

YAMPA VALLEY HOUSING AUTHORITY BOARD MEETING

June 11, 2015

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: Kathi Meyer, Catherine Carson, Doug Monger, Scott Myller, Roger Ashton, John Spezia, Dillon Fulcher, John St. Pierre, Craig Melchow and Cole Hewitt. Trish Sullivan was absent.

Others present included: Jason Peasley, Yampa Valley Housing Authority Executive Director; and JoAnn Baker Paul. Sarah Katherman recorded the meeting and prepared the minutes.

EN RE: PUBLIC COMMENT

There was no public comment

EN RE: UNCOLLECTABLE BALANCE WRITE-OFF POLICY

Jason stated that the document included in the packet reflects the revisions to the policy discussed at the last meeting. Doug said that he was fine with the revised policy. The Board agreed.

MOTION

Doug moved to approve the uncollectable balance write-off policy, as written. John St. Pierre seconded the motion. Under discussion, Roger noted that the amounts listed in the policy should be amended to say "up to \$100" and "over \$100." This amendment was accepted. In response to a question from John St. Pierre, Catherine and Doug reviewed the history of the issue. **The motion carried unanimously.**

EN RE: RESOLUTION 2015-007: SIERRA VIEW LOAN RESTRUCTURING

Kathi stated that the resolution would authorize the president and secretary to sign the restructured loan documents. She said that Bob is reviewing the documents to ensure TABOR compliance. She noted that Jason had discussed the low market estimate of the property that was reviewed at the last meeting and the recent comparable sale with representatives at the bank, who agreed to a favorable re-evaluation. This change will mean that the loan will not involve any principal payback. The Board commended Jason. Kathi stated that the agreement will be for the one-year loan to be renewed annually for five years at the same rate. Regarding the possible sale of the property, Kathi offered that the future of the property will be discussed after it is known if YVHA will be awarded the tax credits to allow for the development of the Elk River Village property.

MOTION

Scott moved to approve Resolution 2015-007 as presented to authorize the YVHA Board President and Secretary to execute documents necessary to restructure the loan on Sierra View Subdivision Lots 17 & 18. Catherine seconded the motion. **The motion carried unanimously.**

EN RE: FOX CREEK VILLAGE RENTAL RESTRICTIONS

Jason summarized that the Fox Creek Homeowners' Association (HOA) had established a fine system and believes that they have the authority to enforce the rental restrictions. He offered that the HOA rules offer a mechanism through which the YVHA might work with the HOA to enforce the deed restriction. He noted that the only remedy available to YVHA is a forced sale. Jason stated that the fine system offers the opportunity for an interim compliance step. Doug suggested that YVHA must establish a process and define the circumstances under which it would pursue a forced sale. Catherine agreed. Jason added that the process through which rentals are approved should also be discussed. He reviewed the process outlined in the fact packet. He asked how YVHA should deal with owners who are currently renting their units.

Craig said that Michelle Matthews of Central Park Management told him that letters have been sent to five owners who are currently renting. He noted that each of the five situations is different. Kathi added that she and Jason had received two phone calls. Catherine suggested that YVHA should also clarify the policy and procedure for rental period extension requests. She noted that although units that have been previously foreclosed upon cannot be rented under the HOA policy, YVHA has no ability to force a sale of these units.

In response to a question from John Spezia, Jason said that all issues aside from the term of the lease and the qualification of the renter are to be handled by the HOA. If renting extends beyond the allowed one-year period, the owners could ask for a hardship extension, they can move back in, or the HOA (through the property manager) will begin to levy fines.

John St. Pierre asked what it would take for YVHA to get out of Fox Creek entirely. Kathi stated that the development was supported by grants that require that 20 of the 30 units remain deed restricted. Jason clarified that the only person that YVHA will deal with is the owner. He stated that the goal for Fox Creek was to create an owner-occupied community, with some flexibility for extraordinary circumstances.

Kathi stated that the question is when to start the one-year clock. Jason reviewed the process that would begin, once the date is set. The HOA will monitor the lease period and issue warnings. Roger suggested that a common application could be submitted to the HOA, with YVHA checking off only on the renter qualification. In response to a question from Scott, Cole offered that the forced sale would serve as the "anvil" beyond the "hammer" of the fines imposed by the HOA. Jason stressed that a sale would be forced only in extreme circumstances. Catherine suggested that YVHA have Bob review the letter of understanding from the HOA. Cole stressed that the HOA should be pressed to take on as much responsibility as possible.

Craig said that Ms. Matthews had suggested either September or October 1 as start date. Jason asked how current owners currently renting should be handled. He offered that anything that has happened before the start date could be disregarded. Catherine suggested that the HOA should be consulted regarding the transition policy. Cole agreed that the responsibility for dealing with the transition should be on the HOA, with YVHA's support. Dillon agreed, but suggested that YVHA could send out letters to those currently leasing, informing them that they have 30 days to submit their current lease to YVHA. Those owners could then be allowed 30 days or until the end of the lease to correct the situation. Cole stated that this would amount to micro-managing. He added that until YVHA is in the position of approving a lease and a renter, it can't begin its one year in five policy.

Kathi recommended that this item be revisited next month. Roger and Craig will consult with the HOA on the transition policy.

JoAnn Baker Paul suggested that since there are only five units being rented, the YVHA should review the leases, as well as consult with the HOA.

EN RE: YVHA HOME STORE

Kathi stated that the lease on the Home Store is up in August. She said that the store is not making money and asked if it would be preferable to turn the operation over to another non-profit or someone else who is better able to manage it. She reviewed that Habitat for Humanity had intended for the store to provide a service as well as for its profits to help to cover the organization's administrative costs. She offered that when assigned to YVHA, the hope was that the store's revenues could reduce the reliance of YVHA on the City and County.

Roger reported on a mystery shopping trip to the store. He suggested that the store looks better than it has in the past, but is short staffed and that the prices were too low to cover costs. Jason offered that YVHA must

decide if it is worth the time and effort to improve the store. Dillon suggested that since the store is not within the core mission of YVHA and is losing money, it is a drain on the organization and should be turned over to another organization. The Board agreed that working on the store would not be the best use of Jason's time. Jason will speak to other organizations that might be interested in taking over the Home Store.

EN RE: CONSENT AGENDA

The following items were presented on the consent agenda:

- a. Review and approval of May 14, 2015 minutes
- b. Review and approval of balance write-offs for April 2015
- c. Review and approval of April 2015 financial statements

MOTION

Cole moved to approve the consent agenda, as presented. John Spezia seconded the motion. **The motion carried unanimously.**

EN RE: STAFF REPORTS

Hillside Village Apartments

Jason reported that Kate had just received payment from the one tenant with the large outstanding balance, and that account is now up to date. He added that garden is up and running, that they are doing some repair work to the sidewalks and installing a French drain.

Fish Creek Mobile Home Park

Jason stated that a pre-construction meeting with all stakeholders would be held next week, with construction scheduled to begin July 13. He said that a system will be set up through which invoices will be paid directly without YVHA having to float the funds. Doug stated that a YVHA Board member should attend this meeting. He offered to attend, with Kathi or Scott as back-up. Jason said that before construction begins, a meeting with the tenants will be held. Connell is working on developing a tenant communication plan.

Kathi said that a supplemental budget will be needed to address the increased loan amount. She added that in order to ensure that the Board is informed of how the project is going and to allow for proper oversight, Jason had proposed issuing weekly updates. This will allow special meetings to be set up if issues arise.

Elk River Village Property

Jason said that the presentation before CHFA would be on July 14. He reviewed the preparations being done for this. The decision will be announced in August. He added that he would be attending a housing tax credit summit in Denver next week.

City Housing Policy

Jason reported that there had been little progress on this issue. He stated that he is reluctant to get too involved without the authority to do so. He offered that policy leadership must come from City Council. There was discussion of the role of outlying communities, with Steamboat as the driver of the problem. Several of the new Board members agreed that a general discussion of the goals of YVHA, its history and its strategic plan would be welcome. Jason stated that reviewing the strategic plan in July and August would be appropriate.

There was a discussion of the lack of urgency on the part of the City regarding its housing policy. Scott suggested that if the number of units required of a project were increased and if those developers who do provide affordable housing would be exempted from the fees, he would support a reinstatement of the community housing

ordinance. Doug reported that the County had done a nexus analysis of the impacts of development and had determined that the amount that could be generated to address the problem was not worth the trouble.

EN RE: ADJOURNMENT

MOTION

Roger moved to adjourn the regular meeting of the Housing Authority. Craig seconded; the motion carried unanimously. The meeting was adjourned at 1:50 p.m.

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



Sarah Katherman, Minute Taker



Kathi Meyer, President