

**MINUTES OF MEETING OF THE BOARD OF COMMISSIONERS OF
THE EL PASO COUNTY HOUSING AUTHORITY**

The Board of Commissioners of the El Paso County Housing Authority (the “Authority”) met on April 10, 2019, at 12:00 p.m., at Nine East Vermijo Avenue, in the City of Colorado Springs, County of El Paso, Colorado.

Members of the Authority were present as follows:

Jack Beuse
Martie Stott
Steve Posey
Henry Yankowski

Members Absent:

Laurel Wright

Also present were:

Chloe Lompfrey and Jennifer deGive, El Paso County Economic Development Department
Commissioner Cami Bremer, El Paso County
Lisa Kirkman, El Paso County Attorney’s Office
Nikki Simmons, El Paso County Controller
Fred Marienthal, Kutak Rock (via phone)
Jeff Beckler and Melissa Forster, Zimmerman Properties, LLC
Laura Clark, S.B Clark
Ryan Rodgers, Pedcor Investments, LLC
Beth Roalstad, Homeward Pikes Peak
Jeff Huggett, Dominimum Development
Andy Barton, Catholic Charities
Toby Gannett, BCR
Mark Tremmel, Tremmel Designs
Mary Stegner, Partners in Housing (via phone)

Commissioner Beuse via phone called the meeting to order at 12:03 p.m.

I. Consideration of Meeting Minutes of March 27, 2019

Commissioner Stott moved approval of the minutes and, upon a second by Commissioner Yankowski, the motion passed unanimously.

II. Financial Items

A. Financial Reports

Ms. Simmons provided the Authority with a Statement of Net Position and Statement of Revenues & Expenditures as of February 28, 2019.

B. Housing Trust Fund Commitments

As of March 31, 2019, the Authority’s Housing Trust Fund cumulative balance is approximately \$4,056,128 with outstanding commitments of \$1,765,337 leaving an available balance of \$2,255,328 for future funding requests if a \$1.8M corpus is maintained. Staff has now created two reports for the Authority’s monthly review; one page consisting

of outstanding commitments since 2016, and the other reflecting all commitments, both paid and outstanding, since 2016 for review and future funding consideration. Outstanding loan commitments currently include Springs Rescue Mission's Greenway Flats for \$500,000, tentatively closing in May 2019, and two conditional awards including Greccio's Atrium at Austin Bluffs for \$575,000, and Colorado Springs Housing Authority's (CSHA) Shooks Run for \$500,000 – both under conditional approval pending LIHTC awards from CHFA, and loan commitments expiring December 31, 2019. Additionally, outstanding Contract for Service commitments include \$29,569.28 in Emergency Rental Assistance to various nonprofit agencies; \$10,767 to Brothers Redevelopment for its Housing Counseling Program; and \$150,000 to Salvation Army for its Low-Barrier Shelter Remodel.

Ms. Lomprey also conveyed to the board that the increased HTF requests this month has resulted in more in requests than currently available and indicated that should all requests be granted, the HTF would no longer be able to offer additional funds until previous commitments are repaid in full. The board discussed the nature of the Housing Trust Fund and how it differs from other funding sources, such as CHFA and federal grants. Clarification was also provided regarding the differences between the Single Family Turnkey Loan program and the HTF.

(Commissioner Buese left the teleconference line and entered the meeting at 12:10 PM)
(Mr. Marienthal joined the meeting via telephone at 12:12 PM)

C. Report of Expenditures/Outstanding Payables

The Board reviewed the Expenditures/Outstanding Payables report which noted expenditures for current rental assistance contract for services.

III. Housing Trust Fund Requests

A. Villas At Mesa Ridge

Mr. Jeff Beckler and Melissa Forster of Zimmerman Properties LLC, and Todd Evans of the City of Fountain presented to the board a request of a \$400,000 loan to assist with the development of Villas at Mesa Ridge, a new construction 60 unit, 3 story building designed to serve seniors 55 and over. Discussion was had regarding noise, flood drainage, neighborhood fit, and the potential future development of a senior recreational facility down the road.

B. The Creek at Cottonwood

Mr. Ryan Rodgers of Pedcor Investments LLC presented to the board a request of a \$1,000,000 loan to assist with the development of the Creek at Cottonwood, a new construction 258 unit workforce housing development located near N. Powers Blvd and E. Woodmen Road. Discussion was had regarding the ask amount, the terms of the loan, and how the concentration of such housing might affect traffic, and other sources of funding sought. Commissioner Posey suggested Pedcor Investments meet with him regarding city of Colorado Springs HOME funding.

C. The Commons

Ms. Beth Roalstad acted as the primary for a coalition representing Homeward Pikes Peak, and presented to the board a request of \$350,000 for a new construction 120 unit permanent supportive housing, to be built in 2 phases. The current request

only includes ask for the phase 1, which will include 50 units. Permanent supportive housing will be related to assisting persons with mental health and addiction issues. Discussion was had regarding the history of the property, the current conditions of the neighborhood, and the presence of problematic amenities such as liquor and marijuana stores.

(Mr. Marienthal with Kutak Rock exited the meeting via phone at 1:00 PM)

(Ms. Simmons exited the meeting at 1:26 PM)

D. Tesla Commons

Mr. Toby Gannett with BCR Management Inc. presented to the board a request of \$600,000 for a new construction 350 unit affordable housing development for persons making 30%-70% AMI. Discussion included noise and movement concerns pertaining to the property's proximity to the railroad tracks, the homeless population in the area, parking issues, and the property's distance from crucial educational programs such as the nursing program located on the northern PPCC campus.

IV. Trailside Update via Conference Call

Ms. Mary Stegner from Trailside called into the meeting at 1:29 PM and was placed on hold. She was removed from hold at 1:39 PM and provided an update to the board regarding the Trailside Project. Ms. Stegner stated that their agency's respective board wanted to attempt to save the project, but if they were unsuccessful they would return the funding as originally requested. Discussion was had regarding the issues faced by the project. A more thorough update should be provided at the May 2019 meeting.

(Ms. Stegner exited the meeting via telephone.)

V. Other Business

- A. May topics to include: Raymond James Update, Multiple PAB Inducements, HTF Request from Silver Key, Springs Rescue Mission Update, Trailside Update

Discussion was had regarding the need for an update from Springs Rescue Mission, the Crawford House, and Trailside.

At 2:06 PM., Commissioner Yankowski made a made motion to approve the Villas at Mesa Ridge for a \$350,000 secured, amortitized loan, at 1% interest for a term of 30 years with annual payments based upon available net cash flow in the amount of the lesser amortizing payment or 25% of net cash flow after the deferred developer fee has been paid in full. The commitment is conditioned upon the receipt of the tax credit award, and must close by March 2020.. The motion was seconded by Commissioner Stott and passed unanimously. All other requests were left open for future discussion.

VI. Adjournment

The meeting adjourned at 2:15 p.m.

Jack Beuse

Jack Beuse, Chair

Public notice for meeting posted at the Centennial Hall Building, April 5, 2019.