

**MINUTES**  
**SOUTH DAKOTA HOUSING DEVELOPMENT AUTHORITY**  
**BOARD OF COMMISSIONER'S MEETING**  
**SDHDA CONFERENCE ROOM**  
*Telephonic*  
*September 8, 2014*

**Board Members Present:** Lloyd Schipper, Chairman (via telephone)  
David Pummel, Vice Chair (via telephone)  
Linda Barker, Commissioner (via telephone)  
Brent Dykstra, Commissioner (via telephone)  
Bill Hansen, Commissioner (via telephone)  
Steve Kolbeck, Commissioner (via telephone)

**Board Members Absent:** Mark Puetz

**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  
Mike Harsma, Director of Single Family Development  
Amanda Weisgram, Director of Research and Marketing  
Stephanie Pierson, Housing Development Officer  
Scott Rounds, Housing Development Officer  
Slade Weller, Construction Management Officer  
Sheila Ricketts, Marketing/Executive Assistant

**Guests Present:** None

**I. CALL TO ORDER**

The meeting was called to order at 3:01 P.M. and roll was called.

**II. APPROVAL OF AGENDA**

It was moved by Commissioner Dykstra and seconded by Commissioner Pummel 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 reported that the three bedroom Governor's House had a lot of interest by people attending the fairs. He mentioned the master servicer transition from U.S. Bank to Idaho Housing and Finance Association will be completed by November 1. Executive Director Lauseng stated he will be attending the North Dakota/South Dakota Realtor Convention along with Director of Homeownership Brent Adney. He also listed some upcoming events including the Native American Homeownership Coalition meeting

on September 23 and the Annual Conference on October 28-29. Executive Director Lauseng reported that all of the NSP3 funds were used.

**IV. OLD BUSINESS**

**A. Resolution No. 14-09-57: Resolution to Commit HOME Program Funds for Westwood Apartments**

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

WHEREAS, per Resolution 14-05-28, a Reservation in the amount of \$685,000 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 completed 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>
Westwood Limited Partnership	Westwood Apartments Sioux Falls	\$685,000

Via roll call vote, the motion carried unanimously.

**B. Resolution No. 14-09-58: Resolution to Modify Terms of FLEX-Rural Site Development Loan for the Estates at Cheyenne Pass**

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. 07-12-126, a commitment of a FLEX-Rural Site Development loan was provided to Cheyenne Pass Development Co., Inc. for The Estates at Cheyenne Pass development;

WHEREAS, per Resolution No. 12-05-42, terms of the loan were modified such that loan was to become due June 1, 2014 or at such time the first mortgage was paid in full or refinanced, whichever came first;

WHEREAS, SDHDA remains committed to the long term success of new housing developments providing affordable housing;

WHEREAS, the Owner has complied with the terms of the loan and is current on all payments and lot sales remain stable; and

WHEREAS, the Owner has requested that the loan be modified to extend the payment due date to June 1, 2017;

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

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT NAME</u>
Cheyenne Pass Development Co., Inc.	The Estates at Cheyenne Pass Box Elder, SD

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

**C. Resolution No. 14-09-59: Resolution to Amend the Terms of the Construction Loan Partnership with South Dakota Home Builders Association**

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

WHEREAS, pursuant to Resolution 12-07-67, SDHDA approved the creation of a partnership with the South Dakota Home Builders Association to establish the Housing Enhancement Loan Program (HELP), a revolving low-interest loan fund to assist qualified home builders in the development of speculative type homes;

WHEREAS, under HELP, the maximum sales price of a home using SD Home Builders funds received from the Mortgage Settlement may not exceed \$200,000 and the maximum sales price of a home using SDHDA funds may not exceed \$170,000;

WHEREAS, construction and development costs have continued to rise since 2012 when the affordable sales price limits for HELP were established;

WHEREAS, it is necessary to adjust the maximum affordable sales price limits to adjust to changing market conditions; and

WHEREAS, the Board has reviewed the proposed amended terms to the loan fund;

NOW, THEREFORE, BE IT RESOLVED that the increase in the maximum home sales from \$200,000 to \$250,000 with respect to loans from the SD Home Builders loan pool and from \$170,000 to \$185,000 with respect to loans from the SDHDA loan pool is hereby approved.

Via roll call vote, the motion carried unanimously.

**V. NEW BUSINESS**

**A. Resolution No. 14-09-60: Resolution to Approve and Authorize Release of the Draft 2015 Annual Action Plan for Public Comment**

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

WHEREAS, the 2013-2017 Five-Year Consolidated Plan (Consolidated Plan) has previously been approved by the U.S. Department of Housing and Urban Development (HUD);

WHEREAS, annually HUD requires an action plan with respect to the Consolidated Housing and Community Development Plan to enable the State to access the HOME, Emergency Solutions Grants, and Community Development Block Grant Program funds; and

WHEREAS, the required public hearing has been held and public comments have been considered in formulating the Draft 2015 Annual Action Plan;

NOW, THEREFORE, BE IT RESOLVED that the above referenced Draft 2015 Annual Action Plan dated September 8, 2014, is hereby approved for public distribution, and the Executive Director is authorized to give the required public notices for a final 30-day comment period.

Via roll call vote, the motion carried unanimously.

**B. Resolution No. 14-09-61: Resolution to Approve and Authorize Release of the Draft 2015-2016 HOME Program Allocation Plan 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, SDHDA is responsible for the development of the HOME Program Allocation Plan; and

WHEREAS, the required public hearings have been held and public comments have been considered in formulating the Plan;

NOW, THEREFORE, BE IT RESOLVED that the above referenced Draft 2015-2016 HOME Program Allocation Plan dated September 8, 2014, is hereby approved for public distribution, and the Executive Director is authorized to give the required public notices for a final 30-day comment period.

Via roll call vote, the motion carried unanimously.

**C. Resolution No. 14-09-62: Resolution to Approve and Authorize Release of the Draft 2015-2016 Housing Tax Credit Qualified Allocation Plan (QAP) for Public Comment**

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

WHEREAS, SDHDA is responsible for the development of the Housing Tax Credit Qualified Allocation Plan (QAP); and

WHEREAS, the required public hearings have been held and public comments have been considered in formulating the QAP;

NOW, THEREFORE, BE IT RESOLVED that the above referenced Draft 2015-2016 Housing Tax Credit Qualified Allocation Plan dated September 8, 2014, is hereby approved for public distribution, and the Executive Director is authorized to give the required public notices for a final 30-day comment period.

Via roll call vote, the motion carried unanimously.

**D. Resolution No. 14-09-63: Resolution to Approve and Authorize Release of the Draft South Dakota Housing Opportunity Fund Allocation Plan for Public Comment**

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

WHEREAS, per SDCL 11-13, SDHDA is responsible for the administration of the Housing Opportunity Fund and the development of the Housing Opportunity Fund Allocation Plan (Plan); and

WHEREAS, public hearings have been held and public comments have been considered in formulating the Plan;

NOW, THEREFORE, BE IT RESOLVED that the above reference Draft South Dakota Housing Opportunity Fund Allocation Plan dated September 8, 2014, is hereby approved for public comment and the Executive Director is authorized to release the Plan for a 30-day comment period.

Via roll call vote, the motion carried unanimously.

**E. Resolution No. 14-09-64: Resolution to Approve and Authorize Release of the Draft Citizen Participation Plan for Public Comment**

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

WHEREAS, federal regulations require a Citizen Participation Plan (Plan) be adopted relative to the Consolidated Plan and Annual Performance Reporting processes;

WHEREAS, SDHDA is responsible for the development of the Citizen Participation Plan; and

WHEREAS, the required public hearings have been held and public comments have been considered in formulating the Plan;

NOW, THEREFORE, BE IT RESOLVED that the above referenced Draft Citizen Participation Plan dated September 8, 2014, is hereby approved for public distribution, and the Executive Director is authorized to give the required public notices for a final 30-day comment period.

Via roll call vote, the motion carried unanimously.

**F. Resolution No. 14-09-65: Resolution to Approve and Authorize Release of the Draft 2015-2016 Emergency Solutions Grant Program Administrative Plan for Public Comment**

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

WHEREAS, SDHDA is responsible for the development of the Emergency Solutions Grant Program Administrative Plan (Plan) for the State of South Dakota; and

WHEREAS the required public hearings have been held and public comments have been considered in formulating the Plan;

NOW, THEREFORE, BE IT RESOLVED that the above referenced Draft 2015-2016 Emergency Solutions Grant Program Administrative Plan dated September 8, 2014, is hereby approved for public distribution, and the Executive Director is authorized to give the required public notices for a final 30-day comment period.

Via roll call vote, the motion carried unanimously.

**G. Resolution No. 14-09-66: Resolution to Commit HOME Program Funds under the Homeowner Rehabilitation Program for Inter-Lakes Community Action Partnership, Inc.**

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 for the Homeowner Rehabilitation set-aside; and

WHEREAS, the required documentation has been reviewed and evaluated, 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 set-aside for the following:

<u>APPLICANT</u>	<u>DEVELOPMENT NAME</u>	<u>HOMEOWNER REHABILITATION PROGRAM AMOUNT</u>
Inter-Lakes Community Action Partnership, Inc.	Homeowner Rehabilitation Madison, SD	\$200,000

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

**H. Resolution No. 14-09-67 Resolution to Commit HOME Program Funds under the Homeowner Rehabilitation Program for Neighborhood Housing Services of the Black Hills, Inc.**

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

WHEREAS, the following HOME Program application was received for the Homeowner Rehabilitation set-aside; and

WHEREAS, the required documentation has been reviewed and evaluated, 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 set-aside 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

Via roll call vote, the motion carried unanimously.

**I. Resolution No. 14-09-68: Resolution to Commit HOME Program Funds under the Homeowner Rehabilitation Program for Northeast South Dakota Community Action 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 for the Homeowner Rehabilitation set-aside; and

WHEREAS, the required documentation has been reviewed and evaluated, 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 set-aside for the following:

<u>APPLICANT</u>	<u>DEVELOPMENT NAME</u>	<u>HOMEOWNER REHABILITATION PROGRAM AMOUNT</u>
Northeast South Dakota Community Action	Homeowner Rehabilitation Sisseton, SD	\$75,000

Program (NESDCAP)

Via roll call vote, the motion carried unanimously.

**J. Resolution No. 14-09-69: Resolution to Commit HOME Funds under the Security Deposit Assistance Program for the Housing and Redevelopment Commission of the City of Aberdeen, South Dakota**

After review and discussion, it was moved by Commissioner Kolbeck 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 Amended 2013-2014 HOME Program Allocation Plan, for the Security Deposit Assistance Program (SDAP) set aside; and

WHEREAS, 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 set-aside for the following:

<u>APPLICANT</u>	<u>SECURITY DEPOSIT ASSISTANCE PROGRAM AMOUNT</u>
The Housing and Redevelopment Commission of the City of Aberdeen, South Dakota	\$25,000

Via roll call vote, the motion carried unanimously.

**K. Resolution No. 14-09-70: Resolution to Conditionally Commit Community Housing Development Program Funds for Ridgeview East Townhomes**

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 application has been reviewed and evaluated in accordance with the Community Housing Development Program (CHDP) Administrative Plan; and

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

NOW, THEREFORE, BE IT RESOLVED that based on information provided in the application, the Executive Director be authorized to issue a Conditional Commitment of CHDP funds to the following Applicant, conditioned upon receipt of additional required documentation:

CHDP FUNDS

OWNER/APPLICANT  
Ridgeview East  
Townhomes, LLC

DEVELOPMENT NAME  
Ridgeview East Townhomes  
Sioux Falls, SD

RESERVED  
\$3,390,000

Via roll call vote, the motion carried unanimously.

**VI. DATE OF NEXT MEETING AND ADJOURNMENT**

The next Board of Commissioners' Meeting has been scheduled for October 7, 2014. It was moved by Commissioner Dykstra and seconded by Commissioner Kolbeck that the meeting adjourn. The meeting adjourned at 4:05 PM.

Respectfully submitted,



Mark Lauseng  
Secretary