

MINUTES

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

Monday October 4, 2010
1011 North 10th Street
10:30 a.m.

1. **Call to Order**

A Special Board Meeting of the Grand Junction Housing Authority (GJHA) convened at 11: 34 a.m. at the Main Office. Board Chair Tim Hudner called the meeting to order with the following individuals in attendance: Board Members Teresa Coons, Patti Hoff, and Paul Marx; Staff members Kristine Franz, Executive Assistant, Don Hartman, Development Director, Lori Rosendahl, Operations Manager, and Cheryl Sweers, Finance Director; and Rich Krohn, GJHA Attorney.

2. **Discuss Work Plan Regarding the Smoke-Free Grant and Implementation at Properties and Request Approval of Resolution 2010-16 Authorizing the Executive Director or Board Chairperson to Sign all Documents Related to the Tobacco Free Communities Initiatives Grant**

This Agenda item was previously tabled from the September 27th Board Meeting.

Through Lori's Board memo dated September 20, 2010 and additional dialogue, information was shared regarding the State Tobacco-Free Communities Initiative and the Grant that was applied for and awarded to the Grand Junction Housing Authority in partnership with the Mesa County Health Department. Use of the \$82,710 Grant Funding includes hiring a coordinator, provides operating costs to purchase a computer, pays for training and travel expenses for the coordinator, and covers legal fees to ensure issues are handled within the scope of the law.

The coordinator's main objective will be to research and develop a plan to implement smoke-free housing policies, contingent upon Board approval, at Walnut Park and Ratekin Tower. The plan will also include options for residents should they not wish to quit smoking. Upon plan finalization, a proposal will be presented to Board Members for consideration.

Upon emphasizing that, at this time, the Board was only being asked to authorize the Executive Director or the GJHA Board Chairperson to sign documents relating to the Smoke-Free Grant and not to endorse a smoke-free housing policy, questions were addressed and answered by Lori as follows: Paul asked if there is currently a client coordinator at Ratekin Tower, to which the answer was this Grant funding allows for

training of a resident coordinator to help residents at Ratekin Tower and Walnut Park through the smoke-free implementation process. Tim's question pertaining to what percentage of residents smoke, was answered with the numbers are small, but the ventilation system at Ratekin Tower is a real problem to which Teresa noted that, in the past, she has received smoking complaints from Ratekin Tower residents. Tim wondered if the new coordinator could investigate how other housing authorities are approaching the smoking issue. Lori stated and Teresa confirmed that the majority of Colorado housing authorities have gone smoke-free. It was also noted that the U.S. Department of Housing and Urban Development (HUD) is also encouraging owners of multi-family housing to make their properties smoke free.

The Board was requested to approve *Resolution No. 2010-16 Authorizing the Executive Director or Board Chairperson to Sign all Documents Related to the Tobacco Free Communities Initiative Grant*. With a motion by Patti, a second by Paul, and a unanimous vote, the motion passed.

Lori mentioned that the previously scheduled October 6th training on smoke-free housing policies has been cancelled.

3. Request Approval of Resolution No. 2010-17 Approving Modified Terms of Walnut Park Apartments Loan Refinance

Rich reminded the group that in August of this year, the Board approved *Resolution No. 2010-09 Approving Walnut Park Apartments Loan Refinance* authorizing a loan from the Bank of Colorado for \$1,100,000 to refinance the current Colorado Housing and Finance Authority (CHFA) loan on Walnut Park, lowering the interest rate from 7% to 4.5% for eight years, and to partially fund construction of 12 additional handicap accessible dwelling units at Walnut Park.

Since the approval of the original Resolution, Bank of Colorado has dropped the interest rate to 4% fixed for eight years for Walnut Park and is also willing to give GJHA the option of a 3.5% loan, which will re-price in five years. Because of the drop in the interest rate, staff is seeking Board approval to modify terms of the Walnut Park refinance loan with Resolution No. 2010-17, reflecting a lower interest rate. The Board was presented with the two following options for consideration:

- Alternative 1 – 4% per annum for the entire eight-year term of the loan;
- Alternative 2 – 3.5% per annum for the first five years of the term of the loan, with an interest rate adjustment at the end of that five-year period to a rate to remain in effect for the remainder of the eight-year term of the loan, with such rate adjustment being to an interest rate equal to Federal Home Loan Bank Board of Topeka five-year fixed advanced rate, plus 200 basis points (which rate is currently equal to 3.5% per annum).

Pro formas for the two scenarios were reviewed and discussion ensued. With the group in agreement, Paul made a motion to approval *Resolution No. 2010-17 Approving Modified Terms of Walnut Park Apartments Loan Refinance* with the 4% per annum for the entire eight-year term of the loan. A second was made by Teresa, and with a unanimous vote, the motion carried.

As a side note, Cheryl mentioned that GJHA is waiting on HUD's re-approval of Form 9807 which relates to the insurance on Walnut Park's refinance. Approval of this Form had been received earlier but due to the delay encountered with the discovery of HUD's 150-day tenant notice requirement of refinancing, the Form expired.

4. Other Business

Crystal Brook's Year 15 Transfer of Limited Partners' Interest and Refinance

At the September 27th Board Meeting, *Resolution No. 2010-14 Approving Crystal Brook Apartments Limited Partnership Interests Acquisition and Loan Refinance* was approved by the Board. The Resolution is to approve a letter agreement dated July 19, 2010 from Enterprise for the assignment of Enterprise's interests in Crystal Brook to the GJHA, and for GJHA to refinance the existing Crystal Brook loan.

Rich updated the group on finalizing the loan from the Bank of Colorado stating that the loan will close prior to November 2nd. Funds will be deposited into a GJHA account at the Bank of Colorado and held until after January 1st, at which time the transaction will be finalized. Additional information will be provided at a future Board Meeting.

5. Roll Call Vote to Move into Executive Session to Discuss Personnel Issues – Specifically the Executive Compensation Review Process

With the departure of the GJHA staff members and the GJHA attorney, Board Members moved into an Executive Session with a roll call vote at 10:57 a.m.

6. & Roll Call Vote to Move out of Executive Session and Adjourn

7.

With the conclusion of the Executive Session and a roll call vote, the group adjourned at 11:10 p.m.

