

MINUTES

Community Development Affordable Housing Advisory Board Meeting Downtown Main Library Meeting Room A Wednesday, August 29, 2012, 4 p.m.

Members Present: Jon Carroll, Vice Chairperson; Debra Metzger, Secretary; Jeffrey Kogel; Aaron Rietsema; Gayleen Riedemann; Langu Okall; Shawn Pritchett, and Todd Thaelke, ex-officio member

Members Absent: Loretta Paganini, Chairperson and Vicki Kerkvleit

Also Present: Dwight McElhaney; Al Roettger; Paul Hess; Bruce Smidt; Brent Tucker, and Lisa Fuller Community Development staff

Agenda

1. Call to Order

Deb Metzger called the meeting to order at 4:05 p.m.

2. Additions or Deletions to the Agenda

There were no additions or deletions to the agenda.

3. Approval of the Minutes for the Meeting of May 23, 2012

Upon motion by Gayleen Riedemann, seconded by Jeffrey Kogel, the Board approved the minutes of the May 23, 2012, Community Development Affordable Housing Advisory Board meeting as emailed. Motion carried unanimously.

4. Old Business

There was no old business to discuss.

5. New Business

a. Questions/comments regarding the June 2012 Tour of Affordable Housing Projects.

The group's general consensus was they were quite impressed with the housing projects shown to them on the June 26 bus tour.

b. Review 2013 applications for HOME and CDBG funding.

A handout of the 2013 CDBG/HOME funding request applications was distributed to the group for further discussion.

Dwight indicated the process has changed over the years due to cuts in federal funding. The majority of the applications were submitted by agencies we are committed to and are ongoing projects generally funded year after year. A lengthy group discussion was held to discuss the agencies, the dollar amount requested, and the project descriptions (see attached Exhibit A).

One of the new applications submitted that has not been routinely funded is from Volunteers of America, Dakotas for play space improvements at the Bowden Youth Center. Their request was for \$155,045.13, which Community Development is recommending funding \$25,000 since this project is a nonhousing issue. Dwight stated this funding would come from the 2012 CDBG uncommitted funds received via additional program income. Dwight feels the recommended funding amount would be very beneficial in improving the functionality of their outdoor playground structure, as well as an aesthetically pleasing view.

Gayleen inquired if the Parks and Recreation Department had been contacted since there are very limited playgrounds/parks for children in the Pettigrew Heights area to utilize. Dwight stated the City would not put revenue in privately owned property. The Board further discussed the need for a public park in this area since parks are a vital part of neighborhood revitalization. There have been ample opportunities for the City to acquire property in this neighborhood to develop a City park; for example, the former Giggleebee's lot located at 14th Street and Minnesota Avenue. Dwight concluded Community Development would be contacting the Parks Department about a park development in this area and would report back to the Board in October.

Dwight distributed a handout to the group detailing the proposed 2012 and 2013 CDBG/HOME project funding (see attached Exhibit B). Dwight indicated the 2012 surplus revenue from program income would be committed to ICAP for the Heartland House renovation at \$50,000 and Volunteers of America, Dakotas at \$25,000 to assist with the play space improvements at the Bowden Youth Center. Dwight indicated Volunteers of America will need to find matching funding and reduce the size of the project. The projects assisted with the 2013 CDBG/HOME funds are as follows: Habitat for Humanity—Lot costs for two housing projects; Affordable Housing Solutions—Neighborhood revitalization; SF Housing and Redevelopment Commission—Tenant-Based Rental Assistance; Lutheran Social Services—A

Helping Hand Up (financial counseling for low-income); Independent Living Choices—Home Modification Program; Home Builders Association of the Sioux Empire—Repair Affair Program; Inter-Lakes Community Action Partnership (ICAP)—Home Security Deposit Assistance; and Inter-Lakes Community Action Partnership (ICAP)—Bright Futures.

Debra questioned if Habitat for Humanity has identified the lots necessary for their two housing projects. Dwight acknowledged they have identified the lots that would be an excellent investment for affordable housing. Another benefit of working with Habitat for Humanity is that they typically operate geographically in areas where Community Development normally does not. Habitat for Humanity also builds homes for people at 60 percent median family income (MFI) or below where Community Development builds homes for people at 80 percent median family income (MFI) and below. Jon asked if Community Development monitors Lutheran Social Services Financial Counseling Program to verify it pertains to Affordable Housing. Dwight replied Lutheran Social Services provides statistical information that assists Community Development in determining whether or not it relates to Affordable Housing.

Upon motion by Debra Metzger, seconded by Todd Thielke, the Board approved the requested 2013 CDBG/HOME project funding request applications. Motion passed unanimously.

c. Review upcoming changes to the 2014 application process.

The programs that Community Development has are normally based on the Needs Assessment Hearings held in May. The applications are then received at the end of June, and the Board meets in September to determine what programs are funded for the following year. The issue with that cycle is that now the City wants more specific information on the programs and projects that will be funded through the Community Development's budget process. Previously, we had a department federal budget that was separate from the City's budget. Since the downturn, the City is now providing additional general fund dollars into Community Development's programs to make up for the reduction in federal funds and is now requiring more accountability for what those general fund dollars are being used for. In order to accommodate the City's request, Community Development will be requiring the nonprofits to submit their applications to us in late December or early January in order to tell them what programs will be funded before they decide the City budget for the following year. The Needs Assessment Hearings will remain in May.

Another change Community Development has made is with the expansion of the homebuyer's assistance area. Al Roettger distributed an expanded Homebuyers Assistance Program area map to the group (see attached Exhibit C). For many years, we had a citywide Homebuyer's Assistance Program, followed by an additional incentive area in the downtown core area near Whittier/Pettigrew neighborhoods, where people could receive double the assistance. Last year, however, due to lack of funding, the homebuyer's assistance geographical area was limited to just the city's core area. Due to the limited area, Community Development received little interest from people who could utilize this funding. This year the program has expanded to include a larger geographical area to accommodate additional interest and assist more people. The updated map dated August 28, 2012, was based on neighborhoods that were defined in the Planning Department's 2035 comprehensive plans. Al added the subsidy for this program is a \$5,000 deferred loan.

6. Other Business

There was no other business to discuss.

7. Adjourn

Upon motion by Gayleen Riedemann, seconded by Debra Metzger, the meeting adjourned at 4:55 p.m.

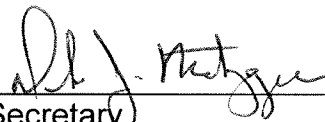

Secretary

Exhibit A

2013 CDBG/HOME Funding Request Applications

CDBG	HOME	Gen Fund	Agency	Project Description
\$155,045.13			Volunteers of America, Dakotas	Improvements for play space at the Bowden Youth Center
\$ 25,000.00			Habitat for Humanity of Greater Sioux Falls, Inc.	Lot costs for 2 housing projects
	\$320,000.00	\$120,000.00	Affordable Housing Solutions	Neighborhood Revitalization
\$ 5,005.00	\$193,000.00		Sioux Falls Housing and Redevelopment Commission	Tenant Based Rental Assistance
\$ 20,000.00			Lutheran Social Services of South Dakota	A Helping Hand Up (Financial Counseling)
\$ 7,000.00			Independent Living Choices	Home Modification Program
	\$ 35,000.00		Home Builders Association of the Sioux Empire	Repair Affair Program
\$ 68,885.27			Inter-Lakes Community Acton Partnership (ICAP)	HOME Security Deposit Assistance
\$ 50,000.00			Inter-Lakes Community Acton Partnership (ICAP)	Bright Futures
\$330,935.40	\$548,000.00	\$120,000.00	Inter-Lakes Community Acton Partnership (ICAP)	Heartland House Renovation

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<u>\$ 125,890.27</u>	<u>\$ 548,000.00</u>	<u>\$ 120,000.00</u>		

Proposed 2012 CDBG Project Funding

25,000.00			Volunteers of America, Dakotas	Improvements for play space at the Bowden Youth Center
50,000.00			Inter-Lakes Community Acton Partnership (ICAP)	Heartland House Renovation
<u>75,000.00</u>				

Exhibit C

