

LEGAL AND FINANCE COMMITTEE MINUTES
Rapid City, South Dakota

July 10, 2019

A Legal and Finance Committee meeting was held at the City/School Administration Center in Rapid City, South Dakota, on Wednesday, July 10, 2019, at 12:30 p.m.

A quorum was determined with the following members answering the roll call: Becky Drury, Darla Drew, Chad Lewis, Ritchie Nordstrom, Lance Lehmann. Absent: None

(NOTE: For sake of continuity, the following minutes are not necessarily in chronological order. Also, all referenced documents are on file with the Master Agenda.)

ADOPTION OF AGENDA

Motion was made by Lewis, second by Drew and carried to adopt the agenda.

GENERAL PUBLIC COMMENT

None.

CONSENT ITEMS

Motion was made by Lewis, second by Drew and carried to approve Items 1 - 6 as they appear on the Consent Items with the exception of Items No. 2 and No. 6.

- 1) Approve Minutes for June 26, 2019

MAYOR'S ITEMS

- 2) LF071019-06 – Nordstrom moved to Confirm the New Appointment of David Gustafson and Acknowledge the Appointment of Becky Drury to the Rapid City Airport Board of Directors. Second by Lewis. Motion carried with Drury abstaining.

FINANCE DEPARTMENT

- 3) LF071019-02 – Acknowledge May 2019 Sales Tax Report
- 4) LF071019-03 – Approve Resolution No. 2019-014B a Resolution Levying Assessment for Downtown Business Improvement District 2019
- 5) LF071019-05 – Acknowledge Annual TID Report to Council

COMMUNITY DEVELOPMENT

- 6) LF071019-01 – Helen Usera with Abbott House presented an overview of their project in Rapid City which consists of building two foster homes and will include apartments used in transitioning young adults out of foster care and into the community. Each home has six bedrooms, one home designated for boys and the other for girls (ages 10-17). There will be 2 apartments attached (double occupancy) with a total of four rooms (ages 18-23). Usera thanked the City for supporting the project and asked for continued support. She announced that Scull Construction will be managing the project. Abbott House is expecting to begin within the next 70 to 75 days pending approval from South Dakota Housing and the City Department of Community Development. Nordstrom asked Usera to share the reallocation process. Usera explained the initial allocation award received from CDBG was \$50,000 and they were then informed that money came back to CDBG and were able to reapply for additional funds to continue this project. She informed the Committee the Abbott House currently has over a million dollars in pledges from individuals and corporations outside of South Dakota Housing and the City of Rapid City. Nordstrom asked Michelle

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Schuelke, CDBG Program Division Manager, to state the reasons why the City did a reallocation. Schuelke explained that when money that was allocated in previous years funding came back for a variety of different reasons, the Investment Committee decided to fund these projects because they demonstrated the ability to meet City priorities in the timeframe allotted. Drew asked Usera to describe for the public, what the Abbott House is. Usera shared that the Abbott House is an agency that provides premier services to youth, which started out in Mitchell South Dakota primarily as an orphanage, but has since transformed over the years to include a psychiatric treatment center that serves girls ages 10 to 17 years old. From there, they evolved into transitioning youth back into the community, especially those that were placed with them by the Department of Corrections or Department of Social Services into foster homes. Abbott House owns the foster homes, manages the homes and hires the couples who live in the homes. The Department of Social Services reached out to Abbott House and asked them to expand in Rapid City. In 2018, the Abbott House served 45 children, ages 10 to 17 in the Rapid City area. Drew asked Ken Young from the Department of Community Development, to explain the changes that can be made by the Investment Committee. Young deferred to Schuelke who explained that reallocation decisions are made by the Investment Committee if they are within the thresholds and the program is not changing substantially. This allows some flexibility within the management of the program so not every change has to go through City Council. Major amendments such as changes above the thresholds or substantial changes in the purpose of the program would require a public comment period and City Council final approval. This money \$336,575.83 is a set amount, and our allocation is dependent on congressional allocations which have already been made, therefore we're confident that this number isn't going to change. Schuelke relayed to the committee that all information is recorded on the annual action plan and the annual report which go through City Council. Nordstrom moved to approve the Community Development Block Grant (CDBG) FY2019 Reallocation Funds Preliminary Recommendation. Second by Drew. Motion carried.

END OF CONSENT CALENDAR

NON-CONSENT ITEMS – Item 7

Public Comment opened – Item 7

Public Comment closed

MAYOR'S OFFICE

7) LF071019-04 – Lewis moved to approve the First Reading and Recommendation of Ordinance 6345, an Ordinance to Repeal the Compass Internal Audit Program by Repealing Chapter 2.95 of the Rapid City Municipal Code. Second by Nordstrom. Motion carried.

ADJOURN

There being no further business to come before the Council at this time, motion was made by Lewis second by Nordstrom and carried to adjourn the meeting at 12:46 p.m.