

Estes Park Housing Authority Board of Directors Meeting Minutes

George Hix Room of US Bank Building, 363 E Elkhorn Ave

May 8, 2019

Staff Present: Naomi Hawf, Scott Moulton, Nancy McLemore

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

Member Absent: Pete Smith

Guests Present: John Cutler, Tracie Thompson

Guests Absent: Jeff Feneis

1. Call to Order: Eric Blackhurst called the Estes Park Housing Authority Board of Commissioners meeting to order at 8:30 AM on May 8, 2019 at the George Hix Room in the US Bank Building, 363 E Elkhorn Ave.
2. Public Comments: None
3. Reading and Approval of Meeting Minutes from April 10, 2019 - Approved as submitted
4. 2018 Audit Review: John Cutler - Completed in February; issued an unmodified report – there were no issues; no restrictions in their auditing
 - a. Blackhurst raised questions about having policies around custodial credit risks for deposits and interest rate risks. The auditor verified this is merely a discloser. Colorado has PDPA to help maintain those risks.
 - b. Hawf expressed that we have a number of expenditures that we have experienced in 2019 such as the purchase of Castle Ridge, Peak View planning, and now our new office move. Is there anything that we need to doing in preparation for our next audit? Thompson answered no, although stated that your management fund will see swings when you are in development mode, which is expected.
 - c. Blackhurst then raised the question of whether we needed to amend our 2019 budget. Both our Thompson and Cutler said that it there is no accounting reason nor any legal reason. The board decided they wanted to amend the budget once we have all of our expenditure and capital costs.
 - d. Pinkham questioned why we don't provide a "management's discussion and analysis" – Cutler said for smaller entities, this isn't necessary because it just reiterates the audit.
5. Discussion on Loveland Housing Authority as Development Consultant: Jeff Feneis absent
6. Complex and Development Updates: Scott Moulton
 - a. Falcon Ridge: Occupancy and Delinquency – 1 vacancy, loss of \$31, delinquency of \$4,080 from 6 current tenants and 4 vacated tenants
 - b. The Pines: Occupancy and Delinquency – no vacancy, no loss, no delinquency
 - c. Cleave Street: Occupancy and Delinquency – 1 vacancy, loss of \$880, delinquency of \$167 from 1 vacated tenant.
 - d. Peak View Apartments: Occupancy and Delinquency – no vacancy, no loss, no delinquency
 - e. Talons Pointe: Occupancy and Delinquency - 3 vacancies, loss of \$1,774, delinquency of \$1,257 from 1 current resident and 1 vacated resident.
 - f. Lone Tree Village: Occupancy and Delinquency – No vacancies, loss of \$631, delinquency of \$7,630 from 10 current tenants and 2 vacated tenants.
7. Reports, Update and Other Miscellaneous Items:
 - a. Unit Turnover Report: Scott Moulton
 - i. Falcon Ridge: 0 units turned.
 - ii. Cleave Street: 1 unit turned.
 - iii. Peak View Apartments: 0 units turned.
 - iv. Talons Pointe: 2 units turned.
 - v. Lone Tree Village 1 unit turned.
 - vi. Pines 0 units turned.

- b. Office Update: Naomi Hawf
 - i. Enclosed is a floor plan of the new office space. The board toured the space following the close of the meeting
 - ii. Update to our costs: actuals coming in much lower than anticipated - \$14,500 lower than original estimate. [Copy of current expenditures enclosed.]
 - iii. Blackhurst and Hawf met with Lancaster, the Town Administrator, seeking additional funds from town to help offset additional expenditures from office being moved. EPHA will also present the Town with a one-time request to offset our relocation costs. [Copy of the draft letter enclosed.]
 - iv. EPHA is working with US Bank to complete tenant finish.
 - v. Our anticipated occupancy date is in July. Our Memorandum of Understanding (MOU) with the Town expires August 20.
- c. YMCA Update: Naomi Hawf
 - i. Met with YMCA on April 1. They have named their development Communities at Rivers End (CARE)
 - 1. The Financing: They ran into problems when they learned their debt service ratios fell outside the restrictions set forth by HUD. They are also exploring LLC options to help with that master leasing that they want to do.
- d. Peak View Update: Naomi Hawf
 - i. The Finances:
 - 1. Hawf reported that the appraisal for the Pines came in higher than expected. Board will need to determine dollar amount to mortgage, which will be based on the amount the property can support.
 - 2. The HUD 221(d)4 still looks promising.
 - 3. Additional funding will be necessary. Hawf meet with Impact Development Fund and the Bank of Colorado
 - ii. The Build:
 - 1. Hawf researched the modular construction possibility.
 - a. Spoke with Tyler Kersenbrock with North Star out of Johnstown/Loveland area, who is currently building Grand Estates.
 - b. Based on our floor plan, costs are estimated at \$130 - \$140 psf, which would include transportation, put in place, and tie in work.
 - c. One of the caveats is that these would NOT be HUD certifiable. If we want to sell some of these units to help offset the financing gap, this becomes an issue.
 - iii. The Team:
 - 1. LHA as Developing Consultant is not able to fulfill this role; they don't have the staffing capacity to assist with the development
 - 2. However, they are willing and able to assist in creating an RFP for an owner's rep and interviews
- e. Land Opportunity: Naomi Hawf
 - i. Met with Marvin Hart of Masonic Lodge on 4/25. They have 2.78 acres. Would like to partner on building rental housing where Masonic Lodge would realize a portion of the income, and retain ownership of property and all improvements in 20 years. It is currently zoned R2 (duplex configuration). Hawf will be exploring the following:

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- a. Ask Town what is feasible under current zoning, i.e. duplex?
- b. Could it be rezoned and if so, what to?
- c. Could the acreage be split/subdivided?

8. Old Business - none

9. Any Additional Business - Estes Valley Sunrise Rotary Grant: awarded us \$2000 which we will make that announcement on May 14th

10. Executive Director Report: Naomi Hawf

- a. CSS/PM vacancy activity: Selected Nancy McLemore out of 7 candidates, with start date of 4/29
- b. 5/13: CIRSA Audit
- c. EPHA would like to maintain the opportunity to be on study session regarding Peak View
- d. New Rents - 2019
 - i. Determined to stay at 3% to 3.5% increase (vs. 4%) due to our constituencies.
 1. 3% = \$53,000 additional income
 2. 4% = \$71,000 additional income
 - a. The above figures are based on increases for all properties, straight across the board.
 3. For the Pines, maximum increase will be set at \$25

11. Adjourned at 10:10 AM

Submitted by: Nancy McLemore, May 9, 2019