

**CITY OF CUSTER CITY  
CITY COUNCIL MINUTES  
September 8, 2025 – City Hall Council Chambers  
5:30 PM**

**Call to Order - Roll Call - Pledge of Allegiance**

Mayor Robert Brown called to order the meeting of the Common Council on September 8, 2025 at 5:30 pm. Present at roll call were Councilpersons Pechota, Jenniges, Ryan, Fischer, Nielsen and Whittaker. Attorney Schaefer was present remotely. The Pledge of Allegiance was stated.

**Approval of Agenda**

Councilperson Fischer moved, with a second by Councilperson Nielsen, to approve the agenda. The motion carried unanimously.

**Declaration of Conflict of Interest**

No conflicts of interest were stated.

**Public Comments (Not to include agenda related items, 3-minute max. per person, with total public comment period not to exceed 15 minutes)**

No public comments were received.

**Ordinance and Resolutions**

**Resolution #09-08-25A - Resolution to Transfer Land Owned by City to Custer Cares (a non-profit corporation) - A portion of Tract Hospital 1**

Councilperson Pechota moved to adopt Resolution #09-08-25A - Transfer of Land (a portion of Tract Hospital 1) owned by the City to Custer Cares (a non-profit corporation). Seconded by Councilperson Jenniges, the motion carried unanimously.

RESOLUTION # 09-08-2025A

A RESOLUTION APPROVING THE TRANSFER OF A PORTION OF TRACT HOSPITAL 1 TO CUSTER CARES AND EXTENDING FUNDING, SUBJECT TO CONDITIONS

WHEREAS, the City of Custer ("City") is the owner of property known as "Tract Hospital 1", and desires to support long-term health care and workforce housing opportunities for the long-term health care workers and community; and

WHEREAS, Custer Care has recognized that the long-term success of the nursing home is directly tied to the ability to recruit and retain qualified employees; and

WHEREAS, the establishment of workforce housing in proximity to the nursing home will help address barriers by providing stable, affordable living options that support employee well-being, strengthen retention, and ensure continuity of care for residents; and

WHEREAS, pursuant to SDCL 6-5-2, municipalities are authorized to dispose of property to nonprofit corporations when such disposition promotes public purposes; and

WHEREAS, the City Council has determined it is in the public interest to transfer approximately five (5) acres of Tract Hospital 1 (final survey pending) to Custer Cares, a nonprofit corporation, for the purposes of developing and operating long-term health care workforce housing; and

WHEREAS, the City previously adopted Resolution 7-03-23A, which designated 75% of one penny of the City's sales tax, up to a maximum of \$347,000.00 annually, to Custer Cares, a nonprofit corporation created for the purpose of facilitating a nursing and health care facility within the Custer community, for a three-year period commencing January 1, 2025; and

WHEREAS, as part of this transfer, the following conditions shall apply:

1. Survey: The property shall be surveyed, and the plat shall be reviewed and approved by both the Planning Commission and the City Council before its filing with the Custer County Register of Deeds and before completion of the transfer.
2. Reversionary Clause: Custer Cares shall enter into an agreement with the City providing that if the property ceases to be used for the purposes of long-term health care workforce

- housing, ownership of the property shall revert back to the City of Custer.
3. Right to Re-Claim the Northern Portion: The City shall retain the right, if necessary, for housing development to reclaim the northern portion of Tract Hospital 1, provided that such portion has not been developed or utilized by Custer Cares.
  4. Financial Support: The City agrees to extend its existing financial support agreement with Custer Cares for an additional year, thereby providing a fourth year of annual funding in the amount of \$347,000 for fiscal year 2028.
  5. Compliance: The provisions of this resolution are contingent upon Custer Cares remaining in compliance with all applicable laws and city agreements.

NOW, THEREFORE, BE IT RESOLVED by the Custer City Council that the transfer of approximately five (5) acres of Tract Hospital 1 to Custer Cares, subject to the above conditions, is hereby approved contingent upon plat approval, agreement being signed by both parties, and the filing of the quit claim deed.

Dated this 8<sup>th</sup> day of September, 2025.

CITY OF CUSTER

S/Robert Brown, Mayor

ATTEST: Laurie Woodward, City Administrator / Finance Officer

**Budget Work Session**

The council held a brief budget work session.

**Adjournment**

With no further business, Councilperson Jenniges moved to adjourn the meeting at 5:38 pm. Seconded by Councilperson Pechota, the motion carried unanimously.

ATTEST:

CITY OF CUSTER CITY

Laurie Woodward  
City Administrator/Finance Officer

Robert Brown  
Mayor