



**GREELEY URBAN RENEWAL AUTHORITY
Proceedings**

**August 10, 2022
4:00 p.m.**

This meeting was conducted remotely

I. Call to Order

Chair Cummins called the meeting to order at 4:00 p.m. Commissioners Leffler, Silva, Utrata, and Welsh were present. (Commissioners Haas and Lucero were not present.)

II. Approval of minutes for the meeting held on July 13, 2022

Commissioner Welsh made a motion to approve the minutes for the meeting held on July 13, 2022, as written. Commissioner Leffler seconded the motion; the motion carried 5-0. (Commissioners Hass and Lucero were not present.)

III. Items of Business

Public Hearing to consider the 2023 CDBG Program Applications

(Commissioners Haas and Lucero enter the meeting.)

Carol Larsen, Grant Specialist, oriented the Commissioners on the Community Development Block Grant (CDBG) process and the 2023 grant year requests. Ms. Larsen presented the applications and staff recommendations to the Board.

The following applicants were present at the hearing to answer questions regarding their applications that were presented to the Board. A brief description of each application is included.

- Janet Bedingfield, Executive Director
 - Representing 60+ Ride (formerly known as Senior Resource Services) and the application for \$10,000 for costs of providing transportation to seniors aged 60 and over to medical appointments, grocery stores, financial and government institutions, etc.
- Nancy Wiehagan, Executive Director
 - Representing Greeley Family House (formerly known as Greeley Transitional House) and the application for \$10,000 for a case manager

to coordinate the Landlord Support Program which provides homeless families in the Family House with housing services. The case manager would work to engage landlords to work with low- and moderate-income families exiting the emergency shelter housing.

- Enita Kearns-Hout, Regional Director
 - Representing Catholic Charities and the application for \$15,000 for a housing navigator to focus on housing location and relationship development with landlords and other housing-related support services for shelter guests.
- Shawn Walcott, Director of Household Stability
 - Representing United Way of Weld County and the application for \$25,000 to support salary(ies) of Cold Weather Shelter staff with direct service contact with shelter guests.
- Andrea Barela, Development Director
 - Representing NEWSED-Community Development's application for \$40,000 to support staff costs for new Greeley office. Services would include counseling at all areas of homeownership, including pre-purchase, homebuyer, and default. This would provide a HUD-certified counseling agency in Greeley.

Other applicants whose projects were summarized in the Commissioners' packets:

Administration – Includes staffing for management of CDBG funds and projects.

Housing Rehab Administration – Loan payment processing; defaults and collections.

GURA Affordable Housing – Provide funds that will serve as a placeholder for future housing activities.

Public Works – Phase VI – Continued work Maplewood neighborhood and/or a Phase I activity in the Wilshire neighborhood. New infrastructure/improved; sidewalks, ramps; move utility poles; other.

Public Works Infrastructure-Alley reconstruction – Reconstruction of alleys; Sunrise Park neighborhood.

Forestry Program – Parkway Tree Planting

Public Works – Support annual City-wide clean-up weekend.

Northern Colorado Veterans Resource Center Agency – rescinded application.

Chair Cummins opened the public hearing at 4:28 p.m. and called for public comment.

Janet Bedingfield, Executive Director, 60+ Ride (Senior Resource Services) thanked the board and noted that the application was \$10,000 for costs of providing transportation to seniors over age 60 to medical appointments, grocery stores, etc. The transportation provided helps sustain housing and health of the seniors. The cost is \$35 one-way ride; \$480,000 spent in Greeley for rides.

Nancy Wiehagan, Executive Director, Greeley Transitional House thanked the board for past support and noted that, should the Board not recommend funding for their application, that they would find other funding sources.

Enita Kearns-Hout, Regional Director, Catholic Charities noted the concern for funding doors closing. The “fiscal cliff” that is expected when Weld County’s COVID-19 emergency rent assistance ends will be detrimental to emergency funding. She gave examples of what types of shortages this could bring. She ended by asking the board to reconsider funding Catholic Charities and Greeley Transitional House; these two agencies are critical to keep families safe and out of homelessness.

Shawn Walcott, Director of Household Stability, Representing United Way of Weld County thanked the board. United Way of Weld County’s priority is to keep people housed and safe which continues to have increase in challenges. United Way of Weld County looks forward to working with the City to insure keeping people safe.

Andrea Barela, Development Director Representing NEWSED-Community Development Corporation stated that it was NEWSED’s first time going through the CDBG process in Greeley, and it was informative see how the process work. NEWSED is for Greeley homeownership and for all populations, but must serve at least 51% low- moderate-income persons by CDBG regulation.

Chair Cummins closed the public hearing at 4:42 p.m.

Commissioners questioned the reduction in support of public services and if the applicants had been aware of it. Ms. Larsen noted that the discussion to reduce funding to public services began with the board in 2019-2020. The topic of reduction has been discussed since that point and funds for public service activities have been slowly reduced at the Board’s direction.

The concern of putting the providers in dire situations was discussed. The question arose if the \$20,000 that was planned to be allocated to Northern Colorado Veterans Service Center could be allocated to one of the newer applicants (with the withdrawal of the Veteran’s application). Staff acknowledged the possibility, but reiterated their understanding that the Board wanted to fund capital projects and affordable housing rather than public service activities.

Benjamin Snow, Director Economic Health & Housing, noted that the funding conversation is difficult. The conversations started three years ago about shifting priorities of the CDBG funds, but it is the prerogative of the Board to modify or amend the staff budget recommendation.

It was pointed out that the Board membership has changed in three years. Mr. Snow said that the fluidity of the board is honored by the City and staff; that is why the discussions are played out in a public hearing environment to enable this type of conversation.

Chair Cummins noted that is a tough process every year deciding on funding allocations when it comes to real people, real impact, real dollars.

Commissioner Welsh stated that while she is basically on board with moving away from public services and cited the need for affordable housing in the community, she also understands that inflation seen so far in 2022 and the “cliff” that was mentioned were not foreseen at the time of the original discussions. She noted the choice is difficult, and not one that is being taken lightly.

Commissioner Leffler commented that it is difficult when you have funded agencies for years, but it has been the Board’s direction for agencies to be weaned from relying on CDBG. This is what the Board is tasked with doing, it is a lot of money, but then again it is not. The staff recommendation for allocation of the 2023 CDBG funds is as follows:

General Administration	\$ 168,000.00
City-GURA-Housing Rehab Program Administration	\$ 25,000.00
City-GURA-TBD Affordable Housing Activity(ies)	\$ 131,000.00
NEWSED Community Development Corporation	\$ -0-
Catholic Charities-Guadalupe Housing Navigator	\$ -0-
Greeley Family (Transitional) House-Landlord Support Program	\$ -0-
City-Public Works-Public Improvements	\$ 422,800.00
City-Public Works-Alley reconstruction	\$ 127,700.00
City-CPR/Forestry-Parkway Tree Planting	\$ 20,500.00
City-Public Works-Clean-up Weekend	\$ 15,000.00
United Way Cold Weather Shelter	\$ -0-
Northern Colorado Veterans Service Center (Application rescinded.)	\$ -0-
Senior Resource Service – transportation services	\$ 10,000.00
Total Projected Budget	\$ 920,000.00

Commissioner Leffler made a motion to approve the staff recommendation to approve Resolution 1 Series 2022 recommending approval of the proposed Community Block Grant for 2023 with the following caveats:

- *GURA’s project management noted with activities will float where most needed; unused becomes available next grant year
- Administration will be 20% of the grant award; cannot exceed 20% by regulation

- If grant, program income, prior year grant funds, or changes to applications requests are greater/lesser than projected, adjustment to occur within infrastructure (sidewalks) activity
- Pre-award expenditures up to \$300,000 may be incurred for activities that need start dates before HUD grants are received
- GURA staff can make changes to the activities shown by up to 10% of the grant without initiating a new citizen participation process, which includes Board recommendation and Council approval

Commissioner Silva seconded the motion; Chair Cummins called for a roll call vote; the motion carried 5-2. (Commissioners Cummins and Lucero were opposed.)

Ms. Larsen noted that the budget is not finalized with the Board's vote, but that there will be another Public Hearing at which applicants can comment at the City Council meeting on October 4, 2022.

Ms. Larsen clarified that the Northern Colorado Veterans Service Center also asked for their 2022 CDBG award to be rescinded, and as stated in the 2022 Action Plan, their awarded funds will move to the 5th Street infrastructure activity currently underway. (The 2022 Action Plan's public process noted that any budget deviations, up or down, would be within that activity).

Affordable Housing Application – Hope Apartments-Multi-family Rehab

For the past three years, GURA has submitted a CDBG application as a placeholder for affordable housing projects/activities. The set-aside funds are approaching \$1,000,000 in available funds. CDBG may not be used for new construction costs; however, there are eligible uses for CDBG in the housing realm: Support for new construction through site clearance or demolition, infrastructure in public ownership, acquisition, reconstruction or conversion, or rehabilitation. The CDBG budget set aside \$50,000 annually that was tentatively "earmarked" for multi-family housing rehab.

Adeo, (formerly known as Greeley Center for Independence), has applied for multi-family rehab funds to replace the windows at Hope Apartments (2730 28th Avenue). Their application for assistance with window replacement is attached, along with several other attachments associated with the application. Hope Apartments is a low-income housing development, with current tenants all below 70% of AMI. All but two are below 40% AMI. Housing Choice Vouchers are used by about 75% of the tenants; three units are part of an old Division of Housing Development (which sets incomes and rents on those three units. CDBG regulations state that a minimum of 51% of the units must be rented to tenants at or below 80% of AMI, so this development qualifies. (Eighty percent of AMI for 2022: one-person, \$55,450; two-people, \$63,400; three-people-\$71,300.)

Hope Apartments is a two-story development with 31 units, 28 one-bedroom and three two-bedroom. The windows are the original wood windows installed when the building was constructed in 1994, are drafty, and difficult to operate.

Commissioner Welsh made a motion to:

1. Award Applicant CDBG funds an amount to be the greater of \$127,775 or 75% of the total cost for window replacement, with award not to exceed \$144,300. (Maximum amount is above the requested amount to accommodate any increase in costs due to Davis Bacon or rising prices). Funds requested to be provided as a grant, with stipulations noted below. GURA Manager time for activity delivery costs are estimated at \$5,700, which could bring the total cost of CDBG's share to a maximum of \$150,000.
2. CDBG requires that a no-change-in-use covenant be recorded for any real property investment \$25,000 and over. Due to the amount of funds involved, the recommendation is that a 10-year no-change-in-use covenant be placed on the property. The Applicant must continue to provide at least 51% (16) of the units to low-income tenants at affordable rents, (income and rent limits defined below) or all of the CDBG funds must be repaid to the City, as the activity would no longer meet regulatory requirements.
3. Income maximum: During the 10 years, at least 51% (16) of the units must be rented to tenants with incomes 80% or less of AMI as defined by the U. S. Department of Housing and Urban Development annually.
4. Rents: The City is required to adopt and make public standards for determining "affordable rents". Hope Apartments is a rather complicated development in that unit rents are governed by other federal or state programs. To accommodate these other requirements, the following standards are recommended.
 - a. In units with Housing Choice Vouchers, the federal or state program dictating maximum rent will rule. Housing Choice Vouchers currently come from the Greeley Housing Authority and Connections for Independent Living. (While rents are similar for the two agencies, they are not exactly the same. Currently, the maximum paid by the Greeley Housing Authority for a one bedroom is \$992; for Connections, the maximum paid under the voucher program is \$995. The Greeley Housing Authority maximum for a two bedroom is \$1265; for Connections the maximum two-bedroom unit rent is \$1,224.) The governing programs annually adjust the maximum rent it will pay; maximum rent includes the utility allowance.
 - b. The three Housing Development Grant Program units' rent will be set by the Colorado Housing and Finance Authority.
 - c. All other units will have a maximum rent set by the Applicant. Currently, those rents are \$675 and \$820 for one- and two-bedroom rents respectively. Policy under the current director is for rents never to increase more than \$25 per year. Rents on these units will not exceed the most current Fair Market Rents as published annually by HUD.

- d. As long as 16 units meet a rent definition noted above for 10 years, the Applicant will be in compliance with the no-change-in-use covenant. The Covenant must transfer with change in ownership, or the CDBG investment must be repaid in its entirety.
5. The Applicant will be required to report annually on tenants' incomes and rents and to confirm that there has been no change in use.

Commissioner Utrata seconded the motion; the motion carried 7-0.

RFP on Lot 1 Meyer Minor Subdivision First Replat/Ogilvy/H2

GURA Staff and Ogilvy/H2 have negotiated a Contract. The Contract provides the following important points:

1. Purchase Price is \$200,000, payable in cash at closing.
2. The Contract is subject to due diligence items, such as title, inspection, environmental and survey, All such due diligence items to be removed before closing.
3. GURA terminates, before closing, its agreement with the City of Greeley for a permanent augmentation plan. As the new owner, Ogilvy/H2 must either line the exposed surface water to use it as a water storage site or create its own permanent augmentation plan at its cost.
4. The Contract is contingent on Ogilvy/H2 either getting a new mining permit or taking an assignment of the existing mining permit that the Division of Mined Land Reclamation issued to Superior Oilfield Services Co., LTD/Laser Oilfield Services LLC. Ogilvy/H2 needs to remove more sand and gravel material to make room for water storage.
5. The deed will contain a restrictive covenant that requires the consent and approval of GURA for any material changes to the Reclamation Plan that allows development of the Property for other than a water storage site. Without limiting Seller's right to approve changes to the Reclamation Plan, the trail easement on the South portion of the Property shall not be removed.
6. The property is sold "as is."
7. Assuming all contingencies are satisfied, closing is scheduled to occur not later than October 31, 2022.

Commissioner Leffler made a motion to approve the Ogilvy/H2 Contract and that the Staff be given authority to make minor modifications to the Contract as needed to complete the transaction and close on the Property. Commissioner Utrata seconded the motion; the motion carried 7-0.

Election of Officers

Commissioner Leffler nominated Commissioner Cummins as Chair and Commissioner Welsh nominated Commissioner Utrata as Vice-Chair. There being no other nominations, the nomination was approved 7-0.

IV. Board Member Comments/Reports

Commissioner Leffler asked about the specifics for the groundbreaking for Immaculata Plaza. Director Snow noted that while work had already started on the project, there would be a small groundbreaking ceremony on August 11 and the board is welcome to drop by for that. There will be a bigger and more formal grand opening ceremony in the future when the development is complete next summer or fall.

Commissioner Utrata asked about how the program to help needy Americans get free cell phones and free minutes that was dubbed "Obama Phone" was being tracked. Staff was unaware but will research.

(Commissioner Leffler exits the meeting.)

Commissioner Welsh noted the projected date for the new library and innovation center in downtown Greeley to open would be May 2023.

V. Staff Report

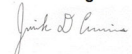
Director Snow gave a brief update on the environmental questions regarding Global Green International's pyrolysis plant planned for the GURA owned parcel discussed during a previous board meeting.

VI. Adjournment

There being no more business, the meeting was adjourned at 5:34 p.m.

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Benjamin Snow, Secretary

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Jediah Cummins, Chair