



**WHEAT RIDGE HOUSING AUTHORITY
A G E N D A
July 27, 2010**

**CITY COUNCIL CHAMBERS
4:00 P.M.**

Individuals with disabilities are encouraged to participate in all public meetings sponsored by the City of Wheat Ridge. Call Heather Geyer, Public Information Officer at 303-235-2826 at least one week in advance of a meeting if you are interested in participating and need inclusion assistance.

- A. Call Meeting to Order**
- B. Roll Call**
- C. Approval of the Minutes: June 22, 2010**
- D. Officers Reports**
- E. Public Forum**
- F. New Business**
 - 1. Discussion about Fruitdale School**
 - 2. Review revised HA Goals**
 - 3. Discuss Strategic Planning Work Plan priorities**
 - 4. Tour of metro area projects**
- G. Unfinished Business**
- J. Other**
- K. Adjournment**

WRHA

WHEAT RIDGE HOUSING AUTHORITY MINUTES June 22, 2010

1. CALL MEETING TO ORDER

The meeting was called to order by Chair Brungardt at 4:00 p.m. in the City Council Chambers of the Wheat Ridge Municipal Building, 7500 West 29th Avenue, Wheat Ridge, Colorado.

2. ROLL CALL

Authority members present: Cheryl Brungardt
Joseph DeMott
Kathy Nuanes
Janice Thompson

Authority members absent: Katie Vanderveen

Others present: Sally Payne, Deputy Director
Ann Lazzeri, Recording Secretary

3. APPROVAL OF MINUTES - May 25, 2010

It was moved by Janice Thompson and seconded by Joseph DeMott to approve the minutes of May 25, 2010 as presented. The motion carried unanimously.

4. OFFICERS REPORTS

Cheryl Brungardt reported on a conference she attended that was sponsored by the Homebuilders Association. The conference was held at the Crossroads Theater in the Five Points revitalization area. The speaker, a national economist, spoke in favor of mixed-age residential development. He also pointed out ongoing economic benefits to the local community with these types of developments.

5. PUBLIC FORUM

There were no individuals present to address the Authority.

6. NEW BUSINESS

There was no new business to come before the Authority.

7. UNFINISHED BUSINESS

A. Discussion of goals set forth in the strategic planning report.

The Authority reviewed and discussed housing authority goals included in the report prepared by Tom Hart

There was agreement on the following mission statement goals:

- Encourage and promote home ownership through acquiring low-maintained properties and converting to owner-occupied units.
- Become a community resource for housing funding and other housing needs.
- Develop working partnerships with other housing authorities, city department projects, nonprofit and private businesses with the intention of providing affordable housing.
- Remain self-sustaining by reinvesting resources into rehabilitating housing stock.
- Consider innovative financing methods to encourage affordable home ownership.

There was general agreement that the Housing Authority should not participate in code enforcement.

There was consensus that Authority members should prioritize their top six goals and report these to Sally Payne by July 19 for inclusion in the next agenda.

B. Discussion of dates and times for a tour of other projects in the metro area.

Authority members discussed a list of possible projects to be visited. Sally Payne will contact Stapleton, The Point, Florence Square in Aurora and Benedict Park Place to make tour arrangements. There was consensus to arrange the tour for Wednesday or Thursday in the second or third week of August.

8. OTHER

There was no other business to come before the Authority.

9. ADJOURNMENT

It was moved by Joseph DeMott and seconded by Kathy Nuanes to adjourn the meeting at 5:30 p.m. The motion passed unanimously.

The next meeting is scheduled for July 27, 2010.

Cheryl Brungardt, Chair

Ann Lazzeri, Secretary

DRAFT



Memorandum

TO: Wheat Ridge Housing Authority
FROM: Sally Payne, Senior Planner
DATE: July 22, 2010
SUBJECT: July 27, 2010 Housing Authority meeting

The next Housing Authority meeting is scheduled for July 27 at 4:00pm in the City Council chambers. The agenda and Strategic Planning Report with revised goals from the June meeting is attached.

The Jefferson County School District has approached the City about the final disposition of the Fruitdale School. Ken Johnstone would like to relay information from recent discussions with the School District to the Housing Authority.

At the June meeting we discussed revising the Goals as listed in the Strategic Planning Report. There will be a final review of these Goals to be sure they reflect the Housing Authority's wishes.

Only one Board member responded to the request for sending their top priority Work Items from the Strategic Planning Report that were to be included in the packet. Please look over the Work Plan Items starting on page 7 of the Report and prioritize your top 6 items so we can discuss these at the meeting next week.

Finally there will be an update on the status of arranging tours of some metro area projects.

Wheat Ridge Housing Authority 2010 Planning Options

The Community Strategies Institute was engaged by the Wheat Ridge Housing Authority (WRHA) to plan and facilitate a 4 hour planning workshop for WRHA Commissioners on April 13, 2010. This report summarizes the discussion which covered various topics relating to future activities the WRHA may undertake. Following the summary of the meeting, a work plan outline will be provided. The work plan outline does not have the level of detail that an implementation plan might require. Once the WRHA Commissioners have decided on a basic work plan, more research and analysis will need to be conducted to determine which items in the work plan are feasible and which are not. Planning for the future should be done on an ongoing basis, so that as new opportunities or barriers arise, adjustments to the basic work plan can be made.

Summary Housing Authority Roles and Responsibilities: The Wheat Ridge Housing Authority is organized under state statute. Housing Authorities in Colorado are unique entities in that for some purposes they are considered units of local government and for other purposes they are viewed as entities separate from municipal or county government. The mixed legal status of housing authorities can create confusion on the part of housing authority commissioners, local government bodies and citizens at large. The Municipal Housing Authority Statutes, CRS: 29-4-201-230. Provide for the operation of housing authority operated within the boundaries of an organized municipality. Housing Authority Commissioners may be appointed by the Mayor and confirmed by the City Council. The statute allows for the Council to pass an ordinance allowing the Housing Authority Commissioners to appoint new members to vacant seats. The Wheat Ridge City Council has not adopted such an ordinance and currently, Commissioners are appointed by the Mayor with Council concurrence. In most municipalities in Colorado, the Housing Authority maintains a separation between the authority and city government. The trend is for housing authorities to operate separately from the local government. Recently the Lakewood Housing Authority and City of Lakewood agreed on a new relationship between the authority and city. The Authority moved out of city offices and adopted a new business name without the Lakewood name in the new title.

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In recent years it has become common for a housing authority to adopt a business name that downplays the "authority" concept and focuses more on partnership or some other positive value. For instance, the City of Boulder Housing Authority uses the business name: Boulder Housing Partners while the Lakewood Housing Authority does business as Metro West Housing Solutions. Regardless of the name, often, the business the housing authority engages in can be financially risky. By maintaining a practical separation between local government bodies and the housing authority, local governments can protect themselves from the problems that can arise from failed or controversial projects. Autonomy is important for the housing authority as well. For some members of the community, the basic mission of the housing authority can be viewed negatively. Often, when faced with neighborhood opposition or NIMBY (Not in my backyard), elected officials have a difficult time overruling opposition. If the elected officials are not directly involved in a project, it is easier for them to render an objective decision in the face of opposition.

Housing authority commissioners and city officials can have conflict over a variety of matters. In some cases, a mayor may appoint a new commissioner without considering the views of the other sitting housing authority commissioners. In order to avoid conflict over new appointments, it is wise for housing authority commissioners to discuss potential appointments with the mayor so that each party can better understand what the impact of a given appointment might be. Another important way to prevent conflict is for municipal elected and appointed officials and housing authority commissioners to communicate with one another. In order to gain the support of city officials on projects and other potentially controversial items, it is important that those officials understand the plan and have been given the opportunity to express their ideas on how make the plan gain greater support.

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Housing authority commissioners have many potential liabilities. One of the most common sources of litigation against housing authority commissioners involves the treatment of employees. It is important for commissioners to have adequate liability insurance and also access to good legal advice in dealing with employees. The WRHA presently has no direct employees, however, should the authority hire employees, a modern set of employee policies should be in place. If future WRHA actions include hiring employees and participating in development projects, it will be necessary for the Authority and its Commissioners to have adequate liability coverage.

Summary Housing Authority Challenges and Opportunities: The WRHA is presently in a mode of low activity. After initially realizing success with its homeownership program, as the real estate market began to slow, fewer first time homeowners were willing to make a commitment for a long term debt. Initially, the homeownership program focused on acquiring multi-family rental buildings and converting them to owner occupied condominiums. Later projects involved the acquisition and rehab of smaller buildings, mostly duplexes. These units were then sold to first time buyers. WRHA contracted with the Jeffco Housing Authority to provide the project management. As demands on the staff of the Jeffco Housing Authority grew, Jeffco personnel determined that they would no longer be able to provide project management to WRHA. Since then, the WRHA has not undertaken any new projects.

The environmental scan yielded information and observations that indicate that the WRHA Commissioners should consider the possibility of new organizational alignments before adopting a work plan that requires hiring new staff. There are multiple housing authorities serving Wheat Ridge residents with HUD sponsored low-income housing programs. The Jeffco Housing Authority has historically provided homeowner rehabilitation services for low income homeowners within the City of Wheat Ridge. A number of various non-profit organizations have also completed various rehabilitation projects over the years. Wheat Ridge 2020 has received pass through Neighborhood Stabilization Program funds from Jefferson County for the purchase and repair of empty foreclosed homes in Wheat Ridge. Based on information provided by a representative from Wheat Ridge 2020, it is difficult for them to obtain a qualified foreclosed property and then invest the substantial amounts in rehab needed to bring the property up to standard. On some properties they are outbid by private investors who generally don't invest as much in improving the property and can resell it in a short time period.

The Wheat Ridge Urban Renewal Authority is another entity supported by the City of Wheat Ridge. Like WRHA, the Urban Renewal Authority, now known as Renewal Wheat Ridge, receives limited staff support from city employees. Renewal Wheat Ridge is currently focusing its resources on a redevelopment of the area near 44th and Wadsworth. Some communities have chosen to link the efforts of their redevelopment authority with that of their housing authority. Administratively, greater efficiencies can be achieved because one administrative unit can deal with the complex tasks of supervising staff and complying with a complex web of both state and federal regulations that govern both the funding and programmatic options for community development projects.

With the resources pooled from both entities, it may be possible to support staff positions that could further the efforts of both agencies. It is very difficult to make timely, substantial progress on projects that can only rely on borrowing staff expertise from other departments. The mechanics of combining two agencies would be fairly uncomplicated. The two governing boards of each group could remain in place and the day to day management could be accommodated through a memorandum of understanding between the two boards. It would also be possible to combine boards and have one board named to govern both entities. The new entity could be known as the Wheat Ridge Housing and Redevelopment Authority.

The previous working arrangement with the Jeffco Housing Authority could also be used as a model for future joint ventures. There are a variety of non-profit groups which could provide the staffing necessary to operate WRHA programs. Wheat Ridge 2020 pursues a community development mission and it could be possible for that organization to operate programs on behalf of WRHA. It may be possible to develop a new agreement with the Jeffco Housing Authority. An important consideration is the level remuneration for contractual services. If a new partner will have to hire new staff in order to operate new or expanded programs, the level of support from WRHA will have to be adequate to cover the increased staffing and overhead costs of the joint venture partner. Contracting for services through another agency will probably be a more cost effective option than building a new organization from the ground up.

While the complexities of configuring the WRHA for future activities is a critical consideration, there are many opportunities for the WRHA to serve the Wheat Ridge community. In looking at potential customers for WRHA programs, the environmental scan identified a number of households with needs that the housing authority could address. Some of the more pressing households needs included:

- Households which are seeking modern rental units which include amenities such as community rooms, work facilities and are close to mass transit nodes.
- Households which are in need to ranch style retirement housing that is near transportation and services. A Windsor Gardens type of development would be well received by the large population of retirees in Wheat Ridge.
- Households looking for their first opportunity to own a home in a planned development that is located close to mass transit and provides a quality home for those at the entry level price point.

- Households who want to become homeowners and would like a home that reflects the rural character of neighborhoods along 38th Ave and 44th Ave.
- Renter households with limited income who are forced to live in the least expensive rental units that are not well maintained by property owners.
- Neighbors who are forced to endure the disruptions and crime that accompanies rental units that are not maintained and do not have effective management to prevent tenant problems from spilling into the neighborhood.

There is not a shortage of well thought out plans on how to address the variety of community challenges facing the City of Wheat Ridge. The WRHA could become rapidly engaged in assisting the city government and the community at large in formulating plans that could ameliorate documented problems. The Neighborhood Revitalization Strategy, and the Envision Wheat Ridge Comprehensive Plan contain specific recommendations which fit well with the WRHA mission and goals. It would be efficient to focus WRHA resources and energy on areas and projects that have already been identified as having city-wide interest.

Both the 38th Avenue and 44th Avenue corridors offer interesting opportunities. Both avenues contain a mix of residential and commercial uses. Both have a scattering of small retail with single family houses intermixed with some larger parcels of land that could easily accommodate redevelopment. Live work units configured as two story structures could enhance the present development along the two routes between Sheridan and Kipling. Historically there were small truck farms and flower gardens along both avenues. It may be possible to echo history by developing 6-8 smaller housing units on a parcel that would have a community garden as the center piece of the housing project. This type of development could be accommodated on as small a parcel as one acre. Both younger first time buyers and retirees would find such a configuration appealing. In order to keep initial acquisition costs down and to ensure that the exterior improvements enhanced the surrounding land uses, a Community Land Trust form of ownership could be utilized. Another potentially successful concept would be to build live/work units. Employment projections say that the fastest growing sector of the economy will be small businesses. There are a variety of personal services firms that would benefit from having their business space co-located with their residence. This type of land use fits well with previous land uses as many small business and farms were managed by owners living on the property.

For several years, the city has been pursuing the development of a focal point for the city. The city center concept, slated to be located in the 44th and Wadsworth area would be an excellent area of focus for a multifamily project. Either a mixed income rental or condo project could enhance the other public efforts in the area. The area has many services available and has good access to bus service. While the city has many older rental complexes, there are very few modern rental communities with the location and amenities that are attractive to younger tenants. A joint venture with a private developer or one with a non-profit developer could benefit WRHA by not having to hire in development expertise. A multi-family development could also be feasible at the Ward Road light rail site. Unless the WRHA has development expertise on staff it may be more efficient to pursue a joint venture development with another entity that has development experience. Because of the costs involved, it will be necessary to

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pursue a variety of public financing options to bring the rents or sales prices down to a level of affordability for those residents with modest incomes.

The joint-venture approach to development has many advantages. In various communities in Colorado, local governments and housing agencies have formed partnerships to complete development plans. The WRHA could contribute a variety of assets to a project including cash, land, regulatory concessions and other assets that would help lower the risk for either a private or non-profit developer. Some communities have utilized an RFP process in which developers compete on product price and quality in order to gain the assistance needed from a public entity.

As the Revitalization Strategy and the Envision 2020 Plans have documented, Wheat Ridge has an ongoing, substantial need to upgrade and modernize much of its housing stock. WRHA Commissioners have noted that in neighborhoods where the homes begin to deteriorate, more crime and social disruption seems to occur. Because the financial impact of undertaking an aggressive rehab program on a large scale is beyond the resources of a community the size of Wheat Ridge, it may be useful to direct limited resources to a targeted location or sub-neighborhood area. By concentrating resources, it may be possible to demonstrate a visible impact on the target area.

In order to further expand the stabilizing effects that good property maintenance can have on an area, it may be worthwhile to engage the Wheat Ridge City Council in discussions about adopting city ordinances that would both encourage higher quality housing conditions and also punish those who refuse to improve unsafe or derelict housing conditions. Some communities have adopted rental unit license ordinances which allow the city to revoke licenses on rental units that are not safe or are a blight on surrounding properties.

The WRHA could also have a positive impact on older rental properties by acquiring them, upgrading them and then leasing them to seniors and other residents needing affordable rent. Some developers in Denver have taken older, functionally obsolete rental properties and through both exterior and interior improvements given them a unique appeal. If the basic structure and mechanical systems are functional, it may be cost effective to improve some of the older properties. The WRHA could possibly have several different roles in such projects. It could be the owner, developer, property manager. WRHA could provide affordable construction financing to private owners willing to restrict rents to targeted levels. WRHA could be a co-developer with another entity on the project. If WRHA were to undertake a joint venture with another public housing authority, it may be possible for that other development partner to allocate some units of Section 8 rental assistance that would permanently stay with the units in the project. This would be a way of permanently buying down the rents for some eligible households.

Some time ago, WRHA Commissioners adopted a set of broad goals for the housing authority. It would be useful for the commissioners to review those goals and decide whether they still are relevant or if they need to be changed. Any work plan adopted by the WRHA should reflect the goals and priorities that have been set by board deliberation. The present goals are listed below and it would be useful for

the commissioners to decide on any changes as they proceed with adopting a work plan for the near term and longer term future.

1. Encourage and promote homeownership through the acquisition of deteriorated or foreclosed properties to convert to homeownership.
2. Become a community resource for the assistance of and referral of housing funding and other housing needs.
3. Develop partnerships with other Housing Authority's, outside agencies, financial institutions and private investors to provide affordable housing.
4. Remain a self-sustaining agency by reinvesting profits in the rehabbing of deteriorated housing stock.

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As the WRHA updates its goals and deliberates on a work plan, it would be beneficial to continue to obtain technical assistance from subject matter experts. The Colorado Division of Housing has development staff experts who could be invited to provide information and training to housing authority commissioners. There are other organizations who also provide technical assistance to community organizations as part of their mission. It would also be beneficial for the WRHA commissioners to make a tour of successful housing projects and programs in the metro area. Sometimes it is difficult to develop a clear picture of an affordable housing idea. When that idea becomes reality in a living project, it is much easier to appreciate the steps taken to bring the original idea to completion.

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<#>Decrease blight of low-maintained residences

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Deleted: <#>Become a community resource for housing funding and other housing needs¶
<#>Maintain and increase property values in Wheat Ridge¶
<#>Become a self-sustaining agency¶

The section that follows is a menu of possible work activities that the WRHA Commissioners may wish to undertake. Community Strategies Institute is not specifically endorsing any of these items. Much more thought and analysis will have to be completed on many of these items before it could be determined if a given project or program would be a good fit for the housing authority. These items provide a starting point for further discussions. With limited time and budget, the details relating to each of these items will have to come at a later date.

Possible Work Plan Items 1-5 year Horizon

	Item	Timeline	Players/Resources	Cost
1	Undertake an analysis of viability of continuing WRHA in present form or in combining housing authority with other entity through merger or joint operating agreement or MOU for services	Short term within 3 months	WRHA Commissioners, City Staff, City Council, other agencies including Renewal WR, Jeffco PHA, WR2020, neighboring PHAs, Co.Div. Of Housing	\$
2	Based on outcomes of item 1, develop agreements to implement new organizational approach or hire staff for WRHA <u>every three years.</u>	Short term within 6 months	WRHA Commissioners, City Staff, City Council, other agencies including Renewal WR, Jeffco PHA, WR2020, neighboring PHAs, Co.Div. Of Housing	\$
3	Review Housing Authority Goals and update as necessary	Short term within 6 months	WRHA Commissioners, City staff	\$
4	Conduct a metro area project tour for WRHA Commissioners and staff	Short term within 3 months	WRHA Commissioners, City staff	\$
5	Research and invite technical assistance providers to WRHA meetings for presentations on housing development process	Short term within 6 months	WRHA Commissioners, City staff	\$
6	Develop a <u>owner occupied acquisition/rehab</u> program for implementation by WRHA staff or joint venture partner	Mid term 1-2 years	WRHA Commissioners, staff, outside funders/lenders, joint venture partners	\$\$\$\$

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7	Consider innovative financing to support homeownership. Revitalize down payment assistance programs to first time homebuyers, collaborate with other agencies to maximize leveraging of resources.	Mid term 1-2 years	WRHA Commissioners, staff, outside funders/lenders, neighborhood groups, WR City Council, other home repair groups	\$\$\$\$\$
8	Formulate plan for new rental development in areas of interest for city redevelopment such as 44th Wadsworth, Ward Rd. Transit station. Consider both WRHA owned properties and joint ventures with outside developers.	Long term 2 years - 5 years	WRHA Commissioners, staff, WR City Council, outside funders, lenders, joint venture partners, Renewal Wheat Ridge	\$\$\$\$\$
9	Formulate plan for new, <u>multi-generational owner occupied</u> using the community garden land plan concept. Consider both WRHA as developer and joint venture partners	Long term 2 - 5 years	WRHA Commissioners, staff, WR City Council, outside funders, lenders, joint venture partners, Renewal Wheat Ridge	\$\$\$\$\$
10	As market conditions <u>allow</u> , continue acquisition, rehab, resale program for first time homebuyers.	Mid term 1 - 2 years	WRHA Commissioners, staff, local Realtors, outside funders, lenders, Colo. Housing Assistance Corp., CHFA, rehab agency or staff	\$\$\$\$\$

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11	Work with outside partners to develop innovative new for sale housing products to include concepts such as community gardens, community land trusts, live work units. These new products to be designed to fit into city.	Long term 2-5 years	WRHA Commissioners, staff, local Realtors, builders, outside funders, lenders, joint venture partners, Renewal Wheat Ridge, CHFA	\$\$\$\$\$
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Key to Cost Symbols:

\$ = little or no cash outlay by WRHA

\$\$=\$10,000-\$20,000

\$\$\$=<\$100,000

\$\$\$\$= \$100,000-350,000

\$\$\$\$\$=\$500,000-\$1,000,000

\$\$\$\$\$\$+ 1,000,000 plus