

MINUTES

Grand Junction Housing Authority

Tuesday, January 19, 2021

January Board of Commissioners Regular Meeting

Call to Order

The GJHA January Board of Commissioners' Regular Meeting was called to order at 5:03pm by John Howe, Board Chair. Attendance was taken by roll call with the following present:

Board of Commissioners:

John Howe, Chair
Ivan Geer, Vice Chair
Chris Launer
Tami Beard
Bill Johnson
Rick Taggart
Rich Krohn

GJHA Staff:

Jody Kole, CEO
Scott Aker, COO
Lance Lehigh, CFO
Jill Norris, General Counsel
Suzy Keith, Asset Manager
Krista Ubersox, HR Director
Kevin Sperle, IT Supervisor
Lacy Hildebrand, Executive Assistant

Consent Agenda

The Consent Agenda consisted of: (1) Request adoption of Minutes for the December 14, 2020 Regular Board Meeting; (2) Notes for the January 5, 2021 Real Estate Committee Meeting, and (3) Resolution 2021-01-01, *Designating the location for posting of the notice of meetings and establishing a meeting schedule for 2021 for the Board of Commissioners of the Grand Junction Housing Authority*. With a motion by Rick Taggart, second by Tami Beard and a 6-0 roll call vote, the Consent Agenda was approved.

Bill Johnson joined the meeting at 5:09 pm, after approval of the Consent Agenda.

GJHA Board Organization

At the December 14, 2020 Regular Board Meeting, Board Members discussed a potential slate of Officers that included:

- Chair – Ivan Geer
- Vice Chair – Rich Krohn

Jill Norris pointed out the Bylaws provide for the following additional Board Officers:

- Jody Kole, CEO – Secretary
- Scott Aker, COO – Assistant Secretary

With a motion by Tami, second by Chris Launer and unanimous roll call vote, the 2021 Slate of Officers was approved.

MINUTES

Grand Junction Housing Authority

Tuesday, January 19, 2021

January Board of Commissioners Regular Meeting

Finance Updates

Lance Lehigh provided a verbal update, indicating the financial health of the organization ended strongly on December 31, 2020. Operating performance and cash flow at most properties ended positively. Challenges at Arbor Vista and Village Park continue with respect to rent collections and methamphetamine remediation, and staff will continue to monitor performance closely.

Preliminary drafts of year-end financials for Linden Pointe have already been sent to Novogradac for the 2020 audit.

Linden Pointe unaudited financials were sent to Boston Financial on January 14, 2021 per the Assignment and Assumption of Limited Partner Interests and Amendment to the Amended and Restated Agreement of Limited Partnership. Audited financial statements and tax returns for Linden Pointe LLLP are due to Boston Financial by February 28, 2021. If we were to deliver board-approved audited financials and approved tax returns, there may need to be a special board meeting.

Cash balances look stable at year end, except for Arbor Vista and Village Park. Two late invoices for meth remediation at Arbor Vista impacted the year-end balance.

Suzy Keith provided the rent collections update. Over the past few months, the trends remain strong. Currently, the portfolio shows just seven (7) vacant units, with associated financial vacancy loss at .5%. The current eviction moratorium is in place through the end of January and staff are seeing signs that the new administration wants to extend the moratorium through September 30, 2021. CDBG-CV rental assistance has been expanded to six (6) months per resident by HUD, increasing from the original three (3)-month limit. Rental assistance applications have not been as robust as anticipated. Staff received three (3) applications in December 2020 and only one (1) so far in January. Staff will continue to reach out to residents as needed.

Lance provided the stress test update. Properties that were stressed due to methamphetamine have seen significant positive strides in cashflow, boosted by the litigation settlement. Ratekin Tower Apartments, in particular, has rebounded from a negative cash balance of approximately (\$800,000) several months ago to a negative balance of slightly more than (\$139,000) today. Additionally, Ratekin Tower has experienced an average of 5 days of cash growth per month on its balance sheet. Balance Sheet cash for Arbor Vista and Village Park remains low. Staff are working with Enterprise, the investor in Arbor Vista, to utilize a portion of the \$283,000 in operating reserves to stabilize that property's cash position.

Regarding each property's ability to cover debt service obligations at a minimum ratio of 1.15X, despite some concerns with overall cash balances, all properties have an operating performance that strongly supports debt obligations.

Overall, the organization has made significant financial improvements in 2020.

MINUTES

Grand Junction Housing Authority

Tuesday, January 19, 2021

January Board of Commissioners Regular Meeting

Regarding the COVID Relief funding update, Lance indicated CDBG-CV use so far has not been as significant as anticipated early in the pandemic. Staff anticipate increased usage if COVID grows in the community. HUD CARES Act funding is being utilized, and the remaining funds have plans for use, to continue to create operational efficiencies and serve the community during the ongoing closure of the office. Emergency food assistance has not been needed/requested as much as originally anticipated.

To Rick Taggart's question regarding liability to GJHA for unused COVID-Relief funds, Lance reminded the Board that the various expiration dates extend through a portion or all of 2021 and for CDBG-CV, into September 2022. Lance indicated GJHA may have to return unused emergency food assistance resources. Suzy responded that staff continue outreach for all relief sources, but that staff hasn't seen the demand originally anticipated. Rick asked if CDBG-CV could be deployed for lease-up at 2814. Staff do not believe that entry into 2814 would be eligible for security deposit assistance, but if residents struggle to pay ongoing rent due to COVID, the funds could be used. The #GJ Strong funding source has a limit of \$1,000 per resident. The CDBG-CV funds originally included a limit of three (3) months of assistance and has been increased to six (6) months.

Jody Kole commented that federal requirements for income loss verification may be retroactively changed from self-attestation to 3rd party verification. Some organizations will fight that change and GJHA may support those efforts. Staff will monitor this development and keep the Board informed.

Development Update

Jody provided an update on 2814. Shaw Construction has confirmed a delivery date of March 31, 2021, after some possibility of an earlier delivery date was considered. The first floor is coming along nicely and should be finished by the end of next week. Utility lines are continuing to be completed, including telephone lines. Appliances should arrive this Saturday. Some energy efficiency items continue to be completed.

Other Business, if any

N/A

Adjourn

With no further business or discussion, the meeting was adjourned at 5:38 pm with a motion by Ivan, second by Rich Krohn and unanimous vote.

All Board packet documents and documents distributed
during the Board Meeting are retained in the file