

## MINUTES

Grand Junction Housing Authority  
Board of Commissioners' Meeting

Monday, July 25, 2005  
Housing Authority Offices  
1011 North Tenth Street  
11:30 a.m.

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### 1. Call to Order and Welcome to Guests

Steve Heinemann, Grand Junction Housing Authority (GJHA) Board Chair, called the regular July Board Meeting to order at 11:37 a.m. with the following regular attendees: Board Members Teresa Coons, Gabe DeGabriele, Erin Ginter, Gi Moon; and GJHA Staff members Jody Kole, Kristine Franz, Virginia Garcia, Mary Gregory, Greg Hancock, Jon Lindman, Lori Rosendahl, and Jon Wickre. Three guests, Grand Junction Mayor Bruce Hill, Mike Kelly of Mountain Message and Pager Service Inc., and Sheryl Trent, Assistant to the Grand Junction City Manager, were introduced and welcomed.

Board Members Kathleen Belgard and Tisha Petelo arrived later in the Meeting.

### 2. Adoption of Minutes

Minutes for the June 25, 2005 Board Meeting were adopted as presented with a motion from Gi, a second from Gabe, and a unanimous vote.

### 3. Presentation Regarding Leasing Ratekin Rooftop Access for Communication Equipment

During the Board's Strategic Planning Retreat in June, one of the goals identified was the "*opportunity to generate additional income through the lease of Ratekin Tower Apartments' rooftop for communication equipment placement*". Gi has been talking with Mr. Mike Kelly, owner of Mountain Message and Pager Service Inc., who has expertise in this area and invited him to speak to the Board about this prospect.

Mike shared some of his business background experience with the group and then explained how the activities would unfold if the Board opted to pursue this opportunity. Topics discussed included contracting a management firm to exclusively lease the rooftop for communication sites; negotiating fees for such services and what those services included; discussing types of prevalent customers, expected monthly site lease revenues, contract length in terms of years, and quantity of rooftop lessees at one time; identifying power requirements with discussion of towers, antennas, power meter banks, and 24-hour site access for lessee maintenance; liability insurance; property manager

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certification or credentials; possible roof penetration/damage during equipment installation; and the likelihood of tenants inconvenienced with noise during equipment repair. Upon the conclusion of this informative session and with Board/Staff questions answered, Mike left the meeting at 12:10 p.m. as the Board expressed appreciation for his time and information.

Tisha Petelo joined the Meeting at 11:45 a.m. and Kathleen Belgard arrived at 11:50 a.m. during the discussion of leasing Ratekin Tower's rooftop for communication equipment.

Follow-up conversation included Jody mentioning that additional inquiries will be made to ascertain if the cost of the additional site equipment would be a Ratekin Tower or a General Fund investment, and if the revenue generated would flow to the source of investment; i.e., if a General Fund investment, would the proceeds flow to General Fund? Gi will gather property leases for easy language reference, Virginia Garcia, GJHA Asset Manager, will obtain information from the Ratekin Tower roofing contractor, and City code requirements will be researched.

#### 4. **Resolution 2005-06 Adopting Changes to GJHA Employee Handbook**

Mary Gregory, GJHA Special Projects Coordinator, noted that the newly revised Employee Handbook along with *Resolution 2005-06 Adoption of the GJHA Modified Personnel Guidelines* were previously distributed to Board Members for review. The last revision of the Employee Handbook was June 24, 2002, so this revision will include all new changes to GJHA guidelines, as well as strengthen the language within the document.

Designated as the more important changes, Mary highlighted and explained the four following topics with the new changes:

- Section 3, Part D, Sick Leave
- Section 3, Part E, Jury Duty
- Section 5, Part C, Travel Guidelines
- Section 5, Part F, Drug-Free Workplace

Brief discussion warranted clarification on "flex-time hours" and "comp-time" hours, which was given.

The motion to approve *Resolution 2005-06 Adoption of the GJHA Modified Personnel Guidelines* and to correct a document "type-o" was made by Gi Moon and seconded by Kathleen Belgard. The motion carried with unanimous approval.

**5. Presentation of Financial Statements for the Nine Months Ended June 30, 2005 for  
& the Grand Junction Housing Authority, and Presentation of Financial Statements  
6. for the Six Months Ended June 30, 2005 for Crystal Brook LLLP and Linden Pointe  
LLLP**

In the absence of Becki Tonozzi, the GJHA Finance Director, GJHA Executive Director, Jody Kole, volunteered to respond to any questions there might be pertaining to the financial packet previously distributed to the Board that included Financial Statements for nine months for the GJHA and Financial Statements for six months for Crystal Brook Townhomes and Linden Pointe.

In response to Erin's question referencing the note on the General Fund Income Sheet that the lease up numbers for Linden Pointe are behind schedule, Jody explained that there are two yard stick measurements -- one from the investor and one from GJHA budget projections. The investor's required lease-up numbers are right on target but the budget projections, developed months prior, are about one month behind. Current numbers reflect that out of 92 units, 77 are leased with three pending.

A round of applause was given when Jody announced that **Crystal Brook Townhomes are fully leased!** Jody informed the group that additional resources were dedicated to accomplish this leasing task. As a temporary assignment, Tish Neff, the Eligibility Technician I, was assigned leasing agent duties to assist Joe Suarez, the Linden Property Manager, to work the vacancy issues at both Crystal Brook Townhomes and Linden Pointe. Virginia Garcia, GJHA Asset Manager, added that Tish and Joe have worked long hard hours to accomplish this goal.

Jon Wickre, GJHA Outreach Coordinator, responded to Erin's question regarding recent outreach efforts for Linden Pointe, by informing the group that the Linden Pointe property brochure is in the redesign phase using current property pictures. He assured the group that the brochure would be ready for distribution at the GJHA's August 9<sup>th</sup> presentation, "*The Problem with Affordable Housing*", given to the Grand Junction Lions Club. Jon also stated that he is busy scheduling the same presentation with other service organizations.

In response to Steve's direct question of, "*what are the current Agency-wide vacancy numbers?*", Jody will provide Steve with those numbers later today.

**7. Update on Staff Progress on 2005 Board Goals**

Discussion began with Board Members addressing particular objectives as questions were directed to GJHA Staff regarding the status of certain goals. (Note: Later in the

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conversation, the 2005-2006 Goals Work Plans document was referenced and addressed in numerical order for easy tracking.)

- Request For Proposal (RFP) for Real Estate Services
  - GJHA Development Director, Greg Hancock, reported that a draft RFP seeking service proposals from real estate professionals has been created, but due to out-of-office commitments for both Greg and Jody, the RFP has not yet been released. The Board asked for an issuance date, to which Staff committed the RFP would go out this week.
  
- Goal #6 – Expand the Single-Family Home Acquisition & Rehab Program, Both for Lease-to-Purchase and for Resale to Generate Cash
  - Gi reported that she has received from GJHA Staff two drafts of the RFP to lending institutions for financing options for the two GJHA Programs, the Home Ownership Lease-to-Purchase Program and the Acquisition, Rehab and Resale Program, and that upon completion of her review, the RFP will be released later today.
  - As a side note, Gi mentioned that Jon Lindman, GJHA Housing Counselor, added two additional components to the RFP – one, to do a long-term three-year lease, thereby readying families to purchase the home; and two, to buy/resell the property for immediate profit.
  
- Goals #4 & #5 - Explore Potential to Provide Property Management Services/Residential Rehab Services for Private Property Owners, Perhaps Under a New 501C3
  - In working on creating a new 501C3 organization, Jody was advised that when providing property management and home rehabilitation services to private property owners, a 501C3 organization is not the best choice. Noting these types of services are really for profit venture, she further explained as she distributed HOME WORKS policy and contract documents. Board Members revisited their previous decision to create a non-profit organization with lengthy discussions on not for profit and for profit scenarios.
  - A motion was made by Gi to rescind the previous Board direction of creating a non profit organization and to refocus on forming a for profit organization; analyze if this organization should be a “C Corp, S Corp, or LLC”; and determine what the pros/cons would be tax wise and liability wise. With a second by Teresa and a unanimous vote, the motion carried.

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- Originally, Jody received direction from the Board that this new entity be separate from the GJHA, so in developing the Bylaws, Articles, etc., incorporators will have to be named. Jody requested that the Board give some thought as to who those individuals might be. Gi suggested that a Board Member from both the GJHA and the Grand Valley Housing Initiatives (GVHI) sit on the Board.
- Erin felt that it was important to move forward and not wait to continue with this effort until the next Board Meeting. A subcommittee, comprised of Erin, Teresa, Jody and Steve, was formed and will meet in a couple of weeks, with recommendations forwarded to the rest of the Board.

With these immediate issues addressed, the group referenced the 2005-2006 Goals Work Plan and continued on with discussion, addressing the goals in numerical order.

➤ Goal #1 – Analyze the Potential to Sell Capital Terrace Townhomes to Generate Cash that can be Reinvested in, and Leveraged to Provide, More than 30 Units of Affordable Housing while Preserving at least 30 Deeply Subsidized Units. If Feasible, Implement

- Jody's snapshot reflected that Greg has calculated some financial analyses and Mary has contacted an individual from HUD, Mr. Gene Geritz, who is the "guru on demolition and disposition" of Public Housing. After a brief telephone conversation with Mr. Geritz, Jody reported that he expounded on the possibility of keeping both the sale proceeds and Relocation Vouchers. A meeting has been scheduled for Friday, August 5<sup>th</sup> at 10:00 a.m. in the Board Room to meet with Mr. Geritz, who will answer questions and explore options. Board Members are encouraged to attend.
- As the group discussed tax credit possibilities for new construction assistance, they were reminded that as previously discussed at the June 27<sup>th</sup> Board Meeting, Mr. Jamie Gomez of Colorado Housing and Finance Authority (CHFA) will be attending a future Board Meeting to discuss the possibility of partially funding the projected Linden Pointe childcare facility with New Market Tax Credits and possibly could address assisting with this Capital Terrace venture as well.

➤ Goal #3 – Aggressively Pursue Reinvestment of the DHE Funds in Partnership with the Downtown Development Authority

- In recent months, the Downtown Housing Effort (DHE) has been negotiating for the purchase of a property. With this transaction "falling through", Board

Members continue to express frustration with the lack of advancement in reinvesting the DHE funds and the strong desire to move forward with other opportunities. Jody talked with Harold Stalf, Executive Director of the Downtown Development Authority (DDA), who indicated that there is currently no movement on the project and nothing is expected for at least 90 days due to the owner's limited summer meeting schedule. Mr. Bruce Hill, Grand Junction's Mayor, requested that the Board consider waiting until a definite "no" has been given from the owner before the Board pursues other ventures. After discussion, Board Members agreed to wait a limited time, but would continue to watch for other opportunities.

- Upon Board direction, Jody will inquire about the possibility of borrowing some of the DHE money on a short-term basis to reinvest in other ventures, should they arise, knowing that the Agency still believes in the original project and is willing to participate if the opportunity is resurrected.

➤ Goal #7 – Update the Housing Needs Assessment, in Collaboration with the Grand Valley Housing Partnership

- Jody and Steve reported that the consensus at the Grand Valley Housing Partnership meeting was an Update to the Needs Assessment wasn't necessary. Shy of meeting the 2005 projected housing units needed in the original Needs Assessment, the Partnership concluded that spending money on more housing was more appropriate than spending money on another study. Jody noted that for now this matter has been tabled. Two additional documents/studies are pending, a HUD Comprehensive Market Analysis of the Grand Valley and the State-wide Blue Ribbon Panel, which will provide additional information and direction.

➤ Goal #9 – Develop Employer-Assisted Home Ownership Program in Partnership with Freddie Mac and Approximately 20 Local Employers

- Jon Lindman distributed and reviewed with the group the final Summary of the Employer Assisted Workforce Home Ownership Initiative Survey. This raw data Summary showed results from submitted employee surveys, which represented a portion of the workforce of seven Grand Valley employers. Summary figures of the survey population showed that there is a readiness capacity of approximately 800 households looking for home ownership. Jon also noted that almost a 100% favorable response was given to the question, "if you do not currently own your home, and with some assistance you could qualify to own your own home, would you be interested in owning your own home?"

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- The next Employers Workforce Homeownership meeting will be August 18<sup>th</sup> with the Project kick-off projected for November. Gi suggested inviting the press to the next meeting to keep the Project in the public mind.
- Jody announced that the Agency applied for and received a grant from the Colorado Association of Realtors Housing Opportunity Foundation (CARHOF) in part to fund the Employers Workforce Homeownership Pilot Project and the Homebuyers Education and Default Counseling Program.
- Goal #10 – Completed HUD Required Selection Process to Site-Base Vouchers for Family Unification Program
  - Jody reported that procedural documents are being finalized for HUD in order for this Program to be implemented by January 1, 2006.
- Goal #11 – Develop Proposal for Tenant-Based Rental Assistance in Partnership with Mesa County, School District No. 51
  - Jody emphasized that the objective of this Goal is to focus on homeless families with children in School District No. 51, of which there are about 250. Funds are being sought for up to 50 families and these families may or may not be on the Agency's Waiting List. At the Grand Valley Housing Partnership meeting, Janet Rowland presented the idea of the Tenant-Based Rental Assistance from the State, with an intense case management from the Mesa County Department of Human Services. It received a very favorable response. With this level of support, a grant proposal to the Colorado Division of Housing will be submitted. Previous experience of other Colorado Front Range Agencies indicates that a good referral system between local partners is critical in utilizing the funding in a timely manner. A School District Representative is already "on board" with this effort; in fact, Lori Rosendahl, Voucher Program Supervisor, added that the School District has been added as a site for the Agency's Family Unification Program's referral process.
- Goal #12 – Pursue Intergovernmental Agreement with City of Fruita
  - Jody indicated that there seems to be a communication breakdown between the Fruita City Council Members with prior GJHA attempts to discuss the possibility of an intergovernmental agreement between the two entities. She will continue to work this Goal.

Virginia left the Meeting at 1:22 p.m.

➤ Goal #14 – Complete Close-out of Linden Pointe; Compliance Requirements; Full Lease-up; Audit; Perfect Tax Credits; Obtain Equity Pay-ins

- Jody informed the group that all the Certificates of Occupancy (COs) have been issued for Linden Pointe and the construction is finished with the exception of tying up the last settlement on the playground surface. Compliance performance deadlines still need to be met.
- Linden Pointe’s dedication ceremony has been scheduled for September 16<sup>th</sup> with the ribbon cutting at 11:00 a.m.

➤ Goal #15 – Seek Options to Develop Child Care at Linden Pointe

- There was limited discussion on the development of the child care facility with the possibility of using the New Market Tax Credits or other funding tools to finance it.

**8. Other Business**

Tisha left the Meeting at 1:37 p.m.

Bid on HUD Property

The Board heard that GJHA staff has found a HUD foreclosure property in Fruita to bid on with the intention to “buy/flip” and generate revenue. The Property Condition Report was distributed which preceded discussion regarding property description, rehab costs, and bid amounts. Erin will obtain the Comparative Market Analysis on the property. In lieu of the tight two-day bid time, the Board authorized Jody and Staff, with a motion from Gi, a second from Kathleen, and a unanimous vote, to submit a bid of up to \$182,000 on the purchase of this property.

Agency’s New Telephone Answering System

To alleviate pressure on the front desk personnel from a deluge of daily telephone calls, a new automated telephone answering system has been implemented. Some Board Members expressed their dissatisfaction with the new telephone answering system, however, and cited a variety of reasons, including a concern that it may be perceived as “poor customer service”. Staff advised that only positive reactions had been received, prior to the Board Members’ comments.



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**9. Adjourn**

With a motion from Teresa, a second from Gi, and a unanimous vote, the July Board Meeting was adjourned at 1:45 p.m.