

Estes Park Housing Authority
Minutes of The Board of Commissioners Special Meeting
July 29, 2020 via Teleconference Call

Staff Present: Naomi Hawf, Scott Moulton, Nancy McLemore

Members Present: Eric Blackhurst, Phil Frank, Julie Abel, Bill Pinkham

Member Elect Present: Dan Centurione

Member Absent: Pete Smith

Guests Present: Cory Kalanick, Stan Matsunaka, Sam Betters, Rita Kurelja

1. **Call to Order:** Eric Blackhurst called the Estes Park Housing Authority Board of Commissioners meeting to order at 8:18 am on July 29, 2020.
2. **Peak View Update:** Hawf Reporting. Resolutions presented by Attorney Cory Kalanick with Sherman & Howard and Attorney Stan Matsunaka with Clark, Williams and Matsunaka, LLC.
 - a) Construction costs goal: \$5.769 million. Currently there is a \$19,000 gap and bids are still being reviewed. Hawf itemized areas where costs have been cut to meet the goal and offered several ideas of where additional cuts could be made. Overview of expenditures incurred to date are included in Board packet.
 - b) CHFA Loan Terms – CHFA increased the loan amount from \$975,000 to \$1,050,000. Loan terms are included in Board packet.
 1. Resolution: As part of a condition for the type of loan set up by CHFA, it is required for EPHA to create a single purpose entity. Accordingly, a resolution is required to create Peak View, LLC.
 - i. Blackhurst requested a motion to create “Peak View, LLC”: Motion made by Pinkham, seconded by Frank. Motion passed unanimously with one absence.
 2. CHFA also requires a guarantee. Hawf presented three alternatives for how that guarantee could be satisfied: 1) a Payment & Performance Bond with Saunders-Heath at a cost of \$42,000; 2) A Letter of Credit with Bank of Colorado for a 1% annual fee; 3) A Letter of Credit with CHFA with no fees. The Board decided to move forward with getting a Letter of Credit (LOC) with CHFA in the amount of \$145,000; there is no cost for the LOC but the funds will not be available during construction as well as through the first year under warranty (for a total of two years).
 3. Resolution: EPHA, as guarantee for Peak View, LLC to enter into agreement with CHFA for the purpose of Workforce Housing Rental “Peak View Apartments”
 - i. Blackhurst requested a motion to approve the CHFA loan for “Peak View Apartments.” Motion made by Pinkham; seconded by Frank. Motion passed unanimously with one absence.
 4. Motion: Peak View, LLC to enter into agreement with CHFA
 - i. Blackhurst requested a motion for Peak View, LLC to be assigned the loan with CHFA for “Peak View Apartments.” Motion made by Frank; seconded by Pinkham. Motion passed unanimously with one absence.
 5. Bargain and Sale Deed: Matsunaka reporting. Since EPHA has authorized Peak View, LLC to proceed with the loan, in order to correct the title work with the property since it is currently owned by EPHA, a Bargain and Sale Deed is required for the transfer of that property from EPHA to Peak View, LLC. When actual loan is executed, the mortgage will then come through Peak View, LLC.
 - i. Blackhurst requested a motion to accept the Bargain and Sale Deed from Estes Park Housing Authority to Peak View, LLC. Motion made by Abel; seconded by Frank. The motion passed unanimously with one absence.
 - c) BOC Loan Terms: Phil Frank abstained from voting due to his relationship with the Bank of Colorado
 1. Resolution: for EPHA to enter into an agreement and loan documents with Bank of Colorado in regards to “Peak View Apartments.”
 - i. Blackhurst requested a motion on the resolution to accept the terms for Peak View loan with the Bank of Colorado. Motion made by Pinkham; seconded by Abel. Motion passed unanimously with one abstention and one absence.

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2. Resolution: for EPHA to enter into agreement with Bank of Colorado for the purpose of refinancing the “Pines Apartments”
 - i. Blackhurst requested a motion on the resolution to accept the terms for Pines loan with the Bank of Colorado. Motion made by Pinkham; seconded by Abel. Motion passed unanimously with one abstention and one absence.
 - d) Town Waivers and Agreements: Hawf reporting. EPHA made a request to the Town to amortize fees on the water tap costs as well as waivers on permits fees and building review fees. Decision by Town: EPHA to pay \$9,562 out of the \$35,000 total required for those fees; also, Town approved EPHA to take a loan with the Town at 1.75% interest, amortized over 14 years with a maximum loan amount of \$187,863. This 14-year amortization allows EPHA to defer payments for 4 years until 2024 to get through construction, lease-up, and income stabilization.
 - e) Closing Date: Targeted closing date of approximately August 14th. A requirement of closing will be to open a construction account with the Bank of Colorado from which all funds will flow through moving forward.
 - f) Ground Breaking Ceremony: In lieu of a formal ground breaking ceremony, it was suggested public awareness could instead come through press releases or interviews with local newspapers.
3. **Cleave Update**: Moulton reporting (Included in Board packet)
 - a) Cleave repairs and cost to reconstruct unit #1 came in at \$18,632 with All-Phase restoration. Moulton presented two options to the Board regarding the remaining repair work: 1) Have All-Phase complete all the work; 2) Have EPHA complete a portion which would provide a \$3,300 cost savings. The Board decided to move forward having All-Phase complete all repairs on the unit. Moulton stated that Cleave St. does not have sufficient reserves to cover the full cost of this renovation. Accordingly, he requested any difference come from EPHA reserves in the form of a loan to Cleave Street. The Board agreed to allow using EPHA reserves as needed.
4. **Adjourn**: Meeting was adjourned at 9:02 am