

COUNCIL ARPA REVIEW COMMITTEE

October 11, 2022

2:00 p.m.

Denny Wayne Conference Room, 4th Floor, Busch Municipal Building
840 Boonville Avenue

MEMBERS

PRESENT: Matthew Simpson, Chair; Abe McGull; Heather Hardinger; and Andrew Lear.

MEMBERS

ABSENT: None.

COUNCIL

PRESENT: Mayor Ken McClure and Councilwoman Monica Horton.

STAFF

PRESENT: Jason Gage, City Manager; Collin Quigley, Deputy City Manager; Jill Burris, Assistant City Attorney; Susan Istenes, Director of Planning and Development; Brendan Griesemer, Assistant Director of Planning and Development; Bob Atchley, Senior City Planner; David Holtmann, Director of Finance; Tona Bowen, Financial Analyst; Cora Scott, Director of Public Information and Civic Engagement; Melissa Haase, Assistant Director of Public Information and Civic Engagement; Anita Cotter, City Clerk; and Julie Greer, Deputy City Clerk.

GUESTS: Linda Simkins, citizen; and Christie Love, The Connecting Grounds.

Mayor Pro Tem Matthew Simpson, Chair, called the meeting to order at approximately 2:05 p.m. and welcomed everyone. Roll call was conducted. Present: Andrew Lear, Abe McGull, Heather Hardinger, and Matthew Simpson. Absent: None.

Mayor Pro Tem Simpson pointed out the availability of comment cards.

Mayor Pro Tem Simpson noted the minutes from June 23, 2022, were provided to all members and asked if any revisions were needed. Councilman McGull moved to approve the minutes as presented. The motion was seconded by Councilwoman Hardinger and approved by the following vote: Ayes: McGull, Hardinger, Lear, and Simpson. Nays: None. Absent: None. Abstain: None.

Mayor Pro Tem Simpson noted the next topic listed on the agenda was presentation/discussion of the HOME Investment Partnerships American Rescue Plan Program (HOME-ARP) Grant and RFP, and this would be introduced by Jason Gage, City Manager. Mr. Gage introduced Bob Atchley, Senior Planner, who would provide the presentation and answer any questions.

Mr. Atchley reminded everyone the HOME-ARP funding may be utilized to assist four different qualifying populations: homeless, at risk of homelessness, those fleeing or attempting to flee

domestic violence, dating violence, sexual assault, stalking, or human trafficking; and what the Department of Housing and Urban Development (HUD) defined as other populations at great risk of housing instability. He noted HUD had provided very specific definitions of these populations.

Mr. Atchley noted the City of Springfield's HOME-ARP allocation plan was approved by HUD on August 25, 2022, and was the first HOME-ARP allocation plan to be approved in Region 7 (Missouri, Nebraska, Kansas, and Iowa). It was also one of the early plans approved nationwide. There were 651 jurisdictions eligible for this funding source; so far, a very low number of plans had been approved. Mr. Atchley noted a copy of the HOME-ARP Allocation Plan had been provided to each of the Committee members. He added this information was also available on the City's website.

Mr. Atchley explained whenever the staff members were putting together the HOME-ARP Allocation Plan, they had to go through a detailed consultation process and also conduct a needs assessment and a gaps analysis. For the needs assessment, staff members looked at the size and demographic composition of each one of the qualifying populations, the resources available to each of the qualifying populations, and the priority needs of each of the qualifying populations. Based on both the consultations and the needs assessment, staff members determined the top priority to be development of affordable rental housing. The City was planning to utilize an additional \$1.5 million in HOME funding, in conjunction with the HOME-ARP funding, to develop affordable housing; that would provide a total of \$2.5 million which would be available for the development of affordable rental housing. Staff members were also planning to allocate \$400,000 towards supportive services, \$190,000 toward administration and planning, and just over \$2.2 million toward the acquisition and development of non-congregate housing.

At this point, per the HOME-ARP Allocation Plan, staff members were beginning to develop three separate Request for Proposals (RFPs). One was for the acquisition and development of non-congregate shelters; one was for supportive services; and one was for the development of affordable rental housing. Per the Allocation Plan, the intents to submit must be submitted to the City within 20 days of the issuance of each RFP, and then applicants would be provided an additional 30 days to submit their full application for the funding.

Mr. Atchley reported the allocations were developed based on the needs and the consultations; however, in order to have the ability to develop a non-congregate shelter, City staff felt that HOME-ARP funding would have to be utilized in conjunction with American Rescue Plan Act (ARPA) funding. Approximately \$2.2 million had been allocated, but the minimum estimated cost associated with the development of a non-congregate shelter would be at least \$5 million.

Mayor Pro Tem Simpson noted non-congregate shelter space, both in the continuum of care staircase analysis and in the Community Foundation of the Ozarks-funded report received by City Council, had been identified as a key barrier, as there was not enough non-congregate shelter space. He asked if \$5 million would be the correct amount to make sure City Council was addressing that issue in a meaningful way with the RFP, noting that there was already \$2,215,703 from HOME-ARP. He noted it would take \$2,785,297 from ARPA to bring the RFP amount to \$5 million. Mr. Atchley affirmed these amounts.

Mayor Pro Tem Simpson noted if the Committee members decided to supplement the HOME-ARP with the ARPA funding, the full \$5 million would be allocated through that RFP process. One of the focuses in terms of ARPA expenditures had been making one-time investments that were then sustainable, and Mayor Pro Tem Simpson noted there was no funding to provide the services. He asked Mr. Atchley if ensuring there is the ability to provide services and operate on an ongoing basis would be part of the evaluation of the RFP.

Mr. Atchley responded HOME-ARP funding cannot be used for operations; however, with this RFP process, one of the key scoring factors would be that the non-profit organization has the ability to provide operational expenses.

Mayor Pro Tem Simpson noted the other aspect the Committee members had been considering was leveraging as much external funding as possible in order to make the biggest impact for the community. He asked if that could also be a factor considered in the RFP scoring. Mr. Atchley responded several local non-profits have applied for other funding sources, so there is a possibility that organizations may be able to bring other funds to the table.

Councilman Lear asked what the scope of the project would be as far as rooms/beds.

Mr. Atchley responded it could vary, but staff members were anticipating around 25 or 26 bed shelters. He noted it was anticipated there would be proposals from the same agencies which have requested ARPA funding from the City Council ARPA Committee. Mr. Atchley's estimate was \$5 million would provide a 25-bed facility.

Councilman McGull asked about the cost-benefit analysis regarding continuing to utilize private entities opposed to building a shelter. Mr. Atchley responded it could be either; it could be the acquisition of a hotel facility that could be converted into a non-congregate shelter, or it could be the construction of a new facility. Mr. Atchley noted the biggest thing was the funds could not be used to pay for operations; the funds were strictly for a brick-and-mortar type of investment.

Mr. Gage noted payment of fees to a hotel on an ongoing basis would not be a qualified use of the HOME-ARP funding. Mr. Atchley confirmed this.

Councilman Lear asked if the \$400,000 in supportive services would be used in association with this. Mr. Atchley responded affirmatively, noting the only thing specified in the plan was to emphasize diversion; assisting someone with rental payments would keep them out of the homeless system.

Councilman Lear asked if the entity which was successful would have to provide whatever other supportive services were necessary. Mr. Atchley responded affirmatively, noting that it would require an entity to have other sources of operational funding.

Mayor Pro Tem Simpson asked when the RFP would be public. Mr. Atchley responded it would be released in November as long as it had the Committee's recommendation and City Council approval.

Mayor Pro Tem Simpson noted the proposal made sense to him. He expressed his support for the effort to make the dollars go the furthest rather than having two separate allocations within the non-congregate area and making sure there was enough to have projects which were meaningful and with a professional scoring system that ensured there was sustainability.

Councilwoman Hardinger expressed her agreement; she asked if there were any plans in addition to the HOME-ARP funds to fund the other \$700,000. She noted she would like to make sure the resources are being utilized.

Mayor Pro Tem Simpson noted if the \$2.8 million were used, there would be \$2.5 million for affordable housing and then roughly \$5.2 million that could be addressed today to put towards building capacity.

Mr. Gage noted it would be possible to have the expenditures on the October 17, 2022, City Council meeting agenda if it was the consensus of the Committee members to move this to City Council for action.

Councilwoman Hardinger asked about the timeline for potential construction. Mr. Atchley responded the HOME-ARP had until 2030, but the ARPA deadline was 2026. He noted he anticipated full construction and reimbursements prior to the end of 2026.

Councilwoman Hardinger asked if staff members had identified any potential properties or locations for the non-congregate shelter. Mr. Atchley responded there was a high likelihood that proposals similar to those submitted for the ARPA funds would be received, although additional proposals could be received.

Mayor Pro Tem Simpson asked if the service provider would select the site instead of City staff. Mr. Atchley responded affirmatively.

Councilwoman Hardinger moved to allocate \$2,785,297 out of the \$7 million already allocated for housing and homeless services to supplement the HOME-ARP non-congregate shelter RFP. Councilman McGull seconded the motion, and it was approved by the following vote: Ayes: Hardinger, Lear, McGull, and Simpson. Nays: None. Absent: None. Abstain: None.

Mayor Pro Tem Simpson noted that would leave just over \$4.2 million of the original \$7 million in funds allocated for housing and homeless services.

Mayor Pro Tem Simpson noted the fourth item on the agenda was general discussion of homeless and housing service projects for the use of the remaining \$4.2 million. He recommended the members use information in the report funded by the Community Foundation of the Ozarks. The report identified non-congregate shelter, access to adequate affordable housing, storage space, and programmed day centers with services, as barriers that should be addressed. Mayor Pro Tem Simpson then asked the Committee members to discuss how to best use the remaining \$4.2 million.

Councilman Lear noted the consultant study identified the lack of a purpose-driven day shelter as one of the barriers and specified that type of a facility as a need. He expressed his support for a proposal to fund that particular item and also provide showers, storage space, and respite care. He pointed out those two projects were needed, and the funds requested were within the budget.

Mayor Pro Tem Simpson noted the purpose-driven day center proposal from the Community Partnership of the Ozarks was \$3 million for capital costs, and The Connecting Grounds had requested \$650,000. He asked Christie Love if the amount was all for capital costs or if that total included services. Ms. Love responded the proposal was for six shower pods, two extra portable toilets, the ability to install everything, two containers for ongoing storage for individuals, and some support for that. Additionally, the proposal would allow the entity to double day shelter hours, allow for \$43,000 in street outreach supplies and \$50,000 in diversion and discretionary supplies and funding to help people stay off the street as much as possible, expanding respite with \$420,000 to be able to purchase another house, and supplement creating an emergency crisis cold weather family shelter.

Mayor Pro Tem Simpson asked about the cost for the staffing portion for expanded hours Ms. Love had mentioned. She responded the cost would be approximately \$24,000.

Mayor Pro Tem expressed his support for the two projects recommended by Mr. Lear. He noted the available federal funds could be used to construct non-congregate shelter and affordable housing but generally could not be used to construct day centers or specific respite care. He suggested looking at a pool of funds which would be more flexible. He asked Mr. Atchley if that was accurate, and Mr. Atchley responded affirmatively.

Councilwoman Hardinger expressed her agreement with Councilman Lear's assessment, noting the two projects were reasonable considering the remaining funds available. She asked if any of the HOME grants could be applied to these projects.

Mayor Pro Tem Simpson responded these would be separate and noted this raised a good question as far as the RFPs since the combined HOME-ARP and ARPA were required to follow federal regulations and reporting guidelines. He asked Mr. Gage if it would make sense to have policies consistent to the ARPA spending in this area, too, in terms of governmental reporting requirements. Mr. Gage answered affirmatively. Councilman Lear noted there were fiduciary duties, so the recipients would have protocols for following up and accessing data going forward.

Councilman McGull expressed his agreement these two projects were needed. He noted a concern with the members of the homeless community was that they do not have anywhere to go during the day and expressed his support for the funding of day centers. He noted the day centers would give social workers an opportunity to address some of the pressing needs of those individuals.

Councilman Lear noted the request for the day shelter was \$3 million, and the request from The Connecting Grounds was \$650,000. If those were fully funded, that would leave about \$550,000.

Mayor Pro Tem Simpson recommended the Committee members look at additional projects and noted there was the option of supplementing the affordable housing RFP to increase the impact on affordable housing stock.

Councilman Lear moved to allocate \$3 million to the purpose-driven day center, which was the CPO request, and \$650,000 to The Connecting Grounds for the package of respite care and additional showers, storage containers, and day center, and include all protocols for reporting standards. Councilman McGull seconded the motion, and it was approved with the following vote: Ayes: Lear, McGull, Hardinger, and Simpson. Nays: None. Absent: None. Abstain: None.

Mayor Pro Tem Simpson asked for discussion regarding options for the remaining \$550,000. He noted it could be added to the RFP for affordable housing to add units, and the Committee members could also review the projects received and consider them. Councilwoman Hardinger expressed her opinion affordable housing was a great need and noted she would like to use the funds to have the biggest impact.

Mayor Pro Tem Simpson noted the survey conducted by CPO identified affordable housing as the top need. Councilman Lear noted that there were not enough beds for cold weather, but expressed he would like to have the best long-term effect from these funds. He noted House Bill 1606 was taking away the opportunity to be housing first and suggested these funds could be used for housing. He noted he was personally torn, as there would be a real need soon for cold weather shelter, but he was unsure if these were the best funds to use.

Mayor Pro Tem Simpson noted staffing had been a barrier for emergency cold weather shelters. He asked if a staff member could remind them how much had been used in the past for that. Mr. Gage responded, historically, City funds had not been provided for staffing.

Collin Quigley, Deputy City Manager, noted the City's proposal contained an additional \$1.5 million for affordable rental housing but nothing had been included for affordable home ownership. He noted there were several providers who could do a similar RFP on the process regarding home ownership. Councilwoman Hardinger expressed her support for this. Councilman Lear agreed. Councilwoman Hardinger asked if these one-time funds could be used to subsidize down payments, as this would remove that barrier for many. Mr. Atchley responded there was more flexibility with ARPA funds versus HOME funds. David Holtmann, Finance Director, noted it would fall within the governmental services category.

Mayor Pro Tem Simpson noted some models would be a hybrid, such as Habitat for Humanity. He further noted, locally, the Blue Door Project around The Fairbanks was a good example of doing quite a bit with a limited amount of funds, rehabbing housing stock and providing a path to home ownership that lifts the financial barriers and encompasses some support services. He noted this also had a strong positive impact on neighborhood revitalization.

Councilman McGull asked about utilizing some of these funds to incentivize a first responder to live in an area the City is trying to revitalize by providing assistance with a down payment. Mr. Gage said the City used to have a program which was similar to this, but it was prior to his

arrival. Mr. Quigley recalled the program was for down payment assistance. Mr. Holtmann noted the program was not utilized very much.

Councilman Lear expressed his opinion it was a great program but noted it may not fit in this instance. Mayor Pro Tem Simpson noted there was an existing City program which provided housing assistance to first responders, but it had been some time since City Council reviewed the details of the program.

Councilman Lear moved to take the remaining \$564,703 and add it to an RFP for affordable home ownership. Councilwoman Hardinger seconded the motion, and it was approved by the following vote: Ayes: McGull, Hardinger, Lear, Simpson. Nays: None. Absent: None. Abstain: None.

Mayor Pro Tem Simpson summarized the Committee members had approved the addition of roughly \$2.8 million onto the HOME-ARP for non-congregate shelter, \$3 million to CPO for the purpose-driven day center, \$650,000 to The Connecting Grounds for respite care proposal, and then roughly \$550,000 to an affordable home ownership RFP. Those recommendations would be brought to City Council for consideration. He expressed his opinion these allocations address many of the top issues identified by the internal analysis and the consultant study.

Mr. Quigley asked Mr. Atchley to clarify whether the current RFP only covered affordable rental. Mr. Atchley responded that it did. Mr. Quigley noted the other allocations were specific to agencies and the \$564,703 was for an unknown agency or agencies, so this may have to be handled differently when an RFP is developed. He noted the Council bill may need to list this as a category with the agency or agencies to be determined. Mayor Pro Tem Simpson agreed and noted staff members could develop the process. Mr. Quigley clarified the affordable home ownership funds would be a separate RFP, and proposals would be brought back to the Committee for consideration. Mr. Gage agreed.

Mayor Pro Tem Simpson noted multiple small requests had been made for consideration for ARPA funds since the initial allocations were made. He noted approximately \$3 million had been set aside in reserve for Health Department needs, but the Health Department staff members had been awarded multiple grants, so some of the smaller requests may be able to be funded out of the reserves at this point. He recommended leaving approximately \$2.5 million in reserves.

Mayor Pro Tem Simpson noted the Committee had received a request for \$100,000 for capital improvements at Lincoln Cemetery. He asked if there were other small projects the Committee members would like to have reviewed. Councilwoman Hardinger expressed her opinion the Lincoln Cemetery project should be funded, as it was a historic part of the community that needed some upkeep and maintenance; there was an opportunity to provide some one-time funds for restoration. Councilwoman Hardinger noted the cemetery had significance to the African-American community and was important.

Mayor Pro Tem Simpson noted another project funding request which had been shared with him was from the Springfield Animal Advocacy Foundation (SAAF) which had recently been revised to \$75,000 which would fund work with spaying and neutering. Councilman Lear expressed his

need to recuse himself from this discussion as his wife served on the organization's board; he then stepped out of the meeting room.

Mayor Pro Tem Simpson noted another project for consideration was the Court Appointed Special Advocates' (CASA) request for \$150,000 for capital construction of a clubhouse and playground space for foster children. Councilwoman Hardinger expressed her support for this project.

Mayor Pro Tem Simpson asked if there were any comments regarding the SAAF request. Councilwoman Hardinger expressed her opinion people should be prioritized over animals, although spaying and neutering were very important. She noted given the number of needs in the community, once the priority projects are funded, this could be considered with leftover funds. Councilman Lear returned to the meeting.

Mayor Pro Tem Simpson noted CoxHealth had requested \$100,000 for support for employees who had a heavy burden during the pandemic. Councilwoman Hardinger recused herself and left the meeting room.

Mr. Gage asked if CoxHealth needed the support, noting the perception that CoxHealth would have other funds available. Councilman Lear expressed his opinion there was no question that healthcare employees had suffered a heavy burden, including the employees at the Springfield-Greene County Health Department; however, he expressed his opinion CoxHealth would have the other resources. Councilwoman Hardinger returned to the meeting.

Councilman Lear noted there was a request for funding for mental health services and asked if the funds would be better spent for more broad mental health services. Mayor Pro Tem Simpson noted that the community-based support hotline had already been funded. Councilman McGull noted the request was for salaries.

Mayor Pro Tem Simpson asked the Committee members if there were any other projects they would like to consider at this stage. He noted there was consensus around funding the Lincoln Cemetery request for \$100,000 and the CASA capital project for \$150,000, for a total of \$250,000. He noted that they probably did not want to allocate more than \$500,000 and could just proceed with those two projects for now and revisit the remaining funds in the future. Councilman McGull responded that would be his recommendation.

Councilman McGull moved to allocate, from Health Department designated reserve funds, \$100,000 to Lincoln Cemetery and \$150,000 to CASA. The motion was seconded by Councilwoman Hardinger, and it was approved by the following vote: Ayes: Hardinger, Lear, McGull, and Simpson. Nays: None. Absent: None. Abstain: None.

Mayor Pro Tem Simpson expressed his appreciation to everyone for their time and the work put into this project.

Councilwoman Hardinger moved to adjourn. The motion was seconded by Councilman Lear and approved by the following vote: Ayes: Lear, McGull, Hardinger, and Simpson. Nays: None. Absent: None. Abstain: None.

There being no further business to come before the City Council ARPA Review Committee, the meeting was adjourned at approximately 2:53 p.m.

Prepared by Julie Greer