

Gunnison Valley Regional Housing Authority

Regular Board Meeting Minutes

Crested Butte Town Hall

February 6, 2013

3:00 PM – Town Council Chambers

MEMBERS PRESENT:

David K. Owen (President); Town of Crested Butte, appeared at 4:15 p.m.

Paula Swenson (Treasurer); Gunnison County

Jim Schmidt (Secretary); Town of Crested Butte

Kelly McKinnis; Gunnison County

Grant Benton; Town of Mt. Crested Butte

William Buck; Town of Mt. Crested Butte

Tom Steuer, Town of Mt. Crested Butte

Sharon Cave; City of Gunnison

STAFF PRESENT:

Karl Fulmer, GVRHA Executive Director

Mary B. Vader, GVRHA Housing Specialist, acting as recording secretary

CALL TO ORDER: Treasurer Swenson called the meeting to order at 3:03 p.m.

MINUTES APPROVAL: The draft minutes from Jan. 16, 2013, were discussed. **MOVED** by William Buck, seconded by Sharon Cave to approve the Jan. 16, 2013 meeting minutes. Motion carried unanimously.

HOUSING PROGRAM MANAGER OPENING: Director Fulmer reported the position has been advertised, and the housing authority has gotten a few applicants. Interviews will be conducted in mid to late March who will conduct interviews. The Search Committee is Treasurer Swenson and William Buck, but because Buck is stepping down, it will be Tom Steuer. Director Fulmer will vet the applicants.

INCORPORATION: Director Fulmer reported that incorporation is in process. Once he hires an attorney to help with the process, it should happen quickly.

GVRHA WEBSITE: Director Fulmer reported the Housing Authority should have a separate website by the end of February.

SPECIAL NEEDS HOUSING: Community member Susan Eskew appealed to the board for support for special needs housing for persons with mental health needs. She asked the Housing Authority to do a needs assessment for housing persons with mental health needs. The state has a pool of money dedicated to this, and a housing needs assessment has been listed in the county goals, she said. Director Fulmer said it's not the Housing Authority's bailiwick, but he said the Housing Authority would be willing to assist Susan Eskew and others in the human services and mental health fields. Treasurer Swenson said this issue is something the Gunnison County Housing Foundation is looking at doing, and the Foundation may be the right vehicle for this type of housing. Treasurer Swenson said the GVRHA is discussing doing a needs assessment, and it could price out this segment. Treasurer Swenson emphasized the Housing Authority does not do programming for special populations, and it's not ready yet for capital construction.

MOUNTAIN VIEW: Director Fulmer invited the board to attend the next Movie Night (Wednesday, Feb. 13 at 6:30 p.m.) where we're showing True Grit, the 2010 version. Secretary Schmidt asked how many special needs persons live at Mountain View Apartments. Housing Specialist Mary Vader said about 20 percent of the residents are special needs. Director Fulmer said persons with acute mental health issues wouldn't fit in well at Mountain View.

STALLION PARK: Director Fulmer reported there is a vacancy at the county-owned Estonian Building at Stallion Park. Gunnison County owns all four Estonian units and one unit in Apache, Apache 101. County Manager Matthew Birnie asked Director Fulmer to transition the resident who now lives in Apache 101 to move to the vacant Estonian unit. This way, the county can sell the stand-alone Apache 101. Treasurer Swenson said the county purchased Apache 101 to keep the deed restriction. She said the Commissioners haven't discussed selling the unit yet.

SECTION 8: Director Fulmer distributed a chart which shows the incomes of the clients on Section 8. At the January meeting, Secretary Schmidt asked about the incomes. He asked how many residents of Mountain View are disabled. Housing Specialist Mary Vader responded that about 20 percent of the residents at Mountain View are disabled.

POLICY WORK ITEMS

MASTER DEED RESTRICTION: Director Fulmer reported Summit County lets private entities handle sales of deed restricted units, and Realtors there say the 6 percent taken from the price negatively affects long-term affordability. In Sun Valley, the Housing Authority controlled the sales and charged 2 percent, Director Fulmer said. There, the Housing authority had a 50-person waiting list and no need for a Realtor because there were two Realtors on the board who handled the transactions for the Authority. There needs to be a fee set up if the Housing Authority is spending staff time on deed-restricted unit sales. Board Member McKinnis expressed concern about charging transaction fees for real estate transactions. Board members discussed asking for a bid from Realtors. Crested Butte Town Planner John Hess said the town uses a licensed transactional broker to handle the deed-restricted property sales there; perhaps the Housing Authority could do the same, he said. Director Fulmer said other areas have considered a \$500 fee per property. Treasurer Swenson said the Housing Authority could bid this out every couple of years. Director Fulmer said a buyer could use an agent, at their cost. The board conceded a set fee is the way to handle property sales of deed-restricted properties.

SALES OF DEED-RESTRICTED PROPERTIES: Director Fulmer explained the process of selling deed-restricted properties. Qualified buyers submit a bid to the Housing Authority, which will be working with local lenders. Then, the brokering agent would bring it all together. If there is more than one bidder, there would be an unbiased lottery. Secretary Schmidt said as a seller, he wouldn't like that. Director Fulmer said the theory behind a lottery is that these deed-restricted units are for public benefit; there is a government entity behind the production of the unit, and the fairest approach is a lottery. Mr. Schmidt said he may want to sell his unit with the furniture included, and Board Member McKinnis said real estate contracts should not deal with personal property. Treasurer Swenson said there have been public funds invested into the project, so it's got to stay on an "even keel" for the public standpoint. John Hess said every time there's a lottery, it's a nightmare. That's what the Housing Authority is for, said Director Fulmer and Treasurer Swenson.

NON-QUALIFIED TRANSFEREES: Director Fulmer explained that at 95 percent of maximum sales price in our deed restriction, the thought of that is because a forced sale. Someone who inherits the unit may not be qualified to own it. William Buck said it can be adjusted, and Director Fulmer agreed. The Housing Authority could buy the unit for 95 percent of maximum sales price, but it wouldn't want to, Director Fulmer said. Treasurer Swenson suggested removing the 95 percent figure, the Housing Authority will negotiate the price, and seek bids. Secretary Schmidt asked that if he dies, his deed-restricted unit will go to his family, but if they don't qualify to own it, it will go to sale? Director Fulmer said yes, it would go to bid. It should be written in that the new owner must accept a reasonable bid within a reasonable time (a year, perhaps) from their inheritance. The Housing Authority can't force a sale for less than 80 percent maximum sales price, but it must be accepted if it's over 80 percent, Director Fulmer said. McKinnis said she's concerned about the time frame because the market is unpredictable. Also, said Treasurer Swenson, the person is dealing with the loss of a loved one. Director Fulmer said the Housing Authority needs a number, so perhaps 90 percent of maximum sales price would work. The board reached consensus that the final sales price could be a bid of at least 90 percent maximum sales price, and they have up to a year to sell the property. Also, the board agreed that the new owner could rent to a qualified tenant, and that after a year, the Housing Authority can become more active seeking a bid for the property.

DRAFT GUIDELINES: Director Fulmer said he spent a lot of time working on these draft guidelines. He said he left out maximum resale prices, maximum rental prices, and square footage. Director Fulmer asked for feedback on the goals, which were on page 3. In Sun Valley, the Housing Authority needed a subcommittee for the guidelines, and Treasurer Swenson asked for volunteers. Chair David Owen, Kelly McKinnis, and Grant Benton volunteered to serve on the subcommittee. Treasurer Swenson directed the board to get their comments to either Director Fulmer or the subcommittee. Secretary Schmidt said in number 5, affordability should include utilities and the HOA fees. Director Fulmer replied that there is a handout that includes maximum rental rates based on income. Director Fulmer asked the committee to look at the income levels, because the Housing Authority has made some small changes there. There is a Category 5 at 150 percent AMI. This is included because of existing deed restricted properties set at 150 percent AMI. The Housing Authority does not want to make guidelines that aren't sound but Director Fulmer questioned whether we need the 150 percent category. Director Fulmer said he'd rather see lower category applicants to qualify to buy the units. Director Fulmer distributed maximum rental rates and income levels, along with utility allowances. The guidelines show different income levels for rental units. There may be a three-income household comprised of three people not related to each other; the guidelines specify different income levels for one, two, and three-adult households. These are to give a baseline of information, if the Housing Authority was to go off federal rates.

NEXT MEETING: The next meeting is March 6, 3 p.m. at the Housing Authority offices in Gunnison.


ADJOURN: The meeting adjourned at 4:37 p.m.

Minutes Prepared By:



Mary Vader, Housing Specialist

Approved April 3, 2013



David K. Owen, Board President