

## American Rescue Plan Advisory Committee Meeting

### Minutes

May 10, 2022

**ARPA Committee Members in Attendance:** Bill Wade, Chair; Ben Herman, Vice 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

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

**City Staff:** Greg Caton, City Manager; Tamra Allen, Community Development Director; Scott Rust, Deputy Finance Director; Johnny McFarland, Asst. to the City Manager; Isabella Vaz, Communications Specialist

### Housekeeping

*Meeting and Decorum* – The Chair asked that committee members hold comments members may have regarding the agenda items until the items are up for discussion or presentations have concluded.

*Committee Vote on Recordings* – The chair, on the advice of city staff, requested a formal vote on whether to continue video recording of meetings. It was moved and seconded, passing by voice vote.

### Committee Updates

*Homelessness* – The chair indicated that because the community has an identifiable number of homeless and we have several issues tied to this, the subgroup advises continuing to pursue this as a potential funding option.

*Housing* – The subgroup has fanned out and shared the burden of evaluating this topic – looking to narrow down while also finding tools that can support housing development. They have found that land is a major key. Without land, it would be difficult to pursue other policy approaches. The spectrum is anything from 20-40% AMI to the 80-120% AMI range. The 80-120% range will be an easier issue to tackle.

One of the first questions the subcommittee had was what it would take to find solutions for the 20-40% AMI Response was that it would take significant and ongoing subsidies.

Laurel Cole provided updates on housing-based land trust. One of the first items looked into was meeting with the Housing Authority to cover what possibilities might look like.. Looking at how we can look at 60% and up, evaluated a few different models. Metro Denver land trust established partnerships with a shared appreciation amount, housing authority manages the bill and sale. Affordability comes from the fact that the housing remains affordable; 99 year leases. Habitat's role in those home is that they verify the income of new residents. They are also acquiring townhomes and multifamily that need some refurbishment so they can put it into the land trust. They are willing to share any additional information.

Urban Land Conservancy – acquire and develop real estate in urban areas. Depending on how land trust is set up, it could service other needs in the community. Waiting for additional info. Incubated the Elevation Land Trust, looking to expand to serve different parts of the state. Seems that the land trust models can be flexible in how they are set up.

If we do move forward with a land trust, we could purchase land for mobile home communities to make it affordable for them. A lot of conversation with HA is what to keep in mind with a land trust – plenty of additional background that can be provided.

There were a couple questions asked by other committee members, specifically regarding where initial funding comes from and whether the land trust organizations are tax exempt. The response is that funding typically starts fairly low, with a gradual build up from donation and purchases over time. The land trusts are generally tax-exempt, run by either a government entity or a non-profit. One option that could be explored is having the City own the land trust by manage it with a board of trustees. There were other questions regarding how resale on land trust properties works, it was indicated that the land trust can be set up in a variety of ways with controls that regulate the value increase.

Bill Findlay has been looking at creative funding opportunities in the mountain communities. One seen the other day was a 2019 county land trust. Land trust in Ouray County is developing a mixed-use building with a state grant, land owner selling at 20% below appraised value. Developer is teaming with habitat to bring about housing, childcare, commercial space.

Ben Herman – subsidy retention is the big area many communities are looking for – rather than a single initial buydown of the property. The subsidies are built with upwards of 99 year life.

### **Potential Additional Funding Areas for Consideration**

The committee heard three proposals in the realm of behavioral health, open space funding, and childcare.

*Behavioral Health Services* – Raul De Villegas-Decker provided an overview of his proposal. The gist is that the community needs behavioral health services, one of the areas being considered is the issue of workforce training to meet the needs of communities. The Proposal is to set aside roughly 900K to develop a workforce initiative; core elements are simple. Increase number of servicers who come to GJ and stay here – driving factor is affordability, housing availability. The Initiative would provide a stipend for individuals, would need to partner with community for profit or nonprofits for this. Could allow new or upcoming licensed servicers to receive 2 years of stipend and may attract them to the valley. Bringing people onsite may assist with permanent recruitment as there is plenty of work opportunity for people in the field. The Initiative would contribute at least 1 hour of clinical supervision as well. Addresses issues of new licensees not receiving much support from experienced folks in the field. Money will also help to bring in a collaborative process, creating cohesive training environments for the good of the whole rather than competing with one another.

There were questions raised regarding specifics of the program including whether tuition forgiveness for these types of workers is available in the valley and if there would be a requirement that clinicians stay in the community for a period of time after receiving the stipend. Tuition forgiveness is available, this program would offset additional costs because those in the forgiveness program must continue to make

payments until after completion of the requirements. There would be no requirement that clinicians stay in the valley after two years.

*Open Space Proposal* - William Findlay recommended tying funding the committee puts into housing with open space requirements. Effectively, a small percent of funding dedicated to housing would be dedicated to improving existing community open space.

One question asked was whether the City currently already has such requirements. Tamra Allen provided a brief overview. From a requirement standpoint, more than 10 units 10% should be for park development. In many of those, it doesn't make sense to take in small tracts, so the developer pays an in-lieu-of fee. Impact fee, per unit fee: builds capacity within parks and open space program.

*Childcare* – Bill Wade provided an overview of his perspective on childcare. He spent some time discussing with the state, community organizations. It is clear and obvious we need additional childcare and personnel. In discussing with the state and county, the availability of the grant funding is specifically for personnel, very few available specifically for building infrastructure, adding childcare physical capacity. Community Hospital also reached out about opportunities to help them with their funding needs. He feels the committee should at least consider proposal opportunities in childcare where grant funding is limited. This is an area the committee could have a recognizable impact. Personal opinion is not to preclude some funding areas just because there may be additional funding available. If the committee is wider in the evaluation process, they can narrow down moving forward.

### **Discussion and Selection of Funding Priorities**

The committee discussed the merits of limited funding priorities now, or keeping a wider net opened. City Council representatives each gave their perspective. Abe Herman suggested that a variety of projects to choose from would be helpful, above or below the \$9 million in funding available. Randall Reitz indicated he'd prefer not to have more than 2-3 options available. Dennis Simpson suggested the committee could come up with more than the total funding amount to Council and Council would have the discussion about whether to potentially fund over the \$9 million with additional City funds.

The committee held a vote on each of the three additional priorities:

- Behavioral Health Services: Committee voted to pursue this area
- Open Space & Affordable Housing: Committee voted not to pursue this area
- Childcare: Committee voted not to pursue this area

The Chair asked for a final vote to decide the funding priorities of the committee. There was some discussion regarding what this vote means, and if it closes the committee off from future funding option discussions. There appeared to be general agreement that the issue could be reopened by vote of the committee if they come across a proposal or idea that does not fall within the three decided funding areas. A final motion and vote was held to officially evaluate housing, homelessness, and behavioral health services. 9 in favor, the motion passed.

### **Process Development**

The Vice Chair passed out an initial “evaluation criteria” form to committee members as a means of starting a brainstorming session on what criteria should or should not be considered when the committee begins evaluating proposals.

There was also discussion about whether the community should bring proposals to the committee, or whether the committee should solicit proposals. It was generally agreed that the community should submit proposals through a formalized process. The Chair and Vice Chair will meet with City staff in the coming weeks to discuss how the process could work.

The various subgroups were tasked with evaluating the criteria sheet and presenting their recommendations to the committee of the whole at the June meeting.

**Adjourn**