

**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 August 12, 2020, at 12:00 P.M., via the virtual Teams Meeting platform.

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 Eric Leonard, 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  
Misty Dalke, Raymond James  
Bob Coleman, Raymond James

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

- I. Consideration of Meeting Minutes of July 8, 2020  
*Commissioner Stott moved approval of the minutes from July 8, 2020 and, upon a second by Commissioner Diana, the motion passed unanimously.*
- II. Financial Items
  - A. Financial Reports

Ms. LaTier presented the Report of Expenditures/Outstanding Payables to the Authority. The report noted expenditures by El Paso County of \$575,000 for the Atrium at Austin Bluffs Loan Closing, \$21,294.50 for the Third Quarter Staff Services and \$26.15 for shipping legal documents.
  - B. Housing Trust Fund Commitments

As of July 31, 2020, the Authority’s Housing Trust Fund cumulative balance is approximately \$3,993,471 with outstanding commitments of \$1,150,000, leaving an available balance of \$1,042,671 for future funding requests if a \$1.8M corpus is maintained. Outstanding conditional loan commitments currently include: 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.
- III. Raymond James Quarterly Update

Mr. O’Brien shared with the Authority the data that Raymond James has as to the current state of the Turnkey Plus Mortgage Origination Program. The program has been available for seven years and is 18 months into a redesign of the program. 52 lenders participate in helping to bring \$511 million in mortgage funds and over \$20 million in Down Payment

Assistance (DPA) funds into the El Paso County housing market. This has resulted in \$3.62 million in net revenue for the Authority. In total, the program has assisted 2,658 homebuyer families to achieve their dreams of owning a home.

Even in the face of COVID-19, rising single family home prices, and increased competition with CHFA, demand for the Turnkey program has remained strong. The program loan averages \$192,458 since its inception, but more importantly, the past four months have seen a new average of \$289,000. This is a significant increase that follows in line with the increasing prices within the housing market.

Other statistics that Mr. O'Brien noted were that 91.31% of loans are FHA, 87% are for single family detached homes, 95% are existing structures and 99.7% are first-time homebuyers (even though there is no first-time homebuyer requirement).

#### IV. Turnkey Investment Discussion

Mr. Leonard shared with the Authority that there has been an ever-increasing demand for DPA funds within the Turnkey Plus program. As of August 11, 2020, \$2,264,286 has been provided in down payment assistance since May 2019. Through the first half of 2020, compared to the second half of 2019, there has been a 139% increase in requests and a 194% increase in funds required. The third quarter of 2020 is also off to a pace that will likely put the quarter well above the high bar set during the second quarter.

Ms. LaTier shared the importance of continued support for the program, although with this level of demand, there is a need to pivot the program to ensure long-term viability. The program certainly continues to see a need for approximately \$500,000 in DPA funds each month, if not more. Discussion was had concerning the importance of continuing to offer the program to the community.

The Authority expressed the desire for further data regarding the cash flow of the program. 1.75% of the 4 or 5% that is given in DPA is kept within the program as a long-term investment. The remaining amount, along with any interest and profit, comes back to the Authority after 30-60 days. The flow of money will be ever more important as the demand continues. At the September 9<sup>th</sup> meeting, the Authority, with support staff, plans to have a more strategic discussion about possible Turnkey Plus Program enhancements, to ensure long-term viability of the program.

*Commissioner Posey moved approval of an additional immediate \$500,000 investment in the Turnkey Plus program and, upon a second by Commissioner Diana, the motion passed unanimously.*

#### V. Other Business

##### A. NALHFA Virtual Conference Update

Mr. Leonard provided an update on the great content that he participated in at the NALHFA conference. It was also noted that the NALHFA sessions will be shared with the Authority via box.com.

B. Greccio Tour Discussion

The Authority expressed a general consensus that seeking out opportunities to tour projects upon their completion should be a priority. Commissioner Stott added that the chance to see and feel a project reminds the team of the good that is being done through the Authority's programs. Ms. LaTier included the idea to tour Atrium at Austin Bluffs once it is complete.

VI. Adjournment

The meeting adjourned at 1:03 P.M.

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Jack Beuse, Chair

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