

Estes Park Housing Authority, Board Meeting Minutes: February 12, 2020
George Hix Room, US Bank Building, 363 E. Elkhorn Ave., Estes Park, CO. 80517

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

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

Members Absent: Bill Pinkham

Guests Present: Rita Kurelja

1. **Call to Order:** Eric Blackhurst called the Estes Park Housing Board of Commissioners meeting to order at 8:31 am on February 12, 2020.
2. **Public Comment:** None.
3. **Meet Falcon Ridge Manager:** Amanda Kellerhals
 - A. Hawf introduced the new EPHA staff member to the Board, providing an overview of her background along with a summary of what she will oversee in her position with EPHA.
4. **Reading and Approval of Meeting Minutes for January 8, 2020:** Minutes stand approved as submitted.
5. **4th Quarter Financials** – Hawf reporting (Highlights and Financials included in Board packet) Hawf provided an overview of the financials, with specific notations as depicted in the Financial Highlights provided in the packet.
 - A. EPHA – Blackhurst requested that the taxes and insurance be broken out into two different categories.
 - B. Cleave St – Hawf expounded upon budget differentials due to the roof repair which resulted in damage to several of the units.
 - C. Blackhurst requested a motion to accept the fourth quarter financials. Smith made the motion; Abel seconded. Motion passed unanimously with one absence.
6. **Complex and Development Updates:** Moulton reporting (Included in Board packet)
 - A. The Pines – 0 Vacancies, \$0 Vacancy Loss, \$75 in delinquencies
 - B. Peak View – 0 Vacancies, \$0 vacancy loss, \$37 in delinquencies
 - C. Cleave – 2 Vacancies, \$1,215 vacancy loss, \$13 in delinquencies
 1. Moulton offered additional information regarding the two vacancies, Units 9 & 1, and the repairs needed due to roof leak. Unit 9 will be ready for occupancy beginning early March.
 2. Hawf provided an overview of the damage to unit 1 along with the estimated cost of bringing the unit back to being occupancy ready. Hawf reported the cost for rehab will run around \$10,000. The Board agreed to proceed with the renovation.
 - D. Talons Pointe – 2 Vacancies, \$2,080 Vacancy loss, \$1,007 in delinquencies
 - E. Lone Tree – 2 Vacancies, \$2,705 Vacancy loss, \$4,721 in delinquencies
 - F. Falcon Ridge – 0 vacancy, 0 Vacancy loss, \$6,070 in delinquencies
7. **Reports, Updates, and Other Miscellaneous Items**
 - A. Unit Turnover Report: Moulton reporting (Included in Board packet)
 1. Cleave – 0 turnover
 2. Lone Tree – 1 turnover, 85 days between move-out and move-in
 3. Talons Pointe – 1 turnover, 111 days between move-out and move-in
 - B. Peak View Update: Hawf Reporting (Included in Board packet)
 1. Saunders-Heath Kick-off meeting Jan. 21. Discussions:
 - a. Resident Update: Hawf provided an overview of the current tenants, the status of their move, the anticipated costs to facilitate those moves (expected to be between \$5,000 to \$7,000), as well as the anticipated schedule of when those moves will be completed. Board agreed to proceed with the move-out process.
 - b. Mechanical Systems: Heating & Hot water system: Hawf provided pros and cons of each type of option available. Hawf reported that the development team decided to move forward with the fan coil system, adding the fan coil system offers the best avenue for adding air conditioning should that be desired in the future.
 - c. ADA Units: Hawf provided an overview of what the requirements are for units to be considered ADA compliant, adding that for the type of product being constructed, there is no requirement to include a ADA unit that is fully accessible. As it stands, there is a certain

amount of accessibility that *is* required for each unit which has already been accounted for in the initial drawings. Kurelja proposed that instead of building fully accessible units, an alternative would be to make the current units adaptable in accordance to need.

- i. Decision: The board decided to move forward with the adaptability that is currently built in to the drawings, making adjustments when needed to the counters, cabinets, and bathrooms in the units.
 - ii. Action: Hawf is to verify with the architect, any concerns which may arise as a result of making ADA adjustments to the units later as the need arises.
2. Financing options: Hawf Reporting (Included in Board packet) Hawf shared that the base estimate is being submitted from Saunders-Heath on Feb. 20th. Financing options are as follows:
- a. Town Funding: Hawf provided an overview of her conversation with the Town Administrator and the Assistant Town Administrator. Regarding the financing of \$800,000, the Administrator suggested 75% (\$600,000) be a loan and the remaining 25% (\$200,000) be a grant; but with additional piece of Master Leasing with having controlled rent that is \$300 - \$500 lower than the rates set by EPHA (further details provided below and in Board packet).
 - i. The development team determined that before EPHA draws up a formalized proposal, a meeting needs to be scheduled with the Finance Director to work through some of the pending issues raised in the discussion of Master Leasing (detailed below). The meeting is set for Feb. 24th.
 - ii. Action: The Board would like Hawf to take action on Town funding prior to the change in Town Board members.
 - b. CHFA: Hawf raised the subject of the CHFA capital magnet fund. An option was suggested rather than using the Town for funding, to instead ask the Town to waive water tap fees (2018 quoted total approximately \$208,000).
 - c. USDA 538 Permanent Loan: Hawf reported that programmatically, the rents for Peak View will be restricted to 115% AMI, and where the rents currently sit is at 80% AMI. With this type of loan, there is no income qualifying but the rents will be restricted to the specified AMI level.
 - d. Pines Refinancing through Bank of Colorado: Hawf shared that The Bank of Colorado continues to express an interest in the refinancing of The Pines. There may be flexibility with also being our permanent lender for Peak View. Questions arose regarding the refinancing bidding process requirements. It was determined that since we originally requested information from a number of banks, there is no need to do so again, but we can request updated terms.
 - i. Action: 1) Blackhurst suggested the team move ahead with securing the Pines refinancing. 2) Hawf is to provide a revised 2020 budget for The Pines once it is refinanced. 3) The Board also requested that Hawf provide an update of the current interest rates being offered, specifically as it relates to The Bank of Colorado refinancing loan.
3. Master Leasing: Kurelja reporting (information included in the Board packet). Kurelja offered a summary report of what she has learned through her research.
- a. Discussion: 1) the length of the Master Lease should be a minimum of 12 months to which Blackhurst added that the Town cannot commit to anything longer than twelve months due to budget constraints. 2) Although there would be an agreement between the Town and the employee, Kurelja suggested that the employee be required to pass a background check; that the Town be required to submit to the Housing Authority, all information regarding any changes in the household; that policies be in place regarding employees being housed but who are terminated; have proposed costs in place due for damages and costs associated with turning units. The benefits to the Town is that they will always have this unit available for

transitional housing, as long as any changes of residents be submitted to the Housing Authority.

- i. Decision: To move forward in drawing up a proposal, but instead of allowing the Town to dictate what we need to give them, be prepared to tell them what EPHA has available to give (for Master Leasing).
- ii. Action: Hawf is to find out from the Town how many units they are interested in Master Leasing.

8. **Old Business**

- A. The Board positions will be posted but have not been as of yet.
- B. The Strategic Housing Plan: Hawf is working with EDC and the Town. No action to report.
 1. The Assistant Town Administrator is going to move into supporting the workforce housing strategy, with the Administrator moving away from that responsibility.

9. **Executive Director Report**

- A. Pines annual membership meeting took place on Jan 21st. They want to make some minor changes to their declarations regarding smoking, ownership and pets. Hawf will be discussing with legal the changing of their declarations.
- B. YMCA has moved into a direction with their workforce housing. They have approached EPHA to assist with property management for a management fee, but need to determine if this is something that EPHA would be interested in pursuing. The Board was concerned whether or not EPHA had enough bandwidth. Hawf expressed that EPHA's role would be more of an administrative one, managing the rental agreements, the waitlists, the communication of community rules while emphasizing that the YMCA would be the enforcer of said rules and would manage their own maintenance. Additionally, Hawf stated that these units would be for full-time employees of the YMCA. For these reasons Hawf believed EPHA has the bandwidth to take this on.
 1. Action Item: Hawf is to put together a proposal for the Board to review, while keeping in mind as Blackhurst noted, that commercial market rates are 12% of rental income.
- C. Meetings with the Town on Feb. 11th
 1. EPHA met with the Town Administration and Planning Department to discuss developing an agreement with the Town to manage the workforce housing requirements for current and future projects. Hawf communicated the need to determine what role the Town wants EPHA to play.
 - a. Steps: 1) The Town is to provide EPHA with a copy of the current agreements for EPHA's review. 2) EPHA will then get back with the Town in one month. Abel stated the importance of having the compliance requirements in place *before* the Wildfire development gets underway.
 2. The Town inquired whether or not EPHA would be interested in in being a developer on the Fish Hatchery project.
 - a. Board agreed that we should convey that we would be interested.
- D. Down Payment Assistance (DPA) Program received \$4,500 from the Fall Back Beer Fest. There is now enough money to provide two loans at the maximum amount of \$10,500. It was suggested to look into raising the per loan maximum borrowed amount.
- E. Land Trust is kicking off their survey event on February 13th. The survey will map out areas for conservation and identify potential areas for development.
- F. Habitat for Humanity and EPHA are on the last steps in finalizing the covenants on two homes being built in Estes Park. EPHA is set to administer those restrictions for an administration fee of 0.5%.

10. **Adjourn** – Meeting was Adjourned at 10:47am

Minutes submitted by Nancy McLemore on February 26, 2020.