

MINUTES
SOUTH DAKOTA HOUSING DEVELOPMENT AUTHORITY
BOARD OF COMMISSIONER'S MEETING
TELEPHONIC
February 28, 2023

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

Board Members Absent: David Pummel, Commissioner

Staff Present: Lorraine Polak, 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
Chas Olson, Director of Rental Housing Development
Amanda Weisgram, Director of Marketing and Research
Robin Auch, Accountant
Travis Dammann, Business Analyst
Amy Eldridge, Housing Development Officer
Andy Fuhrman, Construction Management Officer
Ashlee Hemminger, Single Family Development Assistant
DeNeil Hosman, Accountant
Beverly Katz, Housing Infrastructure Officer
Bridgette Loesch, SD Cares Housing Assistance Program Manager
Sheila Olson, Marketing and Executive Assistant
Scott Rounds, Housing Development Officer

Guests Present: Dixie Hieb, Davenport, Evans, Hurwitz & Smith, Counsel to SDHDA
Holly Englehart, Eide Bailly
Tanner Anderson, Cutler Law Firm
Nick VanOverschelde, VanOverschelde Companies LLC
Mary Williams, Mayor of City of Wall
Jamie Herrmann, Kadoka Area School District
Mike Bockorny, Aberdeen Development Corporation
Chris Huber, Black Hills Area Community Foundation
Judy Kay Vogel, Mitchell Area Housing, Inc.

I. CALL TO ORDER/CONFLICTS OF INTEREST

The meeting was called to order at 10:59 a.m. and roll was called. Chairman Hansen called for conflicts of interest and none were noted.

II. PUBLIC COMMENT

None.

III. APPROVAL OF AGENDA

The distributed agenda was amended to remove Resolution No. 23-02-L under New Business. It was moved by Commissioner Puetz 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, the following votes were recorded:

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

Excused: Commissioner Pummel

IV. APPROVAL OF MINUTES

It was moved by Commissioner Erickson and seconded by Commissioner Puetz that the Minutes of the Board of Commissioners' Meeting held on January 17, 2023, be adopted as presented.

Via roll call, the following votes were recorded:

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

Excused: Commissioner Pummel

V. TREASURER'S REPORT

Todd Hight, Director of Finance, presented the Treasurer's Report; Comparison of Actual Expenses to Budget dated December 31, 2022; Statement of Net Position dated December 31, 2022; and the Statement of Revenues, Expenses and Changes in Net Position for the nine months ending December 31, 2022. It was moved by Commissioner Roby and seconded by Commissioner Hohn that the Treasurer's Report be accepted as presented.

Via roll call, the following votes were recorded:

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

Excused: Commissioner Pummel

VI. EXECUTIVE DIRECTOR'S REPORT

Executive Director Polak reported that the closeout report for Emergency Rental Assistance I Program was submitted to Treasury on January 30, and South Dakota Housing staff continue administering the ERA II Program and Homeowner Assistance Fund. She stated that, on February 3, 2023, she presented the informational budget to the Joint Committee on Appropriations. Executive Director Polak reported SDHDA was the platinum sponsor for the Sioux Empire Home Show in Sioux Falls on February 24-26, 2023, and will have a booth at the Black Hills Home Show in Rapid City on March 24-26, 2023. She said the Mountain Plains Housing Summit is May 8-10, 2023 in Sioux Falls and

more information will be forthcoming. Executive Director Polak reported that with the passage of Senate Bill (SB) 41, staff are in the process of promulgating the administrative rules and drafting the allocation plan for board consideration.

VII. PROGRAM REPORTS

The Program Reports were given by Directors and discussed with the Board.

VIII. OLD BUSINESS

A. Resolution No. 23-02-04: Resolution to Increase the Purchase Price for Governor's House, Governor's Daycare Facility and DakotaPlex

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

WHEREAS, the current price of the Governor's House, the Governor's House Daycare Facility, and the DakotaPlex units was established in 2022 pursuant to Resolution No. 22-01-01; and

WHEREAS, since that time, construction material costs and other building costs have increased significantly;

NOW, THEREFORE, BE IT RESOLVED that effective for purchase agreements signed on or after March 1st, 2023, the purchase price for Governor's House, Governor's Daycare Facility, and DakotaPlex units will be as follows:

	Old Purchase Price	New Purchase Price
1,008 sq. ft. 2-Bedroom Governor's House	\$62,800	\$71,400
1,200 sq. ft. 3-Bedroom Governor's House	\$75,200	\$85,400
1,200 sq. ft. Governor's Daycare Facility	\$75,200	\$85,400
2-Bedroom DakotaPlex single unit	\$75,900	\$85,900
3-Bedroom DakotaPlex single unit	\$85,900	\$95,900

Via roll call, the following votes were recorded:

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

Excused: Commissioner Pummel

B. Resolution No. 23-02-05: Resolution to Fund the Housing Opportunity Fund Program

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

WHEREAS, affordable housing is a significant need across South Dakota;

WHEREAS, the Housing Opportunity Fund under Building South Dakota provides housing for low- to moderate- income individuals;

WHEREAS, the Housing Opportunity Fund has annually received funding from the State of South Dakota;

WHEREAS, per Resolution 17-11-109, South Dakota Housing Development Authority (SDHDA) committed up to \$1.5 million per year for five years to the Housing Opportunity Fund; and

WHEREAS, there is a continued need to fund the Housing Opportunity Fund for future housing development;

NOW, THEREFORE, BE IT RESOLVED that SDHDA will commit up to \$1.5 million per year to the Housing Opportunity Fund, to continue until such time as SDHDA makes a determination to discontinue such funding; and

BE IT FURTHER RESOLVED that this annual commitment of funding from SDHDA is contingent upon the State of South Dakota annually appropriating a minimum of \$1 million for the Housing Opportunity Fund.

Via roll call, the following votes were recorded:

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

Excused: Commissioner Pummel

C. Resolution No. 23-02-06: Resolution to Approve and Authorize Release of the Draft Amended 2022-2023 HOME–ARP Allocation Plan

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

WHEREAS, South Dakota Housing Development Authority (SDHDA) is responsible for the development of the HOME–American Rescue Plan (ARP) Allocation Plan;

WHEREAS, the Board of Commissioners adopted the 2022-2023 HOME–ARP Allocation Plan per Resolution No. 22-04-16; and

WHEREAS, SDHDA staff has recommended that the HOME-ARP Allocation Plan be amended to incorporate preferences, priorities, and limitations required for certain projects that have received reservations of HOME-ARP funds;

NOW, THEREFORE, BE IT RESOLVED that the Draft Amended 2022-2023 HOME–ARP Allocation Plan dated February 28, 2023, is hereby approved for public distribution, and the Executive Director is authorized to give the required public notice for a 15-day comment period.

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

IX. NEW BUSINESS

A. Resolution No. 23-02-07: Resolution to Approve and Authorize Release of the Draft 2021 Consolidated Plan Annual Performance Report for Public Comment

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

WHEREAS, South Dakota Housing Development Authority (SDHDA) is responsible for the development of the 2021 Consolidated Annual Performance and Evaluation Report (Report); and

WHEREAS, such Report, which has been reviewed by the Board of Commissioners, must be made available for public comment for a 15-day period;

NOW, THEREFORE, BE IT RESOLVED that the Draft 2021 Consolidated Annual Performance and Evaluation Report, dated February 28, 2023, 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 the Executive Director incorporate the public comments received into the Report and submit the final Report to the U.S. Department of Housing and Urban Development (HUD).

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

B. Resolution No. 23-02-08: Resolution to Reserve HOME-ARP Funds for Pathways Young Adult Transitional Home

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the HOME-American Rescue Plan (ARP) Program Allocation Plan; and

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

NOW, THEREFORE, BE IT RESOLVED that based on information provided in the application, a letter offering a Reservation of HOME-ARP funds be forwarded to the following Applicant, and that upon satisfaction of all conditions, HOME-ARP funds be allocated to:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>HOME-ARP FUNDS</u>
Pathways Shelter for the Homeless, Inc.	Pathways Young Adult Transitional Home Yankton, SD	\$200,000

Via roll call, the following votes were recorded:

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

Excused: Commissioner Pummel

C. Resolution No. 23-02-09: Resolution to Commit HOME Program Funds under the Homeowner Rehabilitation Program for Mitchell Area Housing, Inc.

After review and discussion, it was moved by Commissioner Erickson and seconded by Commissioner Steele 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 is authorized to issue a commitment of HOME funds from the Homeowner Rehabilitation Program set-aside for the following:

<u>APPLICANT/LOCATION</u>	<u>HOMEOWNER REHABILITATION PROGRAM AMOUNT</u>
Mitchell Are Housing, Inc. (MAHI) Mitchell, SD	\$214,000

Via roll call, the following votes were recorded:

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

Excused: Commissioner Pummel

D. Resolution No. 23-02-10: Resolution to Conditionally Commit Community Housing Development Program Funds for Van Slyke Lofts

After review and discussion, it was moved by Commissioner Puetz and seconded by Commissioner Roby 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) 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 the Executive Director is authorized to issue a Conditional Commitment of CHDP funds to the following Applicant:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>COMMUNITY HOUSING DEVELOPMENT PROGRAM</u>
Hub City Downtown, LLC	Van Slyke Lofts Aberdeen, SD	\$2,771,218

Via roll call, the following votes were recorded:

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

Excused: Commissioner Pummel

X. DATE OF NEXT MEETING AND ADJOURNMENT

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

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

Excused: Commissioner Pummel

The meeting adjourned at 11:53 p.m.

Respectfully submitted,



Lorraine Polak
Secretary