

Gunnison Valley Regional Housing Authority

Regular Board Meeting Minutes

July 13, 2016

1:00 pm – GVRHA Offices

MEMBERS PRESENT

Kelly McKinnis; (President) Gunnison County
Paula Swenson; Gunnison County
Richard Hagen, City of Gunnison
Jim Schmidt, Town of Crested Butte
Carlos Velado, Town of Mount Crested Butte
Matt Feier, County-at-large

STAFF PRESENT

Karl Fulmer; GVHRA Executive Director
Shannon Frias could not attend.

CALL TO ORDER

Kelly McKinnis called the meeting to order at 1:02 pm

MINUTES APPROVAL: Director Fulmer stated that he had yet to write-up the minutes for the June 15, 2016 meeting. Director Fulmer stated that he was quite busy trying to wrap up construction and TCO at Anthracite Place Apartments.

ADDITIONAL ITEMS and PUBLIC COMMENT

There was no public comment for this meeting.

ADMINISTRATIVE ITEMS

NEEDS ASSESSMENT – PR FOR SURVEY DISTRIBUTION. Director Fulmer stated that Rees Consulting is looking for the Housing Authority Board to be prepared to step up PR for the issuance and availability of the resident surveys on August 1, 2016. Paula Swenson stated that what was discussed at the kick-off meeting and subsequent conversations with Rees Consulting indicates that we should have advertising and marketing taken care of before the 1st of August. Director Fulmer also stated that Murtaza Naqvi has agreed to assist with outreach to Gunnison-area employers and to post notices throughout Gunnison for the resident survey marketing. Carlos Velado also stated that he would be helping with outreach in the North Valley.

PROGRAM UPDATES

HOUSING CHOICE VOUCHERS/SECTION 8. Karl Fulmer provided the update. Voucher lease-up has dipped to 34 due to a participant moving out-of-area and the death of another participant. Director Fulmer stated that the State Division of Housing has indicated that the freeze may be lifting relatively soon. This has not been verified. For now, Director Fulmer stated the GVRHA is riding about where his budget revenue projections have the GVRHA for FY 2016. Board President McKinnis asked if there is anything that can be done with the State to release the freeze. Director Fulmer stated that the Division of Housing seems rather impervious to outside pressures and Shannon Frias, the GVRHA Program Manager, has been in touch with Susan Niner's office with the Division. For now, it's a wait-and-see issue.

MOUNTAIN VIEW APARTMENTS. Director Fulmer stated that Mountain View is now fully leased. He also indicated that some bugs had been found the day before the Board Meeting, and we could have a possible bed bug issue resurfacing. Director Fulmer stated that having new residents move into the building always poses a challenge with pests like bed bugs. He also stated that he had seen the bug samples removed does not think they were bed bugs. Paula Swenson asked how much the last bed bug issue cost the County for remediation. Director Fulmer stated that the GVRHA was able to confine the bugs to one unit and thinks it took approximately four extermination treatments at about \$600 per treatment.

Director Fulmer stated that overall dynamics at the property had vastly improved since the move out/removal of two troublesome residents. New residents seem to be settling in nicely.

2015 AUDIT EXTENSION. Director Fulmer informed the Board that the 2015 Audit had been delayed due to a major shake-up with the GVRHA's new accounting firm. Hegeman and Drewnowski officially no longer exists. The break-up of the firm has caused delays in getting information to the auditors. Jim Schmidt asked if things were being sorted out and Director Fulmer stated that it appears so, but he has reservations about the auditing firm being timely.

ANTHRACITE PLACE APARTMENTS UPDATE

UNIT LEASE-UP. Director Fulmer started by stating that he was not accurate at the June 2016 meeting. He had stated that he thought the GVRHA would have all 30 units assigned by the end of July. As of July 21, 2016, sixteen units had been assigned and were awaiting submittal to the compliance company. He also stated that the compliance company had yet to assign someone to Anthracite's contract. He projected that the GVRHA would have Anthracite Place fully leased by end of September without a problem. The goal of GVRHA staff is to have all units "assigned" by August 22, 2016, with full compliance approval and lease-up by September 30, 2016.

Jim Schmidt asked what was taking so long to get all 30 units leased up. Director Fulmer stated that the process was more tedious than originally anticipated and that his lease-up projections were probably too aggressive, initially. Mr. Schmidt continued to state that he was concerned people would think that the housing issue wasn't that great since the building wasn't leased before the end of July. Director Fulmer assured the Board that he's been a part of many lease-ups and to fully lease a building before a TCO is issued is nearly impossible. He reiterated that he thought the GVRHA is tracking to be fully leased by the end of September – which is the contractual obligation with Richman Equity.

RESTRICTIVE COVENANT AGREEMENT. Director Fulmer reviewed a draft Restrictive Covenant Agreement that the Town of Crested Butte has proposed for signature by Anthracite Place Apartments, LLC. Carlos Velado stated that it seems very one-sided in favor of the Town of Crested Butte. Director Fulmer informed the Board that the GVRHA attorneys at Holland and Hart, Bank of the West attorneys and Richman Equity attorneys ALL must approve signing the document. He stated that it is one-sided but the Town has completely stopped requiring a Revocable License Agreement for the public right-of-way and sidewalk. The Board asserted their trust in Director Fulmer and the team's attorneys to come to an agreement with the Town of Crested Butte.

CONSTRUCTION TIMELINE AND BUDGET UPDATE. Director Fulmer stated his frustration with Coburn Development in meeting timing deadlines during the construction of Anthracite Place Apartments. Director Fulmer made it ABUNDANTLY clear to the Board the that the issuance of a TCO for the building WILL NOT slip beyond August 1, 2016.

Paula Swenson asked if he had approached the Town about being a bit more lenient in issuing a TCO. Director Fulmer stated that the Town's staff has not been a problem, but Coburn functioned in a very haphazard pattern during construction. He stated that he would try his best not to pressure Town staff during the process. Director Fulmer then went through the most recent draw spreadsheet which showed draws totaling approximately 87%

drawn down for construction costs. Director Fulmer stated that there should be only one additional final draw after the July 25, 2016, draw submittal. He anticipates closing out construction sometime in mid-September.

Executive Session. *Jim Schmidt motioned to go into Executive Session with no records to be taken or decisions made while in Executive Session. The Executive Session will discuss a GVRHA employee contract. Carlos Velado seconded. Approved unanimously.*

Kelly McKinnis brought the Board out of Executive Session. *Paula Swenson motioned for the Board to amend the motion made June 15, 2016, regarding Karl Fulmer's contract extension to include 3 weeks of paid vacation and two weeks of paid executive leave. The leave would not carryover year-to-year. The contract, if signed, would expire June 30, 2019. Jim Schmidt seconded the motion. Approved unanimously.*

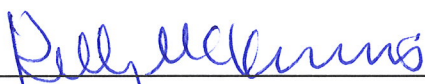
ADJOURN

Carlos Velado moved to adjourn the meeting at 2:16 PM. Paula Swenson seconded. Meeting adjourned.

Minutes Prepared By:

Karl Fulmer, Executive Director

Approved on 9-21-16



Kelly McKinnis, Board President

