

CITY COUNCIL COMMUNICATION



MEETING DATE: September 17, 2013 **ITEM NUMBER:** 2.
SECOND READING: N/A
TYPE OF ITEM: Information
PRESENTED BY: Kathy Fedler, CDBG and Affordable Housing Programs Coordinator
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SUBJECT/AGENDA TITLE: Update on Workforce Housing Task Force Recommendations

EXECUTIVE SUMMARY: On May 21, 2013, the Workforce Housing Task Force presented its report and recommendations to City Council about how to address the workforce housing needs/gaps in the Longmont community. Staff followed up with an information item to City Council at the June 25th meeting proposing how to bring back these recommendations for further Council consideration and possible future action. The suggested approach at that time was prepared for the August 6, 2013, Council meeting, which involved the following:

- Provide information on current programs that the city operates and funds that address the three Task Force recommendations on rental housing, homeownership assistance and sustainability.
- Provide information on other possible programs that could be funded or current ones that could be expanded to meet the Task Force recommendations based on best practices, knowledge of what other communities are doing, etc.
- Receive Council direction on which programs they would be interested in exploring, expanding or utilizing to meet the Task Force recommendations.
- Staff (likely with some assistance from subject matters experts) would then conduct an analysis of the costs to operate those programs (including implementation costs and ongoing maintenance, where applicable) and other things that should be considered.
- Present information on 1) how existing funding is being used, 2) how existing funding might be redirected, 3) what the funding gap is to operate the programs that will address the recommendations, and 4) what funding options there are to bridge the gap, including the Task Force recommendations on funding.

This item was pulled from the August 6th meeting, to be rescheduled for a future date. Attachment #1 contains a copy of the August 6 communication for Council's reference.

Since that time, staff has received some additional input about possibly changing the sequence of the tasks outlined in the August 6 communication. Specifically, first estimating the funding required to address the gap between the projected future housing needs (estimated at 1500 units) and the funds currently available to address those needs. Once Council has information about the projected funding gap, Council can then provide direction about how to address the gap (or not address it) and with what source(s) of new revenue. Ultimately, the major policy decision involves needing new revenue sources to address the affordable housing needs for Longmont's workforce, so some felt that Council might as well address that issue straight on.



Both approaches are possible and staff understands the rationale for the suggestion to address the funding issue first. Although it will require a longer preparation time before staff can bring this item back to City Council for further consideration and recommendation, it will likely reduce the number of follow-up meetings that Council will need to dedicate to this topic. However, there may be a need for additional staff analysis based on direction from Council received at the December 10 meeting.

Staff plans to proceed with this modified follow-up approach, unless Council would like staff to bring this item back to City Council for further discussion and direction. To reiterate, staff is not recommending any changes to the scope of work it committed to accomplish earlier this summer; staff is only changing the sequence of when the tasks are completed. Staff estimates that it will take approximately 8 – 10 weeks to complete this work, with a projected Council presentation date of December 10, 2013. With this approach, staff will:

- Prepare cost estimates based on the programs that the City currently operates and on other programs that could be developed to address the Task Force recommendations based on current knowledge and best practices;
- Provide an analysis of what it might cost to continue, expand or implement new projects/programs to meet the Task Force recommendations; and
- Explore, along with additional subject matter experts, funding options, how or whether to repurpose existing funding, what additional funding would be needed, what the gap is and options for filling the gap.

COUNCIL OPTIONS: Information, only, unless Council wishes to provide different direction to staff.

RECOMMENDED OPTIONS: NA

FISCAL IMPACT & FUND SOURCE FOR RECOMMENDED ACTION: NA

BACKGROUND AND ISSUE ANALYSIS: NA

ATTACHMENTS:

1 – August 6, 2013 Council Communication