

YAMPA VALLEY HOUSING AUTHORITY BOARD MEETING
July 10, 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, Rich Lowe, Johnny Sawyer, Trish Sullivan and Doug Monger. Board members Kristi Brown, Scott Myller, John Spezia and Patrick Welsh were absent.

Others present included: Jason Peasley, Yampa Valley Housing Authority Executive Director and City Council Member Scott Ford. Sarah Katherman recorded the meeting and prepared the minutes.

EN RE: PUBLIC COMMENT

There was no public comment.

EN RE: 2014 UPDATE TO THE YVHA STRATEGIC PLAN

Jason stated that unlike the last review of the plan, which was mostly a reaffirmation of the existing plan, he would like to do a more thorough update at this time. He noted that the activities of the YVHA could be divided into two types: those that directly affect people in the community, such as managing properties and updating the infrastructure and those that concern the internal operations of the organization, such as working toward financial sustainability, public relations and recruiting new members to the Board. Jason reviewed the proposed task list for achieving the goals of the plan.

Catherine proposed some changes to the wording of the mission statement, replacing "implementing" with "advocating and advancing." Regarding the executive summary, she recommended changing "work with the City" to "partner with the City." She offered that these changes would clarify that the role of YVHA is the advancement rather than the development of affordable housing. On the task list, Catherine proposed changing "create" to "advance new affordable housing" and adding "and partnerships" to "establish development team." She also proposed adding "and opportunities" under Housing Policy and Organizational Visibility. Catherine also suggested that YVHA should increase its cooperation with the Human Resources Coalition and look for ways to improve the safety of the mobile homes in the Fish Creek Mobile Home Park.

Kathi expressed concern with the last suggestion, noting that getting involved in privately owned structures would have consequences for the organization's insurance and would involve a lot of responsibilities that are inappropriate for YVHA. She reviewed the difficulties Habitat for Humanity had encountered in a similar program. Kathi added, however, that assistance could be provided for homeowners interested in making their own repairs and incentives could be provided to encourage such improvements. Catherine stated that the tenant management program and clean-up efforts would also go a long way toward encouraging a neighborhood environment within the mobile home park.

Rich suggested that the strategic plan should include the effort use metrics such as AMI to identify the target market/audience for the organization's efforts and to establish specific, measurable goals. He stated that without knowing the scale of the problem it would difficult for YVHA to know if it is meeting its goals and addressing the needs of the community. Catherine stated that this had been the goal behind establishing the database. Jason said that YVHA has traditionally identified those at 60% of AMI as appropriate candidates for its rental properties and those between 60% and 120% of AMI for ownership properties. He said that there is wide variability in opinion

regarding whether there is a housing problem or unfilled housing need in this community, and if so how to define it. He offered that everyone needs to be on the same page regarding what the organization is working towards.

Scott Ford discussed the recent City-sponsored Housing Forum and stated that one speaker had proposed categorizing housing as affordable, attainable or "non-starters." He said that in Summit County the focus has shifted toward preserving community character. He noted that community character can be defined in a number of ways including commute times, ownership share and income distribution, but cautioned against using household income as it does not cover multiple un-related people living in a single housing unit. Scott said that Yampa Valley Data Partners could help. He suggested establishing a simple metric and measuring the community against other similar communities along that metric. Catherine suggested partnering with the City is the best way to define community character. In response to a question from Johnny regarding the database, Jason said that it primarily tracks rental rates but does not serve as a useful source of general information regarding the housing market. He said that making a fully functional housing database would involve a massive amount of data entry. He said that looking for gaps in types of available housing stocks might provide insight into what is needed in the community. Rich stated that such gaps represent opportunities and would be filled by private developers. Catherine offered that the data for the community are skewed by the large number of second home owners.

Regarding her suggested modifications to the strategic plan materials included in the packet, Catherine explained that her goal was to emphasize partnerships with the City, developers and other entities and to employ the language of advancement and advocacy rather than the language of development. There was general agreement with this approach. Rich commended the inclusion of the goal of financial sustainability. Jason said that he would work on a revised draft of the strategic plan to present to the Board at the next YVHA meeting along with a resolution for adoption.

EN RE: UPDATE ON THE FISH CREEK INFRASTRUCTURE AND REFINANCING PROJECT

Jason stated that the funding application for the drinking water portion of the project had been submitted. A report from the state on its review of the application will be available at the end of July, with the final decision on funding to be made at the Water & Power Authority Board meeting in August. Jason noted that a few changes to the Preliminary Engineering Report will be needed to meet the requirements of the Water & Power Authority. Jason added that the best opportunity for grant funding is for the water portion of the project. The pool of grant funds for the sewer project is smaller. Doug said that letters of support for the application from the City and County would be helpful. A letter from the Chamber might also be helpful. Doug noted that the ranking of the project for grant funding is strictly quantitative.

Jason reported that the commercial appraisal of the Fish Creek Mobile Home Park came in at \$3.8 million, which is very favorable for the refinancing through Alpine Bank. The cost of the appraisal was \$5,000. Jason said that the next step in the process would be the production of documents, assuming that the City agrees to amend its loan agreement. He stated that City Council is scheduled to review and vote on the amendment at its 7/15/14 hearing. He reviewed the plan to present the history of the issue, to clarify the proposed solution, and to answer some outstanding questions regarding collateralization. In response to a question from Catherine, Jason said that under the proposed agreement the City would be in a subordinate position to the Water & Power Authority and Alpine Bank. Doug noted that the financing from the Water & Power Authority is based on the revenue the property generates; it has no equity in the property itself.

Scott said that City Council was confused by the complexity of the proposal when it was first presented. Rich summarized that if this deal cannot be accomplished, the balloon payments will come due in about two years and the City will not be repaid at all. Kathi added that under the proposal everyone gets paid through the cash flow from rents, and the much-needed infrastructure project gets completed. She offered that at the previous City

Council hearing the discussion had been derailed by a legal question that did not allow the big picture of the proposal to be clearly presented.

EN RE: CONSENT AGENDA

The following items were presented on the consent agenda:

- a. Review and approval of June 12, 2014 minutes
- b. Review and approval of May 2014 financial statements

Catherine requested to remove the minutes from the consent agenda.

MOTION

Trish moved to approve the May 2014 financial statements. Johnny seconded; **the motion carried unanimously.**

Regarding the minutes, Catherine stated that the second to last sentence in the 2nd paragraph under the financial outlook discussion on page 3 should read, "Catherine suggested that opportunities and partnerships for rental units on the Elk River Village property should be reconsidered."

MOTION

Doug moved to approve the minutes of the June 12, 2014 YVHA meeting as amended. Rich seconded; **the motion carried unanimously.**

EN RE: STAFF REPORT

Hillside Village & Fish Creek

Jason referred to Kate's memo on both properties and noted that the remodel of one unit in Hillside Village has been completed.

Down Payment Loan Program

Jason reported that he had attended an MLS meeting and had pitched the DPA program. He said that in cooperation with a lender and a realtor, he would be organizing some lunch meetings with employers in town regarding homebuyer education.

City Housing Policy

Jason stated that the goal is for the leadership in the community to accept that there is a problem and move toward a solution. He offered that the political leadership represented at the Housing Forum had mixed opinions regarding whether there is a problem.

Future Discussions

Jason asked what topics the Board would like to discuss in the upcoming meetings. Kathi reviewed the schedule for budget discussions and suggested that the Elk River Village property discussion should be held prior to the budget discussions. Jason added that information was also needed regarding the funding commitments from the City and County prior to the budget discussion. He said that the request to the County had been submitted. Catherine stated that the Sierra View loan should be restructured before the end of the year. Kathi said that he and Jason would discuss the issue with the bank. Jason asked if further due diligence on the Elk River Village property was needed before a decision could be made. The Board agreed that another attempt should be made to attract a tax credit developer for the property. Rich asked if it would be useful to go back to Drake. Jason

said that he had received a call from Drake recently and would find out if they were interested in making a serious offer. Jason added that another option might be a short sale.

Other

Catherine asked if it would be appropriate to convert some of the problem aging accounts at Fish Creek into actual notes receivable. Jason said that Kate has not yet told him that any accounts have reached that point. Doug suggested that pursuing a discount to payout option might be appropriate. He agreed that if there is an opportunity to take some of these accounts off the books, it should be pursued.

EN RE: UPCOMING COMMITTEE MEETINGS

Kathi reviewed the upcoming meetings. Doug expressed concern with the lack of attendance at Board meetings. Catherine suggested that members of the Habitat for Humanity Board should be asked to join YVHA.

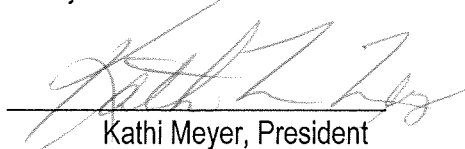
EN RE: ADJOURNMENT

Rich moved to adjourn the regular meeting of the Housing Authority. Catherine seconded; the motion carried unanimously. The meeting was adjourned at 1:30 p.m.

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



Sarah Katherman, Minute Taker



Kathi Meyer, President