

MINUTES
SOUTH DAKOTA HOUSING DEVELOPMENT AUTHORITY
BOARD OF COMMISSIONER'S MEETING
SDHDA CONFERENCE ROOM
Telephonic
August 29, 2017

Board Members Present: David Pummel, Chairman
Brent Dykstra, Vice Chairman
Scott Erickson, Commissioner
Rick Hohn, Commissioner
Steve Kolbeck, Commissioner
Mark Puetz, Commissioner

Board Members Absent: Bill Hansen, Treasurer

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

Guests Present: Dixie Hieb, Davenport, Evans, Hurwitz & Smith, Counsel to SDHDA

I. CALL TO ORDER/CONFLICTS OF INTEREST

The meeting was called to order at 10:01 a.m. and roll was called. No conflicts of interest were noted.

II. APPROVAL OF AGENDA

The distributed agenda was amended to add Resolution No. 17-08-M under New Business.

It was moved by Commissioner Dykstra and seconded by Commissioner Hohn 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, Hohn, Kolbeck and Puetz.

Excused: Commissioner Hansen.

III. APPROVAL OF MINUTES

It was moved by Commissioner Kolbeck and seconded by Commissioner Puetz that the Minutes of the Board of Commissioners' Meeting held on May 25, 2017, be adopted as presented.

Via roll call vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Excused: Commissioner Hansen.

IV. EXECUTIVE DIRECTOR'S REPORT

Executive Director Lauseng welcomed Commissioner Scott Erickson. He mentioned two Ribbon Cuttings taking place in Sioux Falls at Chasing Willow Apartments II and Brandon Heights Apartments II. Executive Director Lauseng stated the Housing Conference is September 12-13, the Board Training is October 3-4 and NCSHA's Annual Conference is October 14-17.

V. OLD BUSINESS

A. Resolution No. 17-08-34: Resolution to Commit HOME Program Funds for Habitat for Humanity Building Houses, Building Neighborhoods

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

WHEREAS, per Resolution 17-04-22, a Reservation in the amount of \$99,040 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 all of 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/ LOCATION</u>	<u>HOME FUNDS GENERAL POOL</u>
Habitat for Humanity Greater Sioux Falls	Habitat for Humanity Building Houses, Building Neighborhoods Sioux Falls, SD	\$99,040

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

B. Resolution No. 17-08-35: Resolution to Commit HOME Program Funds for Jefferson Village Apartments

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

WHEREAS, per Resolution 17-04-23, a Reservation in the amount of \$1,061,000 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 Applicant has submitted most of the required documentation;

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

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>HOME FUNDS GENERAL POOL</u>
Huron Jefferson Village Apartments, LLC	Jefferson Village Apartments Huron, SD	\$1,061,000

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

C. Resolution No. 17-08-36: Resolution to Commit HOME Program Funds for Sioux Falls Neighborhood Revitalization – 2017.1

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

WHEREAS, per Resolution 17-04-26, a Reservation in the amount of \$75,000 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 Applicant has submitted most of the required documentation;

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

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>HOME FUNDS GENERAL POOL</u>
Affordable Housing Solutions	Sioux Falls Neighborhood Revitalization – 2017.1 Sioux Falls, SD	\$75,000

Via roll call vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Excused: Commissioner Hansen.

D. Resolution No. 17-08-37: Resolution to Commit HOME Program Funds for Yankton Build H-42

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

WHEREAS, per Resolution 17-04-31, a Reservation in the amount of \$60,000 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 Applicant has submitted most of the required documentation;

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

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>HOME FUNDS GENERAL POOL</u>
Habitat for Humanity Yankton County	Yankton Build Yankton, SD	\$60,000

Via roll call vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Excused: Commissioner Hansen.

E. Resolution No. 17-08-38: Resolution to Approve HOME Program Waiver Request for Thunder Valley Regenerative Community Development Apartment Building

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

WHEREAS, Thunder Valley Development Corporation (Applicant) has submitted an application for HOME Program funds for Thunder Valley Regenerative Community Development Apartment Building; and

WHEREAS, the Applicant has requested a waiver of the 2016-2017 HOME Qualified Allocation Plan requirements with regard to exceeding Project Finance limits by more than 15 percent;

NOW, THEREFORE, BE IT RESOLVED that the waiver is hereby approved for Thunder Valley Regenerative Community Development Apartment Building.

Via roll call vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Excused: Commissioner Hansen.

F. Resolution No. 17-08-39: Resolution to Reserve HOME and Community Housing Development Program Funds for Thunder Valley Regenerative Community Development Apartment Building

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the 2016-2017 HOME Qualified Allocation Plan (HOME Plan) and the Community Housing Development Program Administrative Plan; and

WHEREAS, the Applicant has been granted a waiver of the HOME Plan requirements with regard to certain underwriting standards related to project finance limits;

NOW, THEREFORE, BE IT RESOLVED that based on information provided in the application, letters offering a Reservation of HOME funds and Community Housing Development Program funds be forwarded to the following Applicant, and that upon satisfaction of all conditions, HOME

funds and Community Housing Development Program funds be allocated to:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>HOME FUNDS GENERAL POOL</u>
Thunder Valley Community Development Corporation	Thunder Valley Regenerative Community Development Apartment Building Sharps Corner, Oglala Lakota County	\$810,500
		<u>COMMUNITY HOUSING DEVELOPMENT PROGRAM FUNDS</u>
		\$413,368

Via roll call vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Excused: Commissioner Hansen.

G. Resolution No. 17-08-40: 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 Dykstra and seconded by Commissioner Hohn 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; and

WHEREAS, the City of Sioux Falls has requested additional notification to further expand the program boundaries to include all neighborhoods East of I-29, South of I-90 and North and West of I-229;

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, Hohn, Kolbeck and Puetz.

Excused: Commissioner Hansen.

H. Resolution No. 17-08-41: Resolution to Disburse Excess Yield from Multiple Purpose Bonds, 2013 Series A

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

WHEREAS, Resolution No. 13-03-09 authorized the issuance of the Multiple Purpose Bonds, 2013 Series A, as a fixed rate bond financing;

WHEREAS, refinancing of said bond issue has resulted in excess bond yield;

WHEREAS, South Dakota Housing Development Authority (SDHDA) holds mortgages to 47 properties in SD eligible to receive funds from said excess yield; and

WHEREAS, preservation of deeply subsidized properties is a goal of SDHDA;

NOW, THEREFORE, BE IT RESOLVED that the Executive Director is authorized to bring the bond series into compliance by disbursing excess yield to the eligible properties as needed, taking into account financial need and regulatory compliance.

Via roll call vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Excused: Commissioner Hansen.

VI. NEW BUSINESS

A. Resolution No. 17-08-42: Resolution to Commit HOME Program Funds under the Security Deposit Assistance Program for Inter-Lakes Community Action Partnership, Inc.

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

WHEREAS, the following HOME Program application was received for the Security Deposit Assistance Program (SDAP) 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 conditional commitment of HOME funds from the SDAP set-aside for the following:

<u>APPLICANT</u>	<u>SECURITY DEPOSIT ASSISTANCE PROGRAM AMOUNT</u>
Inter-Lakes Community Action Partnership, Inc. (ICAP)	\$15,000

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

B. Resolution No. 17-08-43: Resolution to Commit HOME Program Funds under the Security Deposit Assistance Program for Western Resources for Independent Living

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

WHEREAS, the following HOME Program application was received for the Security Deposit Assistance Program (SDAP) 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 conditional commitment of HOME funds from the SDAP set-aside for the following:

<u>APPLICANT</u>	<u>SECURITY DEPOSIT ASSISTANCE PROGRAM AMOUNT</u>
Western Resources for Independent Living	\$25,000

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

C. Resolution No. 17-08-44: Resolution to Commit HOME Program Funds under the Homeowner Rehabilitation Program for Homes Are Possible, Inc.

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

WHEREAS, the following HOME Program application was received for the Homeowner Rehabilitation Program 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/ LOCATION</u>	<u>HOMEOWNER REHABILITATION PROGRAM AMOUNT</u>
Homes Are Possible, Inc. Aberdeen, SD	Northeast South Dakota Scattered Sites	\$200,000

Via roll call vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Excused: Commissioner Hansen.

D. Resolution No. 17-08-45: 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 Puetz 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 Program 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/ LOCATION</u>	<u>HOMEOWNER REHABILITATION PROGRAM AMOUNT</u>
Inter-Lakes Community Action Partnership, Inc. (ICAP) Madison, SD	Madison, SD Scattered Sites	\$200,000

Via roll call vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Excused: Commissioner Hansen.

E. Resolution No. 17-08-46: Resolution to Approve the Sustainable Housing Incentive Program

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

WHEREAS, there is a need to provide financial security to landlords and financial assistance to service providers when providing decent, safe, sanitary and affordable housing for certain households;

WHEREAS, existing State and Federal programs do not sufficiently address all the needs; and

WHEREAS, the Sustainable Housing Incentive Program will work in partnership with service providers to address an unmet need and provide financial assistance necessary for permanent housing success, as described in the attached (i) description of the program;

NOW, THEREFORE, BE IT RESOLVED that \$400,000 be set-aside from excess reserves in the Multiple Purpose Bond Indenture for creation of the Sustainable Housing Incentive Program and SDHDA staff may proceed with drafting an administrative plan and application and begin accepting applications.

Via roll call vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Excused: Commissioner Hansen.

F. Resolution No. 17-08-47: Resolution to Approve and Obtain a Plaque to Commemorate and Thank Lloyd Schipper

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

WHEREAS, Lloyd Schipper has completed his service to the South Dakota Housing Development Authority Board of Commissioners; and

WHEREAS, the Board wishes to acknowledge Lloyd's contributions to the South Dakota Housing Development Authority as a Chairman and Commissioner;

NOW, THEREFORE, BE IT RESOLVED that the Executive Director is to obtain a commemoration and thank:

LLOYD SCHIPPER

CHAIRMAN AND COMMISSIONER

2007 - 2017

SOUTH DAKOTA HOUSING DEVELOPMENT AUTHORITY

IN RECOGNITION OF YOUR DEDICATED SERVICE

TO THE CITIZENS OF SOUTH DAKOTA

Via roll call vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Excused: Commissioner Hansen.

VII. DATE OF NEXT MEETING AND ADJOURNMENT

The next Board of Commissioners' Meeting has been scheduled for October 4, 2017. It was moved by Commissioner Hohn and seconded by Commissioner Puetz that the meeting adjourn. The meeting adjourned at 10:57 a.m.

Via roll call vote, the following votes were recorded:

Voting AYE: Chairman Pummel; Commissioners Dykstra, Erickson, Hohn, Kolbeck and Puetz.

Excused: Commissioner Hansen.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark Lauseng". The signature is written in a cursive style with a large, looping initial "M".

Mark Lauseng
Secretary