



**GREELEY URBAN RENEWAL AUTHORITY  
Proceedings**

**May 10, 2017  
1100 10<sup>th</sup> Street – United Plaza Building  
4:30 p.m.**

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**I. Call to Order**

Chair Harris called the meeting to order at 4:30 p.m. Commissioners Haas, Costigan, and Roberts were present. (Commissioners Cummins and Suniga were not present; one vacancy exists.)

**II. Approval of minutes for the meeting held on April 12, 2017**

Commissioner Roberts made a motion to approve the minutes for the meeting held on April 12, 2017 as written. Commissioner Haas seconded the motion; the motion carried 4-0. (Commissioners Cummins and Suniga were not present; one vacancy exists.)

(Agenda Items of Business were taken out of order to accommodate guest presenter.)

**III. Items of Business**

**Consideration of Lincoln Square acquisition assistance request**

(Commissioners Suniga and Cummins arrive during the discussion.)

Tom Teixeira, Executive Director, Greeley/Weld Housing Authority (GWhA) submitted a request to assist with the purchase of Lincoln Square Apartments, 401 11<sup>th</sup> Street, Greeley, CO.

Carol Larsen, Grant Specialist, and Mr. Teixeira gave the following overview of the project and then answered questions from the Commissioners.

The project consists of twenty-one (21) three (3) bedroom units in four buildings of existing HUD low-income housing. An appraisal established the value at \$2 million. A local bank has committed to lend \$1.5 million. GWhA is committing \$200k of its own funds toward the purchase in addition to up to \$50,000 in closing costs, leaving a gap of approximately \$300k.

(Commissioner Roberts exits the meeting.)

Commissioner Costigan made motion to approve the \$300,000 loan request from Greeley/Weld Housing Authorities to purchase Lincoln Square Apartments, 401 11<sup>th</sup> Street, Greeley, CO with the following terms:

- Loan \$300,000 at two points less than the Prime Interest Rate (4% at May 3, 2017) as an acquisition activity with funds available from 2015 CDBG.
- Loan terms: Defer payment for two years to allow for accumulation of reserves and the ability to perform to the maintenance schedule. Repayment of the loan would begin November 1, 2019 with payment occurring annually thereafter.
- Flexibility in payment – Reserves should not be less than \$500 per unit (\$10,500) at time payment is due; if payment of the CDBG loan would cause a drop below that amount, payment would be any funds above \$10,500. GWA would continue to accumulate interest on any unpaid portion of the loan.
- Interest during the first two years would accumulate and be added to the loan balance. Interest would begin to accumulate the date after closing.
- Balloon the loan to coincide with the first mortgage loan balloon, so that the City could be paid off at that time (or refinanced, if market conditions wouldn't support a refinance of both mortgages.)
- Require a maintenance schedule which would have completion of all noted items within five years. Safety issues would need to be addressed immediately (within the first six months of GWA ownership).
- The loan will be secured with a Deed of Trust and Promissory Note and require the project remain affordable for at least the term of the loan (10 years).

Commissioner Cummins seconds the motion; the motion carries 5-0. (Commissioner Roberts was not present; one vacancy exists.)

Commissioner Suniga thanked Mr. Teixeira for the work he has done in the community by providing affordable housing to families.

#### **HOME Investment Partnership – Multi-family Rental Policies & Procedures**

Ms. Larsen explained the multi-family rental projects which will have HOME Investment Partnership (HOME) funding must have written policies and procedures to be used when reviewing HOME multi-family rental applications. Ms. Larsen read through the City policies and asked if there were any questions or items that needed to be clarified or discussed.

Commissioner Costigan made a motion to approval Policies and Procedures for multi-family rental projects as presented by staff. Commissioner Cummins seconded the motion; the motion carried 5-0. (Commissioner Roberts was not present; one vacancy exists.)

#### **IV. Board Member Comments/Reports**

None

**V. Staff Report**

Becky Safarik, Assistant City Manager, gave a brief update on various City projects.

**VI. Adjournment**

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

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Susan Y. Harris, Chair

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Rebecca L. Safarik, Secretary