

## MINUTES

Grand Junction Housing Authority  
Board of Commissioners' Meeting

Monday, November 27, 2006  
Housing Authority Offices  
1011 North Tenth Street  
**11:30 a.m.**

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### 1. Call to Order

Board Chair Gi Moon called the regular November Grand Junction Housing Authority (GJHA) Board Meeting to order at 11:30 a.m. with the following individuals in attendance: Board Members Teresa Coons, Erin Ginter, Steve Heinemann, Ora Lee; Grand Valley Housing Initiatives Staff Member Merle Allen; and GJHA Staff Members Jody Kole, Kristine Franz, Don Hartman, Timothy Ledna, Cheryl Sweers, and Jon Wickre. Kathleen Belgard, Tisha Petelo, Virginia Garcia and Lori Rosendahl joined the meeting later.

### 2. Welcome New Board Member Ora Lee

Appointed by the Grand Junction City Council in October, Ora Lee replaced Gabe DeGabriele as a GJHA Board Member. Gabe has served on the Board since December of 1998 with his current term expiring the end of October 2006.

“Around the table” introductions were made for Ora’s benefit. Welcome, Ora!

Virginia Garcia and Lori Rosendahl arrived at 11:33 a.m.

### 3. Consent Calendar

It was noted that the October Board Meeting Minutes will be submitted for approval at the next meeting.

Teresa’s inquiry led to clarification that all information necessary for review of *Resolution No. 2006-12 Approving Section 8 Management Assessment Program (SEMAP) Certification* had been previously distributed. Lori Rosendahl, Director of Operations, distributed her follow-up memo dated November 26<sup>th</sup> informing the Board of the completed and submitted SEMAP Certification form to the U.S. Department of Housing and Redevelopment (HUD) and the Agency’s anticipated SEMAP score of 100%, which would award the Voucher Program Section the “High Performer” status.

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With a motion by Steve and a second by Erin, the approval of the Consent Calendar (adoption of the September 25<sup>th</sup> Meeting Minutes, *Resolution No. 2006-11 Authorizing the Executive Director of the Grand Junction Housing Authority to Proceed with the Public Housing Demolition Disposition Process*, and *Resolution No. 2006-12 Approving Section 8 Management Assessment Program (SEMAP) Certification*) was unanimously approved.

#### 4. **Presentation of Quarterly Financial Statements Ended September 30, 2006 for GJHA**

Prior to the quarterly financial presentation, Gi expressed her appreciation for the “cash budget”, as it is extremely helpful in going forward with future real estate investment discussions.

A narrative of financial highlights for the period ending September 30, 2006 addressing significant activity for the GJHA was previously provided to the Board for their review. In response to Accounting Supervisor Cheryl Sweer’s request for questions, the following Board inquiries were addressed and clarified by GJHA Staff:

- As the Agency moves forward with the demo/dispo process on Capital Terrace, Gi asked if the \$20K cash balance needs to be spent before the process advances further. Jody believes that all available resources will probably be depleted during the process but will maintain a “watchful eye”.
- Teresa asked for an explanation regarding the over budget variance of the Professional Fees line item on the *Combined Operating Statement*. Jody noted that \$63K of the variance is for acquisition and development and is primarily commissions on the sale of houses. Because of the unknown variable on how many houses would be purchased or sold, commissions weren’t budgeted for but it was understood that these costs would be recouped with the sale of the houses. The *Analysis of Costs by House* Report helped clarify Gi’s question, “of the houses not in inventory, is some of the \$63K of the commission fees netted out here?” Jody responded that the Selling Costs line item in this Report includes the commissions.

Kathleen Belgard arrived at 11:40 a.m.

- Gi requested further clarification regarding the Grant Income line item variance shown on the *Combined Operating Statement*. The lower than anticipated draw down of the Capital Funds Program applies only to Capital Terrace, and is because improvement funds weren’t invested in the property due to the planned demo/dispo. The funds will remain in the reserve until the plan is finalized.

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- Erin expressed her concern with the average number of vacant days shown on the *Project Occupancy Analysis Report* for Capital Terrace Townhomes (43.91) and Lincoln Apartments (53.12). The following explanations were given:
  - Even though different advertising avenues were explored, it was very difficult to rent a public housing unit (house) and a 3-bedroom unit (apartment) at Capital Terrace Townhomes. Immediate problems were undesirable landlord references and a depleted Waiting List. To complicate matters, when names were “pulled” from the Housing Choice Voucher Waiting List for top of the list notification, the same names were on the Waiting List for Capital Terrace. Given a choice, clients would opt for a Voucher instead of a unit at Capital Terrace.
  - The vacancy days at Lincoln Apartments were due to 2 units remaining empty for 30-40 days.

Tisha arrived at 11:46 a.m.

- Gi’s question of “when did the monthly debt repayment on the North 5<sup>th</sup> Street property begin?” was answered by Jody. This was the first house the Agency purchased, and has a loan from the Colorado Housing and Finance Authority (CHFA). The monthly debt repayment figure was further quantified that the \$10K figure shown is a year-to-date figure, not a monthly amount. This property is leased to a tenant that is participating in the lease-to-purchase opportunity and should be buying the property shortly. Merle Allen, Grand Valley Housing Initiatives’ (GVHI) Director of Counseling, is assisting this individual with home buying counseling.

Gi’s question of “whether certain inventory houses should be ‘flipped’ to help the cash flow” spurred the following occupancy updates on the inventory houses:

- The tenant at the 27½ Road property has been asked to move due to late rent payments. This property will be available for rent again shortly. (Note: This house has been offered for sale to GJHA’s first Voucher-Homeownership candidate. The sale should close by mid-March.)
- Merle has been meeting with families who are candidates for purchasing Agency houses. One such family is leasing the Minturn house with their lease expiring in January. However, at this time, they just want to continue to lease.
- The Santee property is also a lease-to-purchase with about a year remaining on the lease.

- The Elm property is vacant. Don will work with Erika Doyle regarding featuring this property in the real estate insert of the local newspaper. Steve suggested working directly with the Daily Sentinel for advertising and will provide Don with a contact name. (Note: This house sold in December.)

**5. Resolution No. 2006-13 Adopting Crystal Brook Townhomes and Linden Point Budgets for Calendar Year 2007**

The Calendar Year 2007 Budgets for Crystal Brook Townhomes and Linden Point were reviewed, and Gi's comments were addressed as follows with further details:

Contingent on receipt of New Tenant Income Guidelines for Tax Credit Properties to be released the first quarter of next year by HUD, a slight rent increase (up as high as \$25 per unit) on Crystal Book Townhomes and Linden Pointe properties is being projected by the Agency and is slated to begin in April of 2007.

Addressing current budget positive variances, confirmation was given that funds for the paving of the parking lot at Crystal Book Townhomes are in the budget for the coming year. As a side note, it was mentioned that the Agency's office parking lot at North 10<sup>th</sup> Street has deteriorated and needs to be re-paved as well. Discussion ensued including the cost effectiveness to do both parking lots at the same time, the difficulty in obtaining contractors to do small projects and still having to pay top dollar, and the shortage in asphalt now because of the pending seasonal closure of the plant. Even the City is finding it difficult to hire this type of work.

An update was requested on the phased purchasing of more durable air conditioner units for Crystal Brook Townhomes. Purchases of the higher-end units were to be considered with the fall closeout sales. Lori will provide the Board with a status report next meeting.

In addressing the Professional Fees expense line item in Crystal Brook's 2007 Budget, Jody explained the basis of sharing the accounting costs by Program. One of HUD's preferred methods of allocating expenses is by unit. However, since Vouchers aren't as time intensive per unit as a property with frequent activities, staff analyzed methods for a more accurate approach. In the 2007 Budget, the split of the accounting fees represent an estimate of time allocated a little more fairly.

The announcement by Excel Energy to expect a 15% increase in utilities across the board was briefly discussed.

In referencing a separate issue concerning utilities, Lori distributed her November 27<sup>th</sup> memo regarding gas and electric meters at Linden Pointe. To summarize, some of the

gas and electrical meters have been mislabeled. To date, the plumbing contractor has checked all 92 units and has identified that 3 buildings have gas meters incorrectly labeled. GJHA maintenance personnel have determined some electric meters are also mislabeled. The result is that a tenant in 1 unit is actually paying for the utility usage in a different apartment, with sometimes wide variations in usage and cost.

Property Manager Joe Suarez has aggressively pursued the matter, working with the general contractor, subcontractors, and Excel Energy to determine how extensive the problem is and who's responsible. The goal is to get this issue resolved quickly. Updates will be given to the Board as new information develops. (Note: This issue is now completely corrected.)

With no further discussion, *Resolution No. 2006-13 Adopting Crystal Brook Townhomes and Linden Pointe Budgets for Calendar Year 2007* was unanimously adopted with a motion by Kathleen, and a second by Teresa.

**6. Discuss RFP Responses of Auditing Firms for Crystal Brook Townhomes and Linden Pointe and Select a Firm**

Cheryl updated the Board on the proposed recommendation regarding auditing firms for Crystal Brook Townhomes and Linden Pointe. Because it is the desire of the Agency to have one set of auditors on the same time frame for both properties, Requests for Proposals (RFP) were released for both properties. The auditing contract does expire for Crystal Brook Townhomes but doesn't expire for Linden Pointe for another year. After checking with MMA, the financial institution for Linden Pointe, there was a low comfort level in changing auditors at this time. It was decided not to award the contract for Crystal Brook Townhomes, recommending that the existing auditing firm be retained with a one-year extension. Both auditing contracts will be rebid next year with the intent to contract with one firm. The Board concurred.

**7. Activities Update for Tenant-Based Rental Assistance Program**

Upon the introduction of the Tenant-Based Rental Assistance Case Manager, Timothy Ledna, an overview of the "Next Step Housing Program" was given. With Timothy sharing some personal history and then identifying Program objectives/parameters, general statistics, challenges, successes, and partnerships, the group acquired a good knowledge base and status of the Program. Several successful case stories were of particular interest and very "heart warming". With the goal of providing transitional assistance to 50 former homeless families with a housing coupon (financial aid) and case management services (community resources and self-sufficiency assistance), currently 48 clients are active in the Program with 2 families in the eligibility process. Timothy was asked to provide additional updates at the May Board Meeting.

**8. Activities Update for Grand Valley Housing Initiatives**

Prior to the GVHI presentation by Merle Allen, he distributed updated GVHI flyers and business cards.

Inadvertently omitted from his November 27<sup>th</sup> memo to GJHA Board Members, Merle mentioned that he is working with the GJHA Family Self Sufficiency (FSS) Coordinator in developing a new homebuyer educational track for FSS participants. He is excited about the opportunity to teach portions of the Homebuyer Education (HBE) material (presented at the CHFA-sponsored HBE classes) to assist FSS participants in becoming more informed on the home buying process.

Merle extended to the GJHA Board “congratulations” for addressing the affordable housing issues at the recent Grand Junction City Council Meeting, and a “thank you” for the financial support being given to GVHI. Board questions pertaining to HUD certification advantages, Grand Valley Housing Partnership participation, identification of other funding sources, success of homebuyers education classes, and increased visibility with banks were discussed.

The Grand Junction Area Realtors’ Association (GJARA) has been and currently is a local funding source for first time homebuyers education. In the past, this service was provided by GJHA, but because of the recent organizational transition, Board direction is requested on the dispersement of the recently received \$3K. Board Members were in agreement that these funds go to GVHI and will not be considered part of the \$40K in financial support provided by the GJHA.

Jody inquired about the status of Board comments on the draft Memorandum of Understanding (MOU) between the GJHA and GVHI, as Board Members were asked for feedback prior to forwarding this MOU to GVHI. With discussion on joint grant partnerships, Erin suggested that another 501C3 organization be created within the next year. With no further comments, Jody will forward the MOU to GVHI.

**9. Other Business**

Reschedule December Board Meeting Due to Christmas Day Holiday

With the regular December Board Meeting occurring on Christmas Day and the upcoming January Board/Staff events, it was agreed to cancel the December Board meeting. The Board Retreat, scheduled for January 20<sup>th</sup>, will be an all day event with the location announced at a later date. The Agency’s Annual Meeting will be held on

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January 22<sup>nd</sup>, the regular meeting date, with more details to follow. (Note: The Board Retreat was held at the Two Rivers Winery in Grand Junction with Ken Hoagland from Community Capital Corporation as the facilitator, and the GJHA's Annual Meeting was held at the Double Tree Hotel.)

#### Report on NAHRO's Leadership Training for Commisisoners

Erin and Steve attended the *Leadership Training for Commissioners*, sponsored by the National Association of Housing and Redevelopment Officials (NAHRO), in Chicago November 3<sup>rd</sup>. The Training was a good reminder of basic information so Erin requested that the Leadership Manual be copied and distributed to all Board Members for review prior to the Board Retreat. The group agreed to have the Manual read prior to the Board Retreat.

On a side note, Erin commended Lori and Jon for their public speaking appearances; Lori in Little Rock, Arkansas in November at the National Association for the Education of Homeless Children and Youth on our "The Next Step Program", and Jon in St. Louis, Missouri in November at the Employer Assisted Housing Symposium on our "Calling Mesa County Home Program". What great publicity for the GJHA!

In response to Gi's question regarding when is the next meeting with the local partners for "Calling Mesa County Home", Jon indicated that the next conference call is scheduled for Thursday, November 30<sup>th</sup> in which the local partner lenders participate. He also discussed further Program promotion to the overall community that is planned for next year. Citing organizations that have received presentations and as well as entities scheduled for future presentations created additional group discussion on increased visibility strategy.

#### CHFA Audits for Ratekin Tower and Walnut Park

Lori distributed the CHFA Audits for Ratekin Tower and Walnut Park as she praised Virginia Garcia, Property Management Supervisor, and her staff for some awesome work. Walnut Park received an above average rating and Ratkein Tower received an average rating, to which the staff received a round of applause. Good work, well done!

#### BCP Activities

Referencing the Benevolent Community Partnership (BCP) information that was previously distributed in the Interesting Reading portion of the Board Packet, Lori mentioned the Agency's recent participation in the Alternative Christmas Fair, sponsored by the BCP. Lori approached the Board for a \$1,000 donation to the Security Deposit

Guarantee Fund, administered by Faith Foundation. This Fund provides a guarantee which will “back stop” a promissory note between the landlord and tenant, to pay the Security Deposit in installments. Participating landlords are guaranteed that if the tenant doesn’t incrementally pay the rental deposit prior to vacating the premise, the deposit commitment will be honored by this Fund. With a motion by Teresa, a second by Erin, and a unanimous vote, the Board authorized the GJHA to contribute \$1,000 to the Faith Foundation for the Security Deposit Guarantee Fund.

Teresa applauded the Housing Authority’s work with the BCP and in particular the idea of the “One-Stop Application Form” where applicants looking for affordable housing can complete 1 application at the Mesa County Workforce Center and it will be submitted simultaneously to all entities working with clients to find affordable housing. Some brochure changes were also suggested.

#### Christmas Gatherings

Board Members were invited to several Christmas gatherings. The GJHA Supportive Services team is holding a Christmas party for their clients and families at the Bookcliff Activity Center on December 16<sup>th</sup>. The Ratekin Tower tenant Christmas party is December 21<sup>st</sup>, the GJHA Staff Christmas Party is December 8<sup>th</sup> at GJ Scores beginning at 5:30 p.m., and a New Year’s luncheon will be held for the tenants at Walnut Park (date to be determined later). (Note: The Walnut Park New Year’s luncheon for the tenants was held January 19<sup>th</sup>.)

#### Board Requested Information

In response to Board questions at prior meetings, a document compiled by the Accounting Department was distributed for Board review showing the percentage of bad debt versus the write-off versus the increased revenue from rent versus vacancy rates for four properties - Linden Point, Walnut Park, Ratekin Tower, and Capital Terrace Townhomes.

#### Request for Proposals for Commercial Realtor

A draft Request for Proposals (RFP) for a Commercial Realtor was handed out by Don Hartman, GJHA Development Director, for Board review with comments requested by week end. Steve clarified that the mailing list should target qualified realtors with the appropriate credentials, and Erin recommended sending the RFP to specific individuals rather than generically to firms. Because of the holiday season, the Proposal Opening Date was revised from January 8, 2007 to January 15, 2007 allowing additional time for submittals.



Brief Break

The meeting adjourned at 1:17 p.m. so participants could take a short break and reconvened again at 1:27 p.m. Attendance for this portion of the meeting included Board Members plus GJHA Staff Members Jody Kole and Kristine Franz. All other GJHA Staff Members were excused from participation.

Staff Restructuring

Erin asked Board Members to clarify their understanding of decisions made regarding the staff restructuring plan previously submitted by Jody as well as the hiring of a Finance Director.

Jody's understanding of the Board's direction was that she was authorized to rehire a Finance Director and that she would be working with a consultant to do so, Alliance Resource Consultants. Recruiting candidates over the holidays isn't an ideal time so the prep work will be completed but the recruitment has been postponed until after the first of the year.

She continued by informing the group that all Board authorized personnel changes within the staff restructuring plan have been implemented.

Board Members Erin Ginter and Steve Heinemann asked why Jon Wickre was using the new title of Development Officer, prior to the Board's final authorization of this change.

Jody indicated that although she had not yet changed any of Jon's duties or reporting relationships, he had begun to use the new title. He seemed comfortable with the "Development Officer" title, commenting that it was more easily understood and commanded more respect than "Outreach Coordinator".

Teresa commented that the fact that Jon is choosing to use the title indicates to her that he must not be too unhappy with it. She agreed that it was a better title. She further remarked that the more important issue is one of responsibility and delegation. The Board had recommended to Jody to delegate and reorganize so that she's not trying to do everything. I think that if that's one of the ways we're going to measure Jody's performance, we need to give Jody the ability to do that and not micro-manage.

Erin agreed that she didn't want to micro-manage, but was concerned with the appearance that the Board had asked to wait on this portion of the reorganization until it could be discussed further. It appeared to her that Jody had disregarded this Board direction.

Teresa commented that she believed the GJHA Board is a Policy Board, and should allow the discretion and responsibility for personnel decisions to rest with the Executive Director.

In response to questions, Jody clarified that in the non-profit arena, the title “Development Officer” means the person responsible for bringing in funding; in the affordable housing arena, there is the added implication that the position is involved in bringing new developments on line.

Gi agreed that GJHA is a Policy Board, and doesn’t want to micro-manage Jody or how she manages her staff. She wants to ensure that Jon’s position continues to include grant-writing, as it is a very important function.

Steve expressed discomfort with the process and the appearance that the job shift had occurred prior to a follow-up conversation with the Board.

Teresa suggested that the Board focus its discussion on the proposed change, either voicing any specific objections or moving forward.

Gi asked if Jon would continue to be part of the Executive Team, even though he reports to Don Hartman. Jody assured that Jon would continue to be part of the Executive Team. The change is primarily re-aligning the reporting relationship so that the people working to make our development plans move forward are able to work as a team. It will actually put more focus on grants work, in support of new development.

Jody did caution the group that Jon’s position has two primary functions – grantsmanship and development of the “*Calling Mesa County Home*” Program. The demands on both sides are growing so rapidly that it will soon be impossible for a single person to do both jobs as effectively as we would like. By next budget year, Jody hopes to be able to hire one additional person to supplement these growing demands.

Teresa made a motion to authorize Jody to complete the reorganization as proposed. Kathleen seconded. The group consensus was to authorize Jody to proceed.

**10. Roll Call Vote to Move into Executive Session to Discuss Real Estate –  
C.R.S. 24-6-402(4)(a)**

At 1:42 p.m., the regular November Board Meeting ended and moved into Executive Session with a unanimous roll call vote.

**11. Adjourn**

Upon returning from the Executive Session, a unanimous vote adjourned the meeting.

