

**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 July 8, 2020, at 12:00 P.M., via telephonic conference.

Members of the Authority were present as follows:	Members Absent:
Jack Beuse	N/A
Steve Posey	
Greg Basham	
Beth Diana	
Martie Stott	

Also present were:

Crystal LaTier and Sara Lobato, El Paso County Economic Development Department
John Bales, Kutak Rock
Fred Marienthal, Kutak Rock
Commissioner Cami Bremer, El Paso County
Mark O’Brien, Raymond James
Pastor Ben Anderson, Solid Rock CDC
Daryn Murphy, Commonwealth Development Corporation

Commissioner Beuse called the meeting to order at 12:00 P.M.

- I. Consideration of Meeting Minutes of June 10, 2020 and June 12, 2020
Commissioner Stott moved approval of the minutes from June 10, 2020 and, upon a second by Commissioner Diana, the motion passed unanimously.

Commissioner Posey moved approval of the minutes from June 12, 2020 and, upon a second by Commissioner Diana, the motion passed unanimously.

II. Financial Items

A. Financial Reports

Ms. LaTier presented the Statement of Revenues and Statement of Net Position to the Authority, noting that the TCBA loan write-off will be reflected on the financials presented next month.

B. Housing Trust Fund Commitments

As of June 30, 2020, the Authority’s Housing Trust Fund cumulative balance is approximately \$4,638,062 with outstanding commitments of \$1,725,000, leaving an available balance of \$1,112,262 for future funding requests if a \$1.8M corpus is maintained. Outstanding conditional loan commitments currently include: Greccio’s Atrium at Austin Bluffs for \$575,000, Colorado Springs Housing Authority’s (CSHA) Shooks Run for \$500,000, Zimmerman Properties’ Villas at Mesa Ridge for \$350,000, and DBG Properties’ Academy Heights for \$300,000.

Ms. LaTier shared with the Authority that due to a continued increase in demand for Down Payment Assistance (DPA) funds within the Turnkey Plus program, there will likely be an

additional need for more funding before the Authority's August 2020 meeting. Ms. LaTier also shared relevant data regarding current and past program performance. In June 2020, there were 37 DPA loans totaling \$512,470.00, and thus far in July 2020, there have already been 6 DPA loans totaling \$52,572.00. The program continues to see a need for approximately \$500,000 in DPA funds each month. Discussion was had concerning the importance of continuing to offer the program to the community.

Commissioner Stott moved approval of an additional \$500,000 investment in the Turnkey Plus program once the Escrow account reaches a \$100,000 threshold and, upon a second by Commissioner Posey, the motion passed unanimously. Staff shall email the Authority a notification once the aforementioned funds are needed and organize a transfer from the US Bank Custody account to the Escrow account.

C. Report of Expenditures/Outstanding Payables

The report noted expenditures to El Paso County for a Rehab Loan Deed of Trust Release and for May EPCHA purchase card reimbursement.

(12:15 Mr. Basham enters the meeting.)

III. Village at Solid Rock

Mr. Murphy of Commonwealth Development Corporation presented a concept for a 77-unit affordable housing development called Village at Solid Rock. The project will be a collaborative project between Commonwealth Development Corporation and Solid Rock CDC. The project will be developed on surplus land owned by the Solid Rock Christian Center in Southeast Colorado Springs. The project will utilize 4% Low Income Housing Tax Credits and will serve households at 30-80% AMI. When completed the project will feature a mix of 1, 2 and 3-bedroom units. Commonwealth and Solid Rock CDC will co-develop the project, with Commonwealth providing all financial guarantees. Solid Rock CDC will be given the right of first refusal to purchase the property in year 15.

Discussion was had about the project. The Authority decided to table the item until the end of 2020, as more information is needed regarding the project's capital stack before they can make a decision regarding funding.

(12:20 Mr. Murphy and Pastor Anderson exit the meeting.)

IV. Shadow Mountain Apartments/ TWG – PAB Request

During its July 10, 2020 meeting, the Authority denied TWG's Housing Trust Fund request of \$800,000 for its concept of an acquisition and rehabilitation project of a 144-unit affordable housing project in Colorado Springs called Shadow Mountain Apartments. The Private Activity Bond request of \$18.5 million had been continued to the July 2020 meeting.

Discussion was had about the project. The Board was updated that the project would not be seeking State LIHTC through CHFA, and due to this new financial structure, the project could not accept less than \$18.5M in Private Activity Bond cap. Additionally, the acquisition/rehab component, current restricted units, 80% AMI for the remaining units, and market conditions in the area were discussed.

Commissioner Diana moved denial of the Private Activity Bond request of \$18.5 million, and, upon a second by Commissioner Stott, the motion passed unanimously.

V. Shooks Run – Update on Loan Documents

Ms. LaTier provided a status update on the Loan Documents for Shooks Run, stating the documents had been previously approved by the Authority, however, Kutak Rock updated the Promissory Note’s definition of “ Net Cash Flow” to now state “pay all accrued, outstanding trade payables” to include funding from other lenders. Shooks Run is set to close in July 2020.

VI. Villas at Mesa Ridge – Approval of Resolution and Loan Documents

Ms. LaTier provided a status update on the Loan Documents for Villas at Mesa Ridge, stating the documents are standard loan documents for the Authority, and that CHFA is now in a higher lien position than they Authority. Villas at Mesa Ridge is set to close in July 2020.

Commissioner Posey moved approval of the Loan Documents and Resolution for Villas at Mesa Ridge as presented and, upon a second by Commissioner Stott, the motion passed unanimously.

VII. Other Business

A. LOI for CHFA Round 2: 4% Competitive Round

Ms. LaTier shared a listing of projects from Colorado Springs that submitted Letters of Intent for CHFA’s Round 2 of State and Federal 4% Low Income Housing Tax Credits including Garden Apartments, Pikes Peak Multi Family, Point of the Pines Villas, Rosemont at Shadow Mountain and Village at Solid Rock.

B. Greccio/ Rocky Mountain Apartments – EPCHA Tour

Following the completion of the Greccio’s Rocky Mountain Apartments, an acquisition conversion project to an 18-unit apartment complex, Greccio has an extended an invitation for the Authority to tour the property on an individual or group basis. The Authority noted interest for a group tour. Staff will coordinate with Greccio to schedule the tour in August.

C. NALHFA 2020 Annual Conference (Virtual):

<https://www.nalhfa.org/page/NALHFAVirtualConference>

Ms. LaTier shared that the NALHFA 2020 Annual Conference was to have occurred in New York, has not pivoted to a virtual conference on July 29 – 30, 2020. The Authority and staff are invited to attend at a cost of \$200 per person. Discussion was had regarding the conference opportunity.

Commissioner Diana moved approval that should a staff member have capacity, to approve the \$200 registration fee for one staff member to attend the NALHFA 2020 Annual Conference virtually and, upon a second by Commissioner Stott, the motion passed unanimously.

VIII. Adjournment
The meeting adjourned at 1:09 P.M.

Jack Beuse, Chair

Public notice for meeting posted online via the El Paso County Agenda Suite, July 7, 2020.