

**From:** [Eckhoff, Jeff](#)  
**To:** [City Council](#);  
**Cc:**  
**Subject:** Item 20 - Catholic Housing Lease  
**Date:** Friday, February 7, 2025 9:27:03 AM  
**Attachments:** [image003.jpg](#)

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**\*\*\*\*\* PLEASE DO NOT REPLY ALL \*\*\*\*\***

On the agenda for the February 11 Council meeting is the first reading to lease the parking lot in front of the Bishop Dudley Hospitality House. The lot is owned by St. Joseph Catholic Housing, a division of the Catholic Diocese who also supports the BDHH. We have been working with Thad Pals, Chancellor for the Catholic Diocese of Sioux Falls, on solutions to improve behaviors of the growing population that occupies that lot throughout the day. Many are not guests of the BDHH and create issues for the neighborhood leading to an increasing amount of calls for service by our police department. The lease will give us the authority to better manage the site and once the lease is approved and effective we will move quickly to fence in the area.

The ordinance provides for a 5 year lease with an option for an additional 5 years at \$1 per year. Within the fenced area BDHH staff will be able to utilize 20% of the parking stalls via an electronic gate, which will greatly add to the safety of their staff. During our discussions the Diocese requested, and we agreed to, an option that gives the city the first opportunity to purchase the parking lot and existing building should the BDHH decide to leave their current location. It was the thought of the Diocese that should they move from this location, the city would be the best steward of the site to help direct future development. The city would not be under any obligation to purchase the property and price would be determined by the average of two appraisals, one each from each party. In the event the city would decide to purchase the site, that agreement would come before City Council at that time. Because of the potential for future development, the lease will be managed by the Planning and Development Services Department.

The city will be responsible for the construction and maintenance of the fence and also at next week's meeting, Director Pritchett is bringing forward an ordinance for first reading to provide supplemental appropriations for the fence and several other capital projects. Chancellor Pals will be in attendance to answer any questions regarding the Diocese and Chief Thum will also be present for questions.

Thank you for your consideration and please reach out to Logan Penfield or me should you have any questions.

Sincerely,

**Jeff Eckhoff**

Director, Planning & Development Services

231 North Dakota Avenue  
Sioux Falls, SD, 57104



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