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| Date | February 12, 2014 |
| Members Present | Eric Blackhurst, Matthew Heiser, CJ Jensen, Sandy Good, Jack Dinsmoor |
| Staff Present | Rita Kurelja, Erin Tice |
| Guest | Christian Collinet |

The February 12, 2014 meeting of the Estes Park Housing Authority Board of Commissioners was called to order by Eric Blackhurst at 8:30 am in Room 203 of the Municipal Building of the Town of Estes Park.

PUBLIC COMMENTS

No members of the public in attendance.

APPROVAL OF MINUTES

Minutes of the January 8, 2014 meeting were approved as submitted with no objections by Eric Blackhurst.

FINANCIALS:

4th Quarter 2013 Highlights:

1. Estes Park Housing Authority: Annual contribution, received \$111,000 from Town of Estes Park; Talons Pointe Partnership Management Fee was \$39,910 for 2012; Payment of \$100,000 made to Bank of Colorado toward Dry Gulch Land; \$5000 cash flow payment was made to The Pines.
2. Cleave Street: Rental income slightly under budget, came into year with 2 vacant units; Maintenance Fees less than budgeted; Cash flow from operations almost \$12,000, budgeted around \$2000.
3. The Pines Operations: Rental income over budget as vacancy loss is less than budgeted; Cash flow from operations \$32,000, budgeted at \$18,000. Development: Town Note balance at the end of the year \$203,464. Payment of \$100,000 was made in July; current interest rate .45%. Unit 1-1 sold in May and Bank of Colorado \$110,500 loan paid off. EPHA advanced The Pines an additional \$82,000 to pay toward the Town Note.
4. Vista Ridge: Rental Income is from unsold units, minimal expenses as this is a temporary situation; 7% Management Fee to EPHA; 1929 sold in July, unit paid \$292,828 to EPHA on notes owed. There is still a balance on interest owed to EPHA of \$144,353. Cash balance of \$46,000. Tenant has moved out will put unit on the market this spring.
5. Talons Pointe: Rental income over budget as vacancy loss is less than budgeted. Cash flow \$48,500 budgeted \$13,600.

All properties dealing with increased snow removal expenses. Auditor engagement letter signed; will begin next week. EPHA cash balance \$738,477.

COMPLEX AND DEVELOPMENT UPDATES

A. Talons Pointe

1. Occupancy and delinquency: Tice reported one vacancy at the end of January; vacancy loss at \$1576; delinquency total \$3573. Majority of delinquency is from vacated tenants, approximately \$2613 will be written off. Current vacancy is a 3 bedroom accessible unit.

B. Vista Ridge

1. Sales Update: Collinet reported a new market rate resale unit is on the market; no affordable units on the market right now. Inventory continues to be low for this style right now – good timing for our unit. Brief update from Heiser regarding the HOA: newsletter polled membership about our board position on their board and it didn't generate a whole lot of response, those that did respond said they like our presence on the board. Not looking to make any change right now.

C. The Pines

1. The Pines Sales: Collinet reported some showings; do have a resale listed at \$134,000 furnished – potential buyers looking at both units.

2. Pines Rentals

- a. Occupancy Delinquency: Tice reported zero vacancies at the end of January. Vacancy loss at \$429; had a market rate tenant move in mid January. Property is full.
- b. Kurelja held an HOA meeting last month; two homeowners showed up, parking issues were mentioned.

D. Cleave Street

1. Occupancy and delinquency: Tice reported zero vacancies, zero vacancy loss. Delinquency of \$317, tenant on promissory note paying regularly. Efficiency will open up end of the month, working through wait list.

E. Falcon Ridge

1. Contracts: Kurelja has signed contract for Aller Lingle Massey (phase 1) – application phase; signed contract Landmark Engineering – soil testing/phase 1 environmental.
2. Cornerstone Contract: The Board originally approved up to \$11,000 for predevelopment; would like approval to move ahead with full contract. It will help in the long run to proceed with development process before we are awarded tax credits; will have to do this as some point if we move forward with the development. Cornerstone’s full contract is \$95,000; would like to have them move ahead with entitlements and Town development application. Town will require transportation study that will be in addition to this contract. Items included: development process through the Town as well as construction drawings for Town, utilities, elevations, survey costs and site work. Predevelopment total was \$7,000. These costs are reimbursable through tax credits, unless development doesn’t happen. Currently expenses coming out of our reserves. Cornerstone working with Dohn for infrastructure costs.

Motion to approve contract for Cornerstone Engineering in the amount of \$95,000 made by Jack Dinsmoor; Matthew Heiser seconds the motion; passes unanimously.

3. Site Plan: Aller Lingle Massey, Russell Mills and Cornerstone discussed the elevation issues with the current site plan; cornerstone came with a different plan which may have been better for elevation, but it really wasn’t as pleasing. Architects have tried to keep a community area in the middle of the property. We have to give CHFA something close to the plan; can tweak it later just no major changes. Did add a sports court and a few minor changes; that is what we will submit. Market Study consultant is waiting for site plan. We will move ahead with a minor subdivision of the property so we don’t run into issues down the road with our investor. Will also need to look into possibility of density transfer or we may lose a few units.
4. Development Updates:
 - i. Architect: Aller Lingle Massey; Civil Engineering: Cornerstone Engineering; Contractor: Dohn Construction
 - ii. Soils test and Phase 1 environmental have been completed
 - iii. Street name: Will need to name the street that goes through the property; open to ideas.
 - iv. Affordable Housing Program Grant: Through Federal Home Bank in Topeka. Talons Pointe was awarded \$450,000. They have increased limits; anticipating \$675,000. Application due April 15th. Included letter of intent for AHP grant with tax credit application.
 - v. Met with Town Administrator Lancaster: He couldn’t commit to anything in the way of fee waivers; Town cash strapped due to flooding. Semi committed to building permit fees. Will bring formal request to Town Trustees March 11th.
 - vi. Market study findings: Findings came back showing a need for more 1 and 2 bedroom units. Changed unit mix; sixteen 1 bedrooms, twenty three 2 bedrooms and six 3 bedrooms. Waiting for finalized site plan. Serving a lot of different households; four at 30%, nine at 40%, fourteen at 50% and eighteen at 60%. Rents to range from \$355 - \$1061.
 - vii. Shuttle stop: We requested they add a stop for the seasonal shuttle; committee voted and approved request.

- viii. Budget: To receive construction budget from Dohn Friday. Total development approximately \$13 million. There is a large gap that we will have to work on. One of the items on this budget is the land. EPHA sells land back to partnership for \$1,250,000 – however in order to make this work (and assuming not a lot of help from the Town at this point) we will have to take back a note on the land, amount to be determined. Permanent debt around \$1.8 million. Tax credit consultant getting financing (permanent and construction) letters; will do RFP for permanent financing. Division of Housing softly committed to \$900,000; Tax credit equity about 8 to 9 million.
- ix. Estimated timeline:
 - 1. Tax Credit Application: March 3, 2014
 - 2. Tax Credit Award: June 1, 2014
 - 3. Phase II Scope of Work: June 1, 2014
 - 4. Project Construction begin: November 1, 2014
 - 5. Occupancy: November 1, 2015

REPORTS, UPDATES AND OTHER MISCELLANEOUS ITEMS

- A. Unit Turnover Report: Tice shared unit turnover report for the end of January along with 2013 summary. Two units at Talons Pointe and one at The Pines turned during the month.

OLD BUSINESS

- A. The Neighborhood: Town held meeting and invited all homeowners; two homeowners attended the meeting. Developer does not want to agree to homebuyer education as part of the program. The housing authority is contracted with Town for income qualifying only. When it comes to resale developer says he is not involved and the Town says they are not involved. However, housing authority has never given out applications. Town has asked if we want to revise our contract to take on additional tasks for program. Not sure about liability issues; Kurelja to speak with Attorney White. At this time, no changes have been made to program.
- B. Any additional old business: None

EXECUTIVE DIRECTOR REPORT

Kurelja to present to the Association for Responsible Development Friday regarding new development. Kurelja out next week for hearing officer training.

ANY ADDITIONAL BUSINESS

Blackhurst would like housing authority to be proactive and not reactive when it comes to new legal issues regarding marijuana at our properties; Kurelja to discuss with our attorneys and bring information back to Board. All but one of our properties has a no smoking policy.

There being no further business, Eric Blakhurst adjourned the meeting at 10:15 am

Erin Tice
Housing Operations Manager