

AGENDA

RECEIVED GJHA
APR 01 2022 PM01:24

Grand Junction Housing Authority
February Board of Commissioners' Meeting
8 Foresight Circle, Grand Junction CO 81505
Dinner will be provided

April 5, 2022 5:00 p.m.
Microsoft Teams Option

Link: <https://bit.ly/3IDWViK>

*Backup call-in option: 970-245-0388 (Press # when message begins/Access Code: 223#)

-
- | | <i>Estimated Time</i> |
|---|-----------------------|
| 1. Call to Order and Roll Call | |
| 2. Consent Agenda | <i>5 Minutes</i> |
| <ul style="list-style-type: none">Request adoption of: (1) Minutes of February 1, 2022 Regular Board Meeting; and (2) Notes of February 22, 2022 Finance & Audit Committee Meeting (<i>attached</i>) | |
| 3. Finance Committee Report - Tami Beard, Committee Chair; Shelley Carpenter, Controller | <i>15 Minutes</i> |
| <ul style="list-style-type: none">Status Update on Audit of 2021 Financial StatementsJanuary and February 2022 Financial StatementsCash reportsPast Due Rent ReportGJHA Rent Income Stress Test AnalysisApril – June 2022 Budgets for Courtyard and Lincoln Apartments<ul style="list-style-type: none">i. Adopt Resolution 2022-04-01 <i>Adopting Amended and Restated Consolidated Budget for Calendar Year 2022 for Courtyard Apartments and Lincoln Apartments (attached)</i>RFP's for Audit and Banking Services | |
| 4. Walnut Park Capital Project, Scott Aker, COO and Team (<i>attached</i>) | |
| a. Adopt Resolution 2022-04-02 <i>Approving Selection of Lender and Applying to the Colorado Division of Housing for Grant Funding for Capital Improvements to Walnut Park Apartments (attached)</i> | <i>10 Minutes</i> |
| 5. Development Update – Jody Kole, CEO | <i>10 Minutes</i> |
| 6. Bylaws Revisions – Jill Norris, General Counsel | <i>10 Minutes</i> |
| a. Adopt Resolution 2022-04-03 <i>Adopting Amended and Restated Bylaws of Grand Junction Housing Authority (attached)</i> | |
| 7. Committee Assignments – Ivan Geer (<i>attached</i>) | <i>10 Minutes</i> |
| 8. Other business, if any | <i>5 Minutes</i> |
| 9. Adjourn | |

MINUTES

Grand Junction Housing Authority ("GJHA")
April Board of Commissioners' Regular Meeting

Tuesday, April 5, 2022, 5:00 p.m.

1. Call to Order and Roll Call

GJHA's Board of Commissioners' Regular Meeting was called to order at 5:02 p.m. by Rich Krohn, Board Vice Chair. Attendance was taken by roll call with the following present:

Board of Commissioners:

Rich Krohn, Vice Chair
Chuck McDaniel
Chris Launer
Tami Beard
John Howe
Bill Johnson

GJHA Staff:

Jody Kole, CEO
Scott Aker, COO
Shelley Carpenter, Controller
Jill Norris, General Counsel
Danette Buck, Asset Manager (Virtual)
Krista Ubersox, HR Director
Tim Spach, Real Estate Project Manager
Kevin Sperle, IT Supervisor (Virtual)

2. Consent Agenda

The Consent Agenda consisted of: Request adoption of: (1) Minutes of February 1, 2022 Regular Board Meeting; and (2) Notes of February 22, 2022 Finance & Audit Committee Meeting (attached).

With a motion by Chuck McDaniel, a second by Chris Launer and a unanimous vote, the Consent Agenda was approved.

3. Finance Committee Report

Tami Beard opened with comments that all Board members present attended the February Finance and Audit Committee meeting, so rather than go through those items again, Tami asked Shelley Carpenter to move to the discussion of Audit and Banking Requests for Proposals (RFPs). The Notes from the Finance and Audit Committee will be attached to these minutes.

Shelley opened the discussion indicating staff recommend RFPs for both audit and banking services occur this year. The plan is that the RFP for audit services will be sent out in the spring at the latest and the RFP for banking services will be sent out in the fall. GJHA has been with the same audit firm for the last four (4) years. Staff requested that the Board vote on the staff's request for sending out RFPs for auditing and bank services.

With a motion by Chuck McDaniel, a second by Tami Beard, and a unanimous vote, the motion to send out separate RFPs for audit services and banking services was approved.

MINUTES

Grand Junction Housing Authority
April Board of Commissioners' Regular Meeting

Tuesday, April 5, 2022, 5:00 p.m.

Staff requested Board approval of Resolution 2022-04-01 *Adopting Amended and Restated Consolidated Budget for Calendar Year 2022 for Courtyard Apartments and Lincoln Apartments*. Resolution 2022-04-01 extends the budget for Courtyard Apartments and Lincoln Apartments until June 30, 2022, because the sale of these two (2) properties is currently scheduled for the first week of May. This Resolution was discussed thoroughly in the Finance and Audit Committee meeting, and the Committee recommended its adoption.

With a motion by John Howe, a second by Chris Launer, and a unanimous roll call vote, the Board adopted Resolution 2022-04-01.

4. **Walnut Park Capital Project**

Scott Aker opened the discussion indicating that for approximately the last nine (9) months, there has been ongoing updates to the Board regarding staff's interest in the Walnut Park Capital Project ("Project").

Attached to these Minutes, is a Memo to the Board dated March 29, 2022 regarding an Application for Funding from Tim Spach.

Tim Spach stated the Project will potentially have three (3) phases: (1) a site work element; (2) an element potentially funded by Energy Outreach Colorado; and (3) an element potentially funded by Colorado Division of Housing.

Site work improvements include: upgrades to the irrigation system including addressing the siltation of the intake structure and installing a sediment detention center; asphalt overlay of parking lots, including curb and gutters repairs and removal of 'islands' to provide additional parking; and interior tenant improvements including new cabinets and counter tops, finish work (drywall and paint touchups), floor coverings (if needed) and replacement of refrigerators, stoves, and dishwashers (if needed). Due to the interior tenant improvements, it is anticipated that tenant relocation will likely occur during this phase of the Project.

Due to the timeframe to get applications submitted, contacts signed, and money received, staff anticipates the work on this Project beginning in the summer, or no later than the fall and winter of 2022 and perhaps extending into 2023.

The Division of Housing's application requires testing for asbestos and lead-based paint. The asbestos inspection is completed. Asbestos was found in some of the drywall, but it is not of immediate concern, as it is located beneath the paint, and it is not a friable hazardous asbestos as defined by the EPA. Grande River Environmental is in the process of conducting a lead-based paint analysis by testing one unit in each of the original twenty (20) buildings and the clubhouse building. The preliminary

MINUTES

Grand Junction Housing Authority
April Board of Commissioners' Regular Meeting

Tuesday, April 5, 2022, 5:00 p.m.

results of the lead-based paint analysis should be back later this week. If lead-based paint is found no remediation should be needed, since the lead-based paint is encapsulated.

Tim advised that staff is also contemplating mechanical system upgrades because Walnut Park is still using the original boilers. During the energy audit, the engineer reported that the boilers are only operating at about sixty percent (60%) efficiency. Energy Outreach Colorado is going assist with putting in high efficiency mechanical systems. It is anticipated that this upgrade will substantially improve the utility budget at Walnut Park, which is paid by GJHA.

Staff advised that a preliminary commitment from Energy Outreach Colorado for grant money is about 90% complete, because they must present the proposal to their board for approval. The Division of Housing has, in the past, been generous on similar projects. Funding from Energy Outreach Colorado should occur in July, so GJHA should be able to execute contracts in July and start work shortly thereafter. The Division of Housing funding request will be presented to the State Housing Board by the end of June at the latest. It takes approximately 120 days from the State Housing Board's decision to get a Grant Agreement prepared and the grant funded. The Division of Housing will not fund the grant until the Grant Agreement is fully executed by all parties. The Division of Housing has in the past funded \$10,000 to \$15,000 per door and this what has been requested for this Project.

GJHA funded the first phase of the project (the roof work) which has already been completed. That counts towards the total Project and is considered part of GJHA's local match. The funds being borrowed will also be applied towards the Project. Jill Norris advised that GJHA did get a loan commitment for up to \$1.2 million just in case some of the funding does not occur.

The Finance & Audit Committee extensively reviewed the four loan proposals received for this Project and is recommending the loan proposal from the Bank of the San Juans. The loan is a ten (10) year term with amortization at the rate of 2.77%. The loan amount per the budget is \$900,000 but there is a commitment for up to \$1.2 million. This offer is good for ninety (90) days from March 8. Prior to the offer period ending, GJHA should have a response from Division of Housing as to its probable contribution amount.

Jill Norris recapped Bank of San Juan's proposed loan terms as being up to \$1.2 million with loan to value not to exceed seventy-five percent (75%). It is a ten (10) year term loan at 2.77% fixed interest. Fully amortizing with no pre-payment penalty and no origination fee. The bank will limit outside counsel fees to \$3,000. The other costs are the appraisal at \$5,000, title insurance at \$1,500, and recording fees at \$91 in addition to any other fees, all of which would be the responsibility of GJHA.

MINUTES

Grand Junction Housing Authority
April Board of Commissioners' Regular Meeting

Tuesday, April 5, 2022, 5:00 p.m.

Distributions timeframe is two (2) to (3) three years and contracts with a certain percentage within six (6) months of closing.

Staff requested Board approval of Resolution 2022-04-02 *Approving Selection of Lender and Apply to the Colorado Division of Housing for Grant Funding for Capital Improvements to Walnut Park Apartments.*

With a motion by Chris Launer, a second by Bill Johnson, and with a roll call vote, the Board adopted Resolution 2022-04-02. Tami Beard abstained from voting on Resolution 2022-04-02.

5. **Development Update**

GJHA anticipates receiving the tax credit certificate, 8609 form from CHFA by the end of the week for 2814. GJHA will then be able to request the final installment of the developer fee in the amount of \$200,000.

Staff and the Real Estate Committee continue to pursue land for development. No specific details can be shared at this time; the Board will be updated at the appropriate time. Rich Krohn and Jody Kole commend both GJHA and City of Grand Junction staffs for their efforts and diligence in attempting to locate suitable land for purchase for the next development.

6. **Bylaws Revision**

Discussion tabled until the May Board meeting.

7. **Committee Assignments**

Discussion occurred regarding the number of Board members on a committee and limited voting to the committee members only. All Board members are encouraged to serve on as many of the committees as they wish. In addition, all Board members are encouraged to attend any committee meeting that their schedule allows, except the Executive Comp Committee.

Board members present are in unanimous agreement to not restrict the number of voting committee members or restrict non-members from attending committee meetings. Additionally, it is agreed that a quorum count during a committee meeting is limited to committee members and voting is limited to the stated committee members.

The Executive Comp Committee is made up of the current Board Chair, Vice-Chair, and most recent past Chair. Executive Comp Committee's current members, Ivan, Rich, and John have appointed Krista as a non-voting member.

MINUTES

Grand Junction Housing Authority
April Board of Commissioners' Regular Meeting

Tuesday, April 5, 2022, 5:00 p.m.

Real Estate Committee Members, which meet on an as needed basis: Rich Krohn, John Howe, Tami Beard, and Chuck McDaniel

Finance & Audit Committee Members, which meet monthly: Bill Johnson, Chris Launer, John Howe, and Tami Beard

Jody will reach out to Ivan Geer to confirm that he wants to continue serving on the Real Estate Committee.

Scott Aker proposed attaching committee notes to Board minutes if the Board was present during a committee meeting. Attaching the committee notes to the minutes could shorten the discussion that occurs at a Board meeting. The Board must be mindful that when the public attends the Board meeting that discussion may have to occur for the benefit of providing the public with the facts that were previously discussed during a committee meeting. Jody Kole seconded that all committee meeting minutes should be attached to the Board meeting minutes that are sent to the City Clerk, so the public is informed on what GJHA is doing.

Staff and Board agreed to reach out to John Shaver to make sure that the plan to attach committee notes to the Board minutes is acceptable. If there is an issue, it will be discussed at the next Board meeting.

8. **Other business, if any**

Hiring of Paralegal:

GJHA has hired a paralegal, Desirae Garman, who will be attending Board and committee meetings.

Possible Ballot Language – affordable housing funding

Discussion regarding a measure that may go on the ballot this fall that would direct more funding to local government entities, including housing authorities, for affordable housing. It would establish eligibility criteria that any government that wants to be eligible for this funding must adopt a three (3) year commitment as to how they are going to increase the supply of affordable housing in their community/jurisdiction by three percent (3%) per year. If a community makes this commitment and does not meet the three percent (3%) requirement, they are ineligible the following year for funding. Communities are allowed to re-apply but must show how they are going to make up the missed percentage and meet the requirement of increased affordable housing. The majority of the funds will be administered by the Division of Housing, who will then establish the baseline for how the three percent (3%) inflation is calculated. Office of Economic Development and International Trade will have funding

MINUTES

Grand Junction Housing Authority
April Board of Commissioners' Regular Meeting

Tuesday, April 5, 2022, 5:00 p.m.

from this legislation. Another state entity, perhaps CHFA or another entity, will have funding for homebuyer's down payment assistance to help entry level homebuyers get into homes. The funding mechanism is still unclear but anticipate a sizeable amount of funding. The funding could be exempt from Tabor restrictions.

If this makes it to the ballot, Jody will ask the Board to consider taking a position on the legislation. The Board has historically not taken a position on legislation, but this legislation could be a game changer for affordable housing. Jody will present more details to the Board if this legislation makes it to the ballot. Rich states that in the past the Board has stayed away from politics, but this legislation could have direct and meaningful impact on affordable housing, so the Board should consider its position, if the legislation makes it on the ballot.

9. **Adjourn**

With no further business or discussion, the meeting was adjourned at 6:11 p.m. following a motion by John Howe, a second by Check McDaniel, and a unanimous vote.

All Board packet documents and documents distributed
during the Board Meeting are retained at GJHA.