

Housing Advisory Committee September 25th, 2024

1. HAC Chair Pat Noonan takes attendance

Committee members in attendance in person or via Zoom: Pat Noonan, Mindy Mohr, Paul Bunyard (virtual) Alicia Coulter, Tim Rogers, Matthew Wedell, Harrison Wilterdink

Committee members absent: - Andrew Heesacker, Lisa Feret, Tim Rogers

City staff present: Carrie Espinosa, Jessica Garner, and Samantha Bradley

2. Housing Advisory Committee Bylaws and Legal Refresher – Legal Presentation

- Bylaws
 - Adopted by City Council on November 7th, 2022 when Council created the Housing Advisory Committee
 - All bylaw amendments must be approved by City Council
 - Provide the structure and rules of procedure for Board meetings and operation of the Board.
 - For any issue or situation that is not addressed in the Bylaws, Robert's Rule of Order applies.
 - Bylaws are similar to City Council and other boards and commissions at the city.
- Bylaws: Proposed Amendments
 - Article III – Membership, Section 1 (d)
 - Allow for City Council alternate to attend and vote on behalf of the City Council liaison.
 - City Council already has authority over this committee and allowing an officially named alternate to participate allows flexibility and ensure business is completed in a timely manner.
 - The Clerk's Office will have to work with Council to appoint an official alternate; there is not one at this time.
 - Article IV - Meetings, Section 1
 - Provide HAC flexibility in setting meeting schedule each year.
 - Meeting shall be posted on the City's website and removed reference to Division of Housing and Preservation and Resources website.
 - This doesn't prevent staff from posting other places but allows for flexibility as our website evolves.
 - Article IV – Meetings, Section 5
 - Changes the definition of quorum for the transaction of business from 7 Committee members to 5 Committee members.
 - This aligns with other boards and commissions within the City and common practice that a quorum in more than half of the appointed members.
- Bylaws: Specific Provision
 - Article VII – Amendments, Section 1
 - All proposed changes will have to be approved by a majority vote of City Council at an upcoming meeting.
- Duties of HAC as established by Arvada City Council
 - Duties established by Resolution R22-095
 - Participate in the development of a Housing Strategic Plan that recommends goals, actions, and policies to inform the development and preservation of affordable housing, which will be presented to Arvada City Council for approval;
 - Provide recommendations to Arvada City Council on matters related to innovations in housing policy and programs that are

- based on evidence-based studies and quantitative data;
 - Provide recommendations to Arvada City Council on matters related to community engagement regarding affordable housing-related projects, programs, and services;
 - Review annual progress reports from the Arvada Housing and Preservation Resources Division regarding implementation of the Housing Strategic Plan;
 - Provide public education services to the Arvada community specifically designed to increase local knowledge and understanding about affordable housing, and barriers, and strategies to achieve Arvada City Council's strategic goals related to affordable housing;
 - Provide recommendations to Arvada City Council that address barriers to housing and focus on equitable, energy-efficient, and high-quality housing outcomes for Arvada; and
 - Communicate Committee recommendations on a semi-annual basis with the Arvada City Council.
- Colorado Open Meetings Law (OPM or Sunshine Laws)
 - 3 or more members discussing a pending business decision would violate the Open Meeting Law.
 - This can happen in person, virtually, via email, social media, comments section, etc.
 - Ex Parte communication should be disclosed to staff and the rest of the board.
- Colorado Open Records Act (CORA)
 - All documentation created and maintained by the City and its employees are subject to CORA (this includes committee members acting in their capacity as committee member for the City)
 - Emails, Social Media, Texts
 - Communication with the City's attorneys is confidential until shared with someone who is not a client of the City's legal department.
- Conflict of Interest and Rules of Behavior and Standards of Conduct
 - HAC members must recuse themselves from voting on any matter of which the member has a direct financial interest or other conflict of interests.
 - Examples of other: Direct family member, active lawsuit or criminal case
 - Rules of Behavior and Standards of Conduct
 - Arvada City Code 2-371 through 2-383

3. Strategic Plan Update

- Review of Strategies
 - Federal and State Funds and Nonprofit services Partnership
 - Allocation of publicly owned land and/or land banking initiatives
 - Revenue Source for the AAHF
 - Production of income-restricted housing
 - Investment in preservation of existing income-restricted properties and NOAH
 - Staff Capacity
 - Development Incentives for Affordable Housing
 - Applicable Recommendations from Jeffco Housing Advocacy Steering Committee
 - Explore Affordability requirements/impact fees for new development.

- Strategy #2: Land Banking Proposition 123
 - Timing
 - Application was released September 9th, 2024.
 - CHFA begins accepting Letters of Intent September 16th, 2024
 - City sent in a Letter of Intent September 20th, 2024
 - City may be invited to submit a full application
 - 60 days to submit an Application (if invited)
 - 2024 Identified Criteria
 - High-density housing
 - Mixed-income housing
 - Environmental sustainability
 - Shovel-ready projects that result in new units
 - Use of modular/off-site construction if cost competitive
 - Inclusion of home-based child-care units or commercial-child care facilities
 - **NOTE: CHAFA is looking for Projects ready to start construction in 12 months;**
 - Prop 123 City Application
 - Property is not officially for sale – City team is working with broker
 - Site is near the Avi and would need to be demo'd and redeveloped
 - TOD and very walkable; entire block is being redeveloped
 - Weaknesses of the Application
 - Site can't hold that many units
 - No room for commercial space for a daycare
 - Without a self-development arm, City cannot begin construction in 12 months
 - City would use the grant to purchase the land then publish a Request for Proposal for an Affordable Housing Developer and Property Manager
 - City can offer vouchers and an allocation from the AAHF as a form of support
 - Strategy #3: Arvada Affordable Housing Fund 2024 NOFA and Application
 - Set to be released end of this Year
 - There may not be a project in the current pipeline that is at the point where a strong application can be made
 - Project Selected before the end of the Year
 - Award: Up to \$500,000
 - REMINDER: HAC will select Criteria for 2025 at Next Meeting.
- Review of 2024 Criteria
 - Threshold Criteria – Projects must meet this Criteria to be eligible to apply.
 - Project must yield or rehabilitate income-restricted units;
 - Borrowers must demonstrate a feasible repayment plan for the funds;
 - All loan 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
 - 20% deferred developer fee
 - If LIHTC Rental: Government entity SLP
 - If Acquisition Funding: Developer accepts a Restrictive Covenant on the land so that it may be used for income-restricted unit only:
 - Priorities – Projects need not meet these criteria but will likely be more competitive if they do.
 - If a Rental: Arvada Housing Partner is the SLP
 - Strategic Plan complaint
 - New construction or conversion of market rate units to income-restricted
 - Lower funding request per unit
 - Funds can be released at Conversion/Lease-up instead of pre-development or construction
 - 30% deferred developer fee or greater
 - “Shovel-ready”
 - Properly zoned
 - Fully funded* with award
 - Environmental reporting and permitting process is expected to be complete by time of award

4. Discussion for Possible 2025 Criteria

- **HAC Members will send in ideas to Staff Liaison**

5. Marshall Pointe – 260 Units

- Preparing to bring to Council in November
 - Project Description:
 - 100% affordable (under 80% AMI) – Strategic Plan Strategy #4
 - Average income level of 60% AMI
 - Case management services for Voucher Units provided by collaboration with Family Tree
 - Construction Closing slated for Q1 2025
 - Project Description:
 - 8 Project Based Vouchers set at 120% AMI
 - \$1.7 M in fee reductions
 - \$850,000 loan from AAHF – Strategic Plan Strategy #3
 - 3.5% interest rate (or AFR if higher)
 - Interest-only
 - 20-year term
 - Special Limited Partnership to waive use and property taxes for 15 years
 - One time partnership fee paid by Project
 - Annual PILOT/Asset management fee: \$50 PUPA
 - \$2M DOLA Grant to city to cover some fees on behalf of the project - Strategic Plan Strategy #1

6. Development Pipeline

- Ralston Gardens
 - Under construction (almost complete)
- Marshall Street Landing
 - Under construction
- Legacy Senior Residences
 - Under construction
- Marshall Pointe
 - Pre-Development
- Habitat for Humanity Townhomes
 - Pre-Development
 - City is working to make a CDBG Award to help cover sewer fees
 - Strategic Plan Strategy #1

- Pre-application (not yet Public)
 - 24 unit rental townhomes
 - 54 unit rental workforce or affordable

7. Items Pending:

- Strategic Plan Strategy #7: Review of Land use Code to determine Affordable Housing development incentives
- Strategic Plan Strategy #9: Review of possible Zoning incentives
- Strategic Plan Strategy #3: NOAH Preservation Strategy
- Strategic Plan Strategy #2: Land Banking (independent of Prop123)
 - List of properties – 128 total
 - Almost all are being used
 - Need to further investigate which are being underutilized.