



Finance Administration
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Fort Collins, CO 80522
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AGENDA
Council Finance & Audit Committee
April 19, 2021
10:00 am - noon
Zoom Meeting <https://zoom.us/j/8140111859>

Mayor Troxell conferred with the City Manager and the City Attorney and have determined that the Committee should conduct this meeting remotely because meeting in person would not be prudent for some or all persons due to the current public health emergency.

Approval of Minutes from the March 15, 2021 Council Finance Committee meeting.

- | | | |
|--|----------|--------------------------------|
| 1. Affordable Housing Fee Credits | 20 mins. | V. Shaw
S. Beck-Ferkiss |
| 2. Immigration Legal Defense Fund | 30 mins. | K. Stannert
C. Champine |
| 3. Hickory Village Mobile Home Park Resident Owned Community (ROC) Funding | 30 mins. | K. Stannert
S. Beck-Ferkiss |

Council Finance Committee
Agenda Planning Calendar 2021
RVSD 04/15/21 ck

Apr. 19th	2021		
	Affordable Housing Fee Credits	20 min	V. Shaw S. Beck-Ferkiss
	Immigration Legal Defense Fund	30 min	K. Stannert C. Champine
	Hickory Village Mobile Home Park Resident Owned Community (ROC) Funding	30 min	K. Stannert S. Beck-Ferkiss

May 17th	2021		
	GERP Review	30 min	B. Dunn
	Assumptions for the 2022 Budget	30 min	L. Pollack
	Carnegie Center CCIP Acceleration	30 min	J. McDonald K. Mannon
	Timberline Recycling Center Operations	30 min	V. Shaw C. Mitchell

Jun. 21st	2021		
	2020 Fund Balance, Revenue, and Expenditure Review	30 min	B. Dunn
	Utilities Income-Qualified Assistance Program (IQAP)	30 min	L. Smith

July 19th	2021		
	2020 Audit Results		

Future Council Finance Committee Topics:

- Golf Debt Issuance
- Metro District Policy Update – TBD
- Revenue Diversification – TBD
- Front Range Financial Comparison – Blaine Dunn – August 2021
- 2022 Development Review and Capital Expansion Fee Updates – August 2021
 - Consideration of new fees
- 2021 Annual Adjustment Ordinance – September 2021
- Financial Policy Updates – October 2021
- Future Capital Projects and Debt Financing
- Utility Long-term Financial Plan and Capital Improvement Plan – November 2021



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Finance Committee Meeting Minutes

March 15, 2021

10 am - noon

Zoom Meeting

Council Attendees: Mayor Wade Troxell, Ken Summers, Ross Cunniff, Susan Gutowsky

Staff: Darin Atteberry, Kelly DiMartino, Kyle Stannert, Travis Storin, Carrie Daggett, John Duval, Tyler Marr, Jennifer Poznanovic, Jackie Kozak-Thiel, Victoria Shaw, Sue Beck-Ferkiss, Erik Martin, Blaine Dunn, Dave Lenz, Jo Cech, Zack Mozer, Jordan Granath, Kelley Vodden

Others: Kevin Jones, Chamber

Meeting called to order at 10:02 am

Mayor Troxell; I would like to note for the record that I have conferred with the City Manager and the City Attorney and have determined that the Committee should conduct this meeting remotely because meeting in person would not be prudent for some or all persons due to a current public health agency recommendation.

Approval of Minutes from the February 22, 2021 Council Finance Committee Meeting. Ross Cunniff moved for approval of the minutes as presented. Ken Summers seconded the motion. Minutes were approved unanimously via roll call by Ken Summers, Ross Cunniff and Mayor Troxell.

A. Marketplace Facilitators & Economic Nexus Update

Jennifer Poznanovic, Sr. Project & Revenue Manager

EXECUTIVE SUMMARY

The purpose of this item is to provide an update on impacts from the U.S. Supreme Court's *South Dakota v. Wayfair, Inc.* decision (June 2018) since the City's adoption of Marketplace Facilitators and Economic Nexus Ordinances, which was effective November 1, 2020.

GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

This item provides an opportunity to provide an update and discuss impacts of the Marketplace Facilitators and Economic Nexus Ordinance with Council Finance Committee.

BACKGROUND/DISCUSSION

U.S. Supreme Court Decision in *South Dakota v. Wayfair, Inc.*

Under the City's sales and use tax ordinances, sales tax is levied on all sales and purchases of tangible personal property and taxable services at retail unless prohibited under the constitution or other law of the United States. In June 2018, the United States Supreme Court decided the case of *South Dakota v. Wayfair, Inc.* (2018). South Dakota enacted a statute requiring internet sellers with no physical presence in the state to collect and remit sales tax, which was not allowed under prior Supreme Court rulings.

In *Wayfair*, the Supreme Court overturned its prior rulings that had held that a state may only tax a retailer if that retailer has a physical presence in the state. The *Wayfair* court held that an out-of-state retailer's physical presence in the taxing state is not necessary for the state to require the seller to collect and remit its sales tax. Rather, a state could require an out-of-state retailer to collect and remit its sales tax if the retailer has a substantial economic nexus with the state. The Supreme Court approved of South Dakota's system finding it did not place an unconstitutional burden on interstate commerce, because the system set a threshold amount below which smaller retailers did not have to collect tax, provided a statewide single point of remittance and tax administration, simplified tax rate structures, set other uniform rules, and applied only prospectively after its adoption.

The Colorado Municipal League (CML) Sales Tax Simplification Committee met in October 2018 and all self-collected home rule municipalities agreed to continue voluntary compliance to keep the municipal sales tax system in the state as simple as possible. Through the Committee's direction, a group of municipal attorneys and municipal finance staff worked to develop a model ordinance with uniform definitions and requirements. The intent behind the model ordinance is to clarify who can collect and remit taxes along with clarifying the authority given to taxing jurisdictions by the U.S. Supreme Court in the *Wayfair* case. The stated goal behind the ordinance is uniformity and simplicity so that all municipalities in Colorado can collect tax from online or remote retailers.

Colorado Department of Revenue (DOR) Implementation of *Wayfair*

In July 2019, State House Bill 19-1240 established an economic nexus for purposes of state sales tax on retail sales made by retailers without a physical presence in Colorado. As of October 2020, HB19-1240 requires marketplace facilitators (a person that operates an online marketplace, such as Amazon) to collect and remit sales tax on behalf of marketplace sellers (a person that sells goods through the online marketplace). While HB19-1240 has set some precedent in Colorado for the collection of sales tax from retailers without physical presence, its requirements do not apply to sales taxes imposed by home rule municipalities, which have their own taxing authority under the Colorado Constitution.

In furtherance of HB19-1240, the Colorado Department of Revenue has developed a software system to allow retailers a single point to remit sales tax. The Department has made the system available for home rule municipalities to collectively provide retailers a system similar to the one operated by South Dakota. The Department collects state and local sales tax from out-of-state retailers for those taxing entities for which it already collects sales tax from in-state retailers. The Department collects for approximately 265 jurisdictions, 150 statutory cities, 24 home rule municipalities and all but two counties.

Colorado Department of Revenue's Single Point of Remittance Software (SUTS System) & Single GIS System

The Department's single point of remittance software, including the SUTS System and GIS System, is an option for the numerous self-collecting taxing jurisdictions to align more closely with the South Dakota tax system. Remote sellers with sufficient economic nexus can file and pay tax via the SUTS System to those taxing jurisdictions that have chosen to participate in the system. The SUTS System is available for any business, not just those whose only contact with the City is economic nexus. Businesses with physical presence can file and remit taxes using the SUTS System. Businesses with physical presence in the City still need to have a Fort Collins

sales tax license. The portal is essentially an additional filing option for businesses, meaning businesses could file on paper, using the City's online system, or via the Department's SUTS System.

Colorado Municipal League's (CML) Model Ordinance & the City of Fort Collins

The City of Fort Collins' Marketplace Facilitator and Economic Nexus Ordinance was effective November 1, 2020. The Ordinance is based on a model ordinance prepared by a working group of municipal attorneys and municipal finance staff, coordinated by the Colorado Municipal League (CML). In addition to adoption of the Ordinance, the City also entered into an agreement with the Colorado Department of Revenue to allow such taxpayers to remit tax to the City using the Department's single point of remittance software (SUTS System).

Top Internet Retailers Licensed in Fort Collins

Nationally, e-commerce represents 14.0%* of total retail sales. Of the top 10 U.S. companies based on percentage of e-commerce sales, eight are licensed in Fort Collins (see chart below).

Retailer**	Ecommerce Share	Licensed
Amazon	49.1%	Yes
eBay	6.6%	Yes
Apple	3.9%	Yes
Walmart	3.7%	Yes
The Home Depot	1.5%	Yes
Best Buy	1.3%	Yes
QVC Group	1.2%	Yes
Macy's	1.2%	Yes
Costco	1.2%	No
Wayfair	1.1%	No

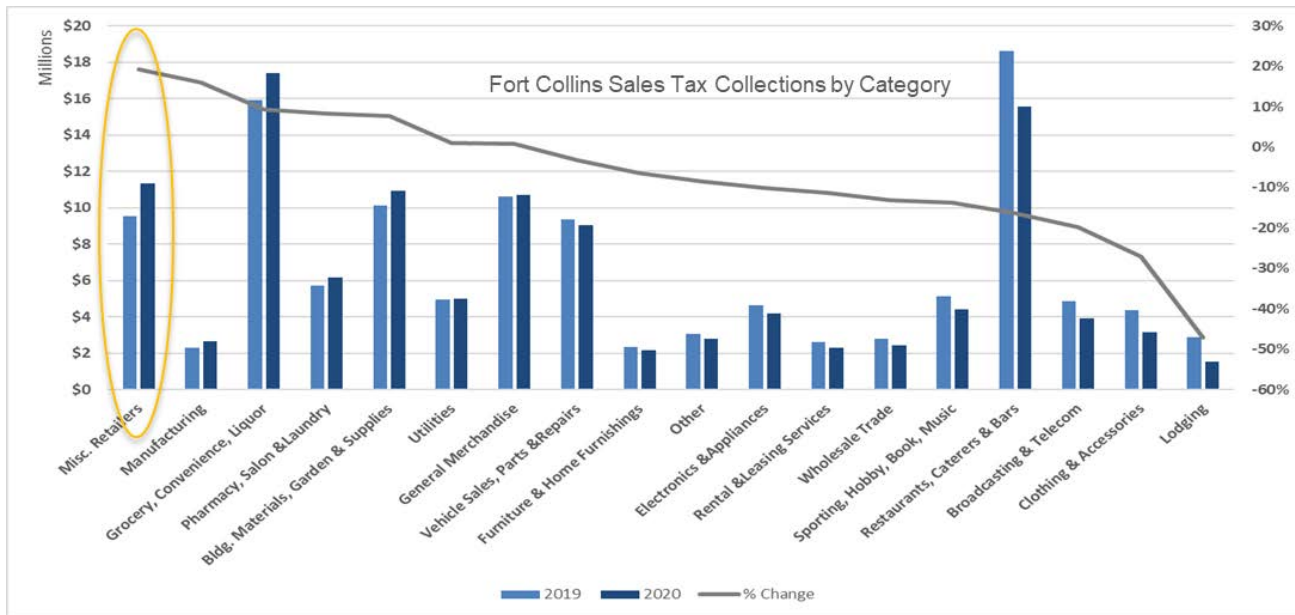
*U.S. Census Quarterly Retail E-Commerce Sales 4th Quarter 2020

**Top 10 US companies based on % of e-commerce sales, eMarketer, July 2018

Impact of Marketplace Facilitators and Economic Nexus Ordinances for Fort Collins

Marketplace Facilitators and Economic Nexus Ordinance was effective November 1, 2020, which began impacting November 2020 tax returns (December tax collections). On the City's Monthly Sales and Use Tax Report, most online retailers are in the "Miscellaneous Retailers" category.

Below is a breakdown of the City's 18 categories with the percent change between 2019 and 2020:



Miscellaneous Retailers saw the greatest positive percent change of any category at 19% (\$1.8M) from 2019 to 2020. This increase can be attributed to a shift in buying behavior towards online goods in general, and in particular due to the pandemic. It also includes one month of tax collections from Economic Nexus and Marketplace Facilitators. The percent change from December 2019 to December 2020 was 79% or \$650M.

The trend in significant growth in the Miscellaneous Retailers category has been consistent for the first three months of tax collections since the ordinance:

- December 2020 compared to 2019 saw 79% growth or \$650k
- January 2021 compared to 2020 saw 66% growth or \$850k
- February 2021 compared to 2020 saw 71% growth or \$550k

DISCUSSION / NEXT STEPS:

Mayor Troxell; good report and interesting data - thank you

Can you remark on our sales tax coming into this year? It looks like our sales tax revenue is looking rather strong

Jennifer Poznanovic; it is looking good so far this year - 2.4% up so far YTD for sales and use tax

Mayor Troxell; good foundation – reworked 2121 budget – we are in a good position pending any unforeseeable events

Ross Cuniff; thank you – this is good news that it is operating as it should and good news for the e-retailers that we have a consistent framework across the state. All good news – 650 out of 1.8M - will be interesting to see how that tracks over the year

Ken Summers; good news for the city to recoup some sales tax revenue in a challenging environment.

GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

This item provides an opportunity to provide an update and discuss impacts of the Marketplace Facilitators and Economic Nexus Ordinance with Council Finance Committee.

B. Land Bank Sale

Victoria Shaw, Sr. Financial Analyst

Sue Beck-Ferkiss, Lead Specialist Social Sustainability

SUBJECT FOR DISCUSSION

Land Bank parcel sale for affordable home ownership housing

EXECUTIVE SUMMARY

In response to the 2017 City Council priority to deploy a land bank parcel for affordable homeownership, staff has partnered with a development team to create an opportunity to develop 54 townhomes on the Kechter land bank parcel. Although affordable housing, especially affordable for-sale housing, requires substantial subsidy, for this development the City subsidy will only consist of the in-kind donation of land value. The parcel was purchased in 2002 for \$556,000, appraised in 2018 at \$1,200,000 and the proposed sale price is \$25,000. The contribution of the \$1,175,000 in land value translates to a subsidy level of \$21,759 per unit. The City's only contribution is the value of the land and will not require additional cash investment. Partners are bringing an additional \$4.1M or \$76,000 per unit of cash subsidy.

GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

Does the Council Finance Committee support the sale of the Kechter land bank parcel for \$25,000 for the purpose of developing 54 permanently affordable for-sale townhomes?

BACKGROUND/DISCUSSION

The Land Bank Program is the City's only long-term affordable housing incentive. This program was created in City Code in 2001 with the purpose to enable the City to acquire, hold, and sell real property to assist housing providers in providing permanently affordable rental and homeownership housing. One land bank parcel has been sold to date. In 2016, the Horsetooth parcel was sold to Housing Catalyst and has since been developed into 96 affordable rental apartments.

Following the deployment of the Horsetooth parcel, in 2017 City Council established a priority to issue a Request for Proposals (RFP) for a home ownership development project on a land bank parcel. Staff determined the Kechter parcel to be appropriate for home ownership, obtained an appraisal, conducted a historic review, and compiled file documents that would be relevant to the sale process. Staff proceeded to issue an RFP for the sale of the Kechter parcel. Only one response was received, so a second RFP was issued, and 3 responses were received. TWG, a for-profit developer out of Indiana was selected and the City entered into an Exclusive Negotiating Agreement for the Kechter Townhomes project.

A development partnership was created consisting of:

- Housing Catalyst (HC) to provide local technical assistance and tax abatement
- Elevations Community Land Trust (ECLT) as a community land trust partner
- TWG as the developer and builder of the townhome community
- The City of Fort Collins as the seller of the land

The partners worked together to determine project feasibility, and it was quickly determined that substantial subsidy would be required to offer homes at affordable sales prices. Beyond the subsidy pledged by ECLT and tax abatement provided by HC, the parties determined that additional subsidy would be required to meet the goal of affordable ownership in perpetuity. The City would need to donate most of the value of the land and the Colorado Division of Housing approved additional subsidy for the project.

Both the Division of Housing and ECLT are providing more than their typical subsidy because this project will deliver permanently affordable home ownership units. Habitat for Humanity has been the primary developer of affordable home ownership product in Fort Collins and the City has provided between \$40,000 and \$74,500 in cash subsidy per unit for those homes. For Kechter Townhomes, the City's contribution is only the value of the land and equates to \$21,759 per unit. These townhomes will also be affordable in perpetuity through the land trust coupled with deed restrictions whereas a typical deed restricted unit is restricted for at least 20 years. Kechter Townhomes will be the City's first permanently affordable home ownership project.

Summary of Subsidy:

Investor	Per Unit	Typical Subsidy Amount	Total subsidy
Elevations Community Land Trust (cash)	\$48,500	\$30,000	\$2,619,000
Division of Housing (cash)	\$27,500	\$15,000	\$1,485,000
City of Fort Collins (in kind)	\$21,759	\$38,970 (\$50K for ownership)	\$1,175,000
Total	\$97,759 direct subsidy per unit		\$5.28M direct subsidy

Upon construction of the development, TWG will sell the units to ECLT who will keep ownership of the land and sell the homes to qualified low-income buyers. ECLT will certify buyers, confirm sale prices and be the long-term steward of the community.

On March 4, 2021, the project was approved by a Hearing Officer. Legal documents are being circulated to assure permanent affordability. Staff intends to bring a Purchase and Sale Agreement, incorporating the requirement for permanent affordability, conditioned on the project successfully completing the City's development review process for Council consideration in May. The City will be selling the land, but because this community will be permanently affordable with the land held by ECLT, the land remains a community asset even after the sale.

Next Step:

Council consideration of the Purchase and Sale Agreement.

DISCUSSION / NEXT STEPS

Ken Summers; overall a good project -thinking of the long-term benefit for someone who is trying to make progress in terms of their financial situation - they buy into an affordable unit and then for them to get out of an affordable unit - is there some kind of an equity building opportunity?

Victoria Shaw; home ownership can be a substantial path to wealth building for families - future buyers would also have to be certified and qualified for affordable housing to purchase the unit - the first owners would take some of the equity with them which would include any equity they built by paying down their mortgage as well

as Elevation has a specific formula that allows them to take some appreciation of the unit with them - would not be as much as a market rate unit since we are maintaining that affordability for subsequent generations.

Sue Beck-Ferkiss; since we have Elevation working with the homeowners – they will be getting financial coaching - they will be encouraged to move on and give the opportunity to another qualified family.

Ross Cunniff; conceptually I like this but am concerned about the lack of reimbursement to the land bank. We are losing approximately 10% of the value of the land bank based on some of the appraisals (some are older). I do like the evergreen affordability term - that tradeoff makes the trade-off worth it to accept a reduction in our land bank overall portfolio. I would like a future Council to contemplate ways to replenish the land bank.

Darin Atteberry; as you know, the Affordable Housing Plan does talk about the importance of the land bank program. that is the exact concern I have - I agree that the evergreen affordability is key here. With our Affordable Housing Plan and the BFO process, this will be front and center with our next Council.

Mayor Troxell; I am supportive - these are complex transactions, and you have a great list of partners on this. Share Ken's general concern of we do not want people into lower income framework – I appreciated the intent and the answer described there – also, the replenishment – with the appreciation of properties I view this as more of an exception than the rule. I am supportive of this going forward.

GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

Does the Council Finance Committee support the sale of the Kechter land bank parcel for \$25,000 for the purpose of developing 54 permanently affordable for-sale townhomes?

RESULT: Committee is supportive of this going forward to the full Council.

Other Business:

PRPA Refund check:

Ken Summers; can you tell us more about the PRPA check (refund) to the city? Where do these funds go?

Darin Atteberry; sure, we received a \$468K refund check from PRPA and have been talking about where the funds would be best leveraged. We are planning to ask Council tomorrow evening to appropriate those funds toward the utilities non-payment gap as we think that is where it will go the furthest.

Snowstorm:

Darin Atteberry; today at LPT we talked quite a bit about the snowstorm. I don't have any hard financial data to share, but this is not a typical snowstorm. This snow is very wet and very heavy and in some parts of town we received over 24 inches which is inhibiting our efforts to clear the streets. Larry Schneider and teams have been working this for the last 48 hours - major and minor arterials are in great shape - on some we have no snow. We did a lot of work on collectors last night but still issues with turn lanes. Residential areas are a challenge as the weight and density of the snow is causing issues for some of our heavy-duty plows so we have gone to front loaders and dump trucks to export the snow. When we do one pass through a residential area it can cause up to 4-foot drifts and if you have ever dug out of a snow drift from a plow, it can be like moving concrete. Additionally, we are having significant brand and limb issues and are trying to clear the roadways for safety reasons.

We did not use much deicing material, but we do have a lot of labor and overtime which could have a pretty significant impact on our streets budget. The every 5-10 year storms are not typically budgeted but we do have reserves to cover these things which may not be from the Streets budget.

If we do go all in with residential streets and if we do end up doing branch pick up which I am not prepared to say what we will do at this point and even talk with Council about it. The big storm we had in 2003 we spent over \$1M picking up limbs and branches and exporting snow. If we do one swipe residential pass we are probably looking at \$100-200K of extra costs. Depending on the level of branch pick up - it could be hundreds of thousands of dollars.

I wondered if you are hearing from your constituents. How are you feeling now?

Ross Cunniff; I just received my first email an hour about a residential tree. I expect to get more as the day goes on. I think people thought they could get their SUVs out, but they cannot - high center and this snow does not compact like our normal snow does.

Darin Atteberry; If you get stuck in your neighborhood people tend to abandon your car then If we get a 911 call and Police and Fire can't get through then a plow or a loader has to escort them through - we don't want folks to abandon their vehicles because it causes other problems.

Ross Cunniff; If needed, we could schedule a special Finance Committee meeting if there are trade-offs or other special considerations involved.

Darin Atteberry; I will take you up on that if needed. There could be decisions made in the next 24 hours that could drive our costs up significantly - the west side got hit hard including the CSU and City Park areas. Very significant branches down in those areas - we do want to get them out of right of way and there will be private damage as well. The City owns approximately 50K trees so we will be responsible to have those trees taken care of.

Ken Summers; We need to do what we need to do - I can't think of any better use of reserves than something like this - this is why we have healthy reserves - to deal with the unbudgeted and the unanticipated. I am not sure it will be quite as bad across the city with tree damage as past storms.

Meeting adjourned at 11:10 am

COUNCIL FINANCE COMMITTEE AGENDA ITEM SUMMARY

Staff: Victoria Shaw, Sue Beck-Ferkiss

Date: April 19, 2021

SUBJECT FOR DISCUSSION

Two Requests for Affordable Housing Fee Credits

EXECUTIVE SUMMARY

The purpose of this item is to seek feedback on requests from two development projects to provide fee credits from the City for qualifying affordable housing units. These units will serve households making no more than 30% area median income (AMI). At the discretion of City Council, fee credits of \$14,000 per qualifying unit of new construction may be provided under the City Code to incentivize the development of units which serve families that earn up to 30% of Area Median Income (AMI) if the proposed credit will not jeopardize the financial interests of the City.

GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

1. Is Council Finance Committee supportive of issuing fee credits to two affordable housing developments with qualifying units?
2. Does Council Finance Committee have direction on which City fund to provide these fee credits from?

BACKGROUND/DISCUSSION

The City has received requests for fee credits from two affordable housing developments:

1. Housing Catalyst (HC) is developing the Oak 140 project at 140 Oak Street in Fort Collins. This project will deliver 79 affordable apartment homes and 7 of them qualify for fee credits. Their request is for a total credit of \$98,000. See HC's request attachment 1.
2. Volunteers of America (VOA) is developing Cadence, a 55-unit age-restricted affordable housing development at 2555 Joseph Allen Drive. This project will have 55 apartment homes and 18 of them qualify for fee credits. Their request is for a total of \$252,000. See VOA's request attachment 2.

Fee credits replaced the City's prior fee waiver program and is currently the City's only mechanism to specifically incentivize units which serve households that earn 30% or less of AMI. These units are the hardest to develop since they have the largest cost gap because resulting rents are extremely low. For instance, a household of two must earn no more than \$22,590 annually to qualify. Most mechanisms to incentivize affordable housing are available for

units that serve up to 80% of AMI. The table below illustrates the 2020 AMI thresholds for the Fort Collins – Loveland MSA. (2021 AMI thresholds have not yet been published).

Household Size	100% AMI	80% of AMI	60% of AMI	50% of AMI	30% of AMI
1	\$65,900	\$52,700	\$39,540	\$32,950	\$19,800
2	\$75,300	\$60,200	\$45,180	\$37,650	\$22,600
3	\$84,700	\$67,750	\$50,820	\$42,350	\$25,450
4	\$94,100	\$75,250	\$56,460	\$47,050	\$28,250
5	\$101,700	\$81,300	\$61,020	\$50,850	\$30,550
6	\$109,200	\$87,300	\$65,520	\$54,600	\$32,800
7	\$116,700	\$93,350	\$70,020	\$58,350	\$35,050
8	\$124,300	\$99,350	\$74,580	\$62,150	\$37,300

Fee waivers were previously calculated based on the sum of eligible fees, prorated by the percent of the development's total units which are restricted to serve $\leq 30\%$ AMI. Fees historically considered eligible for waiver include:

- Development Review Fees
- Building Permit Fee
- Capital Expansion Fees (including those for Fire, Police, Streets, and Parks)

Other fees collected by the City that are not considered eligible for waivers include fees which are collected on behalf of other agencies (such as Larimer County or Poudre School District) and fees for utilities.

In 2020, City Council changed this subsidy from a pro-rated waiver to a flat credit of subsidy. The amount was set to \$14,000 per unit for new development units and \$5,500 per unit for redevelopment units where the project gets the benefit of prior fees paid on the property. This simplified the process and provided predictability to developers. City Council retained discretion to authorize each request. Authorization is dependent on a determination that issuing the credits will not jeopardize the financial health of the City. City Council may also direct staff on which fund, such as General Fund or Affordable Housing Capital Fund, to use when issuing waivers.

The request from HC is for Oak 140 to be located at the site of the former Elks Lodge at Oak and Remington Streets in downtown Fort Collins. All 79 new apartments will be restricted affordable. It will have a mix of studio, one and two-bedroom apartments with the vast majority one bedroom. They will be priced to target households earning between 30% and 80% AMI. 7 units qualify for fee credits because they will be restricted to serve households with $\leq 30\%$ AMI. This project, in partnership with the Fort Collins Downtown Development Authority, aims to fill a demand for downtown employees that find downtown housing costs a challenge to living near where they work.

The request from VOA is for Cadence, a 55-unit age- and income restricted housing community in one building at 2555 Joseph Allen Drive near the corner of Drake Street and Timberline Road. All 55 new apartments will be affordable. They will be priced to target adults 55+ earning between 20% and 80% AMI. 18 units qualify for fee credits because they target households at or below 30% AMI. Including 20% AMI targets is unusual and will serve extremely low-income

households. The location of this community is near a bike path, a bus route and a supermarket which are well suited to the special population (seniors) targeted by this project.

These two requests are the first requests to be considered under the new fee credit process. Both requests are for qualifying new units of construction. Therefore, the flat fee to be applied to these requests is \$14,000 per unit. The total of the two requests is \$350,000. In the past, fee waiver reimbursements have been funded from General Fund Reserves or the Affordable Housing capital Fund (AHCF), which is part of the Community Capital Improvement Project funding. Often the cost was split between these two sources, as shown in the below table:

Project	Backfill of Waivers			Backfill Sources		
	Total Waivers	% Backfilled	Total Backfill	General Fund	Transportation Fund	AHCF
Redtail Ponds	\$ 274,762	85%	\$ 233,781	\$ 274,199	\$ -	\$ -
Village on Redwood	\$ 100,708	0%	\$ -	\$ -	\$ -	\$ -
Oakridge Crossing	\$ 90,923	100%	\$ 90,923	\$ -	\$ -	\$ 90,923
Village on Horsetooth	\$ 352,319	83%	\$ 292,345	\$ 179,845	\$ -	\$ 112,500
Mason Place	\$ 326,081	90%	\$ 294,054	\$ 190,554	\$ 3,500	\$ 100,000
Total	\$ 1,144,793	80%	\$ 911,103	\$ 644,598	\$ 3,500	\$ 303,423

The AHCF currently has \$810,359 available, and 28% of AHCF dollars through 2020 have been used to fund fee waivers.

ATTACHMENTS

1. Request of Housing catalyst
2. Request of Volunteers of America

March 31, 2021

Sue Beck-Ferkiss, Social Sustainability Specialist
Office of Social Sustainability
City of Fort Collins
222 Laporte Avenue
Fort Collins, CO 80521

Re: Fee Credit Request – Oak 140

Dear Mrs. Beck-Ferkiss,

I am writing to request fee credits for Oak 140, a mixed-use development that will bring 79 affordable apartments and two ground-floor commercial spaces to the site of the former Elks Lodge at Oak and Remington Streets in downtown Fort Collins. The project is made possible through a partnership between Housing Catalyst and the Fort Collins Downtown Development Authority (DDA), two organizations that bring vast experience to the project and have a demonstrated commitment to making Fort Collins a stronger, safer, and better community.

Name, address and contact information for developer

Kristin Fritz
Chief Real Estate Officer
Housing Catalyst
1715 W Mountain Ave
Fort Collins, CO 80521
C: 415-531-5617
kfritz@housingcatalyst.com

***Name and address/location of development,
and location map***

Oak 140
Northwest corner of Remington St. and Oak St. in
downtown Fort Collins



Total number of units with breakdown of AMI targets for all units

100% of the 79 studio, one-bedroom, and two-bedroom apartments will be affordable for those earning between 30% and 80% of the Area Median Income (AMI), with an average resident income of 60% of the AMI. Below is the detailed AMI breakdown and unit mix:

30% AMI Units - 7	Studio - 4
40% AMI Units - 6	One-bedroom – 58
50% AMI Units - 29	Two-bedroom apartments - 17
70% AMI Units - 29	
80% AMI Units – 8	

Note: Oak 140 does not include any apartments at 60% AMI due to the predominance of 60% AMI units in the City's existing portfolio of LIHTC units.

Description of development and why it qualifies for affordable housing fee credits

Oak 140 is well-aligned with both the City of Fort Collins' belief that one of the keys to a healthy community is the ability to house its residents in good quality, affordable housing and the City Council's priority to improve access to a broad range of quality housing that is safe, accessible, and affordable. With 79 affordable units, this project will make a significant impact in helping the City achieve its goal of having 10% of the City's housing stock be affordable by 2040.

Oak 140 creates living options for downtown employees that currently find it financially challenging to live and work in Fort Collins because of rising housing costs. The DDA's contribution of the land at the former Elks building site provides a rare opportunity to make building affordable housing in a highly desirable downtown location financially feasible. Housing Catalyst and the DDA are proud to have developed an architectural design that respects the rich history and essence of Downtown Fort Collins, while also reflecting the evolving needs and character of the community.

Since identifying the significant need and desire for affordable housing for people working in and around downtown, the DDA and Housing Catalyst have worked to create a development that honors the vision to address this unique community demand. Project amenities include an on-site leasing office, community room with a community kitchen, exercise room, bike storage, parking, and an elevated terrace with gardens and seating areas. Oak 140 is ideally located for public transit use and easy access to job centers across the City. The site is within a quarter-mile of multiple bus stops with daily service to most areas of Fort Collins and adjacent cities, along a bike route and adjacent to a bike sharing program, and provides next-door access to hospitality and retail jobs.



The site is also in a highly walkable location with convenient access to the many incredible amenities that are at the heart of Old Town Fort Collins.

Proposed construction timeline

Construction will begin in June 2021 and be completed in March 2023.

Thank you for your consideration and please let us know if you need any additional information.

Sincerely,



Julie J. Brewen
CEO





March 24, 2021

Sue Beck-Ferkiss
Social Policy and Housing Program Manager
Social Sustainability Department
City of Fort Collins
222 Laporte Ave.
Fort Collins, CO 80521

via email only

**RE: Fee Waiver Request
Cadence – Fort Collins, CO**

Dear Sue:

Pursuant to the City's process for reviewing fee waivers, please find enclosed the subject request and necessary information.

1. Name, address and contact information for developer

*Volunteers of America
Ft. Collins VOA Senior Housing LLC
1660 Duke Street
Alexandria, VA 22314
(303) 726-1055 or (703) 341-5045*

2. Name and address/location of development, and location map

*2555 Joseph Allen Drive
Fort Collins, CO 80525*

3. Total number of units with breakdown of AMI targets for all units

# of Units	Area Median Income	%
4	20%	7.3%
14	30%	25.5%
5	40%	9.1%
4	50%	7.3%
10	60%	18.2%

National Services

1660 Duke Street, Alexandria, VA 22314–3427 • 703.341.5000 • voa.org

Helping America's most vulnerable®



12	70%	21.8%
6	80%	10.9%
55	51.3% average	100%

4. Description of development and why it qualifies for affordable housing fee credits

Cadence is a new development of 100% affordable housing units for older adults, age 55+ in the City of Fort Collins. Eighteen (18) units or 33% of the project provides very low income units at the 20 & 30% Area Median Income levels which qualify for the fee waiver program. These units help the City of Fort Collins fulfill their goals of providing additional new affordable housing units at these very low AMI levels.

5. Proposed construction timeline

Cadence recently closed on its financing and broke ground in March, 2021. Construction is anticipated to be completed in May, 2022.

Based on our understanding of the City of Fort Collins current affordable housing fee waiver program, Cadence is eligible for a \$14,000/very low income unit credit towards the project's City fees. This would equate to 18 x \$14,000/unit = \$252,000.

Please let us know if you have any additional questions.

Sincerely,

Doug Snyder

Vice President, Regional Real Estate Development

National Services

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Affordable Housing Fee Credit Requests
Sue Beck-Ferkiss, Victoria Shaw

1. Is Council Finance Committee supportive of providing fee credits for two affordable housing developments with qualifying units?
2. Does Council Finance Committee have direction on which City fund to provide these fee credits from?



STRATEGIC OBJECTIVES

Neighborhood Livability & Social Health

- **NLSH 1.1** Improve and increase...housing...affordable to a broad range of income levels.



COUNCIL PRIORITIES

- Affordable and Achievable Housing Strategies
- Equity and Inclusion



GUIDING PLANS

- City Plan
- Affordable Housing Strategic Plan
- Housing Strategic Plan
- Our Climate Future
- Talent 2.0

- Only mechanism that incentivizes $\leq 30\%$ AMI units
- Adopted as LEAN process improvement in 2020, previously the City provided fee waivers
- Flat amount of \$14,000 per new development unit; \$5,500 per re-development unit
- Requires Council determination that issuing the credits does not pose a risk to the financial health of the City
- All previous qualifying fee waiver requests have been granted

- Housing Catalyst
 - Oak 140 project (downtown)
 - 79 affordable apartment homes
 - 7 of them qualify for fee credits
 - Fee Credit request of \$98,000

- Volunteers of America
 - Cadence project at 2555 Joseph Allen Drive
 - 55-unit affordable housing development
 - Also age restricted
 - 18 of them qualify for fee credits
 - Fee Credit request of \$252,000

Requests total \$350K and add 25 qualifying units
Developments add 134 affordable homes to our inventory

- Past 5 Affordable Housing projects with fee waivers:

Project	Backfill of Waivers			Backfill Sources		
	Total Waivers	% Backfilled	Total Backfill	General Fund	Transportation Fund	AHCF
Redtail Ponds	\$ 274,762	85%	\$ 233,781	\$ 274,199	\$ -	\$ -
Village on Redwood	\$ 100,708	0%	\$ -	\$ -	\$ -	\$ -
Oakridge Crossing	\$ 90,923	100%	\$ 90,923	\$ -	\$ -	\$ 90,923
Village on Horsetooth	\$ 352,319	83%	\$ 292,345	\$ 179,845	\$ -	\$ 112,500
Mason Place	\$ 326,081	90%	\$ 294,054	\$ 190,554	\$ 3,500	\$ 100,000
Total	\$ 1,144,793	80%	\$ 911,103	\$ 644,598	\$ 3,500	\$ 303,423

- 28% of Affordable Housing Capital Fund dollars have been expensed on waivers through 2020
- Current AHCF balance is \$810,359

1. Is Council Finance Committee supportive of providing fee credits for two affordable housing developments with qualifying units?
2. Does Council Finance Committee have direction on which City fund to provide these fee credits from?

Backup

Incentivizing 30% AMI Units

Resource	Serves up to 80% AMI	Serves up to 30% AMI	Requires Permanent Affordability	Requires Ownership
Affordable Housing Capital Fund	X			
Competitive Process Grant	X			
Fee Waivers		X		
Private Activity Bond	X			
Development Incentives (<i>Density Bonus, Priority Processing, Fee Delay</i>)	X			
Land Bank Program	X		X	
Land Trust Partnership	X		X	X
Special Taxing District	X			

Historically Eligible for Fee Waiver

- ✓ Development Review
- ✓ Building Permit
- ✓ Capital Expansion (e.g. Fire, Parks, Streets)

Not Waived

- Fees collected on behalf of other agencies (Larimer County, PSD)
- Utilities Plant Investment Fees

Waiver Amount Calculation

Apply % of total units that serve up to 30% AMI against total eligible fees

Fee Offset Amount

Project	Year	Actual			Proforma Based on 2020 Fee Updates	
		Fee Waivers	# of 30% AMI Units	Waiver per Qualifying Unit	Proforma 2020 Waiver Amount	Proforma Waiver per Qualifying Unit
Redtail Ponds	2015	\$ 274,762	40	\$ 6,869	\$ 512,300	\$ 12,808
Village on Redwood	2017	\$ 100,708	13	\$ 7,747	\$ 185,842	\$ 14,296
Oakridge Crossing	2018	\$ 90,923	13	\$ 6,994	\$ 172,882	\$ 13,299
Village on Horsetooth	2018	\$ 352,319	43	\$ 8,193	\$ 595,737	\$ 13,854
Mason Place	2020	\$ 326,081	60	\$ 5,435	\$ 317,572	\$ 5,293
TOTAL		\$ 1,144,793	169	\$ 6,774	\$ 1,784,333	\$ 10,558

- Fee Credits are set to \$14,000 per qualifying new development unit & \$5,500 per qualifying re-development unit

Fee Credit Administrative Structure

- Grant a lump amount per each unit that serves up to 30% AMI
- Deposit amount into trust account held with City for when permits are issued
- Developer may use funds from trust account to pay any balances due to City
- Amount of per unit subsidy to be updated every 4 years with the fee update process and tied to historically waivable fees

Total City Subsidies by Development

New Construction Projects:

Project - Completion Date:	Competitive Process Funding	Capital Funds \$	Discounted Land	Fee Waivers	Total City Provided Subsidy	# Units	Subsidy per unit	# Units @ 30% AMI	Waiver per Unit
Oakridge Crossing	\$ -	\$ -	\$ -	\$ 90,923	\$ 90,923	110	\$ 827	13	\$ 6,994
Redtail Ponds - 2015	\$ 1,391,077			\$ 274,762	\$ 1,665,839	60	\$ 27,764	40	\$ 6,869
Village on Redwood- 2017	\$ 2,719,700			\$ 100,708	\$ 2,820,408	72	\$ 39,172	13	\$ 7,747
Village on Horsetooth - 2018	\$ 1,125,000		\$ 233,700	\$ 352,319	\$ 1,711,019	96	\$ 17,823	43	\$ 8,193
Mason Place - 2020	\$ 1,123,338	\$ 876,662		\$ 326,081	\$ 2,326,081	60	\$ 38,768	60	\$ 5,435
TOTAL:	\$ 6,359,115	\$ 876,662	\$ 233,700	\$ 1,144,793	\$ 8,614,270	398	\$ 21,644	169	\$ 6,774

Note: Mason Place per unit waiver is less because it is adaptive reuse

Rehab Projects:

Project - Completion Date:	Competitive Process Funding	Capital Funds \$	Discounted Land	Fee Waivers	Total City Provided Subsidy	# Units	Subsidy per unit
Northern Hotel-2018	\$675,000				\$675,000	47	\$14,362
Village on Shields-	\$3,135,011				\$3,135,011	285	\$11,000
DMA Plaza -2020	\$2,500,000				\$2,500,000	124	\$20,161
TOTAL:	\$6,310,011	\$0	\$0	\$0	\$6,310,011	456	\$13,838

Home Ownership:

Project - Completion Date:	Competitive Process Funding	Capital Funds \$	Discounted Land	Fee Waivers	Total City Provided Subsidy	# Units	Subsidy per unit
Avondale Cottages - 2016	\$745,000				\$745,000	10	\$74,500.00
Harmony Cottages - Phase I - 2020	\$480,000				\$480,000	12	\$40,000.00
Harmony Cottages - Phase II - 2021	\$400,000				\$400,000	8	\$50,000.00
TOTAL:	\$1,625,000				\$1,625,000	30	\$54,166.67

- The amounts for reimbursements will be updated every 4 years in conjunction with the fee update process and based on waivable fees on an average per unit basis.

	2016	2017	2018	2019	2020	2021
Capital Expansion Fees		Update	Step II	Step III		Update
Transportation CEFs		Update	Step II			Update
Electric Capacity Fees		Update		Update		Update
Water Supply Requirement		Update		Update		Update
Wet Utility Fees			Update	Update		Update
Building Development Fees				Update		Update
Fee Working Group		Active	Active	Active		

COUNCIL FINANCE COMMITTEE AGENDA ITEM SUMMARY

Staff: JC Ward, Senior City Planner, CDNS
Leo Escalante, Community Engagement Specialist, CPIO

Date: April 19, 2021

SUBJECT FOR DISCUSSION Municipal Immigration Legal Fund

EXECUTIVE SUMMARY (a brief paragraph or two that succinctly summarizes important points that are covered in more detail in the body of the AIS.)

The purpose of this item is to respond to a request from some members of Council for an off-cycle general fund appropriation to create a Municipal Immigration Legal Fund pilot program. If approved, this appropriation would create a pilot grant program to provide local access to immigration legal services for Fort Collins residents seeking citizenship or lawful presence. Grant funds will be awarded to legal service providers based on a competitive process and will be dedicated to program administration, education, and outreach; providing defense for people at risk of deportation; children seeking Special Immigrant Juvenile Status; and for community members seeking pathways to citizenship and lawful presence also known as Affirmative Cases.

GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

(Work session questions should be designed to gather direction from Council without requiring Councilmembers to make a decision.)

1. What feedback does the Council Finance Committee have regarding the research and unmet needs assessment for immigration legal services in Fort Collins?
2. What feedback does the Council Finance Committee have regarding the funding level or services that could be provided to Fort Collins residents as part of a municipal immigration legal fund?

BACKGROUND/DISCUSSION (details of item – History, current policy, previous Council actions, alternatives or options, costs or benefits, considerations leading to staff conclusions, data and statistics, next steps, etc.)

During the March 23 City Council Virtual Work Session, City staff from Neighborhood Services and the Communications and Public Involvement Department presented their findings from the research conducted on immigration legal defense funds implemented in 42 different jurisdictions across the country. The information covered included demographic data and unmet needs assessment in Fort Collins, program design from other jurisdictions, potential funding and service level options to assist undocumented residents in Fort Collins with pathways to lawful citizenship and lawful presence, and strategic alignment with City Council priorities to improve safety, community trust, equity and livability.

Key Findings on Greatest Needs in Fort Collins

City Staff worked with several service providers in Northern Colorado with expertise in immigration services to assess current service levels and unmet need for immigration legal services. Based upon this

research, the following is a summary of our key findings to inform Council's decision on the City's role in immigration services to Fort Collins residents.

- **Limited Availability of Services:** Currently there is only one immigration attorney practicing in Fort Collins. Attorneys in other practice areas may take on immigration clients but are not focused on complex systems of administrative or immigration law, making the representation challenging and outcomes less consistent. In addition to the limited availability of direct legal representation for immigration cases in Fort Collins, legal advice and documentation assistance for cases related to extension of visas, DACA renewal, citizenship, or legal permanent resident ("LPR") applications are largely unavailable and can cost hundreds of dollars for consultation with an attorney.
- **Affordability:** According to data provided by community partners from target population surveys and feedback from engagement activities, the lack of affordable legal services and representation are considered the biggest barriers to successful integration for immigrants in Fort Collins. While we do not have access to Fort Collins-specific information, data from regional partners working with immigrant communities confirms that 2,963 Northern Larimer County residents are eligible for immigration relief and need low-cost or pro bono legal services to pursue lawful paths to citizenship and presence. We also learned that many need these services for multiple family members in the same household. Out of pocket expenses for deportation defense range from \$6,000 to \$20,000 in filing fees and \$10,000 to \$50,000 for attorney costs depending on the specifics and complexity of the case. DACA, Visa, or LPR applications and renewals have varying filing fees and though the total varies widely, average approximately \$4,000 in attorney costs.
- **High Demand for Services:**
 - In Fort Collins, 2,200 residents are eligible for naturalization and the remaining 2,300 non-citizen immigrants are estimated to be undocumented and currently at risk for detention and deportation.¹ According to local immigrant advocacy organizations conducting outreach and operating immigration hotlines, the estimated unmet need for Fort Collins Detention/Deportation cases is 75-100 per year, SIJS cases is 100 per year, and affirmative cases (DACA, LPR, Naturalization) is 400 per year.
 - As of December 2020, there were 418 Larimer County residents with pending immigration deportation proceedings initiated by Department of Homeland Security, 83 of whom lacked legal representation.⁷ The Larimer County case numbers and unrepresented immigrants in detention as of December 2020 are almost double the 2019 case numbers.
 - In the Poudre School District, there are 54 students who arrived in the U.S. as unaccompanied minors seeking asylum because they are unable to return to their countries of origin due to threat of death or imminent harm. These students could remain in the United States through Special Immigrant Juvenile Status ("SIJS"). Due to the age of the children and current placement in foster care or with relatives other than their primary caregivers, these children only have access to immigration legal services through community programs. The Interfaith Solidarity and Accompaniment Coalition fundraises and connects children with legal service providers for SIJS cases, but their work is limited by the amount raised and availability of pro bono attorneys willing to take Fort Collins cases who are also skilled in complex SIJS cases.

Market Rates & Pilot Program Budget

To inform Council's consideration of the fund amount, City Staff obtained attorney costs by case type in the Fort Collins market from nonprofit immigration service providers, Rocky Mountain Immigrant Advocacy Network ("RMIAN") and Interfaith Solidarity and Accompaniment Coalition ("ISAAC") and are based on actual attorney and legal staff costs. The amounts listed cover limited filing fees associated with the pro bono representation.

¹ <https://dornsife.usc.edu/csii/eligible-to-naturalize-map/>

Case Type	Pro Bono Legal Costs/Case in Fort Collins market
Detention/Deportation	\$6,000/case
Special Immigrant Juvenile Status (SIJS)	\$4,000/case
"Affirmative Cases"- Deferred Action for Childhood Arrivals (DACA), Lawful Permanent Resident (LPR), or Naturalization	\$1,000/case

Pilot Program Budget

Start up costs for the program would include funding program administration and pro bono attorney's costs to represent a minimum of 10 deportation cases to recruit and retain an attorney and support staff to provide local representation.

The pilot program is proposed for 12 months from June 2021 to June 2022 to allow time to evaluate the long term need and City role for this program. The program start up costs below are based on this timeframe. This timing also allows for an informed discussion, if desired, as part of the 2023/2024 Strategic Plan and Budgeting for Outcomes process.

Note: This timing would create a funding gap of approximately six months in 2022. If desired, Council could consider an 18 month pilot program to address the funding gap.

Program Start Up Minimum

Item	Amount	Description
Program Administration	\$60,000	Program outreach to target populations, educational materials, translation and interpretation services, coordination of legal advice clinics and training sessions, capacity-building activities for local and regional service providers, administrative duties related to legal representation and grant reporting
10 Deportation Cases	\$60,000	Direct legal representation, intake assessment, and legal advice for Fort Collins residents facing detention and deportation, including residents on bond from detention awaiting immigration hearings

Additional Service Options

Item	Amount	Description
Additional Deportation Cases	\$6,000/case	Direct legal representation, intake assessment, and legal advice for Fort Collins residents facing detention and deportation, including residents on bond from detention awaiting immigration hearings
SIJS Cases	\$4,000/case	Direct legal representation, intake assessment, and legal advice for Fort Collins residents who arrived as unaccompanied minors, are seeking asylum, and are unable to return to their country of origin due to the threat of death or imminent harm
"Affirmative" Cases (DACA, LPR, or Naturalization)	\$1,000/case	Direct legal representation, intake assessment, and legal advice for Fort Collins residents who may qualify for DACA, LPR, or Naturalization pathways to citizenship or lawful presence

Next Steps: First Reading of the appropriation Ordinance for a municipal immigration legal fund is scheduled for City Council consideration on April 20, 2021. If this appropriation is approved by City Council, Staff anticipates releasing a request for proposal from legal service providers to perform work

under a competitive selection process in the second quarter of 2021 and anticipate work to begin in the third quarter of 2021.

ATTACHMENTS (numbered Attachment 1, 2, 3,...)

1. Municipal Immigration Legal Fund AIS from City Council Work Session on March 23, 2021
2. Municipal Immigration Legal Fund City Council Work Session Summary
3. Municipal Immigration Legal Fund City Council Meeting AIS for First Reading for April 20, 2021

Staff:

JC Ward, Sr. City Planner, Neighborhood Services
Leo Escalante, Public Engagement Specialist, CPIO

SUBJECT FOR DISCUSSION Municipal Immigration Legal Fund**EXECUTIVE SUMMARY**

The purpose of this work session is to provide Council with information requested on the need for immigration legal services in Fort Collins, existing municipal immigration legal fund implementation and funding models, and alignment of potential solutions with our community-specific needs.

General Direction Sought

1. What feedback does City Council have regarding the research and unmet needs assessment for immigration legal services in Fort Collins?
2. What next step would Council like Staff to pursue regarding a municipal immigration legal fund for Fort Collins residents?

Background

As City Council has acknowledged, fear and uncertainty due to immigration status and lack of due process can impact overall community safety, equity, and livability. While immigration policy and enforcement are controlled by the federal government, Fort Collins City Council noted in the 2020 Legislative Policy Agenda that “issues pertaining to civil rights at the United States’ borders and immigration law more broadly have wide impacts that can directly impact the day-to-day life of Fort Collins residents.”¹ The City Council’s Resolution 2019-100 details concerns that fear resulting from federal immigration law and enforcement policies could discourage Fort Collins residents from engaging with safety personnel, Police Services, and other City departments to access services and resources.²

Fort Collins has an immigrant community of more than 11,000 people or 6.8% of the total population.³ Approximately 4,500 Fort Collins residents are currently not United States citizens.⁴ 2,200 residents are eligible for naturalization and the remaining 2,300 non-citizen immigrants are estimated to be undocumented and at risk for detention and deportation.⁵ 15% of children in Fort Collins live with at least one immigrant parent and 75% of these children are themselves US citizens.⁶

¹ <https://www.fcgov.com/citymanager/files/19-21914-2020-legislative-policy-agenda-web.pdf?1578507829>, page 9

² https://citydocs.fcgov.com/?cmd=convert&vid=72&docid=3390688&dt=AGENDA+ITEM&doc_download_date=OCT-01-2019&ITEM_NUMBER=11

³ <https://www.census.gov/quickfacts/fortcollinscitycolorado>

⁴ <http://research.newamericaneconomy.org/wp-content/uploads/2017/02/nae-co-report.pdf>

⁵ <https://dornsife.usc.edu/csii/eligible-to-naturalize-map/>

⁶ U.S. Census Bureau (2017), Age and nativity of own children under 18 years in families and subfamilies by nativity of parents. 2016 ACS 1-year estimates. Retrieved from <https://data.census.gov/cedsci/>

In December 2020, there were 418 Larimer County residents with pending immigration deportation proceedings, 83 of whom lacked legal representation.⁷ Many people in deportation proceedings have valid legal claims to remain in the United States but cannot effectively assert those claims or gather necessary evidence without legal representation. Any non-citizen including lawful permanent residents, refugees, and people who entered legally on visas can be placed in deportation proceedings.⁸ Immigrants are 10.5 times more likely to be able to lawfully remain in the U.S. when they have legal representation.⁹ 42 municipalities in the U.S. now have some form of immigration legal assistance to assure due process and equity so that inability to afford an attorney is not a determining factor in the ability to lawfully remain in the United States.¹⁰

Fort Collins lacks available pro bono or low-cost legal advice and assistance for cases related to extension of visas, DACA renewal, citizenship, or legal permanent resident applications. There is one immigration attorney practicing in Fort Collins and although community partners are providing assistance for immigrants, no organizations currently provide pro bono or low-cost immigration legal defense and advice for Fort Collins residents. 2,963 Northern Larimer County residents are eligible for immigration relief and need low-cost or pro bono legal services to pursue lawful paths to citizenship. Best practices from other municipal immigration legal fund delivery models include legal services that meet the most urgent needs, reach the greatest number of impacted community members, and build trust in the immigrant community through ongoing self-advocacy and program support. In Fort Collins, those services have an estimated funding need of \$145,000-\$380,000 annually based on the service levels and number of cases that would be provided to the community.

Strategic Alignment

- **Strategic Outcome - Neighborhood Livability & Social Health** 1.4 Advance equity for all, leading with race, so that a person's identity or identities is not a predictor of outcomes.
- **Strategic Outcome - Economic Health** 3.2 Understand trends in the local labor market and work with key partners to grow diverse employment opportunities.
- **Strategic Outcome - Safe Communities** 5.1 Improve overall community safety while continuing to increase the level of public trust and willingness to use emergency services.
- **Strategic Outcome - High Performing Government** 7.3 Improve effectiveness of community engagement with enhanced inclusion of all identities, languages and needs.
- **2020 Legislative Policy Agenda – Immigration and National Border Conditions** 1. Supports the humane treatment of persons who are detained by Immigration Officials and the rapid resolution of legal proceedings to determine their status; 2. Supports a pathway to legal immigration into the United States that is sustainable in the long term.

⁷ <https://trac.syr.edu/phptools/immigration/nta/>

⁸ <https://www.usa.gov/deportation>

⁹ Vera Institute of Justice Policy Brief (February 2021). Retrieved from <https://www.vera.org/publications/a-federal-defender-service-for-immigrants>.

¹⁰ <https://www.vera.org/initiatives/safe-initiative>

- **City Council Resolution 2019-100** re: *The Immigration Crisis at the Southern Border of the United States and its Impact on the Fort Collins Community*
- **Social Sustainability Strategic Plan (2016)** – *Equity and Inclusion Theme B1.2.b* Research existing partner and community programs to help inform refugee and immigrant populations of their legal rights and responsibilities; seek opportunities to create programs where none currently exist.

Immigration policy, enforcement, and adjudication are under federal jurisdiction, but as Fort Collins City Council noted in the 2020 Legislative Policy Agenda, “issues pertaining to civil rights at the United States’ borders and immigration law more broadly have wide impacts that can directly impact the day-to-day life of Fort Collins residents.”¹¹ The City Council’s Resolution 2019-100 and Community Trust Initiative outline additional concerns that fear resulting from federal immigration law and enforcement policies could discourage Fort Collins residents from engaging with safety personnel, Police Services, and other City departments to access services and resources.¹² ¹³ This lack of engagement could discourage people from obtaining emergency assistance or reporting crimes, and ultimately interfere with obtaining an accurate count of people living in Fort Collins, putting at risk the City’s accurate representation in Congress and in the Colorado General Assembly, as well as federal funding. These local impacts on safety, equity, and livability led 42 municipal government entities across the United States to create immigration legal defense programs.

Challenges for Immigrant Communities

Fort Collins lacks available pro bono or low-cost legal advice and assistance for cases related to extension of visas, DACA renewal, citizenship, or legal permanent resident applications. There is one immigration attorney practicing in Fort Collins and although community partners are providing assistance for immigrants, no organizations currently provide pro bono or low-cost immigration legal defense and advice for Fort Collins residents. 2,963 Northern Larimer County residents are eligible for immigration relief and need low-cost or pro bono legal services to pursue lawful paths to citizenship.

- Deportation proceedings are the only legal proceedings in the United States where people are detained without access to legal representation.¹⁴ Because deportation is considered a civil rather than criminal penalty, immigrants facing removal are not protected by the Sixth Amendment “**right to counsel**” in place for criminal defendants. Every immigrant in a deportation hearing is confronted by a government prosecutor

¹¹ <https://www.fcgov.com/citymanager/files/19-21914-2020-legislative-policy-agenda-web.pdf?1578507829>, page 9

¹² https://citydocs.fcgov.com/?cmd=convert&vid=72&docid=3390688&dt=AGENDA+ITEM&doc_download_date=0CT-01-2019&ITEM_NUMBER=11

¹³ <https://citydocs.fcgov.com/?cmd=convert&vid=17&docid=3391549>

¹⁴ Vera Institute of Justice, *Immigrants Facing Deportation do not have the Right to a Publicly Funded Attorney. Here’s How to Change That*. February 9, 2021. Retrieved from <https://www.vera.org/blog/immigrants-facing-deportation-do-not-have-the-right-to-a-publicly-funded-attorney-heres-how-to-change-that>.

advocating for their deportation and is not entitled to representation even if they are in the most vulnerable categories like children, detainees, or asylum seekers.

- A common misperception is that deportation proceedings are only for undocumented immigrants. In fact, **any non-citizen** including lawful permanent residents, refugees, and people who entered legally on visas **can be placed in deportation proceedings**.⁸
- Increases in **economic hardship**, food insecurity, and housing instability are associated with deportation of a family member.¹⁵ In Colorado, families lose 30% of their income when an individual is detained or deported.¹⁶ Colorado immigrants in detention lose \$3.9 million in earnings per year.¹⁷
- According to the Colorado Fiscal Institute, “Every dollar spent by an immigrant family generates \$1.60 in local economic activity.”¹⁸ The \$3.9 million in **earnings lost** by immigrant families due to detention equals \$6.2 million lost by Colorado’s local economies each year.
- There is currently one immigration attorney practicing in Fort Collins.
- Although community partners are providing a wide spectrum of assistance for immigrants, organizations and attorneys taking on pro bono immigration cases currently provide limited pro bono or low-cost immigration legal defense and advice for Fort Collins residents. This assistance does not meet the need for local, immigration legal services.
- No statewide pro bono or subsidized immigration legal defense is provided in Colorado. Currently, the State of Colorado does not provide legal services or support for immigration cases and proposed legislation to create an immigration legal fund will still be insufficient to meet the needs of Colorado immigrants. The Colorado Legislature is considering HB21-1194 to create a statewide immigration legal defense fund. However, the fund would be limited to providing legal representation for detention-deportation cases. If approved, the anticipated funding level is unlikely to meet 100% of the overall need for all Colorado residents. Advocates for the Fort Collins immigrant community say the solution is not exclusively federal or state or local but requires the additive combination of funding and policy change at all levels.

For additional information on the immigration process, associated costs, and timelines, see background information attachments.

Current Conditions in Colorado

¹⁵ <https://doi.org/10.1016/j.socscimed.2017.04.007>

¹⁶ <https://www.coloradofiscal.org/wp-content/uploads/2021/02/2.12.21-Final-Report-2.pdf>, page 13

¹⁷ <https://www.coloradofiscal.org/wp-content/uploads/2021/02/2.12.21-Final-Report-2.pdf>, page 14

¹⁸ <https://www.coloradofiscal.org/wp-content/uploads/2021/02/2.12.21-Final-Report-2.pdf>, page 15

In 2019 the Department of Homeland Security adjudicated 8,500 immigration deportation cases in Colorado.¹⁹ 65% of immigrant detainees in those cases did not have legal representation.²⁰ In Colorado in 2020, 2,154 children faced immigration court deportation proceedings and 61% of these children did not have access to legal representation. Unfortunately, those without representation are much more likely to be detained while awaiting their hearings and to eventually be deported. Being represented by an attorney helps immigrants return to their families, jobs, and communities more quickly and keeps them there while their case is awaiting the deportation hearing. Immigrants are 10.5 times more likely to be able to remain in the U.S. when they have legal representation.⁹ Immigrants are 3.5 times more likely to be released on bond while awaiting trial if they have access to legal counsel.²¹

The direct and indirect effects of detention and deportation harm employers, communities, and Colorado's economy. The negative impacts of detention and deportation on individuals, their families, and their community range from negative emotional and mental effects on children to economic loss from the absence of a breadwinner. It is extremely costly for employers to replace immigrant workers with little to no notice. In Colorado, employers of workers earning less than \$30,000 per year expend roughly 16% of the employee's wages to replace them.²² Providing universal legal representation would allow more immigrants to remain in Colorado and on the job, thereby reducing costly disruption and expense for employers. Immigrants in our Congressional District contribute \$172.4 million in state and local taxes and more than \$406 million in federal taxes.²³ When a provider is detained, state and local governments also lose over \$350,000 in tax revenue for critical public services and infrastructure.¹⁹

Current Unmet Need for Immigration Services in Fort Collins

In the Fort Collins 2020 Legislative Policy Agenda, City Council indicated support for the humane treatment of immigration detainees, rapid resolution of legal proceedings to determine their status, and pathways to legal immigration into the United States.¹ The City of Fort Collins also affirms its commitment as an organization to equity, inclusion, and diversity through the articulated Equity Statement and Social Sustainability Strategic Plan. City Leadership acknowledges "the role of local government in helping create systems of oppression and racism and are committed to dismantling those same systems in pursuit of racial justice."²⁴ A coalition of regional service providers believes that helping to establish pro bono and low-cost legal services in Fort Collins is a key part of building equity and trust.

Demographics – General

¹⁹ Colorado Fiscal Institute. *A Matter of Justice: Cost Savings from Universal Legal Representation for All Colorado Immigration Proceedings*. (February 2021). Retrieved from <https://www.coloradofiscal.org/wp-content/uploads/2021/02/2.12.21-Final-Report-2.pdf>

²⁰ TRAC Immigration Reports, Syracuse University, "State and County Details on Deportation Proceedings in Immigration Court," available at: <https://trac.syr.edu/phptools/immigration/nta>

²¹ Ryo, Emily, "Detained: A Study of Immigration Bond Hearings," *Law & Society Review* 50, no. 1, 2016, 117-153.

²² Boushey, Heather & Glynn, Sarah Jane, "There are Significant Business Costs to Replacing Employees," Washington, DC: Center for American Progress, November 2012, p. 2.

²³ <https://www.newamericaneconomy.org/locations/colorado/colorado-district-2/>

²⁴ <https://www.fcgov.com/socialsustainability/equity>

In addition to the absence of critical representation for detained immigrants awaiting hearings, legal advice and assistance are lacking in Fort Collins for cases related to extension of visas, DACA renewal, citizenship, or legal permanent resident applications. The lack of affordable legal services and representation is considered the biggest barrier to successful integration for immigrants in Fort Collins by local service providers. This unmet need creates significant challenges to our unauthorized and partially documented immigrant community members, including financial and emotional instability; lack of access to health care, stable housing, higher education, and meaningful work; and a cycle of poverty.

- Fort Collins has an immigrant community of more than 11,000 people or 6.8% of the total population.²⁵
- Approximately 4,500 Fort Collins residents are currently not United States citizens.²⁶ 2,200 residents are eligible for naturalization and the remaining 2,300 non-citizen immigrants are estimated to be undocumented and currently at risk for detention and deportation.²⁷
- 2,963 Northern Larimer County residents are eligible for immigration relief and need low-cost or pro bono legal services to pursue lawful paths to citizenship and presence.
- As of December 2020, there were 418 Larimer County residents with pending immigration deportation proceedings initiated by Department of Homeland Security, 83 of whom lacked legal representation.⁷ The Larimer County case numbers and unrepresented immigrants in detention as of December 2020 are almost double the 2019 case numbers.
- An August 2020 poll of immigrant residents in Fort Collins had 162 respondents of which 70% reported their unmet need for immigration attorney services.²⁸ 49% of respondents cited the high cost of immigration legal services as the primary barrier to access, 36% could not find information on local legal services, and 39% did not think their current status had a pathway to citizenship.

Demographics – Children

Because of valid concerns about disclosure of immigration status to federal government agencies, state and local relief and assistance programs are increasingly filling the gap in those services to assure that all children and families can meet basic needs.

- 15% of children in Fort Collins live with at least one immigrant parent and 75% of these children are themselves US citizens.⁶
- “Mixed status” families, where one or more family member is undocumented, can face uncertainty due to inconsistent federal policy. Children who are U.S. citizens did not receive the first round of COVID-19 economic stimulus benefits if even one parent was

²⁵ <https://www.census.gov/quickfacts/fortcollinscitycolorado>

²⁶ <http://research.newamericaneconomy.org/wp-content/uploads/2017/02/nae-co-report.pdf>

²⁷ <https://dornsife.usc.edu/csii/eligible-to-naturalize-map/>

²⁸ Alianza NORCO August 2020 Immigrant Community Survey

undocumented.²⁹ The second round of those benefits could be accessed by the children if one parent is lawfully present, but not if both parents are undocumented.

- Locally, undocumented parents (even those with citizen children) indicate a reluctance to allow their citizen children to enroll in or access programs like Supplemental Nutrition Assistance (SNAP) Program, Medicaid, or Section 8 housing vouchers out of fear that the parent's future application for citizenship would be negatively impacted.
- In the Poudre School District, there are 54 students who arrived in the U.S. as unaccompanied minors seeking asylum because they are unable to return to their countries of origin due to threat of death or imminent harm. These students could remain in the United States through Special Immigrant Juvenile Status ("SIJS") and later adjust their status to lawful permanent resident as long as they apply before the child's 21st birthday. Processes for both SIJS and Adjustment of Status are complex, require payment of multiple fees or applications for fee waivers at varying points in the process, and have strict deadlines.
- In Fort Collins, the Interfaith Solidarity And Accompaniment Coalition ("ISAAC") has successfully assisted 12 Fort Collins youth through these processes and established relationships with local attorneys who can provide these services. Ultimately, costs of application, legal fees, and age may determine whether any of these children can safely remain in the U.S.
- Abused, neglected, and abandoned children in any other court system in the United States are entitled to legal representation as well as a Guardian ad Litem to assess the best interests of the child.³⁰ Children in immigration proceedings have no right to legal counsel, Guardian ad Litem evaluation, or adult supervision during detention or hearings.³¹

Peer City Municipal Immigration Legal Funds – Program Design

Local government entities are increasingly creating and expanding immigration defense funds. 42 municipalities in the U.S. currently have some form of immigration legal assistance to assure due process and equity so that inability to afford an attorney is not a determining factor in the ability to lawfully remain in the United States.¹⁰

Public-Nonprofit Partnerships

39 of the 42 municipal immigration legal funds are public-nonprofit partnerships with municipal oversight of the funds which are dispersed through competitive grant processes to qualified, local immigration legal service providers. 29 distribute funds through municipal purchasing or grant processes. Coordination of the work of multiple grant recipients for municipal immigration legal funds is often part of the scope of work for one of the external grant recipients.

²⁹ <https://chicago.suntimes.com/politics/2021/1/8/22213330/immigrants-stimulus-mixed-status-covid-coronavirus-chicago>

³⁰ <https://www.childwelfare.gov/pubPDFs/represent.pdf>

³¹ ACLU. *Immigrant Children Do Not Have the Right to an Attorney Unless They Can Pay, Rules Appeals Court.* (February 6, 2018). Retrieved from <https://www.aclu.org/blog/immigrants-rights/deportation-and-due-process/immigrant-children-do-not-have-right-attorney>

10 municipal immigration legal funds work with a community foundation that coordinates distribution of the funds, contracts with service providers, and reports annually to the municipality.

Public Defender's Office Units

Some large metropolitan areas like San Francisco and Chicago initially began immigration legal defense funding by establishing units inside their existing Public Defender's Office dedicated to detention and deportation defense. Most have now evolved into the municipality funding not only Public Defender positions, but also community partner-delivered education, outreach, affirmative case assistance, and legal advice clinics.

City/County Employee Coordinator

Dane County, Wisconsin is the only municipality that created a municipal staff position to coordinate the immigration legal defense fund and associated projects from their Department of Human Services. The county Immigration Affairs Coordinator is a social worker who provides holistic case management, family support, and coordination of outside legal services.

Student Law Office Clinics and Fellows

In addition to funding a county staff member and one local immigration attorney, Dane County also funds a portion of the student law office immigration clinic at the University of Wisconsin to offer pro bono immigration legal representation and advice.

The state of New York offers a unique service delivery model with funding assistance from New York University and the Vera Institute of Justice, this immigration legal defense fund co-locates law school graduate fellows with legal aid programs throughout the state.

Peer City Municipal Immigration - Funding

The table below provides comparative information on funding and sources for immigration legal funds for Fort Collins' peer cities as well as municipalities with similar percentages of immigrant community members to that of Fort Collins. Fort Collins has an immigrant community of more than 11,000 people or 6.8% of the total population. The Fort Collins Metropolitan Statistical Area has an immigrant community of more than 19,000 people or 11.4% of the total population.

Municipal Funding Only	Baltimore, MD <ul style="list-style-type: none"> • \$200,000/year • 26 cases/year • 60,000 immigrant population/10% of total population • Municipal Funds (\$200K) 			Minneapolis, MN (Hennepin County) <ul style="list-style-type: none"> • \$275,000/year • 75 cases/year • 42,000 immigrant population/10% of total population • Municipal Funds (\$275K)
Municipal & Nonprofit Funding	Santa Rosa, CA (Sonoma County) <ul style="list-style-type: none"> • \$550,000/year • 193 cases/year • 82,060 immigrant population/17% of total population • Municipal Funds (\$300K) • Nonprofit Funds (\$250K) 	Municipal & Catalyst Grant Funding	Dane County, WI <ul style="list-style-type: none"> • \$250,000/year • 75 cases/year • 49,202 immigrant population/9% of total population • Municipal Funds (\$150K) • Grant Funds (\$100K) 	San Antonio, TX (Harris County) <ul style="list-style-type: none"> • \$250,000/year • 75 cases/year • 180,960 immigrant population/12% of total population • Municipal Funds (\$150K) • Grant Funds (\$100K)

	Columbus, OH	Denver, CO
Municipal, Grant, & Nonprofit Funding	<ul style="list-style-type: none"> • \$159,000/year • 68 cases/year • 87,800 immigrant population/10% of total population • Municipal Funds (\$25K) • Grant Funds (100K) • Nonprofit Funds (\$34K) 	<ul style="list-style-type: none"> • \$325,000/year • 42 cases/year • 84,670 immigrant population/12% of total population • Municipal Funds (\$200K) • Grant Funds (\$100K) • Nonprofit Funds (\$25K)

Service Levels and Delivery Model Options for the City of Fort Collins

Estimates for funding levels to provide effective pro bono or low-cost immigration legal services to residents of Fort Collins were determined by demographic analysis and current unmet need; data, regional service costs, and subject matter expertise from local and regional community partners on inputs necessary to build and support local capacity for these services; and comparative service levels, outcomes, and costs from cities with existing municipal immigration legal funds.

Best practices demonstrated by effective municipal immigration legal funds and modeled by the Vera Institute of Justice's 'Safety & Fairness for Everyone' Initiative offer wrap-around, holistic services to meet the most urgent needs, reach the greatest number of impacted community members, and build trust in the immigrant community through ongoing self-advocacy and program support. The majority of municipal immigration legal funds include these free and low-cost elements:

- Direct legal representation for the lifecycle of immigration cases
- An emphasis on legal services for deportation and detention cases
- Support for legal pathways to citizenship
- Scholarships or subsidized application and renewal fees for affirmative cases like DACA, SIJS, Visa Renewals, Adjustment of Status for LPR, U Visas, and Family Reunification
- Legal Advice & Consultations through legal clinics
- Know Your Rights Trainings in detention centers and embedded in local immigrant communities
- Education and outreach that includes leadership and empowerment training to improve self-advocacy

- Focus on outcomes-based program metrics (program accomplishments like improvements in community safety) rather than output-based metrics (participant numbers or number of cases resolved)
- Program coordinator housed in a local nongovernmental organization

Potential future success of these elements in our community is further indicated by the outcomes of the successful City of Fort Collins Eviction Legal Fund 2020 pilot, which used a similar model and employed direct legal representation, education and outreach, self-advocacy empowerment, and community partner leadership to reach residents and landlords in need of assistance with eviction prevention.

A successful municipal immigration legal fund in Fort Collins would include some form of the above-referenced effective elements with the delivery model determined through continuing collaboration with legal services providers, community partners, members of the immigrant community, and economic stakeholders. The difference in the funding options below is the level of service that could be provided with each annual funding amount.

Each option includes a full-time program coordinator position employed by a partner organization rather than the City of Fort Collins to increase community trust and avoid putting the City in the position of providing direct legal services. Optimally, the coordinator role would be staffed by someone with paralegal experience and the potential to assist with program fundraising at the lower funding levels.

The estimated unmet need for Fort Collins Detention/Deportation cases is 75-100 per year, SIJS cases is 100 per year, and affirmative cases (DACA, LPR, Naturalization) is 400 per year.

Annual Funding Level	# Detention/Deportation Cases per year	SIJS Cases per year*	Affirmative Cases – DACA, LPR, Naturalization per year*
\$380,000	20	25	100
\$220,000	10	10	50
\$145,000	10	4 OR 25 Affirmative Cases (funding level does not support both)	25 OR 4 SIJS Cases (funding level does not support both)

***Unmet need in Fort Collins is estimated for 2021 and may be higher due to reluctance of immigrant community members to identify themselves and their need for services for use by a governmental entity in this analysis.**

Potential Partners for Fort Collins Municipal Immigration Legal Fund

Vera Institute of Justice

The Vera Institute of Justice provides matching funds to municipal immigration legal funds for deportation defense through the SAFE Initiative catalyst grants of up to \$100,000, the community seed grants of \$15,000 to \$30,000, and in-kind infrastructure support. Municipalities partnering with the Vera Institute of Justice receive training and technical assistance for legal service providers, program evaluation and reporting of metrics, streamlined program administration, strategic support in communications and outreach, and connection to a national movement for due process, universal representation, and community-led advocacy. The Vera Institute of Justice is an important partner for the City and County of Denver's immigration legal fund and has worked closely with City of Fort Collins Staff over the past five months to provide valuable information and guidance for our research.

Student Law Office Clinics

The University of Colorado Law School and University of Denver College of Law offer immigration clinics through their student law offices that are funded by the institutions. Both clinics offer no cost, law student representation, consultation, removal defense, and advising on detention/deportation and DACA cases. At their current funding levels, neither can expand services to represent immigrants from the Fort Collins community.

Rocky Mountain Immigrant Advocacy Network

The Rocky Mountain Immigrant Advocacy Network ("RMIAN"), a Colorado nonprofit organization serving low-income adults and children in immigration proceedings, also provides legal representation, [Know Your Rights](#) training sessions, and legal clinics for immigrants in detention in Aurora. RMIAN promotes knowledge of legal rights, provides effective representation to ensure due process, and works to improve detention conditions under a universal representation model, selecting cases based on the need of the client and capacity of attorneys, not likelihood of winning. RMIAN employs immigration attorneys and works with a network of pro bono attorneys to provide these services. Additional funding would be necessary for RMIAN to build capacity necessary to provide representation specifically for Fort Collins residents.

Engagement

The City Staff Team for this research project would like to sincerely thank the community partners for their contributions, patience, and openness in supplying valuable data, connections, and anecdotal information on the unmet needs of the Fort Collins immigrant community. Because of the understandable reluctance of undocumented immigrants to self-identify and open themselves and their families to risk of deportation, the City Staff worked with local and statewide advocacy groups with existing relationships with Fort Collins immigrants to conduct a local needs assessment, research existing and projected conditions in Larimer County for the immigrant community, analyze other municipal immigration fund program and budget models, and conduct public engagement.

We appreciate the community partners who worked directly and indirectly with the Staff Team: Alianza NORCO, Colorado Immigrant Rights Coalition (CIRC), Interfaith Solidarity And

Accompaniment Coalition (ISAAC), Rocky Mountain Immigrant Advocacy Network (RMIAN), Fuerza Latina, Catholic Charities, BIPOC Alliance, Foothills Unitarian Church Community Dreamer Fund, Mujeres de Colores, CSU Dreamers United, La Cocina, Vera Institute of Justice, University of Colorado Law School and Dr. Violeta Chapin, The Denver Foundation, Denver Councilmember Jamie Torres, and BakerRipley (Immigration Fund Manager in Harris County, Texas).

ATTACHMENTS

Immigration & Federal Process

Immigration has long been a source of demographic revitalization, cultural enrichment, and innovation for our country.³² Immigration boosts economic growth and raises the general productivity of the American workforce by providing much-needed skill and intellectual capital. Immigrant workers allow crucial sectors of the economy to expand, which attracts investment and creates additional employment opportunities for all Americans. The world becomes more interconnected through cultural exchange and shared experiences, fostering global progress on human rights causes.

Lawful Entry into the US

Legal entry into the U.S. for foreign-born non-citizens requires a valid visa issued to the immigrant or visitor by the federal government prior to stepping onto U.S. soil.³³ Visa categories include temporary tourist, education, work, and immigration.³⁴ Immigration visas are issued to potential permanent immigrants who are either: related to American citizens, qualified priority professionals with special skills, asylum seekers, or winners of the “diversity” lottery. Each of these immigration visa categories has annual limits on the number issued, although the caps can change based on the federal administration.³⁵ The United States currently allows up to 675,000 permanent immigrant Visas each year across various categories.³⁶ Additional permanent immigrants are granted lawful entry through the Refugee Resettlement Process, which also has annual caps.³⁴ Visa applications and renewals have varying filing fees and though the price varies widely, average approximately \$4,000 in attorney costs.

Citizenship through Naturalization

It is impossible to apply for U.S. citizenship through the naturalization process without first becoming a Lawful Permanent Resident (“LPR”), usually requiring lawful initial entry into the country.³⁷ Once a person obtains a permanent immigrant visa and comes to the United States, they obtain Lawful Permanent Residency, or become a LPR-holder. In some very limited circumstances, non-citizens already inside the United States can obtain LPR status through a process known as Adjustment of Status.

People with Lawful Permanent Residency are permitted to work and live permanently in the United States.³⁸ After residing in the U.S. for five years, people with Lawful Permanent

³² <https://www.cato.org/publications/commentary/immigrants-have-enriched-american-culture-enhanced-our-influence-world#:~:text=Successive%20waves%20of%20immigrants%20have,edge%20in%20the%20world%20economy>

³³ <https://www.usatoday.com/pages/interactives/graphics/deportation-explainer/>

³⁴ <https://travel.state.gov/content/travel/en/us-visas/visa-information-resources/all-visa-categories.html>

³⁵ <https://www.uscis.gov/>

³⁶ <https://www.americanimmigrationcouncil.org/research/how-united-states-immigration-system-works#:~:text=The%20overall%20numerical%20limit%20for,less%20than%20140%2C000%20each%20year.>

³⁷ https://www.justice.gov/eoir/page/file/eoir_an_agency_guide/download

³⁸ [https://www.dhs.gov/immigration-statistics/lawful-permanent-residents#:~:text=Lawful%20Permanent%20Residents%20\(LPR\),-](https://www.dhs.gov/immigration-statistics/lawful-permanent-residents#:~:text=Lawful%20Permanent%20Residents%20(LPR),-)

Residency are then eligible to apply for citizenship. The naturalization process takes approximately two years (after eligibility is attained). The cost is \$725 in filing fees, which are nonrefundable regardless of the outcome, and attorney's fees of \$500-1,200 per person per application.

Lawful Presence through Special Circumstances

Victims of trafficking and violence may remain in the U.S. under a temporary non-immigrant visa, the U Visa.³⁹ U Visas protect non-citizens who have been the victims of certain crimes and who have aided law enforcement in the investigation and prosecution of those crimes. It was created to encourage victims to cooperate with police and prosecutors without fear of deportation. A U Visa provides legal status and employment authorization but expires after four years unless a renewal is sponsored and supported by law enforcement. Cooperating with law enforcement may open victims or their families to further violence or retaliation, which deters some eligible victims from applying for U Visas that provide only temporary protection. After five years of lawful presence under a U Visa, an immigrant can apply for LPR status if they have remained cooperative with law enforcement agencies. There is no application or renewal fee for the U Visa, but LPR application fees are \$1,225 and U Visa LPR applications must be sponsored by the law enforcement agency the victim cooperated with while in the U.S. Legal assistance to process a U Visa application is approximately \$5,000 per case.

Some immigrants who entered the U.S. without authorization have current lawful presence through the Deferred Action for Childhood Arrivals program ("DACA"). Children brought to the country before their 16th birthday and prior to June 2007 who are currently in school, a high school graduate, or honorably discharged from the military, and were under the age of 31 as of June 15, 2012, qualify to apply for DACA.⁴⁰ DACA status allows recipients to receive a renewable two-year deferral of deportation and a work permit. In September 2017, the federal administration announced a plan to phase out DACA, triggering multiple lawsuits challenging this action.⁴¹ In 2020, the Supreme Court blocked this phaseout of the program on the grounds that the rationale stated by the Executive Branch was arbitrary and capricious.⁴² The Court did not rule on the merits of the DACA program itself, opening it to future elimination with underlying lawful rationale. On January 20, 2021, President Biden issued an executive order fully reinstating DACA.⁴³ The DACA program has increased the wages and employment status of recipients, improved the mental health outcomes for DACA participants and their children, and

[Lawful%20permanent%20residents&text=LPRs%20may%20accept%20an%20offer,they%20meet%20certain%20eli gibility%20requirements.](#)

³⁹ <https://www.uscis.gov/humanitarian/victims-of-human-trafficking-and-other-crimes/victims-of-criminal-activity-u-nonimmigrant-status>

⁴⁰ <https://www.uscis.gov/humanitarian/consideration-of-deferred-action-for-childhood-arrivals-daca>

⁴¹ <https://www.dhs.gov/news/2017/09/05/memorandum-rescission-daca>

⁴² https://www.supremecourt.gov/opinions/19pdf/18-587_5ifl.pdf

⁴³ <https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/20/preserving-and-fortifying-deferred-action-for-childhood-arrivals-daca/>

reduced the number of undocumented immigrant households living in poverty.⁴⁴ ⁴⁵ ⁴⁶ DACA does not provide LPR status or a path to citizenship for recipients and must be renewed every two years.⁴⁰ DACA applications and renewals require \$495 in fees. Colorado is home to 18,555 DACA recipients whose renewal fees generate approximately \$460,000 per year for the federal government.⁴⁷ Legal representation for DACA applications costs approximately \$2,000 per case.

Undocumented Immigrants

Immigrants who enter or remain in the U.S. without authorization are known as “undocumented immigrants.” Most undocumented immigrants in the United States entered lawfully but overstayed temporary visas and often have insufficient economic resources to pursue legal extensions or citizenship.⁴⁸ Lawful paths to citizenship, LPR status, refugee status, and asylum dramatically decreased during the Trump administration.⁴⁹ The current federal administration has committed to immigration policy reform but needs bipartisan support in Congress to expand or create pathways to citizenship for all categories of immigrants. The proposed comprehensive immigration bill from President Biden contains an eight-year waiting period of unlawful presence before undocumented residents could apply for citizenship or LPR status and a plan for citizenship for DACA recipients.⁵⁰ Currently, there is inadequate support in Congress for passage of this bill and several stand-alone immigration bills are anticipated to be considered in 2021 instead of the comprehensive immigration bill.⁵¹

Detention and Deportation

A common misperception is that deportation proceedings are only for undocumented immigrants. In fact, any non-citizen including lawful permanent residents, refugees, and people who entered legally on visas can be placed in deportation proceedings.⁵² Another common misconception is that deportation proceedings are reserved for those with a criminal conviction. Many immigration arrests do not begin with arrest by local law enforcement. More than 1 in 4

⁴⁴ Pope, Nolan G. (2016). "The effects of DACAmentation: The impact of Deferred Action for Childhood Arrivals on Unauthorized Immigrants". *Journal of Public Economics*. **143**: 98–114. doi:10.1016/j.jpubeco.2016.08.014.

⁴⁵ Patler, Caitlin; Laster Pirtle, Whitney (February 1, 2018). "From undocumented to lawfully present: Do changes to legal status impact psychological wellbeing among latino immigrant young adults?". *Social Science & Medicine*. **199**: 39–48. doi:10.1016/j.socscimed.2017.03.009.

⁴⁶ Antman, Francisca (2016). "Can authorization reduce poverty among undocumented immigrants? Evidence from the Deferred Action for Childhood Arrivals program". *Economics Letters*. **147**

⁴⁷ <https://www.uscis.gov/sites/default/files/USCIS/Resources/Reports%20and%20Studies/Immigration%20Forms%20Data/All%20Form%20Types/D>

⁴⁸ <https://cmsny.org/publications/essay-2017-undocumented-and-overstays/>;
<https://www.npr.org/2019/01/16/686056668/for-seventh-consecutive-year-visa-overstays-exceeded-illegal-border-crossings>

⁴⁹ <https://www.vox.com/2020/9/3/21408528/trump-naturalization-backlog-citizenship-voting>

⁵⁰ <https://www.whitehouse.gov/briefing-room/statements-releases/2021/01/20/fact-sheet-president-biden-sends-immigration-bill-to-congress-as-part-of-his-commitment-to-modernize-our-immigration-system/>

⁵¹ <https://abcnews.go.com/Politics/democrats-introduce-bidens-immigration-reform-bill/story?id=75960479>

⁵² <https://www.usa.gov/deportation>

immigrants arrested Immigration and Customs Enforcement (ICE) have no criminal conviction and for those that do, the majority have been convicted of victimless crimes such as immigration or traffic offenses.⁵³

Deportation proceedings begin with an arrest.⁵⁴ If a crime is committed, local police may notify U.S. Immigration and Customs Enforcement (“ICE”) that they suspect an immigrant is unlawfully present or that the crime alleged to have been committed would qualify the immigrant for deportation. If an immigrant is suspected of entering or remaining in the country without authorization, ICE or U.S. Border Patrol may arrest the individual and put them into detention, or custody of the federal government. Usually, a case is then filed for a hearing in Immigration Court against the immigrant by the Department of Homeland Security attorneys.

The immigrant can be detained upon arrest while awaiting their first court appearance or may be released on immigration bond or on their own recognizance in limited cases known as “catch and release”. Immigration bonds are set at a minimum of \$1,500 but average \$10,000 in Colorado. Denial of an immigration bond or objection to the bond amount may be filed by the detainee, who must also gather all supporting documentation and sponsor letter, then have all documents translated into English to file with the court. There is no right to an attorney, translator, or communication with family or friends during this process, but detainees have the right to one free local phone call. The average time between being taken into detention and the immigration hearing is 500 days.

There is no requirement that a detainee remain in the state they were arrested in, so transfers to out of state detention centers may be made at any time in the process without notice to the individual or their families and the case transferred to a different immigration court.

At the merits hearing, the judge determines whether to deport the immigrant. That decision can be appealed within 30 days by either party and deportation typically is ordered within two months of the order. ICE air operations fly people who are deported back to what has been adjudicated as their home country. Some people being deported report paying for their own deportation flights. Deported individuals from Mexico are flown to U.S. border cities and bused or walked across the border into Mexico. If an individual returns to the U.S. and enters illegally after being deported, they are permanently banned from lawful entry under any visa type. After deportation, an immigrant may apply for lawful reentry after a waiting period of 5-20 years, depending on the underlying cause for the initial deportation. Out of pocket expenses for deportation defense range from \$6,000 to \$20,000 in filing fees and \$10,000 to \$50,000 for attorney costs depending on the specifics and complexity of the case.

Expedited Removal Order

Initially, expedited removals of immigrants could only take place if an individual were to be arrested within 100 miles of a U.S. border and had not been in the U.S. for more than two

⁵³ <https://www.cato.org/blog/criminal-aliens-commit-mostly-victimless-crimes-few-violent-crimes>

⁵⁴ <https://www.usatoday.com/pages/interactives/graphics/deportation-explainer/>

weeks. The time limit for unlawful presence was expanded to up to two years under the Trump administration and arrests can now happen anywhere in the U.S., not just within 100 miles of the border. President Biden ordered a review of this change in February 2021, but as of today it is still the prevailing policy.

Under expedited removal processes, non-citizens are deported in a single day without an immigration court hearing or other appearance before a judge. U.S. Border Patrol officers exclusively conduct the process, which is usually completed within a couple of hours, affording little to no opportunity for the non-citizen to collect evidence or consult with an attorney. In most circumstances, the non-citizen does not have a right to appeal. Those who have been subjected to expedited removal are detained until they are formally removed. This provides the immigration officer with broad authority in the removal of a non-citizen, allowing the officer to operate as both prosecutor and judge.

Impact of the Ambiguous Status or Threat of Deportation

Livability, public participation, and access to community services are also affected by uncertainty related to immigration status. Family members forced to take on additional paid employment or caregiving responsibilities following detention or deportation weaken family stability. Older children assuming additional caregiving responsibilities for younger family members see their own school performance and retention decline.⁵⁵ ⁵⁶ Community members who are fearful and mistrustful of public institutions based on immigration policy or enforcement are less likely to participate in churches, schools, health clinics, cultural activities, and social services.⁵⁷ Changes in immigration policy at the federal level are shown to reduce participation by immigrants in local communities through reductions in visits to parks, libraries, restaurants, and community events.⁵⁸ Following a visible immigration raid or arrest, school attendance drops, businesses see fewer customers, and fewer immigrants seek medical services or pick up prescriptions. This disconnect from public life and community services can remove social safety nets for families and children. Many immigrant parents do not enroll their children in school lunch or health care programs the children are legally eligible to participate in because of fear that participation will disqualify the parents or children from future immigration applications under the Public Charge policy, which leads to elevated food insecurity and poor health outcomes. Prioritizing safety and inclusion for all families, regardless of immigration status, through programs to foster support networks, sense of belonging, mental health, and community building are recommended by psychologists and social scientists as solutions to foster wellness for children and families.⁵⁹

⁵⁵ Chaudhary, A., Capps, R., Pedrosa, J.M., Castañeda, R.M., Santos, R., & Scott, M. M. (2010). *Facing our future: Children in the aftermath of immigration enforcement*. The Urban Institute. Retrieved from <https://www.urban.org/sites/default/files/publication/28331/412020-Facing-Our-Future.PDF>

⁵⁶ Dreby, J. (2012). The burden of deportation on children in Mexican immigrant families. *Journal of Marriage and Family*, 74, 829-845.

⁵⁷ <https://www.communitypsychology.com/effects-of-deportation-on-families-communities/>

⁵⁸ Hagan, J.M., Castro, B., & Rodriguez, N. (2010). The effects of U.S. deportation policies on immigrant families and communities: Cross-border perspectives. *North Carolina Law Review*, 88, 1799-1824.

⁵⁹ Berkman, L. F., Glass, T., Brissette, I., & Seeman, T. E. (2000). From social integration to health: Durkheim in the new millennium. *Social Science & Medicine*, 51(6), 843-857.

Fearfulness and mistrust can extend to local public safety officials when community members feel federal law enforcement or legal systems are unjust or inconsistent. Families are reluctant or unwilling to call local police for any reason after a deportation in their family or local community.⁵⁶ Unwillingness to call the police is strongest for those who are unauthorized with 70% of survey participants reporting that they would not call police even if they were victims of crimes (compared to 44% of Latinx people who were documented immigrants or US citizens).⁶⁰

⁶⁰ https://www.policylink.org/sites/default/files/INSECURE_COMMUNITIES_REPORT_FINAL.PDF



Planning, Development & Transportation




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
970.221.6376
970.224.6134 - fax

MEMORANDUM

DATE: March 26, 2021

TO: Mayor Troxell and City Councilmembers

THRU: Darin Atteberry, City Manager 
Kyle Stannert, Deputy City Manager 
Caryn Champine, Director of Planning, Development & Transportation 

FROM: JC Ward, Senior City Planner 
Leo Escalante, Community Engagement Specialist 

RE: March 23, 2021 Work Session Summary – Municipal Immigration Legal Fund

At the March 23rd City Council Virtual Work Session, JC Ward and Leo Escalante provided information on municipal immigration legal fund implementation and funding models, local demographic data and unmet needs assessment, and service delivery models for providing assistance to undocumented residents of Fort Collins. All councilmembers were present for the discussion via video conferencing. Funding immigration legal services for Fort Collins residents would advance Council priorities to improve safety, community trust, equity, and livability.

General discussion and direction from the work session included:

Local Unmet Need

- Federal context of the immigration system and the intersection of federal, state, and local interests; the City's jurisdiction and fundamental questions of the role for the City to play as a convener, catalyst, or funder.
- Challenges of accessing local data on Fort Collins residents in need of immigration legal services due to the different reporting levels and standards at the federal level and from private detention facilities as well as available data released monthly by county but not broken out by city until 12-24 months later.
- Barriers to receiving community input from impacted residents include lack of trust or fear of government entities and the importance of community partners' work to engage in this space due to those barriers to community engagement by City Staff.
- Discussion on gaining greater clarity on the experience of Fort Collins community members and their circumstances through data and additional community engagement.

Program Comparisons

- Discussion of different models and methodology of funding levels and delivery models for existing municipally funded immigration legal services; comparison to demographics in Fort Collins and request for additional analysis of cities with total population sizes closer to that in Fort Collins.

Potential Fort Collins Models for Funding and Implementation

- Additional community engagement for the general public related to the need and desire for a City-funded immigration legal fund is requested. As COVID-19 public gathering restrictions are lifted and more community members have vaccine access, Staff anticipates in-person engagement opportunities for this program to occur in late Spring/early Summer 2021.
- Establishing program metrics that measure outputs, outcomes, and effectiveness are an important part of concurrent evaluation and iterative improvement. Measuring case or participant numbers will not provide the full picture of program outcomes such as equity or livability.
- Exploration of partnerships with Larimer County, nonprofit community partners, and grantor organizations to fund or expand a City-sponsored immigration legal fund was supported. Partnerships with Larimer County will need to be balanced with the policy of using City funds to benefit City residents, particularly if Larimer County opted to assist with funding, but committed a lower funding amount than the City.
- Discussion of logistics details to understand what services would be offered, who would be eligible for the services, and how that directly supports the local unmet need and City Strategic Outcomes.

Next Steps & Follow-up

- Staff will bring an off-cycle appropriation request for City Council discussion and First Reading on April 20, 2021. The funding level will reflect the guidance to focus on the lower end of the options provided and will be a one-time, pilot program through the end of 2021.
- As part of the off-cycle appropriation request supporting materials, Staff will respond to follow up questions related to unmet needs within Fort Collins (to the extent data is available), peer city comparisons, and a preliminary concept of the service delivery model. For the April 20th Council meeting, Staff will provide information on the universal representation-based service levels for deportation cases and affirmative cases that accompany the budget request so Council priorities may be built into the overall program delivery structure.
- There was interest from multiple Councilmembers for additional research on other types of legal aid for civil cases and a potential role for the City to provide resources for those legal service providers. Service providers, funding sources, and funding models for general civil legal aid are different from those analyzed for this immigration legal fund program. Staff will prepare a memo summarizing the work and timeline involved to explore that concept further and seek Council's direction on whether to proceed.

“Executive Summary”

The purpose of this item is to respond to a request from some members of Council for an off-cycle general fund appropriation to create a Municipal Immigration Legal Fund pilot program. If approved, this appropriation would create a pilot grant program to provide local access to immigration legal services for Fort Collins residents seeking citizenship or lawful presence. Grant funds will be awarded to legal service providers based on a competitive process and will be dedicated to program administration, education, and outreach; providing defense for people at risk of deportation; children seeking Special Immigrant Juvenile Status; and for community members seeking pathways to citizenship and lawful presence also known as Affirmative Cases. The Council Finance Committee will review this appropriation request at its April 19, 2021 meeting.

Approval of this appropriation request will support the following City’s Strategic Outcomes: Neighborhood Livability & Social Health 1.4, Economic Health 3.2, Safe Communities 5.1, and High Performing Government 7.3. It also supports the 2020 Legislative Policy Agenda, and City Council Resolution 2019-100.

“Staff Recommendation”

Staff recommends adoption of the Ordinance on First Reading.

“Background/Discussion”

During the March 23 City Council Virtual Work Session, City staff from Neighborhood Services and the Communications and Public Involvement Department presented their findings from the research conducted on immigration legal defense funds implemented in 42 different jurisdictions across the country. The information covered included demographic data and unmet needs assessment in Fort Collins, program design from other jurisdictions, potential funding and service level options to assist undocumented residents in Fort Collins with pathways to lawful citizenship and lawful presence, and strategic alignment with City Council priorities to improve safety, community trust, equity and livability.

Key Findings on Greatest Needs in Fort Collins

City Staff worked with several service providers in Northern Colorado with expertise in immigration services to assess current service levels and unmet need for immigration legal services. Based upon this research, the following is a summary of our key findings to inform Council’s decision on the City’s role in immigration services to Fort Collins residents.

- **Limited Availability of Services:** Currently there is only one immigration attorney practicing in Fort Collins. Attorneys in other practice areas may take on immigration clients but are not focused on complex systems of administrative or immigration law, making the representation challenging and outcomes less consistent. In addition to the limited availability of direct legal representation for immigration cases in Fort Collins, legal advice and documentation assistance for cases related to extension of visas, DACA renewal, citizenship, or legal permanent resident (“LPR”) applications are largely unavailable and can cost hundreds of dollars for consultation with an attorney.
- **Affordability:** According to data provided by community partners from target population surveys and feedback from engagement activities, the lack of affordable legal services and representation are considered the biggest barriers to successful integration for immigrants in Fort Collins. While we do not have access to Fort Collins-specific information, data from regional partners working with immigrant communities confirms that 2,963 Northern Larimer County residents are eligible for immigration relief and need low-cost or pro bono legal services to pursue lawful paths to citizenship and presence. We also learned that many need these services for multiple family members in the same household. Out of pocket expenses for deportation defense range from \$6,000 to \$20,000 in filing fees and \$10,000 to \$50,000 for attorney costs depending on the specifics and complexity of the case. DACA, Visa, or LPR applications and renewals have varying filing fees and though the total varies widely, average approximately \$4,000 in attorney costs.
- **High Demand for Services:**

- In Fort Collins, 2,200 residents are eligible for naturalization and the remaining 2,300 non-citizen immigrants are estimated to be undocumented and currently at risk for detention and deportation.¹ According to local immigrant advocacy organizations conducting outreach and operating immigration hotlines, the estimated unmet need for Fort Collins Detention/Deportation cases is 75-100 per year, SIJS cases is 100 per year, and affirmative cases (DACA, LPR, Naturalization) is 400 per year.
- As of December 2020, there were 418 Larimer County residents with pending immigration deportation proceedings initiated by Department of Homeland Security, 83 of whom lacked legal representation.⁷ The Larimer County case numbers and unrepresented immigrants in detention as of December 2020 are almost double the 2019 case numbers.
- In the Poudre School District, there are 54 students who arrived in the U.S. as unaccompanied minors seeking asylum because they are unable to return to their countries of origin due to threat of death or imminent harm. These students could remain in the United States through Special Immigrant Juvenile Status (“SIJS”). Due to the age of the children and current placement in foster care or with relatives other than their primary caregivers, these children only have access to immigration legal services through community programs. The Interfaith Solidarity and Accompaniment Coalition fundraises and connects children with legal service providers for SIJS cases, but their work is limited by the amount raised and availability of pro bono attorneys willing to take Fort Collins cases who are also skilled in complex SIJS cases.

Strategic Alignment

- **Strategic Outcome - Neighborhood Livability & Social Health 1.4** Advance equity for all, leading with race, so that a person’s identity or identities is not a predictor of outcomes.
- **Strategic Outcome - Economic Health 3.2** Understand trends in the local labor market and work with key partners to grow diverse employment opportunities.
- **Strategic Outcome - Safe Communities 5.1** Improve overall community safety while continuing to increase the level of public trust and willingness to use emergency services.
- **Strategic Outcome - High Performing Government 7.3** Improve effectiveness of community engagement with enhanced inclusion of all identities, languages and needs.
- **2020 Legislative Policy Agenda – Immigration and National Border Conditions 1.** Supports the humane treatment of persons who are detained by Immigration Officials and the rapid resolution of legal proceedings to determine their status; 2. Supports a pathway to legal immigration into the United States that is sustainable in the long term.
- **City Council Resolution 2019-100 re: *The Immigration Crisis at the Southern Border of the United States and its Impact on the Fort Collins Community***
- **Social Sustainability Strategic Plan (2016) – Equity and Inclusion Theme B1.2.b** Research existing partner and community programs to help inform refugee and immigrant populations of their legal rights and responsibilities; seek opportunities to create programs where none currently exist.

Market Rates & Pilot Program Budget

To inform Council’s consideration of the fund amount, City Staff obtained attorney costs by case type in the Fort Collins market from nonprofit immigration service providers, Rocky Mountain Immigrant Advocacy Network (“RMIAN”) and Interfaith Solidarity and Accompaniment Coalition (“ISAAC”) and are based on actual attorney and legal staff costs. The amounts listed cover limited filing fees associated with the pro bono representation.

¹ <https://dornsife.usc.edu/csii/eligible-to-naturalize-map/>

Case Type	Pro Bono Legal Costs/Case in Fort Collins market
Detention/Deportation	\$6,000/case
Special Immigrant Juvenile Status (SIJS)	\$4,000/case
"Affirmative Cases"- Deferred Action for Childhood Arrivals (DACA), Lawful Permanent Resident (LPR), or Naturalization	\$1,000/case

Pilot Program Budget

Start up costs for the program would include funding program administration and pro bono attorney's costs to represent a minimum of 10 deportation cases to recruit and retain an attorney and support staff to provide local representation.

The pilot program is proposed for 12 months from June 2021 to June 2022 to allow time to evaluate the long term need and City role for this program. The program start up costs below are based on this timeframe. This timing also allows for an informed discussion, if desired, as part of the 2023/2024 Strategic Plan and Budgeting for Outcomes process.

Note: This timing would create a funding gap of approximately six months in 2022. If desired, Council could consider an 18 month pilot program to address the funding gap.

Program Start Up Minimum

Item	Amount	Description
Program Administration	\$60,000	Program outreach to target populations, educational materials, translation and interpretation services, coordination of legal advice clinics and training sessions, capacity-building activities for local and regional service providers, administrative duties related to legal representation and grant reporting
10 Deportation Cases	\$60,000	Direct legal representation, intake assessment, and legal advice for Fort Collins residents facing detention and deportation, including residents on bond from detention awaiting immigration hearings

Additional Service Options

Item	Amount	Description
Additional Deportation Cases	\$6,000/case	Direct legal representation, intake assessment, and legal advice for Fort Collins residents facing detention and deportation, including residents on bond from detention awaiting immigration hearings
SIJS Cases	\$4,000/case	Direct legal representation, intake assessment, and legal advice for Fort Collins residents who arrived as unaccompanied minors, are seeking asylum, and are unable to return to their country of origin due to the threat of death or imminent harm
"Affirmative" Cases (DACA, LPR, or Naturalization)	\$1,000/case	Direct legal representation, intake assessment, and legal advice for Fort Collins residents who may qualify for DACA, LPR, or Naturalization pathways to citizenship or lawful presence

Program Structure

The appropriation for a Municipal Immigration Legal Fund in Fort Collins would establish a grant program to provide funds to community partners, nonprofit organizations, or legal service providers to offer

residents wrap-around, holistic immigration legal services to meet the most urgent needs, reach the greatest number of impacted community members, and build trust in the immigrant community through ongoing self-advocacy and program support from June 2021 to June 2022. If the fund is approved, City Staff would initiate a request for proposal process and select service providers through competitive review.

Services Provided

The delivery model for legal services will be outlined in applicants' proposals and determined by the review team through the selection process. Proposals will be requested for the following elements:

- Fort Collins residency requirement
- Direct legal representation for the lifecycle of immigration cases with client intake with the equity-based universal representation model
- Support for legal pathways to citizenship or lawful presence
- Legal Advice and Consultations through legal clinics and Know Your Rights trainings
- Education and outreach that includes leadership and empowerment training to improve self-advocacy
- Program coordinator based in a local nongovernmental organization

Potential future success of these elements in our community is further indicated by the outcomes of the successful City of Fort Collins Eviction Legal Fund 2020 pilot, which incorporated similar services and employed direct legal representation, education and outreach, self-advocacy empowerment, and community partner leadership to reach residents and landlords in need of assistance with eviction prevention.

Program Administration

The Neighborhood Services Department would oversee the grant application and review process, assure completion of necessary City documentation for the program, and act as the City contact for grant recipients. All other program administration and coordination among grant recipients will be carried out by a program coordinator from a partner organization. Housing the program coordinator position with a community partner rather than in the City of Fort Collins will increase community trust and avoid putting the City in the position of providing direct legal services. Optimally, the coordinator role would be staffed by someone with paralegal experience and the potential to assist with program fundraising.

The program coordinator will conduct outreach to target populations, manage creation and distribution of educational materials that align with language equity principles, secure translation and interpretation services, coordinate legal advice clinics and training sessions, assist local and regional service providers with building capacity for immigration legal services, and perform other administrative duties related to legal representation and grant reporting.

Program Metrics

Establishing program metrics that measure outputs, outcomes, and effectiveness are an important part of concurrent evaluation and iterative improvement. The program will also offer an opportunity to have a deeper understanding of the greatest challenges and unmet needs for Fort Collins residents (given limited available datapoints). City Staff recommends considering the following potential program metrics to assess program accomplishments and output-based metrics such as participant numbers or number of cases resolved:

- # of people receiving free legal advice or training
- # of people receiving direct representation (adults/children & case type)
- # of people able to lawfully remain in the U.S. due to representation
- # of people released on bond during the program compared past years
- # of referrals to the program by other participants
- % of participants who feel they are safer due to the program
- % of participants who are more knowledgeable about their pathways to citizenship or lawful presence after the program

- % of participants reporting greater likelihood of accessing City or community resources due to the program

It is important to note that some metrics may be difficult or impossible to ascertain during a 12-month pilot program because of the length of time immigration cases take to navigate the system with average resolution times for detention/deportation cases of one to two years and naturalization processes of more than one year.

Potential Partners

Through extensive collaboration with stakeholders, Staff has identified a number of potential community partners and grantor organizations that might be in positions to assist with providing services or expanding a City-sponsored immigration legal fund.

Organization	Potential Role	Opportunities
Vera Institute of Justice	Grantor	Up to \$100,000 matching grant funds for municipal immigration legal funds for detention/deportation cases
U.S. Citizenship & Immigration Services "Citizenship & Assimilation Grants"	Grantor	Average award of \$250,000 to nonprofit organizations for LPR citizenship preparation services including education
Rocky Mountain Immigrant Advocacy Network (RMIAN)	Grant Recipient	Currently providing immigration legal services to other Colorado communities with existing relationships with attorneys
Catholic Charities	Grant Recipient	Currently providing immigration legal services to other Colorado communities with existing relationships with attorneys
Alianza NORCO	Grant Recipient	Currently providing education, outreach, and support services to immigrants in Fort Collins
Interfaith Solidarity and Accompaniment Coalition (ISAAC)	Grant Recipient	Currently providing support for SIJS cases with existing relationships with attorneys
Fuerza Latina	Grant Recipient	Currently providing education, outreach, and support services to immigrants in Fort Collins
Colorado State University	Grant Recipient	Currently providing immigration legal services to all full-time students. Additional funding might allow expansion to services for undocumented staff and part-time students.
University of Colorado Law School	Grant Recipient	Currently providing student law office clinic representation for some immigration cases
University of Denver – Sturm College of Law	Grant Recipient	Currently providing student law office clinic representation for some immigration cases
Colorado Access to Justice Commission	Technical Assistance	Assistance connecting volunteer attorneys with clients

City Manager, Darin Atteberry, contacted Larimer County Manager, Linda Hoffmann, in April 2021 regarding the potential for collaboration and partnership to provide immigration legal services to both City and County residents. Partnerships with Larimer County will need to be aligned with policies regarding the use of City funds to benefit the residents of Fort Collins.

Pilot Start Up Timeline

Timeline indicates an estimate of length of each step following a funding appropriation.



Next Steps: If this appropriation is approved by City Council, Staff anticipates releasing a request for proposal from legal service providers to perform work under a competitive selection process in the second quarter of 2021 and anticipate work to begin in the third quarter of 2021.

Attachments:

Work Session Summary

Human Relations Commission Recommendation Memo to City Council

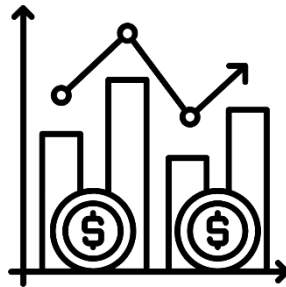
PowerPoint Presentation

Municipal Immigration Legal Fund Appropriation

Agenda Overview

- 1. Strategic Alignment**
- 2. Key Local Findings**
- 3. Market Rates**
- 4. Pilot Program Budget**
- 5. Program Structure, Services Provided, Program Administration & Metrics**
- 6. Potential Partners**
- 7. Pilot Start Up Timeline**

1. What feedback does the Council Finance Committee have regarding the research and unmet needs assessment for immigration legal services in Fort Collins?
2. What feedback does the Council Finance Committee have regarding the funding level or services that could be provided to Fort Collins residents as part of a municipal immigration legal fund?



Strategic Outcomes

Neighborhood Livability &
Social Health 1.4

Economic Health 3.2

Safe Communities 5.1

High Performing
Government 7.3

2020 Legislative Policy Agenda

Immigration and National
Border Conditions

City Council Resolution 2019-100

The Immigration Crisis at
the Southern Border of the
United States and its Impact
on the Fort Collins
Community

Social Sustainability Strategic Plan (2016)

Equity and Inclusion Theme
B1.2.b

- **Limited Availability of Local Immigration Legal Services**
 - One immigration attorney in Fort Collins
 - No community partners providing pro bono legal advice clinics
- **Affordability**
 - 2,963 Northern Larimer County residents are eligible for immigration relief and need low-cost or pro bono legal services
 - Immigration attorney costs range from \$4,000 for affirmative cases and \$10,000-50,000 for deportation cases plus filing and application fees
- **High Demand for Immigration Legal Services**
 - Approximately 2,300 Fort Collins residents are undocumented and at risk for deportation
 - 83 Larimer County residents are in detention, facing deportation, and unrepresented
 - 54 Poudre School District students are eligible for SIJS and need pro bono representation in the process

- Information on pro bono attorney costs by case type in the Fort Collins market was provided by:
 - Rocky Mountain Immigrant Advocacy Network (RMIAN)
 - Interfaith Solidarity and Accompaniment Coalition (ISAAC)

Case Type	Pro Bono Legal Costs per Case in Fort Collins market
Detention/Deportation	\$6,000/case
Special Immigrant Juvenile Status (SIJS)	\$4,000/case
“Affirmative Cases”- Deferred Action for Childhood Arrivals (DACA), Lawful Permanent Resident (LPR), or Naturalization	\$1,000/case

Pilot Program Budget

Program Start Up Minimum

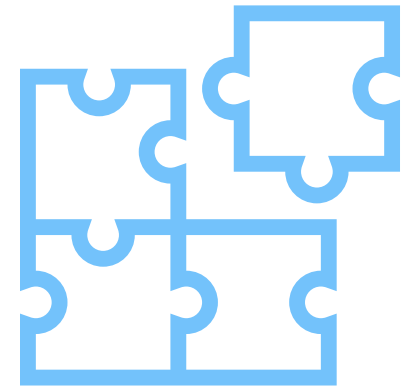
Item	Cost for 1 year pilot
Program Administration	\$60,000
10 Deportation Cases	\$60,000

Additional Service Options

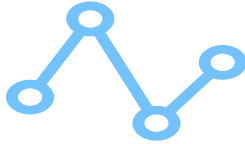
Item	Amount	Description
Additional Deportation Cases	\$6,000/case	Direct legal representation, intake assessment, and legal advice for Fort Collins residents facing detention and deportation, including residents on bond from detention awaiting immigration hearings
SIJS Cases	\$4,000/case	Direct legal representation, intake assessment, and legal advice for Fort Collins residents who arrived as unaccompanied minors, are seeking asylum, and are unable to return to their country of origin due to the threat of death or imminent harm
“Affirmative” Cases (DACA, LPR, or Naturalization)	\$1,000/case	Direct legal representation, intake assessment, and legal advice for Fort Collins residents who may qualify for DACA, LPR, or Naturalization pathways to citizenship or lawful presence

Program Structure

- Establish a grant program to provide funds to community-based organizations and/or legal service providers
- Grant recipients would offer residents wrap-around, holistic immigration legal services to meet most urgent needs, and build trust in the immigrant community through ongoing self-advocacy
- The City would initiate a request for proposal process and select service providers through competitive review



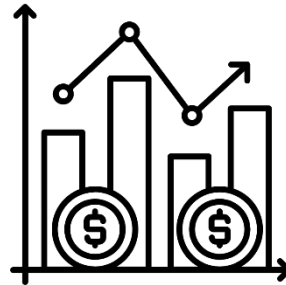
Metrics



- N° of people receiving free legal advice or training
- N° of people receiving direct representation (adults/children & case type)
- N° of people able to lawfully remain in the U.S. due to representation
- N° of people released on bond during the program compared past years
- N° of referrals to the program by other participants
- Pct. of participants who feel they are safer due to the program
- Pct. of participants who are more knowledgeable about their pathways to citizenship or lawful presence after the program
- Pct. of participants reporting greater likelihood of accessing City or community resources due to the program

Adoption Consideration

1. What feedback does the Council Finance Committee have regarding the research and unmet needs assessment for immigration legal services in Fort Collins?
2. What feedback does the Council Finance Committee have regarding the funding level or services that could be provided to Fort Collins residents as part of a municipal immigration legal fund?



COUNCIL FINANCE COMMITTEE AGENDA ITEM SUMMARY

Staff: Kyle Stannert, Deputy City Manager

Sue Beck-Ferkiss, Social Policy and Housing Program Manager, Social Sustainability

JC Ward, Sr. City Planner, CDNS

Ryan Mounce, City Planner, CDNS

Date: April 19, 2021

SUBJECT FOR DISCUSSION Hickory Village Mobile Home Park Sale

EXECUTIVE SUMMARY

The purpose of this item is to provide an update on the potential for Hickory Village Mobile Home Park (MHP) to become a resident owned community (ROC) and to seek feedback from the Council Finance Committee members on the desired level of City engagement in that process.

On March 3, 2021, the owner of Hickory Village MHP agreed to sell the park to a corporate operator. According to state law the potential sale triggered a 90-day window for residents to make an offer to purchase the park and become a ROC. Neighborhood meetings with the Hickory Village community have revealed that there is strong support to pursue this. Staff from CMO, Community Development and Neighborhood Services, and Social Sustainability Departments met with representatives from Thistle, a non-profit affordable housing organization, which provides technical assistance and helps arrange financing for ROC's in Colorado. With the high purchase price (\$23 million) and short timeline, Thistle staff have expressed a desire for local support for the formation of a ROC.

GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

- 1) Does financial support of resident owned communities of mobile home parks align with the City's strategic goals for affordable housing?
- 2) Should the City engage in discussions to be a financial partner in support of a potential purchase of Hickory Village in the event residents move forward with an offer to purchase the mobile home park?

BACKGROUND/DISCUSSION

Hickory Village Sale Status & Timeline

Hickory Village is one of nine MHP's in Fort Collins and contains approximately 200 manufactured housing units, a majority of which are owned by their residents. In early March, residents and the City received notification from the owner of the intent to sell the property to a buyer for a purchase price of \$23 million.

Recently passed state legislation requires a 90-day advance notice of the sale of an MHP and provides the opportunity for residents to submit their own offer to purchase the property, potentially leading to a resident owned community. The City's Housing Strategic Plan also contains a transformational strategy to allow tenant right of first refusal/offer for cooperative ownership of multifamily or manufactured housing community.

The decision to pursue resident ownership requires the support of a large majority of Hickory Village residents as well as the ability to organize a cooperative, arrange financing, and submit an offer to the current owner. Timing is an especially critical aspect to any potential resident ownership decision, as residents and partners have as few as 90 days from the original notice of the intent to sell (March 3, 2021) to complete these tasks.

Thistle, a ROC technical assistance provider, is meeting with Hickory Village residents and local partners to provide information about resident ownership and to ascertain what level of interest residents at Hickory Village may have in the idea of a resident ownership proposal. Key dates in the timeline thus far include:

- March 3: Notice of sale mailed/posted for residents; trigger date for state required 90-day notice and opportunity to purchase period.
- March 9: The City receives mailed notice of intent to sell Hickory Village.
- March 15: Staff met with Mi Voz Leaders' Council to discuss fears and outline potential paths forward. Resident leaders had a strong interest in becoming a ROC.
- March 18: Staff met with Thistle to discuss the feasibility and process of Hickory Village becoming a ROC.
- March 25: Thistle hosted a neighborhood meeting with 45 Hickory Village residents to provide information and resources on becoming a ROC.
- April 3: Thistle hosted a follow-up neighborhood meeting with 125 Hickory Village residents to provide information and resources on becoming a ROC. The residents have formed an interim leadership board and are continuing pursuit of ownership.
- June 1: The end of the state-required 90-day notification period and the earliest a sale of the property to another buyer could be completed.

Considerations for the City

Potential short-term City roles for Hickory Village MHP Sale

- Take no action: City staff would not actively participate in this process other than to direct inquiries regarding this process to agencies involved.
- Be a convener: The City's Neighborhood Services and CPIO departments can provide engagement support; connecting residents, community partners such as Housing Catalyst, The Family Center-La Familia and Thistle, and park owners (if/when appropriate).
- Be a convener and financial partner: The City can provide engagement as described above, as well as financial support.
 - Financial support would be used to avoid steep increases in rent due to the purchase.
 - Significant investment would be necessary to keep park lot rents affordable. Without subsidy, rent increases would likely be several hundred dollars a month.

Potential long-term City roles

City staff could create a program to assist in future conversions to ROC's. This may include supporting residents in the formation of residents' associations and the creation of a plan for becoming resident-owned should the opportunity arise. City staff can also continue their engagement with property owners, ensuring they fully understand state laws regarding MHP sales and are aware of all selling options. Other financial support considerations could be explored to include creation of a grant, loan, or other funding program to prepare for future MHP sales.

ATTACHMENTS

1. Hickory Village Mobile Home Park Sale City Council Work Session AIS from April 13, 2021
2. Hickory Village Mobile Home Park Sale City Council Work Session Summary from April 13, 2021

DATE: April 13, 2021

STAFF: JC Ward, Senior Planner
Kyle Stannert, Deputy City Manager
Ryan Mounce, City Planner
Caryn Champine, Director of PDT

WORK SESSION ITEM

City Council

SUBJECT FOR DISCUSSION

Hickory Village Mobile Home Park Sale.

EXECUTIVE SUMMARY

The purpose of this item is to provide an update on the potential for Hickory Village Mobile Home Park (MHP) to become a resident-owned community (ROC) and to seek feedback from Council members on the desired level of City engagement in that process.

GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

Staff is seeking direction from Council on potential short- and long-term engagement actions:

- 1) Does Council have any questions or feedback on opportunities for the city to engage as community conveners in the potential creation of a Resident Owned Community (ROC) for Hickory Village Mobile Home Park?
- 2) In recognition of the quick timeline to form ROC's and the complexity of the process, should City programs be developed to support future MHP sale/Resident Owned Community opportunities?

BACKGROUND / DISCUSSION

On March 3, 2021, the owner of Hickory Village MHP agreed to sell the park to a corporate operator. According to state law the potential sale triggered a 90-day window for residents to make an offer to purchase the park and become a ROC. Neighborhood meetings with the Hickory Village community have revealed that there is strong support to pursue this option. Staff from Neighborhood Services and Planning Departments met with representatives from Thistle, a non-profit affordable housing organization, which provides technical assistance and helps arrange financing for ROC's in Colorado. With the high purchase price (\$23 million) and short timeline, Thistle staff have expressed a desire for local support for the formation of a ROC.

Hickory Village Sale Status and Timeline

Hickory Village is one of nine MHP's in Fort Collins and contains approximately 200 manufactured housing units, a majority of which are owned by their residents. In early March, residents and the City received notification from the owner of the intent to sell the property to a buyer for a purchase price of \$23 million. Recently passed state legislation requires 90-day advance notice of the sale of an MHP and provides the opportunity for residents to submit their own offer to purchase the property, potentially leading to a resident owned community.

The decision to pursue resident ownership requires the support of a large majority of Hickory Village residents as well as the ability to organize a cooperative, arrange financing, and submit an offer to the current owner. Timing is an especially critical aspect to any potential resident ownership decision, as residents and partners have as few as 90 days from the original notice of the intent to sell (March 3, 2021) to complete these tasks.

Thistle, a ROC technical assistance provider, is meeting with Hickory Village residents and local partners to provide information about resident ownership and to ascertain what level of interest residents at Hickory Village may have in the idea of a resident ownership proposal. Key dates in the timeline thus far include:

- **March 3:** Notice of sale mailed/posted for residents; trigger date for state required 90-day notice and opportunity to purchase period.
- **March 9:** The City receives mailed notice of intent to sell Hickory Village.
- **March 15:** Staff met with Mi Voz Leaders' Council to discuss fears and outline potential paths forward. Resident leaders had a strong interest in becoming a ROC.
- **March 18:** Staff met with Thistle to discuss the feasibility and process of Hickory Village becoming a ROC.
- **March 25:** Thistle hosted a neighborhood meeting with 45 Hickory Village residents to provide information and resources on becoming a ROC.
- **April 3:** Thistle hosted a follow-up neighborhood meeting with 125 Hickory Village residents to provide information and resources on becoming a ROC. The residents have formed an interim leadership board and are continuing pursuit of ownership.
- **June 1:** The end of the state-required 90-day notification period and the earliest a sale of the property to another buyer could be completed.

Resident Owned Communities (ROC) Overview

Resident owned communities are a growing trend that gives manufactured housing residents greater control over the rules, operations, maintenance, and monthly lot rent within their neighborhood. ROC's often form when an existing MHP is for sale as residents form a cooperative to own and operate the overall community. Residents still own their individual units, but they also have a share in the larger cooperative which sets park rules and lot rent which often are better aligned with the needs and priorities of its resident owners.

While a growing trend, resident ownership can be difficult to achieve for a variety of reasons:

- An existing MHP owner must be a willing seller and a large percentage of residents must agree to participate to form the cooperative and submit a competing offer.
- In Colorado, MHP residents and ROC partners often have a limited time window to organize and find the necessary financing.
- MHP's are increasingly viewed as investment properties and residents and ROC partners must often compete against large corporations and private equity firms to purchase a community.
- Certain park characteristics may be needed to form a ROC, such as a minimum number of units, high resident ownership rates, and acceptable infrastructure conditions.
- Although ROC's typically stabilize rent long-term, at the time of conversion there may be a large one-time increase in rental prices.

Process of Becoming a ROC

1. Either before or during a MHP sale, residents typically receive information and organizing assistance about resident ownership so they can understand the opportunities and challenges. At Hickory Village, Thistle, a certified technical assistance provider within the ROC USA, is currently working with residents and local partners.
2. If residents decide to pursue resident ownership, a cooperative must be formed, and an interim Board of Directors selected. The resident cooperative is the entity that purchases the property. Typically, 70-80% of residents need to agree to participate.
3. Due diligence is completed on all aspects of the property. Financial scenarios are reviewed while the cooperative and its partners secure financing and submit their purchase offer to the park owner.
4. If successful, the cooperative becomes the landowner and helps manage future operations, rules, and lot rent.

Colorado ROC Trends

ROC's are in operation across the country, with larger concentrations in the Northeast and Pacific Northwest. ROC's are relatively new to Colorado with several formed in the past several years in Canon City and Longmont. Based on media reports and information from Thistle, several aspects appear to be common to the formation of Colorado ROC's thus far:

- Subsidies, grants, and other financial partnerships are often involved as part of financing a ROC. In Colorado, this amount has been close to 25% of the purchase price. These grants, no/low interest loans or other subsidies are typically used to help keep rents lower upon the transition to resident ownership. Key partners in previous deals have included the Colorado Division of Housing, Colorado Health Foundation, and the support of other local partners or jurisdictions where the MHP is located.
- Residents have a buy-in amount to help form the cooperative. The maximum buy-in amount is typically limited to a maximum of \$1,000 per household.
- The overall process for resident ownership generally takes 90-150 days. While it can extend longer, recent Colorado legislation only requires a minimum of a 90-day sale notice and opportunity to purchase. As of April 13, the Hickory Village sale is 41 days into this timeline.

Summary of Colorado Mobile Home Park Act Section 38-12-217

- MHP owners are required to provide notice of their intent to sell to all tenant homeowners and the municipality or county where the park is located.
- Within 14 days of the MHP owner listing the park for sale, they must provide notice to each tenant homeowner, any homeowners association, the municipality or county where the park is located, and the Colorado Division of Housing.
- Within 14 days of a MHP owner intending to make a final, unconditional acceptance of an offer for the sale or transfer of the park, they must give notice to each tenant homeowner, any homeowners association, the municipality or county where the park is located, and the Colorado Division of Housing.
- After each notice above, a MHP owner must give tenant homeowners a 90-day opportunity to make an offer to purchase the park. MHP owners must negotiate in good faith with any group or association of homeowners or their assignees who submits an offer to buy the park.

Violations of state law for Mobile Home Park Act Oversight or Residents' Right to Purchase are enforced by the Department of Local Affairs Mobile Home Park Oversight Program, which began in May 2020. However, It is unlikely that DOLA could take action to stop the sale of a park, were DOLA to become engaged in this matter. And, although it would seem appropriate for a delay in the sale to be an available remedy for a failure to give required notices, Colorado Revised Statutes Section 38-12-217(15) says DOLA and the office of administrative courts do *not* have the authority to issue injunctive relief in response to a complaint alleging a violation of the statute, or to delay a transfer or transaction involving the property.

ROC Benefits

ROC's stabilize rent for residents (after initial increases at the time of purchase) and maintain rent at or below the rents of nearby commercially owned communities, due to the absence of a profit margin in community costs. Additionally, ROC members sign perpetual leases, meaning they can live in the ROC as long as they choose so long as they pay rent and follow the rules. Therefore, ROC's serve as one method of securing affordable housing options, while providing residents with collective decision-making power regarding park rules and community initiatives. These attributes align ROCs with City policy goals for affordable housing, residents' rights, and manufactured housing preservation.

A ROC also helps meet Council and City priorities for the preservation of manufactured housing and stabilizing residents' housing. As owners of the land underneath their homes, residents have the direct input and control over the future of the property they traditionally lack when living within a non-resident owned community. A sale

and potential closure of the property in a ROC could only occur through the consent of its resident owners. The direct resident decision-making authority of a ROC provides an enhanced layer of protections and preservation support beyond the City's recent adoption of a manufactured housing zone district.

Considerations for the City

Potential short-term City roles for Hickory Village MHP Sale

- **Take no action:** City staff would not actively participate in this process other than to direct inquiries regarding this process to agencies involved.
- **Be a convener:** The City's Neighborhood Services and CPIO departments can provide engagement support; connecting residents, community partners such as Housing Catalyst, The Family Center-La Familia and Thistle, and park owners (if/when appropriate).
- **Be a convener and financial partner:** The City can provide engagement as described above, as well as financial support.

Potential long-term City roles

Staff could create a program to assist in future conversions to ROC's. This may include supporting residents in the formation of residents' associations and the creation of a plan for becoming resident-owned should the opportunity arise. Staff can also continue their engagement with property owners, ensuring they fully understand state laws regarding MHP sales and are aware of all selling options. Other financial support considerations could be explored to include creation of a grant, loan, or other funding program to prepare for future MHP sales.

ATTACHMENTS

1. Powerpoint Presentation (PDF)



April 13, 2021



Hickory Village Mobile Home Park Sale

- 1) Does Council have any questions or feedback on opportunities for the City to engage as community conveners in the potential creation of a Resident Owned Community (ROC) for Hickory Village Mobile Home Park?
- 2) In recognition of the quick timeline to form ROC's and the complexity of the process, should City programs developed support future MHP sale/Resident Owned Community opportunities?

Overview: Hickory Village Sale

- § Hickory Village Mobile Home Park
 - § Located along Hickory Street, west of N. College Ave
 - § Approximately 205 units
- § Notice of sale published on March 3, 2021
 - § Recent state legislation requires a 90-day notice before sale occurs
 - § Sale price: \$23 million



Resident Ownership Opportunity

- § 90-day sale notice also provides opportunity for residents to submit an offer to purchase.
 - § If accepted, offer would create a resident owned community (ROC).
- § Thistle, a ROC technical assistance provider, is meeting with Hickory Village residents and local partners.
 - § Education & training
 - § Determining interest & feasibility
 - § Prior involvement in other Colorado ROC's



THISTLE

Sale / Opportunity to Purchase Timeline

- § **MAR 3:** Notice of sale. Triggers 90-day notice & opportunity to purchase period
- § **MAR 9:** City receives mailed Hickory Village sale notice
- § **MAR 15:** Staff meet with Mi Voz Leaders' Council to discuss Hickory Village sale and outline potential paths
- § **MAR 18:** Staff meet with Thistle to discuss sale and feasibility/history of other ROCs in Colorado
- § **MAR 25:** Thistle meets with Hickory Village residents to discuss ROC process
- § **APR 3:** Follow-up meeting between Thistle and Hickory Village residents. The majority of participating residents want to pursue a ROC.
- § **JUN 1:** End of 90-day opportunity to purchase period

- § Resident Owned Communities (ROC):
 - § Resident cooperative is formed to purchase and operate their mobile home community
 - § Cooperative owns the land and operates the community; better alignment with resident priorities
 - § Lot rent, park rules, maintenance & amenities
- § ROC's promote City policy goals:
 - § Preservation / stabilization of existing manufactured housing
 - § Alignment and accountability to resident priorities
 - § Residents' rights and livability improvements

- § Difficult to organize and arrange financing within 90 days
 - § Hickory Village ~42 days into process (as of 4/13/21)
 - § Need a willing seller and must compete against private buyers
 - § Seller is not required to sell to residents, only to consider the residents' offer in good faith
- § Typically requires a large majority of resident support / participation
 - § One-time buy-in required to form cooperative
 - § A rent increase upon transition to a ROC is likely
- § Few local examples
 - § First ROC's in Colorado began several years ago
 - § Financial assistance by state and local entities have been required

§ Take no action:

- § No longer participate in this process
- § Direct all future resident inquiries to agencies involved

§ Be a convener:

- § Connect, facilitate, and support residents, community partners, and park owners through process

City Engagement Roles: Hickory Village

- § Be a convener and financial partner:
 - § Provide engagement and facilitation throughout the process
 - § Connect residents with community partners and MHC owners
 - § Financial support
 - § Low or no interest loans
 - § Grants
 - § Down payment assistance

- § Resident Engagement:
 - § Organizing resident associations
 - § Roadmap to ROC

- § Owner Engagement:
 - § Clarity on state law and selling options

- § Financial Support:
 - § Designated ROC fund, loan, or grant program
 - § Partnerships with community funding organizations

- 1) Does Council have any questions or feedback on opportunities for the City to engage as community conveners in the potential creation of a Resident Owned Community (ROC) for Hickory Village Mobile Home Park?
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MEMORANDUM

DATE: April 16, 2021
TO: Mayor Troxell and City Councilmembers
THRU: Darin Atteberry, City Manager
FROM: Kyle Stannert, Deputy City Manager
RE: April 13, 2021 Work Session Summary – Hickory Village Mobile Home Park Sale

At the April 13th City Council Work Session, staff provided an update on the proposed sale of the Hickory Village Mobile Home Park and efforts by park residents and Thistle to submit an offer to purchase the park and become a Resident Owned Community (ROC). The session focused on the city's role as a convener in the process of forming ROCs in the short term and reviewed opportunities to support affordable housing efforts in mobile home communities in the long term. All councilmembers were present for the virtual discussion as well as Andy Kadlec, a program director from Thistle, who provided information on Thistle's involvement in the process.

DISCUSSION SUMMARY:

Council's discussion ranged across several questions, ideas, and concerns. Specific items included:

- Inquiries about the level of interest and participation of Hickory Village residents towards making an offer to purchase the park, and what types of role Thistle, a non-profit technical assistance provider, is providing in the process.
- Questions about the how financing a ROC is typically arranged and what types of resources other jurisdictions and partners have provided in support of ROCs (e.g., grants, loans, or other federal/state funding resources).
- Concern about any potential risks to the City if financial assistance is provided, as well as the limited timeline to consider and develop a deal.
- Questions about the history and funding provided by the City's prior down payment assistance program.
- Ideas and questions about other types of long-term solutions to support ROCs, such as proactive communication to residents about the process, application of city programs such as broadband equity and Epic Home programs, what role Housing Catalyst could provide, or if the City itself should consider owning and operating a park.

COUNCIL DIRECTION:

- Need to be clear about how any financial involvement from the City contributes towards policy goals for affordable housing and preservation.
- In the short term, the Hickory Village sale and the opportunity for a ROC is a learning experience and staff should continue to provide information, education, and convene stakeholders and partners during the process.
- The City could consider financial assistance options in both the Hickory Village example in the short term, and opportunities for programs that align with the Housing Strategic Plan.
- Staff will meet with Thistle to determine potential resource amounts and how assistance is best applied. Examples include deferred rent funds to help limit immediate increases in lot rents, a subordinate financing position, providing closing/legal costs, or grants.
- Long term strategies should be developed to operationalize partnerships and financial efforts for future mobile home park sales and closures. Given the limited timeline to provide assistance, the City needs to have more proactive measures and guidance in place.
- Efforts should continue for capacity building in parks and to enhance local enforcement of state laws.

Follow-up & Next Steps

- Staff is planning to provide an update and additional information on potential financial assistance options at the next Council Finance Meeting on April 19, 2021.



Hickory Village Mobile Home Park Sale

- 1) Does financial support of resident owned communities of mobile home parks align with the City's strategic goals for affordable housing?
- 2) Should the City engage in discussions to be a financial partner in support of a potential purchase of Hickory Village in the event residents move forward with an offer to purchase the mobile home park?

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City Engagement Roles: Hickory Village

- Already convenor and facilitator
 - Provide engagement and facilitation throughout the process
 - Connect residents with community partners and MHC owners
- Financial support?
 - Low or no interest loans
 - Grants
 - Down payment assistance
 - Source of funding?

- 1) Does financial support of resident owned communities of mobile home parks align with the City's strategic goals for affordable housing?
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Back Up slides

- Resident Engagement:
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 - Roadmap to ROC
- Owner Engagement:
 - Clarity on state law and selling options
- Financial Support:
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