

Housing Advisory Committee
August 16, 2023

1. HAC Chair Pat Noonan takes attendance

Committee members in attendance in person or via Zoom: Pat Noonan, Mindy Mohr, Paul Bunyard, Lisa Smith, Andrew Heesacker, Roger Jones, Tim Rogers, Matthew Wedell, Harrison Wilterdink

City staff present: Linda Haley, Carie Espinosa, Samantha Bradley, and Lisa Snyder

Others present: Mollie Fitzpatrick (Root Policy Research)

2. Updates from the City`

- **Prop123** - Arvada City Council approved a resolution to “opt-in” to Proposition 123 on July 10; developers can now apply for funds from the State pool;
- **Public Access** - meetings will be recorded and posted for the public. Members of the public can attend meetings, but cannot participate. If a member of the public has a question or comment they may direct it to Sam Bradley sbradley@arvada.org; any detailed question pertinent to the HAC and its duties may be answered at the following meeting;
- **Preserving transparency** - HAC members should not have outside conversations with each other regarding anything discussed in the HAC meetings. HAC members can email the Liaison (Sam) general and logistics questions, but nothing specific can be discussed. Sam cannot disclose non-public information in private conversations with HAC members outside of meetings. Sam will add the detailed questions to the “Updates” slides at the next meeting

Updates: Questions from Committee Members

- Q: Why isn't Arvada a member of the Jeffco-Lakewood HOME Consortium?
A: The City intends to join the Consortium in 2024; The Consortium must submit a 10 year plan to HUD. The next plan is due 2024, so it made sense to wait until that point to join.

Comment: It was mentioned that the City may want to coordinate with the Arvada Chamber of Commerce to discuss business interests and how they coincide with workforce and attainable housing.

Response: Sam is in regular communication with Marsha Barancik (SVP Strategic Impact) looking for potential cross collaboration opportunities.

3. Housing Strategic Plan

What does the City hope to achieve?

- The City hopes to achieve a document to outline the City's vision and goals around housing as well as prescribed actionable steps; a framework for future decision making.

What does the City hope to address?

- Equity in all actions
- Ensures private and public support
- Establishes clear action paths
- Includes critical timelines for action
- Build on existing program, studies and tools;
- Maps out the actions that are underway and or in progress;
- Considers emerging issues;
- Identifies land opportunities for affordable housing;
- Establishes goals and associated milestones to use and track progress; and
- Monitors actions and progress

What has the City done so far?

- Engaged Root Policy to update key metrics in the 2020 Housing Assessment
- Seated the Housing Advisory Committee on May 1, 2023
- Kick-Off Meeting of the Housing Advisory Committee
- Determination of City Resources and Pipeline
- 2nd HAC Meeting

Strategic Plan Milestones

- Listing the steps planned from the beginning of the 2020 Housing Assessment to the ending of the Plan Approval

Timeline for Strategic Plan

- A timeline was created listing the items to complete, by quarter, starting with Q2 2023 with the HAC Kick-Off and ending with Q4 2024 with the Board Approval.

4. Strategic Plan Recommendations

- **Affordable Housing Fund**

- The Affordable Housing Fund (The Fund) is being used to offer grants and below market financing to projects in the development pipeline to help projects reach closing.
- Sam created an Affordable Housing Fund chart listing:
 - Upcoming Commitments by Type, Project, year and Description.
 - 2023 Payments by Type, Project, Status and Description

- Annual Interest, Anticipated Balance 2023 and Anticipated Balance, less upcoming commitments
- **Recommended Principles of the Affordable Housing Fund (The Fund)**
 - The Fund is intended to be a renewable source of funding for affordable housing in Arvada;
 - The initial pool of funds was comprised of payments on loans and grants issued by the City or the Arvada Housing Authority over the last 40 years;
 - Proceeds from affordable housing projects where the Housing Authorities affiliate, Arvada Housing Partner LLC participates as the Special Limited Partner will be added to the Fund
 - Interest and Principal payments of loans made from the Fund will be added back to the Fund:
 - Principal and Interest payments on loans made from the General Fund will be added to the Fund:
 - Recommendations for Fund distributions will be made to Council at the sole discretion of the Arvada Housing Authority;
 - All distributions must be approved by Council
- **Recommendations for eligible Projects**
 - **Threshold Criteria**
 - Income Restricted Rental Developments and Homeownership Initiatives
 - For Loans: Borrowers must demonstrate a feasible repayment plan for the funds;
 - All distributions will include an interest payment set at a minimum of the Applicable Federal Rate (AFR)
 - Maximum loan term : 30 years maximum loan amortization: 40 years
 - Maximum time to closing from date of award: 1 year
 - No changes to development plan following notification of award without City approval
 - Government entity SLP
 - **Priorities**
 - Arvada Housing Partner is the SLP
 - Strategic Plan compliant
 - Projects that are 100% Affordable;
 - Project that either add new affordable units to Arvada's housing... stock, or preserve and add income restrictions to naturally occurring affordable housing
 - Multi-Family Rental Housing Projects
 - Projects where the loan serves as gap financing or projects where the Loan can be used as a "match" for another funding source
 - The City is acting as a "lender of last Resort"

- **Procurement Recommendations**
 1. Public Procurement Process on an Annual or Semi-Annual basis as needed;
 2. Project Selection will be done by a Public Meeting where qualified members of the City team will select a project based on criteria outlined in the RFP
 3. HAC's role will be to help the City team determine the Principles that will govern what the Fund is used for, and the standard Selection Criteria
 4. If the Principles and Standard Selection Criteria need to materially change based on market and economic conditions, those changes can be brought to the HAC

- **HAC feedback on including the Affordable Housing Fund in the Strategic Plan**
 - **Discussion:**
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- **Community Engagement Strategy from Root**
 - **Updates from Mollie Fitzpatrick**
 - **Community Engagement Feedback from HAC**
 1. **Engagement with the Business Community**
 - Hiring and employing those that cannot afford to live in Arvada
 - Shortage of workforce housing
 - Potential engagement with the Arvada Chamber of Commerce
 - Confirmation if housing is actually barrier to hiring
 - Is the business community willing to provide financial support or a special tax to support housing efforts?
 2. **Attainable Housing Developers (workforce / starter homes, etc.) who specialize in “missing middle” housing product**
 - Opportunities for soft density
 - For sale and rental products
 3. **Level of community support for the idea that someone working in Arvada should be able to live within the City**
 - Breakdown of jobs by income and sector
 - What is considered to be an “appropriate commute”
 4. **Community support different types of housing stock and locations**
 - TOD, dense housing, missing middle, rental vs homeownership
 - Support for inclusionary zoning

- Support for using City funding
- 5. **Affordable Housing Developers: what incentives are they looking for / what are their greatest challenges?**
 - Zoning issues / bonuses
 - Impact fees
 - Waivers etc.
- 6. **Focus groups by district: are residents in some districts more amenable to affordable housing development and certain types of construction than others?**
 - What are the barriers in areas where affordable housing has more resident support?
- 7. **Data Question: Can Root provide a breakdown of jobs at each income level versus availability of housing for each level as well as percentage of housing stock available by income level?**
- 8. **Root is helping Jefferson County with their engagement as well and they are hoping to bridge the gaps and layer information between the City and Jefferson County information**
- 9. **Cutoff date to get ideas for community engagement approximately September 15th. Get ideas to Sam so she can get them to Mollie.**
- **Homework from Sam before next HAC meeting**
 - Email Sam with any ideas and suggestions for community engagement by September 15th. Sam will email the ideas to Mollie.
 - Re: Affordable Housing Fund. Sam wants fully formed plan and strategy to present at the next meeting. Email any additional comments or suggestions to Sam. Sam will combine the new comments into the strategy.

