

MINUTES
SOUTH DAKOTA HOUSING DEVELOPMENT AUTHORITY
BOARD OF COMMISSIONER'S MEETING
SIOUX FALLS CHAMBER OF CONFERENCE ROOM
September 23, 2022

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

Board Members Absent: None

Staff Present: Lorraine Polak, Executive Director
Todd Hight, Director of Finance and Administration

Guests Present: Dixie Hieb, Davenport, Evans, Hurwitz & Smith, Counsel to SDHDA

I. CALL TO ORDER/CONFLICTS OF INTEREST

The meeting was called to order at 11:01 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 move Executive Session before Old Business. It was moved by Commissioner Steele and seconded by Commissioner Puetz that the Agenda be adopted as amended, but reserving the right to make further changes during the meeting.

Via voice vote, the following votes were recorded:

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

IV. APPROVAL OF MINUTES

It was moved by Commissioner Pummel and seconded by Commissioner Roby that the Minutes of the Board of Commissioners' Meeting held on September 9, 2022, be adopted as presented.

Via voice vote, the following votes were recorded:

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

V. EXECUTIVE DIRECTOR'S REPORT

Executive Director Polak reported \$19.5 million in ERA I funding will be returned to U.S. Treasury next week as staff continues to prepare for program closeout. She stated there is currently a three year timeframe for delivery of a Governor's House. This timeline has been shared with purchasers. The extended lead time is a result of supply chain issues and inability to have full staffing. Executive Director Polak also mentioned that in July, US Department of Housing and Urban Development released the PBCA draft contract solicitation. The deadline for comments was initially 30 days, but has been extended to September 30th. As proposed, the draft solicitation would make it difficult for SDHDA to continue to be the contract administrator. Staff is working with NCSHA and our Congressional offices to address the concerns. She stated staff is planning the Annual Housing Conference located in Pierre on November 7-8 and the Rental Development staff are busy working through competitive applications for the November board meeting.

VI. EXECUTIVE SESSION

It was moved by Commissioner Pummel and seconded by Commissioner Puetz to go into executive session pursuant to SDCL 1-25-2(3) for the purpose of consulting with legal counsel. Executive session started at 11:14 a.m. and ended at 11:53 p.m.

Via voice vote, the following votes were recorded:

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

VII. OLD BUSINESS

A. Resolution No. 22-09-56: Resolution for Consideration of Implementation Timeframe for Housing Infrastructure Financing Program

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

WHEREAS, during the 2022 Session of the South Dakota Legislature, the House of Representatives and the Senate passed HB 1033, and Governor Noem signed the Bill into law;

WHEREAS, Section 1 of HB 1033 transfers \$150,000,000 from the general fund to the South Dakota housing opportunity fund (HOF), created by § 11-13-2, and Section 2 of HB 1033 appropriates \$50,000,000 of Federal fund expenditure authority from the American Rescue Plan Act to SDHDA;

WHEREAS, per Resolution 22-06-40, the Board delayed implementation of Section 1 of HB 1033 until further clarification by the South Dakota Legislature is provided as to the application of Chapter 11-13 to such transferred funds;

WHEREAS, per Resolution 22-05-31, the Board instructed SDHDA staff to develop an administrative plan to outline the process and procedures for

the implementation and administration of the federal fund expenditure authority appropriated to SDHDA pursuant to Section 2 of HB 1033;

WHEREAS, per Resolution 22-06-39, the Draft Housing Infrastructure Financing Program Plan was approved for public distribution and the Executive Director was authorized to give the public notice for a 14-day comment period;

WHEREAS, per Resolution 22-07-46, the Housing Infrastructure Financing Program Allocation Plan was adopted and the Executive Director was authorized to distribute it to the public;

WHEREAS, SDHDA began accepting applications for the Housing Infrastructure Financing Program on August 1, 2022; and

WHEREAS, the Board has determined that implementation of the Housing Infrastructure Financing Program should be coordinated with the implementation of the funds transferred to HOF, and that implementation of the Housing Infrastructure Financing Program should be therefore delayed;

NOW, THEREFORE, BE IT RESOLVED, that SDHDA staff are hereby instructed to take no further action with respect to the implementation of the Housing Infrastructure Financing Program until further clarification is provided by the South Dakota Legislature with respect to HB 1033.

Via voice vote, the following votes were recorded:

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

VIII. DATE OF NEXT MEETING AND ADJOURNMENT

The next Board of Commissioners' Meeting is scheduled for October 11, 2022. It was moved by Commissioner Hohn and seconded by Commissioner Puetz that the meeting adjourn.

Via voice vote, the following votes were recorded:

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

The meeting adjourned at 11:55 a.m.

Respectfully submitted,

Lorraine Polak
Secretary