

SDCC Board Meeting Minutes

Tuesday, December 4, 2018

SDCC and SDHC Special Meeting

Board Attendance:

James Holzer, Molly Rater Sheryl Davenport, Gene Gladstone, Joanna Schooler, Kim Freter, Mike Stephens, David Mastin, Charlene Caburnay

Guests:

Susie Feinberg, Joann Vatcha, Lana Stein, Paul Hohmann, Erich Friesen, Joe Fank, Gary Boehnke

SDCC President Jim Holzer called the meeting to order at 7:00

Agenda:

Discuss the relationship between the Skinker DeBaliviere Community Council (SDCC) and the Skinker DeBaliviere Community Housing Corporation (SDCHC).

SDCC Board member, Mike Stephens began the meeting with a statement regarding his efforts to clarify the relationship between SDCC and SDHC on behalf of the SDCC Board and concerned neighbors. He described an extensive review of available documentation and presented the following findings:

The governance structure of the SDCHC is composed of Board members Alice Stanley, Richard Bose, Joe Frank, Erich Friesen, Alice Stanley, and Paul Hohmann.

The Mission of the SDCHC as defined at its inception in 1988 was to *combat community deterioration and improving quality of life by promoting and undertaking neighborhood improvement and housing development activities within service areas defined by the board of directors.*

A different Mission was adopted in 2001 that states: *the SDCHC is to be the buyer/developer of necessity, empowering strong development and homeownership, with the goal of improving the character, heritage and quality of the Skinker DeBaliviere neighborhood and community.*

It was noted the SDCHC functions independently from the SDCC.

The assets of the SDCHC are:

Improved lots

SDCC office – 6008 Kingsbury

6 family – 5906 McPherson

2 family – 5946 McPherson

Unimproved lots

McPherson Community Garden – 5937, 5941, 5943

Westminster Community Garden – 5834 Westminster

Lot at the north end of Des Peres

Lot at Delmar and Hamilton

5869 Washington

521 Des Peres (Walker townhomes) – 3 years old

520, 526, 532 Des Peres (Dog Park)

Investments

5888 Delmar - Alanson Building

5859 DeGigerville – waiting 2 years to complete

An assessment of the financial health of the SDCHC led to the following findings:

The SDCHC is losing 25-30k dollars each year.

At the current rate of deficit spending, the SDCHC has a viability of approximately ten years.

The Block Grant for the SDCHC Director no longer exists.

The SDCHC can't meet current objectives.

In light of Mike's research into the financial health of the SDCHC and recognizing the fact that the SDCC has no authority over the SDCHC, he presented the following questions:

Does the Skinker Debaliviere neighborhood need a Housing Corporation?
If the Skinker Debaliviere neighborhood needs a Housing Corporation, should it be dedicated to housing rescue or economic development? If the determination is made that there is a need for a housing rescue organization in the neighborhood, should it continue to be the SDCHC?

Based on these questions, Mike proposes the following resolutions be considered by the SDCC:

A resolution encouraging SDCHC to liquidate non-performing assets to a for-profit developer.

A resolution encouraging SDCHC to identify targets for restoration, not new construction.

A resolution encouraging SDCHC to return to the mission of a housing rescue company.

Gary Boehnke, Executive Director of the SDCHC, gave a presentation on the historical impact and financial status of the SDCHC. The relationship between the SDCHC and SDCC is in its 29th year. Gary discussed the positive role the SDCHC has had on the neighborhood through property rescue, management, and community work with the SDCC.

Gary described the SDCHC's successes taking on challenges from large-scale residential rescue projects to single home rescues. He also described the nuances of economic development and residential property management in which the SDCHC is currently engaged. Gary highlighted the scope of investment by the SDCHC in the Skinker DeBaliviere neighborhood over the past 20 years with the following information:

The SDCHC provided forgivable loans to the neighborhood valuing \$104,867.

The SDCHC, through donation or rescue, facilitated neighborhood improvements totaling \$1,560,039.

The SDCHC directly provided donations and improvements valuing \$37,781.

The SDCHC performed improvements to SDCHC properties totaling \$2,869,206.

Eighty units have been addressed by the SDCHC.

Development projects inspired and assisted by the SDCHC have a total value of \$30,017,000.

A discussion focused the presentations on the fact that the SDCC pays rent to the SDCHC for its current headquarters at 6008 Kingsbury Avenue and is responsible for maintenance and systems repair or replacement. This rental relationship is absent a long-term contract and could consequently expose the SDCC to rental increases or displacement. Further discussion took place in examination of other properties owned by the SDCHC but utilized by committees under the direction of the SDCC. Concerns were expressed about a lack of documentation stipulating the details in the agreements and working arrangements between SDCHC and SDCC.

The SDCC Board of Directors indicated they would reflect on the resolutions proposed by Mike Stephen's prior the January Board meeting. It was agreed among the members of the SDCHC and SDCC that a regular, open dialogue must continue with an emphasis of transparency and mutual cooperation. It was recommended and agreed the SDCC and SDCHC should have a presence on each other's Boards.

The meeting was adjourned at 8:40

Submitted by Gene Gladstone, Secretary, SDCC Board of Directors.