

American Rescue Plan Advisory Committee Meeting Minutes

City Hall Auditorium 250 N. 5th Street

June 14, 2022

ARPA Committee Members in Attendance: Bill Wade, Chair; Cindy Enos-Martinez, Diane Schwenke, Gary Schroen, Estrella Ruiz, Laurel Cole, Linda Taylor, Raul De Villegas Decker, William Findlay

Members Not in Attendance: Kay Ramachandran, Ben Herman

ARPA Committee Councilmembers: Abe Herman, Dennis Simpson, Randall Reitz

City Staff: Greg Caton, City Manager; Tamra Allen, Community Development Director; Jodi Welch, Finance Director; Johnny McFarland, Asst. to the City Manager; Ashley Chambers, Housing Manager

Updates from Subcommittees

Housing – Laurel Cole

The housing subcommittee continued looking at several different housing project options but generally they still agree that developing a land trust for affordable housing is a great way to utilize the ARPA funds. Largely because it will leverage funds for the greatest number of people for the longest amount of time. They would not like to open it up for individual proposals and instead focus on the larger scale project. So, they recommend removing “housing” from the letter of interest solicitation.

There was a question regarding whether it is possible for the City to handle establishing the land trust, and general agreement that this is a possibility, with an alternative being setting up a new entity to oversee the trust.

The Chair also mentioned that in discussion with City staff and amongst the Committee members they would recommend the approach of not soliciting for housing, but it does not mean they won't evaluate potential housing projects if those were submitted.

Homelessness – Bill Wade

The primary item for this subcommittee is whether or not they would be willing to accept programmatic *and* capital submissions. The decision was made to not only look at capital projects but include programmatic requests. Given that the funds may be utilized for program services as indicated in the LOI, the determination as to each project's merits will come down to the letter of interest and scoring criteria.

Behavioral Health – Raul De Villegas-Decker

There is general agreement in this subcommittee to move forward with behavioral health as a focus area, recognizing the need in the community. There is also information that other state funding may be available for behavioral health through new grant programs.

There were no concerns with this, everyone seems to understand the need to fund the program recommended. We do have information that there will be state legislation funding available.

Regarding whether the whole committee should fund new projects or stick with the first proposal; Raul reached out to community partners and there were some ideas brought up. Substance abuse and recovery there is a real need. However, the subcommittee recommends a focus on the project proposed initially rather than opening it up for new applications in the letter of interest solicitation. Looking at the long-term impact of what is currently proposed is very consistent with what the committee is looking for.

The subcommittee also believes the \$900,000 is appropriate for what is being proposed. It will be important to review what's on the agenda today, and review state funding opportunities. Raul has contacts that could give additional information and will put that together if the committee moves forward on funding the project.

A question was raised seeking clarification that the subcommittee is recommending they do not accept other behavioral health proposals. This was confirmed with the caveat that the committee could evaluate who might manage and run the program, however.

The Chair recommended a full committee vote to limit funding to only this one behavioral health project.

The perspective of the Chair and Vice Chair is that they feel all three of these are areas where the committee can effectively utilize the funding. There was general agreement that the committee as a whole feels these areas of focus are good. A couple comments included that if they do not move forward on the work already done the Committee could end up in analysis paralysis. Ultimately, there was unanimous approval to stay focused on the three subcommittee policy areas.

A comment was brought up indicating a need to decide how to allocate the funding for each area. It was brought up that the Committee can easily subtract the \$900,000 for the behavioral health proposal. There is a need to understand, for the housing piece, where funding for other areas will be before they can give a confident proposal for housing land trust.

It was brought up that maybe the subcommittee can determine what the minimum request would be for a land trust, then can base additional homelessness requests off the remainder.

Discussion on Letter of Interest and Scoring Grid Criteria

Discussion on how the process will work – Bill and Ben met with city staff to discuss this. When the Committee finalizes the letter it will be posted on city website as well as a way to contact the city so it can be sent to them. The agencies responding will have 30 days to send in submissions. They will be reviewed by staff for completeness and given an initial score. Then, submitted to Committee for final review. When an application comes in they will be separated into three piles, incomplete or not addressing one of the policy areas, mostly complete but missing a couple answers to the LOI questions, and fully complete. The Committee could come back in an August meeting for final review.

Again, the question was raised regarding how to divvy up the funds. Laurel Cole indicated she thinks the housing committee should better understand what the cost could be for setting up the land trust. If the Committee is not reviewing projects until August, the subcommittee can always bring that back to the full Committee.

A question was raised as to why it wouldn't be appropriate to just give this money to the City so they can start this project on their own? The answer was that, in part, because the committee has already identified a narrow, tailored use for the funding. If, say, 4.5 million is not enough for the committee to start a land trust, that is something they would need to discuss.

A question was raised regarding the timeline for a land trust, balanced against a concern that the longer it takes, the greater the cost of purchasing land. The answer was that the land trust setup is not a long process; if it is set up, it is possible to preserve the land now so that it remains affordable into the future. The land is purchased with ARPA funding, then leased at a low cost which remains forever. It's ultimately all in how it is set up. There could also be another way to do this without setting up a separate entity.

The Chair mentioned that one of the things he's gathered from the current discussion is an interest in deciding how much goes where. He suggested the Committee discuss this at the July meeting.

Councilmember Herman indicated it is important not to just say they have a bucket for each of the three areas, rather, it might be important to understand the project proposals first so the committee can divide based on impact. There was some agreement from other members. A response to this was that it seems the committee is only soliciting for homelessness, so two out of the three areas are already addressed.

The Chair reiterated that he feels it's important that if the Committee does not solicit from other areas in the community, they need to have a committee vote.

A question was raised as to whether one organization could submit multiple requests. It was generally agreed that LOIs are project-based, not organization-based.

A concern was raised there is a need to have something regarding long-term sustainability as part of the criteria matrix.

The committee commenced evaluating the current draft of the Letter of Interest (LOI).

- With homelessness, the focus on one term – Homelessness instead of Houselessness
- Evaluation of items 2-7 recognizing this is not a full on proposal?
 - o Should add budget for sustainability built into the proposal and project
 - o If there are ongoing costs, what is the funding source? Does the organization have capacity to manage this program years down the road?
 - o Sustainability will be a major criteria for much of the committee
- There was agreement to make sustainability a new item (8)
- A question was raised regarding adding a project timeline. It was agreed this should be covered under item 5
- On item 7 – there was a recommendation to include a requested and minimum viable amount, similar to other nonprofit grant applications
- A question was raised asking if organizations should include their collaboration with other agencies on the project. A stronger project may have more than one project partner

Criteria Matrix

Looking at evaluation criteria originally proposed a couple months ago, would committee want to add “collaborative partnerships” to criteria list?

The discussion on the criteria matrix was halted to discuss whether the committee should actually be limited to only homelessness.

Raul argued that for community fairness he feels the committee needs to allow behavioral health proposal solicitations. He also suggested that it could still be reasonable to solicit for housing.

Alternatively, he recommended the committee could repeat the process for homelessness and ask the homeless subcommittee to bring a single project forward in a similar manner as housing and behavioral health did.

- There was some initial disagreement; because the Committee has been designated to make tough decisions, it makes sense for them to make a decision on the solid projects in two policy areas that are already pretty solid.
- Another comment was that if the Committee goes back and opens solicitations to all three areas of focus for the letters, they might be creating false expectations given that some committee members already feel strongly about the two proposed projects.
- Another consideration is that the housing and behavioral health projects both have a significant community benefit given they do not benefit a single organization but the city as a whole.

A comment was added by a committee member that the Committee should also evaluate and score submitted proposals even if they aren’t related to the policy areas.

- The committee has discussed this, and it was generally agreed that the committee is soliciting for three focus areas but would not deny a project proposal unrelated. They will still look at those.
- There was some disagreement and a push for committee to begin making decisions rather than continuing to open this process up. It was brought up that many other cities simply made the decision to spend ARPA rather than establishing a committee so that is something to keep in mind. Effectively, regardless of what the Committee decides, the recommendations will still be more thorough and include more community feedback than the process in most other communities.

The Chair suggested that the Committee will not move backward and open up the areas of focus but if a proposal is not within the three areas, it will be sent to the ARPA committee, not scored in one pile. Pile two would be proposals that are complete and within focus areas. Pile three of proposals would be those that are within criteria, but not entirely complete.

The Chair called a vote of the Committee to only accept solicitation of homelessness

- Vote: 7 – 2 in agreement to only solicit for homelessness

Councilmember Reitz suggested it might be good to check in with City Council to verify they are in agreement with the current direction of the committee. Specifically, to let them know committee has chosen projects for two focus areas, and want to solicit proposals for homelessness.

There was some disagreement from councilmember Herman who felt that Council didn't set up the committee to micromanage them. Councilmember Simpson concurred with Councilmember Herman and it was decided not to check in with Council at this time.

The Chair summarized what had been decided by the committee to ensure consensus and the meeting adjourned.