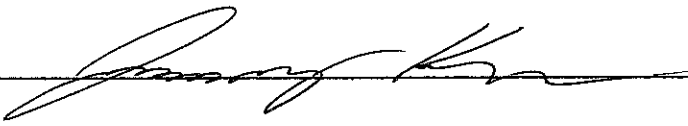



CERTIFICATE OF APPROVAL OF MINUTES

MINUTES OF: December 20, 1016

APPROVED ON: January 24, 20±7

Chairperson 

ATTEST:

Secretary 

Sioux Falls Housing and Redevelopment Commission
630 S. Minnesota, Sioux Falls, SD
Regular Meeting
December 20, 2016

Present: William Earley, Jim Wiederrich, and Jim Beddow

Absent: Jeremy Keckler and John Peckham

Others

Present: Dianne Hovdestad, Vernon Kreun, Lisa Bartell, Donna Rollag
Wayne Wagner, Les Kinstad, Brent Tucker and Keith Thompson

CALL TO ORDER/ROLL CALL

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

APPROVAL OF MINUTES OF NOVEMBER 15, 2016

Chairperson Earley called for a motion to approve the minutes of the November 15, 2016 Regular Meeting. Commissioner Wiederrich made a motion to approve the Minutes. Commissioner Beddow seconded the motion. The motion passed, Yeses, 3, Noes 0.

FINANCIAL REPORT

Vernon presented the SFHRC financials for the period ending November 30, 2016. He said he changed the format for the balance sheet. Instead of having a separate balance sheet for each project, it was combined into two pages. He reviewed the income statements for each program. The Consolidated account has a YTD gain of \$26,262.

OCCUPANCY REPORT

Dianne presented the Occupancy Report and reviewed the lease up status of each program. Dianne reported issues with the VASH program including some vets having problems with the program and not abiding by the rules and are being evicted. The VA is supposed to provide case management.

Dianne also presented a report regarding the status of the HAP amount spent for the voucher program.

FAMILY SELF SUFFICIENCY REPORT

Lisa presented the FSS report. She distributed a report regarding that status of tenants on the program since she became the FSS Coordinator. At the end of November, there were 92 clients, 71 new clients were added and 23 clients were removed. She also noted grant amounts spent. She distributed copies of letters from graduates helped by FSS.

Lisa stated they had received the United Way application and will start working on it. Discussion followed.

A motion was made by Commissioner Wiederrich to approve the Financial, Occupancy and Family Self-Sufficiency monthly reports. Commissioner Beddow seconded the motion. The motion passed, Yeses, 3, Noes, 0.

AHS REVIEW OF YEAR END FINANCIALS:

Vernon presented the year end financials for Affordable Housing Solutions. He noted the balance sheets and mortgage payables for all but Spring Centre and Greenway. He also discussed the income statements for the other programs, and the General, the Temporarily Restricted and the Consolidated accounts. Vernon then reviewed the income statements for Spring Centre, Field of Dreams and Pettigrew Manor.

AHS PROPERTIES REPORT:

Wayne distributed a status report for the properties showing the project updates with the number of houses sold, for sale and in process. Discussion followed about how the houses are sold. AHS has a goal to construct and sell 8-10 houses per year.

Wayne updated the Commission about AHS activities. He discussed the Field of Dreams project and the funding received from Wells Fargo. Construction plans were changed just recently and will go out for bid again in January. We will start the funding application process for Phase 2 in February.

Pettigrew Manor is halfway completed. Wayne updated the Commission about the details. We are working toward an occupancy date for March.

Funding was denied for the Cleveland Center and Whitter Park applications because of capacity points.

ACTION PLAN FOR NEEDED WORK ON AHS PROPERTIES: SPRING POINTE, DULUTH HEIGHTS AND HIGHLAND FIVE

Dianne provided the projects' work history and reviewed the issues with Anderson Construction.

Dianne and the property manager attended the last Program Committee meeting to discuss property review reports and inspection reports completed by SDHDA for deficiencies found at Spring Pointe, Duluth Heights and Highland Five. Discussion followed starting with Spring Pointe. Each deficient item was noted. It was suggested to have SFHRC's maintenance technician do the needed repairs if possible, but he is busy turning over vacant properties. Dianne decided to use a temporary employee to complete the work items. The interior repairs will be made first and then do exterior repairs in the Spring. Dianne and/or the property manager will be following up with reinspections. Discussion followed.

There was also a discussion about property management agreements. Currently, there is not a property management agreement for each property. Commissioner Wiederrich told Dianne to send him the forms and he'll check them as a Commissioner, not an attorney. Commissioner Wiederrich made a motion to approve property management agreements to be drafted into one agreement covering all properties. Commissioner Beddow seconded the motion. The motion passed, Yeses, 3, Noes, 0.

PETTIGREW MANOR PROPERTY MANAGEMENT

Wayne gave a brief update on this property. There is a waiting list in place. He does a walk-through once a week. The last 10% of Beckman's contract will not be paid until everything is completed and inspected.

Wayne suggested that AHS enter into a standard management agreement between SFHRC and AHS for one year with the caveat that either party can terminate the contract with 30 days' notice. Dianne reported that in reviewing the current property management agreement, it was discovered that there isn't a standard property Management Agreement in place. Graff and Greenway Apartments have similar terms and conditions. Spring Centre and Duluth Heights Agreements are similar but different from Graff and Greenway. We do not have agreements for Spring Pointe, Highland Five and Homestead Trail. The current agreements in place are based on a percentage of rent collected. Discussion followed.

CONCRETE REPLACEMENT SSE UPDATE

Dianne provided an update on the concrete replacement at South Sycamore Estates. The contractor replaced approximately 45% of the deteriorated concrete, including the most deteriorated at the end of November; however, he ran into a minor water issue under several sections of concrete. He was able to pump out the water allowing him to pour one section of concrete, but advised that we wait until Spring to complete the job. The Property Manager is obtaining bids for replacement of the gutters on both buildings. Once the gutters have been replaced, the contractor will be able to complete the remaining concrete work.

PUBLIC HOUSING EMERGENCY FURNACE REPLACEMENT

Dianne reported the furnace replacement at the Public Housing unit located at 5413 Landsdown. The property manager had received a call that the furnace was not working and contacted J & R Mechanical to check out the furnace. J & R informed the property manager the heat exchanger was cracked and this will cause carbon monoxide to leak into the air. The furnace is 21 years old so it was the recommendation not to replace the heat exchanger but install a new furnace. Dianne approved the replacement of the furnace without getting three quotes since it was an emergency situation and is asking the Commission to approve this expense. Commissioner Wiederrich made a motion to approve the expenditure and Commissioner Beddow seconded the motion. The motion passed, Yeses, 3, Noes, 0.

SSE REHABILITATION

Dianne, Wayne, and the property manager had a meeting to discuss applying for funding from SDHDA to do rehab work at South Sycamore Estates. The property was built in 1991 and nine units are rented to Dakotabilities clients. Flooring, carpeting cabinets, etc. need to be updated. Discussion followed.

TRAVEL REQUEST

Dianne has submitted a travel request for her to attend the NAHRO Legislative Conference scheduled for March. She contacted Karl to see if he would be interested in attending also; it would be a good opportunity for him to meet with Senator Thune, Rep. Noem and Senator Rounds. Commission Wiederrich made a motion to approve the travel request. Commissioner Beddow seconded the motion. The motion passed, Yeses, 3, Noes,0.

ACTING DIRECTOR'S REPORT

Dianne stated we did get all the fiscal reports submitted on time. The continuing resolution made through April shows we will receive 95% from what was received in January, 2016 or September, 2016 whichever is higher.

Commissioner Early received an email from Charlotte Boyd from the Denver HUD office stating that SFHRC has a reserve of \$1 million that may be subject to recapture. The Denver office would like Commissioner Earley to respond. Discussion followed.

Dianne discussed the possibility of regionalization of the administration of the Voucher program. South Dakota Housing is introducing Bill 1015 at the request of HUD to have Pierre named as the sole Statewide Housing Authority. This would potentially allow for regionalization of the voucher program. Discussion followed.

Dianne informed the Commission that we had a clean audit from Brady Martz. There were no findings in the financial reports nor in the tenant files. Dianne provided a breakdown of the number of cases that were worked on in CY 2016. The total was 2,385 cases. To show their appreciation for the staff's hard work, the Commission will give us a half-day off on December 23, 2016.

There was discussion about having liaisons from both boards attending meetings. Wayne will represent AHS at the Commission meetings and Commissioner Beddow was asked to attend the AHS Board meetings.

OTHER BUSINESS

The next meeting is scheduled for Tuesday, January 24, 2017.

It was suggested after Karl's arrival, to plan a "meet and greet" with City officials, community leaders, and representatives from different agencies. A tentative date and location would be the end of January at the office of Koch Hazard. Invitations would be sent and refreshments served.

A meeting needs to be scheduled with Vernon and the Finance Committee regarding Karl's involvement with AHS. Commissioner Wiederrich volunteered to participate in this meeting.

Dianne updated the Board about a letter she received from the insurance company about the fire at the public housing unit at 2023 S. Grange. The letter noted a \$31,000 shortfall. Before she left, Shireen made a request to insurance company to make up difference; however, the insurance company wants more information about not being notified earlier when the work was completed. Dianne will need to do further research on this matter and contact the insurance company. Discussion followed.

Commissioner Earley stated he will be leaving on December 21 and not return until March. He can be contacted by phone, email and texting.

The meeting was adjourned.