

MINUTES

Grand Junction Housing Authority
Board of Commissioners' Meeting
July Special Board Meeting

Tuesday, July 8, 2014
Linden Pointe Community Center
4:30 p.m.

1. **Call to Order**

A special July Grand Junction Housing Authority (GJHA) Board Meeting was called to order by Board Chair Chris Launer at 4:35 p.m. with the following Board Members present: Scott Aker, Tami Beard, Chuck McDaniel, Chris Mueller, and Barbara Traylor Smith. Board Member Paul Marx did not attend the Meeting. Also in attendance were Staff Members CEO Jody Kole, COO Lori Rosendahl, and Executive Assistant Kristine Franz, and Rich Krohn of Dufford, Waldeck, Milburn, and Krohn, LLP.

2. **Resolution No. 2014-07-01 Authorizing the Purchase of Real Property at 8 Foresight Circle for a Purchase Price of \$965,000 and Authorizing Related Actions and Execution of Related Documents**

Discussion in several prior Executive Sessions dealt with considering the acquisition of real estate for office space to house GJHA employees including maintenance under one roof. Jody Kole explained that extensive due diligence has been completed on the property at 8 Foresight Circle in Grand Junction, and staff is prepared to make a purchase recommendation. She stated no concern has been found and there is no reason not to recommend purchasing the property for \$965,000 with an anticipated close date of July 28, 2014. Funds to be used for the purchase are proceeds from the sale of the Public Housing units. The project is viewed in its entirety with the acquisition, redevelopment, and furnishing the new office building. Public Housing proceeds will fund the acquisition alone. Other renovations and furnishings for that property will be funded by General Fund Reserves and possibly loan proceeds, depending upon Board direction.

Board Members asked questions covering the following topics to which Jody Kole and Lori Rosendahl provided clarification:

- When addressing rehab plans and costs, Jody Kole discussed the possibility of an open or semi-open office concept which will allow for greater flexibility in long-term staff growth/reduction and for lower renovation costs. Recommendations will be submitted for Board review.
- An open bid process will be conducted for a design/build team.

Minutes (contd.)

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- Based on the constraints by the U.S. Department of Housing and Urban Development (HUD) for the use of Public Housing sale proceeds, the staff will ensure that the use of the sale proceeds conform to the requirements of the Demo-Dispo approval. Establishing a Voucher Services Center was called out as an approved use of Demo-Dispo proceeds. A space allocation study will be completed for ratio justification and submitted to the Board, and ultimately to HUD. Should HUD disagree with the rationale presented by GJHA, a cost adjustment from the General Fund can be made for the difference.
- With Resolution approval, the Board signifies this is an appropriate use and allocation of GJHA Public Housing sale proceeds.
- Discussion occurred on the use of remaining GJHA Public Housing sale proceeds for other properties. If funds remain by January of 2015, another extension will be requested from HUD.
- Discussion transpired on possible plans for the sale of the 1011 N. 10th Street property.

Rich Krohn advised the Board on the following topics:

- The written appraisal is not yet completed, but a verbal appraisal has been received which is above the purchase price at \$1,015,000. It is anticipated the written appraisal will be received after July 14, 2014.
- The physical and environmental inspections show no concerns. Due diligence documents provided by the current owner reflects a well maintained property.
- The title work shows a clean title but does not reflect the existence of an operating Commercial Owners Association (COA). However, the seller disclosed dues have been paid to an Association. With further research, the COA covenants do not encumber this property due to a couple of reasons. A mis-naming of the subdivision occurred as “Foresight Industrial Park” instead of “Foresight Park for Industry”, and the covenants by their terms have expired with no extension or renewal date. Conversation and written correspondence with the COA President confirms that the covenants do not apply to this property.
- The property obtains its irrigation water from the COA so maintaining an equitable relationship is desired.
- A survey done in 2006 indicated an unrecorded easement running diagonally from the transformer pad southwest under the parking lot. It is unclear whether a utility line is still there or has been relocated to the existing easement. The planned building addition is on the northwest corner of the property, however, so if the utility line still exists, it will not interfere with plans. A utility locate is being done.
- The contract has an inspection rejection deadline of July 14, 2014. If the Board approves the contract and something goes awry, the contract can be terminated

based on an unsatisfactory inspection of the property by July 14, 2014. After that date, the \$25K earnest money is at risk.

With discussion complete, a motion to approve *Resolution No. 2014-07-01 Authorizing the Purchase of Real Property at 8 Foresight Circle for a Purchase Price of \$965,000 and Authorizing Related Actions and Execution of Related Documents* was made by Scott Aker with a second by Chris Mueller. The motion passed unanimously. The purchase transaction process will move forward.

3. Other Business

GJHA Receives Awards

Awards GJHA recently won from its peers were displayed for all to view. Jody Kole said one was from Colorado NAHRO for its Affordable Housing Project of the Year and the second was from Mountain Plains NAHRO for its Energy Efficiency Green Building. Village Park Apartments is the recognized property for both awards. Board Members extended congratulations.

Strategic Planning Retreat

The group confirmed the schedule for the Strategic Planning Retreat of August 1, 2014 from 9:00 a.m. – 3:00 p.m. at the Linden Pointe Community Room.

Note: The Strategic Planning Retreat will be rescheduled.

4. Adjourn

The special July Board Meeting was concluded at 5:15 p.m.