

LEGAL AND FINANCE COMMITTEE MINUTES
Rapid City, South Dakota

August 28, 2019

A Legal and Finance Committee meeting was held at the City/School Administration Center in Rapid City, South Dakota, on Wednesday, August 28, 2019, at 12:30 p.m.

A quorum was determined with the following members answering the roll call: Becky Drury, Darla Drew, Lance Lehmann, Chad Lewis and Ritchie Nordstrom. 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 Drew, second by Nordstrom and carried to adopt the agenda.

GENERAL PUBLIC COMMENT

None.

CONSENT ITEMS -- Items 1 – 11

Public Comment opened – Items 1 – 11
Public Comment closed

Motion was made by Lewis, second by Drew and carried to approve Items 1-11 as they appear on the Consent Items with the exception of Item Nos. 4, 9 and 10.

- 1) Approve Minutes for August 14, 2019

FINANCE DEPARTMENT

- 2) Acknowledge the Following Volunteers for Worker's Compensation Purposes: Tim Christofferson (RSVP+), Tina Christofferson (RSVP+), Tina Waring (RSVP+), Kallie Shook (RSVP+), Casey Uthe (RSVP+), Brandy Boardman (RSVP+)
- 3) LF082819-01 – Acknowledge July 2019 General Fund Cash Balance Report
- 4) LF082819-02 – Drew asked Finance Officer Pauline Sumption what these checks consist of. Sumption stated that these are uncashed checks either to former employees or to vendors. The City is required to report annually and submit to the state as unclaimed property. Sumption defined that warrant is another word for check and explained the process of letters that are sent informing them the check hasn't been cashed and if they've lost the check, to fill out an attached affidavit for a new check to be reissued. The list of checks attached are the remaining checks after all of the processes have been completed. Lewis moved to approve the Resolution No. 2019-065 a Resolution Cancelling Checks or Warrants Not Presented for Payment Within One Year of Date of Issuance. Second by Nordstrom. Motion carried.
- 5) LF082819-03 – Acknowledge Update from the Opportunity Capture Fund Committee

FIRE DEPARTMENT

- 6) LF082819-06 – Authorize Staff to Purchase a 2020 Rosenbauer Pumper Apparatus through Source Well (Former NJPA) for the Amount of \$512,595.00

POLICE DEPARTMENT

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- 7) LF082819-07 – Approve Resolution No. 2019-075 a Resolution Declaring Personal Property Surplus and Authorizing the Sale of Such Surplus Property to Other Local Governments

COMMUNITY DEVELOPMENT

- 8) 19TP020 – Approve the 2020 Unified Planning Work Program – Draft Report
- 9) LF082819-04 – Ken Young, Department of Community Development Director, gave a short power point presentation providing an overview of the affordable housing policy that has been developed over the last few months. The policy is a brief summary of actions that the Community Development Department along with others can further explore, refine and ultimately implement to reduce barriers to affordable housing development. The policy calls for the establishment of a strategic plan that will set forth several objectives and further detail the targeted strategies the City hopes to accomplish in assisting affordable housing in the community. The City took into consideration the Rapid City Housing Affordability Study that was completed by Black Hills Knowledge Network which identified certain economic areas where there is a shortfall in affordable housing. A public opinion survey was also made available to the public which brought in over a thousand respondents with 93% of the respondents agreeing that more affordable housing is needed. 86% of the respondents supported accessory dwelling units overall with 59% of those supporting ADU's within, attached or detached. The most common cited need was for owned units in the range of \$50,000 to \$100,000 and rental units between \$300 to \$750 ranges in two different categories. Young added that the priority types of desired affordable units in the survey were small single family homes (85%) and standard apartments (50%). Approximately half of those surveyed supported allowing smaller lot sizes, reducing permit costs and creating new zoning districts. Young defined affordable housing as those living situations where housing costs do not exceed 30% of a household's gross monthly income. He also noted that one of the things they hope to accomplish moving forward is not sacrificing quality construction to just create affordable housing but rather looking for affordable ways to building quality homes. Nordstrom appreciates Young addressing the quality of the housing as he has had concerns regarding cheap housing versus affordable housing. Drury asked for the acronym IDCM be defined for the public. Nordstrom shared that IDCM stands for Infrastructure Design Criteria Manual, a term referenced often when working with infrastructure. Young added that there is an effort moving forward to provide some review and analysis of the existing IDCM and perhaps make some amendments along with looking at the fee structures and how we cover the costs of infrastructure. Drury referenced item number three on the targeted strategies in the policy commenting that the ordinance regarding accessory dwelling units has not yet been approved through council. Young stated that the ordinance has come before Council but was then pulled to do some revising and it will be brought forward again within the next month. Drury has a concern that if we pass this policy, it locks the City in, as the policy says the City will provide for the permitting of legal ADUs when we really don't know yet how that will be structured. For this reason, Drury will be voting against this policy. She also has concerns regarding the permitting and the costs to the permittee. Drury also raised that nowhere in the policy is there a place for tax decreases and would like to see that worked into the policy as another tool. Young explained the reason that is left out of the plan is because the City doesn't have any control over the taxation as it is a County function, therefore doesn't believe adding it to this plan would be appropriate. Nordstrom asked Young what would happen if the ADU's portion was removed from the policy. Young replied that it has been identified through various means including the recent survey that ADU's are an important function and part of providing affordable housing in the community, so to not pursue ADU's or leave it out, he believes would not be a responsible thing to do because that is not meeting some of the objectives that are both in the "Plan Rapid City" as well as the responses that have been received through the survey. Young added that exactly how ADU's come forward in ordinance form can still be in question and the exact details of the ordinance can be amended at any time before it is finally adopted. He reiterated that this policy does not say exactly how the ordinance for ADU's is going to be prepared, it acknowledges they are an important component of affordable housing that is listed as a targeted strategy and if it is determined that it is not good, then it can be taken off of the

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policy. Drew voiced her support for this resolution along with the ADU's. Nordstrom moved to Approve Resolution No. 2019-070 a Resolution to Approve the Adoption of the Rapid City Affordable Housing Policy. Second by Lewis. A vote was taken with Lewis, Nordstrom, Lehmann, Drew voting "yes" and Drury voting "no". Motion carried 4-1.

- 10) LF082819-05 – Nordstrom asked Michelle Schuelke, CDBG Program Manager, to explain what the 30-day comment period is. Schuelke explained the 30 day public comment period is to be in compliance with the program but also to share with the public what activities the CDBG program division is doing. This particular 30 day public comment period is in direct correspondence to the resident participation plan and there is an amendment to the annual action plan, therefore, allowing a 30 day public comment period for the public to comment on that amendment to the plan. Schuelke stated the 30 days begins today and will close at 4:00 pm on October 1st. Nordstrom moved to approve the Community Development Block Grant (CDBG) Proposed Amendments to FY2018 Annual Action Plan and 30-Day Comment Period – Preliminary. Second by Drew. Motion carried.

CITY ATTORNEY'S OFFICE

- 11) LF082819-08 – Authorize the Mayor and Finance Officer to Sign Agreement Between the City of Rapid City and the Rapid City Club for Boys, Inc., for the Use of City Vision Funds to Renovate Two of its Facilities

NON-CONSENT ITEMS – Items 12 – 13

Public Comment opened – Items 12 – 13

Public Comment closed

FINANCE DEPARTMENT

- 12) LF081419-03 – Drew asked Finance Officer Pauline Sumption to clarify the change to the ordinance and if there are any costs associated to the change. Sumption said her understanding is that Elevate Rapid City is the overarching organization now and Economic Development and the Chamber are underneath, so it is just getting pointed to the overall organizational group and there are no costs to the City. Nordstrom moved to approve the Second Reading and Recommendation of Ordinance No. 6351 An Ordinance Concerning the Opportunity Capture Fund Oversight Board. Second by Drew. Motion carried.
- 13) LF081419-10 – Lewis moved to approve the Second Reading and Recommendation of Ordinance No. 6346 regarding FY2020 Appropriation Ordinance. Second by Drew. A vote was taken with Lehmann, Lewis, Drew and Nordstrom voting "yes" and Drury voting "no". Motion carried 4-1.

ADJOURN

There being no further business to come before the Council at this time, motion was made by Nordstrom second by Lehmann and carried to adjourn the meeting at 12:59 p.m.