

Minutes
Accessible Housing Advisory Board Meeting
City Center — Cooper Room
Wednesday, February 17, 2021 7:30 am – 8:45 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, 231 North Dakota Avenue, on the 17th day of February

Call to Order

Jeff Nelson called the meeting to order at 7:40 a.m.

Roll Call

Upon roll call the following were present: Chair Jeff Nelson, Joan Franken, Todd Thoenke, Marshall Selberg, Aspen Thorstenson, Kari Benz, Paul Kostboth and Chellee Unruh.

Absent Board Members: Nancy Renozya, Jim Schmidt and Jean Bender
Attendees: Jeff Eckhoff, Al Roettger, and Matt Cerny (City Housing Division)

Minutes: Chellee Unruh

Consent Agenda

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

Agenda Topic: Approval of Agenda
Discussion: There were no additions or deletions of agenda

DISCUSSION

A. Housing Fund – PowerPoint Presentation

Jeff Eckhoff proceeded with a PowerPoint presentation of an overview of the proposed housing fund. The mission of the housing fund is to provide flexible funding to leverage public and private partner investment of the development of accessible housing for the workforce of the Sioux Falls Area.

Currently 18.6% of the population is between 51-80% MFI and 33.5% are below 50% MFI. Between 2020 and 2025 Sioux Falls will need 7,203 new housing units to keep pace with growth. Of the 7,203 housing units needed, 3,753 are needed to serve the 80% and below MFI.

The Sioux Falls Housing Division currently produces 200-250 new and rehabbed affordable units annually. In order to keep pace with demand, the Sioux Falls Housing Division needs to create 750 affordable units, so there is a shortage of 500 units per year. Without more funding, in five years we will be 2,500-2,750 units short. An additional \$5-6 million annually is needed to meet the demand.

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Potential funding sources for the fund include a bill that would allocate \$10 million from the state excess funds to the city of Sioux Falls, local onetime excess funding due federal funding in response to COVID-19 and the Forward Sioux Falls Campaign.

The presentation introduced, how the fund would be used, eligibility criteria and target development that would include:

- Single-Family /Twin Home New Construction
- Multi-Family
- Neighborhood Revitalization

Administration of the fund would be held within in the city, still allowing partners to contribute and receive a tax benefit. Project would be reviewed by the Accessible Housing Advisory Board. Development agreements would require city council approval.

Questions and clarifications were invited by Jeff Eckhoff. There was some discussion on other models. Joan Franken committed to doing research on a Green Hills Development project that used city funding as well as a partnership with the state. The board discussed investing in Multi-Family Development and the benefit to investing in tax credit projects to get more units at lower AMI. The fund would target units that are not tax credit eligible. There was also some discussion around changing zoning requirements.

B. Property Tax Reduction Program – Handout and Discussion

Jeff Eckhoff presented a program for property tax reduction for multi-family construction or additions. Qualifying structures would receive property tax reduction by meeting criteria that is still being defined. Suggested criteria is to have 20% of units have a gross rent at or below Fair Market Rent as defined by HUD. This program will go before council at City Informational Meeting in March. AHAB was asked to review proposed program and provide feedback.

c. Funding Application Process

Chellee introduced the concept of aligning the current funding application cycle for federal funds with the housing fund. Chellee asked for a work group to help develop a draft of an application and process to present to AHAB at the March meeting.

Jeff called for volunteers and Joan Franken and Paul Kostboth agreed to participate in addition to Housing Division employees Matt Cerny, Al Roettger and Chellee Unruh.

AGENDA ITEMS DEFERRED

The following agenda items were deferred by unanimous consensus to the next meeting.

1. Current Project Report
2. Housing Clinic Report

ADJOURNMENT

Meeting adjourned 8:45 a.m.

Secretary