

**MINUTES**  
**SOUTH DAKOTA HOUSING DEVELOPMENT AUTHORITY**  
**BOARD OF COMMISSIONER'S MEETING**  
**SDHDA CONFERENCE ROOM**  
*Telephonic*  
*June 25, 2019*

**Board Members Present:** David Pummel, Chairman  
Brent Dykstra, Vice-Chair  
Bill Hansen, Treasurer  
Scott Erickson, Commissioner

**Board Members Absent:** Rick Hohn, Commissioner  
Steve Kolbeck, Commissioner  
Mark Puetz, Commissioner

**Staff Present:** Mark Lauseng, Executive Director  
Brent Adney, Director of Homeownership Programs  
Mike Harsma, Director of Single Family Development  
Todd Hight, Director of Finance and Administration  
Tasha Jones, Director of Rental Housing Management  
Lorraine Polak, Director of Rental Housing Development  
Amanda Weisgram, Director of Marketing and Research  
Sheila Ricketts, Marketing/Executive Assistant  
Chas Olson, Housing Development Officer

**Guests Present:** Dixe Hieb, Davenport, Evans, Hurwitz & Smith, Counsel to SDHDA  
Joy McCracken, Dakota Land Trust  
Bonnie Mogen, Costello Companies

**I. CALL TO ORDER/CONFLICTS OF INTEREST**

The meeting was called to order at 10:00 a.m. and roll was called. Chairman Pummel called for conflicts of interest and none were noted.

**II. PUBLIC COMMENT**

None.

**III. APPROVAL OF AGENDA**

It was moved by Commissioner Dykstra and seconded by Commissioner Erickson that the Agenda be adopted as amended but reserving the right to make further changes during the meeting.

Via roll call vote, the following votes were recorded:  
Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson and Hansen.  
Excused: Commissioners Hohn, Kolbeck and Puetz.

**IV. APPROVAL OF MINUTES**

It was moved by Commissioner Hansen and seconded by Commissioner Dykstra that the Minutes of the Board of Commissioners' Meeting held on May 21, 2019, be adopted as presented.

Via roll call vote, the following votes were recorded:  
Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson and Hansen.  
Excused: Commissioners Hohn, Kolbeck and Puetz.

**V. EXECUTIVE DIRECTOR'S REPORT**

Executive Director Lauseng stated the first DakotaPlex Project was awarded to Tyndall. He stated Commissioner Hansen will be reappointed. Executive Director Lauseng stated Jolene Kline, Executive Director of North Dakota Housing Finance Agency, is retiring. He stated the Audit Committee met earlier in the day, and the auditors will conduct a compliance audit of HAP, HTF and NSP from July 22-26 and will conduct the financial audit from September 16-20. Executive Director Lauseng stated the Grants for Grad program will end June 28, 2019.

**VI. OLD BUSINESS**

**A. Resolution No. 19-06-40: Resolution to Commit HOME and Housing Trust Fund Funds for Whisper Rock II Apartments**

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

WHEREAS, per Resolution 18-11-87, a Reservation in the amount of \$950,000 of HOME funds and \$287,700 of Housing Trust Fund (HTF) funds was previously awarded to the following Applicant;

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

WHEREAS the environmental review is underway and Applicant has submitted most of the required reservation documentation;

NOW, THEREFORE, BE IT RESOLVED that, upon receipt of satisfactory documentation and the environmental review, the Executive Director be authorized to issue a Commitment of HOME and HTF Funds for the following:

| <u>OWNER/APPLICANT</u>                 | <u>DEVELOPMENT/<br/>LOCATION</u>                | <u>HOME FUNDS<br/>GENERAL POOL</u>          |
|--|---|---|
| Whisper Rock II<br>Limited Partnership | Whisper Rock II<br>Apartments<br>Rapid City, SD | \$950,000                                   |
|  |   | <u>HOUSING TRUST<br/>FUNDS</u><br>\$287,700 |

Via roll call vote, the following votes were recorded:  
Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson and Hansen.  
Excused: Commissioners Hohn, Kolbeck and Puetz.

**B. Resolution No. 19-06-41: Resolution to Modify Terms of FLEX Funds to the City of Sioux Falls on Behalf of Pettigrew Heights – Neighborhood Conservation Area Program**

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

WHEREAS, per Resolution No. 08-10-72, FLEX Program funds in the amount of \$500,000 were authorized to the City of Sioux Falls for the Neighborhood Conservation Area Program for the Pettigrew Heights Neighborhood;

WHEREAS, per Resolution 13-08-59 the original terms were modified to include additional neighborhoods;

WHEREAS, per Resolution 17-08-40 the original terms were modified to include additional neighborhoods; and

WHEREAS, the City of Sioux Falls has requested additional modification to further expand the program boundaries to be citywide;

NOW, THEREFORE, BE IT RESOLVED that the expansion of the program be approved.

Via roll call vote, the following votes were recorded:  
Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson and Hansen.  
Excused: Commissioners Hohn, Kolbeck and Puetz.

**VII. NEW BUSINESS**

**A. Resolution No. 19-06-42: Resolution to Conditionally Commit Housing Opportunity Fund Funds for Centerville Dev Corp 111 Broadway Home Rehab**

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the Amended 2018-2019 Housing Opportunity Fund (HOF) Allocation Plan; and

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

NOW, THEREFORE, BE IT RESOLVED that the Executive Director be authorized to issue a Conditional Commitment of HOF funds to the following Applicant:

| <u>OWNER/APPLICANT</u>              | <u>DEVELOPMENT/<br/>LOCATION</u>                                      | <u>HOF<br/>URBAN<br/>DEVELOPMENT</u> |
|-------------------------------------|---|--------------------------------------|
| Centerville Development Corporation | Centerville Dev Corp<br>111 Broadway<br>Home Rehab<br>Centerville, SD | \$40,000                             |

Via roll call vote, the following votes were recorded:  
 Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson and Hansen.  
 Excused: Commissioners Hohn, Kolbeck and Puetz.

**B. Resolution No. 19-06-43: Resolution to Conditionally Commit Housing Opportunity Fund Funds for DLT Lot Purchase 2019 – 619 Monroe Street**

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the Amended 2018-2019 Housing Opportunity Fund (HOF) Allocation Plan; and

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

NOW, THEREFORE, BE IT RESOLVED that the Executive Director be authorized to issue a Conditional Commitment of HOF funds to the following Applicant:

| <u>OWNER/APPLICANT</u> | <u>DEVELOPMENT/<br/>LOCATION</u>                                  | <u>HOF<br/>URBAN<br/>DEVELOPMENT</u> |
|------------------------|---|--------------------------------------|
| Dakota Land Trust      | DLT Lot Purchase<br>2019 – 619 Monroe<br>Street<br>Rapid City, SD | \$25,000                             |

Via roll call vote, the following votes were recorded:  
 Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson and Hansen.  
 Excused: Commissioners Hohn, Kolbeck and Puetz.

**C. Resolution No. 19-06-44: Resolution to Approve Housing Opportunity Fund Waiver Request for South Dakota Housing Development Authority**

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

WHEREAS, South Dakota Housing Development Authority (SDHDA) is requesting Housing Opportunity Fund funds to administer a 2019 Disaster Recovery Funding program;

WHEREAS, per the Amended 2018-2019 Housing Opportunity Fund (HOF) Allocation Plan (Plan), HOF funds may be used to finance up to 50 percent of the project or program costs, with the remaining 50 percent being leveraged funds (or match);

WHEREAS, per the Plan, if applicants are unable to meet the requirement of the 50 percent leverage funds (match), applicants may request a waiver from the SDHDA Board of Commissioners;

WHEREAS, SDHDA anticipates that the funds awarded to program recipients under the 2019 Disaster Recovery Funding program will in most instances be leveraged or matched with FEMA recovery funds, insurance proceeds, donations or existing home values, but that in some instances program recipients will not have the ability to provide matching funds; and

WHEREAS, SDHDA has requested a waiver from the SDHDA Board of Commissioners permitting SDHDA to waive the leverage/match requirement on a case-by-case basis;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the request, and the Executive Director is authorized to approve a waiver of the 50 percent leveraged funds (match) on a case-by-case basis, as he determines is warranted.

Via roll call vote, the following votes were recorded:  
Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson and Hansen.  
Excused: Commissioners Hohn, Kolbeck and Puetz.

**D. Resolution No. 19-06-45: Resolution to Conditionally Commit Housing Opportunity Fund Funds for The 2019 Disaster Recovery Funding**

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

WHEREAS, per the Amended 2018-2019 Housing Opportunity Fund (HOF) Allocation Plan, South Dakota Housing Development Authority

(Applicant) is requesting the ability to utilize remaining FY 2019 HOF funding to assist in disaster relief efforts; and

WHEREAS, Applicant is eligible to receive HOF funds and has agreed to comply with all HOF requirements;

NOW, THEREFORE, BE IT RESOLVED that the Executive Director be authorized to issue a Conditional Commitment of HOF funds to the following Applicant:

| <u>OWNER/APPLICANT</u>                        | <u>DEVELOPMENT/<br/>LOCATION</u>  | <u>HOF<br/>FUNDS</u> |
|---|---|----------------------|
| South Dakota Housing<br>Development Authority | The 2019 Disaster<br>Recovery Funding<br>Bon Homme, Charles Mix,<br>Hutchinson, Minnehaha<br>and Yankton Counties;<br>Pine Ridge, Rosebud and<br>Cheyenne River Sioux<br>Reservations | \$165,000            |

Via roll call vote, the following votes were recorded:  
Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson and Hansen.  
Excused: Commissioners Hohn, Kolbeck and Puetz.

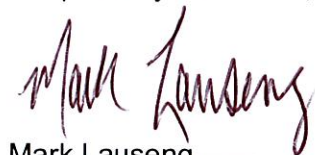
**VIII. DATE OF NEXT MEETING AND ADJOURNMENT**

The next Board of Commissioners' Meeting is scheduled for July 16. It was moved by Commissioner Dykstra and seconded by Commissioner Erickson that the meeting adjourn.

Via roll call vote, the following votes were recorded:  
Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson and Hansen.  
Excused: Commissioners Hohn, Kolbeck and Puetz.

The meeting adjourned at 10:23 a.m.

Respectfully submitted,



Mark Lauseng  
Secretary