

## City of Sioux Falls Minutes of Accessible Housing Advisory Board

### Regular Meeting Minutes September 15, 2021, 7:30 a.m.

Pursuant to the due call and notice thereof, a regular meeting of the Accessible Housing Advisory Board was duly held at the Sioux Falls Development Foundation Briefing Center – 200 North Phillips Avenue, Suite 101, on September 15, 2021.

#### 1. Call to Order and Quorum Determination.

Board Chairman Jeff Nelson called to order the regular meeting of the Accessible Housing Advisory Board at 7:35 a.m. In his welcoming remarks to the Board members, Jeff Nelson also took the opportunity to introduce Suzanne Smith from Augustana University Research Institute. Suzy is here to present the 2021 report and findings of the Housing Needs Assessment Study conducted by the Augustana Research Institute and commissioned by the City of Sioux Falls to AHAB; Jeff said

#### A. Board Members present:

Jeff Nelson, Board Chair  
Jean Bender, Board Member  
Kari Benz, Board Secretary  
Aspen Thorstenson, Board Member  
Matt Tobias, Board Member  
Cynthia Mickelson, Board Member  
Schmidt, Board Member

#### B. Board Members absent:

Marshall Selberg, Board Member  
Nancy Reynoza, Board Member  
Paul Kostboth, Vice Chair

#### C. Other Attendees present:

Jeff Eckhoff, Director of Planning & Dev't Service (City of Sioux Falls)  
Kevin Smith, Deputy Director, Planning & Dev't Service (City of SF)  
Amos Abu, Housing Clinic Coordinator (City of Sioux Falls)  
Matt Cerny, Housing Program Specialist (City of Sioux Falls)  
Suzzy Smith, Assist Vice President, Enterprise Data Analytics and  
Augustana Research Institute. (Augustana University)

**2. Approval of Minutes of August 18, 2021**

Motion by Jeff Nelson to approve August 18, 2021 meeting minutes, seconded by Jean Bender. No discussion. Motion carries.

**3. Approval of Regular Agenda**

Motion by Jim Schmidt to approve agenda seconded Aspen Thorstenson. No discussion. Motion carries.

**4. Public Input on Non-Agenda Item**

There was no public input.

**5. Housing Study Presentation**

Jeff Nelson extended the floor to Suzy Smith. She began her presentation with data collected from various methods, including focus group discussions which highlighted one of the critical findings of the study - Sioux Falls has a significant housing gap for extremely low-income households. Although this population segment is not expected to grow in absolute terms, the existing housing gap amounts to about 4,500 units; an estimated 28 units are affordable and available for every 100 households below 30% of the area median family income. Due to this gap, the lowest income renters have the highest housing cost burden of any group in the city. She further stated that housing costs are rising for both renters and homeowners; asset tests and mortgage qualification generally mean those who can purchase a home live in housing they can afford. As a result, residents end up in rental housing that may be unaffordable or undesirable in terms of location, amenities, or quality who struggle to afford a place to live. In addition, a significant need for affordable housing units on annual income of under \$20,000; there is a growing need for affordable units for households with incomes in the \$20,000 to \$35,000 range. Suzy stated that housing cost burdens among this group had been steadily increasing over time.

In her striking conclusions, Suzy sighted the confluence of the Affordability Gaps and Cost Burden. The study revealed a significant affordability gap for extremely low-income households, estimated at 4,500 units. In 2019, Sioux Falls had an estimated 2,360 units with rent levels under \$500, compared to an estimated 6,803 renter households with annual incomes under \$20,000

In addition, she mentioned that from 2010 to 2019, median gross rent in Sioux Falls increased 31%, averaging about 3.2% annually, which is a consistent trend in the MSA. Taking units of all sizes together, in 2019, although half of the rental units in the city rent for less than \$827 (the overall median gross rent), only 29% rented for less than \$700, and only 16% rented for less than \$600. An estimated 86% of rental units in Sioux Falls are conventional rental housing. This segment of the rental housing stock is market-driven and primarily responds to regular

supply and demand dynamics. Despite high levels of new construction, the vacancy rate for conventional rentals has been downward for the past couple of years. In July 2021, the South Dakota Multi Housing Association's rental vacancy survey recorded a 2.69% vacancy rate for conventional rentals in the Sioux Falls area, continuing a multi-year downward trend, the lowest vacancy rate recorded by this survey since July 2012.

Jean Bender sought clarifications of the number of respondents of the focus group discussion and the percentage of participants expressing support or otherwise for multifamily housing in their neighborhoods. Ware among a few questions emanating from Suzy's presentation.

Jeff Nelson asked for copies of the study reports to be mailed to Board members as the study report contained fascinating data for members to review later.

### **8. Day and Time of Future Meetings**

Jeff Eckhoff updated AHAB members of the legislative study. He proposed an Accessible Housing Advisory Board Work Group comprised of various individuals in the community to discuss and brainstorm. He stated that the Board would seek to gather input from our stakeholders and the housing community to develop policies for the housing fund dollars the Administration and and guide the City Council's effort to assist with accessible/workforce housing in Sioux Falls.

Jeff Eckhoff mentioned that AHAB would hold the workgroup in two sessions **October 14 and 20 at the Greater Sioux Falls Chamber of Commerce Conference Room. He also reminded members that details of the participant's list and discussion topics would be available in advance.**

**Motion** Jean Bender moved for Approval and was Seconded by Jeff Nelson. Motion carries. All were in favor

### **Information Items**

Accessible Housing Advisory Board Work

**First Session - October 14, 2021**

**Second Session - October 20, 2021**

**Venue: Greater Sioux Falls Chamber of Commerce Conference Room**

**Time: 7:30 - 9:00**

### **Adjournment**

The meeting adjourned at 10:20 a.m.

---

Kari Benz, Secretary

