

MINUTES
COMMUNITY DEVELOPMENT
AFFORDABLE HOUSING ADVISORY BOARD MEETING
DOWNTOWN LIBRARY—CONFERENCE ROOM
TUESDAY, JULY 12, 2016, 4 P.M.

Members Present: Annie Brokenleg, Frank Adams, Jon Carroll, Gayleen Riedemann and Kate Parker (exoffico)

Members Absent: Shawn Pritchett and Robert Hodgson

Guests: Alex Ramirez

Also Present: Lynette Apio (Community Development Intern), Les Kinstad, Matt Cerny, Al Roettger and Daren Ketchum, Community Development staff

AGENDA

1. CALL TO ORDER

Jon Carroll called the meeting to order at 4:05 p.m.

Les Kinstad led the group through introductions. Alex Ramirez was introduced to the board members as a community member and possible future candidate to serve on this board. Alex said his application was submitted to the Mayor's office pending Mayor's appointment.

Daren Ketcham introduced himself to the board members as the new Director of Community Development. Daren personally thanked all of the current members for their service to this board. Daren said he'd like to do his due diligence with our current operations to make sure we are doing the right things for the right reasons. Gayleen stated Daren could possibly assist this board's mission by speaking to the local/state legislators about the difference between subsidized housing and affordable housing. Sioux Falls will need more affordable housing if we're going to attract more workers. Daren indicated affordable housing is a priority for our department. There was a brief group discussion about possibly holding a future affordable housing/workforce summit locally to get people engaged on this issue.

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 28, 2015

Due to lack of quorum, the minutes for the meetings of October 28, 2015, March 23 and May 11, 2016 were unable to be approved.

4. OLD BUSINESS

There was no old business to discuss.

5. NEW BUSINESS

Les said the purpose of today's meeting is to review the applications received for the \$1M affordable housing loan fund. Applications were received from the following three developers:

- 1) Affordable Housing Solutions for Cleveland Center
- 2) Costello Companies for Majestic Ridge Apartments
- 3) Lloyd Companies for Trinity Point Apartments.

Each of the board member's previously received a copy of each of these applications via email for their review prior to today's meeting. Les presented a brief PowerPoint presentation to the board which revealed site photos of the proposed projects.

Cleveland Center (Affordable Housing Solutions) site location will be at 2601 East 8th Street. This project includes 39 units of which eight are at or below 30% Area Median Income (AMI) and 31 are at or below 50% (AMI). They are requesting \$500,000 from the City to help support this project.

Majestic Ridge Apartments (Costello Companies) site location will be at Sparta Avenue near 41st Street & Highway 11 area which is currently undeveloped land in southeast Sioux Falls. Shawn Pritchett, our current board member, works at Costello; therefore, excused himself from today's meeting to avoid any conflict of interest. This project includes 66 total units of which 52 units are at or below 30, 40, 50 and 60% (AMI) Area Median Income (AMI) and 14 are set aside as market rate units. They are requesting \$1M from the City to help support this project.

Trinity Point Apartments (Lloyd Companies) site location will be at 5400-5450 E. Blarney Place in close proximity to Rosa Parks Elementary and Dawley Farm commercial development. This project includes 48 total units (6 buildings with 8 units each). They are requesting \$934,800 from the City to help support this project. This project will also include green space for tenants.

A raw data project ranking sheet along with weighted and unweighted data was then provided to all board members for their review. The weighted factors were based on how important staff felt these criteria were. An open group discussion followed after all board member's reviewed the results. The project ranking sheet revealed Trinity Point Apartments superseded the other two projects with the highest ratings.

Daren said one of the most important issues in this process was identifying what was most important to us. Additional emphasis was placed on the

number of 30% units, the number of units available at 50% or less and the number of additional units the City is able to buy down at 30% with our subsidy. One of the shortages we identified were three bedroom units for more family focused housing. Another important decision making factor was the proximity of the affordable housing development to public transportation, neighborhood stores, and infrastructure services. All three of the proposed projects are projected to be built in 2017 with leasing in 2018.

Daren stated the intent is not to award the entire \$1M this first round. The application period for a second round of proposals is expected to open this fall. Daren clarified that none of this funding will be expended in 2016 as it's been budgeted for 2017.

Jon inquired if the developers for Cleveland Center and Majestic Ridge Apartments would be able to resubmit their proposals this fall. Les answered yes.

Al Roettger asked all attendees their suggestions for other criteria to include with project ranking scoring. Gayleen suggested adding the amount of experience the developers have and possibly tenant satisfaction with landlords.

Due to lack of quorum, a poll was taken at today's meeting to ask how many board members agreed with the City's project ranking scoring and the selection of Trinity Point Apartments proposal. The board unanimously agreed.

6. OTHER BUSINESS

There was no other business to discuss.

7. ADJOURN

Upon motion by Jon Carroll, the meeting adjourned at 5:05 p.m.

Secretary

RAW DATA

CRITERIA	PROJECT		
	CLEVELAND	MAJESTIC	TRINITY
No. of units at 30%	8	2	5
No. of units at 40%	3	5	4
No. of units at 50%	26	21	39
No. of units at 60%	0	24	0
Subsidy/Unit for all units at 50% or less	\$12,821	\$17,857	\$10,417
No. of 30% Units paid for by the city subsidy	7	2	5
No. of 3 bedroom units	9	13	19
Location	2601 E 8th St.	TBD Sparta Ave	Dawley Farm Area

PROJECT RANKINGS

CRITERIA	WEIGHT	PROJECT					
		CLEVELAND		MAJESTIC		TRINITY	
		<i>unweighted</i>	<i>weighted</i>	<i>unweighted</i>	<i>weighted</i>	<i>unweighted</i>	<i>weighted</i>
No. of units at 30%	1.25	5	6.25	0	0	2	2.5
No. of units at 40%	1	0	0	5	5	2	2
No. of units at 50%	0.75	2	1.5	0	0	5	3.75
No. of units at 60%	0.5	0	0	5	2.5	0	0
Subsidy/Unit for all units at 50% or less	1.25	2	2.5	0	0	5	6.25
No. of 30% Units paid for by the city subsidy	1.25	5	6.25	0	0	2	2.5
No. of 3 bedroom units	1.25	0	0	2	2.5	5	6.25
Location	1.1	2	2.2	0	0	5	5.5
TOTAL		16	18.7	12	10	26	28.75

KEY	
ranking	value assigned
highest ranking	5
second highest ranking	2
lowest ranking	0