

May Board of Commissioners' Rescheduled Regular Meeting Minutes

Grand Junction Housing Authority ("GJHA")

8 Foresight Circle, Grand Junction, CO 81505

May 16, 2024 at 5:00 p.m.

1. Call to Order and Roll Call

GJHA's May Board of Commissioners Regular Meeting rescheduled to May 16, 2024, was called to order at 5:04 p.m. by Rich Krohn, Board Chair. Attendance was taken by roll call with the following present:

Board of Commissioners:

Rich Krohn, Chair
Bernie Buescher, Vice Chair
John Howe
Bill Johnson
Ivan Geer (Virtually)
Leora Ruzin (Virtually)

GJHA Staff:

Scott Aker, COO
Sheila Brubacher, Controller
Jill Norris, General Counsel
Krista Ubersox, Asset Manager
Ashleigh O'Leary, HR Director
Kevin Sperle, IT Supervisor (Virtually)
Kate Schaneman, Business Operations Assistant

2. Disclosure of Direct or Indirect Conflict of Interest

John Howe stated that he would abstain from Item 7, regarding Monument Business Center because his law firm represents the tenant, Community Hospital. Bernie Buescher stated that he will be working with Mind Springs and the hospital's financial situation, and since GJHA manages one of their properties, he thought he should disclose his involvement. Rich Krohn reminded the Board and staff that when conflicts of interest are disclosed, per the bylaws, a written notice is required and they are to be submitted to Jill Norris, General Counsel of GJHA.

3. Consent Agenda

The Consent Agenda consisted of:

- The approval of the Minutes of the November 7, 2023, Special Meeting of the GJHA Board of Commissioners,
- The approval of the Minutes of the November 14, 2023, Special Meeting of the GJHA Board of Commissioners,
- The approval of Minutes of the December 21, 2023, Special Meeting of the GJHA Board of Commissioners

There was no discussion regarding these items. With a motion by Bernie Buescher, a second by John Howe and a unanimous vote, the Consent Agenda was approved.

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4. Finance Committee Report

Bernie Buescher began by giving an overview of what was covered at the most recent Finance and Audit Committee Meeting. He stated that GJHA's cash balances were in good shape. Bernie further highlighted that operating revenues were \$8,000 above budget but that bad debt write offs were approximately \$300,000 above budget. Operating expenses were favorable to budget by \$218,000. GJHA received a \$13,000 dividend from Pinnacol Insurance for workers compensation insurance. Past dues and write-offs were reviewed, along with the cash reserve projections that are adequate at this time.

Sheila Brubacher explained the bad debt write offs and how Krista Ubersox had been reviewing them monthly rather than quarterly. In the first quarter, the GJHA properties wrote off \$62,730, and the Tax Credit properties wrote off \$23,551 for a total of \$86,281. Krista Ubersox added that the process of handling two of the meth units from 2023 are finally coming to an end, including all the legal work, remediation and reconstruction. These bad debt write-offs are now being written off monthly in order to capture things more quickly and to keep numbers up to date. Krista Ubersox stated that soon she would present to the Board a comparison of these numbers to where GJHA was last year.

The only increases in past due rents were at Arbor Vista and Little Bookcliff. Overall, GJHA's outstanding rent decreased by \$31,946 over the first quarter. The Properties Team dedicated themselves to contacting tenants monthly to assist tenants in staying on top of those balances. Sometimes people don't know they are behind, but they want to stay up to date. When someone does fall behind, a statement is sent to them that shows them their balance on their account and tells them to contact GJHA to discuss a repayment agreement. If the tenant does not contact GJHA or make any payments and becomes two months behind in rent, the tenant receives a violation letter. By month three if GJHA is not contacted or does not receive any payments, the tenant receives a demand for compliance and the legal process begins. While this happens, GJHA offers repayment agreements and resources along the way.

Sheila Brubacher shared the occupancy report. The only property where vacancy was shown to be over 5% was at Linden Pointe which was mostly due to the SWAT units. The total overall annual occupancy was 98.61%.

Sheila Brubacher shared that over the first quarter, the upgraded GJHA website was rolled out as well as the new Doors 2 Success website. A new website for The Current was also activated. The Properties team has begun to use the electronic file system, FileVision, which has been used by the Voucher team for several years.

Shelia also shared that the Tax Credit and GJHA audits came back clean. The draft of the GJHA audit will be received by staff by the end of the week.

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GJHA had four promotions, three new hires and two terminations in the first quarter, which fully staffed the Vouchers and Maintenance Departments.

Bernie Buescher made a motion to accept the Finance and Audit Committee Report which was seconded by John Howe. After a voice vote, the motion was unanimously approved.

5. Supportive Services Program Update

Scott Aker explained that effective January 1, 2025, GJHA's Supportive Services funding streams would be reduced. GJHA's Family Supportive Services would feel the most impact. GJHA has had a direct relationship with the Temporary Assistance for Needy Families (TANF) program to fund their Family Service positions for many years. In the last four or five years, the funding distributed by TANF has decreased from 100% to about 85.5%. TANF has less money to grant out to the community. Previously, GJHA did not have to compete for these funds. TANF now must use some of their funds internally and have made some changes as to how the rest is distributed to the community. Instead of granting their funds to specific organizations, they are designating those funds to specific causes, such as eviction prevention. They are inviting agencies that manage eviction prevention services to apply for that money so they can give it to TANF eligible families who are facing eviction. Due to these changes, GJHA's Family Services positions are at risk. GJHA has been transparent with staff, but it has been difficult. Doors 2 Success was created, in part, to offer some relief to the General Fund in terms of filling funding gaps in the Supportive Services programs. The General Fund is heavily involved in funding development and other operational needs throughout the organization. Additionally, GJHA's Voucher Administrative funding likely will not be as available in the future to fill Supportive Services funding gaps. GJHA has been having conversations with Hilltop Community Resources, who has a contract with Medicaid through Rocky Mountain Health Plans and has resources they are trying to deploy into the community. GJHA is working on relationships and collaboration with community partners, like Hilltop, to help offset the services GJHA is providing directly. Jill Norris asked if staff has reached out to other housing authorities to see how they handle their programs. Scott Aker stated that that he has not.

Ashleigh O'Leary is assisting these employees emotionally and with their job searches. Leora Ruzin asked if staff could share the resumes of these employees with the Board so they can keep their eyes open for opportunities for which they may be qualified. Scott Aker stated that staff would need permission from these employees before giving out their resume information. He also stated that the contract GJHA has with TANF goes through the end of 2024 so employment would be impacted January 1, 2025.

GJHA's Senior Supportive Services will not be impacted as significantly. There are currently five positions, with two of those being Service Care Coordinators who have been cross training

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with Rocky Mountain Health Plans. The other three positions are also Service Coordinators, but do not cover care coordination. The cut back on funding GJHA has been experiencing already in 2024 is from the Next 50 Initiative who primarily focuses on aging populations. They funded GJHA for two rounds of funding but have made the decision not to fund current recipients and instead find new applicants for the next round of funding. This leaves GJHA with an \$80,000 gap that has been filled with Voucher Administrative money. Three quarters of Walnut Park's Service Coordinator position is funded by a HUD grant, and GJHA funds the rest. Some of the other Senior properties also help fund the salaries and benefits of these positions. One of these positions is currently vacant, so GJHA is not fully complying with its obligations to Rocky Mountain Health Plans. Scott Aker has been transparent with GJHA's position, and asked if Rocky Mountain Health Plans could do more, but they can't. Staff will continue to keep the Board apprised of challenges in Supportive Services funding and how the organization will manage those challenges.

6. Re-Appoint Doors 2 Success Board Member – Shelley Flesher

Scott Aker gave a summary of Shelley Flesher's background and her history with Doors 2 Success. There was no discussion regarding Shelley's reappointment, nor with the resolution being presented. With a motion by Bill Johnson, a second by Bernie Buescher and a unanimous roll call vote, Resolution 2024-05-01 Re-Appointing Shelly Flesher to the Doors 2 Success Board was approved.

7. Monument Business Center Development Update

GJHA is coming to the end of the ten-year lease with Community Hospital for the portion of the Monument Business Center that they are renting. A new five-year lease has been negotiated and documented successfully, including resetting the rent to reflect the increased mortgage payment for GJHA and an annual 3% increase. The mortgage is fixed for the next 5 years. This property may need asphalt work in the near future, and it is documented in the amended lease that Community Hospital will pay for the assessments needed for projects like these. Bill Johnson made a motion to adopt Resolution 2024-05-02 Approving First Amendment to Medical Office Lease. Leora Ruzin seconded the motion. The motion was approved with all affirmative votes except for John Howe who abstained.

8. Development Update

Jody Kole, Scott Aker and Rich Krohn gave their presentation to the Tax Credit Allocation Committee for CHFA for the 9% tax credits for The Current yesterday, May 15, 2024. The presentation was given virtually, which was new to GJHA. It was a 15-minute presentation with an additional 15 minutes for the Committee to ask questions. Rich Krohn extended kudos to Kevin Sperle who did all the work behind the scenes to make the presentation go smoothly.

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Brian Rusche and Jill Norris were also recognized for their assistance in managing how the content of the presentation was delivered and assisted in putting together the presentation. Scott Aker was also recognized for his ability to respond to the extremely difficult questions that were asked. Rich Krohn stated that it was the toughest round he has ever been a part of. The approval rate for all tax credit applications is usually between 30%-40%. Overall, Rich Krohn stated that the presentation went well and CHFA did not pitch any questions that couldn't be answered. Staff will be notified about the awarding of the 9% tax credits around June 1, 2024.

The Current is at 100% for Design Documents which allows Shaw to complete an initial cost estimate for the full project. The Construction Documents are anticipated to be 85% complete by August 24, 2024, which means GJHA will be able to apply for a building permit in hopes of securing it by October 2024. GJHA Staff and the team from SGM are meeting with the engineering, utilities, fire and development representatives at the City for a preapplication conference for its Site Plan submittal. The City is treating it as an informal review set for the application materials. This is unusual, but it speaks to the relationship between GJHA and the City.

Staff is also working on the RFP's for lenders and investors for The Current.

9. Other business, if any

Krista Ubersox gave the Board an update on capital improvements that are coming up. The Linden Pointe roof replacement project has been awarded to Seanz Roofing. The Walnut Park asphalt repair and interior RFP's will be posted on May 24th. The Ratekin Tower elevator upgrades will occur in the following months.

Scott Aker advised that GJHA received a notice from HUD 10 days ago that a team will be in the office to do a deep dive into voucher program beginning Monday, May 20th through Thursday, May 23rd. Staff will receive the results in about 60 days.

GJHA's 50th Anniversary celebration planning is continuing. Scott Aker reminded the Board about the Annual Meeting on June 25, 2024.

Scott Aker briefed the Board about his work with the unhoused. The team of community members he is working with on this cause will give a presentation of the strategies they have been assembling on June 4, 2024, in hopes that the City and the County will approve recommended community-wide strategies.

Scott Aker gave a reminder the next Board Meeting will be June 18, 2024.

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10. Adjourn

With no further business or discussion, John Howe made a motion to adjourn. With a second by Bill Johnson, and unanimous roll call vote, the meeting was adjourned at 6:19 p.m.

All Board packet documents and documents distributed
during the Board Meeting are retained at GJHA.