dakota Housing Development Authority (SDHDA) by a Deed in Lieu of Foreclosure;

WHEREAS, SDHDA is negotiating the sale of Logan Hill Apartments to C2C General Partnership, a Minnesota partnership; and

WHEREAS, C2C General Partnership has agreed to continue to offer the Logan Hills Apartments units as affordable housing and assume the Housing Assistance Payment (HAP) Contract;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby authorizes the Executive Director to enter into a purchase agreement with C2C General Partnership at a price of no less than the appraised value and a mortgage loan not to exceed a term of 16 years;

BE IT FURTHER RESOLVED that once the due diligence has been completed, the final terms will be presented to the Board for informational purposes.

Via roll call vote, the motion carried unanimously.

E. Resolution No. 14-02-08: Resolution to Allow Executive Director to Enter into Purchase Agreement on the Towne Square Apartments

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

WHEREAS, the previous owners of Logan Hill Apartments, Gregory, South Dakota, transferred the property to the South Dakota Housing Development Authority (SDHDA) by a Deed in Lieu of Foreclosure;

WHEREAS, SDHDA is negotiating the sale of Logan Hill Apartments to C2C General Partnership, a Minnesota partnership; and

WHEREAS, C2C General Partnership has agreed to continue to offer the Logan Hills Apartments units as affordable housing and assume the Housing Assistance Payment (HAP) Contract;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby authorizes the Executive Director to enter into a purchase agreement with C2C General Partnership at a price of no less than the appraised value and a mortgage loan not to exceed a term of 16 years;

BE IT FURTHER RESOLVED that once the due diligence has been completed, the final terms will be presented to the Board for informational purposes.

Via roll call vote, the motion carried unanimously.

VII. DATE OF NEXT MEETING AND ADJOURNMENT

The next Board of Commissioners' Meeting has not been scheduled. It was moved by Commissioner Pummel and seconded by Commissioner Puetz that the meeting be adjourned. The meeting was adjourned at 2:47 P.M.

Respectfully submitted,



Mark Lauseng
Secretary