

Sioux Falls Housing and Redevelopment Commission  
630 S. Minnesota, Sioux Falls, SD  
Regular Meeting  
January 27, 2015

Commissioners

Present: Jeremy Keckler, Harriet Scott, and James Wiederrich

Commissioner

Absent: William Earley and John Peckham

Others

Present: Shireen Ranschau, Vernon Kreun, Ramona Muirhead, Donna Rollag,  
and Paul Hess

**CALL TO ORDER/ROLL CALL**

The meeting was called to order at 7:30 a.m.

**APPROVAL OF MINUTES OF DECEMBER 9, 2014**

Chairman Keckler called for a motion to approve the minutes of the December 9, 2014, meeting. Commissioner Wiederrich made a motion to approve the Minutes. Commissioner Scott seconded the motion. The motion passed, Yeses, 3, Noes, 0.

**FINANCIAL REPORT**

Vernon presented the unaudited Financial Report for the month ending December 31, 2014. There was a large decrease in cash. \$599,993.18 was transferred out of the voucher money market account into the General Operating account. This was used to cover the close to \$700,000 that HUD shorted the December payment used to cover HAP payments.

Vernon explained the balance sheet for the miscellaneous programs: Shelter Plus Care, HOPWA, CD HOME, Mod Rehab and New Construction. Most of the account receivable amounts were received in January. Discussion followed. Vernon then reviewed the income statement for the miscellaneous programs. He explained the contract earned revenue goes directly to the General Fund.

Vernon previewed the balance sheet and income statement for the Public Housing program. The cash restricted account is made up of the insurance money received for the fire and hail damages and tenant security deposits. The income statement for the Public Housing program shows the tenant services wages and tenant services benefits are over budget. The expenses are under budget at 20%. There is a Y-T-D gain of \$177.

Vernon said the balance sheet for South Sycamore Estates is on track. In the income statement, the total revenue is at 26% of the budget. The annual auditing fee has been paid showing that line at 90% of budget. The maintenance contracts and materials accounts are over budget due to snow removal and electrical and plumbing repairs. There is a cash decrease in the amount of \$898 caused by the auditing expense.

Vernon explained the balance sheet for the Housing Choice Voucher program. There is a (Due to) From SFHRC to the General fund in the amount of \$323,330. This is due to the \$700,000 HUD shorted us in December. This put the net restricted assets in a deficit position. Discussion followed. Vernon has

requested that HUD advance us additional funds. Vernon said in the income statement, he has added two new columns – HCV Restricted, which is the HAP fund and the HCV Unrestricted column which is the administrative part of managing the Housing Choice Voucher program. Total revenue is at 18% of the budget. Total expenses are at 25% of the budget. The Y-T-D loss in the unrestricted column is \$23,729. Discussion followed.

Vernon explained the income statement for the Family Self-Sufficiency program. Total revenue is at 25% of the budget. Total expenses are at 20% of the budget. There is a Y-T-D gain of \$9,353 which is \$7,500 better than anticipated.

In the General Operating fund, the Accounts Receivable – Other, shows the amount at \$38,349. Of this amount, \$37,484 was transferred from AHS in January. The income statement shows total revenue at 24% and total expenses at 21%. The Y-T-D gain is \$26,185.

Vernon explained the income statement for the Consolidated account. The total revenue is at 19% of the budget. The total expenses are at 24%. There is a Y-T-D gain of \$20,265.

### **OCCUPANCY REPORT**

Shireen presented the Occupancy Reports. There is one vacancy at South Sycamore Estates. The unit will be rented on February 1, 2015. Shireen explained about a discrepancy in the November and December 2014 Section 8 Vouchers Occupancy report. There was a data entry error which has been corrected. She provided a corrected occupancy report for the calendar year 2014. We finished the year at 89%. Shireen said there are three vacant Public Housing units. One is due to the fire, one tenant gave notice and one tenant skipped without notice.

### **FAMILY SELF-SUFFICIENCY REPORT**

Ramona presented the Family Self-Sufficiency report. She is working on the HUD annual progress report. The United Way grant is due on February 12, 2015. The United Way budget has not been completed yet. Ramona will send an email when the request amount has been determined. Formal approval can be done at the February meeting. Also, Ramona said she has been working on setting up workshops.

A motion was made by Commissioner Wiederrich to accept the monthly reports. Commissioner Scott seconded the motion. The motion passed, Yeses, 3, Noes, 0.

### **SURPLUS PROPERTY RESOLUTION**

Shireen presented the Resolution to allow surplus personal property to be disposed of. She provided a list of the items. Commissioner Wiederrich made a motion to approve the Resolution. Commissioner Scott seconded the motion. The motion passed, Yeses, 3, Noes, 0.

### **EMPLOYEE PERFORMANCE EVALUATION**

Commissioner Scott made a motion to approve the Employee Performance Evaluation as presented. Commissioner Wiederrich seconded the motion. The motion passed, Yeses, 3, Noes, 0.

## **EXECUTIVE DIRECTOR'S REPORT**

Shireen said today is the Nationwide Homeless Count Day. The Homeless Advisory Board is coordinating the count in Sioux Falls. Also, Project Connect is being held today at the Salvation Army from 9:00 a.m. to 1:00 p.m. Sioux Falls Housing has a booth along with many other agencies to provide assistance.

Shireen informed the Commission that we received funding in the amount of \$315,177 from the Continuum of Care program for renewal of Shelter Plus Care. This money will help 44 individuals. Discussion followed.

Shireen provided an update about the Public House fire at 2023 S. Grange: On December 8, 2014, we received a Notice and Order from the City listing four items. We completed three of the items. The remaining item was to start repairing the structure on December 24 and complete the repairs by January 21, 2015. She has filed an appeal with the Property Maintenance Board of Appeals. The hearing will be February 4, 2015

Shireen sent a letter to HUD asking for direction and information regarding this situation. She received a reply on January 26 detailing our options with the house. If we repair the house, we need to go through the normal procurement process; hire an architect, go through a formal bid process and hire a contractor.

Shireen needs a decision from the Board to either repair the damages; we have estimates from \$60,000 to \$80,000, or rebuild the entire house which could cost approximately \$130,000. Another option is to tear down the house, sell the lot and buy another lot. Shireen is recommending repairing the damages. Discussion followed. The decision was made to repair the house and Shireen should inform the City regarding our decision and the federal requirements we have to follow.

Shireen said in further research done on the decreased fair market rents, it was found that data was used by zip codes. There was even data for zip codes that do not have residential housing. They are zip codes for a specific business. Discussion followed.

Shireen has been notified that the City has received complaints from the public about properties owned by SFHRC and AHS. She handed out a breakdown of complaints for calendar years 2013 and 2014. If the complaints are not taken care of, citations are issued. SFHRC and/or AHS pay the citations and the tenants have to reimburse us. The number of complaints increased in 2014 as staff was busy renting up new buildings and weekly drivebys didn't happen. A plan is in place for a part-time employee to do drivebys after it snows and each week throughout the year. Shireen will contact the City and let them know what we are doing to eliminate these complaints.

Shireen provided an update on Affordable Housing Solutions: In the last year, five houses were completed and three have been sold. All the multi-family units have been completed. We did have problems with the contractor for Spring Pointe and Highland Five and he was fired in November. These last two projects are complete except for exterior work. The Affordable Housing Development Director has been taking care of hiring other contractors to finish the work. Spring Pointe is fully occupied and Highland Five has two vacancies. An application has been submitted for the City's affordable housing funds for future projects. Plans are being made to build three to four single family houses this year.

Vernon has submitted an application for the operating subsidy grant due January 26. He requested \$125,000 for public housing.

**REVIEW OF SDCL 11-7**

Due to time constraints, we did not continue to review SDCL 11-7.

**OTHER BUSINESS**

The next meeting is scheduled for February 24, 2015.

Chairperson Keckler moved the meeting into Executive Session to discuss labor negotiations and a personnel matter.

Chairperson Keckler moved the meeting out of Executive Session.

The meeting was adjourned.

**CERTIFICATE OF APPROVAL OF MINUTES**

**MINUTES OF:** January 27, 2015

**APPROVED ON:** February 24, 2015

  
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**Chairperson**

**ATTEST:**

  
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**Secretary**