

MINUTES

Grand Junction Housing Authority
Board of Commissioners' Meeting
Rescheduled October Board Meeting

Monday, October 31, 2011
1011 North 10th Street
11:30 a.m.

1. Call to Order

Vice Chair Ora Lee called the October Grand Junction Housing Authority (GJHA) Board Meeting to order at 11:40 a.m. with the following individuals in attendance: Board Members Teresa Coons, Patti Hoff, C.B. McDaniel, and Christian Mueller; and Staff members Executive Director Jody Kole, Executive Assistant Kristine Franz, Operations Director Lori Rosendahl, and Finance Director Cheryl Sweers.

2. Consent Calendar

Prior to the adoption of the Consent Calendar, Ora asked for clarification on Item E., *Approval of Resolution No. 2011-16 Approving an Exemption from Audit for Fiscal Year 2011 for the Downtown Housing Effort, A Joint Venture Between the Housing Authority of the City of Grand Junction, Colorado and the Grand Junction, Colorado Downtown Development Authority*. Established years ago, the Downtown Housing Effort is a joint effort between the Downtown Development Authority (DDA) and GJHA to invest Community Development Block Grant (CDBG) Funds in rehabbing single-family homes in the original square mile of Grand Junction. With no recent Account activity, there isn't any reason to do an audit as the fund has only been receiving interest income. An Exemption from Audit has been requested from the State of Colorado for several years.

Items on the Consent Calendar included: 1) *Adoption of Minutes of July 25, 2011*; 2) *Adoption of Minutes of August 29, 2011*; 3) *Adoption of Minutes of September 26, 2011*; 4) *Adoption of Minutes of October 7, 2011*; 5) *Approval of Resolution No. 2011-16 Approving an Exemption from Audit for Fiscal Year 2011 for the Downtown Housing Effort, A Joint Venture Between the Housing Authority of the City of Grand Junction, Colorado and the Grand Junction, Colorado Downtown Development Authority*; and 6) *Approval of Resolution No. 2011-17 Amending Resolution 2011-14 Approving Bookcliff Squire Apartments Loan Refinance*. Approving the Consent Calendar was unanimous with a motion by Patti and a second by Teresa.

3. Approval of Resolution No. 2011-18 Approving the Voucher Payment Standards to be 108% of the Current Fair Market Rents

In the Housing Choice Voucher Program, the Landlord receives Contract Rent, which is a combination of the rent portion paid by the tenant and the rent portion paid by the GJHA. The Contract Rent is capped by the U.S. Department of Housing and Urban Development

Minutes (contd.)

Page 2

(HUD). The Payment Standard for each community is established by the local Public Housing Authority, and must be between 90% and 110% of the HUD-established Fair Market Rent (FMR) for that jurisdiction in an effort to de-concentrate poverty and assist families in locating suitable units.

With HUD's recent publication of the final FMRs for the 2011/2012 year, staff proposed leaving GJHA Payment Standards the same as last year.

With a motion by Teresa, a second by Patti, and a unanimous vote, *Resolution No. 2011-18 Approving the Voucher Payment Standards to be 108% of the Current Fair Market Rents* was passed.

4. Dashboard Presentation of Quarterly Financial Statements Ended September 30, 2011 for all GJHA Programs, Crystal Brook Townhomes, Linden Pointe, and Arbor Vista

Prior to the presentation of Quarterly Financial Statements Ended September 30, 2011 for all GJHA Programs, Crystal Brook Townhomes, Linden Pointe and Arbor Vista, Cheryl mentioned that the auditors will be at GJHA the week of November 14th. A Board exit interview with the auditors proposed for the November 28th Board Meeting via a teleconference was agreed to by Board Members.

Programs/properties were reviewed focusing on key performance indicators, and highlights of certain programs/properties are as follows:

Monument Business Center

- Vacancies and higher than anticipated janitorial costs are hurting the cash flow of Monument Business Center (MBC). Efforts are actively being pursued to control costs and promote the MBC within the community.

Bookcliff Squire

- Performance continues to improve due to lower maintenance costs. The mortgage was refinanced in September, which will contribute to its sustainability for 2012. It was also reported that the one vacancy that has been difficult to lease has just been filled.

Courtyard Apartments

- Lower than anticipated maintenance and other operating expenses have Courtyard Apartments showing improvements despite higher than anticipated vacancy loss.

Minutes (contd.)

Page 3

- It was noted the vacancy loss will likely continue for a short time due to another issue that just surfaced. Bed bugs have been discovered at the property and were brought to the complex by a tenant through furniture. Eviction of the tenant was necessary due to the tenant's non compliance to allow GJHA staff access for unit inspections. The process of eliminating the bugs is underway by employing a "bed bug dog" and by using appropriate follow-up actions, including spraying.

Houses

- Indicators show all three houses are doing well. It was noted that the mortgage for the Elm Street house became due and was refinanced at terms similar to the existing mortgage.

Per Unit Cost Comparisons

- Cheryl distributed a corrected version of GJHA's Per Unit Cost Comparisons Chart. The original version illustrating properties showed nine months worth of per unit costs but twelve months worth of dollars. To be cost comparative, an adjusted copy reflected the same number of months for both per unit costs and dollars.

Crystal Brook

- \$80K was transferred from Crystal Brook's Operating Cash to a separate cash account to start saving for the balloon payment due in December 2017.
- To answer Teresa's question regarding the high operating costs at Crystal Brook, Jody stated that the costs are due to the on-going exterior renovations, including the painting of the buildings.

Linden Pointe

- Net Operating Income is lower than budget due to higher than anticipated vacancy rates, higher allocated maintenance labor due partially to a budgeting error where numbers weren't updated, and higher repair and maintenance supplies due to the work on the parking lot lights and replacement of the combination smoke/carbon monoxide detectors.
- A surplus cash payment will be made in October for \$111,709 which will be used to pay off the accrued interest and principal on the land loan and partially reduce the accrued interest on the soft loans.

Vouchers

- The graph showing the Cumulative Fiscal Year Dollar Utilization for Vouchers was reviewed. The significant drop from 103.2% in August to 95.99% in September in dollar utilization was attributed to \$843K received for the Housing Assistance Payment (HAP) regular payment plus requested set aside funds for the utilization from October – December of the previous year.

GJHA will administer a total of 100 Veterans Affairs Supportive Housing (VASH) Vouchers, but these Vouchers aren't included in the utilization numbers at this time. VASH Vouchers can't be leased until a referral is made by the Veterans' Administration (VA) and with the delay in hiring another VA Case Manager, 25 new Vouchers aren't leased yet. Upon completion of the St. Martin's facility, which will house homeless veterans, the Grand Valley Catholic Outreach will utilize 15 Vouchers.

Other Programs

- GJHA is advertising for a Service Coordinator for Walnut Park. A three-year grant has been awarded from HUD.
- Home Ownership has a receivable of \$43,975 which, when received, will cover the payable of \$41,899 to the General Fund.
- Tenant Based Rental Assistance/Next Step received a one-time award of \$20,866 from the Mesa County Department of Human Services (DHS) in 2011.
- Family Self-Sufficiency received a one-time award of \$24,533 from DHS in 2011.
- Housing Advocate has received a one-time award of \$17,673 from DHS in 2011.

The Quarterly Financial Statements Ended September 30, 2011 for all GJHA Programs, Crystal Brook Townhomes, Linden Pointe and Arbor Vista were accepted by Board Members with a motion by Teresa, a second by Chuck, and a unanimous vote.

5. Other Business

A. Meeting Schedule

The Board decided to meet on the regular November meeting date of November 28th and reschedule the December 26th meeting date to December 12th.

Minutes (contd.)

Page 5

B. Choose a Date for a Joint Meeting Between GJHA Board Members and Resident Advisory Board Members

The Resident Advisory Board (RAB) Members will join the GJHA Board Members for a joint luncheon meeting on December 12th beginning at noon at the Tenth and Belford location.

Note: The location for the joint luncheon meeting has been changed, and will now be held at Community Room at the Walnut Park facility.

C. Discuss Proposed Office Hours of 8:00 a.m. – 4:00 p.m. at the Voucher Service Center

Lori advised the Board that due to the increased workload and staff reduction, personnel is in need of some uninterrupted time each day to complete work assignments without phone or walk-in client interruptions. The proposal of closing the Voucher Service Center from 4:00 p.m. – 5:00 p.m. daily effective December 1st was approved by Board Members.

Lori also mentioned that landlords will be advised this week that they will be required to participate in direct deposits and completion of the necessary paperwork is urgent.

D. Five Highest Compensated GJHA Employees

Distributed to Board Members for their information was a document now required by HUD which reports the five highest compensated employees in the Agency.

E. Improved Marketing of Non-Subsidized Properties

Jody informed the Board that in an effort to improve marketing of non-subsidized properties, internal brainstorming produced the idea of creating a “doing business as” (dba) entity, and that senior staff would like to hold additional dialogue with the Board on this topic after more information is compiled.

She noted that many clients that would income qualify for tax credit properties or non-subsidized properties may not think to contact the Housing Authority for availability when searching for housing.

Teresa suggested obtaining feedback from the real estate community. Jody will follow-up.

F. Village Park Development

Jody notified Board Members that she was in the process of putting together a Request for Qualifications (RFQ) for a Design/Build Team for Village Park.

She further explained that the Tax Credit Application should be submitted for consideration in the first round of 2012 allocations, which indicates a tight time frame to complete the Tax Application.

6. Adjourn

With no further business, the October GJHA Board Meeting was adjourned at 12:35 p.m. with a motion from Patti, a second from Teresa, and a unanimous vote.