

MINUTES
COMMUNITY DEVELOPMENT
AFFORDABLE HOUSING ADVISORY BOARD MEETING
DOWNTOWN MAIN LIBRARY • MEETING ROOM A
WEDNESDAY • MARCH 13, 2013 • 4:00 PM

Members Present: Loretta Paganini, Chairperson; Jon Carroll, Vice Chairperson; Debra Metzger, Secretary; Jeffrey Kogel, Shawn Pritchett and Langu Okall

Members Absent: Vicki Kerkvliet, Gayleen Riedemann, Aaron Rietsema, and Todd Thaelke, ex-officio member

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

AGENDA

1. CALL TO ORDER

Loretta Paganini called the meeting to order at 4:10 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 OCTOBER 24, 2012.

Upon motion by Shawn Pritchett, seconded by Jon Carroll, the Board approved the minutes of the October 24, 2012, Community Development Affordable Housing Advisory Board meeting as emailed. Motion carried unanimously.

A scheduled tour of Inter-Lakes Community Action's Heartland House replaced the regular board meeting on January 23, 2013; therefore, there were January 2013 meeting minutes provided.

4. OLD BUSINESS

There was no old business to discuss.

5. NEW BUSINESS

a. Public hearing to receive comments on the 2012 Consolidated Annual Performance and Evaluation Report (CAPER).

Al Roettger stated the Community Development Department is accepting public comments at today's meeting for the 2012 CAPER which is a report sent to the Dept. of Housing & Urban Development. No public comments were received at today's meeting.

b. Discuss 2012 accomplishments

Al distributed a handout to all attendees detailing the 2012 accomplishments (see attached exhibit A). The board briefly reviewed and discussed each of the accomplishments. Community Development will be sending this report to the Dept. of Housing & Urban Development the end of March 2013.

c. 2014 CDBG/HOME Applications

Dwight distributed a detailed worksheet with packets to the board that consisted of all the 2014 application copies received (see attached exhibit B). Dwight explained the 2014 federal funding is yet to be determined. After the group reviewed the 2014 summary of applications, upon motion by Debra Metzger, seconded by Shawn Pritchett, the board approved the 2014 CDBG/Home Applications funding recommendations. Motion passed unanimously.

Dwight distributed 2013 program amendment (see attached exhibit C) to the group for further discussion.

d. Recommendations for 2013 funding for Independent Living Choices

Dwight said due to additional Community Development Block Grant (CDBG) funds Community Development has acquired, his recommendation is to give Independent Living Choices (ILC) \$100,000 to assist with the backlog of disabled homeowners needing home modifications.

A second recommendation was to commit \$23,000 to fair housing outreach with the Multi-Cultural Center and Lutheran Social Services.

e. Recommendation for additional 2013 funding for Bright Futures

Dwight explained that in 2012 surplus funding was obtained from the Community Development Block Grant funds due to additional grant money put into the Single Family Rehabilitation program and because fewer projects were completed in 2012. Dwight recommended

applying \$60,000 to the Bright Futures program to assist Sioux Falls Housing and Redevelopment Commission with their extended waiting list.

Loretta Paganini called for a vote to approve the 2013 program amendments as recommended above. Upon motion by Debra Metzger, seconded by Jon Carrol, the Board approved the 2013 program amendment (see attached exhibit D). Motion passed unanimously.

f. Update on Governor's House pilot projects

Community Development will be attempting two pilot projects in 2013. The first governor's house project will be located at 733 N. Highland Avenue. The lot is being sold at an affordable price to a private citizen; in return, the private citizen would acquire all of the costs associated relocating the governor's house to the 733 N. Highland Avenue lot.

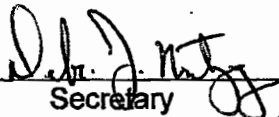
The second pilot project will be located on a corner lot at Sherman Avenue just off of Cliff Avenue. Community Development will be responsible for the costs associated with relocating the governor's house to this location.

6. OTHER BUSINESS

There was no other business.

7. ADJOURN

Upon motion by Debra Metzger, seconded by Jeffrey Kogel the meeting adjourned at 4:50 p.m.


Secretary

***Draft for Public Review and Comment
2/22/2013 to 3/25/2013***



Affordable Housing Division

Carnegie Town Hall

235 West Tenth Street

PO Box 7402

Sioux Falls, SD 57117-7402

(605) 367-8180

(605) 367-7039 Hearing Impaired

<http://www.siouxfalls.org/community-development/affordable-housing.aspx>

Affordable Housing Programs

2012 Summary

January 1 - December 31, 2012

Community Development's Affordable Housing Division provides funding to the various programs and projects described herein. Funding for these activities is provided by the federal Community Development Block Grant (CDBG) program, the federal Home Investment Partnerships (HOME) program, City of Sioux Falls General Funds, community partners, and department resources. For further information, please contact Community Development.



EQUAL HOUSING
OPPORTUNITY

***Draft for Public Review and Comment
2/22/2013 to 3/25/2013***

Neighborhood Revitalization (Community Development and Affordable Housing Solutions):

Community Development's partner agency, Affordable Housing Solutions, acquires properties contributing to neighborhood deterioration. After acquisition, the existing structures are either demolished with a new home constructed on the site or rehabilitated consistent with applicable codes. Each completed housing unit is sold or leased to a household whose income is no greater than 80% of the median family income. HOME funds, City general funds, and department resources were used for this program.

Properties (total units) in the program in 2012.....	22 (39)
Properties (total units) for purchase at year-end.....	1 (1)
Properties (total units) under construction at year-end	4 (14)
Properties (total units) acquired, awaiting construction or rehab at year-end ..	14 (21)
✓ Properties (total units) completed in 2012.....	3 (3)
Properties (total units) acquired in 2012.....	8 (8)

Single-family homes completed, sold, & occupied in 2012 3

Average project cost	\$170,082
Average sale price	\$117,567
Average household income	\$33,752 (66.6% MFI)
Average household size	1.33 persons
Female-headed households.....	1
White (including 1 of Hispanic origin).....	3

Single-Family Housing Rehabilitation (Community Development): No-interest deferred payment and low-interest repayment loans are provided to maintain homes in a decent, safe and sanitary condition. Household income must be no greater than 80% of median family income. CDBG funds and City general funds were used for this program.

Projects underway in 2012	43
Expended in 2012.....	\$312,832
Projects under contract in 2012 that continued into 2013	7
✓ Projects completed in 2012	36

Of the 36 projects completed in 2012:

Average loan	\$8,397
Average household income	\$27,502 (50.3% MFI)
Average household size	1.9 persons
Large families (5+ members)	3
Female-headed households.....	23
Elderly households.....	20
Disabled households.....	10
Average age of head of household	59.2
White (including 1 of Hispanic origin).....	35
American Indian/AK Native & Black/African American	3

Furnace Replacement (Community Development): Financial assistance is provided for replacement of older inefficient heating systems (less than 80% Annual Fuel Utilization Efficiency). Assistance is provided as a no-interest loan. Two-thirds of the loan may be forgiven after two years of ownership and occupancy. Household income must be no greater than 80% of median family income. City general funds were used for this program.

Projects underway in 2012	29
Expended in 2012.....	\$68,780
Projects under contract in 2012 that continued into 2013	3
Projects completed in 2012	26
Of the 26 projects completed in 2012:	
Average loan	\$2,645
Average household income	65.0% MFI
Average household size	2.0 persons
Large families (5+ members)	3
Female-headed households.....	13
Elderly households.....	6
Disabled households.....	3
White.....	26

Homebuyers Assistance Program (Community Development): No-interest deferred payment loans are provided for part of the down payment and closing costs associated with the purchase of a home. Household income must be no greater than 80% of median family income. Properties purchased must be located within a designated program area. HOME funds were used for this program.

Projects completed	29
Expended	\$141,964
Of the 29 projects completed:	
Average loan	\$4,895
Average purchase price	\$76,334
Average household income	\$36,199 (63.5% MFI)
Average household size	2.5 persons
Large families (5+ members)	4
Female-headed households.....	13
Disabled households.....	1
Average age of head of household	31.2
White (including 3 of Hispanic origin).....	27
Black/African American	1
American Indian/Alaskan Native & White.....	1

Emergency Mobile Home Repair (Community Development): Financial assistance is provided for emergency repairs to mobile homes. Loans are forgiven after one year of ownership and occupancy. Household income must be no greater than 80% of median family income. CDBG funds were used for this program.

Projects underway in 2012	8
Expended in 2012.....	\$10,211
Projects under contract in 2012 that continued into 2013	2
Projects completed in 2012	6
Of the 6 projects completed in 2012:	
Average loan	\$1,702
Average household income	\$21,968 (42.4% MFI)
Average household size	1.5 persons
Female-headed households.....	5
Elderly households.....	2
Disabled households.....	4
Average age of head of household	55.3
White.....	6

Rental Rehabilitation Loan Program (Community Development): Late in 2011, the State of SD provided a 20-year interest free deferred loan to the City of Sioux Falls for a pilot program to be developed in Pettigrew Heights. The program provides monthly repayment loans with 3% interest to rental property owners. Eligible uses of funds are those that improve exterior appearance to help stabilize and revitalize this core neighborhood. The pilot program debuted in early 2012. This is a non-federal program with no reporting requirements related to household demographics. Limiting reporting requirements is done in an effort to achieve maximum participation.

*Projects
units*

Projects (total units) underway in 2012	6 (14)
Expended in 2012.....	\$49,666
Projects (total units) under contract in 2012 that continued into 2013	4 (12)
Projects (total units) completed in 2012	2 (2)
Of the 2 projects completed in 2012:	
Average loan	\$10,159

Bright Futures (Inter-Lakes Community Action): The program attempts to motivate households toward economic self-sufficiency and eliminate their dependence on assistance programs. The program incorporates intense case management to households receiving Tenant-Based Rental Assistance and Security Deposit Assistance programs, defined herein. CDBG funds pay for case management. Bright Futures was developed using the Heartland House model but without the onsite housing.

New households assisted in 2012	42
Households continuing the program from 2011	13
Total households assisted in 2012	55
Results of 31 households leaving the program in 2012	
Living situation stabilized; fully self-sufficient	5
Living situation stabilized; less dependent of government programs	4
Removed from program for noncompliance	9
Other/unknown	13
Expended	\$57,666
Household income (0-30% MFI)	55
Average household size	3.1 persons
Large families (5+ members)	6
Female-headed households.....	53
Disabled households	4
Chronically homeless prior to assistance.....	11
White (including 2 of Hispanic origin).....	31
Black/African American	11
Asian.....	1
American Indian/Alaskan Native (including 1 of Hispanic origin)	12

Security Deposit Assistance (Inter-Lakes Community Action): Households that are homeless or at risk of homelessness receive security deposits to obtain rental assistance in housing that is affordable, decent, safe and sanitary. Household income must be no greater than 50% of median family income. HOME funds were used for this program.

Households assisted.....	87
Expended	\$40,030
Household income (0-30% MFI)	74
Household income (30-50% MFI)	13
Average security deposit subsidy	\$400
Average total monthly rent	\$599
Average household size	2.8 persons
Large families (5+ members)	10
Female-headed households.....	69
Elderly households.....	3
Disabled households	13
Chronically homeless prior to assistance.....	5
White (including 4 of Hispanic origin).....	55
Black/African American	10
Asian.....	2
American Indian/Alaskan Native	19
American Indian/Alaskan Native & White	1

Tenant-Based Rental Assistance (Sioux Falls Housing & Redevelopment Commission):

Households that are homeless or at risk of homelessness receive funding for rental assistance in housing that is affordable, decent, safe and sanitary. Household income must be no greater than 50% of median family income. HOME funds were used for this program.

New households assisted in 2012	38
Households continuing the program from 2011	10
Total households assisted in 2012	48
Expended	\$150,399
Average monthly TBRA subsidy	\$551
Average total monthly rent	\$748
Household income (0-30% MFI)	48
Average household size	3.3 persons
Large families (5+ members)	7
Female-headed households.....	42
Chronically homeless prior to assistance.....	48
White (including 1 of Hispanic origin).....	26
Black/African American	16
American Indian/Alaskan Native	6

Heartland House (Inter-Lakes Community Action): Heartland House is a transitional housing program for homeless families with children. Households are provided low-cost housing and case management in an effort to guide them toward self-sufficiency. Household income must be no greater than 50% of median family income. The City contracts with ICAP and provides general funds for this service.

New households assisted in 2012	37
Households continuing the program from 2011	33
Total households assisted in 2012	70
Results of the 37 households leaving program in 2012	
Successfully completed the program	8
Terminated for noncompliance	9
Other/unknown	20
Expended	\$19,000
Household income (0-30% MFI)	69
Household income (50-80% MFI)	1
White (including 3 of Hispanic origin).....	27
Black/African American	11
Asian.....	1
American Indian/Alaskan Native (including 1 of Hispanic origin)	28
Native Hawaiian/Other Pacific Islander.....	1

Black/African American & White 2

Home Modification (Independent Living Choices): Grants are provided to make accessibility modifications in rental units occupied by households with disabilities. Household income must be no greater than 50% of median family income. CDBG funds were used for this program.

Rental units modified for accessibility	11
Expended	\$24,455
Average project cost	\$2,223
Average household income	\$12,789 (25.7% MFI)
Average household size	1.3 persons
Female-headed households.....	6
Elderly households.....	1
Disabled households.....	11
White.....	7
American Indian/Alaskan Native	4

Repair Affair (Home Builders Care Foundation): Grants are provided to make accessibility modifications in homes owned and occupied by households that are elderly and/or disabled. Members of the Home Builders Association provide volunteer labor. Household income must be no greater than 80% of median family income. CDBG funds were used for material cost.

Owner-occupied units modified for accessibility.....	10
Expended	\$4,072
Average project cost	\$407
Average household income	\$19,905 (38.6% MFI)
Average household size	1.3 persons
Female-headed households.....	6
Elderly households.....	6
Disabled households.....	6
White.....	9
American Indian/Alaskan Native & Black/African American.....	1

Homestead Trails Acquisition (Affordable Housing Solutions): Loans were provided to Affordable Housing Solutions (AHS) to purchase two homes in Homestead Trails Addition. Homestead Trails is a previously assisted LIHTC/HOME rent-to-own housing project. The fifteen year rental period has passed. All houses were marketed for sale in 2012. The two houses purchased by AHS have been occupied for many years by five persons with developmental disabilities. AHS will lease the properties at an affordable rate to the occupants allowing them to maintain their residences. Each property is a three-bedroom single-family home and is accessible for persons with disabilities. HOME funds were used for this program.

Houses purchased	2
Households (individuals) assisted	2 (5)
Expended	\$60,000
Total Project cost	\$110,644
Female-headed households.....	1
Disabled households	2
Household income (30-50% MFI)	2
White.....	2

House Painting/Minor Improvements (Habitat for Humanity): In 2011, Community Development obtained \$5,000 grants from five local businesses: Avera Medical Group, Billion Automotive, John Morrell & Co., Raven Industries, and Sanford Health. Community Development matched those grants with \$25,000 of City general funds. All funding was provided in 2011 to Habitat for Humanity’s House Painting/Minor Improvements program. Houses are painted at no cost to the owner if located within the targeted neighborhoods—Whittier, Pettigrew Heights and All Saints. Properties outside these targeted neighborhoods may be charged a nominal fee. Habitat for Humanity continued utilization of these funds for this program in 2012. The program will be completed in 2013. This is a non-federal funded program with no reporting requirements related to household demographics. Limiting reporting requirements is done in an effort to achieve maximum participation.

Projects completed	28
Targeted Neighborhoods	
Whittier	5
Pettigrew Heights.....	4
All Saints.....	3

Land Acquisition/House Construction (Habitat for Humanity): Deferred payment loans are provided for acquisition of land on which new houses are constructed utilizing volunteer labor, sweat equity, and donated materials and services. Each home is sold to a household whose income is no greater than 50% of the median family income. CDBG funds were used for this program. No houses were completed and sold in 2012. Eight lots are in the program’s inventory as of the end of 2012.

Neighborhood Conservation (Community Development and Affordable Housing Solutions): Community Development’s partner agency, Affordable Housing Solutions, acquired three parcels of land in 2007. Dilapidated structures were cleared from each property. The land will be sold or redeveloped at an opportune time in the future. Department resources of \$2,508 were expended in 2012 for limited upkeep and holding costs.

Neighborhood Opportune Acquisition (Community Development): Community Development acquired a residential lot through tax deed in December of 2011. The land will be sold or redeveloped at an opportune time in the future.

Leading the Way Home® Priority Markets Grant (from Wells Fargo): In December 2011, Wells Fargo announced a \$75,000 grant to Community Development. The intent is to use the funds in 2013 for the Neighborhood Revitalization Program. Three properties in the 1100 block of North Duluth Avenue in Sioux Falls have been identified for redevelopment in an effort to stabilize this core neighborhood.

Exhibit B

2014 Applications for CDBG & HOME Funding		2014 Application	Staff Recommendation	
Affordable Housing Solutions				
Neighborhood Revitalization				
HOME		385,600	340,000	Request may be reduced to balance budget
General Funds		90,000	90,000	
Inter-Lakes Community Action Partnership				
Bright Futures Program				
CDBG		120,263	70,000	Application provides for doubling the program
Rent / Security Deposit Assistance				
HOME		35,000	35,000	
Sioux Falls Housing and Redevelopment Commission				
Bright Futures - Tenant Based Rental Assistance				
HOME		193,000	193,000	
Independent Living Choices				
Home Modification / Rental Properties				
CDBG		20,000	20,000	
Sioux Empire Home Builders Care Foundation				
CDBG		7,000	7,000	
Lutheran Social Services of South Dakota				
Financial and Housing Counseling				
CDBG		8,800	8,800	Fair Housing outreach
St. Francis House				
Triplex Air Conditioning / Heat Project				
CDBG		22,760	-	Project bid appears to be high Other funding should be obtained
Habitat for Humanity of Greater Sioux Falls				
HOME		60,000	-	Organization has other projects that need finishing
		<u>942,423</u>	<u>763,800</u>	

Exhibit C

2013 Program Amendments

There are unutilized program dollars from the Single Family Rehabilitation Program because of fewer projects and the availability of other grant dollars. If the 2013 Federal Funds are sufficient we would like to support the following projects:

<u>2013 Program Amendments:</u>	2013
Independent Living Choices	
Home Modification / Owner Occupied CDBG	100,000
Affordable Housing Division	
Fair Housing Outreach CDBG	23,000
Affordable Housing Division	
Furnace Program Delivery Expense CDBG	30,000
	<hr/>
	153,000

2013 Program Amendments Considered but not Sustainable:

Inter-Lakes Community Action Partnership	
Bright Futures Program CDBG	60,000
Rent / Security Deposit Assistance HOME	20,000
Sioux Falls Housing and Redevelopment Commission	
Bright Futures - Tenant Based Rental Assistance HOME	180,000
	<hr/>
	260,000