

## MINUTES

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

Friday, June 9, 2017  
8 Foresight Circle  
1:30 p.m.

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

Grand Junction Housing Authority (GJHA) Board Chair Tami Beard called the special June Board Meeting to order at 1:42 p.m. on June 9, 2017. Board Members present represented a quorum and included Ivan Geer, John Howe, Tim Hudner, Chris Launer, and Phyllis Norris. Board Member Jerry Schafer did not attend. Others in attendance included GJHA Chief Executive Officer Jody Kole, and Chief Operating Officer Scott Aker. Guests included GJHA Attorneys Rich Krohn and Jill Norris.

### 2. **Discussion on the Proposed Sale of the Grand Junction Housing Authority-Owned Building at 1011 N. 10<sup>th</sup> Street, Grand Junction, Colorado**

The GJHA-owned building at 1011 N. 10<sup>th</sup> Street served as the main GJHA office for many years, and eventually became the Housing Choice Voucher Service Center. With the purchase and rehab of 8 Foresight Circle, the 1011 N. 10<sup>th</sup> Street building is vacant and available for sale.

Jody Kole and Rich Krohn summarized the listing history of the building located at 1011 North 10<sup>th</sup> Street. The property listed at \$595K with a real estate firm for six months and GJHA did not receive a reasonable offer. Recently, staff selected another realtor, relisted the property, and changed the asking price to \$590K.

GJHA received an offer of \$565K from a Colorado nonprofit corporation with \$10K as earnest money. Upon review of the initial offer by GJHA staff, the GJHA Real Estate Committee (Committee) evaluated the proposal. Concerns of the staff and the Committee centered around extended time frames and some financial terms.

Based on guidance from the Committee, staff submitted a counter-offer subject to approval by the GJHA Board.

Rich Krohn presented to the Board the key points of the amended contract:

- GJHA did not make a counter offer on the purchase price or earnest money amounts. The purchase price and earnest money remain the same.
- GJHA agreed to a 60-day closing, but added two stipulations:
  - The buyer must have 100% of the down payment (25% of the purchase price) within 14 days after the acceptance date (which is one week from today on June 16, 2017), and the funds must be kept in a separate unrestricted account until the closing date.

- The buyer must apply for the loan and pay any application fee within the same 14-day period.
  - If the buyer fails to perform, the buyer is in default and puts the earnest money at risk.
  - If the buyer performs, the anticipated closing date is in 60 days, which is August 1, 2017.
- A Board decision to approve or disapprove the contract is needed within this same 14-day period.
- Customized contract provisions include:
  - GJHA pays for the title work, and chooses the title company.
  - The closing costs will be split between the buyer and GJHA.
  - GJHA will issue a special Warranty Deed.
  - The buyer pays the sales tax, if any, with recourse by GJHA if the buyer does not pay.
  - If the buyer does not fulfill the requirements of the title commitment, the buyer would be in default.
  - In the presumptive “as is” provision, GJHA will disclose any latent defects not readily visible upon inspection. In addition, the buyer is waiving any rights, with the provision emphasizing the buyer is “on its own”.
    - A challenge in the basement level of the building has been water seepage. A sump pump takes care of the problem.
      - Upon a buyer building tour, the power was down due to an Xcel problem which caused a nonoperational sump pump. The buyer acknowledged the standing water at that time.
  - No tax proration, as GJHA is exempt from property taxation.

**Additional Board discussion transpired addressing:**

- The buyer has been incorporated for over 30 years.
- The buyer is confident that the down payment can be made.
- It appears to be a reasonable risk at this time for GJHA to proceed.
- The Committee urged the GJHA broker to seek additional offers.
- Grand Junction downtown property has increased in value.
- The buyer deadline for loan approval is July 24, 2017, with the closing scheduled for August 1, 2017.

**3. Request a Vote on the Proposed Sale of the Grand Junction Housing Authority-Owned Building at 1011 N. 10<sup>th</sup> Street, Grand Junction, Colorado**

Rich Krohn explained *Resolution No. 2017-06-01 Ratifying and Approving a Contract for the Sale of Real Property Owned by the Authority Located at 1011 N. 10<sup>th</sup> Street, Grand Junction, Colorado* by saying that with approval the Board is:

- Ratifying the prior actions of the Chair of the Board and the CEO of the Authority in signing and delivering the Contract.
- Authorizing and directing the Chair of the Board, the CEO of the Authority and the staff of the Authority to take all additional actions, pay and receive all funds and sign and deliver all documents that are necessary or convenient to close and complete the Contract.
- Approving that the Resolution will be in full force and effective immediately upon its adoption.

A motion by Chris Launer, a second by Ivan Geer, and a unanimous vote approved *Resolution No. 2017-06-01 Ratifying and Approving a Contract for the Sale of Real Property Owned by the Authority Located at 1011 N. 10<sup>th</sup> Street, Grand Junction, Colorado*.

**4. Adjourn**

With business completed, the special June 9, 2017 Board Meeting adjourned at 2:08 p.m. with a motion by Chris Launer, a second by Phyllis Norris, and a unanimous vote.

All Board Packet documents and documents distributed during the Board Meeting are retained in the file.