

MINUTES

CITY OF FORT COLLINS • BOARDS AND COMMISSIONS



CDBG COMMISSION & AFFORDABLE HOUSING BOARD

JOINT WORK SESSION

Wednesday, March 27, 2019 5:15pm

222 Laporte Avenue Colorado River Meeting Room, First Floor

1. CALL TO ORDER & ROLL CALL

At 5:33 PM the meeting was called to order by Amy Dondale.

- CDBG COMMISSION MEMBERS PRESENT:

- Serena Thomas (arrived at 6:30pm)
- Olga Duvall
- Margaret Long
- Sara Maranowicz
- Steve Backsen
- Joshua Johnson
- Pat Hastings
- Amy Dondale
- Anita Basham

- AFFORDABLE HOUSING BOARD MEMBERS PRESENT:

- Jen Bray
- Catherine Costlow
- Diane Cohn
- Rachel Auldridge
- Jeffrey Johnson

- STAFF MEMBERS:

- Adam Molzer, Staff Liaison, CDBG Commission – City of Fort Collins
- Sue Beck-Ferkiss, Staff Liaison, Affordable Housing Board – City of Fort Collins
- Beth Rosen, Social Sustainability – City of Fort Collins
- Beth Sowder, Social Sustainability – City of Fort Collins
- Janet Freeman, Social Sustainability – City of Fort Collins
- Rob Hope, Social Sustainability – City of Fort Collins

2. AGENDA REVIEW

3. PRELIMINARY REVIEW AND DISCUSSION OF AFFORDABLE HOUSING PROPOSALS FOR FUNDING THROUGH THE COMPETITIVE GRANT PROCESS

The members of both groups (Affordable Housing Board & Community Development Block Grant Commission) introduced themselves.

Adam Molzer began by iterating that the goal of the evening will be a “high-level,” collaborative discussion to review three (3) funding applications for affordable housing, followed by presentations from each applicant. The primary goal for the first hour is formulating a list of questions extracted from the applications.

Specifically, he asked that the group refrain from discussing funding for any proposal.

He expressed that this meeting was a great opportunity for contribution from both groups and an occasion to gain a better understanding of the perspectives each group brings to the subject matter.

Beth Rosen explained the timeframe and potential budget scenarios for the anticipated HUD funding commitment that will be made to the City of Fort Collins.

- **HO-3 Volunteers of America: Senior Residence at Spring Creek**

Anita Basham asked for clarification of the location of the project, to which Beth Rosen and Sue Beck-Ferkiss provided details.

Margaret Long discussed her concern about road median options near the site, with consideration for the senior pedestrians that would be using crosswalks in the area.

Anita Basham discussed her concern about train traffic at the railroad tracks near the site, similarly with consideration for the senior pedestrians that would be walking in the area.

Rachel Auldridge discussed her concern about noise issues from the train system on the west side of the proposed building. Beth Rosen mentioned that HUD has specific building requirements to mitigate noise at sites like this one.

Jeffrey Johnson discussed his interest in CHFA’s review of the site being next to a train track. Beth Rosen explained that CHFA takes many factors into consideration.

Jen Bray discussed her interest in knowing whether the developer has an understanding of local building costs and requirements.

Anita Basham discussed her concern about not knowing how much funding would be available for this project from the Commission, and the fact that the 9% tax credit decision arrives later. Beth Rosen and Sue Beck-Ferkiss explained the process and conditional agreement

arrangements with the City of Fort Collins.

Jeffrey Johnson and Jen Bray discussed his curiosity about the support letters in the application from CHFA that address programming efforts after construction. Don't understand how these programs relate to the construction, or how they would be sustainable long-term.

Diane Cohn discussed her curiosity about the status of the zoning modifications.

- **HO-2 Villages, Ltd – Housing Catalyst: Myrtle Street SRO**

Jeffrey Johnson asked why the application did not include a capital needs assessment. Beth Rosen explained the role and requirements of the capital needs assessment.

Olga Duvall discussed her concern about the funding request being a high percentage of the total funding for the project, and that there are only 2 funding sources listed. She asked staff if it is customary to have so few funding sources for a project and what normative percentage shares supported by the City of Fort Collins would typically be. Beth Rosen offered that she would provide historical ranges in a follow-up memo.

Joshua Johnson discussed an observation that the amount requested in the application is not consistent with the narrative.

Anita Basham raised the question of whether the applicant would use the additional \$200k in reserves approved by their Board if they do not receive the full requested amount from the City.

Pat Hastings inquired about the timing of the pre-application and the full application, and whether the pre-app provides the reviewers with the most current information. Beth Rosen explained the process and technical assistance provided.

Jen Bray discussed her curiosity about what has changed in the scope of work since the November 2018 Housing Catalyst Board meeting and their related shift in the funding request.

Diane Cohn discussed her concern about why the replaced sewer line in 2018 is included in this funding request.

Pat Hastings inquired about whether the current project rehab will establish another 20-years of sustainability.

Jeffrey Johnson inquired about other potential funding sources for rehabs of this size.

- **HO-1 Habitat for Humanity: Poudre Build #6**

Beth Rosen explained that this property was the only eligible applicant in this category of CHDO funding. They are the only project that did qualify for CHDO (Community Housing Development Organization – HUD) funds.

Anita Basham inquired about the development cost of the house (\$265k) and how the mortgage lending is arranged. She also inquired about the appreciation on the property over

time and how the windfall from future sale is addressed. Beth Rosen walked through the equity and lending arrangements, affordability covenants, buyer certifications, and repayment back to the City, specific to a project like the one being proposed by Habitat for Humanity.

At 6:40 PM, the CDBG and AHB members completed their discussion of the three (3) applications under review. The questions that were identified were then printed and distributed to each member prior to the presentations beginning.

4. PRESENTATIONS

Beginning at 6:50pm, the three (3) affordable housing applicants conducted presentations for the CDBG and AHB members, each followed by question and answer periods.

5. OTHER BUSINESS

Adam Molzer noted that the CDBG Commission's next meeting will be on April 3, 2019 at 5:30pm. The AHB's next meeting will be on April 4, 2019 at 4:00pm. He also provided a reminder about the joint Boards and Commissions meeting on April 11, 2019 from 5pm-8pm at the Senior Center that will examine the City's Triple Bottom Line approach towards a topic of common interest.

Adam thanked everyone for their time and energy this evening.

6. ADJOURNMENT

Meeting adjourned at 8:04 PM.