

SIoux FALLS HOUSING and REDEVELOPMENT COMMISSION
630 South Minnesota Ave, Sioux Falls, SD
Regular Meeting
7:30 AM – March 27, 2018

Commissioners

Present: Bill Earley, Jim Wiederrich, Suzy Smith

Others

Present: Karl Fulmer, Vernon Kreun, Dianne Hovdestad, Lisa Bartell, and Brent Tucker;
Keith Thompson and Jim Beddow joined the meeting after it had started.

CALL TO ORDER/ROLL CALL

The meeting was called to order at 7:30 AM by Commissioner Earley.

APPROVAL OF MINUTES OF February 27, 2018-Regular Meeting

Commissioner Earley called for a motion to approve the minutes of the February 27, 2018, Regular Meeting. Commissioner Wiederrich moved to approve the Minutes, Commissioner Smith seconded the motion. Motion passed, Yesses 3, Noes 0.

FINANCIAL REPORT - February 28, 2018 Financials (Vernon Kreun)

Vernon Kreun presented the financials for the period ending February 27, 2018. Finance Director Kreun began his comments by stating that FY 2018 Financials are still looking good. He stated that the SFHRC currently maintains just over 1.4 mm in unrestricted net assets.

Cash & Investments: Vernon stated that cash holdings grew due by 40,500 received from March operating subsidies and 2017 year-end Shelter+ Care funds.

Other Programs: Finance Director Kreun stated that operating funds have been pulled down early for March, which helps the current financials; however, he stated that the HOPWA program still has about \$60,000 in receivables which should be received as soon as the SFHRC's office receives a copy of the executed grant agreement. Vern stated that Director Fulmer has been in touch with the City regarding the expenditures for the Bright Futures fund. SFHRC will run out of funding by end of June 2018 if the funds are not increased. Director Fulmer expects funding to be increased by 25% or 287,000 for FY 2018. Vern stated that leasing is under par for two of SFHRC's Mod Rehab projects for the first two months of 2018.

Public Housing: \$123,871 is due from the Commission to Public Housing and is sitting in general funds to be used. Receivables have increased due to the abandoned units at the beginning of the year. Operating subsidy of \$19,001 was received for March.

South Sycamore Estates: The amount due to the Commission decreased from January by 1,266 and stands at \$51,518. Accounts receivable also decreased during the month of February 2018.

Housing Choice Voucher Program: HCV is ahead of budget for FY 2018. SFHRC is over \$26,000 ahead of budget.

Family Self-Sufficiency: No substantive changes to report.

General Operating Fund: Vernon stated that the GOF showed a gain of \$35,000. This is nearly \$16,000 above budget.

Consolidated: Consolidated showed a gain of approximately \$148,000 and this is approximately \$67,600 ahead of budget.

HCV Occupancy Report (Karl Fulmer and Dianne Hovdestad)

Dianne Hovdestad reviewed the current status of the HCV Program. She reported a slight decrease in leasing of vouchers from 1,814 to 1,811. Currently, the SFHRC is decreasing HCV leasing, but maintaining approximately 103.5% funding utilization which draws down about \$22,000 in HUD-held reserves per month. HUD-held reserves stood at 871,000 at the end of February 2018.

Family Self-Sufficiency Report (Lisa Bartell)

Lisa Bartell provided the update of the FSS Program. Currently, there are 108 participant families in the program with child care utilization at between 5-6 children per night. As of March 1, 52% of the families are working. The United Way meeting for the 2019 grant proposal is coming up on April 9th. Commissioners Wiederrich and Keckler will attend. Commissioner Earley stated that he could probably attend as well. Lisa stated that 4 computers will be donated to the FSS computer lab. These will replace the badly aging machines that the SFHRC currently has.

Commissioner Smith moved that the Monthly Reports be approved as presented. Commissioner Wiederrich seconded the motion. Motion passed, Yesses 3, Noes 0.

AHS Report (Karl Fulmer)

Director Fulmer stated that currently three homes are under contract for sale in April-May of 2018. These are 301 S St Paul, 821 and 823 N Sherwood. He stated that four additional units are currently under construction at 426 & 430 W 7th and 1100 & 1104 E 3rd Street in Sioux Falls. Completion is scheduled for between mid-June and late July for these four homes.

Director Fulmer stated that ten (10) additional homes will be bid out during the month of April 2018. Currently, AHS is awaiting the production of a final plan set by Koch Hazard Architects. Brent Tucker stated that the City is looking at six additional properties to acquire in the next few months. Director Fulmer stated that there is an additional house under construction at the CTE Academy and that he has contracted with one sub this year (Frisbees) to install electrical, plumbing and mechanical. This should streamline completion once the house is delivered to the site.

Director Fulmer stated that he and the project attorney were nearing a solution with the City Planning office to subdivide the property, so the second phase could be built as planned or sold to a buyer, if necessary. Once this is accomplished, documents can be finalized and filed with the state and sales contracts can be initiated for the units.

Commissioner Wiederrich moved that the AHS report be approved as presented. Commissioner Smith seconded the motion. Motion passed, Yesses 3, Noes 0.

Executive Director's Report (AHS Property Occupancies)

Director Fulmer reviewed the occupancy report for the AHS properties through February of 2018. He stated that Dakotabilities vacancies are now showing on the AHS lease-up report. He also stated that two vacancies occurred at Spring Centre during February. He stated that he would keep the SFHRC and AHS boards fully-informed regarding timelines for vacancies and the lease-up of the properties.

Director Fulmer stated that he is now in contact with SDHDA regarding the potential sale of properties at Homestead. It is unclear if AHS can sell these properties and for what price they may be sold. One vacancy occurred in March, but he would like to sell these properties, if possible.

Director Fulmer stated that vacancies will be coming at South Sycamore Estates due to move-outs for Dakotabilities clients. Additionally, public housing is being leased-up for the two units that were abandoned in January 2018.

Administrative Items

Due to travel commitments for both Director Fulmer and Deputy Director Hovdestad, the SFHRC Commissioners decided to hold April's regular meeting on May 1, 2018. Additionally, the regular meeting for May 2018 will be pushed one week to May 29, 2018. The meetings will be held at 7:30 AM at the SFHRC offices.

Director Fulmer stated that he would like to interview and hire for the Admin Assistant's position at some point in April 2018. He stated that he has been very much limited in time to conduct the hiring process for the position, however. He did state that he had hired a new Housing Development Coordinator for AHS. His name is Tyler Arens and will start with AHS on April 9, 2018.

Director Fulmer stated that he is working on the RFP for the computer conversion and the telephone conversion. His timeline for telephone conversion would be by end of April 2018 and initiate computer conversion in mid-June 2018. He will be holding a staff meeting at the end of the week to review the computer conversion RFP. The RFP should be published by the end of March with responses due by end of April 2018.

The Board entertained a travel request for Theresa Lucas, FSS Assistant Coordinator. Commissioner Wiederrich moved to approve the travel request. Commissioner Smith seconded the motion. Motion passed, Yeses 3, Noes 0.

The Commission went into Executive Session at 8:37 AM and came out of Executive Session at 8:49 AM.

Commissioner Wiederrich motioned to provide Executive Director Fulmer with a raise of 2% of his salary effective January 1, 2018. Additionally, Director Fulmer would be allocated \$6,000 in bonus monies for the first year of employment and he could use these monies for his own bonus pay or the pay of other staff members. Commissioner Smith seconded the motion. Motion passed, Yeses 3; Noes 0.

Director Fulmer thanked the Board for its generosity and that he would use the bonus money to reward his management staff. The meeting adjourned at 8:52 AM.