



**GREELEY URBAN RENEWAL AUTHORITY
Proceedings**

**January 13, 2021
4:30 p.m.**

This meeting was conducted remotely

(On December 17, 2020 Commissioner Stephanie Lucero was sworn in to the Greeley Urban Renewal Authority by Anissa Hollingshead, City of Greeley, City Clerk.)

I. Call to Order

Chair Cummins called the meeting to order at 4:30 p.m. Commissioners Haas, Leffler, Lucero, and Welsh were present. (Commissioner Utrata was not present. Commissioner Duran was absent.)

II. Approval of minutes for the meeting held on November 18, 2020

Commissioner Welsh made a motion to approve the minutes for the meeting held on November 18, 2020 as written. Commissioner Haas seconded the motion; the motion carried 5-0. (Commissioner Utrata was not present; Commissioner Duran was absent.)

III. Items of Business

Proposal to Restructure Ownership and Debt on High Plains HDC Properties
(Commissioner Utrata enters the meeting.)

Fred L. Otis, Otis & Bedingfield, LLC (GURA's attorney) presented the proposal to restructure ownership and debt on High Plains HDC Properties if an agreement is reached with High Plains Housing Development Corporation ("High Plains") that contains the following essential terms:

Stagecoach Gardens

1. The property will be transferred pursuant to the draft Purchase Agreement to High Plains, or a wholly owned LLC, Stagecoach Gardens Apartments, LLC ("New Stagecoach LLC"). GURA would not own, or have an equity interest in New Stagecoach LLC, but the said LLC would be owned exclusively by High Plains except for a nominal interest owned by Greeley Housing Authority.

2. A new promissory note made by New Stagecoach LLC payable to GURA will be given to replace the existing debt (in the same amount and with the same terms) and

secured by a new deed of trust against the Stagecoach Property subordinate only to the new FirstBank \$630,000 debt as described in the FirstBank Proposed Term Sheet (or the new note and deed of trust can simply be recorded after the new FirstBank debt). Any other debt can remain, but any deeds of trust or other security agreements securing other debts must be subordinated to the new GURA note and deed of trust, including all of the existing High Plains debt.

3. Pursuant to the terms of the ROFR a new agreement will be put in place and recorded that extends the obligation of the owner of the property to maintain the Project for low-income use for at least 15 years after the date of closing composed of:

a. 7 years remaining on the Extended Use Period under the Low-Income Housing Tax Credit Land Use Restriction Agreement that was recorded December 22, 1998 at Reception No 2662242 ("CHFA Use Restriction").

b. An additional 8 years using terms and conditions that are materially like the restrictions in the CHFA Use Restriction, but given in favor of GURA. The exact terms of this restriction would need to be negotiated before closing.

La Casa Rosa

1. The property will be transferred pursuant to the Purchase Agreement to High Plains, or wholly owned LLC ("New La Casa Rosa LLC"). As currently drafted this is "La Casa Rosa Senior Apartments LLC". GURA would not own, or have an equity interest in New La Casa Rosa LLC, but the said LLC would be owned exclusively by High Plains.

2. Pursuant to the Right of First Refusal Agreement ("ROFR") and Purchase Agreement, all of the debt owed by La Casa Rosa, Ltd. will be assumed by New La Casa Rosa LLC, without change including the GURA debt of approximately \$916,062. At closing there must be an agreement signed by New La Casa Rosa LLC assuming the debt. All other debt must be subordinate to the GURA debt, including all High Plains debt.

3. Pursuant to the Extension and Modification Agreement dated September 9, 2013, the Promissory Note became due on December 31, 2018. GURA and New La Casa Rosa will agree that the maturity date of the debt will become due on December 31, 2021.

4. Pursuant to the terms of the ROFR a new agreement will be put in place and recorded that extends the obligation of the owner of the property to maintain the Project for low-income use for at least 15 years after the date of closing composed of:

a. 7 years remaining on the Extended Use Period under the Low-Income Housing Tax Credit Land Use Restriction Agreement that was recorded December 22, 1998 at Reception No 2662242 ("CHFA Use Restriction").

b. An additional 8 years using terms and conditions that are materially like the restrictions in the CHFA Use Restriction, but given in favor of GURA. The exact terms of this restriction would need to be negotiated before closing.

Both of the above closings would occur simultaneously.

An agreement is needed that allows the dissolution of Stagecoach Gardens, Ltd and Stagecoach Gardens Corporation.

At Closing, both Management Agreements with Greeley Housing Authority should be assumed by the new LLCs.

Commissioner Leffler made a motion to authorize GURA Staff to implement the actions and essential terms described in the Otis & Bedingfield Memo dated December 31, 2020, Re: Stagecoach and La Casa Rosa, to make minor amendments to the Memo and authorizing the GURA Board Chair, Vice Chair or Secretary, to take all necessary action and to sign all documents necessary to carry out the transfer of the Stagecoach Gardens and La Casa Rosa properties under the conditions described in the Memo.

And further resolved if appointment of Directors to the Stagecoach Gardens Corporation and/or the Rose Corporation are needed to implement the above Resolution, that either or both Jediah Cummins and Suann Haas be appointed to those positions and that the said appointees are further authorized to take other actions as necessary to implement the overall plan as reflected in the above motion.

Commissioner Welsh seconded the motion; the motion carried 6-0. (Commissioner Duran was absent.)

Consideration of Policy & Procedures - CARES Act Public Service Activities

GURA staff anticipates an application for a new public service activity utilizing Community Development Block Grant-Coronavirus (CDBG-CV) funds and has attached policies and procedures for those types of activities for the Board's review. You may recall reviewing policies and procedures for three approved CDBG-CV activities: Personal Isolation Facility, move of the Cold Weather Shelter in March 2020, and Emergency Rental Assistance. All three activities have since been cancelled due to the availability of other funds. The attached policies and procedures are of a more generic nature and are meant to cover any public service activity for which an entity might request CDBG-CV funding. The subsequent Subrecipient Agreement would provide detail for specific activities.

Commissioner Utrata made a motion to approve the Policies and Procedures for Public Service Activities Funded with CDBG-CV funds. Commissioner Welsh seconded the motion; the motion carried 6-0. (Commissioner Duran was absent.)

Consideration of Policy & Procedures - CARES Act Duplication of Benefits

As part of the CARES Act (of which CDBG-CV is a part), the U. S. Department of Housing and Urban Development (HUD) must ensure there are adequate procedures in place to prevent any duplication of benefits (more than one payment to a subrecipient or other beneficiary for the same costs).

HUD has passed that responsibility on to all CDBG-CV grantees. To comply with Duplication of Benefits requirements, grantees have to establish and follow procedures to ensure Duplication of Benefits does not occur.

Staff has always been aware of the Duplication of Benefits requirement; however, recently realized the need for policies and procedures. With all CDBG-CV activities currently cancelled, staff wanted to make sure this requirement was in place before requesting approval of any new activities.

Duplication of Benefits requirements apply to all types of activities. Because final review requirements will differ by activity, the policies and procedures document is generic and does not go deeply into the review process. As noted within in the policies and procedures, prior to adding an activity, staff will implement a Duplication of Benefits process for that particular activity.

Commissioner Leffler made a motion to approve the Policies and Procedures for Cares Act Duplication of Benefits. Commissioner Utrata seconded the motion; the motion carried 6-0. (Commissioner Duran was absent.)

Presentation – Terry Ranch Water Project

The item was postponed (the presenter was unable to attend the meeting).

IV. Board Member Comments/Reports

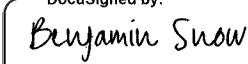
None

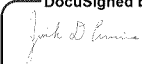
V. Staff Report

Benjamin Snow, Economic Health & Housing Director gave an update the United Way of Weld County Non-Congregate Shelter at Bonell. The site is presently housing a vulnerable homeless population that needs the ability to social distance due to COVID-19 and is thus unable to stay at the Cold Weather Shelter in Evans that CDBG supports.

VI. Adjournment

There being no more business, the meeting was adjourned at 5:19 p.m.

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Benjamin Snow, Secretary

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Jediah Cummins, Chair