

CITY COUNCIL WORK SESSION MEMO

DEPARTMENT

Community Development

PRESENTED BY

Bill Almquist - Community Development Director Becky Gray – Chaffee Housing Authority Director DATE October 17, 2022

ITEM

Update on Open Doors Program with Chaffee Housing Authority

BACKGROUND

In February 2022, Council approved Resolution 2022-10 to appropriate funding to the Chaffee Housing Authority (CHA) to administer the Open Doors Program and to provide financial incentives for homeowners willing to convert their short-term rentals or vacation homes to long-term rentals for 6-12 month leases. \$100,000 was to be allocated towards rental guarantees for up to 10 homes, while up to \$140,000 was to be allocated towards rental guarantees for up to 10 homes, while up to \$140,000 was to be allocated towards rental guarantees for up to 10 homes. In June 2022, Council approved Resolution 2022-19 to expand the Open Doors Program to include the purchase and management (by CHA) of up to 10 City-owned RVs to be used for temporary workforce housing out at the new Salida RV Resort located off CR 102.

Becky Gray, CHA Director, will provide Council with an update on the successes and challenges of the program thus far, as well as recommendations going forward. A memo has been attached outlining parts of the update. City Council's feedback and direction is appreciated.



MEMORANDUM

To:	City of Salida, City Council						
From:	Director of Chaffee Housing Authority, Becky Gray						
Date:	Oct. 17, 2022						
Subject:	Open Doors Update						

The Chaffee Housing Authority (CHA) has been operating the City of Salida's Open Doors Program since the beginning of July, 2022, and this memorandum is intended to provide the Salida City Council and Staff with an overview of program operations thus far. We want to highlight the program outcomes, program operations, as well as barriers to participation. We also offer a recommendation of how best to move forward in this program development.

Program Outcomes

As of August 24, 2022, there are five city-owned recreational vehicles available to program participants and no housing units. CHA has received ten applications, and has successfully leased-up six households using the tenant selection criteria in the CHA's Community Guidelines. Four of the six heads of households are women, all employed by a Chaffee County employer. Without the Open Doors RV options, these households would be literally homeless. A comprehensive data report of the program files is included with this memo as Attachment A.

Program Operations

Becky Longberg, the CHA Housing Navigator, works with the applicants to verify their eligibility, orient them to the responsibilities of residing in a recreational vehicle, explain the lease and their rights as a tenant, and celebrate with them as they receive their key to their new home.

Moreover, the Housing Navigator continues a relationship with the tenant after lease-up, assisting the tenant in establishing longer term housing goals and supporting the tenants' actions to achieve those goals. The Salida Ridge Apartments, which will open for tenancy within the next few months, has been a natural fit for Open Doors RV participants, and most have made application. Three Open Door RV families have expressed interest in home ownership and are exploring the options through Chaffee Housing Trust.

During this month, our Housing Navigator has been keeping track of the number of hours spent on Open Doors Program administration. Naturally, determining tenant eligibility and processing the application paperwork take a bit more time initially, and as the tenant's occupancy moves forward, less time from the Housing Navigator will be needed. Moreover, the RV's have proven to be such a unique living environment that move-in orientation takes longer than it would for a traditional housing unit.

During the months of July and August 2022, her time on the program was allocated as follows:

Activity	Time in hours		
Program Development	17		
Direct to Tenant	14.5		
Total	31.5 hours		

On average, this equates to **3.15 hours per applicant for the initial application/lease-up month**.

Our administrative overhead is \$50.00 per hour; this includes staff salary, fringe, and office/technical equipment. So, on average, the first month of applicant processing and lease up is costing the CHA \$157.50/tenant.

We are estimating that the Housing Navigator's time per tenant will decrease as the lease progresses, down to about 1.5 hours per tenant, to include activities such as rent receipt and processing, navigating maintinance, which could be an additional \$75/tenant per month, more or less.

We have encountered maintenance issues in the RV's that are unique to the RV's that we don't anticipate having in the converted STR homes.

Barriers to Participation

Since launching the Open Doors Program, 12 employers have expressed interest in getting their employees into housing. Of the current tenants, only one has an employer contribution; the remaining interested employers found the \$250 per month employer fee to be a barrier to their participation.

Additionally, CHA staff have heard from lower-income tenants and tenant groups that the employer contribution requirement is, in fact, inequitable. It established a dynamic under which the employee is limited in their own employment advocacy or in designing their own career mobility; tying employer participation to housing access diminishes the power of the tenant/employee.

CHA Staff Recommendation

Based on the input from the tenant population, coupled with the time study conducted by CHA's Housing Navigator, the Chaffee Housing Authority staff is recommending that the City of Salida drop the employer contribution requirement in the Open Doors Program.

Moreover, based on input from short term rental owners and managers, Chaffee Housing Authority Staff is recommending that the program design be reevaluated, including input from a series of stakeholder conversations.

Lastly, Chaffee Housing Authority staff recommends that City of Salida leadership identify funding to support CHA's administration of the Open Doors Program, should there be a determination to continue the program.

		Housing Priority			ity				
TENANTS		Tenant#	# adults	## children	HP Score	Prioritization System as of Oct 2022			
# people applied	18	3			6	Household Characteristic	Point Value		
Current Tenants	5					Children under age 18 in household	8		
Previous Tenants	2	5	1	1	6	18-24 years old, independent living	7		
Wait List	4	6	1	0	10	Public Servant	6		
Inactive	7	8	1	1	11	Homeless	5		
% placement	39%	11	2	2	9	Americorp Employee	5		
		17	1	3	16	Veteran	4		
# placed in RVs	7					Participant in CoC	2		
# placed in STRs	0					Referred by a Community Organization	1		
avg monthly income of housed	\$2,324.00								
ALL APPLICANTS									
# adults+children	38								
# bedrooms requested									
Average	1.9								
Mode (most common #)	2.0								
								1. Tenant_Current	11
								1. Tenant_Previous	6