

Estes Park Housing Authority  
Minutes of The Board of Commissioners Meeting  
August 12, 2020 via Teleconference Call

Staff Present: Naomi Hawf, Scott Moulton, Nancy McLemore, Joe Switzer

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

Member Elect Present: Dan Centurione

**1. Call to Order; Public Comments; Reading and Approval of Meeting Minutes for July 8, 2020, July 29, 2020 Special Meeting, & August 10, 2020 Special Meeting:**

- a) Eric Blackhurst called the Estes Park Housing Authority Board of Commissioners meeting to order at 8:31 am on August 12, 2020.
- b) Frank cited one correction in the July 29 Special Meeting minutes. Frank believed the correct term should be “bond” and not “guarantee.” The minutes for the three meetings stand approved as corrected.

**2. Peak View Update:** Hawf reporting (Reports included in Board packet)

- a) CHFA – Hawf provided an overview of the lengthy due diligence process being required. EPFA has reviewed and returned documents to CHFA for comment.
- b) Bank of Colorado – Alternatively, the Bank of Colorado’s due diligence process has been much less cumbersome. EPFA has also responded with comments.
- c) Saunders-Heath – Work is being completed to finalize the contract with Saunders which CHFA has to also review. There is discussion regarding the amount of retainage. The development committee is aiming for 10% retainage through 50% of the project at which point it will then will drop to 5%. As of Monday, the project was \$12,000 under budget. On Tuesday, a \$60,000 change was submitted due to the increase in lumber costs, reflecting a 20% increase identified by the lumber sub-contractor. The development committee is working with Saunders to find places where savings can be made to help compensate for the \$60,000 cost increase. The ideas were 1) to switch to GE products appliances for about a \$10,000 savings; 2) Remove individual water meters for a savings of \$24,000.
  1. Further discussion revolved around what will be charged to residents and what will the course of action be if EPFA decides to condominiumize in the future.
  2. Outcome: EPFA agreed to remove the water meters; and it is noted the cost will be greater if installed later. At this time they will be roughed in in preparation for future possibility to condominiumize. Also, renters will not be charged for water just as all our other properties are not charged.
- d) Pending Items: Constructions Permits – The permits are not approved as yet. Current comments which require discussion between the Town and Architect are: 1) Sidewalk: Do we need a sidewalk that connects with the one along Highway 7; 2) An electrical change to use two 400-amp transformers instead of one 800-amp transformer.
- e) Closing is set for August 21, to take place remotely. Prior to closing a new bank account needs to be in place for Peak View, LLC, but are awaiting the EIN number assigned to that entity before account can be opened.

**3. 2<sup>nd</sup> Quarter Financials:** Hawf Reporting (Reports and highlights included in Board packet)

- a) Hawf reviewed the quarterly reports and provided further details on three specific actions EPFA is taking to address filling vacancies more timely: 1) using communication service to “notifii” applicants via text messages. This can expedite the response time from applicants; 2) the team is reviewing the turnover process to find process improvement, to support streamline our work and reducing time ‘waiting;’ 3) 2020 waitlist purge. This was not completed last year due to the office move.
- b) One correction brought to the fore by Frank on the title page, March 2020 needs to be changed to June 2020.
- c) Blackhurst requested a motion to approve the 2<sup>nd</sup> quarter financials with the aforementioned correction. Motion made by Smith; Frank seconded; motion passed unanimously.

**4. Falcon Ridge Draft 2021 Budget:** Moulton reporting (Draft included in Board packet)

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- a) Moulton provided an overview of the budget with further details given regarding snow removal and lawn costs. Moulton is proposing investing in our own equipment at a cost of \$17,000 which will allow EPHA to take care of the lawn and snow removal requirements at both Talons Pointe and Falcon Ridge. Blackhurst inquired “Does the purchase of that equipment impact our maintenance staff in terms of the number of hours that are available to do other things ... will it increase our personnel costs?” Moulton responded by saying there will be a shift in labor but not increase in the costs. Frank asked if there were any additional concerns with liability; Moulton is researching that aspect with CIRSA.
  - b) A final draft will be presented next month, to meet Wells Fargo October 1 deadline for Falcon Ridge’s budget.
5. **2020 Rent/Income Limits:** Moulton Reporting (Details provided in packet)
- a) Moulton began by revisiting discussion on rent increases based on 2020 CHFA Rent/Income Limits; previous discussion concluded the subject would be revisited at August Board meeting. Moulton’s proposal: rent increases to be applied to vacancies; rent for current tenants would remain the same. Historically, EPHA has raised rents 2% - 5% annually across the board or have taken no action. Moulton’s proposal would bring the rents more in line with the CHFA maximums which EPHA’s rents are currently way below. This move would accomplish: 1) Not increasing the burden on our current residents; 2) prevent EPHA from falling further behind CHFA limits.
    - 1. Discussion: Board suggested EPHA at least needs to be making adjustments to offset the increase in water/sewer rates and utilities for those properties where the utilities are included. One suggestion would be to keep the current tenant’s rents flat through the rest of the year at which point, to do an adjustment to compensate for the increase in water and sewer rates.
    - 2. Action item: Draft a notice to the tenants to make them aware that when Rent and Income Limits are released next year (Spring 2021) by CHFA, rents increases should be expected.
    - 3. Motion: Blackhurst requested a motion to increase rents on vacant units to within \$30 of CHFA maximums (inclusive of utility allowances). Motion made by Smith; seconded by Pinkham; motion passed unanimously.
6. **Complex Updates and Reports:** Moulton reporting (Reports included in Board packet) Moulton expounded further on changes being made to the methods taken on how the vacancies are being filled (discussed in 2<sup>nd</sup> quarter financials).
- 1. Property Delinquency Reports:
    - i. Cleave: 1 vacancy, \$485 vacancy loss, \$4,816 in delinquencies
    - ii. Pines: 0 vacancy, \$0 vacancy loss, \$643 in delinquencies
    - iii. Falcon Ridge: 2 vacancies, \$1,392 vacancy loss, \$14,669 in delinquencies
    - iv. Talons Pointe: 1 vacancy, \$1,004 vacancy loss, \$1,479 in delinquencies
    - v. Lone Tree: 3 vacancies, \$1,746 vacancy loss, \$25,813 in delinquencies
  - 2. Unit Turnover Report: No turnovers completed in July
7. **Old Business / Additional Business:** Blackhurst reporting
- a) Special Limited Partnership (Chrisman and SB Clark) Hawf reviewed the partnership proposal included in the Board packet, while also sharing her conversations with other Housing Authorities that have been involved in a special limited partnerships in the past. Board recommended Hawf gain further information on 1) How that partnership is identified on the Deed; 2) What the on-going expenses are to EPHA; 3) Whether Chrisman is awarded the tax credits.
  - b) Dry Gulch Partnership: Hawf reporting (Refer to insert included in Board packet) Loveland Housing Authority (LHA) wishes to exit the partnership and transfer their 0.5% to EPHA, leaving EPHA with 99.5% ownership in the property, and Estes Park Development Corp ownership of 0.5%. This path enables Dry Gulch Partnership to remain in place which in turn, reduces the costs for this change. Costs involved would be approximately \$500 in legal fees plus some costs associated with insurance.

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1. Action Item: Hawf will contact LHA to draw up the paperwork which will then be presented at the Board meeting in September.
  - c) Estes Park Housing Authority is changing platforms for their website. Staff will be trained later this week.
8. **Executive Session:** Board entered into Executive Session at 10:23 am. Session adjourned at 10:25 am.
  - a) Abel made a motion for the salary change as suggested by Hawf. Smith seconded. The motion passed unanimously.
9. **Adjourn:** Meeting was adjourned at 10:27 am.

Minutes submitted by Nancy McLemore on August 13, 2020.