



City of Columbia

701 East Broadway, Columbia, Missouri 65201

Department Source: Housing & Neighborhood Services

To: City Council

From: City Manager & Staff

Council Meeting Date: August 5, 2024

Re: Authorizing a second amendment to the American Rescue Plan Act Allocation

Agreement with the Columbia Community Land Trust, Inc and designating the availability of city owned land at the N. 8th Street Cullimore Cottages site for use for affordable housing.

Executive Summary

A resolution authorizing a second amendment to the American Rescue Plan Act (ARPA) Allocation Agreement with the Columbia Community Land Trust, Inc (CCLT). The amendment will extend the term of the agreement to December 31, 2026 consistent with the deadlines contained in ARPA and will authorize the CCLT ARPA funding to be expended by the City for cooperative affordable housing development with the CCLT.

Discussion

On October 2, 2023, the City of Columbia awarded \$1,000,000 of ARPA funds to the CCLT to acquire land and develop affordable housing using the CCLT's land trust model (home ownership with a long-term land lease). Under the allocation agreement, the funds may be used by the CCLT for purchasing vacant land and constructing affordable housing on said properties; purchasing vacant homes for use as affordable housing; purchasing vacant homes and any renovation costs and energy efficiency improvements for use as affordable housing; and/or purchasing property containing vacant, dilapidated structure(s) and demolishing the structure(s), and building new affordable housing on the land. Pursuant to the allocation agreement as written, the CCLT would be required to enter into a funding agreement with the City for each project it desired to use ARPA funding for, and would be reimbursed with ARPA funding upon providing paid invoices to the City for eligible expenses.

This amendment to the allocation agreement will extend the term of the agreement consistent with the ARPA deadlines and will authorize an additional mechanism for expending the ARPA funding (the eligible uses would remain the same). Under the alternate expenditure mechanism, the City, in cooperation with the CCLT, could use the ARPA funding to procure the construction of housing on City-owned property and upon completion of construction, would donate the property to the CCLT for the agency's long-term maintenance and preservation of the housing affordability. This expenditure method is referred to in the amendment as "Cooperative Affordable Housing Development." This mechanism would be approved by the CCLT on a project-by-project basis.

In conjunction with approval of the amendment to the allocation agreement, the CCLT has approved the use of ARPA funding for Cooperative Affordable Housing Development on the remaining two lots at the N. 8th Street Cullimore Cottages site currently owned by the City of Columbia and legally described as: Lots 6-7 of the Cullimore Cottages Final Plat, a Re-Plat of Lots 4 & 5 of JC Conley's addition to the City of Columbia, Missouri. This resolution designates



the availability of those two lots for the Cooperative Affordable Housing Development program. Upon completion of construction of the two homes, the City and CCLT will enter into a separate agreement with regard to the transfer of the land and the affordable housing covenants.

Fiscal Impact

Short-Term Impact: N/A

Long-Term Impact: N/A

Strategic & Comprehensive Plan Impact

Strategic Plan Impacts:

Primary Impact: Inclusive and Equitable Community, Secondary Impact: Resilient Economy, Tertiary Impact: Tertiary

Comprehensive Plan Impacts:

Primary Impact: Land Use & Growth Management, Secondary Impact: Environmental Management, Tertiary Impact: Tertiary

Legislative History

Date	Action
05/06/2024	The City Council passed resolution R97—24 authorizing a first amendment to the allocation agreement with CCLT.
03/04/2024	The City Council passed resolution R53-24 authorizing an allocation agreement with CCLT for the issuance of ARPA funds for affordable housing purposes; approving and authorizing the execution of certain documents; authorizing the City Clerk to record deeds of trust.
10/02/2023	The City Council passed resolution R 154-23 which announced its intent to allocate one million dollars to the CCLT for the Agency to acquire land and develop affordable housing utilizing Agency's land trust model. This allocation is subject to all federal, state, and local laws, rules, regulations and guidance that regulate the use of ARPA funds for said purposes
03/21/2021	The American Rescue Plan Act (ARPA) was signed into law and established the Coronavirus State Fiscal Recovery Fund and the Coronavirus Local Fiscal Recovery Fund to provide support to state, territorial, local and Tribal governments in responding to the economic and public health impacts of COVID-19 and its impacts on their communities, residents and businesses

Suggested Council Action

Approval of the resolution