

**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 June 9, 2021, at 12:00 P.M., via a hybrid model including in-person and the virtual Teams Meeting platform.

Members of the Authority were present as follows:

Jack Beuse  
Martie Stott  
Steve Posey  
Beth Diana  
Greg Basham

Members Absent:

Also present were:

Crystal LaTier and Eric Leonard, El Paso County Economic Development Department  
John Bales, Kutak Rock  
Robert Coleman, Misty Dalke and Stacy Houston, Raymond James  
Erin O’Neill, Laura Clark and Brian Reilly, Volunteers of America  
Justin Peterson, Hawkins Ash  
Julie Frank

Commissioner Beuse called the meeting to order at 12:05P.M.

- I. **Photo for NALHFA Award Press Release**
- II. **Consideration of Meeting Minutes of February 10, 2021**  
*Commissioner Posey moved approval of the minutes from April 14, 2021 and, upon a second by Commissioner Diana, the motion passed unanimously.*
- III. **Hawkins Ash Audit Presentation**  
Mr. Peterson shared an overview of the financial reports that go along with the 2020 audit that was completed by Hawkins Ash in April 2021. There were no concerns, questions, or concerns from Hawkins Ash nor EPCHA Commissioners.
- IV. **Financial Items**
  - A. Financial Reports
  - B. Housing Trust Fund Commitments  
As of May 31, 2021, the Authority’s Housing Trust Fund cumulative balance is approximately \$3,085,551 with outstanding commitments of \$300,000, leaving an available balance of \$1,284,751 for future funding requests if a \$1.8M corpus is maintained. The outstanding conditional loan commitment is currently Commonwealth DC’s Village at Solid Rock for \$300,000.

### C. Turnkey Plus Program Update

Mr. Leonard provided an update on the Turnkey Plus Program for May. 12 second mortgages were provided through the Turnkey Plus Program totaling \$162,057 in assistance. 15 second mortgages were also sold with a total of \$177,697 coming back to the program at a profit return rate of 1.004%. There were 3 payoffs done in May totaling \$31,296. This brings the Turnkey income for May to \$46,936 and a year-to-date income of \$295,241.

## V. VOA Paloma Gardens HTF Application

(Ms. O'Neill, Ms. Clark, and Mr. Reilly joined at 12:30 PM)

Ms. Reilly of Volunteers of America presented a concept for a 125-unit affordable housing project in southeast Colorado Springs called Paloma Gardens. The proposed project is in combination with another EPCHA HTF loan recipient property in Laurel Gardens, made back in 2000. Volunteers of America would renovate the existing 51 units in Laurel Gardens, as well as tear down Laurel Manor, which is on a neighboring plat. From there, they would build a 75-unit building in its place. The unit count on this building was originally 80, but due to development constraints, 5 units were lost.

The project is proposing to utilize 4% Low Income Housing Tax credits, tax-exempt private activity bonds, \$1,200,000 in gap funding from the Colorado Division of Housing, and \$500,000 in gap funding from the El Paso County Housing Authority's Housing Trust Fund. There will be one new two-story building and one renovated three-story building when construction is finished. The current income targeting for the project has 43% at 30% AMI, 5% at 40% AMI, 8% at 50% AMI and 45% at 70% AMI.

The request to the Authority is to provide soft funding from the Housing Trust Fund in the form of a loan of \$500,000 with 2% interest amortized over 30 years.

The Authority posed questions concerning the platting of the project, and the zoning for the project.

(Ms. O'Neill, Ms. Clark, and Mr. Reilly left at 12:50 PM)

Discussion was had about whether VOA had exhausted all avenues to maintain those 5 units that were dropped off the 80-unit new build and whether the income targeting could be more focused toward the 30-40% range rather than 50-60%.

*Commissioner Posey moved approval of a conditional award with the following terms for Paloma Gardens and Volunteers of America: \$500,000 in HTF funds with 2% interest secured and amortized over a 30-year term set to expire on December 1, 2021. Additionally, the current debt and accrued interest from Laurel Gardens is to be paid off at financial close for Paloma Gardens. Upon a second by Commissioner Diana, the motion passed unanimously.*

**VI. Other Business**

A. Trailside Update

Ms. LaTier shared an update on the status of the sale of the Trailside property that was sent to EPCHA from Mary Stegner. The sale of the property has been pushed to September with a reduction of sale price due to complications with the City of Fountain and the development plan.

B. NALHFA Conference Update

Mr. Leonard provided a U.S. Housing Outlook from the 2021 Virtual NALHFA Conference.

**VI. Adjournment**

The meeting adjourned at 1:18 P.M.

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Jack Beuse, Chair

**Public notice for meeting posted online via the El Paso County Agenda Suite, June 2, 2021.**