

**FRUITA CITY COUNCIL WORKSHOP
MARCH 29, 2022
6:30P.M.**

CALL TO ORDER

The workshop of the Fruita City Council was called to order at 6:30 p.m. by Mayor Kincaid. City Council members present were Lori Buck, Karen Leonhart, Kyle Harvey, Ken Kreie, Heather O'Brien (virtually) and Matthew Breman.

City staff present were City Manager Mike Bennett, Communications and Engagement Specialist Ciara DePinto, Deputy City Clerk Deb Woods, Planning and Development Director Dan Caris and City Attorney Mary Elizabeth Geiger.

Members of the Housing Plan TAC Committee were also in attendance.

AGENDA ITEMS

1. HOUSING STUDIES UPDATE FROM CONTRACTED CONSULTANT ECONOMIC PLANNING SYSTEMS (EPS) (6:30 – 8:00 PM)

Economic Planning Systems (EPS) appeared at the workshop meeting virtually and gave a PowerPoint presentation of their draft Housing Funding and Program Study that consisted of the following sections:

- Purpose of Fee (reliable funding source dedicated to improving access to housing)
- Market Conditions (estimated need is 127 units/year and 2,530 units over 20 years)
- Proposed Fee Schedule (regulatory transfer fee calibrated according to home sale price)
- Use of Fee Revenue (dedicated exclusively to housing programs)
- Importance of Fee (clear and pressing need for affordable housing in Fruita)
- Questions (reactions, comments and questions)

Items of note in the presentation include:

- The City of Fruita does not intend to get into the housing construction business
- The City may look for opportunities to partner with builders and developers for projects on City-owned property
- The funds will be administered and managed by the Fruita Housing Authority with annual appropriations and oversight by the City Council
- The benefits of affordable housing programs are to the community, residents, businesses and the local housing industry
- Occupancy terms: must occupy the unit as a long-term tenant or owner
- Employment terms: must work in Mesa County, with priority for people who live and work in Fruita
- Income terms: programs will be targeted at households between 60% and 120% of area median income

- Annual reporting on program finances and regular check-ins with program recipients regarding employment verification, income verification

Councilor Buck stated that she thought the fee that had been discussed would be a flat fee across the board and that the proposed fees were too high. She said it seemed unfair to penalize people whose higher-priced homes would pay a higher-priced transaction fee and that people will be angry if they don't somehow get buy-in.

City Attorney Mary Elizabeth Geiger said that the amount was up for discussion, but EPS felt that the higher fees would make more of an impact. EPS explained how the estimated total need is a combination of existing ("catch up") and future ("keep up") needs, therefore, the fee was reasonable, although it likely won't even cover all the need. They also said that transfer fees do not typically deter buyers and that they are fairly common.

Members of the Housing Plan TAC Committee including Kevin Bray, Ron Abeloe, Robert Jones II and Rebekah Scarrow spoke individually about how the details are still being studied and discussed, but that they would prefer to keep things simple, especially to start with, by beginning with the down payment assistance and ADU programs. They talked about how members of the Housing Authority will be crucial, how they wanted to name the authority something unique and about how the private sector is just not able to solve the problem of the need for affordable housing.

City Manager Mike Bennett spoke about the next steps of the TAC making a recommendation to the City Council concerning the fee, the drafting of educational materials from EPS' Phase I of the study and forums to be held beginning in late summer/early fall.

2. OTHER (8:00 PM)

City Clerk/Finance Director Margaret Sell advised that her office received an email from a Fruita resident who was concerned about the City's election being done in a fair and transparent way and requested a hand count of the ballots. The resident explained that her concerns stem from controversial elections conducted by Mesa County in the 2020 General Election and 2021 Grand Junction Municipal Election.

Mrs. Sell assured the Council that the Fruita City Clerk's Office conducts its Municipal Election differently and separate from Mesa County. She explained Fruita's processes of running 100 Test Ballots to ensure that tabulation equipment matches the results of hand counts and how there are a minimum of two people confirming hand counts of daily ballot receipts and how chain of custody of ballots are documented at every step of the way during ballot processing.

The Council also discussed a request received by the Mayor for a letter of support for the Church of Latter-Day Saints to rebuild the church in Fruita that was lost to a fire. The Council came to a consensus to direct staff to draft a letter for the Council's consideration at a future Council meeting.

There was also discussion about a request staff received about what Fruita's current plan shows for growth and Mr. Bennett said he would refer them to the Fruita in Motion Comprehensive Plan. There was also a discussion about whether the Council would like to consider having Fruita businesses

advertise in an edition of *Business View Magazine* that is featuring an article about the Southwest Region. The Council declined.

ADJOURN

With no further business before the Council, the Mayor adjourned the meeting at 8:24 p.m.

Respectfully submitted,

Debra Woods
Deputy City Clerk