

MINUTES
SOUTH DAKOTA HOUSING DEVELOPMENT AUTHORITY
BOARD OF COMMISSIONER'S MEETING
TELEPHONIC
January 17, 2022

Board Members Present: Bill Hansen, Chairman
Scott Erickson, Vice-Chair
Preston Steele, Treasurer
Mark Puetz, Commissioner
David Pummel, Commissioner
Mark Roby, Commissioner

Board Members Absent: Rick Hohn, Commissioner

Staff Present: Lorraine Polak, Executive Director
Brent Adney, Director of Homeownership Programs
Mike Harsma, Director of Single Family Development
Tasha Jones, Director of Rental Housing Management
Chas Olson, Director of Rental Housing Development
Amanda Weisgram, Director of Marketing and Research
Travis Dammann, Business Analyst
Amy Eldridge, Housing Development Officer
Ashlee Hemminger, Single Family Development Assistant
DeNeil Hosman, Accountant
Beverly Katz, Housing Infrastructure Officer
Scott Rounds, Housing Development Officer
Sheila Olson, Marketing and Executive Assistant

Guests Present: Dixie Hieb, Davenport, Evans, Hurwitz & Smith, Counsel to SDHDA
John Wagner, Kutak Rock
Steve Likes, Kutak Rock
Bronson Martin, Caine Mitter and Associates
Holly Englehart, Eide Bailly
Kenley Lamberty, Realtor Association of the Sioux Empire
Austin Claeys, Lloyd Companies

I. CALL TO ORDER/CONFLICTS OF INTEREST

The meeting was called to order at 2:01 p.m. and roll was called. Chairman Hansen called for conflicts of interest and none were noted.

II. PUBLIC COMMENT

None.

III. APPROVAL OF AGENDA

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

Via roll call, the following votes were recorded:
Voting AYE: Chairman Hansen; Commissioners Erickson, Puetz, Pummel, Roby and Steele
Excused: Commissioner Hohn

IV. APPROVAL OF MINUTES

It was moved by Commissioner Steele and seconded by Commissioner Roby that the Minutes of the Board of Commissioners' Meeting held on December 13, 2022, be adopted as presented.

Via roll call, the following votes were recorded:
Voting AYE: Chairman Hansen; Commissioners Erickson, Puetz, Pummel, Roby and Steele
Excused: Commissioner Hohn

V. EXECUTIVE DIRECTOR'S REPORT

Executive Director Polak reported on Senate Bill(SB) 41, which is an act to establish a program for housing infrastructure loans and grants. She stated SB 41 passed on the Senate floor and SD Housing will continue to monitor it as it passes through legislation. Executive Director Polak said January 23, 2023 is South Dakota Housing for the Homeless Consortium Legislative Day at the Capitol to bring awareness about homelessness. She reported today is the premarketing for the bond that was approved last month and the market conditions look favorable.

VI. OLD BUSINESS

A. Resolution No. 23-01-01: Resolution to Amend the Interest Rate Swap Management Policy

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

WHEREAS, the South Dakota Housing Development Authority ("SDHDA") is authorized to enter into contracts to manage payment or interest rate risk for its bonds and investments;

WHEREAS, SDHDA adopted an Interest Rate Swap Management Policy on February 18, 2004, which has been periodically updated and was last amended on November 17, 2016, (the "Swap Policy"), to establish parameters for any interest rate swaps to which SDHDA is a party; and

WHEREAS, a revision to the current Swap Policy is being recommended by SDHDA staff and its swap advisor to clarify that the Swap Policy may be applied to tax-exempt and taxable bonds for the benefit of homebuyers.

NOW, THEREFORE, BE IT RESOLVED that the Swap Policy be amended as so stated on the attached South Dakota Housing Development Authority Interest Rate Swap Management Policy.

Via roll call, the following votes were recorded:

Voting AYE: Chairman Hansen; Commissioners Erickson, Puetz, Pummel, Roby and Steele

Excused: Commissioner Hohn

B. Resolution No. 23-01-02: Resolution to Reserve Additional Housing Tax Credits for Springs Edge Apartments

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

WHEREAS, per Resolution No. 22-11-94, a Reservation in the amount of \$590,609 of Housing Tax Credits was previously awarded to the following Applicant in accordance with the 2022-2023 Housing Tax Credit (HTC) Program Qualified Allocation Plan;

WHEREAS, the Applicant had applied for \$600,000 in Housing Tax Credits, but the amount of Housing Tax Credits reserved per Resolution No. 22-11-94 was less than the requested amount due to insufficient available Housing Tax Credits;

WHEREAS, the amount of available Housing Tax Credits was miscalculated by staff; and

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

NOW, THEREFORE, BE IT RESOLVED that based on information provided in the application, a Conditional Reservation and Binding Commitment Agreement offering a Reservation of Housing Tax Credits be forwarded to the following Applicant, and that upon satisfaction of all conditions, Housing Tax Credits be allocated to:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>ADDITIONAL TAX CREDITS</u>
Springs Edge, LLC	Springs Edge Apartments Rapid City, SD	\$9,391

BE IT FURTHER RESOLVED that because there are not sufficient 2022 Housing Tax Credits remaining, the Reservation of \$9,391 be made available first from any remaining 2022 Housing Tax Credits and any Housing Tax Credits returned, recaptured, or otherwise made available after this date, and that the Executive Director is authorized to issue a

forward commitment from the Housing Tax Credits available in 2023 up to the total amount of Housing Tax Credits reserved herein.

Via roll call, the following votes were recorded:
Voting AYE: Chairman Hansen; Commissioners Erickson, Puetz, Pummel, Roby and Steele
Excused: Commissioner Hohn

VII. NEW BUSINESS

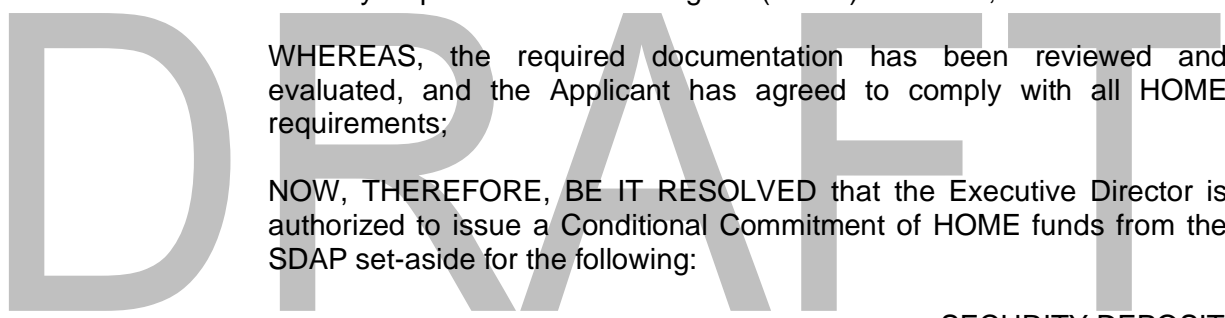
A. Resolution No. 23-01-03: Resolution to Commit HOME Program Funds under the Security Deposit Assistance Program for Western Resources for Independent Living

After review and discussion, it was moved by Commissioner Pummel and seconded by Commissioner Puetz 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 is authorized to issue a Conditional Commitment of HOME funds from the SDAP set-aside for the following:



APPLICANT/LOCATION
Western Resources for
Independent Living
Rapid City, SD

SECURITY DEPOSIT
ASSISTANCE
PROGRAM AMOUNT
\$27,500

Via roll call, the following votes were recorded:
Voting AYE: Chairman Hansen; Commissioners Erickson, Puetz, Pummel, Roby and Steele
Excused: Commissioner Hohn

VIII. DATE OF NEXT MEETING AND ADJOURNMENT

The next Board of Commissioners' Meeting is tentatively scheduled for February 14, 2023. It was moved by Commissioner Roby and seconded by Commissioner Steele that the meeting adjourn.

Via roll call, the following votes were recorded:
Voting AYE: Chairman Hansen; Commissioners Erickson, Puetz, Pummel, Roby and Steele
Excused: Commissioner Hohn

The meeting adjourned at 2:18 p.m.

Respectfully submitted,

Lorraine Polak
Secretary

DRAFT