

MINUTES
SOUTH DAKOTA HOUSING DEVELOPMENT AUTHORITY
BOARD OF COMMISSIONER'S MEETING
Telephonic
April 20, 2021

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

Board Members Absent: None.

Staff Present: Lorraine Polak, Executive Director
Todd Hight, Director of Finance and Administration
Brent Adney, Director of Homeownership Programs
Mike Harsma, Director of Single Family Development
Chas Olson, Director of Rental Housing Development
Tasha Jones, Director of Rental Housing Management
Amanda Weisgram, Director of Marketing and Research
Sheila Olson, Marketing/Executive Assistant
Amy Eldridge, Housing Development Officer
Scott Rounds, Housing Development Officer
Travis Dammann, Business Analyst
Nichole Hahn, HERO State Coordinator
Andy Fuhrman, Construction Management Officer

Guests Present: Dixie Hieb, Davenport, Evans, Hurwitz & Smith, Counsel to SDHDA
Holly Englehart, Eide Bailly
Bonnie Mogen, Costello Companies
Aaron Webb, Cheyenne River Housing Authority
Sharon Vogel, Cheyenne River Housing Authority
Michelle Running Wolf, Cheyenne River Housing Authority
Kameron Nelson, LifeScape
Brian Carlson, JLG Architects
Bryan Nurnberger, Simply Smiles, Inc.

I. CALL TO ORDER/CONFLICTS OF INTEREST

The meeting was called to order at 10:01 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

The distributed agenda was amended to add Resolution No. 20-04-17, Resolution No. 20-04-18 and Resolution No. 20-04-19 under Old Business. It was moved by Commissioner Hansen and seconded by Commissioner Kolbeck 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 Erickson, Hansen, Hohn, Kolbeck, Puetz and Steele.

IV. APPROVAL OF MINUTES

It was moved by Commissioner Hohn and seconded by Commissioner Kolbeck that the Minutes of the Board of Commissioners' Meeting held on March 9, 2021, be adopted as presented.

Via roll call vote, the following votes were recorded:

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

V. EXECUTIVE DIRECTOR'S REPORT

Executive Director Polak reported the Annual Board Meeting is tentatively scheduled for August 3-4, 2021 in Sioux Falls. She mentioned SDHDA received \$200 million, and has approved \$1.7 million, from the 2021 SD Cares Housing Assistance Program. Executive Director Polak stated SDHDA will be administering the Housing Assistance Fund and the application is due to SDHDA on April 25, 2021. She reported there will be another round of funding called Emergency Rental Assistance II with more details to come. Executive Director Polak mentioned the HOME Program will receive an additional \$9.2 million.

VI. OLD BUSINESS

A. Resolution No. 21-04-13: Resolution to Approve the Amended 2020 Annual Action Plan

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

WHEREAS, Title 24, Code of Federal Regulations, Part 91, requires that a Consolidated Plan be adopted for the Community Planning and Development Programs;

WHEREAS, on March 9, 2021, the Board of Commissioners approved the Draft Amended 2020 Annual Action Plan and authorized the Executive Director to make it available for public comment; and

WHEREAS, as required by Federal Regulations, a Public Meeting was held on March 23, 2021, and comments received at the Public Meeting and

during the written comment period, which ended April 12, 2021, were considered;

NOW, THEREFORE, BE IT RESOLVED that the Amended 2020 Annual Action Plan, dated April 20, 2021, is hereby adopted; and

BE IT FURTHER RESOLVED that the Executive Director is authorized to submit the Amended 2020 Annual Action Plan to HUD and, upon notification of approval, distribute it to the public.

Via roll call vote, the following votes were recorded:

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

B. Resolution No. 21-04-14: Resolution to Approve the 2021 Annual Action Plan

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

WHEREAS, Title 24, Code of Federal Regulations, Part 91, requires that a Consolidated Plan be adopted for the Community Planning and Development Programs;

WHEREAS, on March 9, 2021, the Board of Commissioners approved the Draft 2021 Annual Action Plan and authorized the Executive Director to make it available for public comment; and

WHEREAS, as required by Federal Regulations, a Public Meeting was held on March 23, 2021, and comments received at the Public Meeting and during the written comment period, which ended April 12, 2021, were considered;

NOW, THEREFORE, BE IT RESOLVED that the 2021 Annual Action Plan, dated April 20, 2021, is hereby adopted; and

BE IT FURTHER RESOLVED that the Executive Director is authorized to submit the 2021 Annual Action Plan to HUD and, upon notification of approval, distribute it to the public.

Via roll call vote, the following votes were recorded:

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

C. Resolution No. 21-04-15: Resolution to Approve Housing Tax Credit Program Waiver Request for Wiyaka Sakpe (Six Feathers)

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

WHEREAS, per Resolution No. 18-11-88, Cheyenne River Housing Authority (Owner) received a Reservation of Housing Tax Credits (HTC) for Wiyaka Sakpe (Six Feathers);

WHEREAS, per Resolution No. 20-12-117, Owner received a waiver of the QAP requirements regarding the carryover allocation;

WHEREAS, the Owner has requested a waiver of the QAP's requirements with regards to certain development standards related to kitchen design; and

NOW, THEREFORE, BE IT RESOLVED that the waiver is hereby approved for Wiyaka Sakpe (Six Feathers).

Via roll call vote, the following votes were recorded:

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

D. Resolution No. 21-04-16: Resolution to Approve Modification of the Terms of Commitment of HOME Program Funds under the Rural Development Set-Aside for Four Bands Community Fund Homebuyers 2019

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

WHEREAS, per Resolution No. 19-12-126, Four Bands Community Fund (Owner) received a Conditional Commitment of HOME funds for Four Bands Community Fund – Homebuyers 2019;

WHEREAS, SDHDA staff recommends that Four Bands Community Fund hold a first position mortgage and SDHDA hold a second position mortgage;

NOW, THEREFORE, BE IT RESOLVED that a modification to the original terms of the funding is hereby approved.

Via roll call vote, the following votes were recorded:

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

E. Resolution No. 21-04-17: Resolution to Commit Housing Trust Fund Funds for LifeScape Dignity Home

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 20-11-92, a Reservation in the amount of \$791,200 of Housing Trust Fund (HTF) funds was previously awarded to the following Applicant;

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

WHEREAS the environmental review has been completed and the Applicant has submitted all 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 HTF Funds for the following:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>HOUSING TRUST FUNDS</u>
South Dakota Achieve, Inc. Db a LifeScape	LifeScape Dignity Home Sioux Falls, SD	\$791,200

Via roll call vote, the following votes were recorded:

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

F. Resolution No. 21-04-18: Resolution to Approve Housing Tax Credit Program Waiver Request for Davison Court Townhomes

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

WHEREAS, per Resolution No. 18-11-69, Davison Court, Limited Partnership (Owner) received a Reservation of Housing Tax Credits (HTC) for Davison Court Townhomes;

WHEREAS, the 2018-2019 Housing Tax Credit Program Qualified Allocation Plan (QAP) requires that ten percent of total project costs must be expended and documented by November 15, 2019;

WHEREAS, the Owner requested a waiver of the QAP's requirements and was granted an extension to November 15, 2020, to submit documentation regarding the ten percent test and other carryover documents;

WHEREAS, the Owner requested a waiver of the QAP's requirements and was granted an extension to May 15, 2021, to submit documentation regarding the ten percent test and other carryover documents, and an extension to the required Placed in Service Date for the buildings within the project from December 31, 2021 to December 31, 2022;

WHEREAS, due to continued issues in closing the Rural Development loan that provides a portion of the project's financing, Owner is requesting an

additional extension to June 28, 2021 to submit documentation regarding the ten percent test and other carryover documents;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the request, and the Executive Director is authorized to notify the Owner that if the remaining Carryover documentation is submitted to the satisfaction of SDHDA by the extended date, the 2019 Carryover Allocation Agreement will remain valid for the housing tax credits originally reserved or in an amount determined to be financially necessary by SDHDA.

Via roll call vote, the following votes were recorded:

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

G. Resolution No. 21-04-19: Resolution to Approve Housing Tax Credit Program Waiver Request for Denali Ridge

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

WHEREAS, per Resolution No. 18-11-70, Denali Ridge, Limited Partnership (Owner) received a Reservation of Housing Tax Credits (HTC) for Denali Ridge Apartments;

WHEREAS, the 2018-2019 Housing Tax Credit Program Qualified Allocation Plan (QAP) requires that ten percent of total project costs must be expended and documented by November 15, 2019;

WHEREAS, the Owner requested a waiver of the QAP's requirements and was granted an extension to November 15, 2020, to submit documentation regarding the ten percent test and other carryover documents;

WHEREAS, the Owner requested a waiver of the QAP's requirements and was granted an extension to May 15, 2021, to submit documentation regarding the ten percent test and other carryover documents, and an extension to the required Placed in Service Date for the buildings within the project from December 31, 2021 to December 31, 2022;

WHEREAS, due to continued issues in closing the Rural Development loan that provides a portion of the projects financing, Owner is requesting an additional extension to June 28, 2021 to submit documentation regarding the ten percent test and other carryover documents;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the request, and the Executive Director is authorized to notify the Owner that if the remaining Carryover documentation is submitted to the satisfaction of SDHDA by the extended date, the 2019 Carryover Allocation Agreement will remain valid for the housing tax credits originally reserved or in an amount determined to be financially necessary by SDHDA.

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

VII. NEW BUSINESS

A. Resolution No. 21-04-20: Resolution to Conditionally Commit Housing Opportunity Fund Funds for The Simply Smiles Children’s Village: Foster Home #3

After review and discussion, it was moved by Commissioner Erickson 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 2020-2021 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 is authorized to issue a Conditional Commitment of HOF funds to the following Applicant:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>HOF RURAL DEVELOPMENT</u>
Simply Smiles, Inc.	The Simply Smiles Children’s Village: Foster Home #3 La Plant, SD	\$201,205

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

VIII. DATE OF NEXT MEETING AND ADJOURNMENT

The next Board of Commissioners’ Meeting is tentatively scheduled for May 18, 2021. It was moved by Commissioner Kolbeck and seconded by Commissioner Puetz that the meeting adjourn.

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

The meeting adjourned at 10:46 a.m.

Respectfully submitted,



Lorraine Polak
Secretary