

## MINUTES

Grand Junction Housing Authority  
Board of Commissioners' Meeting  
Regular Meeting

Monday, July 28, 2008  
Housing Authority Offices  
1011 N. Tenth Street  
**11:30 a.m.**

---

### **1. Call to Order**

The regular July Grand Junction Housing Authority (GJHA) Board Meeting was called to order at 11:33 a.m. by Board Chair Steve Heinemann with the following individuals in attendance: Board Members Teresa Coons, Patti Hoff, and Ora Lee; Staff Members Jody Kole, Kristine Franz, Don Hartman, Lori Rosendahl, Cheryl Sweers, and Andre' van Schaften.

### **2. Consent Calendar**

With a motion by Patti, a second by Teresa, and a unanimous vote, the Consent Calendar was adopted. The Consent Calendar was comprised of *Adoption of Board Meeting Minutes for June 23<sup>rd</sup> and July 1<sup>st</sup>, 2008, Adoption of the Streamlined PHA Certification of Compliance for Fiscal Year 2008/2009, and Approval of Resolution No. 2008-10 Authorizing the Write-Off of Bad Debts.*

### **3. Presentation of Quarterly Financial Statements Ended June 30, 2008 for all GJHA Programs**

Highlights of the Quarterly Financial Statements ending June 30, 2008 were given in a joint presentation by Andre' and Cheryl. The narrative portion of the financial packet was condensed for a quicker read, pointing out specific issues, rather than the normal day-to-day activities.

Cheryl began with the Summary of Cash Activity Analysis pointing out a change that originated from the Board Financial Tutorial. The presentation of the Allocated Cash Account has been split between unreserved allocated cash and reserved allocated cash. A recap of the restricted cash account balances was also provided for backup.

In response to Teresa's question concerning the General Fund showing about five months of operating expenses in the unreserved cash balance and where does that put GJHA in comparison to other entities like GJHA or where GJHA would like to be, Andre' answered that according to the two Certified Public Accountants (CPAs) on the GJHA Finance Committee, a three to five month balance is commendable. Jody noted that two years ago the Board adopted a policy of having three months worth of Operating Funds available.

## Minutes (contd.)

### Page 2

Andre' discussed the Combined Financial Statements Operating Statement showing year-to-date balances compared to the budget and offered explanatory comments covering the most significant variances. Net income for the nine months is about 25% less than budget from lower anticipated Operating Revenues somewhat offset by lower Operating Expenses due to the following reasons:

- Receipt of the approved \$450,000 Federal Home Loan Bank grant (now expected to be received in the next two months).
- An accounting transaction when transferring assets from Acquisitions and Development to Arbor Vista, L.L.L.P.
- Total Operating Expenses are 2% less than budget due to lower Housing Assistance Payments, lower staff compensations costs, lower energy costs, and lower repair costs at Ratekin Tower.

Also included in the Quarterly Financial Packet were several other Reports. The Financial Indicators Report showed that all per unit/per quarter operating costs were consistently increasing - a result of the economy. The Trending Analysis Report showed more specific benchmarks for each of the properties. At the suggestion of the Finance Committee, the lowest and highest numbers were used to establish the range; however, this raw data has yet to be thoroughly analyzed. Illustrated on a spreadsheet, an assortment of Voucher tracking information was reviewed as Lori explained the layout and representative figures. Important statistics given to the Board will be shared with other governmental entities, as a reminder that GJHA is serving local families/elderly/disabled first, prior to people from outside the city/Mesa County.

Patti requested to be released from the Finance Committee obligation due to prior commitments. When asking for another Board Member volunteer, Teresa was willing to help. Thank you, Teresa.

#### **4. Presentation of Quarterly Financial Statements Ended June 30, 2008 for Crystal Brook Townhomes and Linden Pointe**

Reviewing the Comparative Balance Sheets for Crystal Brook Townhomes, Linden Pointe, and Arbor Vista, Cheryl reported one interesting highlight – Arbor Vista has had four construction draws totaling \$2,240,389.

In examining the Operating Statement with budget variances, Andre' explained the minor variances were primarily due to timing differences and eligibility-related overtime as the tight housing market and applicants' income levels require more staff time to review applications and fill vacancies.

**5. Report on Board Financial Tutorial and Test for Follow-up Class**

Andre' reported on the first Board Financial Tutorial and Board Members agreed that the session was informative and very well presented. The Board would like to continue with a second session, so the Finance Department will take the lead in scheduling the next class. Board Members were requested to bring today's financial packet to the next tutorial. (Note: Scheduling difficulties have delayed this follow-up session.)

**6. Discuss Fiscal Year 2008/2009 Budget Issues**

Referencing several July 23<sup>rd</sup> Board memos authored by Jody and Lori regarding FY 2008/2009 budget issues, Jody requested Board input so that the proposed budget is planned thoroughly. Issues addressed are as follows:

Supportive Services

- *Doors 2 Success*

With the creation of the new 501(c)(3) organization called Doors 2 Success, the intent is to improve services provided to program clients. Through grant writing and more funding, help to clients can be given for such things as deposit assistance, application fees, and utility bills.

- *Family Self-Sufficiency*

In addition to the Voucher compliance file work and regular case management duties, the Family Self-Sufficiency Coordinator/Voucher Homeownership Coordinator has become a certified member of the Department of Human Services' (DHS) Bridges Out of Poverty training team and is helping to implement that strategy not only at GJHA, but community wide. In extending this position's responsibilities, additional case management help is being sought. Using Program reserves, a full-time (30 hours per week) Americorp Volunteer is being requested to assist with the workload. The cost for an Americorp Volunteer is \$5,000/year.

- *Housing Advocate*

Because of the large caseload of over 100 families in the Family Unification Program (FUP) that is currently being managed by the Housing Advocate plus the increased assistance this position provides to some of GJHA's more challenged clients, the Program is greatly understaffed. In discussing this shortage with

## Minutes (contd.)

### Page 4

DHS, preliminarily approval has been received to fund an additional Housing Advocate position, with the understanding that the individual would be located at the Workforce Center and help with the FUP referral process and caseload. Utilizing previous years' DHS grants, an Americorp Volunteer will also be requested full time to assist with Housing Advocate duties.

- *Next Step Program*

The Next Step Program is running smoothly and additional staff isn't necessary at this time.

- *Service Coordinator*

A full-time position is currently being utilized 75% of the time as a Service Coordinator at Ratekin Tower and 25% of the time as a Supportive Services Supervisor. With the growth and complexity of programs offered through Supportive Services and an increased need by Ratekin Tower residents for assistance, both positions need to be staffed full time. A new full-time Supportive Services Supervisor position is being planned for, as well as increasing the existing Service Coordinator position to full time.

- *Space Planning*

A Space Planner will be assessing the upper level of the main office building (North 10<sup>th</sup> location) to determine if the floor plan can be reworked to accommodate all the Supportive Services staff except the Service Coordinator who will remain at Ratekin Tower.

So the two Americorp Volunteers could begin their duties September 1<sup>st</sup>, authorization from the Board was requested to extend these offers. A budget revision to this current year's budget using \$10K in Reserve Funds would be necessary. With a motion by Teresa, a second by Patti, and a unanimous vote, the motion passed authorizing staff to make the offers and to use the funds.

### Property Maintenance

Currently, an on-call janitorial position exists for the cleaning of all vacant units at turn-over. This arrangement hasn't been successful in the past as no one wants to be employed only in an on-call position. A new proposal would increase this position to a 75% full time employee (FTE) with responsibilities to clean all GJHA-owned facilities and vacant units at turn-over, with the exception of Ratekin Tower. Increasing the

## Minutes (contd.)

### Page 5

current Ratekin Tower janitorial position to full time would free up the Maintenance Staff from performing light maintenance duties and transfer the responsibility to the new full time position who would be based at Ratekin Tower.

#### Ratekin Tower Refinance

Several staff members have been involved in gathering data that will be compiled into the Ratekin Tower refinance financial/market analysis. It is hoped to refinance the first mortgage and interest rate down from 4.8% through a private bank to about 2% with the Colorado Housing and Finance Authority (CHFA). Refinancing benefits would include covering the projected Ratekin Tower staff addition, increased insurance and energy costs, and accelerating its pay down of the HUD-held second mortgage.

#### Energy Audit

In always working toward making GJHA properties as energy efficient as possible, and in particular as these issues surface in the possible refinancing of Ratekin Tower, Jody referenced her July 23<sup>rd</sup> Board memo regarding a contract for energy audit services. She explained that she has been in contact with the City of Grand Junction, the Governor's Energy Office, and Johnson Controls regarding an energy audit and analysis for GJHA properties. Because the City has already completed the process of competitively selecting a firm (Johnson Controls) to complete a Technical Energy Audit of all City facilities, she asked if GJHA could join in the City's contract for services, or if a contract could be obtained with the same terms as those negotiated by the City. Costs are based on square footage. Because GJHA buildings have a higher total square footage than the City's facilities and because the possibility existed of having to eliminate certain properties to reduce costs, Johnson Controls agreed to offer to GJHA better terms than it has contractually agreed to with the City, plus accommodate an accelerated schedule of 30 days to produce a Ratekin Tower preliminary report. The distributed handout listed individual GJHA properties with corresponding square footage, and facility cost. The total cost for seven properties (Bookcliff Squire, Ratekin Tower, Crystal Brook, Walnut Park, Administration Building, Lincoln Apartments and Linden Pointe) is \$19,163.98.

Audit results are a sophisticated analysis of the energy usage, the way in which the costs can be decreased, and what the payback periods are. Commitments include no out-of-pocket money today. Presuming that some of the improvements suggested for paybacks are selected, the prices for that audit can be rolled into the improvement financing. If improvements aren't done, then payment for the audit services would be made directly from each property.

With brief discussion, a motion by Patti, a second by Teresa, and a unanimous vote, staff was given direction to provide Johnson Controls with a Notice to Proceed.

Grand Valley Housing Initiatives

Jody noted that the proposed budget doesn't include any funding from GJHA to Grand Valley Housing Initiatives (GVHI). Steve began the discussion stating that he would like to have some contingency funds as a fall back if GVHI should need assistance. Conversation continued. It was decided to observe the progress of GVHI, having the capability of granting emergency funds, if necessary.

Calling Mesa County Home

The Calling Mesa County Home Program was launched a couple of years ago and hasn't received as much employer support/participation as had hoped. Now, given the current market, entry-level homes are more out of range than ever before, especially for average homebuyers. Program pros and cons were discussed by the group, ending with the general consensus in favor of extending the Program time frame and searching to find the right individual to operate the Program.

The order of the Agenda was rearranged slightly at this point in the meeting due to the arrival of Grand Junction City personnel with their presentation.

**8. Welcome to Guests - Grand Junction City Personnel**

At the request of the City of Grand Junction, time was allotted for a presentation on *The Need for a Public Safety Initiative*, compiled by the City. The City's Financial Manager, Jody Romero, along with Jim Brigot, of the City's Fire Department, gave the presentation addressing topics concerning:

- What is the Public Safety Initiative?
- Why is this Needed?
- Why Does This Matter?
- What Will it Cost?
- Why Doesn't the City Just Pay for This?
- What is the Benefit to the Public?
- The Ballot Question...

Handouts were distributed, an overview was given of what the City desires to "build for the future" and why, and questions were asked and addressed.

**6. Discuss Fiscal Year 2008/2009 Budget Issues**

Resuming the business portion of the Meeting, Lori addressed the final piece of the Fiscal Year 2008/2009 budget issues.

Restructure of Property Management Team

With Linden Pointe, the last major GJHA development project, GJHA had on staff a Leasing Agent to assist with showing units and conducting initial eligibility reviews. Upon the Leasing Agent's departure, duties were absorbed internally, but over time have put the Property Manager/Supervisor on "overload" with these increased responsibilities. With the addition of Arbor Vista and CHFA's increased internal control requirements of the Supervisor, staff is proposing to reinstate the Leasing Agent position, who will be located out of the main office and handle all vacant tax credit and market rate units.

Generally, Board Members expressed support for the staff recommendations, so long as the respective Program budgets can accommodate the added expenses.

**7. Development Update and Real Estate Committee Follow-up**

Briefing the group with development and real estate committee highlights, Don informed the group of the following:

Arbor Vista

Announcing that Shaw Builders hosted a "topping off" party for Arbor Vista construction crews, Don handed out a few pictures of the festivities. Also, the signed Contract has been received from the Colorado Division of Housing, which now means the land can be transferred to the Arbor Vista L.L.L.P. and the Federal Home Loan grant money can be received. There is also a strong potential that the first completed building will "come on line" a month early. The Pending Change Order (PCO) Log is attached to the Development Update for review.

Village Park

This property will be discussed under the Real Estate Committee update.

Bookcliff and Walnut Park

In planning to develop eight new fully-compliant Americans with Disabilities Act (ADA) units at Walnut Park plus develop the Bookcliff Squire property, a Request for Quote (RFQ) was issued on July 16<sup>th</sup> for architectural services. Approximately 15 letters of interest were mailed to local architects plus advertising was placed in the local newspaper. The RFQ is sparking interest from as far away as California. The response due date is August 13<sup>th</sup> with interviews planned for the 15<sup>th</sup>.

(Note: Nine responses were received with four short-listed. Interviews will be held August 27<sup>th</sup> at the Housing Authority.)

1441 Patterson (condo)

Approximately two months ago, the condo at 1441 Patterson was listed for sale at a price of \$174,900. Since being on the market, there have been no prospective buyers and no showings. Board direction was requested regarding whether to keep this property listed for sale or to lease it. After brief conversation, the Board desired to lease the property for a year and then re-evaluate.

Real Estate Committee

Noting the Development Update document distributed earlier with the Board Packet information and referencing the last section dealing with the Real Estate Committee topics discussed at the Committee Meeting on July 11th, Don specifically addressed the development of Village Park. Reiterating prior discussions on various development options, Don stressed that Village Park will be a huge development, and increased construction costs are anticipated due to the current economy and rising material costs.

Don and Jody mentioned that maybe some type of partnership with private developers should be considered for a development of this size, and that a “think tank” meeting with entities that have partnership experience is being considered.

Individuals from the Aurora Housing Authority, the Boulder Housing Authority, and a couple of private developers from the Denver area who have done joint ventures with public housing authorities will be in town the morning of September 10<sup>th</sup> attending Housing Colorado’s West Slope Conference. Jody will work to schedule a brainstorming session with GJHA staff to consider options.

Library/Church Blocks

Reminding the group that the Downtown Housing Effort has previously set aside funds for downtown housing, Jody explained that as part of the City’s Downtown Plan a few projects have been potentially targeted as a reinvestment in the downtown area and to further private sector development. One such possible project is the consolidation of the three square blocks on Grand Avenue and 5<sup>th</sup> Street, home to a church, the Mesa County Public Library, Gray Gourmet, and the Senior Center. A massive master development plan would combine the uses of the library, senior services, senior housing, Gray Gourmet, senior center, commercial retail, and office spaces. Jody noted that this would also be an ideal location for new Housing Authority offices, and if an early commitment could be made as an anchor tenant, that would add more momentum to making this plan happen.



**Minutes (contd.)**

**Page 9**

A sizable grant proposal to the Department of Local Affairs and the Governor's Energy Office for some energy design consultation was written by Kathy Portner, the City of Grand Junction's Neighborhood Services Coordinator, and Jody and has been submitted to the agencies for review. If this grant funding is awarded, it would be a jump start to moving the planning forward at the conceptual level and more partners would likely commit funding.

A table illustrating available GJHA funding resources for all contemplated developments was reviewed. The Board voted to earmark the Capital Terrace sale proceeds as recommended with a motion by Teresa, a second by Patti, and a unanimous vote.

Teresa stated that it wasn't known exactly when the Downtown Master Plan would be presented to City Council but encouraged Housing Authority personnel to be in attendance when it was.

**9. Other Business**

None

**10. Adjourn**

With business concluded, the meeting was adjourned at 1:40 p.m. with a motion by Patti, a second by Ora, and a unanimous vote.