



## CITY COUNCIL ACTION FORM

Department	Presented by	Date
Administration	Drew Nelson - City Administrator	September 7, 2021

### **ITEM**

Request for Funding and Letter of Support – Jane’s Place

### **BACKGROUND**

As identified in the attached letter, the Chaffee County Community Foundation (CCCF) and the Chaffee Housing Authority (CHA) are partnering on a project to create a 17-unit mixed-use development focused on the Salida workforce at the intersection of State Highway 291 and West 3<sup>rd</sup> Street, known as “Jane’s Place”. CCCF previously requested funding from the City of Salida to cover pre-development costs in the amount of \$50,000, which was approved by the City Council on July 6<sup>th</sup>. As noted earlier in the City Council worksession on that date, the per-unit investment from the City of Salida is a reasonable expenditure in order to further the City Council’s desire to provide safe, affordable, and dedicated workforce housing options to Salida citizens.

During the worksession, it was also discussed that CCCF was still working to obtain approximately \$340,000 in funding to complete the capital stack necessary to finance the project. CCCF requested, and the City Council agreed, to challenge the community to raise \$40,000 of the remaining amount in order to unlock \$300,000 in funds from the City. As noted in the attached letter, CCCF has raised the remaining amount, necessitating completion of the City’s funding offer to match the community amount.

Finally, CCCF has requested a letter of support for a Community Revitalization Grant through the Office of Economic Development and International Trade. The funding is made possible through the Colorado Creative Industries office with the pool of money (\$65,000,000) coming through Senate bill 21-252, which is intended to provide money awards to finance projects across Colorado that are intended to create or revitalize mixed-use commercial centers.



## **CITY COUNCIL ACTION FORM**

<b>Department</b>	<b>Presented by</b>	<b>Date</b>
<b>Administration</b>	<b>Drew Nelson - City Administrator</b>	<b>September 7, 2021</b>

### **FISCAL NOTE**

\$300,000. Staff has identified a potential funding source in stimulus money provided via the American Rescue Plan. The City was the recipient of \$764,000 in funds from the ARP, which allows for expenditures related to affordable housing programs.

### **STAFF RECOMMENDATION**

Staff recommends approval of an expenditure of \$300,000 in American Rescue Plan dollars, payable to the Chaffee County Community Foundation to match community funding for the Jane's Place development. Staff further recommends approval of the Letter of Support for the Community Revitalization Grant that CCCF is applying for through the Colorado Office of Economic Development and International Trade.

### **SUGGESTED MOTION**

A City Councilperson should make a motion by stating, "I move to approve the expenditure of \$300,000, payable to the Chaffee County Community Foundation, to match community funding efforts for the Jane's Place development", followed by a second and a roll call vote.

A City Councilperson should make a motion by stating, "I move to approve the Letter of Support for the Chaffee County Community Foundation's Community Revitalization Grant through the Colorado Office of Economic Development and International Trade, and instruct the Mayor to sign the letter", followed by a second and a roll call vote.

---



## Jane's Place Update & Matching Request

August, 2021

Mr. Mayor, City Councilmembers, and City Administrator Nelson,

CCCF is excited to provide you this brief update on the project Jane's Place as well as to inform you that your \$40,000 matching challenge has been fulfilled! The generosity of this community it seems is never-ending. Thank you for your leadership, your investment in this project, and your commitment to this community.

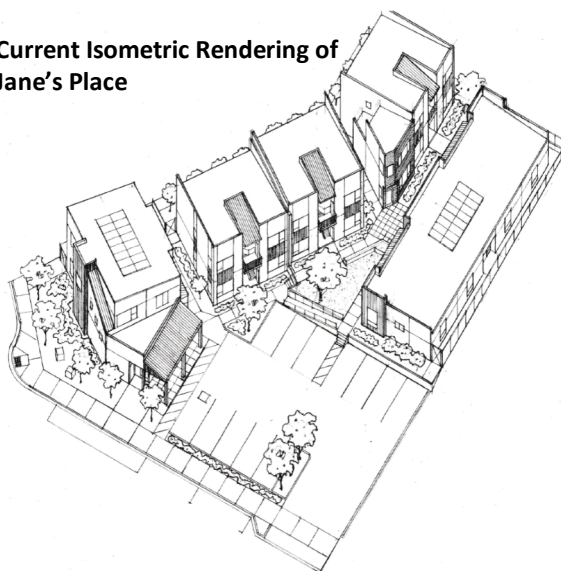
We last discussed the concept of a dollar-for-dollar \$350,000 match from the City to Jane's Place on July 6<sup>th</sup>, and now I'm pleased to share that to date, the project has received more than \$357,000 in contributions and commitments solely from 180 donors. The project has also attracted both cash and technical assistance grant awards as well as statewide recognition for its innovative approach. Thanks to your \$50,000 pre-development grant, we now have 100% of our pre-development costs covered, with construction documents underway and scheduled for completion by October 1<sup>st</sup>.

We now humbly ask for official approval of the remaining \$300,000 match from the City. This gift will propel our equity raised to more than \$800,000 and will decrease our anticipated gap significantly. Ideally, this contribution to Jane's Place would be made as soon as is convenient for the City. Demonstrating to lenders this contribution is 'in the bank' will increase their certainty and produce more favorable terms for the project's debt structure.

The Chaffee Housing Authority (CHA) is currently diving deeply into Jane's Place pro-forma and construction budget with the direction of experts from the RCAC, a rural community development consulting group. This work is being paid for by the Colorado Housing & Finance Authority and is ensuring the project's structure, financing, and operational assumptions are based on industry standards and best practices.

In addition to this financial commitment, we ask you also consider endorsing the separately attached letter of support as CHA pursues significant funding from the Community Revitalization Grant through the Office of Economic Development & International Trade's Colorado Creative Industries office. This funding is made available from the recently passed SB-252, which was, in part, written with inspiration from Jane's Place itself!

**Current Isometric Rendering of  
Jane's Place**



I look forward to discussing this with you in person on Tuesday, September 7<sup>th</sup>, and until then, be well.

Thank you.

Joseph Teipel

September 7<sup>th</sup>, 2021

Office of Economic Development & International Trade  
Colorado Creative Industries  
1600 Broadway, Ste 2500  
Denver, CO 80202

To Whom It May Concern:

It is with great enthusiasm that I submit this letter of support on behalf of the City of Salida for two interconnected projects known as THE LOBBY and Jane's Place. These projects model an innovative and collaborative approach to workforce development, workforce housing, and community space and are sorely needed and very welcomed here in Salida.

The leadership of both projects have taken great steps to align their goals, timelines, and programming to deepen community impact. By doing so, THE LOBBY and the Chaffee Housing Authority are demonstrating deep collaboration, co-creation, and commitment to community. Both sites are shovel ready, and with a significant investment from CCI, will come to fruition much faster and more resilient. The City of Salida has already invested \$350,000 in Jane's Place – recognizing its creative approach to serving our urgent housing and nonprofit needs.

The Salida City Council wholeheartedly supports this grant request and, through its own financial contributions, as demonstrated its confidence in these projects' approaches. Building transitional housing focused on serving our workforce; re-imagining historic buildings into cutting edge co-working and meeting space; providing small business and nonprofit entities physical space and technical assistance; and incubating mission-focused social enterprise businesses all represent strong priorities for the City that will catalyze and sustain resilient and values-based growth in our economy.

Salida's designation as a Creative District has had a profound and positive impact on our local culture, economy, and business community. These projects represent a deepening commitment to this direction and will directly support the Creative District goals and activities. The project also directly supports all the objectives laid out in SB21-252, which Chaffee County endorsed and advocated for.

Thank you for your consideration of funding to both these crucial projects; each is made stronger by the other and both warrant full investment.

Sincerely,

PT Wood, Mayor  
City of Salida