

**MINUTES  
REGULAR MEETING  
SEPTEMBER 23, 2021**

On the 23<sup>rd</sup> day of September, 2021, the Housing Authority of the City of Fountain held its Regular Meeting of the Board of Commissioners at the Office of the Housing Authority, 501 E. Iowa Avenue, Fountain, Colorado 80817.

I. ROLL CALL.

On roll call the following were present as named:

PRESENT: Andria Terry, Michelle Lavelle, Roberta Sohnrey and Linda Chalou.

ALSO PRESENT: Katherine Roby.

There is a vacancy on the Board due to the resignation of Commissioner Erin Garcia at the August 2021 meeting. A quorum being present, the Chair called the meeting to order.

II. APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS HELD AUGUST 19, 2021.

After the Commissioners reviewed the minutes, Commissioner Terry made a motion, seconded by Commissioner Lavelle, to approve the minutes.

AYES: Terry, Lavelle, Sohnrey and Chalou.

NAYS: None.

Chairperson Chalou thereupon declared the motion carried.

III. HEAR FROM THE PUBLIC.

There were no members of the public present at the meeting.

IV. FINANCIAL STATUS REPORTS FOR THE MONTH OF AUGUST 2021.

Ms. Roby stated that there was no billing for payroll in August because the City bill was late due to staff issues in the City's Finance Department. Ms. Roby stated that she submitted a request for reimbursement from the Reserve for Replacement account for the Fountain Townhomes in the amount of \$28,627.45. Once received, the deficit for the Fountain Townhomes should be eliminated. A request for reserve funds for the Fountain Mesa Court Townhomes will be made upon completion of the painting project.

The Commissioners reviewed the monthly report for establishing Net Income and Cash Disbursements/Receipts for the month of August 2021 for the below listed projects:

- a. Grinde Manor CO071001.

- b. Section 8 New Construction, Fountain Townhomes, CO99-H001-104.
- c. Section 8 Housing Choice Voucher Program CO071VO.
- d. Fountain Mesa Court Townhomes.
- e. Woodmen Hall.

After the Commissioners reviewed the monthly financial reports, Commissioner Lavelle made a motion, seconded by Commissioner Sohnrey, to approve the monthly financial reports for August 2021.

AYES: Lavelle, Sohnrey, Terry and Chalou.

NAYS: None.

Chairperson Chalou thereupon declared the motion carried.

V. REPORT ITEMS FOR AUGUST 2021.

a. Occupancy

Section 8 Rental Vouchers

The report indicated 167 units (70%) of the authorized 240 units under lease for the month of August 2021. The report indicated that 106% of the HAP funds received were expended through the end of August 2021. The waiting list is currently carrying 232 applicants. The report also indicated a current lease-up of 167 units (70%). Portables: In-0, Out-2.

Grinde Manor

The report indicated 40 units (100%) under lease for the month of August 2021. The waiting list is currently carrying 27-1BR applicants. The report also indicated a current lease-up of 40 units (100%).

Fountain Townhomes

The report indicated 14 units (100%) under lease for the month of August 2021. The report also indicated a current lease-up of 14 units (100%). The waiting list is currently carrying 149 applicants.

Fountain Mesa Court Townhomes

The report indicated 62 units (97%) under lease for the month of August 2021. The waiting list is carrying 14-2BR applications and 0-3BR application. The report also indicated a current lease-up of 63 units (99%).

Woodmen Hall

The report indicated 3 units (100%) under lease for the month of August 2021. The waiting list is carrying, 0-1BR applications and 1-Studio application. The report also indicated a current lease-up of 3 units (100%).



b. Maintenance – August 2021.

The report indicated that, during the month of August 2021, 34 work orders were processed at the Fountain Mesa Court Townhomes, 32 at Grinde Manor, 7 at the Fountain Townhomes and 0 at Woodman Hall. A move-out occurred in unit 202 at Grinde Manor that was prepared for rental. The Housing Authority implemented the mobile work order system and yard work was performed at all sites as needed.

Hail Damage – The Contractor has not returned to complete the warranty repairs at the Fountain Mesa Court Townhomes. The shipping container located at Grinde Manor was removed.

c. Capital Report – August 2021

Tolin Mechanical completed the installation of the new air conditioner and air handling unit at Grinde Manor. New flooring was installed in units 413 and 415 at the Fountain Mesa Court Townhomes as part of the unit turn. Painting was delayed due to the contractor contracting COVID-19. A new air condition was installed in unit 103 S. Fountain. No other capital improvements were performed during the month of August, 2021.

Commissioner Sohnrey made a motion, seconded by Commissioner Lavelle, to approve the report items a, b and c for August 2021.

AYES: Sohnrey, Lavelle, Terry and Chalou.

NAYS: None.

Chairperson Chalou thereupon declared the motion carried.

VI. RESOLUTION NO. 768 ESTABLISHING AND ADOPTING A CONSOLIDATED OPERATING BUDGET FOR THE HOUSING AUTHORITY OF THE CITY OF FOUNTAIN COVERING THE FISCAL YEAR ENDING DECEMBER 31, 2022.

Ms. Roby stated that the consolidated budget reflected the budget worksheets provided to Board members at the August 19, 2021 meeting. In general, expenses were increased by 5% to account for inflation and income was reduced by 5%. Ms. Roby stated that interest income had decreased due to the COVID-19 pandemic and that she expected that trend to continue in 2022 and the budget reflects low interest income. In addition, a \$60.00 per month increase at the Fountain Mesa Court Townhomes rent rate for 2022. The rent increase will be phased in as leases are renewed. A 3% increase was budgeted for salary and benefits. While this increase does not reflect current inflation rate of over 5.2%, Ms. Roby stated that she did not believe the Housing Authority could afford a 5.2% increase at this time.

Ms. Roby stated the other major change from the August worksheets was the removal of Woodman Hall from the consolidated budget because the Fountain Urban Renewal Authority has decided to terminate the leasing of residential units in the building. Residential tenants will be allowed to complete the term of their current lease but will not be renewed.

After the Board Members reviewed the consolidated budget, Commissioner Terry made a motion, seconded by Commissioner Sohnrey, to approve Resolution No. 768.

AYES: Terry, Sohnrey, Lavelle and Chalou.

NAYS: None.

Chairperson Chalou thereupon declared the motion carried.

VII. RESOLUTION NO. 769 INCREASING THE RENT RATE AT THE FOUNTAIN MESA COURT TOWNHOMES BEGINNING JANUARY 1, 2022.

Ms. Roby provided the Board Members with a chart showing the \$60.00 rent rate increase for the Fountain Mesa Court Townhomes along with a list of comparable rental units in the community. Rent has not been increased at the Fountain Mesa Court Townhomes for six years. The increase will be effective January 1, 2022 but will not affect current residents until their lease renewal date.

After the Board Members reviewed the rental increase for the Fountain Mesa Court Townhomes, Commissioner Terry made a motion, seconded by Commissioner Sohnrey, to approve Resolution No. 769.

AYES: Terry, Sohnrey, Lavelle and Chalou.

NAYS: None.

Chairperson Chalou thereupon declared the motion carried.

VIII. RESOLUTION NO. 770 ESTABLISHING AND ADOPTING AN OPERATING BUDGET FOR THE FOUNTAIN MESA COURT TOWNHOMES COVERING THE FISCAL YEAR ENDING DECEMBER 31, 2022.

Ms. Roby stated that the remaining budget resolutions set forth the individual program budgets that are summarized in the consolidated budget.

After the Board Members reviewed the budget for the Fountain Mesa Court Townhomes, Commissioner Terry made a motion, seconded by Commissioner Sohnrey, to approve Resolution No. 770.

AYES: Terry, Sohnrey, Lavelle and Chalou.

NAYS: None.



Chairperson Chalou thereupon declared the motion carried.

- IX. RESOLUTION NO. 771 ESTABLISHING AND ADOPTING AN OPERATING BUDGET FOR THE FOUNTAIN TOWNHOMES COVERING THE FISCAL YEAR ENDING DECEMBER 31, 2022.

After the Board Members reviewed the budget for the Fountain Townhomes, Commissioner Terry made a motion, seconded by Commissioner Sohnrey, to approve Resolution No. 771.

AYES: Terry, Sohnrey, Lavelle and Chalou.

NAYS: None.

Chairperson Chalou thereupon declared the motion carried.

- X. RESOLUTION NO. 772 ESTABLISHING AND ADOPTING AN OPERATING BUDGET FOR GRINDE MANOR COVERING THE FISCAL YEAR ENDING DECEMBER 31, 2022.

Ms. Roby stated that Grinde Manor's budget shows income and expenses in the per unit month or PUM format on form HUD-52564 to include the prior year final income and expenses, the estimated amount for the current year and the budget numbers for the coming year. This form is the required format for the low rent public housing program.

After the Board Members reviewed the budget for Grinde Manor, Commissioner Terry made a motion, seconded by Commissioner Sohnrey, to approve Resolution No. 772.

AYES: Terry, Sohnrey, Lavelle and Chalou.

NAYS: None.

Chairperson Chalou thereupon declared the motion carried.

- XI. RESOLUTION NO. 773 APPROVING THE UTILITY ALLOWANCE SCHEDULE FOR TENANT PAID UTILITIES UNDER THE HOUSING CHOICE VOUCHER PROGRAM.

Ms. Roby stated that the Housing Authority is required to review its utility allowance schedule for use in the Housing Choice Voucher Program each year. In reviewing the schedule for the coming year, Ms. Roby stated that gas prices had increased by 30% necessitating the update of the utility allowances schedule. Ms. Roby provided the Board Members with a memorandum that described how the utility allowance schedule was developed.

After the Board Members reviewed the utility allowance schedule, Commissioner Lavelle made a motion, seconded by Commissioner Terry, to approve Resolution No. 773.

AYES: Lavelle, Terry, Sohnrey and Chalou.

NAYS: None.

Chairperson Chalou thereupon declared the motion carried.

XII. RESOLUTION NO. 774 ESTABLISHING THE SMALL AREA PAYMENT STANDARDS FOR THE HOUSING CHOICE VOUCHER PROGRAM.

Ms. Roby stated that the Housing Authority is required to review its payment standards for use in the Housing Choice Voucher Program each year. The payment standards are required to be within 90% - 100% of the fair market rents published by HUD. Ms. Roby provided the Board Members with a memorandum that described the factors reviewed in order to determine whether the payment standards should change in the coming year. While most of the Housing Authority's current payment standard was within the required range, lease ups have decreased over the last year and Ms. Roby recommended increasing the standards to HUD's published fair market rents in an effort to increase lease ups under the program.

After the Board Members reviewed the payment standards, Commissioner Terry made a motion, seconded by Commissioner Lavelle, to approve Resolution No. 774.

AYES: Terry, Lavelle, Sohnrey and Chalou.

NAYS: None.

Chairperson Chalou thereupon declared the motion carried.

XIII. RESOLUTION NO. 775 SETTING THE FLAT RENT AT GRINDE MANOR.

Ms. Roby stated that under the admissions and Occupancy Policy at Grinde Manor, the Housing Authority sets the flat rent each year at 80% of the HUD fair market rent for the same sized unit. A list of rent rates for comparable units was provided to the Board Members along with Resolution No. 775 setting the flat rent for Grinde Manor at 80% of the one bedroom fair market rent or \$1,000.00 per month. As a practical matter, no resident will be paying the flat rent as residents are given the choice at their annual reexamination to pay the flat rent or 30% of their adjusted income as rent. In addition, no tenant would receive a rent increase more than 35% of their current rent rate.

After the Board Members reviewed the flat rent rate for Grinde Manor, Commissioner Lavelle made a motion, seconded by Commissioner Sohnrey, to approve Resolution No. 775.



AYES: Lavelle, Sohnrey, Terry and Chalou.

NAYS: None.

Chairperson Chalou thereupon declared the motion carried.

XIV. OTHER BOARD BUSINESS.

a. Woodman Hall to Cease Residential Operations.

Ms. Roby advised the Board Members that the Fountain Urban Renewal Authority had made the determination to cease operation of residential units at Woodman Hall due to issues with the utilities in the building. Residents may continue to occupy their units until the expiration of their one-year lease which will expire March 31, 2022.

b. 2020 Audit.

Ms. Roby stated that the 2020 audit was almost complete and she had the draft reports available for review. There were no findings in the Audit Report.

c. Archway Fountain Ridge and Fountain Ridge South.

Ms. Roby provided the Board Members with an email concerning the outstanding debt at the Archway Fountain Ridge South Tax Credit Project. Archway would like to consolidate the Fountain Ridge and Fountain Ridge South properties into one complex and refinance it while interest rates are low.

The Housing Authority has three outstanding loans on the Fountain Ridge South property: one in the amount of \$245,000 from a grant received from the Colorado Division of Housing (DOH); one in the amount of \$76,000 from a loan from DOH; and one in the amount of \$55,000 from a loan from DOH. Upon repayment of the smaller loans by Archway, the Housing Authority is obligated to repay DOH.

Archway asked the Housing Authority to agree to subordinate these debts in order to refinance the property. The Housing Authority has always had a subordinate position on the loans to the property throughout its history. Therefore, the Executive Director was willing to subordinate the loans on the refinance so long as DOH also agreed to the subordination. The emails provided to the Board Members state that DOH has agreed to the subordination. DOH will either sign the subordination documents or provide a letter of approving the subordination as part of the refinance.

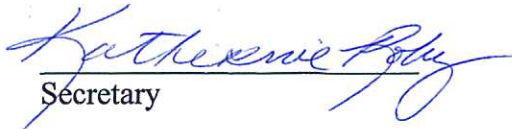
There being no further business to come before the meeting, on motion made, and seconded, the meeting was adjourned.



Chairperson



Date

  
Secretary