

Custer County Attainable Housing Committee October 18, 2018 Meeting Minutes

The meeting was called to order at approximately 2:00 by chairman Charles Bogle. Other members attending were Teri Munson, Mike Carter, Steve Lasswell, Matty Burt and Autumn Dever (UAACOG). Guests attending were Jay Printz, Tom Flower, Desiree Lipka (Solvista) and Caroline Trani (CHFA).

No minutes were available from the previous committee meeting on September 27.

Steve Lasswell was asked to take minutes for this meeting in the absence of Mike Liebman.

Caroline Trani is the Community Relationship Manager, Southern Colorado, for CHFA (Colorado Housing and Financing Authority). She gave us a pamphlet describing the CHFA community development activities, including financing for businesses and for multi-family residences. CHFA, based in Denver, is not a state entity, but rather a non-profit financing agency, a 501(c)(4). They can finance both non-profits and for-profits. They serve as an authority for both federal and state programs and can help us find resources and best practices without having to start from scratch. Caroline can bring a loan officer to one of our meetings whenever we would like.

CHFA can help us with 20-year fixed low interest loans for businesses and real estate (including collateral support), with tax credits for multi-family housing, and with detailed training. They are used often by UAACOG.

We could consider holding a public meeting to educate the community on the things we can help with as a committee, and UAACOG and CHFA are both willing to participate.

Autumn Dever is now a certified Housing Development Financial Professional. Her housing region includes the four UAACOG counties (Fremont, Custer, Chaffee and Lake) plus Teller, Park and Huerfano counties. Autumn has expertise regarding low interest loans for home repair, low interest mortgages and financial counseling.

Charles Bogle noted that the UAACOG Housing Study (for which the Custer County BOCC provided a portion of the funding) should be completed in the first quarter of 2019. The last one was eight years ago. Charles, Tom Flower and Jay Printz are overseeing the study for Custer County to make sure we get the outputs we need. A community meeting regarding the study will be held in Custer County on the afternoon of December 3. All should plan to attend.

Charles also pointed out that Sheriff's Office employees, teachers and other relatively low income workers really need attainable housing. There are some properties in Westcliffe and Silver Cliff that might be available, and Tony DeLange has designed a \$140-150K starter home (not counting land or utilities). Also, Round Mountain might be able to help with water/sewer utilities.

Autumn said that UAACOG is applying for a DOLA grant that could cover part of her salary for non-standard activities such as participating in Attainable Housing Committees. She asked if Custer County could put up about \$1K matching money. This request will be presented to the BOCC when we become a formal committee.

Autumn also presented that HUD typically defines housing as affordable when it (including basic utilities such as electric, propane, water and sewer) consumes no more than 30 percent of a household's gross income. Other agencies use numbers like 34 percent and 41 percent. Steve Lasswell asked whether job benefits or self-employment taxes affected these percentages. Autumn said these factors were not taken into account.

HUD puts the Custer County median family income at \$48,300. A starting deputy salary is only about \$35,000 and minimum wage is only about \$21,216. The trend of converting homes to Vacation Rental by Owner (VRBO) has severely hurt the rental market, although the VRBO homes are important for supporting tourism.

Tom Flower pointed out that owners don't want to rent their homes due to the possibility of severe damage and the arduous task of evicting renters. It is difficult for our committee to affect this.

Autumn pointed out that federal tax credits for investments in affordable housing are becoming very competitive, ranging from 4 percent to 9 percent spread across 15 years. However, these credits are only available to banks and insurance companies. Her advice is to keep looking until we find a path that works for us. It should help that Custer County is an Enterprise Zone.

If we supply Autumn with the hourly wages for specific jobs in Custer County, she'll tell us what affordable rent would be for those jobs.

Mike Carter noted that there are lots of folks in Custer County who don't own and rely only on their Social Security. They have a huge problem housing here that they can afford. The committee discussed some of the pros and cons of renting vs. buying.

Autumn wants to hold a regional (multi-county) meeting in February to share lessons learned and best practices. She noted that 1 of 3 children in Colorado live in a family paying greater than 30 percent of their income for housing. Also, she stressed the importance of attainable housing and broadband internet to attracting businesses and workers to Custer County.

Charles said we need to capitalize on the data we'll get from the housing study report and that it's critical for us to do something meaningful in 2019. No BOCC investment will be available to support this. Autumn suggested that maybe builders would be open to investing.

Mattie Burttt asked whether affordable rental units could have rules for renters and Autumn said that covenants and housing inspections could be built into our programs.

Mike Carter noted that 6-unit complexes are easy to get approved on 4 lots, but that bigger complexes are much more difficult.

Teri Munson said that Wet Mountain Fire Protection District has land in Silver Cliff.

Autumn indicated that the Housing Study will ask for 3 or 4 pieces of land to be identified including address, size, zoning, cost and owner. We need to identify available land by December 3.

Mattie noted that Coyote Moon, for sale in Westcliffe, has land that is PUD approved for 11 units and that Westcliffe Builders has land across from the bank. Steve Lasswell said that the Hagas are hoping to develop their property east of Bassick Place with housing to be affordable for deputies and teachers. They may want to meet with our committee.

Autumn gave us some handouts including “Factors Impacting Housing Affordability” and “FY2018 Income Limits Summary”.

The committee discussed our draft bylaws and the number of voting members that should be included on the committee. Following committee discussion, Steve Lasswell made a motion to approve the bylaws with a minimum of 5 committee members and a maximum of 9. The motion was seconded by Mike Carter and passed unanimously. Teri Munson will email us the modified bylaws. Persons proposed for initial voting membership are Charles Bogle, Mattie Burttt, Mike Carter, Tony DeLange, Steve Lasswell, Monty Lee, Mike Liebman, Teri Munson, and Autumn Dever (as a tie-breaker). This will be presented to the BOCC on October 31, asking that they recognize us formally as the Custer County Attainable Housing Committee. Autumn will attend this meeting along with Charles.

Our next meeting is scheduled for November 15 at 2:00 pm.

This meeting was adjourned at approximately 4:10 pm.