

# Minutes: WFH Steering Committee

*January 28<sup>th</sup>, 2020 4:00pm*

**Attendees:** Jo Ann Eder, Russ Born, Sandy Conlee, Marcella Manuel, Robin Adams, Tesla Palmatier, Theresa Whistler, Gena Burghoff, Steve Simonson, Myrna Lastusky, Hope Rubyhawk, Morgan Marks, Valentine Smith, Martha Brown, Kristen Hobson

## Minutes:

### Introduction of Guests

- Tesla Palmatier – RLACF Programs Director; Martha Brown – RLACF Chair of the Board of Directors; Steve Simonson – Beartooth RCD; Myrna Lastusky – Beartooth RCD; Hope Rubyhawk – Helena Area Habitat for Humanity Americorps member; Morgan Marks – Helena Area Habitat for Humanity Program Manager; Gena Burghoff – Prerogative Kitchen; Valentine Smith – Former WFH Coordinator; Kristen Hobson – Current Owner/Builder, Beartooth Billings Clinic

### Status of Owner-Built Housing Program

- HAHFH has hired a full-time construction supervisor (Rex). 2/3 homes have drywall installed, with the third set to be installed in the next week or so
- 6 new households were added to the Mutual Self-Help waitlist in December– January. This brings us to 56 total households on the waitlist (including current owner/builders, and 30 inactive clients that have not met with a pre-purchase counselor or contacted Robin in the last 6 months).
- We are likely on track to have 3 households join the next build cycle, but are still actively searching for qualified households to apply so we have a robust pool when it's time for selections. Many clients are still working on financial readiness to join future cycles.

### Committee Updates

- HOME Funds Committee update (*Sandy Conlee, Chris Lorash, Marcella Manuel*)
  - One of the biggest hurdles is finding housing that meets the purchase price limits within the City of Red Lodge. Under the current limits, an existing single-unit home must be below \$228,000; a newly constructed single-unit home must be below \$271,000. According to MLS data, as of January 27, 2021 there are no homes that meet these criteria.

- There was a general consensus to explore expanding the program to the whole County after checking with the state and meeting with the City. There will be an update on this for next month's meeting.
  - Program administration will need to be done either by the City, or by a third party representing the City. Last time the City ran a HOME program, Beartooth RCD was this third party. Steve Simonson indicated they would no longer have the capacity to administrate this program.
  - The minutes from the HOME Fund Committee meetings will be shared with the group prior to our February meeting.
- Impact Fee Reduction Feasibility update (*Theresa Whistler, Robin Adams*)
    - Theresa and Robin have reviewed the original 2007 Impact Fee Study, talked with the City Community Development Director (James Caniglia), and researched similar communities in Montana that use impact fees to fund growth-related capital improvements.
    - Adjusting the fees would either require a new Impact Fee Study (\$20,000) or an updated population growth projection (\$5,000 - \$8,000)
    - Theresa has found that this year is a difficult one to make the argument that we're growing more slowly than originally predicted – due to all the construction last year, impact fees brought in a revenue of about \$250,000 for the City to fund capital improvements for water/sewer.
    - Steve mentioned the Department of Commerce through CDBG will have more PER funds available in June that the City could access to do a new impact fee study if they wanted to.
    - The committee determined that an impact fee reduction for multi-unit lots and/or high-density construction is likely not feasible at this time, and that our time may be more useful elsewhere.
    - Theresa mentioned that Accessory Dwelling Units (ADUs) do not require impact fees. See other news/announcements for full discussion notes.
- Workforce Housing Solar Fund update (*Jo Ann Eder, Robin Adams*)
    - \$20,850 in both pledges and donations (might be more since CCRC put it out to their members).
    - Also exploring First Interstate Bank Foundation grant – waiting to hear back if RLACF can apply to FIB grant for multiple projects before moving forward.

### **Red Lodge City Council representation (*Theresa Whistler*)**

- Theresa Whistler has been assigned to the Workforce Housing Committee as our Red Lodge City Council representative. She will bring a monthly report to City Council for each of the departments she represents. The report must be short since every Council member has 2-3 different groups they're representing.
- This is a good opportunity to let the Council and community know what we're up to, and lay the groundwork for any recommendations we make to City Council in the future.
- Submissions must be in by Thursday noon before the second Tuesday of the month. Theresa will contact the WFH Coordinator directly to receive reports.

### **Workforce Housing Strategic Plan**

- Tabled for February meeting. This will be a preliminary discussion, comparing the original 4-year vision with the reality of both accomplishments and any shortcomings.
- To read for February meeting:
  - [Workforce Housing Strategic Plan](#), page 3: '2020 Vision'
  - [Workforce Housing Strategic Plan](#), page 12: 'Committee Effectiveness, Governance Model'

### **Growing committee membership and outreach**

- Making meetings public
  - Sandy doesn't have a problem opening up the meetings to the public.
  - Martha says she is very in favor of opening up these meetings, but worried they can be intimidating to the layman as our agendas tend to be dense.
  - The committee decided that the first half of our February will be an 'open forum' style, dedicated to welcoming new folks in – especially those that represent businesses, landlords, and property managers to have a discussion on long-term rentals (woes, experiences, opportunities). The second half we will cover our regular business. The public will be encouraged to stay for the regular business if they like.
  - Robin will contact Heather Quinn since she manages both short- and long-term rentals.
  - Committee members are encouraged to contact folks directly to invite them to the next meeting.

### **Other news/announcements**

- Gena Burghoff proposed the idea of investing in the old hospital for affordable workforce housing.
  - The WFH Committee had looked into buying the hospital a number of years ago, but decided that it was not a debt they're able to take on. It was \$400k plus a lot of mitigation work. Jo Ann says it could be millions of dollars before it was ready to start building.
- Accessory Dwelling Units (ADUs)
  - Opportunity zones was looked into for long term rental development. Steve says we're not getting much traction in rural areas for long term rental development.
  - Tesla say Age Friendly Carbon County put out a newsletter with an intro to ADU's. There may be momentum to take on a campaign
  - Sandy says the majority of the City is zoned R2, R3, and R4 which all allow for a guesthouse. The 2016 Red Lodge Zoning Code defines 'guest house' as:
    - *"A dwelling attached or unattached to the principal dwelling, used to house guests of the occupants of the principal dwelling or held in ownership by other than the owner of the principal dwelling"*
  - Opportunity zones: Steve says there isn't an opportunity fund set up in Red Lodge right now. We'd need to have local or out of state investors willing to invest. Some investors prioritize a decent ROI, but other 'social investors' are willing to accept longer payback periods if the investment meets community needs. Steve could bring in resources to talk with investors if the WFH committee can make those connections.
  - A committee was formed to explore options for a community ADU campaign. Val, Kristen, and Steve agreed to provide support in tandem with Tesla and members of the Age-Friendly committee.

**5:33 pm: Adjourn**

**Next meeting is February 25<sup>th</sup>, 2021 at 4:00 pm.**