

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

8 Foresight Circle, Grand Junction, CO 81505

June 18, 2024, at 5:00 p.m.

1. Call to Order and Roll Call

GJHA's Board of Commissioners' Regular Meeting was called to order at 5:05 p.m. by Rich Krohn, Board Chair. Attendance was taken by roll call with the following present:

Board of Commissioners:

Rich Krohn, Chair
Bernie Buescher, Vice Chair
John Howe
Bill Johnson
Ivan Geer

GJHA Staff:

Jody Kole, CEO
Scott Aker, COO
Jill Norris, General Counsel
Krista Ubersox, Asset Manager
Ashleigh O'Leary, HR Director
Kevin Sperle, IT Supervisor (Virtually)
Brian Rusche, Development Director
Kate Schaneman, Business Operations Assistant

Justin Petersen, Senior Audit Manager with Hawkins Ash was acknowledged by Rich Krohn as attending the meeting virtually. Justin left the meeting at 5:16 p.m.

Randall Reitz joined the meeting in person at 5:10 p.m.

2. Disclosure of Direct or Indirect Conflict of Interest

None mentioned.

3. Consent Agenda

The Consent Agenda consisted of:

- Request adoption of the Minutes of the January 23, 2024, Special Board of Commissioners Meeting
- Request adoption of the Minutes of the January 30, 2024, Rescheduled Regular Board of Commissioners Meeting
- Request adoption of the Minutes of the February 13, 2024, Regular Board of Commissioners Meeting

With a motion by Bernie Buescher, a second by Ivan Geer, and a unanimous vote, the Consent Agenda was approved.

4. PHA Board of Commissioners Training - Board Roles and Responsibilities – HUD Minutes Exchange

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On May 23, 2024, GJHA had an exit interview with HUD, at the conclusion of the audit of the Vouchers program. It was mentioned in this exit interview that HUD requires Board Members to take a training called *Lead the Way*. It is a training course specifically for Board Members of housing authorities but is also recommended for Executive Staff. Jill Norris is currently going through the training and says it contains a lot of useful information. Board Members will be emailed a link that will allow them to set up an account with HUD Exchange, where the online training can be completed. Board Members will have a period of 30 days to complete the training once we receive the written report from HUD; however, the Board members can start the training sooner if they so choose. Once complete, there will be a certificate that will need to be submitted to HUD. The training should take around 5 hours. Moving forward, this will be required for onboarding new Board Members.

Jody Kole mentioned that during the exit interview, the HUD auditors proposed a few minor changes, and overall, the comments were very positive about the operation of the Vouchers program. HUD staff also commended GJHA staff for their efforts to compile and share information quickly and thoroughly.

5. GJHA Office Hours

Scott Aker brought to the Board Staff's desire to modify GJHA's office hours. Staff has observed that Friday afternoons have shown slow foot and phone traffic. The intent for Monday through Thursday is to be open 8:00 a.m. – 5:00 p.m., extending the office hours by one hour each of those days and then on Friday, GJHA would be open 8:00 a.m. – 12:00 p.m. GJHA staff believes that there will be more benefit to being open later on Monday-Thursdays as staff has experienced people attempting to come into the office after 4:00 p.m. when GJHA is closed. Krista Ubersox mentioned that the Maintenance Team typically has the most total overtime. This change would extend the hours during the days that the Maintenance Team typically stays to finish their work and allow them to leave earlier on Fridays when their projects are finished. The on-call hours would be adjusted accordingly. Ivan Geer mentioned that his company has implemented a similar schedule, and he sees more productivity with his staff. Randall Reitz and Bill Johnson agreed that it is a good idea. No action by the Board was required. GJHA staff will proceed with this plan.

6. Finance Updates

Justin Petersen with Hawkins Ash reviewed the 2023 audit reports. There were two reports issued: the Management Letter and the full Financial Statements. For the Financial Statements, GJHA was issued an unmodified/clean opinion. Overall, it was a good, clean audit. Hawkins Ash is still working on completing the audit and it should be completed and submitted to HUD within the next month.

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Justin Petersen opened the floor to questions. With no questions or discussion, Scott Aker voiced GJHA's appreciation for the Hawkins Ash team for all of the pre-audit work leading up to the actual audit. John Howe made a motion to accept the results of the 2023 audit, which was seconded by Bernie Buescher. There was no discussion and following a voice vote, the motion passed unanimously.

7. Real Estate Committee Report and Development Update Development Update

Jody Kole stated that GJHA is well on its way with The Current. The Colorado Division of Housing (CDOH) is out of funds for 2024 and possibly for 2025, so State Tax Credits will be used in place of the CDOH funding which typically accompanies 9% Tax Credit developments. Previously, State Tax Credits were only awarded in 4% Tax Credit transactions, so this is new for GJHA, and for CHFA. GJHA was given three options: accept the State Tax Credits, reject the State Tax Credits and come up with another viable financial plan, or entirely forfeit the 9% Federal Tax Credits. Staff decided the best option will be to apply for the State Tax Credits. The application is due July 12, 2024. Scott Aker, Jill Norris, Brian Rusche, and Jody Kole travelled to the National Council of State Housing Agencies (NCSHA) conference in Atlanta, Georgia. There, they heard about other states that were up against similar circumstances. The good news is, Equity Investors are interested in State Tax Credits.

Leslie Henderson, consultant to GJHA for The Current, has come up with possible scenarios that could work. Staff has learned that if you assume a certain level of State Tax Credits, CHFA will reduce the Federal Tax Credits accordingly. This has created the possibility of a larger funding gap. The discussion continued with staff assuring the Board more updates will be forthcoming as details around this new dynamic came into focus.

Staff mentioned that the next Board Meeting will be held on July 9, 2024, so this topic will likely be on that agenda again. Jody Kole stated that she is not sure if this topic will require any action from the Board, so it was suggested the Board let staff know early if they would or would not be able to attend that meeting.

8. Board Consideration of Future Development Priorities

Rich Krohn mentioned that after the discussions that occurred at the Real Estate Committee Meeting, where no action was taken, it was decided to bring this topic to the full Board to request direction for Staff as to what GJHA's new development priorities should be moving forward. In partnership with the City, the Salt Flats property may go through the RFP process out to the development community for the six parcels making up the Salt Flats project. If they don't go out to Bid with an RFP on all six parcels, they may just reach out to local partners and give them first choice on the parcels being offered. After the Real Estate Committee Meeting,

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there was a strong sense that the Matchett Park property should be GJHA's first priority moving forward. The 99-year land lease on city-owned property would allow GJHA to treat the property as if GJHA owned the parcel. Mesa County owns property to the west of the Matchett Park Property. There was some discussion regarding whether the County would be interested in participating in the development of affordable housing in this location. Matchett Park appears closer to reality. There would be little to no land cost on Matchett Park. GJHA owns the Confluence property free and clear, so if it was decided to move forward with the Matchett Park property, that would add to GJHA's land bank.

Randall Reitz updated the Board on the City's work on the Salt Flats property. He stated that they are still working on acquiring additional funding for infrastructure development. He also stated that he has not yet seen any collaboration between the City and the County about the housing portion of the land. There have only been preliminary discussions on the topic.

Because the City will own the Salt Flats property, the 99-year lease option will be available for development on that property as well. Bernie Buescher thinks GJHA needs to remain flexible regarding decisions on the Salt Flats and Matchett Park developments as they progress. Ivan Geer agreed. Rich Krohn stated that he does not think GJHA needs to choose one or the other, the intention of this conversation it to make it clear to what is next for the Housing Authority.

Ivan Geer asked if GJHA has enough capital to participate in the Salt Flats development. Jody Kole stated she does not believe that the Salt Flats would require any acquisition cash. She went on to say that GJHA would need more planning capital than funds for either, or both of these developments. Staff is working on a long-term plan regarding how to fund these projects and desired timing it could take 15 to 20 years to develop The Current, Matchett Park and Salt Flats.

Randall Reitz asked for clarification regarding converting a property that is already built into long-term affordable housing rather than building from the ground up. Ivan Geer said with his experience on the Board, doing that would come with too much risk due to meth and other inherent maintenance and capital risks. Rich Krohn agreed and explained that with how expensive meth testing can be it may not save GJHA money in the long run. When taking into account future operations and maintenance, GJHA believes building new is more cost effective.

Jody Kole summarized by saying that it seems the consensus is the Matchett property will be GJHA's next priority, then staff will work with the City on Salt Flats. After The Current, the organization may delay master planning on the remainder of Confluence Subdivision. Staff will continue to have conversations with owners of the Clifton property. The goal is to try and get into the land lease at Matchett Park soon, while GJHA has the support to do so. Rich Krohn

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recommended that GJHA should keep an open mind about what should come after Matchett Park based on the timing.

Ivan Geer asked Randall Reitz to express to the City how appreciative the Board and GJHA is to have a partnership with them.

9. Executive Session

It was concluded that there was no need for an Executive Session.

10. Other business, if any

- a. Scott Aker reminded the Board that the Annual Meeting is scheduled for June 25, 2024, at 11:00 a.m. Board members were asked to let Kate Schaneman know if they could attend, and she would RSVP for them.
- b. Krista Ubersox gave an update on a new meth unit at Ratekin Tower. Remediation plans are progressing and will begin as soon as next Thursday. The remediation will be able to occur without relocating tenants.

11. Adjourn

With no further business or discussion, Bill Johnson made a motion to adjourn. Following a second by Bernie Buescher, and unanimous roll call vote, the meeting was adjourned at 6:44 p.m.

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