

Meeting Minutes of the Board of Directors for the
Regional Housing Alliance of La Plata County
March 13th, 2025

1. Call Meeting to Order

A meeting of the Board of Directors (the “Board”) of La Plata County Regional Housing Alliance (RHA), was held on March 13, 2025, commencing at approximately 2:00 p.m. at the Durango Chamber of Commerce located at 2301 Main Avenue, Durango, Colorado 81301.

2. Introductions and Roll Call

The following directors, constituting a quorum, were present in person or by Zoom. Patrick Vaughn, Chair of the RHA, presided over the meeting noting that there was a quorum of the Board being present and he called the meeting to order at 2:03 p.m.

Attendees:

- Chairman, Patrick Vaughn, Member at Large
- Treasurer, Mark Garcia, Town of Ignacio Manager
- Kevin Hall, La Plata County Deputy Manager
- Mike French, City of Durango Prosperity Officer
- Brenna Morlan, Town of Bayfield Trustee
- (Bayfield) – *vacancy*

Directors absent:

- Vice Chair, Marsha Porter-Norton, La Plata County Commissioner (excused)
- Gilda Yazzie, City of Durango Mayor Pro Tem (excused)
- Clark Craig, Town of Ignacio Mayor (excused)

Others present:

- Eva Henson, La Plata Economic Development Alliance (“EDA”) Contractor
- Sarah Tober, EDA Executive Director
- Jessie Christiansen, EDA
- Deedee Schadt, EDA Contractor
- Pam Moore, HomesFund
- Shak Powers, Region 9
- Heather Otter, Region 9
- Heather Hawk, Early Childhood Council of La Plata County
- Ethan Deffenbaugh, Higher Purpose Homes
- Dan Hunt, Mobile Home Parks non-profit
- Kwame Spearman, 9R Housing Consultant (online)
- Chris Coleman, 9R CFO (online)
- Cynthia Roebuck, Independent Consultant (online)
- JJ Desrosiers, City of Durango (online)

Conflicts of Interest – no conflicts of interest were disclosed

3. Public Comment

Ethan Deffenbaugh of Higher Purpose Homes expressed interest in providing affordable homes to the area. The company received an IHOP (Innovative Affordable Housing Planning Grant Program) grant from the Department of Local Affairs. Higher Purpose Homes manufactures housing framing panels indoors while foundations for their customers are being prepared. Once the foundation is ready, they truck the panels to the build site and set them with a crane for a fast and efficient framed home in just a few days. The company offers build-to-suit options and works with customer-provided plans to generate quotes. They are also exploring Montezuma County as a potential factory location due to lower costs.

Kwame Spearman of 9R School District introduced himself and was recently hired to help with workforce housing initiatives for the school district.

4. Approval of Agenda

Upon motion duly made by Director Garcia and seconded by Director Morlan, it was unanimously **RESOLVED**, that the agenda for the meeting of the Board held on March 13, 2025, in the form provided to the Directors in advance of this meeting, is hereby approved.

5. Approval of Consent Agenda

- a. February 2025 Minutes**
- b. January 2025 Financial Statements**
- c. 2024 RHA Annual Report**

Upon motion duly made by Director Morlan and seconded by Director Garcia, it was unanimously **RESOLVED**, that the minutes of the meeting of the Board held on February 13, 2025, the January Financial Statements, and the 2024 RHA Annual Report in the forms provided to the Directors in advance of this meeting, is hereby approved.

6. RHA Updates

a. 2nd Annual SW Housing Summit

Eva announced this year's keynote speaker: M. Nolan Gray, Research Director at California YIMBY and author of Arbitrary Lines: How Zoning Broke the American City and How to Fix It. He will present on zoning reform and community buy-in, providing insights on shifting NIMBY resistance to YIMBY support. His book directly relates to the work being done in the region.

Theme: "Shared Vision. Local Action: Shaping Our Housing Future Together."

Date & Location: Tuesday, April 29, 2025, at the DoubleTree by Hilton, Durango, CO.

Event: This one-day conference will bring together policymakers, housing experts, non-profits, developers, residents, lenders, realtors, and community leaders to collaborate on solutions to regional housing challenges. Discussion topics include modular construction, zoning reforms,

innovative financing, and upcoming housing projects, all focused on sustainable, affordable, and attainable housing solutions.

Financial Overview: Anticipated ticket sales

Early Bird Registration (3/6 – 3/26): 55 attendees at \$70 each (until sold out).

General Registration (3/27 – 4/18): 45 attendees at \$75 each (until sold out).

Budget and grant funding updates:

Projected revenue: \$28,000 (includes \$7,000 from ticket sales).

Sponsorships to Date:

Platinum Sponsor: Durango Association of Realtors – \$7,500

Gold Sponsors: The Colorado Health Foundation – \$5,000; First Southwest Bank – \$5,000

Silver Sponsor: Colorado Housing and Finance Authority (CHFA) – \$3,500

Bronze Sponsor: Wells Group – \$1,500

b. S.T.E.E.R. Committee Initiative & Strategic Next Steps

Attendance & Future Engagement:

- Approximately 38 participants have been invited, 12 attended, with expected increases in future meetings.
- Needs assessments and feasibility evaluations will be key topics in upcoming meetings.

Discussion Summary:

- The committee reviewed data from the La Plata Housing Needs Assessment and discussed its implications.
- Key takeaways included focusing on proven strategies such as Catalyst funds, land banking, leveraging funds, securing consistent operating funds.
- While the assessment highlights significant housing challenges, it serves as a foundation for actionable solutions.
- Some members emphasized maintaining a broad vision while ensuring alignment with current county funding efforts.
- The committee also discussed the multi-step process for placing initiatives on the ballot. The lodger's tax proposal that would allow counties to put an increase in the % assessed to a local vote is currently in the State Senate and if passed, could be placed on a future ballot. Revenue from this tax could support housing and childcare and other impacts from the tourism sector such as infrastructure. It was noted that this potential source of money could contribute to the solutions but would not fully address the funding gap.
- Eva will engage Butler Snow for guidance on tax strategies.
- Hilltop Securities has been recommended for financial modeling and accuracy.

S.T.E.E.R. Committee Goals:

1. Clarify Housing Needs – Use the La Plata Housing Needs Assessment to identify and quantify priority housing gaps.
2. Connect Needs to Revenue Streams – Assess funding strategies for alignment with identified housing needs and long-term sustainability.
3. Evaluate Feasibility & Impact – Consider financial, legal, and administrative feasibility, along with potential barriers.
4. Weigh Long-Term Viability – Analyze the stability, growth potential, and adaptability of each revenue option.

5. Build Toward Endorsement – Develop a set of recommendations for stakeholder approval and future action.

Proposed S.T.E.E.R. Timeline & Next Steps:

- Meeting 1 (March 3):
 - Reviewed the La Plata Housing Needs Assessment and current housing challenges.
 - Introduced a refined list of potential revenue streams.
 - Identified key funding priorities:
 1. Operational funding independent of political fluctuations
 2. New annual Catalyst Fund allocations
 3. Expansion of the Catalyst Fund Loan Program
 4. Land banking funds
 5. Leveraging locally sourced funds
 6. Annual costs for legal and consulting support
- Meeting 2 (Late March/Early April):
 - Deep dive into specific revenue stream options.
 - Discuss feasibility, legal, and financial assessments.
 - Begin evaluating pros and cons of each option.
- Meeting 3 (Late April):
 - Finalize revenue stream options.
 - Refine pros and cons and review legal and financial analyses.
 - Prepare recommendations.
- Meeting 4 (May):
 - Finalize committee findings on the feasibility of a local funding source.
 - Make final recommendations for potential endorsement and action.

c. DOLA Local Planning Capacity Grant Progress & Strategic Next Steps

Eva reviewed current status, remaining deliverables, and funding strategy to complete the DOLA Local Planning Capacity Grant, with a focus on maximizing impact with remaining funds.

Next Steps: We are finalizing deliverables and refining our funding strategy to maximize the impact of the DOLA Local Planning Capacity Grant. Our next steps include:

- Hiring consultant to research fast-track requirements and peer community best practices.
- Collaborate with HomesFund and retain legal counsel to develop a standardized deed restriction program with resale controls aligned to new state guidelines.
- Develop tracking of Prop 123 efforts and development pipeline of units.
- Engage with S.T.E.E.R. to explore a permanent funding source through research and education.
- Retain legal counsel to support the S.T.E.E.R. initiative.
- Support coordination with public officials and facilitate stakeholder engagement.

7. Decision Items

a. Approval of Final La Plata Housing Needs Assessment Report (HNA)

Eva initiated discussion regarding the HNA to extract key insights from the report. During the discussion, it was noted that additional funding may be required to finalize the assessment, as a 25% local match is needed to access grant funds. The deadline to apply for these funds is April 11, 2025, though the current HNA remains valid until December 31, 2026. The decision to apply will depend on further guidance from DOLA. Additionally, concerns were raised about the accuracy of rental unit numbers, prompting a need for further analysis to determine the county's actual rental housing needs before fully approving the report.

The HNA was commissioned by RHA to assess current and future housing needs in La Plata County, updating the findings from the 2020 regional housing assessment conducted by Root Policy. It will serve as a foundation for RHA's future housing initiatives, strategic planning, and outreach efforts. While the report was completed before the release of state guidance on compliance with SB24-174, Root Policy identified that the only missing component is a **Displacement Risk Assessment**. Completing this portion would require additional data analysis and engagement with small businesses at risk of displacement as well as manufactured housing communities facing similar challenges. The estimated cost for this addition is between \$12,000 and \$15,000.

DOLA recently launched a new **Housing Planning Grant Program**, with applications open from March 10 to April 11, 2025, and awards expected in May. Eva attended a webinar on March 12, to explore how this grant could support the development of housing needs assessments, housing action plans, and comprehensive plans. A resolution approved by the governing board is a requirement when applying.

As a next step, further clarification is needed on current versus future rental housing needs to ensure accuracy.

Motion:

Upon motion duly made by Director Morlan and seconded by Director Hall, it was unanimously **RESOLVED**, approval of La Plata Housing Needs Assessment Report as presented, authorizing its use for future RHA housing initiatives, strategic planning, public release, and community outreach efforts with the following condition – seek clarification on the future rental needs regarding rental units.

Eva will reach out to DOLA for technical assistance review of the HNA to better understand what is needed to comply with SB24-174 (must comply before December 31, 2026) and Prop 123 funding, as this will help inform the Housing Planning Grant program and when to seek to apply.

8. Public Presentations & Engagement with Non-RHA Entities

Early Childcare Strategic Investment Plan was presented by: Sarah Tober, Executive Director, La Plata Economic Development Alliance & Heather Hawk, Executive Director, Early Childhood Council of La Plata (ECC)

Sarah Tober highlighted RHA's role as a partner in this initiative and expressed appreciation for the collaboration. This plan is the first of its kind in the state, and other counties have already begun reaching out for guidance. The planning process involved meticulous data collection to develop a comprehensive strategy addressing childcare needs. Since 2019, La Plata County has lost 11% of its childcare slots, with the most significant shortage in the 0-18 month category. One infant care facility is currently non-operational, and the region faces high poverty levels, exacerbating the challenges of childcare accessibility.

Heather Hawk outlined the plan's goal to raise \$20 million over the next five years to stabilize the workforce and increase wages. Key funding sources include First Southwest Bank and the Childcare Champion Initiative. The plan includes raising \$1.2 million to increase wages for childcare workers, \$800,000 to expand the capacity of existing childcare centers and support home-based facilities. Additionally, the expansion of bilingual childcare services has been identified as a priority.

Key funding sources for childcare initiatives include lodging tax revenue from both the city and county. Employer incentives, such as tax credits for businesses that support childcare solutions for their employees, are also being explored. While the ECC has not yet applied for a special tax district, it remains an option for future funding. La Plata County's childcare investment model, with the lodging tax being the first local tax dedicated to this effort, is gaining statewide recognition and interest from other counties.

Livable Wage Report presented by Heather Otter, Region 9 Project Manager

Livable wage data highlights that most industries in the region do not pay enough to meet the cost of living. While this area is a highly desirable place to live, the reality is that achieving a livable wage typically requires a dual income household. Ensuring economic stability for residents requires a collective effort from the entire community.

A livable wage, estimated at \$25/hour for self-sufficiency, goes beyond the minimum wage, which establishes the legal baseline but does not account for actual living costs. The goal is to move beyond mere sufficiency to a thriving wage, which factors in housing, childcare, and transportation costs to provide true financial security.

The **Asset Limited, Income Restrained, Employed (ALICE) population** represents individuals who earn above minimum wage but still fall short of a livable income. Many in this category are financially invisible, struggling to afford basic needs while remaining ineligible for

assistance programs. Addressing these wage gaps is critical to creating a more sustainable and equitable local economy.

Regional Programs Update provided by Shak Powers, Regional Programs Manager

Housing Needs Assessments (HNAs) are required every six years, and moving forward, all state-administered grant programs will consider whether jurisdictions are in compliance when awarding funding. The Department of Local Affairs (DOLA) has released HNA guidance outlining required components and formatting to ensure consistency across the state. DOLA compiles data from multiple sources, including the State Demography Office, U.S. Census, and the American Community Survey, to create a statewide housing dataset.

However, discrepancies in available data present challenges. For example, Bayfield's housing stock is reported as 1,157 units in one dataset, while the American Community Survey reports 4,758 units. These inconsistencies make it difficult to generate an accurate housing assessment. Addressing these discrepancies may require future legislative action to ensure data sources more accurately reflect on-the-ground realities. In the meantime, efforts are underway to standardize methodologies, align datasets, and create a consistent assessment template for use in future HNA reports.

9. Member Updates

a. Member at Large

Deferred, out of time

b. Town of Ignacio

Treasurer Garcia met with Pam Moore of HomesFund to discuss deed restrictions. There are five pre-approved buyers, and efforts are underway to sell one unit to a school district employee. The Town is exploring rental opportunities for employer/employee housing, with the school district considering the purchase of some units. A grant has been secured to install solar panels.

c. Town of Bayfield

Broken ground on Cinnamon Heights, with a ribbon cutting event planned soon. The town has an interim town manager, who started amid a flood incident at town hall during his first week. Final interviews for a town manager are scheduled in April. Green initiatives are in progress, with grants secured and planning underway. The town is working on funding for the east intersection, advocating for a stop light and seeking clarity from Colorado Department of Transportation. Pine River Commons project is moving along nicely with construction, several units completed and sold, and future phases under construction.

d. City of Durango

The City is hiring a planning and policy administrator position and has applied for the DOLA Local Planning Capacity Grant to help fund the position. Position closes next Friday. The City is evaluating city-owned land, specifically Rivergate parcel, in the coming weeks including feasibility and possibly a Request for Qualifications. The market

does have some unpredictability and seeing some delays in the development pipeline – a concern, given the urgent need for more housing inventory.

e. La Plata County

A presentation on a proposed State wildfire code was given yesterday to the Commissioners and the proposed codes are under review with comments due by the end of the month to the State WUI (Wildland Urban Interface Board). There is concern that these codes could increase construction costs by approximately 10-20% statewide, primarily impacting new construction rather than existing homes. The county has ARPA funds granted and set aside for Bayfield and Ignacio projects and is working through logistics to get it deployed.

10. Adjournment

There being no further business, the meeting was adjourned at approximately 4:07 p.m. The next meeting is scheduled for April 10, 2025 at 2 p.m. at the Durango Chamber and via Zoom.

Respectfully Submitted,

Signed: Patrick Vaughn, Chair: _____

Signed: Eva Henson, Secretary of Meeting: _____

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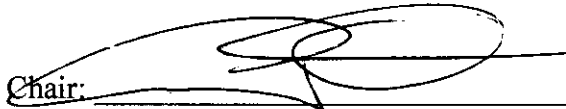
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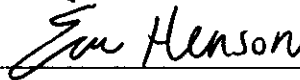
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