

MINUTES

Grand Junction Housing Authority
Board of Commissioners' Meeting

Monday, September 24, 2007
Housing Authority Offices
1011 North Tenth Street
11:30 a.m.

While waiting for Meeting attendees to arrive, Jody briefed the group on her recent affordable housing presentation to the Grand Junction Area Chamber of Commerce Board. She was informed at the conclusion of the presentation and for the first time in the history of the Chamber, that the organization will publicly support a housing project and that project will be Arbor Vista.

Board Members were invited to meet at Village Park property prior to the Board Meeting to consider options for use of the property. In attendance were Steve Heinemann, Ora Lee, and Tisha Petelo.

1. Call to Order

Board Vice Chair Steve Heinemann called the regular September Grand Junction Housing Authority (GJHA) Board Meeting to order at 11:30 a.m. with the following individuals in attendance: Board Members Erin Ginter, Ora Lee, Gi Moon, and Tisha Petelo; GJHA Staff Members Executive Director Jody Kole, Executive Assistant Kristine Franz, Development Director Don Hartman, Operations Director Lori Rosendahl, Finance Director Andre' van Schaften and Development Officer Jon Wickre. Board Member Teresa Coons arrived later in the meeting.

2. Discussion of Development Opportunities at Village Park

This Agenda Item was deferred until later.

3. Adoption of Minutes of August 27, 2007

With no additions or corrections, the August 27th Board Meeting Minutes were adopted as presented with a motion by Gi, a second by Erin, and a unanimous vote.

4. Resolution No. 2007-14 Adopting Revisions to Consolidated Budget for Fiscal Year 2006-2007

Andre' addressed the attachment to *Resolution No. 2007-14 Adopting Revisions to the Consolidated Budget for Fiscal Year 2006-2007*, which listed the specific expense categories within each of the Funds that are projected to run in excess of the budgeted amount, as well as the off-setting accounts and amounts. With no further clarification needed, the Board approved *Resolution No. 2007-14* with a motion from Gi, a second from Tisha, and a unanimous vote.

5. Review/Request Approval of Recommendations for Banking Services

Referencing his September 11th Board memorandum regarding the Request for Proposal (RFP) for Banking Services, Andre summarized the progression of activities and concluded with the Agency's recommendation.

The RFP was sent to eleven local banks, with notices placed in the Daily Sentinel and on the GJHA web site. Eight responses were received, with every proposal reviewed and each bank contacted to further discuss questions. From the responses to the major items contained in the RFP, data was compiled into a spreadsheet in two separate sections, banking services and loan commitments, for easy review.

The GJHA Staff recommends awarding the contract for banking services and small loan commitments for a three-year period, beginning January 1, 2008, with annual renewals, to The Bank of Colorado. Large loans are to be competitively bid, such as construction and permanent loans for Arbor Vista and Village Park developments.

Teresa Coons joined the meeting at 11:40 a.m.

Extensive discussion ensued with Board questions addressed and further clarified. Upon completed discussion, a motion was made by Teresa to approve the proposal submitted by The Bank of Colorado, with the modification of "a loan opportunity but not an exclusive loan commitment". The motion passed with a second by Gi and a unanimous vote.

6. Discuss Appointment of Individual to Fill Vacancy on the Grand Valley Housing Initiatives Board

With the resignation of Erin as the GJHA's representative on the Grand Valley Housing Initiatives (GVHI) Board, another Board Member is needed to fill this one-year commitment. With the nomination of Ora, through a motion by Gi, and a second by Teresa, she was unanimously voted to represent the GJHA on the GVHI Board, beginning immediately. Thank you, Ora.

7. Adopt Walnut Park and Ratekin Tower Tenant Selection Plan

To be in compliance with the U.S. Department of Housing and Urban Development's (HUD) latest revision of its Multi Family Handbook, the GJHA staff is requesting approval of revisions made to the GJHA's Tenant Selection Plan for Walnut Park and Ratekin Tower. Lori explained that, in the past, the Tenant Selection Plan made referrals back to the Voucher Policy for certain issues, making the review process for the

Colorado Housing and Finance Authority (CHFA) auditors more difficult by having to access two policies. With these changes, the Walnut Park and Ratekin Tower Tenant Selection Plan is now a stand-alone document.

Upon distribution of the new Reasonable Accommodation and Grievance Procedure form, Lori explained how and why this form was created and when it will be appropriate for use. She noted that a future goal is to provide the form in Spanish and Braille.

The Walnut Park and Ratekin Tower Tenant Selection Plan and Section 504 Reasonable Accommodation and Grievance Procedure were unanimously approved after a motion by Teresa, and a second by Gi were made.

8. Presentation of the Quarterly Housing Choice Voucher Program Report

Prior to Lori's presentation, she verbally corrected an error regarding leased unit months in her September 17th Board memorandum. The information should have stated that "*as of September 1, 2007, we have a utilization rate of 99% (we have leased 7822 of 7920 unit months available)*". The document read "*(we have leased 4353 of 4400 unit months available)*". She noted that the utilization rate is still at 99%, but stressed that it is becoming increasingly hard for clients to find affordable units. With the energy boom in the Grand Valley, landlords are raising the rents or renting to other families which is decreasing the number of available units. Discussion ensued regarding retaining current landlords and attracting new ones. Gi suggested the Agency might sponsor a "fun referral" whereby an incentive is offered to current landlords if they refer potential landlords to the Program. Lori's team will work with this idea.

Lori and Jody informed the Board that consideration is being given to requesting permission from HUD to increase our payment standards to 120% of the Fair Market Rents (FMRs) in an effort to de-concentrate poverty and assist our families in locating suitable units. This exception would only apply to certain areas and can be approved by our local HUD field office.

They stressed that the only other way to get an increase in the FMRs is by having the very costly Random Digit Dialing process conducted by an outside source that combines the results into supportive statistical data. Concern surfaced over the validity of the survey results because there seems to be no guarantee the correct market would be targeted and such an expensive procedure would necessitate accurate results.

Jody mentioned the legislation pending in Congress entitled Section Eight Voucher Reform Act (SEVRA). The intention of the Act is to put the decision of what the rental rates are at the local level; thus, giving more local flexibility to administer the Program. The housing industry is concerned that this added "flexibility" granted by HUD will evolve into an excuse to decrease administrative funding.

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After further discussion, the Board granted permission for Staff to proceed with an attempt to increase the payment standards to 120% of the FMRs from HUD.

Note: All GJHA open staff positions have been filled with one exception - a maintenance worker position.

9. Development Update

Arbor Vista

Don gave the following update on the Arbor Vista property:

- Notification of CHFA's decision pertaining to the GJHA's Tax Credit Application will be received by close of business tomorrow, September 25th. Thirteen applications were submitted with only seven receiving allocations.
Note: Arbor Vista was awarded Low Income Housing Tax Credits by CHFA. (reference attached letter)
- The Federal Home Loan Bank Grant in the amount of \$450K is in the final stages with submittal anticipated for September 25th. To strengthen the Grant, modifications have been made, such as to site-base fifteen Vouchers dedicated to the Family Unification Program. As recommended by the Grant sponsor, Bank of the West, a consultant is assisting with Grant preparation.

Capital Terrace

- In response to Gi's inquiry regarding the divesting of Capital Terrace, Jody mentioned that she has a meeting scheduled with Carter Bair of Hilltop Community Resources next Friday.
Note: This meeting has been rescheduled for October 16th.
The first step in HUD's application review process is underway. Upon a second review and final approval, the Denver office will receive notification to administer the project.
- In response to Tisha's question pertaining to being able to keep the units as affordable housing, Jody stated that she has previously had that conversation with all the entities interesting in purchasing this property. She suggested that an RFP be issued to non-profits, outlining the Agency's conditions.
- Teresa mentioned that, at her request, she had a meeting with Bill Whaley, of the local Colorado Division of Housing (CDOH) office, to clear up any misunderstanding regarding his perception of unintentional competition against another entity for State funding.

Note: The Housing Partnership Meeting will be this Friday, September 28th. In Teresa's absence, Kathy Portner will represent the City of Grand Junction and announce the City's commitment to affordable housing. Representatives from the CDOH Denver office and the Denver CHFA office will also be in attendance, along with personnel from Housing Resources, the local CDOH office, and the GJHA.

Village Park

The previously deferred Agenda Item Number 2, Discussion of Development Opportunities at Village Park, is addressed here.

Jody reminded the group that, at a recent Board meeting, it was decided that several Village Park development decisions need to be made. As a preface to this development discussion, a few Board Members met this morning at the site so a property visual would be fresh in their minds.

The covenants allow for 132 multi-family units on this tract of land. In trying to narrow the development focus, conversations led to analyzing various opportunities. During this discussion, the Board was advised that if a different land use preference is chosen, approval from the neighbors to change the covenants, which require 75% of the voting members agreeing to change, would have to be obtained.

General Board consensus was to:

- not forestall any options right now
- keep opportunities open
- explore whether or not neighbors would be receptive to us seeking a change to the covenants for some business or commercial use
- not be committed to any specific set of unit numbers
- be open to a mixed development with some ownership and some rental
- not consider outside developers at this time

10. Report from Non-Profit Subcommittee

One goal established at the 2007 Board Retreat was the task of creating a 501C3 organization for the Supportive Services Program. Erin, Gi, and Lori were assigned the "start up" responsibilities. Lori explained, as she distributed the Bylaws, Articles of Incorporation, Conflict of Interest Policy and Contract, and the Statement Regarding Purpose, that the templates were previously developed by Jody so only minor "tweaking" was needed to customize for the Supportive Services Program.

The Supportive Services Staff has been asked to select a name for the organization, and the Board was asked to review the forms and respond with any additions and/or changes.

11. Other Business

New Performance Appraisal Format for Executive Director

With the Board encouraging the development and implementation of an improved Performance Appraisal format for the Executive Director, Erin acknowledged receipt of several sample performance appraisals from other entities, via Jody, and suggested that a Board Workshop be scheduled to review these formats, create the Agency's own appraisal form, and complete Jody's review. A Workshop was scheduled for October 12th at 3:00 p.m.

2007 Board Retreat Notes

The 2007 Board Retreat discussion notes (flip chart recordings and Jody's notes) were e-mailed to Board Members several weeks ago. Erin requested that a Board Workshop be scheduled to revisit goals and review the progress in accomplishing these objectives. This item will be placed on the October Agenda for selecting a November/December meeting date so the new Board Member replacing Gi can participate.

Fruita Chamber of Commerce Business After Hours

Ora invited everyone to attend the Fruita Chamber of Commerce Business After Hours, co-hosted by Comfort Keepers and United Country, on October 18th at 300 Main Street.

12. Adjourn

With business complete, the September Board Meeting was adjourned at 1:20 p.m. with a motion by Teresa, a second by Steve, and a unanimous vote.

