

MINUTES
SOUTH DAKOTA HOUSING DEVELOPMENT AUTHORITY
BOARD OF COMMISSIONER'S MEETING
SDHDA CONFERENCE ROOM
July 26, 2022

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

Board Members Absent: Rick Hohn, Commissioner
Mark Roby, Commissioner

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
Nichole Hahn, HERO State Coordinator
Andy Fuhrman, Construction Management Officer
Beverly Katz, Housing Infrastructure Officer
Jason Bucholz, Mortgage Purchase Officer (via telephone)
Travis Dammann, Business Analyst (via telephone)
Doug Mahowald, Network Administrator (via telephone)
Scott Rounds, Housing Development Officer (via telephone)
Davis Schofield, Continuum of Care Administrator (via telephone)

Guests Present: Dixie Hieb, Davenport, Evans, Hurwitz & Smith, Counsel to SDHDA
Toby Morris, Colliers Securities
Holly Englehart, Eide Bailly (via telephone)
Hugh Dodson, Howe, Inc. (via telephone)
Rob Timm, City of Box Elder (via telephone)
David Reiss, Central South Dakota Enhancement District (via telephone)
Laura Jones, Elevate Rapid City (via telephone)

I. CALL TO ORDER/CONFLICTS OF INTEREST

The meeting was called to order at 11:00 a.m. and roll was called. Chairman Hansen called for conflicts of interest and none were noted. In accordance with SDCL 3-23-3.1, Commissioner Puetz provided the Annual Disclosure Form, which showed permissible conflicts of interest for which authorization by the SDHDA Board of Commissioners is not required. The Annual Disclosure Form is attached to these minutes.

II. PUBLIC COMMENT

None.

III. APPROVAL OF AGENDA

It was moved by Commissioner Pummel and seconded by Commissioner Steele 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 and Steele

Excused: Commissioners Hohn and Roby

IV. APPROVAL OF MINUTES

It was moved by Commissioner Erickson and seconded by Commissioner Pummel that the Minutes of the Board of Commissioners' Meeting held on June 28, 2022, be adopted as presented.

Via roll call, the following votes were recorded:

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

Excused: Commissioners Hohn and Roby

V. EXECUTIVE DIRECTOR'S REPORT

Executive Director Polak reported Commissioner Steve Kolbeck submitted his letter of resignation. She stated Mark Roby will be replacing Commissioner Kolbeck to finish out his term. Executive Director Polak reported Mike Harsma, Director of Single Family Development received Outstanding Partner of the Year for the Governor's House Program from U.S. Department of Agriculture. She stated SDHDA hosted a public meeting for the Housing Infrastructure Financing Program that had approximately 120 attendees. Executive Director Polak reported the NCSHA Annual Conference is in Houston, TX on October 22-25 and the Annual Housing Conference in Pierre is November 7-8. She reported the competitive housing development applications are due August 31.

VI. PROGRAM REPORTS

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

VII. OLD BUSINESS

A. Resolution No. 22-07-46: Resolution to Approve the Housing Infrastructure Program Allocation 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, SDHDA is responsible for the development of the Housing Infrastructure Financing Program Allocation Plan;

WHEREAS, on June 28, 2022, the Board of Commissioners approved the Draft Housing Infrastructure Financing Program Allocation Plan and authorized the Executive Director to make it available for public comment; and

WHEREAS, a Public Meeting was held on June 7, 2022, and comments received at the Public Meeting and during the public comment period, which ended July 12, 2022, were summarized and considered;

NOW, THEREFORE, BE IT RESOLVED that the Housing Infrastructure Financing Program Allocation Plan, dated July 26, 2022, is hereby adopted; and

BE IT FURTHER RESOLVED that the Executive Director is authorized to distribute it to the public.

Via roll call, the following votes were recorded:

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

Excused: Commissioners Hohn and Roby

VIII. NEW BUSINESS

A. Resolution No. 22-07-47: Resolution to Approve the Fiscal Year 2023 Budget

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

WHEREAS, the Board has reviewed the proposed fiscal year 2023 budget as presented;

NOW, THEREFORE, BE IT RESOLVED that the proposed budget for fiscal year 2023 is hereby adopted.

Via roll call, the following votes were recorded:

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

Excused: Commissioners Hohn and Roby

B. Resolution No. 22-07-48: Resolution to Elect Officers for Fiscal Year 2023

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

WHEREAS, pursuant to Resolution No. 19-08-58, the Authority established the following officer positions: Chairman, Vice-Chairman, Secretary, Treasurer, and Assistant Treasurer;

WHEREAS, pursuant to the same resolution, the position of Secretary shall be filled by the Authority's Executive Director in accordance with SDCL 11-11-21 and the position of Assistant Treasurer shall be filled by the Authority's Director of Finance; and

WHEREAS, pursuant to the same resolution all other officer positions shall be filled by nomination made by the commissioners from the floor;

NOW, THEREFORE, BE IT RESOLVED, that the following are elected as officers of the Authority's Board of Commissioners for fiscal year 2023:

Chairman – Bill Hansen
Vice-Chairman – Scott Erickson
Secretary – Lorraine Polak
Treasurer – Preston Steele
Assistant Treasurer – Todd Hight

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

C. Resolution No. 22-07-49: Resolution to Approve the Homeownership Education Resource Organization (HERO) Funding

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

WHEREAS, HERO is an affiliate created and supported by South Dakota Housing Development Authority (SDHDA) as an independent 501(c)(3);

WHEREAS, SDHDA is the sole member of HERO;

WHEREAS, HERO's Bylaws provide that the number of directors shall be seven and the directors shall be elected or appointed at the annual meeting of the member;

WHEREAS, HERO's continuance is dependent upon the financial support of SDHDA; and

WHEREAS, that the cost of providing education and counseling services in South Dakota is projected to be \$674,035 for the fiscal year 2023;

NOW, THEREFORE, BE IT RESOLVED, that SDHDA, as the sole member of HERO, hereby appoints the members of the SDHDA Board of

Commissioners as directors of HERO, to serve until the next annual meeting of the member; and

BE IT FURTHER RESOLVED that for fiscal year 2023, SDHDA shall provide financial support to HERO in an amount of up to \$437,035 for the purpose of providing homebuyer education in South Dakota.

Via roll call, the following votes were recorded:

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

Excused: Commissioners Hohn and Roby

D. Resolution No. 22-07-50: Resolution to Conditionally Commit Housing Opportunity Fund Funds for Frederick 5th St. Duplex

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the 2022-2023 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>DEVELOPMENT/</u>	<u>HOF</u>
	<u>LOCATION</u>	<u>RURAL</u>
<u>OWNER/APPLICANT</u>		<u>DEVELOPMENT</u>
Frederick Development Corporation	Frederick 5 th St. Duplex. Frederick, SD	\$250,000

Via roll call, the following votes were recorded:

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

Excused: Commissioners Hohn and Roby

E. Resolution No. 22-07-51: Resolution to Conditionally Commit Housing Opportunity Fund Funds for Timber Lake & Area Development DakotaPlex Duplex

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

WHEREAS, the following application has been reviewed and evaluated in accordance with the 2022-2023 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>
Timber Lake & Area Development Corporation	Timber Lake & Area Development Corporation Timber Lake, SD	\$192,000

Via roll call, the following votes were recorded:

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

Excused: Commissioners Hohn and Roby

IX. DATE OF NEXT MEETING AND ADJOURNMENT

The next Board of Commissioners' Meeting is tentatively scheduled for August 16, 2022. It was moved by Commissioner Erickson and seconded by Commissioner Pummel that the meeting adjourn.

Via roll call, the following votes were recorded:

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

Excused: Commissioners Hohn and Roby

The meeting adjourned at 12:08 p.m.

Respectfully submitted,

Lorraine Polak
Secretary

ANNUAL DISCLOSURE FOR AUTHORITY/BOARD/COMMISSION MEMBER
PURSUANT TO SDCL CHAPTER 3-23

THIS IS A PUBLIC DOCUMENT

Name of Member: Mark Puetz

Name of Board, Authority or Commission: South Dakota Housing Development Authority

The Member shall disclose below any contract in which the Member has an interest or from which the Member derives a direct benefit if the contract is:

- 1) With the state agency to which the Member's board, authority or commission is attached for reporting or oversight purposes and which contract requires the expenditure of government funds;
- 2) With the state and which contract requires the approval of the Member's board, authority or commission and the expenditure of government funds; or
- 3) With a political subdivision of the state if the political subdivision approves the contract and:
 - a. Is under the regulatory oversight of the authority, board, or commission, or
 - b. Is under the regulatory oversight of the agency to which the Member's board, authority or commission is attached.

The Member shall disclose the contract even though no additional authorization is needed from the Member's board, authority or commission to have an interest or derive a benefit from the contract.

The Member shall also identify every entity in which the Member possesses an ownership interest of five percent or greater if:

- 1) The entity receives grant money from the State, either directly or by a pass-through grant or
- 2) The entity contracts with the State or any political subdivision for services.

1. **Contracts in which you have an interest pursuant to SDCL Chapter 3-23 and which do not violate any other provision of law** - Provide the following for each contract in which you have, or will have, an interest. For further information see SDCL 3-23-2.1 and 3-23-3.1.

Description of the contract	Parties	Description of your interest/role in the contract	Date contract was previously disclosed, if applicable

Attach additional pages, if necessary.

2. **Contracts in which you have a direct benefit pursuant to SDCL Chapter 3-23** - Provide the following for each contract from which you derive, or will derive, a direct benefit. For more information see SDCL 3-23-2, 3-23-2.2 and 3-23-3.1.

Description of the contract	Parties	Description of the direct benefit	Date contract was authorized


Attach additional pages, if necessary.

3. Entities in which you possess an ownership interest of five percent or more that receive grant money from the State, either directly or by a pass-through grant, or that contract with the State or any political subdivision for services – Provide the following for each such entity. See SDCL 3-23-3.1.

Description of the contract or grant	Party in which you possess the interest	State agency or subdivision
Construction and Architecture Contracts		South Dakota Department of Transportation and Bureau of Administration Office of the State Engineer

Attach additional pages, if necessary.

The member shall complete a separate authorization request for any contract identified above that requires authorization from the Member's board, authority or commission in order for the Member to legally derive a direct benefit.

Signature of Member:  Date: 7-19-2022