

**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 November 10, 2021, at 1:00 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
Greg Basham
Steve Posey
Beth Diana

Members Absent:
Martie Stott

Also present were:

Crystal LaTier, Eric Leonard, and Kayla Huthoefer-Nelson, El Paso County Economic Development Department
John Bales, Kutak Rock
Mark O’Brien, Misty Dalke and Stacy Houston, Raymond James
Lucas Koski, Artspace
Commissioner Cami Bremer, El Paso County

Commissioner Beuse called the meeting to order at 1:00 P.M.

I. Consideration of Meeting Minutes of October 13, 2021

The October meeting minutes were not approved, as both Commissioner Basham and Commissioner Diana were absent from the October meeting, so they could not approve what they were not there to witness. Consideration of the October 13, 2021 meeting minutes will be on the December meeting agenda along with the November meeting minutes.

II. Financial Items

A. Financial Reports

B. Housing Trust Fund Commitments

Ms. LaTier provided an update on the Housing Trust Fund commitments. As of October 31, 2021, the Authority’s Housing Trust Fund cumulative balance is approximately \$4,222,157 with outstanding commitments of \$800,000, leaving an available balance of \$1,621,357 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 and Volunteers of America’s Paloma Gardens for \$500,000.

C. Turnkey Plus Program Update

Mr. Leonard provided an update on the Turnkey Plus Program for September. Four second mortgages were provided through the Turnkey Plus Program totaling \$47,459 in assistance. Four second mortgages were also sold with a total of \$41,299 coming back to the program at a profit return rate of 0.491%. There were 9 payoffs done in September totaling \$103,195.

This brings the estimated Turnkey income for October to \$97,036 and an estimated year-to-date income of \$644,501.

III. HTF Applications

A. Application Overview Spreadsheet

An overview spreadsheet was provided to each of the Housing Authority commissioners that summarized the applications from the 4 projects. The overview was broken down into the following columns: Project Name, Address, Applicant Name, Type of Organization, Developer Name, Type of Resident, Previous Partnership with EPCHA, Market Study Completion, Local Organization, Services Provided, Unique Project Features, Project Closing Date, HTF Request Amount, Interest Rate, Term Length, Payment Schedule, Unit Count, Unit AMI Breakdown, Unit Bedroom Count, EPCHA Profit, Total Dollars Returned to EPCHA, HTF Dollars Per Unit, State Dollars Leveraged, Total Development Cost, Total Development Cost Per Unit, LIHTC or PAB Issuer.

B. Artspace Apartments

Artspace Apartments, which is being developed by Artspace Projects LLC, is a 51-unit 60% AMI affordable housing development located at 315 East Costilla St, Colorado Springs. This project is focused on housing artists while also providing space to work and display their art. It also includes an adaptive reuse of the former Tim Gill Center. Due to close in the second quarter of 2022, Artspace Apartments has \$13,000,000 induced from El Paso County in Private Activity Bonds. It also plans to leverage \$13,500,000 in state funds. The project is requesting \$300,000 in HTF repaid monthly at 2.5% interest over 30 years.

C. Bentley Commons

Bentley Commons, which is being developed by GPR Properties II LLC, is a 192-unit 60% AMI family affordable housing development located at 2730 Bentley Point, Colorado Springs. This project preserves 24 units of existing affordable housing that Greccio Housing currently owns and operates, while also adding 168 units nearby. Due to close in the third quarter of 2022, Bentley Commons plans to leverage \$1,950,000 in state funds. The project is requesting \$600,000 in HTF repaid monthly at 2% interest over 30 years.

Discussion was had about the development cost of the property being at \$205,729 per unit, which seemed than thought possible. There were also comments voiced about the environmental questions with the project.

D. Silver Key Senior Apartments

Silver Key Senior Apartments, which is being developed by Silver Key Senior Services, is a 50-unit senior affordable housing development located at 1605 S. Murray Blvd, Colorado Springs. This project is located adjacent to the current Silver Key building and would allow the organization to work closely with the services that are currently provided to area seniors. Due to close in the second quarter of 2023, Silver Key Senior Apartments plans to leverage \$13,350,000 in state funds. The project is requesting \$500,000 in HTF deferred for 40 years.

Discussion was had about the repayment schedule for the project. Being a deferred loan with repayment only coming after 40 years when the principal balance is repaid, the current repayment request does not match the revolving nature of the Housing Trust Fund. The

application denoted the ability to negotiate this component to ensure funding could be revolved.

E. Village at Homewood Point Phase II

Village at Homewood Point Phase II, which is being developed by the Colorado Springs Housing Authority in partnership with MJT Properties, is a 35-unit senior affordable housing development located at 903 E. Colorado Ave, Colorado Springs. This project is located next door to a 2006 project, Homewood Point, and would be able to work in concert with those apartments. Due to close in the fourth quarter of 2022, Village at Homewood Point Phase II plans to leverage \$8,943,000 in state funds. The project is requesting \$500,000 in HTF repaid 2% interest only over 15 years with the principal balance being forgiven in year 15.

Discussion was had about the repayment schedule for the project. Even though there is 2% interest being repaid on the loan, the interest only structure, along with the request to forgive the principal balance in full, makes Homewood Point Phase II a project that is unable to meet the requirement of the Housing Trust Fund's mission to be a revolving self-sustaining loan fund. This project also brings the smallest number of units to the community at the highest cost per unit for the Housing Trust Fund.

F. Selection of Projects for December Presentations

Commissioner Posey moved approval of denying the Village at Homewood Point application, and hearing presentations from Artspace, Bentley Commons and Silver Key in December, although the repayment schedule for Silver Key would need to be adjusted to be competitive for funding. Upon a second by Commissioner Diana, the motion passed unanimously.

IV. Other Business

A. Pre-Meeting Holiday Lunch in December

The Housing Authority will be celebrating the holidays with a catered lunch before the December 8th EPCHA meeting.

B. Event Hosted by Raymond James in Spring 2022

Raymond James will be hosting a dinner in early 2022 to celebrate the last two years of effort and success that the Housing Authority has brought to the County.

VI. Adjournment

The meeting adjourned at 1:41 P.M.

Jack Beuse, Chair

Public notice for meeting posted online via the El Paso County Agenda Suite, November 4, 2021.