

Date	October 15, 2014
Members Present	Matthew Heiser, CJ Jensen, Eric Blackhurst, Jack Dinsmoor
Member Absent	Sandy Good
Staff Present	Rita Kurelja, Erin Tice, Sharlet Lee
Guests Present	Christian Collinet, Paul Fishman

The October 15, 2014 meeting of the Estes Park Housing Authority Board of Commissioners was called to order by Eric Blackhurst at 8:30 am in the Town Board room of the Municipal Building of the Town of Estes Park.

PUBLIC COMMENTS

None

APPROVAL OF MINUTES

Minutes of the September 10, 2014 meeting were approved as submitted with no objections by Eric Blackhurst.

FINANCIALS:

1. 3rd Quarter 2014 Financials: Sharlet Lee from Loveland Housing Authority reviewed the highlights:
 - EPHA: Considerable Equity built in last 10 years. Will need to use cash for Falcon Ridge and potentially other projects. Received third quarter 2014 payment from Town of \$26,496, annual contribution \$105,984. Talons Pointe Partnership Management fee was \$45,468 for 2013, received in 2014, had budgeted \$29,306. EPHA has spent \$209,581 toward Falcon Ridge development.
 - Cleave Street: stable project. One vacant unit this year.
 - The Pines: Rental income over budget as vacancy loss is less than budgeted, cash flow is good. Market rate units only vacancy. Owe Town \$195,464. Payment was made to Bank of Colorado in May for \$90,031. Project carries very little debt.
 - Vista Ridge – no more financial statements since we sold last unit.
 - Talon Pointe – great project 8 vacant units all year, budgeted 15. Few write offs for the year. Rental income is on budget; Financial expense is currently over due to write offs.

Properties are all doing well. Financially Housing Authority on good solid ground.

Motion to approve 3rd quarter financials made by CJ Jensen; Matthew Heiser seconds the motion; passes unanimously with two absent.

2. Audits: LHA sent bid out for auditors. HUD doesn't have any concerns regarding long term auditors. LHA board looked at bids and wants to stay with Cutler for another 5 years; EPHA feels he has done a good job. Loveland and Lee's department deal with the auditor, easier if EPHA and LHA keep the same auditor. Lose experience every time we switch auditors.

Motion to award 5 year contract with Cutler and Associates for our audit made by Matthew Heiser; CJ Jensen seconds the motion; passes unanimously with two absent.

Tax credit audits are different. LHA board decided not to bid out for tax credit audits. The one we have right now has been doing LHAs for 10 years. Griggs, Ritter and Brash P.C. complete the tax credit audits for LHA; very reasonable and accepted by all current project investors. LHA board

chose not to bid out for tax credit auditors and continue on with current company. Lee recommends staying with current company.

Motion to retain Griggs, Ritter and Brash for tax credit audit made by Matthew Heiser; CJ Jensen seconds the motion; passes unanimously with two absent.

Kurelja – our request to the Town was \$100,000 and Town reduced again by 5%; however did make a case that we had already reduced it 6% prior to our request and we are paying \$8000 for IT services. Blackhurst thanked Town Board for their support. Kurelja will bring a new budget back to EPHA board.

EPHA received \$987 from the Northern Colorado Foundation for the Down Payment Assistance Loan Program. We have about \$30,000 available to loan.

COMPLEX AND DEVELOPMENT UPDATES

A. Talons Pointe

1. Occupancy and delinquency: Kurelja reported 1 vacancy at the end of September; vacancy loss of \$1838; delinquency high at \$5772, \$3757 from vacated tenants. Still receiving payments for some of that. Current tenants have paid all but about \$387 as of today. Have had a few vacancies, working off wait list to get those leased up.
2. Change of General Partner Update: conference call with John Hancock, not being as agreeable; however this was always the intent. John Hancock now wants LHA to stay in through 15 year compliance period. LHA would still be in it but more on the back side. Haven't seen agreement yet. Important to have all contractual agreements in writing; retain the history and agreements that have been made even if personnel changes.

B. Vista Ridge

1. Cash from Sale: Last Vista Ridge unit has been sold. Cash analysis and options: sales proceeds \$234,282; previous account balance \$41,961. Can close account and dissolve Estes Investors. Lee feels we would not need this partnership for future development. EPHA is the sole partner. Have Estes Park Development Corp if we need it. Will transfer money into EPHA account and dissolve partnership.

Motion to dissolve Estes Investors made by Matthew Heiser; CJ Jensen seconds the motion; passes unanimously with two absent.

One of our recommendations would be to pay off the Town. Unit in building 2 at The Pines is under contract, Town will receive a payment from that sale; could use cash and proceeds from Vista Ridge sale to pay Town in full. Owe Bank of Colorado approximately \$370,000 on building 3 at The Pines. Blackhurst would like to close on unit 2-8 before decision is made. Any funds remaining will assist with future needs and developments.

C. The Pines

1. The Pines Sales: Collinet reported model unit under contract. Only upper, back unit on the market. To close end of October.

Dinsmoor joined the meeting at 9:10 am

2. Pines Rentals:
 - a. Occupancy Delinquency: Kurelja reported zero vacancy and zero delinquency. Tenant in building 3 moving out mid November; this will become our new model unit.

- b. Painting update: exterior painting is complete and looks great. Company did a great job, finished three weeks earlier than expected. Few other items will need to be addressed, parking lot being one of them. Looking at first of year for some larger projects. Also, we will probably need to build a chain link dumpster enclosure. Bears have been a major issue. Dinsmoor suggested an electrified mat as an alternative. Also, there is an area of cement around the clubhouse that needs some attention.

D. Cleave Street

- 1. Occupancy and delinquency: Kurelja reported zero vacancy and zero delinquency. Property will become non-smoking as of January 1, 2015.

E. Falcon Ridge

- 1. Development Updates:

- a) Entitlement Process:

- Planning Commission review on October 21st. New design with 48 units, moved buildings, had to off-set road. Project endorsed by Community Development staff.
- Fee Waivers and amended plat to Town Board on November 25th

- b) Funding:

- Will be requesting additional tax credits for 3 units; can't do this till fully designed.
- Have signed a letter of intent with:
 - a. Wells Fargo for Construction Loan 2.6%
 - b. CHFA for Permanent Loan, put out to bid and received 4 or 5 different proposals; CHFA best interest rate 4.75% for 30 yr., with minimal fees.
 - c. Wells Fargo for Tax Credit equity, signed yesterday, will begin biweekly phone calls to hash out agreement. Met Wells Fargo representatives at Housing Colorado NOW annual conference.

- c) Lot 4 loan with Bank of Colorado

- Will be extending until June 2015

- d) Still hoping for a February or March Partnership closing; at that point EPFA will be reimbursed for expenses so far.

- e) Board may want to consider making the entire property non-smoking.

REPORTS, UPDATES AND OTHER MISCELLANEOUS ITEMS

- A. Unit Turnover Report: Tice reported three turned units at Talons Pointe are now occupied; one vacant as of the end of September; three additional units have been vacated so far in October.

OLD BUSINESS

- A. Any additional old business:

EXECUTIVE DIRECTOR REPORT

- Brief report from Housing NOW: good conference, enjoyed the sessions; met the Wells Fargo representatives.
- Employee manual: Reviewing LHA's and updating EPFA's manual.
- Health insurance: Town is making major changes to health insurance, no details as of yet.
- Kurelja to attend joint meeting today with Planning Commission and County Commissioners.

- EPHA website has been updated.
- Section 8 wait list: Currently closed; Tice purged the list this summer and has been working on leasing some vouchers; may look at opening the wait list first of the year.
- Snow removal contract: sent out RFPs, in negotiations with new company.
- Kurelja on agenda for Town Board October 28th housing discussion; and then again November 25th for Falcon Ridge fee waivers.

ANY ADDITIONAL BUSINESS

Blackhurst reported that the Estes Park Board of REALTORS will be holding a Housing Expo November 11, 2014.

Kurelja and Blackhurst met with a local employer who imports a number of workers; discussed alternatives for seasonal housing.

There being no further business, Eric Blackhurst adjourned the meeting at 9:52 a.m.

Erin Tice
Housing Operations Manager