

MINUTES
MEETING OF THE ACCESSIBLE HOUSING ADVISORY BOARD
CITY CENTER — 110 COOPER ROOM
WEDNESDAY, APRIL 21, 2021 7:35 AM – 8:50 AM

Pursuant to the due call and notice thereof, a regular meeting of the Accessible Housing Advisory Board was duly held at the City Center - Cooper Room 110, 231 North Dakota Avenue, on the 17th day of March 2021.

Call to Order

Paul Kostboth called the meeting to order at 7:35 a.m.

Roll Call

Upon roll call, the following were present: Paul Kostboth as Chair for today's meeting, Joan Franken, Aspen Thorstenson, Kari Benz, Marshall Selberg, Jean Bender, Nancy Renozya, and Chellee Unruh.

Absent Board Members: Todd Thaelke and Jim Schmidt

Attendees: Jeff Eckhoff, Al Roettger, Amos Abu, and Matt Cerny (City Housing Division)

Consent Agenda

All items listed under the consent agenda are considered routine by the AHAB Board and will be enacted by one motion and an affirmative vote by a roll call of a majority of the members present. Therefore, there will be no separate discussion of these items unless a Commissioner or citizen so requests. In that event, the items will be removed from the consent agenda and considered a particular subject of discussion by the Board.

Agenda Topic: Approval of Agenda

Discussion: There were no additions or deletions of the agenda

DISCUSSION

A. PowerPoint Presentation

Chellee Unruh started with a PowerPoint presentation of an outline of the Housing Fund guide and application. Then, posing questions to the Board for the direction of what AMI the Housing Fund should target, Chellee briefly invited Al Roettger to provide context to the assumptions of 4-person household income for rental and single-family. The following highlights in the presentation by way of rental or single-family units to help the Board with the necessary information:

Single household income of \$25,860 and below; (0-30%), 2- person household income of \$26,722-43,100; (31-50%), 3-person household income of \$43,962 - \$51,720; (51-60%), 4-person household income of \$52,582 - \$68,960; (61-80 %), 5-person household income of \$69,822 and above. (81-110 %)

Chellee sought the Board's suggestions and direction regarding the focus of the Housing Fund based on the data presented.

Jean Bender thought there wasn't enough information to answer the questions posed. She asked if there were any research in this area to compare what pertains to other similar cities. Chellee again stated that the study was conducted across similar towns like Boulder, Colorado, Sioux City, Iowa, Rapid City, South Dakota. But non gave an excellent example due to the uniqueness of the Sioux Falls situation. Jean suggested that comparable will be helpful if they come from cities in the midwest.

Paul Kostboth, due to the likely rate fluctuations, the income rate might not reflect the prevailing situation. But he did state that the rates should be between 80% - 105% MFI range to accommodate the likely fluctuations. Finally, he asked Marshall Selberg if he felt the income rage in the housing market.

Marshall Selberg agreed with Paul Kostboth about the income range but stated that this could be adjusted in the future.

Joan Franken, on her part, recommended 60% - 110% for a family of 2 income limit. Finally, addressing Al Roettger's earliest question regarding adding utilities to the variables of AMI, Joan Franken suggested Al reach out to the Sioux Falls Authority for their utility calculation program to help guide him.

B. Chellee asked the Board to help determine a criterion for the Housing Fund

Chellee proceeded with the PowerPoint presentation and highlighted the following questions for direction regarding the criteria for the Housing Fund concerning Single Family units, Multi-Family Units, and Neighborhood Redevelopment.

For **Single-Family**, the Board should help determine the number of affordable units per housing development? Determine the cost to the buyer? \$200,000, \$210,000 or \$220,000, Determine how the funds be distributed as 0% deferred loans (secondary mortgage) or grants? Determine if it's necessary to apply a deed restriction on top of the deferred loan? And potential concerns about undervaluing properties for property tax valuation?

Jean Bender suggested that she prefers percentages over ranges as the latter is more likely to be abused. Plus, it is easier to determine. **Joan Franken** asked Marshall about his thoughts about the Cap on first-time homebuyers, and He answered that he preferred \$225,000 and **Paul Kostboth** suggested \$270,000

Multi-Family

Determine if the fund should target ineligible projects for tax credits? Determine the percentage of units that should be affordable? 20%? 50% Determine the terms of the 0% interest loan?

Jeff Eckhoff asked Marshall Selberg and Jean Bender if it was advantageous politically for money to go to homeowners or home developers? Both Jean Bender and Marshall answered that it was preferable politically for reliefs to homeowners than to developers. Jeff again stated that for multi-family homes, if 60% workforce targets will be ideal.

Neighborhood Redevelopment

Should the fund target projects that convert non-residential to residential use? Should the fund target projects that will do a substantial rehabilitation of vacant units? Should the target land assembly?

Jeff Eckhoff explained that his office and the Mayor's Office view that some of the funds should be used to capture or hold land that becomes available in specific neighborhoods to negotiate with prospective developers. Joan Franken, Paul Kostboth, and Marshall all agreed with Jeff's suggestion; however, there has to be a targeted approach to applying the funds. Jean Bender thought this could derail from the core focus of the fund.

c. Update on the Housing Clinic

The implementation status of the Housing Clinic was also presented to the Board. Amos Abu presented the following highlights of the steps so far taken to launching the online component of the housing clinic:

He stated the Helpline Center had presented a proposal, and it's been reviewed and fine-tuned for compliance with HUD reporting requirements regarding CDBG-CV funds. Metrics and means of verifying performance and effectiveness of the interventions. The finance and Legal department also review the agreement and budget—the draft implementation plan complete, Staffing Projections, and monitoring and evaluation framework full performance.

Jean Bender, as if the individuals and families will use the screening tool without any assistance? She wanted to know if

ADJOURNMENT

Meeting adjourned at 8:50 a.m.

Secretary
