

YAMPA VALLEY HOUSING AUTHORITY BOARD MEETING
November 13, 2014

Kathi Meyer, Yampa Valley Housing Authority Board President, called the regular monthly meeting of the Yampa Valley Housing Authority to order at 12:00 p.m.

Board members present included: Catherine Carson, Johnny Sawyer, Scott Myller, John Spezia, Rich Lowe and Trish Sullivan. Board members Kristi Brown and Doug Monger were absent.

Others present included: Scott Ford, City Council; Byrne Powers, resident of Fish Creek Mobile Home Park; Emily Conjura, Leadership Steamboat; and Jason Peasley, Yampa Valley Housing Authority Executive Director. Sarah Katherman recorded the meeting and prepared the minutes.

EN RE: PUBLIC COMMENT

There was no general public comment.

EN RE: PUBLIC HEARING – FISH CREEK INFRASTRUCTURE PROJECT

Jason reviewed the history of the project to replace the drinking water and sewer utilities at Fish Creek Mobile Home Park. He noted that the project has been in the works for many years. He stated that this public hearing is a requirement of the grants and loans from the Colorado Water Resources and Power Development Authority (Water and Power Authority) that will be used to fund the project. The public hearing is intended to inform the local community of the project and to solicit comments regarding the project from the public.

Jason stated that the preliminary engineering reports and the alternatives for addressing the problem had been reviewed by the State. He stated that the project would involve abandoning the existing water and sewer lines that run under the trailers and replacing them with new lines that run under the streets. He said that the project would be completed in conjunction with the project being done by the City to replace the sewer interceptor that runs through the park. Jason noted that this is a major project that will cause disruptions for the residents of the park, but that every attempt will be made to minimize the impacts of the construction. He stated that he and Fish Creek Mobile Home Park manager Kate Totos, along with an interpreter, had met with a large percentage of the residents, who had asked questions and expressed their concerns. He offered that there was a general understanding among residents that the benefits of the project justify the short-term inconvenience.

Jason contacted project engineer Garrett Lingreen of Drexel Barrell and Company via speaker phone. Mr. Byrne Powers, a resident of the park, asked if the engineers were aware of the other issues in the park, such as drainage, that should be fixed. Mr. Lingreen stated that they were, and that the drainage would be addressed when the asphalt was replaced as part of the project.

Jason reviewed the status of the financing, which should be completed in December. He said that he, Kathi, Doug and Garrett would be travelling to Denver tomorrow to meet with representatives of the State to ensure that every aspect of the project will be in compliance with the requirements of the loans and grants. Jason stated that the bidding process would be completed over the winter with construction to begin in the summer of 2015. He stated that the YVHA would conduct its own bidding process, but that it would occur in conjunction with the City's bidding process for the sewer interceptor.

Johnny asked who would serve as the project manager. Jason said that the issue of project management would be discussed with the State. He said that he anticipates that there will be engineering oversight throughout.

He noted that he and Garrett had prepared a document for tomorrow's meeting addressing the issues that had been raised regarding the bid package, compliance monitoring, etc.

In response to a question from Mr. Powers, Jason said that there would be a contact person on site throughout the project to address daily concerns. He emphasized the importance of advance communication and planning to allow residents to prepare for disruptions and access difficulties.

MOTION

Seeing no further public comment, John moved to close the public hearing. Rich seconded. **The motion carried unanimously.**

Kathi suggested moving on to the staffs report until 12:35, when the public hearing on the budget is scheduled to start.

EN RE: STAFF REPORTS

Fish Creek Mobile Home Park

Jason reviewed the he, Kathi, Doug and Garrett would be travelling to Denver tomorrow to meet with the State regarding the infrastructure project.

Fox Creek Village

Jason reported that the question regarding rental policy for Fox Creek remains unresolved. He suggested that the YVHA Board should decide when it would address this issue, acknowledging that it will be difficult problem to solve given the mixed opinions among Fox Creek owners. Following discussion, the Board decided to include the Fox Creek rental policy on the January agenda.

City Housing Policy

Jason stated that he had been working with City Planning Director Tyler Gibbs and members of the development community to determine the obstacles to private developer-built affordable housing, noting that six months remain in the current moratorium. He said that they are trying to identify where in the market spectrum there are gaps in the existing inventory. He suggested that future City Housing Policy could be directed at filling these gaps. He stated that rather than one major obstacle, it seems that it is a multitude of small ones that prevent the construction of affordable housing. Jason noted that the cost of land is a less significant obstacle than they had thought, and that construction costs are the most significant issue.

Jason offered that using the Low Income Tax Credit program may be a viable funding source for low-income rental properties, but that affordable sales properties will require more creative solutions. There was a discussion of how best to evaluate demand. Scott Ford suggested that Yampa Valley Data Partners could supply useful numbers. He added that supporting low cost housing could inadvertently subsidize lower wages.

EN RE: PUBLIC HEARING – 2015 YVHA BUDGET

Kathi stated that the YVHA Board had held two previous work sessions on the 2015 budget. Jason provided a brief overview of the budget. He noted that the 2015 budget includes increased revenue from sources other than the City and County, while the contributions from the City and County have decreased. The contributions from the City and County accounted for 81% of revenues in 2014 and are projected to account for 65% in 2015. Expenses in the general fund have also decreased. Jason noted that the Hillside Village management fee had been increased. These funds will be used to remodel units and replace staircases. Jason

also noted that approximately \$1,000,000 in grants and no-interest loans will be used to finance the infrastructure project. He stated that the renegotiation of the loans with City and Alpine Bank will create a healthy cash flow to repay the loans used to fund the infrastructure project and to build reserves.

Jason noted that the Home Store (formerly the ReStore) to be acquired from Habitat for Humanity is included in the 2015 budget. The Home Store is expected to break even this year. Jason stated that the Down Payment Assistance Fund has sufficient funds to support any new loan requests, but noted that there has been little interest in this program.

In response to a question from Mr. Powers, Jason said that the budget was available to the public and would be posted on the website.

Seeing no further comment, Kathi closed public comment. Kathi stated that the budget would be adopted at the December YVHA hearing.

EN RE: RESOLUTION 2014-008 – TRANSFER OF ASSETS AND LIABILITIES FROM HABITAT FOR HUMANITY

Kathi stepped down from the Board for the consideration of this item.

Rich stated that the proposed resolution would authorize the YVHA President to execute an asset and liability transfer agreement with Routt County Habitat for Humanity. He stated that those assets and liabilities include the Home Store and a portfolio of loans.

Catherine asked about the timeline for the process. She also asked about the arrangements regarding insurance and the disposal of the items in the storage sheds. Jason said that once the transfer agreement has been executed, the next tasks will be the assignment of the mortgages and the lease, the disposal of the items in the storage units, the transfer of the insurance and titles and the re-hiring of the employees under YVHA. These tasks will all be accomplished by the end of the year in preparation for starting these new operations on January 1st.

MOTION

John moved to approve Resolution 2014-008 authorizing the President of YVHA to execute an asset and liability transfer agreement with Routt County Habitat for Humanity. Trish seconded the motion. **The motion carried unanimously.**

Kathi rejoined the meeting.

EN RE: ELK RIVER VILLAGE PROPERTY – RFP

Jason reviewed that Overland Property Group had made a presentation at the last meeting on the use of tax credits to fund the development of rental units on the Elk River Village parcel. He reported that following that presentation the Executive Committee had met and decided that, in the interest of proper due diligence and finding the best deal possible, YVHA should solicit proposals from other developers that might be interested in such a project. He reviewed the draft Request of Proposals (RFP).

John asked whether the proposed deadline of December 5, 2014 for proposal submissions would allow developers enough time to thoroughly evaluate the situation and prepare their proposals. Kathi stated that the

deadline could be extended, but noted that the budget must be approved by December 31st. If the money is appropriated through the budget for the lease purchase payment on the property that money is committed for the entire year.

Trish asked how the RFP would be publicized. Jason said that the RFP would be sent directly to tax credit developers that have previously worked with CHFA. It will also be posted in the local paper and on the YVHA website.

John asked how Overland would react to the RFP, given the amount of time and work they had devoted to their proposal. Jason said that he had discussed the RFP with Matt from Overland, who understood that going through an RFP process would be appropriate. Jason stated that none of Overland's information would be shared with other developers. He added that comparing competing proposals would create more confidence in the project and would provide YVHA with information regarding the fee structure. Jason said that tax credit applications must be submitted to the CHFA in March. Kathi stated that CHFA is considering moving to one granting cycle per year with a May 1st deadline. She added that there will also be a special round for the buildings affected by last year's flooding on the Front Range, which may mean that there is less money available next year. Following a discussion of the timing, the Board decided to extend the submission deadline to December 19th. Jason said that he would send the RFP early next week.

In response to a question from Catherine, Jason said that the RFP was based on the template used by the City. He said that the developer would be provided with the existing conditions plan, the soils report and the site layout. He said that the zoning, general development and "entry corridor" standards as well as information regarding the plan to upgrade the CR 129/US 40 intersection would also be provided.

Scott offered that in issuing the RFP, YVHA is effectively deciding to commit the \$50,000 to the lease purchase agreement. Jason offered that it is important to YVHA and the community to thoroughly explore the options for development of this property before deciding to walk away. He said that a final decision regarding the appropriation would have to be made at the December meeting when the budget is approved.

MOTION

Scott moved to authorize Jason to issue the RFP for tax credit development on the Elk River Village property with a submission deadline of December 19, 2014. Trish seconded the motion. **The motion carried unanimously.**

EN RE: EMPLOYEE PERFORMANCE BONUSES DISCUSSION

Kathi stated that following the approval of an increase in the total budget for compensation of 4% for 2015 the Executive Committee had discussed awarding one-time, performance based bonuses for 2014. She reviewed the accomplishments of 2014 and the cost savings that were the direct result of the actions of the employees. Kathi noted that there had been a 35% turn over in tenants at Hillside Village but that the vacancy loss for the year was 30% (\$9,000) less than budgeted. She also stated that Kate had taken over the management of Fish Creek Mobile Home Park and reduced the aging accounts from \$25,000 to \$13,000 as of October. All past due tenants are now on payment plans. Kathi said that the Executive Committee recommends awarding \$1,000 bonuses to Kate and Scott for 2014. This money would be taken out of the payroll line of the general fund. Kathi noted that while this line would be over-budget for the year, the bottom line will show significant cost savings.

MOTION

Johnny moved to approve year-end bonuses of \$1,000 each to Kate Totos and Scott Graves. John seconded the motion. **The motion carried unanimously.**

Kathi reviewed the performance of Jason, who has been in his position for just over two years. She noted that Jason had successfully managed the refinancing of Fish Creek Mobile Home Park, for a savings of approximately \$45,000 annually, and with Doug's encouragement, had successfully secured grants and zero-interest loans to finance the infrastructure replacement project. She stated that the Executive Committee recommends a one-time \$2000 bonus in recognition of Jason's accomplishments in 2014.

MOTION

Scott moved to approve a one-time year-end bonus of \$2000 for Jason Peasley. Trish seconded the motion. Under discussion, Rich also commended Jason's efforts in renegotiating the Elk River Village property loan. Catherine added that the financial statements are cleaner and more accurate than ever. **The motion carried unanimously.**

EN RE: CONSENT AGENDA

The following items were presented on the consent agenda:

- a. Review and approval of October 8, 2014 and September 29, 2014 minutes
- b. Review and approval of September 2014 financial statements

MOTION

Catherine moved to approve the consent agenda. Rich seconded the motion. **The motion carried unanimously.**

EN RE: STAFF REPORTS (CONTINUED)

Hillside Village Apartments

Jason reported that the Hillside Village Committee had met. He said that the inspections of the facility had been completed and that the quality of many of the units has improved. He noted that the tenant up-keep of units has also improved. Jason said that they are working on a fire-safety education program at Hillside.

Fish Creek Mobile Home Park

Jason reiterated that he and Kate had held an informational meeting regarding the infrastructure project at Fish Creek. He added that an interpreter had been utilized to connect with the Spanish-speaking tenants. He stated that Kate continues to work with tenants on aging accounts and payment plans, and has helped some tenants deal with issues such as sheds that are too close to units.

Catherine asked if the proportion of rentals at Fish Creek has increased, noting that the mobile home park is supposed to be owner-occupied. Jason said that Kate has addressed this issue with some tenants.

EN RE: UPCOMING COMMITTEE MEETINGS

Jason said that he would be away for Thanksgiving week. The Executive Committee has been rescheduled to December 2, 2014 at 12:00.

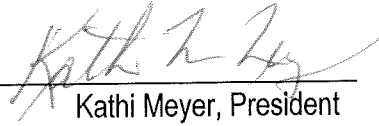
EN RE: ADJOURNMENT

Scott moved to adjourn the regular meeting of the Housing Authority. Trish seconded; the motion carried unanimously. The meeting was adjourned at 1:40 p.m.

No further business coming before the Board, same adjourned sine die.



Sarah Katherman, Minute Taker



Kathi Meyer, President