

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

8 Foresight Circle, Grand Junction, CO 81505

February 14, 2023 at 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 Chair. Attendance was taken by roll call with the following present:

Board of Commissioners:

Rich Krohn, Chair
Chuck McDaniel
Tami Beard
John Howe (Virtually)
Bill Johnson

GJHA Staff:

Scott Aker, COO
Shelley Carpenter, Controller
Jill Norris, General Counsel
Kevin Sperle, IT Supervisor (Virtually)
Racquel Wertz, Voucher Supervisor
Margaret Ellrick, Supportive Services Supervisor
Holly Webster, Lead Service-Care Coordinator
Desirae A. Garman, Paralegal

Krista Ubersox, Acting Asset Manager and HR Director, joined the meeting electronically at 5:06 p.m., after roll call had occurred.

2. Consent Agenda

The Consent Agenda consisted of: (1) Minutes of the January 3, 2023 Board of Commissioners' Regular Board Meeting; (2) Notes of the January 6, 2023 Real Estate Committee Meeting; and (3) Resolution No. 2023-02-01 Approving Statement(s) of Authority.

Jill Norris advised the Board that the signature block for Resolution No. 2023-02-01 Approving Statement(s) of Authority has been revised. Scott Aker is signing as Assistant Secretary since Jody Kole is unavailable.

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

3. Finance and Audit Committee Report

- a. Committee recommending that the Board approve Fourth Quarter 2022 Financials

Shelley Carpenter advised that during the Finance and Audit Committee on February 7, 2023, the Committee voted to recommend approval of the 2022 fourth quarter financials. Staff reported that there was an increase in cash due to the sale of Courtyard and Lincoln properties, developer fees received, the addition of Linden Pointe's cash proceeds from the refinance of its debt and normal operations.

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

8 Foresight Circle, Grand Junction, CO 81505

February 14, 2023 at 5:00 p.m.

The Finance and Audit Committee requested that Staff place the proceeds from the sale of Courtyard and Lincoln properties in a special general ledger account to be used for new development purposes. Staff is working to get this request completed.

The GJHA properties budget came in positive to budget for 2022. All Low-Income Housing Tax Credit ("LIHTC") properties, except for Highlands II, ended the year with net operating income positive to budget.

The Debt coverage ratios for the LIHTC properties was reviewed. Chuck McDaniel asked if Grand Junction Housing Authority loans had debt service coverage ratio requirements. Staff responded that no GJHA loans that have debt service coverage ratio requirements. GJHA has confirmed that all GJHA owned properties were meeting the minimum 1-1.15% debt coverage ratio with the 2023 budgets. Staff will provide the debt coverage ratios for GJHA's properties in future financial reports to the Board.

With no further discussion, Staff requested Board approval of the 2022 fourth quarter financials.

With a motion by Tami Beard, a second by Bill Johnson and a unanimous vote, the 2022 fourth quarter financials were approved.

- b. Request for approval of Resolution No. 2023-02-02 Amending the Consolidated Budgets for Fiscal Year 2023 to Increase Capital Expenditures

Shelley Carpenter explained the Board had approved the purchase of a security camera system for the Foresight property in 2022. However, the vendor was unable to locate the necessary hardware, so this project was not completed. Staff is now asking to amend the 2023 consolidated budget because the vendor can now obtain the necessary hardware to update the Foresight security camera system. An amendment to increase the Foresight capital expenditures by \$50,000 was presented to the Finance and Audit Committee for recommendation to the Board for approval of this amendment to the capital expenditures. The Finance and Audit Committee asked that the Board be provided with a funding split for this expense. The Voucher Program will pay seventy-six percent (76%) and the general fund will pay twenty-four percent (24%) of the cost of the new security camera system. Kevin Sperle advised the Board that the entire security camera system at Foresight needs to be replaced because it is obsolete. The new security camera system will include updated cameras, allowing for better coverage of the property, and will begin

February Board of Commissioners' Regular Meeting Minutes
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February 14, 2023 at 5:00 p.m.

the integration to one security camera system for the property portfolio. The security camera system being installed at Foresight is the same system located at 2814. Scott Aker advised that the upgrade of the security camera system is a theme for 2023, as Staff works to get the portfolio on one security camera platform.

Jill Norris advised the signature block for Resolution No. 2023-02-02 Amending the Consolidated Budget for Fiscal Year 2023 to Increase Capital Expenditures was revised, so that Scott Aker can sign as the Assistant Secretary, since Jody Kole is unavailable.

With a motion by Bill Johnson, a second by Tami Beard, and a unanimous vote, Resolution No. 2023-02-02 Amending the Consolidated Budgets for Fiscal Year 2023 to Increase Capital Expenditures was approved.

- c. Committee recommending GJHA contribute an amount not to exceed \$15,000 to the City of Grand Junction's Unhoused Needs Assessment and Strategy Development Process

Rich Krohn advised that there was a typo in the agenda, as it should not have said 'at least \$10,000 but not to exceed \$15,000'. It should have said 'not to exceed \$15,000'.

Scott Aker advised the Board that the City of Grand Junction's ("City") Housing Manager approached him regarding the City's plan to conduct a needs assessment on the unhoused/homeless to develop strategies for addressing this need. The anticipated cost for this assessment is \$100,000. The City is contributing \$25,000, Mesa County is contributing \$25,000, the City is requesting \$25,000 from the Colorado Department of Local Affairs ("DOLA") and the balance will come from community partners. The Finance and Audit Committee approved a recommendation to the Board of a contribution by GJHA of up to \$15,000 toward the City's unhoused/homeless needs assessment. Staff made this recommendation because the City has been very generous and supportive of the possible land purchase for new development, including submitting a grant application to DOLA for funds to be used by GJHA.

With a motion by Bill Johnson, a second by Tami Beard and a vote, a contribution not to exceed \$15,000 to the City of Grand Junction's unhoused needs and unhoused strategies report was approved. Chuck McDaniel abstained from this vote.

4. Section 8 Management Assessment Program and Voucher Update

Racquel Wertz advised that the US Department of Housing and Urban Development ("HUD") had not required the Section 8 Management Assessment Program ("SEMAP") for the last two (2) years due to COVID. HUD requested that the SEMAP assessment resume for 2022. SEMAP is an internal audit of the Housing Choice Voucher Program. The SEMAP audit showed that

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

8 Foresight Circle, Grand Junction, CO 81505

February 14, 2023 at 5:00 p.m.

GJHA received an 85.19% score for 2022, which is considered 'average'. GJHA did not obtain the 'high performer' classification for a couple of reasons. One being that GJHA had been conducting occasional rent reasonable evaluations on tenants residing at GJHA owned properties, which is not allowed. GJHA has contracted with Housing Resources of Western Colorado ("Housing Resources") to do evaluations and conduct the inspections for new lease-ups. GJHA is working with Housing Resources to develop a plan to conduct early assessments of the approximately three hundred (300) GJHA tenants with vouchers. Another area that GJHA needs to improve is the determination of adjusted rent. During review of twenty-two (22) files, it was found that staff had not saved the data used to determine the adjusted rent. Racquel Wertz is providing additional training to staff to correct the issues found during the SEMAP assessment. There were a couple of other areas that need improvement, but these areas were an issue due to COVID and should not be an issue going forward. The final area where GJHA received a lower score was lease-up utilization. GJHA ended 2022 with ninety-seven percent (97%) of Housing Assistance Payments ("HAP") expenditure utilized. HUD requires HAP expenditure to be at ninety-eight percent (98%) utilization. The Vouchers Team has an aggressive leasing schedule in 2023, so that HAP rental assistance requirements are met. Additionally, the plan is to spend down the HUD held HAP reserves and to reach HAP rental assistance utilization of 107% in the next several months. This level of leasing over 100% for several months will result in between 98-100% leasing overall for 2023.

Rich Krohn asked Staff if there were any concerns that the statements in the SEMAP certification were untrue, inaccurate, or cast doubt on GJHA's ability to administer the Section 8 Rental Assistance Program under federal law. Racquel Wertz responded that there were no concerns. Scott Aker also confirmed that there are no concerns and explained that GJHA's quality assurance specialist assisted in the SEMAP assessment and resulting score.

Jill Norris advised the signature block for Resolution No. 2023-02-03 Approving Section 8 Management Assessment Program (SEMAP) Certification was revised, so that Scott Aker could sign, since Jody Kole is unavailable. The SEMAP Certification was not updated, as it requires Jody Kole's signature.

With a motion by Bill Johnson, a second by Tami Beard, and a unanimous vote, Resolution No. 2023-02-03 Approving Section 8 Management Assessment Program (SEMAP) Certification was approved.

5. Supportive Services Program Update

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

8 Foresight Circle, Grand Junction, CO 81505

February 14, 2023 at 5:00 p.m.

Scott Aker advised that Staff will be providing quarterly updates on various programs to the Board. The first program providing an update is the Supportive Services Program. Doors 2 Success ("Doors") is a companion non-profit to GJHA. The Supportive Services Team and the Doors' Board continue to be incredibly grateful for the GJHA Board's support, as this program provides multiple supportive services to seniors, individuals, and families in the Grand Valley, which directly impact housing stability.

Holly Webster advised that there are three (3) service coordinators that provide services to seniors at four (4) GJHA properties and two (2) service care coordinators for residents at GJHA properties and voucher holders in the community, which totals approximately seven-hundred-fifty (750) households. The services provided are in collaboration with United/Rocky Mountain Health Plans ("Rocky Mountain") and other community partners. The care coordination provides benefits and services that allow seniors to age in place. Services provided include educational classes, onsite State Health Insurance Assistance Program ("SHIP") counselors, educating tenants on their lease, applying for food benefits, applying for Medicaid, finding doctors, coordinating transportation, referrals to the PACE Program, follow up with clients after discharge from hospital, and many other services. Through GJHA's care coordination services there has been a sixteen percent (16%) decrease in Medicaid spending for these seniors. Bill Johnson advised the Board that the care coordination services being provided are fantastic and a true benefit to seniors.

Margaret Ellrick provided a review of the programs and services provided to needy families. Approximately thirty-one percent (31%) of the families served receive Temporary Assistance for Needy Families ("TANF") benefits and two-thirds (2/3) of participants are formerly homeless. There are currently eighty-one (81) households that include two hundred six (206) children that are now housed and were previously homeless. Mesa County School District 51 referred nineteen (19) of these households and the remaining were referred by the Mesa County Department of Human Services. Almost seventy-five percent have mental health challenges. GJHA provides coordination and mental health resources for these needy families.

There are twenty-eight (28) families that were not previously homeless, who are participants of the Family Self-Sufficiency Program ("FSS"). These families are voucher holders and are working on stabilizing their households. These families are in the FSS program for five (5) years where goals are set and if those goals are met, the household graduates from the FSS Program. There is an escrow account that accumulates HAP funds and upon graduation the escrowed funds are distributed to the household. If the family does not graduate, they do not receive the escrowed funds. After graduation from the FSS program, the households are stable and no longer need assistance from GJHA. In 2021, there were five (5) households that graduated from FSS Program, and those households received approximately \$25,362 from

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

8 Foresight Circle, Grand Junction, CO 81505

February 14, 2023 at 5:00 p.m.

escrowed funds. This program provides tools and resources that these families need. Some of the community partners that assist with the FSS Program are the Workforce Center, Mesa County Department of Human Services, Mesa County Child Protective Services, TANF Program, and Housing Resources of Western Colorado, Business Incubator Center, Homeward Bound, Mesa County Valley School District 51 Reach program, Catholic Outreach, and Colorado Division of Housing.

Scott Aker explained that the service coordination model is shifting, so that GJHA can provide more assistance to the families that reside on GJHA's properties. The Board requested more information as to how Doors is instrumental in supportive services offered by GJHA. Doors' Board focuses on making sure supportive services are provided and gives input on services needed in the community. Since Doors is a non-profit, it can qualify for funding that GJHA would be unable to receive on its own. Doors has more options for fundraising, so GJHA can offer more supportive services to the community.

6. Other business, if any

Staff mentioned that the GJHA will have been in existence for fifty (50) years as of September 2024 – more to come.

7. Adjourn

With no further business or discussion, Chuck McDaniel made a motion to adjourn. With a second by Bill Johnson, and unanimous vote, the meeting was adjourned at 6:03 p.m.

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