

MINUTE Tuesday, June 26, 2012

Land Use Committee

5:59 PM

Town Hall

Carnegie

10th Street

235 West

Members Present: Council Member Kermit L Staggers, Council Member Rex Roling, Council Member Kenny Anderson Jr., and Council Member Dean Karsky

Members Absent: None

Staff Present: Tamara Jorgensen, CMC, Assistant City Clerk

Guests: Stephanie O'Brien, Jeanne Gerken, Jerry Gerken, Harold Podhradsky, Susan Zacher, Joseph Zacher, Kaia Littlefield, Vanessa Harty, Robin Willhoit, Rachael Dezell, Sue Aguilar, Michelle Erpenbach, Cheryl Rath, Bonnie Mogen, Don Dunham, Todd Meierhenry, Jennifer Begrius, Lori Lakman, Amanda Potter, Andy Oestreich, Cynthia Paulson, Kori Baade, and Betsy Wick

### 1. Call To Order

Land Use Committee Chair Rex Roling called the meeting to order at 5:59 p.m.

### 2. Approval of Minutes

A motion was made by Dean Karsky and seconded by Rex Roling to approve the minutes of Tuesday, May 29, 2012. Roling called for a voice vote and all members present voted yes. Motion Passed.

### 3. Discussion

A. Whittier Heights Project - Proposed by Dunham Company to Build Rent-to-Own Housing on Undeveloped Property in the City's Core, Including Consideration of a Tax Increment Finance District presented by Brent O'Neil, Economic Development Manager, Darrin Smith, Director of Community Development, and Don Dunham et al, Dunham Companies.

Smith stated this project will provide single family affordable housing in the Whittier neighborhood. Smith provided background information on this project regarding the timeline, the location for the proposed project, the media story, and stated this was an appropriate time to bring this item before the Land Use Committee for a review and update. Smith stated that he would like to bring future TIF requests and potential TIF projects to the Land Use Committee.

Adam Roach provided an update regarding the location, the details of the subdivision, the costs, the annual taxes, and the developer's request for city assistance. Roach stated the requested assistance is in two forms: 1) Tax Increment Financing (\$1.5 million in tax increment over two years) for site work due to blight defined by state statute. Roach explained the elements for a TIF.

Roach reviewed the topography issues of the proposed site.

Roach stated that the second form of city assistance is a concerted plan. This is a plan that targets areas for redevelopment and the plan must also state a

housing need. The plan acts as a guideline for development to enhance different features of it which can include the design of the home, require street trees, require green space and connectivity, etc.

Todd Meierhenry, Dunham Property Management, discussed the scope of the project and provided background information regarding the development of the area. He stated that this project will not be developed without the help of South Dakota Housing and a TIF incentive provided by the city. Meierhenry discussed the process for getting a TIF approved. Meierhenry stated the property would be developed as 80 rent-to-own homes which will range in cost from \$138K to \$162K. The purchase price, at the end of 15 years, will be \$105K to \$110K. Meierhenry explained the concept of present dollar value(s).

Karsky asked about the topography for the site. Staggers discussed feedback from a constituent and the perception of property values in that area. Discussion was held regarding the assessed value of homes (for taxation) in areas that experience improvements.

Anderson Jr. asked about using TIF's for single family housing. Meierhenry provided an update on changes to state law regarding to TIF's and affordable housing projects.

Rolfing asked about including park land into this project. Meierhenry stated there would be park land included also, depending on city planning and zoning. Don Dunham spoke regarding being close to the railroad. Dunham stated that Mike Cooper, Director of Planning and Building Services, brought this project to them a year and a half ago.

Rolfing asked how much the rent would be on these units. Dunham stated that would be determined by the South Dakota Housing Authority and the fair market rent by the value income housing office in Sioux Falls. Dunham discussed similar projects that he has done over the last 15 years and the value of the homes now.

Discussion was held regarding what happens when the original owner moves out, the timeline for staying in the homes, and the option to purchase after leasing.

Anderson Jr. asked about the size of the homes, the number of bedrooms and bathrooms and asked for clarification. Dunham stated that is also dictated by the South Dakota Housing Authority and the program. Dunham stated that South Dakota Housing has indicated that this is the best program for young families to own a home. Discussion was held regarding demographics and rental property.

Karsky commended the presenters on their proposed project and spoke about the benefits to the citizens.

A motion was made by Dean Karsky and seconded by Kermit Staggers to move this item to the full City Council for consideration.

Anderson Jr. asked Smith for clarification on 'what is affordable housing' in this city. He asked for clarification on the 'housing replacement program'. Smith gave background information regarding the Neighborhood Revitalization Program in Community Development and their accomplishments in the past years. Discussion was held about the process for acquiring federal funds to assist with this process.

He discussed the pros and cons of moving forward with the Whittier Heights Project with "prevention vs. treatment" examples. Discussion was held regarding the types of TIF requests that are being received. Discussion was held about having a TIF for single family residential.

Smith stated the cost to build would be \$120K. The investment comes in acquiring the dilapidated property, maintaining it for one or two years, and all the associated site costs. Stagers asked if the city has lost money on the 50 houses that they have been involved in. Smith stated that the city has made investments in these neighborhoods. Discussion was held regarding the terminology 'loss' and 'investments' as viewed by the public and private sectors.

Karsky reviewed the amount of money involved and stated that he thought the investment was a good one. Anderson Jr. stated he thought they should look at these 80 homes as an investment in the neighborhoods. He stated that the city wants to keep them at a certain level or rebuild them because the cost of losing them is significantly more. Stagers questioned if the city was losing money on the homes because there are no studies being done.

Rolfing asked for a voice vote to bring this item to the full City Council on July 10, 2012. All members present voted yes. Motion Passed.

#### B. Dog Bites, Registration of Specific Species of Dogs, and Requiring Insurance Coverage

Karsky thanked the Council for working with him and responding to emails and input regarding this topic. He stated the emails received covered both sides of the issue and gave him additional information on the topic. Karsky stated that, before they consider any form of registrations or bans, they should discuss the current dog ordinances, how they define vicious animals, fines for not controlling animals and start the discussion on what we currently have.

Stagers asked for clarification on where the problem was. He noted legislation that was introduced and passed when he was in the Senate because of one dog incident. Karsky responded that he brought it up because he has been approached by three constituents in the last four months regarding this topic. Karsky stated there is a difference between a dog bite and an attack. He stated that if we have people who aren't controlling their animals, and other people are getting hurt because of it, we need to put a little more teeth into the laws that we have to control animals.

Rolfing stated that the initial discussions need to involve experts who can provide facts and figures regarding this topic. The initial research is to determine whether or not a problem does exist and act accordingly. Rolfing asked for suggestions on whom to invite to the next meeting. They should be able to provide statistical information for the City of Sioux Falls regarding this topic.

Karsky would like to hear from a representative from the City Attorney's Office regarding the current ordinance(s) and he would like to know how often it is enforced and how it is enforced. He asked 'who determines if an animal is vicious' and he recommended that the definition for a 'vicious animal' be re-reviewed.

Anderson Jr. recommended including a representative from Animal Control and a

representative from the Humane Society. He also recommended referencing emails received from individuals who have dog rescues and inviting them to speak. Rolwing asked if the dog rescue individuals would be able to give statistical information and suggested that the committee needs to first determine if there is a problem. If so, additional individuals could be brought in for follow-up discussions.

Kori Baade, Executive Director for the Sioux Falls Area Humane Society, stated that they would like to hold a meeting at the Humane Society for any and all interested parties. Rolwing stated that they could send an email to him regarding the information.

Members of the committee encouraged the audience in the Chambers and the viewing audience to continue with the ideas, correspondence and emails regarding this subject. They thanked the audience for their input, interest and their concerns.

#### 4. Open Discussion

The Land Use Committee Meeting scheduled for Tuesday, July 31, 2012, has been rescheduled for Monday, July 30, 2012, at 4:00 p.m. in the Carnegie Town Hall.

#### 5. Adjournment

Rolwing adjourned the meeting at 6:46 p.m.

Tamara

Jorgensen, CMC

Assistant City Clerk