



CITY COUNCIL ACTION FORM

DEPARTMENT	PRESENTED BY	DATE
Administration	Christy Doon - City Administrator	September 17, 2024

AGENDA ITEM

Resolution 2024-62, A Resolution of the City Council for the City of Salida, Colorado, Approving the First Amended and Restated Intergovernmental Funding Agreement for the Chaffee County Multijurisdictional Housing Authority

BACKGROUND

There are two Intergovernmental Agreements associated with the Chaffee Housing Authority (CHA). The first one, Establishing Intergovernmental Agreement for the Chaffee County Multijurisdictional Housing Authority (Founding IGA) was approved and executed in October 2020. The second one, An Intergovernmental Funding Agreement for the Chaffee Housing Authority and its Member Jurisdictions (Funding IGA) was negotiated and entered into in July of 2021 for the purposed of providing funding for the Chaffee Housing Authority for fiscal years 2021-2024 (Initial Term).

With the initial term expiring at the end of this fiscal year there was a need to re-negotiate and enter into an amended and restate Funding IGA, should the Council desire to continue contributing to the organization financially.

CHA's former executive director relayed challenges with the current "Founding IGA; specifically, the structure of Alternate Board Members. The concern expressed was that the current structure of alternate members was resulting in alternates being called up for spot meetings and creating a dynamic where the alternate my vote contrary to how the regular member would have voted due to not being involved in prior discussions.

City staff have been working with staff from the other jurisdictions and CHA on drafting updated IGA's over the past number of months. The latest drafts are attached for consideration.

First Amended and Restated IGA's

- "First Amended and Restated Intergovernmental Agreement for the Chaffee County Multijurisdictional Housing Authority" (Founding IGA)
 - Challenge – 9-member board plus 3 alternate members (one appointed for each party to the agreement). Options – make the 3 alternate members full voting board members resulting in a 12 (13 if an odd number is desired) resulting in a rather large board; or, eliminate the alternate members (current alternates consist of Salida City Administrator, BV Town Administrator, and County Deputy Administrator). Proposed – Eliminate Alternate positions and maintain a 9-member Board.
 - Eliminating the alternate positions was the primary amendment to this IGA with other minor changes including eliminating the section of staggered terms for the initial Board appointed in 2021, the addition of a section allowing a member jurisdiction to remove their appointed member if "it is in the best interest of the Authority" based on the appointing jurisdictions' judgment, and establishing that a minimum of one appointed member of the Board shall be a person with lived experience that includes prior or current housing insecurity with in Chaffee County.
- "First Amended and Restated Intergovernmental Funding Agreement for the Chaffee Housing Authority and its Member Jurisdictions" (Funding IGA)
 - The initial Funding IGA provided \$185,0000 (\$30,000 from Salida) annually, 2021-2024. Following a countywide ballot initiative that allowed the County Commissioners to reallocate a portion of the Lodging

Tax additional funds were allocated to CHA in 2023 (\$260,000) and 2024 (\$350,000). CHA has also been successful in acquiring multiple grants over the initial term.

- In working with CHA representatives to establish a funding level to maintain operations and current staffing levels it was determined that ~\$475,000 was needed with some assumptions built in. Assuming CHA is able to produce some revenue through fees for services and other programs, as well as pursue grant opportunities, the IGA was drafted to include \$400,000 in contributions from the member jurisdictions. The \$400,000 is proposed to consist of \$300,000 from the lodging tax reallocation and the remaining \$100,000 split between the individual jurisdictions based on population estimates resulting in a \$35,000 contribution from the City of Salida.
- Pending Ballot Initiatives – There is some uncertainty associated with the pending ballot initiatives with the outcome unknown until November well into the budgetary process for the individual jurisdictions. If passed, CHA would not start receiving distributions until at least March of 2025. It is proposed to commit the funding identified in the IGA for 2025 to provide some security for CHA with the uncertainty associated with the ballot initiatives. The IGA also includes multiple scenarios for 2026 depending on the outcome of the election. The allocations in 2026 are subject to appropriation and can be discussed as we enter the budget process next year.

RECOMMENDATION

The Founding IGA is contingent on the approval by the three member jurisdictions, while the Funding IGA is contingent on the approval by the Chaffee Housing Authority in addition to the three member jurisdictions. CHA intends to review the IGA's at their regular meeting scheduled for September 19th and the desire is for the three jurisdictions to review and approve, approve with conditions, or deny prior to that date. Buena Vista was the first to take action, on September 10th. Both IGA were approved at that time. The County will consider at its regular meeting scheduled for September 17th.

Staff recommends Council approve Resolution 2024-62.

FISCAL IMPACT

There is no impact to the 2024 budget, and the proposed contribution of \$35,000 from the City has been incorporated in the 2025 draft budget.

MOTION

A City Councilmember should state "I move to _____ Resolution 2024-62, A Resolution of the City Council for the City of Salida, Colorado, Approving the First Amended and Restated Intergovernmental Funding Agreement for the Chaffee County Multijurisdictional Housing Authority", followed by a second and a roll call vote.

**CITY OF SALIDA, COLORADO
RESOLUTION NO. 62
(Series of 2024)**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO,
APPROVING THE FIRST AMENDED AND RESTATED INTERGOVERNMENTAL
FUNDING AGREEMENT FOR THE CHAFFEE COUNTY MULTIJURISDICTIONAL
HOUSING AUTHORITY**

WHEREAS, the City of Salida, Colorado (“City”) is a statutory city, duly organized and existing under the laws of the state of Colorado; and

WHEREAS, the provisions of Section 18 of Article XIV of the Colorado Constitution and C.R.S 29-1-203 allow Colorado governments to cooperate or to contract with one another to provide any functions, service or facility lawfully authorized by each local government; and

WHEREAS, Colorado Revised Statute 29-1-204.5 provides for the establishment by Colorado local governments to contract with each other to establish a separate governmental entity to be known as a multijurisdictional housing authority; and

WHEREAS, on October 6, 2020, via Resolution 2020-35, the City Council approved the Establishing Intergovernmental Agreement for the Chaffee County Multijurisdictional Housing Authority, Repealing and Replacing Resolution 2020-31; and

WHEREAS, on July 20, 2021, via Resolution 2021-28, the City Council approve the Intergovernmental Funding Agreement for the Chaffee Housing Authority; and

WHEREAS, The Salida City Council wishes to fund the Chaffee Housing Authority in the manner described in the First Amended and Restated Intergovernmental Funding Agreement for the Chaffee County Housing Authority, attached hereto as Exhibit A; and

WHEREAS, The City Council recognizes the benefits and advantages of working together with other local governments in Chaffee County to establish and fund the Chaffee Housing Authority, and therefore desires to continue participation with Chaffee County and the Town of Buena Vista.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO THAT:

1. The City Council incorporates the foregoing recitals as findings by the City Council.
2. The First Amended and Restate Intergovernmental Funding Agreement for the Chaffee County Multijurisdictional Housing Authority, attached as Exhibit

A, is hereby approved, and the Mayor is further authorized to sign the Intergovernmental Agreement.

RESOLVED, APPROVED AND ADOPTED this ____ day of _____, 20__.

CITY OF SALIDA, COLORADO

By _____

Dan Shore, Mayor

[SEAL]

[ATTEST] _____
City Clerk/Deputy City Clerk

FIRST AMENDED AND RESTATED INTERGOVERNMENTAL FUNDING AGREEMENT FOR THE CHAFFEE HOUSING AUTHORITY AND ITS MEMBER JURISDICTIONS

THIS First Amended and Restated Intergovernmental Funding Agreement for the Chaffee County Housing Authority and its Member Jurisdictions ("Agreement") is made and entered into this _____ day of _____, 2024 by and between: Chaffee County, Colorado, ("County") a local county government, 104 Crestone Avenue, Salida, Colorado 81201, and the following municipalities: City of Salida ("Salida"), 448 E First Street, Salida Colorado 81201, Town of Buena Vista ("Buena Vista"), 210 East Main Street, Buena Vista, Colorado 81211, and the Chaffee Housing Authority ("Authority") (Salida and Buena Vista are collectively referred to below as the "Municipalities" and all entities are collectively referred to below as the "Parties").

RECITALS

The provisions of Section 18 of Article XIV of the Colorado Constitution and C.R.S. § 29-1-203 (allowing Colorado local governments to cooperate or contract with one another to provide any function, service or facility lawfully authorized to each local government) and C.R.S. § 29-1-204.5 (allowing Colorado local governments to contract with each other to establish a separate governmental entity to be known as a multijurisdictional housing authority).

In 2016, the Parties updated a Chaffee County Housing Needs Assessment, which identified a multijurisdictional housing authority as an appropriate mechanism for the County and Municipalities to address affordable/workforce housing needs throughout the County; and in 2016 the Parties created the Housing Policy Advisory Committee to pursue avenues of creating affordable/workforce housing.

In 2017, the County created, with support from the Municipalities, the Chaffee County Office of Housing ("CCOH") with the mission of enabling all residents of Chaffee County access to safe, stable, and affordable housing through diverse partnerships that create rental and ownership options across the housing spectrum and support a socio-economically diverse community, wherein the regional workforce is able to live locally and benefit from a resilient economy.

It is in the interest of all the Parties that there is an adequate supply of safe and suitable housing that is affordable for all citizens of the county. The County, Salida, and Buena Vista recognize the benefits and advantages obtained by working together, established and created a multijurisdictional housing authority and formed the Chaffee Housing Authority ("Authority") on October 15, 2020, by executing an intergovernmental agreement ("Authority IGA") between the Parties to be effective as of that same date. The Authority IGA allows the CCOH to transition into a multijurisdictional housing authority.

Article V, Section (f) of the Authority IGA establishing the Chaffee County Multijurisdictional Housing Authority provides that the Parties would enter into a cost sharing agreement, which would provide, at a minimum, funding for the Authority for the first three full calendar years after the appointment of the Authority's original board of directors.

The original Board of Directors was appointed by the Parties and first convened on February 18, 2021.

The Parties negotiated and entered into a cost sharing agreement Intergovernmental Agreement ("Funding IGA") in July 2021 for purposes of providing funding for the Authority for fiscal years 2021-2024 ("Initial Term"), as recorded with the Chaffee County Clerk and Recorder's Office on February 16, 2022 at Reception Number 478142. The original Funding IGA is set to expire on December 31, 2024.

The Parties now desire to amend and restate their fulfillment of the requirements of the Authority IGA

by entering into this Agreement for purposes of funding the Authority for fiscal years 2025 and 2026.

AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual promises, covenants and obligations herein set forth, the Parties hereby mutually agree as follows:

1. Term. The term of this Agreement shall commence as of the effective date hereof and shall expire, subject to earlier termination in the event of non- appropriation as hereinafter provided, on December 31, 2026. Parties agree they shall work in good faith to negotiate any future new or amended Agreement prior to this expiry date.
2. Pursuit of Ballot Measures by the Authority.
 - a. Parties acknowledge that the Authority has expressed its intent to pursue two local ballot measures in November 2024. The first ballot measure will pose a question to the Chaffee County electorate to lift the Taxpayer Bill of Rights (TABOR) limit on the Authority's revenues ("de-brucing measure"), per Article X, Section 20 of the Colorado Constitution. The second ballot measure will pose a question to the Chaffee County electorate to levy a 0.5% (one half percent) local sales tax within the boundaries of the Authority's member jurisdictions ("sales tax measure").
 - b. Each Party's elected body respectively approved the Authority's pursuit of these ballot measures via Resolutions, as follows, per the requirements of the Authority IGA, Article V(b):
 - i. Chaffee County: Resolutions 2024-47 and 2024-58, on August 13, 2024
 - ii. City of Salida: Resolutions 2024-48 and 2024-47 on August 06, 2024
 - iii. Town of Buena Vista: Resolution 2024-59 on August 13, 2024
 - c. Parties agree that the outcomes of these ballot measures will be used to inform the Funding Obligations of the County and Municipalities to the Authority beginning in fiscal year 2026, as described herein.
3. Funding of Authority.
 - a. *Funding Obligations-Generally.* The County, Salida, and Buena Vista agree to provide funding in fiscal years 2025 and 2026 ("Term") to the Authority, subject to the stipulations herein.
 - i. For fiscal year 2025, these parties commit to funding a total aggregate amount of Four Hundred Thousand and 00/100 Dollars (\$400,000) to the Authority.
 - ii. For fiscal year 2026, Parties agree the total aggregate amount of funding shall be contingent upon the outcome of the two CHA ballot measures referred to the Chaffee County electorate in November 2024, as referenced in Section 2 herein. Funding scenarios based on these outcomes are described further in Sections 3.b.ii herein.
 - b. *Shares of Funding to the Authority.* The Parties agree that, subject to future amendments to this Agreement, the responsibility for funding the obligations set forth in Section 2.a herein should be shared by the Parties based on the following:
 - i. For fiscal year 2025, the County will fund the Authority with Three Hundred Thousand 00/100 Dollars (\$300,000) from the county Lodging Tax Reallocation Fund.
 - ii. Additionally, the Parties agree to fulfill respective Shares of Funding to the Authority as follows. These amounts are based on a cost sharing of \$100,000 contribution, apportioned roughly equivalent to Chaffee County population distribution within each jurisdiction:

Chaffee County:	\$ 50,000
City of Salida:	\$ 35,000
Buena Vista:	\$ 15,000
Total:	\$100,000

iii. For fiscal year 2026, Parties agree the aggregate funding amount contributed to the Authority shall be determined contingent upon the outcome of the November 2024 CHA local ballot measures. These outcome scenarios and related funding commitments include:

- If the Sales Tax Ballot Measure Passes, Funding to the Authority from the county and Municipalities will total One Hundred Thousand Dollars and 00/100 (\$100,000):
 - The Parties agree to fulfill respective Shares of Funding to the Authority as follows. These amounts are based on a cost sharing of \$100,000 contribution, apportioned roughly equivalent to Chaffee County population distribution within each jurisdiction:

Chaffee County:	\$ 50,000
City of Salida:	\$ 35,000
Buena Vista:	\$ 15,000
Total:	\$100,000

- If the Sales Tax Ballot Measure Fails, Funding to the Authority will total of Four Hundred Thousand Dollars and 00/100 (\$400,000):
 - The County will fund the Authority with Three Hundred Thousand 00/100 Dollars (\$300,000) from the Lodging Tax Reallocation Fund.
 - Additionally, the Parties agree to fulfill respective Shares of Funding to the Authority as follows. These amounts are based on a cost sharing of \$100,000 contribution, apportioned roughly equivalent to Chaffee County population distribution within each jurisdiction:

Chaffee County:	\$ 50,000
City of Salida:	\$ 35,000
Buena Vista:	\$ 15,000
Total:	\$100,000

- If the Sales Tax Ballot De-Brucing Ballot Measure Fails, regardless of outcome of the Sales Tax ballot measure, Funding to the Authority will total One Hundred Eighty Five Thousand and 00/100 (\$185,000):
 - The Parties agree to fulfill respective Shares of Funding to the Authority as follows. These amounts are based on a cost sharing of \$185,000 contribution, apportioned roughly equivalent to Chaffee County population distribution within each jurisdiction:

Chaffee County:	\$ 135,000
City of Salida:	\$ 35,000
Buena Vista:	\$ 15,000
Total:	\$185,000

- c. *Payment Dates.* The Parties shall pay their respective Shares of Funding sum due to the Authority not later than January 15th of the year in which the Funding amounts have been committed to the Authority. For any amounts committed from and paid out of the county Lodging Tax Reallocation Fund, the County will disburse the first half of the total annual committed amount by June 15th, and the second half of the total annual committed amount by October 15th.
- d. *Budgetary Surplus.* Any surplus of funds that remain at the end of a funding cycle may be carried

over for use by the Authority, to the extent permitted by law.

- e. The Parties agree they may mutually agree to amend the aggregate funding obligation for the Authority.

4. Services Provided by the Authority.

- a. *Basic Services.* In return for the funding provided by the Parties, the Authority agrees it shall provide the Parties the following services:
 - i. To plan, finance, acquire, construct, reconstruct, manage, and operate housing for households located within the jurisdiction of the Authority, in particular, low- to moderate-income households;
 - ii. To provide administrative management of deed restrictions as utilized by the Parties and as recorded with the Clerk & Recorder's office of Chaffee County. This includes tenant and/or homebuyer education, qualification, placement, and wait-list management for those deed restricted properties;
 - iii. To administer and implement housing related programs including, but not limited to, education and advocacy around housing with the general public, housing insecure populations, and elected officials, rental assistance programs including assisting and facilitating connections with other established rental assistance programs already in existence;
 - iv. To coordinate, facilitate, or otherwise lead through coordination with the County and Municipalities, the regular updating of Housing Needs Assessments and other housing-related data across the Authority's jurisdiction; Parties acknowledge the expense of engaging external consultant(s) for conduct and completion of Housing Needs Assessment analysis and reporting is not specifically included in the Section 3 Funding Obligations above and may need to be negotiated separately.
 - v. To perform advocacy, education, and other proactive efforts to further affordable housing solutions at the local, state, and regional levels;
 - vi. To participate, as invited by the Parties, in pre-application meetings, development meetings and public hearings, and other work associated with advising land use applicants and applications towards greater affordability as defined in the then-current Housing Needs Assessment;
 - vii. To make and enter into contracts with any person, including, without limitation, contracts with state or federal agencies, private enterprises, and nonprofit organizations;
 - viii. To adopt, by resolution, bylaws or regulations respecting the exercise of its powers and the carrying out of its purposes;
 - ix. To employ agents and employees;
 - x. To cooperate with state and federal governments concerning the financing of housing projects and programs;
 - xi. To maintain liaisons and relationships with regulatory agencies, local officials, community-based organizations, interpreting and explaining the Agencies programs, policies, services, needs, and other matters of mutual interest, including providing a minimum of bi-annual reports regarding Authority operations and outcomes to the Parties.
- b. *Additional Services.* The Parties agree the Authority may also conduct and/or partner on the following services:
 - i. To acquire, hold, lease (as lessor or lessee), sell, or otherwise dispose of any real or personal property, commodity, or service;
 - ii. To condemn property for public use, if such property is not owned by any governmental entity or any public utility and devoted to public use pursuant to state authority; provided, however, that the use of the condemnation by the Authority shall occur with the concurrence of the participating local government jurisdiction where the proposed condemnation action is located;

- iii. To levy, in all of the area within the boundaries of the Authority, a sales or use tax, or both, upon every transaction or other incident with respect to which a sales or use tax is levied by the state.
 - iv. To levy, in all of the area within the boundaries of the Authority, an ad valorem tax; provided, however, that the use of taxing authority by the Authority shall occur only with the concurrence of all of the participating local government jurisdictions prior to submission for voter approval.
 - v. To fix, maintain, and revise fees, rents, security deposits, and charges for functions, services, or facilities provided by the Authority;
 - vi. To issue revenue or general obligation bonds according to state law;
 - vii. To establish, and from time to time increase or decrease, a development impact fee and collect such fee from persons who own property located within the boundaries of the Authority who apply for approval for new residential, commercial, or industrial construction in accordance with applicable ordinances, resolutions, or regulations of any county or municipality.
 - viii. To establish enterprises or other mechanisms, as appropriate and legally permissible, for the ownership, planning, financing, acquisition, construction, reconstruction or repair, maintenance, management, or operation or any combination of the foregoing, of housing projects or programs as authorized C.R.S. § 29-1-204.5 and by this section on the same terms as and subject to the same conditions provided in C.R.S. § 43-4-605.
 - ix. To propose a referred measure to the electorate providing that the Authority is authorized to collect and spend or reserve all revenues of the Authority from existing property and sales or use taxes, non- federal grants and other revenue sources in any given year or in perpetuity to fulfill any of the prescribed purposes of the Authority, notwithstanding any limitation set forth in Article X, Section 20 of the Colorado Constitution.
 - c. *Use of Authority Services.* The Parties agree that each Party may reasonably, as determined by the Authority, and agreed upon by a majority of its Directors/Members, utilize the Authority for tasks and projects related to the housing goals of the Authority within each Party's respective jurisdiction when the Authority has the skill, talent and expertise to perform.
 - d. *Additional Services.* The Authority may negotiate and accept payment fee(s) for Additional Services provided to a Party, if those services are in excess of what the Authority can reasonably provide within the Funding and scope of Basic Services described herein. Any fee(s) for Additional Services shall fairly represent the value of the Additional Services provided by the Authority. Any payment to the Authority for Additional Services shall be paid to the Authority directly by the benefitting Party(s) and shall not obligate all Parties to cost sharing for those Services.
5. Reporting. No later than March 30 of each year, the Authority shall provide written report to the elected bodies of the County and Municipalities on its use of Funding, detailing the projects, programs, and work fulfilled through the funding provided within the prior fiscal year, including information on, at minimum, the number of deed-restricted units managed, the number of tenants and homebuyers qualified and placed, educational and advocacy-focused work, status of Housing Needs Assessment and other pertinent housing data, utilization of rental deposit and subsidy programs, as well as status of capital projects and private developer partnerships.
6. Appropriations. Because this Agreement involves the expenditure of public funds, this Agreement is contingent upon continued availability of such funds for payment. The obligations of the County, City of Salida, and Town of Buena Vista shall not constitute a general obligation, indebtedness or multiple year direct or indirect debt or other financial obligation whatsoever within the meaning of the constitution or the laws of the State of Colorado.
7. General Provisions.
- a. *Amendment.* This Agreement may be amended only by a written instrument signed by the parties to this Agreement.
 - b. *Severability.* If a tribunal of competent jurisdiction determines that any provision of this

Agreement is void, illegal, or unenforceable, the other provisions will remain in full force and effect. Any provision determined to be void, illegal, or unenforceable will be limited so that this Agreement will remain in effect to the fullest extent permissible by law.

- c. *Termination of Prior Agreements.* This Agreement cancels and terminates, as of its effective date, all prior agreements between the parties relating to the services covered by this Agreement, whether written or oral or partly written and partly oral.
- d. *Third Party Beneficiary.* The Parties to this Agreement do not intend to benefit any person not a party to this Agreement. No person or entity other than the Parties to this Agreement shall have any right, legal or equitable, to enforce any provision of this Agreement.
- e. *Notices.* All notices shall be in writing. Notices will be deemed to have been duly given if delivered personally or if mailed via certified mail (return receipt requested and postage prepaid) and confirmed by such certified mail receipt, given by facsimile or e-mail confirmed by receipt, or sent by courier confirmed by receipt, addressed to the party at the address set forth below or at such other address as either party may designate to the other in accordance with this Section. Notices shall be deemed to be given on the date of receipt, except that if delivery is refused, notice shall be deemed given on the fifth (5th) day after it is sent.
- f. *Counterparts.* The parties may execute this Agreement in any number of counterparts, each of which will be deemed an original.
- g. *Controlling Law and Jurisdiction.* The interpretation and performance of this Contract shall be construed under the laws of Colorado, without regard to choice of law principles. In the event of litigation, jurisdiction and venue shall be in the Chaffee County District Court.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first written above.

Chaffee County

Town of Buena Vista

By: _____ P.T

By: _____

Wood, Chairperson

Chaffee County Board of
Commissioners

ATTEST:

ATTEST:

Date: _____

Date: _____

City of Salida

By: _____

ATTEST:

Date: _____

Chaffee County Housing Authority

By: _____

ATTEST:

Date: _____