

MINUTES
SOUTH DAKOTA HOUSING DEVELOPMENT AUTHORITY
BOARD OF COMMISSIONER'S MEETING
Telephonic
August 18, 2020

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: Mark Lauseng, Executive Director
Todd Hight, Director of Finance and Administration
Brent Adney, Director of Homeownership Programs
Mike Harsma, Director of Single Family Development
Lorraine Polak, 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
Chas Olson, Housing Development Officer
Andy Fuhrman, Construction Supervisor
Travis Dammann, Business Analyst
Nichole Hahn, HERO State Coordinator

Guests Present: Dixie Hieb, Davenport, Evans, Hurwitz & Smith, Counsel to SDHDA
Ernie Little, Oglala Sioux Lakota Housing

I. CALL TO ORDER/CONFLICTS OF INTEREST

The meeting was called to order at 10:00 a.m. and roll was called. Chairman Pummel called for conflicts of interest. Chairman Pummel stated that he had a conflict of interest with respect to Old Business item 20-08-G, which dealt with consideration to correct amount of Housing Opportunity Fund funds conditionally committed for Deadwood Stage Run Phase II. Chairman Pummel stated that the developer of Deadwood Stage Run is a business client of his and that he would abstain from discussion and voting on that item.

Commissioner Puetz joined the meeting at 10:02 a.m.

II. PUBLIC COMMENT

None.

III. APPROVAL OF AGENDA

It was moved by Commissioner Kolbeck and seconded by Commissioner Hohn that the Agenda be adopted as presented, 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 Hansen and seconded by Commissioner Puetz that the Minutes of the Board of Commissioners' Meeting held on July 21, 2020, 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 Lauseng stated SDHDA's Annual Housing Conference will be held virtually on October 13-14, 2020. He mentioned staff is working on the conference agenda and additional details. Executive Director Lauseng stated the HOME, Housing Tax Credit, Housing Trust Fund, and Housing Opportunity Fund program applications are due on Monday, August 31, 2020. He said the Homeownership Bond Issue that closed recently was one of the lowest long-term financing interest rate we have ever had. Executive Director Lauseng stated the Governor's House had a whistleblower complaint about a purchaser not using the home as their primary residence. After investigating and then contacting the purchaser, the purchaser agreed to pay the difference between the cost and the real value of the home. He said an open house is scheduled for Neveah House and more information will be sent out to the Board of Commissioners.

VI. OLD BUSINESS

A. Resolution No. 20-08-55: Resolution to Commit Housing Trust Fund Funds for Black Hills Works Rehabilitation – Sitka

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

WHEREAS, per Resolution 19-12-89, a Reservation in the amount of \$500,000 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 most of the required documentation;

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

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>HOUSING TRUST FUNDS</u>
Black Hills Works, Inc.	Black Hills Works Rehabilitation – Sitka Rapid City, SD	\$500,000

Via roll call vote, the following votes were recorded:

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

B. Resolution No. 20-08-56: Resolution to Commit Housing Trust Fund Funds for Creekside Apartments

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 19-12-90, a Reservation in the amount of \$864,814 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 most of the required documentation;

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

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>HOUSING TRUST FUNDS</u>
Cheyenne River Housing Authority	Creekside Apartments LaPlant, SD	\$864,814

Via roll call vote, the following votes were recorded:

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

C. Resolution No. 20-08-57: Resolution to Correct Amount of Housing Opportunity Fund Funds Conditionally Committed for Deadwood Stage Run Phase II

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

WHEREAS, the Board of Commissioners adopted Resolution No. 20-07-K on July 21, 2020, which authorized a Conditional Commitment of HOF funds for Deadwood Stage Run Phase II;

WHEREAS, the adopted Resolution No. 20-07-K included an error in the amount of HOF funds intended to be authorized; and

WHEREAS, the Board wishes to correct this error;

NOW, THEREFORE, BE IT RESOLVED that the amount of HOF funds for which the Executive Director is authorized to issue a Conditional Commitment pursuant to Resolution No. 20-07-K is as follows:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>HOF RURAL DEVELOPMENT</u>
WJP Holdings, LLC	Deadwood Stage Run Phase II Deadwood, SD	\$378,000

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

VII. NEW BUSINESS

A. Resolution No. 20-08-58: Resolution to Conditionally Commit Housing Opportunity Fund Funds for Little Wound Development

After review and discussion, it was moved by Commissioner Puetz 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 Amended 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 for the following:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT/ LOCATION</u>	<u>HOF RURAL DEVELOPMENT</u>
Oglala Sioux Lakota Housing	Little Wound Development Kyle, SD	\$147,117

Via roll call vote, the following votes were recorded:

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

B. Resolution No. 20-08-59: Resolution to Elect Officers for Fiscal Year 2021

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

WHEREAS, pursuant to Resolution No. 19-08-58, the Authority established the following officers 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 2021:

- Chairman – David Pummel
- Vice-Chairman – Bill Hansen
- Secretary – Mark Lauseng
- Treasurer – Scott Erickson
- Assistant Treasurer – Todd Hight

Via roll call vote, the following votes were recorded:

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

C. Resolution No. 20-08-60: Resolution Regarding Annual Meeting of Member of Homeownership Education Resource Organization (HERO) and Approving Election of Directors and Funding

After review and discussion, it was moved by Commissioner Hohn and seconded by Commissioner Hansen 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 \$790,840 for the fiscal year 2021;

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 2021, SDHDA shall provide financial support to HERO in an amount of up to \$498,588 for the purpose of providing homebuyer education in South Dakota.

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 September 15, 2020. It was moved by Commissioner Puetz and seconded by Commissioner Erickson 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 11:02 a.m.

Respectfully submitted,

Mark Lauseng
Secretary