



A G E N D A
February 27, 2018
SECOND FLOOR CONFERENCE ROOM
4:00 P.M.

- A. Call Meeting to Order**
- B. Roll Call**
- C. Approval of Minutes:**
 - 1. February 6, 2017
- D. Officers Reports**
- E. Public Forum**
- F. New Business**
 - 1. 2018 Budget Adoption
- G. Old Business**
- H. Other**
- I. Adjournment**

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**Minutes of Special Meeting
February 6, 2018**

A. CALL THE MEETING TO ORDER

The meeting was called to order at 4:04 p.m. by Chair Thompson in the Second Floor Conference Room of the Municipal Building, 7500 West 29th Avenue, Wheat Ridge, Colorado.

B. ROLL CALL OF MEMBERS

Authority Members Present: Thomas Abbott
Tim Fitzgerald
Chad Harr – arrived at 4:08 p.m.
Janice Thompson
Jennifer Walter

Authority Members Absent: None

Also Present: Kenneth Johnstone, Executive Director
Lauren Mikulak, Staff Liaison
Kat Douglas, Community Development Director for Jefferson County
Tammy Odean, Recording Secretary

C. APPROVAL OF MINUTES:

1. September 12, 2017

It was moved by Mr. Fitzgerald and seconded by Ms. Walter to approve the minutes of September 12, 2017 as written.

Motion approved 4-0.

D. OFFICERS REPORTS

Ms. Thompson mentioned she was glad to see the Fruitdale frame, hanging in the 2nd Floor Conference Room at City Hall; it was a gift from Jim Hartman and Susan Ely.

Mr. Fitzgerald asked how many units are currently rented at Fruitdale.

Mr. Johnstone said 9 of the 16 are rented and Ms. Douglas added that 3 affordable units are still available.

Mr. Johnstone let the Authority know the tax credits are getting finalized with a repayment of \$1.5 million to the City and there will be a ceremonial check given at the March 26 City Council meeting plus a Fruitdale Lofts update. The Authority will be invited to attend.

E. PUBLIC FORUM

There was nobody present from the public to speak.

F. NEW BUSINESS

1. Strategic Planning Discussion Continued

Ms. Mikulak gave a brief introduction of Ms. Douglas who is the Community Development Director for Jefferson County and thought she would be a good person to speak with the Authority because of her background and knowledge of what housing authorities and affordable developers do.

Ms. Douglas explained that most housing authorities are formed to provide affordable housing, most commonly in the form of rentals. There are some home ownership programs, but not much. She explained there are three large Authorities in Jefferson County: Jefferson County Housing Authority, Metro West Housing Solutions in Lakewood and Arvada Housing Authority. They all do development and rental housing and oversee the Section 8 choice voucher program.

Ms. Thompson and Mr. Abbott said that when the WRHA was established it was to help people with home ownership and to improve the neighborhoods. One of the goals was to have a neighborhood revitalization strategy where strong households were being encouraged. Mr. Abbott asked if it is possible to have people who work in Wheat Ridge get an incentive to live in Wheat Ridge.

Ms. Douglas discussed fair housing laws and said it comes down to housing authority policies on who is going to live in the units. A good example on this policy working is housing for teachers that live and work in the area. She explained that in urban settings, this is a hard model to implement and more common in rural communities.

Mr. Fitzgerald added that eventually the City will be in the process of updating the Neighborhood Revitalization Strategy. Right now Wheat Ridge's income level is going down and the Counties income level is going up. He mentioned he would like to see a subsidized loan program for young couples/professional.

Ms. Douglas said this is not something you typically see housing authorities do, but is possible. She added that a down payment assistance program for 1st time home buyers is more likely, but deed restrictions are generally imposed on these properties.

Mr. Harr asked what the percentage split for market rate housing compared to affordable housing is in mixed income projects.

Ms. Douglas said it is determined by funding sources and there is not a huge amount of market rate housing in some of the development projects, most is affordable housing of varying levels of affordability. She shared the HUD Income Limits for different categories of average median income in Jefferson County.

Mr. Harr also asked if the WRHA could partner with a developer to create a mixed income program.

Ms. Douglas said yes, but there has to be a paid staff in place. It is easier to get funding, but there is extensive work that comes along with it. This would be one hurdle for the WRHA because there is not a full time staff in place.

Ms. Thompson, Mr. Harr and Mr. Fitzgerald asked if the WRHA is relevant to the community/City and if not, how does the WRHA become relevant. Also, they wanted to know if there is a need in the Wheat Ridge area for a housing authority.

Ms. Douglas said it is a difficult time to be a HA of this size and the relevance is based on the need of the residents. As a funder it would be hard to partner if WHRA has no funding. She reflected on the changes that have occurred in the affordable housing landscape in the last 15 years and noted that a lot of private developers are now doing affordable housing, and there are a number of nonprofits getting into housing development.

Ms. Thompson asked how much money is needed to partner.

Ms. Douglas shared a development proforma and operating budget, which indicated it would take tens of millions of dollars and right now she does not think it is feasible. She explained the cost of homes is more now than 10 years ago; developers today do not always need housing authorities as partners because they can apply for the tax credits on their own.

Mr. Abbott thinks there needs to be a niche for the WRHA to be a value.

Mr. Harr asked where the biggest need in the County for affordable housing is.

Ms. Douglas said affordable or attainable housing is needed. Jefferson County has the lowest vacancy rates so more units are needed so the residents aren't displaced.

Mr. Abbott asked about a home sharing program to match old and young together and if the WRHA can work as the middleman.

Ms. Douglas said there is a nonprofit called Sunshine Home Share program which is already doing this. For the WRHA there would likely be too much liability as a government entity to facilitate this kind of program. Jefferson County is not funding Sunshine Home Share for that reason.

Ms. Thompson said she thinks the Authority has a few options; 1) keep what money the WRHA has, in the bank, and see if something comes across our path, or 2) disband.

Mr. Fitzgerald does not like the option of disbanding at this time.

There was some discussion that upon updating the Neighborhood Revitalization Strategy, a role for the Authority may become more clear. There was a recognition that the Authority has limited resources.

It was moved by Mr. Fitzgerald and seconded by Mr. Harr that the WRHA go dormant until such time that staff lets the Authority know of a potential relevant role with at least one annual meeting.

Motion carried 5-0.

2. Resolution 01-2018: Establishing a designated public place for the posting of meeting notices as required by the Colorado Open Meetings Law.

It was moved by Mr. Abbott and seconded by Mr. Harr to approve Resolution No. 01-2018, a resolution establishing a designated public place for the posting of meeting notices as required by the Colorado Open Meetings Law.

Motion carried 5-0

3. Budget/Audit Update

Lauren said there will be a need to approve the budget and audit exemption in the next month. Ms. Thompson asked staff to confirm whether there could be an alternate meeting for these approvals.

G. OLD BUSINESS

H. OTHER

Ms. Thompson thanked Ms. Walter for her time spent on the WRHA because her term ends in March and she is not renewing her seat.

I. ADJOURNMENT

It was moved by Mr. Abbott and seconded by Mr. Fitzgerald to adjourn the meeting at 5:41 p.m.

Motion carried 5-0

Janice Thompson, Chair

Tammy Odean, Recording Secretary

DRAFT



To: Chair and Members of Wheat Ridge Housing Authority
From: Lauren Mikulak, WRHA Staff Liaison
Subject: 2018 Budget
Date: February 23, 2018 (for February 27 meeting)

Attached for your review is the 2018 proposed budget for the Wheat Ridge Housing Authority, as well as a balance sheet and profit/loss statement.

With the disbursement of WRHA's Fruitdale loans in 2017 and the final reconciliation of all 2017 expenses, the Authority has approximately \$23,000 in savings (shown as unrestricted funds at the bottom of the budget). At the February 6, 2018 meeting, the Authority decided to reduce activity levels to one meeting per year, unless and until staff reconvenes the Authority to discuss a specific project or program. The budget for 2018 reflects this reduced activity level.

The enclosed 2018 proposed budget reflects the minimum possible operating expenses, including the following:

- 750 · Accounting and Legal – \$3,500 – This amount is based on historic contract amounts for an auditor and assumes the Authority will be eligible for an audit exemption.
- 762 · Bank Charges – \$250 – This covers the monthly fees associated with the Authority's bank accounts.
- 771 · City Reimbursement – \$2,376 – Each year WRHA reimburses the City for the hours worked by the staff liaison and secretary in the prior year. This amount covers the staff time dedicated to the Authority in 2017, which included four WRHA meetings as well as managing the Fruitdale loan obligations, draws, and grand opening.

Staff recommends the following motion:

“I move to approve Resolution No. 02, a resolution enacting a budget and appropriation for the year 2018.”

Or, if revisions to the budget are desired:

“I move to approve Resolution No. 02, a resolution enacting a budget and appropriation for the year 2018, with the following amendments to the budget:

- 1.
2. ...

**WHEAT RIDGE HOUSING AUTHORITY
RESOLUTION NO. 02
Series of 2018**

**TITLE: A RESOLUTION ENACTING A BUDGET AND
APPROPRIATION FOR THE YEAR 2018**

WHEREAS, C.R.S. 29-1-103 (1) of the Local Government Budget Law of Colorado requires certain local governmental entities to prepare and adopt an annual budget; and

WHEREAS, the City Attorney has opined that the provisions of the Budget Law apply to the Authority; and

WHEREAS, notice of adoption of this 2018 budget and appropriation was given by the Housing Authority in compliance with C.R.S. 29-1-106; and

WHEREAS, in compliance with the provisions of the Budget Law regarding notice, objections, and hearing, a public hearing was held on this Budget and Appropriation for 2018 by the Authority on February 27, 2018.

NOW, THEREFORE, BE IT RESOLVED by the Wheat Ridge Housing Authority as follows:

Section 1. The year 2018 budget as shown on **Exhibit 1** attached hereto is hereby approved.

Section 2. Total expenditures of the Authority do not exceed available revenues and beginning fund balance.

Section 3. A certified copy of this resolution shall be filed with the Division of Local Government.

ADOPTED this _____ day of _____, 2018.

Chair, Housing Authority

ATTEST:

Secretary to the Authority

Wheat Ridge Housing Authority Proposed Budget

2018

	Actual 2016	Unaudited Actual 2017	2017 Budget	Proposed 2018 Budget
Ordinary Income/Expense				
Income				
500 · Sale of Units	0	0	0	0
535 · Interest Income	675	335	0	15
545 · Historic Grant	0	0	0	0
Total Income	<u>675</u>	<u>335</u>	<u>0</u>	<u>15</u>
Cost of Goods Sold				
551 · Beginning Cost of Units	0	0	0	0
555 · Purchase of Units	0	0	0	0
Summary Rehabilitation Costs	2,604	0	0	0
599 · Ending Cost of Units	-2,604	0	0	0
Total COGS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Gross Profit	675	335	0	15
Expense				
702 · Advertising	0		0	0
704 · Buyer Incentives	0	0	0	0
705 · Closing Costs	250	0	0	0
710 · Commissions	0	0	0	0
750 · Accounting & Legal	6,200	3,000	6,500	3,500
750 · Fruitdale Survey/entitlements			0	0
751 · Fruitdale EPS (Economic & Planning System)			0	0
762 · Bank Charges	122	257	0	250
771 · City Reimbursement	17,664	0	2,400	2,376
775 · Conference & Meeting Exp	21	0	0	0
787 · Dues, Books & Subscripti	0		0	0
802 · Gardening & Maintenance	2,040	0	0	0
820 · Miscellaneous	0		0	0
825 · Office Supplies	30	0	0	0
832 · Postage	0		0	0
843 · Repairs	200	0	0	0
857 · Taxes - Real Estate	0		0	0
872 · Utilities	0	0	0	0
Total Expense	<u>26,526</u>	<u>3,257</u>	<u>8,900</u>	<u>6,126</u>
Net Ordinary Income	<u>-25,851</u>	<u>-2,922</u>	<u>-8,900</u>	<u>-6,111</u>
Other Income/Expense				
Other Income				
564 · CDBG Grant (refund)	0	0		
Other (Expense)				
925 · Loss on Property Sale	269,341	0		
930 · CDBG Funds Return	0	0		
Total Other Expense	<u>269,341</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Other Income/Expense	<u>-269,341</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Income	<u>-295,192</u>	<u>-2,922</u>	<u>-8,900</u>	<u>-6,111</u>
Beginning Fund Balance	<u>897,021</u>	<u>601,829</u>	<u>601,829</u>	<u>598,907</u>
Ending Fund Balance	<u>601,829</u>	<u>598,907</u>	<u>592,929</u>	<u>592,796</u>
Restricted Fund - Fruitdale		<u>570,000</u>		<u>570,000</u>
Unrestricted Fund		<u>28,907</u>		<u>22,796</u>
Ending Fund Balance		<u>598,907</u>		<u>592,796</u>

**Wheat Ridge Housing Authority
Profit Loss**

02/23/2018

	Unaudited
	Dec 31, 2017
	<hr/>
Ordinary Income/Expense	
Income	
500 · Sale of Units	
535 · Interest Income	335.24
Total Income	<hr/> 335.24
Cost of Goods Sold	
562 · Fruitdale Costs	0.00
	0.00
	0.00
	0.00
Total COGS	<hr/> 0.00
Gross Profit	335.24
Expense	
750 · Accounting & Legal	3,000.00
762 · Bank Charges	256.92
771 · City Reimbursement	0.00
	0.00
Total Expense	<hr/> 3,256.92
Net Ordinary Income	-2,921.68
Other Income/Expense	
Other Income	
	0.00
Total Other Income	<hr/> 0.00
Net Other Income	<hr/> 0.00
Net Income	<hr/> <hr/> -2,921.68

Wheat Ridge Housing Authority Balance Sheet

02/23/2018

	Unaudited
	Dec 31, 2017
ASSETS	
Current Assets	
Checking/Savings	
113 - 1st Bank - Checking - 7191	3,516.35
120 - 1st Bank - Money Market - 5321	23,182.49
121 - Project Saving Account - 5934	1,804.42
122 - Citywide - 1882973	404.07
Total Checking/Savings	<u>28,907.33</u>
Other Current Assets	
275 - Fruitdale Lofts Redevelopment Loan	570,000.00
Total Other Current Assets	<u>570,000.00</u>
Total Current Assets	<u>598,907.33</u>
TOTAL ASSETS	<u><u>598,907.33</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
300 - Accounts Payable	0.00
Total Accounts Payable	<u>0.00</u>
Total Current Liabilities	<u>0.00</u>
Total Liabilities	0.00
Equity	
450 - Restricted Fund - Fruitdale	570,000.00
465 - Unrestricted Fund	31,829.01
Net Income	-2,921.68
Total Equity	<u>598,907.33</u>
TOTAL LIABILITIES & EQUITY	<u><u>598,907.33</u></u>