

LEGAL AND FINANCE COMMITTEE MINUTES  
Rapid City, South Dakota

April 26, 2017

A Legal and Finance Committee meeting was held at the City/School Administration Center in Rapid City, South Dakota, on Wednesday, April 26, 2017, at 12:30 p.m.

A quorum was determined with the following members answering the roll call: John Roberts, Lisa Modrick, and Steve Laurenti Absent: Jerry Wright and Amanda Scott.

(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 Laurenti, second by Scott and carried to adopt the agenda.

**GENERAL PUBLIC COMMENT**

None.

**CONSENT ITEMS**

Finance Committee Chairperson Kathy Brewer and Parish Pastor Father Ed Witt of the St. Isaac Jogues Church and the Mother Butler Center spoke regarding item number 5 and their request for Community Development Block Grant (CDBG) funds. Their grant application is for the installation of a drainage system to remove water flow that comes off of the flat roof of the Mother Butler Center. They intend to take the water and transfer it directly into a drainpipe that will feed into a large underground pit that is filled with gravel and covered with soil and sod. From there, the water will then dissipate into the ground. CDBG funds are necessary to complete this project. During the summer they serve approximately 7,500 meals to children in the area. In addition, they also host three community feeds that serve 150-200 meals quarterly to predominately elderly adults from very low to low income households. The Mother Butler Center is also available for general purposes such as funerals, weddings, sporting events, conferences, rummage sales and many other activities. These events impact approximately 15,000 people in the community per year. Without the CDBG funds it will jeopardize their ability to make the necessary water drainage improvement to the property to mitigate water damages to the building and for safety reasons.

Director Mike Smith and CEO Susan Fedell of Youth and Family Services (YFS) also spoke regarding item number 5 and their request for CDBG funds. YFS intends to construct a two story building, which would add 68,000 square feet to their existing building. This expansion will allow YFS to service 2,500 more children in the area. The plan is to break ground in the spring of 2018. Part of this project requires that they re-grade and resurface the alley that is behind their building. The plan is to re-grade the alley and divert the water through the soccer field, down to Herman Street and finally to Maple Street. The main drainage issue is the water pools in front of their building which is harmful to their building and unsafe for people coming in and out of the building. The architect and engineer estimate the project can start in June and could be finished by the end of the year. The estimated total project cost is \$287,000. YFS has a prior commitment of CDBG funds of \$100,000 and they did apply for additional funds but as of right now that money is not confirmed. They hope to encourage the Council to give them additional money for the project so they will be able to finish it by the end of the year.

Kent Hagg spoke regarding item number 5 on behalf of Freeland Ranch Community, Inc. and their request for CDBG funds for their affordable housing project. In their initial request for 2017 funding, they requested \$450,000 to go toward land acquisition, preconstruction, engineering and professional fees. In 2016, they received \$119,000 CDBG grant money which has all been used except for \$1,600. Today he is asking for \$75,000 to continue with the specific and fine engineering portion of the project. All of the geo testing,

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surveying, preliminary engineering and layout is complete. They are very close and this additional funding would allow them to place the project out for bid. They are requesting \$75,000 of the \$248,000 recommended for Community Development.

Motion was made by Laurenti, second by Modrick and carried to approve Items 1-8 as they appear on the Consent Items with the exception of Item Nos. 5 and 6.

- 1) Approve Minutes for April 12, 2017

**FINANCE DEPARTMENT**

- 2) Acknowledge the Following Volunteers for Worker's Compensation Purposes: Robert "Bud" Burgess, Lawrence Tesch
- 3) LF042617-01 – Acknowledge March 2017 General Fund Cash Balance Report
- 4) LF042617-02 – Approve Resolution No. 2017-032 a Resolution Declaring Miscellaneous Personal Property Surplus

**COMMUNITY RESOURCES**

- 5) LF042617-03 – Modrick asked Barb Garcia from Community Development to explain the \$248,000 Hagg mentioned earlier. Garcia stated in their initial approved 2017 annual plan, the City set aside \$248,000 as a contingency fund. They are bringing it forward now for reallocation to move projects forward. It was the Investment Committee's decision to set those funds aside and allocate them to Community Development to pursue creating tiny house units on tax properties or purchasing lots to address those very low income individuals. The Council has the option to allocate that money to Community Development or you could choose to reallocate some or all of it to other projects. Garcia does have reservations about the full amount, she feels a lower amount may be more reasonable for what they would be able to accomplish this year. Laurenti asked if the Freeland Ranch project fit into the mold of what the CDBG is looking to do with those funds. Garcia stated the project does qualify and it does meet the criteria for affordable housing as a project. Freeland Ranch is looking at the 30-70 and above range and Community Development are looking to address individuals that are homeless. Laurenti moved to amend the Request for Reallocation of the FY 2016 & 2017 Community Development Block Grant (CDBG) Contingency Funds Recommendations by awarding \$75,000 to Youth and Family Services and \$75,000 to Freeland Ranch Community, Inc. out of the approximately \$249,000 allocated to demolition and land acquisition for small affordable housing and recommend approval of the funding reallocation as amended. Second by Modrick. Motion carried.

**COMMUNITY PLANNING & DEVELOPMENT SERVICES**

- 6) 17TI001 – Finance Officer Pauline Sumption requested a continuance on behalf of the applicant to the May 10, 2017 Legal and Finance Committee meeting and also continue the public hearing to the May 15, 2017 City Council meeting. Modrick moved to continue Resolution No. 2017-019 a Resolution Approving Revision #2 Project Plan Reallocating Project Costs for Tax Increment District No. 54 for Property Generally Described as Being Located North of Mall Drive and West of Haines Avenue to the May 10, 2017 Legal and Finance Committee meeting and to recommend continuing the public hearing currently scheduled for the May 1, 2017 City Council meeting to the May 15, 2017 City Council meeting. Second by Laurenti. Motion carried.

**CITY ATTORNEY'S OFFICE**

- 7) LF042617-06 – Authorize Mayor and Finance Officer to Sign an Agreement Between the City of Rapid City and Wellspring, Inc. d/b/a Wellfully for the Use of City Vision Funds to Construct an Adolescent Care Center

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- 8) LF042617-07 – Approve Resolution No. 2017-033 a Resolution Authorizing the Finance Officer to Reimburse Pennington County Out of the City’s Vision Account for the Cost of a Stall Barn at the Central States Fair Campus Pursuant to the Recommendation of the Vision Citizen’s Committee

END OF CONSENT CALENDAR

**NON-CONSENT ITEMS** – Items 9 - 10

**Public Comment opened** – Items 9 - 10  
**Public Comment closed**

**CITY ATTORNEY’S OFFICE**

- 9) LF042617-04 – Modrick asked Deputy City Attorney Wade Nyberg to clarify the ordinance to make sure she is reading it correctly. She asked if a supplemental report is needed if there has been no change. Nyberg confirmed that no supplemental report is needed. Since the reporting periods were not specified, the City reports are due just a week before the election which does not leave much time in between which is the reason the supplemental is not required. Modrick then asked if that same rule applies for the annual report that if there was no change no report needs to be filed. Nyberg explained that even if there was no change in the annual report you would still be required to file one. Modrick asked if notices will be sent out to elected officials reminding them to file their annual report. Finance Officer Pauline Sumption stated they may send one out the first year since this is new but it will not be an annual reminder. Modrick moved to approve Introduction and First Reading of Ordinance No. 6178 an Ordinance to Update Campaign Finance Disclosure Requirements by Amending Chapter 2.32 of the Rapid City Municipal Code. Second by Laurenti. Motion carried.
- 10) LF042617-05 – Modrick moved to approve Introduction and First Reading of Ordinance No. 6179 an Ordinance to Update References to the Convention and Visitors Bureau Related to Business Improvement District No. 1 by Amending Chapter 3.24 of the Rapid City Municipal Code. Second by Laurenti. Motion carried.

**ADJOURN**

There being no further business to come before the Council at this time, motion was made by Laurenti, second by Modrick and carried to adjourn the meeting at 1:05 p.m.