



BOARD BUSINESS MEETING

February 14, 2018



Board of Commissioners Regular Meeting

Location: 4800 North Broadway, Boulder, CO

February 14, 2018• 9:00 AM

AGENDA

- **Call to Order and Determination of Quorum**
- **Public Participation**
- **Approval of Minutes from December 11, 2017**
- **Resident Representative Council Report**
- **Business Agenda**
 1. Madison Public Housing Disposition
 - a. Action Requested: Approval of Resolution #1 – Madison Disposition
 2. Year End Financial Report
 3. Cedar/Casey Financing
 - a. Action Requested: Approval of Resolution #2 Cedar/Casey Financing
 4. By-Laws Update
 - a. Approval of Updates to Bylaws
 5. Real Estate Matters per C.R.S. 24-6-402(4)(a) [Executive Session]
- **Board Announcements**
 - Housing Board Update from Commissioner Yates
- **Additions to this Agenda**
 - Motion by Commissioner McCord to remove Commissioner Klerman and Commissioner Ruzzin from their officer positions as Chairperson and Vice-Chairperson pursuant to Article IV, Section 9 of the Bylaws.
- **Call for Discussion and Informational Items at Quarterly Meeting**
- **Adjournment**

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- **By-Laws Update** **37**

**BOULDER HOUSING PARTNERS
MEETING OF THE BOARD OF COMMISSIONERS
DECEMBER 11, 2017 2:30 PM
BHP OFFICE, 4800 N. BROADWAY, BOULDER COLORADO**

Commissioner Klerman	Jeremy Durham	Public:
Commissioner McCord(absent)	Penny Hannegan	Leslie Durgin
Commissioner Ruzzin	Jim Koczela	
Commissioner Soraci	Rene Brodeur	
Commissioner Walker	Karen Kreutzberg	
Commissioner Harris	Ruth Becker	
Commissioner Griffin	Maria Ciano	
Commissioner Levy	Tim Beal	
Commissioner Yates	Karin Stayton	

I. Call to order and Determination of a Quorum

Commissioner Klerman called the regular meeting of the Board of Commissioners to order at 2:30 pm. A quorum was declared.

II. Public Participation

There were no members of the public who wished to speak

III. Approval of the Meeting Minutes

Consent agenda items approved:

1. Minutes from 11-13-2017

COMMISSIONER HARRIS MOVED TO APPROVE THE MINUTES FROM 11-13-2017. COMMISSIONER GRIFFIN SECONDED THE MOTION. The motion passed unanimously.

IV. Discussion Agenda:

1. Finance Report

Resolution #20: 2018 Budget and Work Plan

There were no changes to the budget from the first reading except for the addition of a footnote related to available reserves.

COMMISSIONER YATES MOVED TO APPROVE THE RESOLUTION #20: 2018 BUDGET and WORK PLAN. COMMISSIONER GRIFFIN SECONDED THE MOTION. The motion passed unanimously.

Resolution #21: Commitment of MTW Funds

COMMISSIONER LEVY MOVED TO APPROVE RESOLUTION #21: COMMITMENT OF MOVING TO WORK RESERVES FOR THE DEVELOPMENT OF OTHER AFFORDABLE HOUSING. COMMISSIONER WALKER SECONDED THE MOTION.

The motion passed unanimously.

October Financials

Jim gave an overview of the October financial statements and answered questions from the Board. Jim also stated that the auditors were on site last week for their yearly review of BHP financials and financial systems.

2. Development

Resolution #22: Palo Park Bond Document and Amended Resolution

COMMISSIONER WALKER MOVED TO APPROVE RESOLUTION #22: PALO PARK BOND DOCUMENTS. COMMISSIONER GRIFFIN SECONDED THE MOTION. The motion passed unanimously.

Resolution #23: Red Oak Park II Bond Inducement Resolution

COMMISSIONER HARRIS MOVED TO APPROVE RESOLUTION #23: ROP II BOND INDUCEMENT AS AMENDED. COMMISSIONER GRIFFIN SECONDED THE MOTION. The motion passed unanimously.

Resolution #24: Pollard Inducement Resolution

COMMISSIONER HARRIS MOVED TO APPROVE RESOLUTION #24: POLLARD INDUCEMENT AND PRESERVES THE QUALIFIED CENSUS TRACK STATUS AT THE SITE FOR THE NEXT TWO YEARS. COMMISSIONER LEVY SECONDED THE MOTION. The motion passed unanimously.

3. Legal

BHP Foundation Fiscal Agent Agreement

Ruth Becker, BHP's Legal Council presented the fiscal agreement between BHP and the BHP Foundation.

COMMISSIONER RUZZIN MOVED TO APPROVE THE FISCAL AGENT AGREEMENT WITH THE BOULDER HOUSING PARTNERS FOUNDATION. COMMISSIONER KLERMAN SECONDED THE MOTION. Commissioner Walker abstained from voting. The motion passed 7 in favor 0 against.

BHP Foundation Grant Agreement

The Board asked that there be quarterly Foundation updates with an annual report about the performance of the Littlefield/Gary Foundation grant.

COMMISSIONER YATES MOVED TO APPROVE THE GRANT AGREEMENT WITH THE BOULDER HOUSING PARTNERS FOUNDATION. COMMISSIONER LEVY SECONDED THE MOTION. Commissioner Walker abstained from voting. The motion passed 7 in favor 0 against.

4. Tax Reform Update

There was no additional information available about Tax Reform at this time.

5. Governance

Board Election Schedule

Jeremy presented the recommendation by the NPG Committee requesting a change to the Board's election cycle. The recommendation is for BHP to hold its annual elections in the spring rather than in September thereby following the City Council's Boards and Commissions appointment schedule. Ruth will draft an amendment to the Board by laws to send to the Board for comment.

2018 Board and Committee Meeting Schedule and Structure

Jeremy presented the rationale for an amended meeting and board packet schedule. The Board indicated their approval to move to a monthly Board business and quarterly full Board meeting schedule. All meetings will be scheduled the second Wednesday of the month except where indicated otherwise.

V. Additional Agenda Items

Using the new Board meeting agenda format, Commissioner Klerman asked if there were any requests to discuss informational items included in the packet. There were no additional items added to the agenda.

VI. Future Informational Items

Commissioner Klerman asked for informational items to be discussed at future meetings

The Commissioners asked that in the future there be Board development topics focused on operations and an overview of the Moving to Work program.

VII. Board Announcements

Commissioner Levy stated that her organization is tracking several affordable housing related initiatives that are under review by the state legislature.

VIII. Executive Session per Colorado Statute C.R.S. 24-6-402(4)(f) Personnel Matters.

COMMISSIONER RUZZIN MADE A MOTION TO RECESS INTO EXECUTIVE SESSION PER COLORADO STATUTE CRS-24-402 (4)(f) TO DISCUSS PERSONNEL MATTERS.

COMMISSIONER SORACI SECONDED THE MOTION. The motion passed unanimously.

The Board recessed at 5:50 pm into Executive Session as per Colorado Statue C.R.S. 26-6-402(4)(F) to discuss Personnel Matters.

COMMISSIONER GRIFFIN MADE A MOTION TO ADJOURN THE EXECUTIVE SESSION OF THE BOARD OF COMMISSIONERS. COMMISSIONER SORACI SECONDED THE MOTION. The motion passed unanimously.

The Board met in executive session for 30 minutes at which time the only matters discussed were those related to Personnel matters.

The Board returned to regular session at 6:20 pm

In discussion with the Board, Jeremy reflected on his first six months in the Executive Director position and incorporated feedback from the staff and Commissioner survey to establish his future personal and professional goals, strategies, and training.

IX. Adjourn

COMMISSIONER YATES MADE A MOTION TO ADJOURN THE MEETING OF THE BOARD OF COMMISSIONERS. COMMISSIONER WALKER SECONDED THE MOTION. The motion passed unanimously.

The meeting of the Board of Commissioners adjourned at 6:25 pm

Seal

DATE: 12/11/17

KAREN KLERMAN, CHAIR
Boulder Housing Partners

JEREMY DURHAM
Executive Director

Penny Hannegan
Recording Secretary



BUSINESS ITEMS

1. Madison Public Housing Disposition	10
2. Year End Financial Report	14
3. Cedar/Casey Financing	31
4. By-Laws Update	37

MEMO

To: Board of Commissioners
From: Jeremy Durham and Laura Sheinbaum
Date: February 9, 2018
Re: **Madison Public Housing Disposition**

Background

As we advised in November, we are pursuing a Section 18 Disposition of the Madison Apartments, one of two remaining Public Housing properties in our portfolio. A Section 18 Disposition Application, if approved by HUD, will allow us to move Madison out of the Public Housing program, receive tenant vouchers for current residents, and have the flexibility to use the tax credit program and debt to finance much needed capital improvements.

Madison was intended to be a part of Project Renovate but was removed in 2015 at HUD's request when we learned of its location in a high hazard floodway, meaning we could only complete a public housing disposition in a manner that required BHP to sell the property to a third party, rather than through a BHP controlled entity, resulting in the displacement of the residents. In addition, HUD informed us that we could no longer spend Capital Funds at the property due to the floodway status. As a result, Madison has substantial deferred capital improvement needs and no funding source to address them.

Two events since HUD's determinations regarding the floodway status of the property lead us to believe we may now have a path forward to disposition approval. First, HUD staff visited the property and was able to see first hand that while the property is technically in a floodway, no practical risk is posed to the residents. HUD staff indicated some willingness to explore a method of disposition in which a BHP controlled entity maintains control of the property as affordable housing. Second, we learned that FEMA is in the process of updating its maps, a process which should be complete within the next year and will result in the property formally being removed from the floodway. Either of these events would allow BHP to dispose of the property from Public Housing without displacing residents.

Analysis

After reviewing several paths forward we conclude that a Section 18 Disposition Application provides the only viable means to fund the needed rehabilitation, to not displace current residents, and to maintain Madison as affordable housing in perpetuity. Our application proposes that once removed from public housing, we will then finance a substantial rehabilitation with Private Activity Bonds and 4% Low Income Housing Tax Credits. As part of the approval, we will receive tenant vouchers so that current residents may choose to stay at Madison or relocate to another property with a voucher.

Recommendation

We have been in the process of converting all our public housing sites out of the public housing program for many years to create further independence from and reliance on HUD funding, as well as to have more flexibility to utilize the tax credit program to improve the property for our residents. An exit from public housing would not displace residents and rent will continue to be calculated based on resident's income. For these reasons, we recommend approval of Resolution #1 Authorizing the Disposition of the Madison Apartments from the Public Housing Program via a Section 18 Application.

Action Requested

Approval of Resolution #1, 2018: Authorization of the Disposition of Madison Apartments via a Section 18 Application.

**RESOLUTION NUMBER #1
SERIES 2018**

A RESOLUTION DECLARING THE INTENT OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF BOULDER, COLORADO D/B/A BOULDER HOUSING PARTNERS TO AUTHORIZE THE DISPOSITION OF THE PUBLIC HOUSING UNITS LOCATED AT 1130 TO 1190 35TH STREET IN BOULDER, COLORADO.

WHEREAS, The Housing Authority of the City of Boulder, Colorado d/b/a Boulder Housing Partners (the “Authority”) was legally established with the Colorado Secretary of State on September 22, 1966; and

WHEREAS, in 1971, the Authority developed 34 units at 1130 – 1190 35th Street (“Madison”) with the assistance of the Department of Housing and Urban Development (“HUD”) and is referred to as Project # CO01633333; and

WHEREAS, Madison was removed from the Project Renovate RAD Disposition Application due to its location in a high hazard floodway and the Authority was advised that capital funds can no longer be spent at the property; and

WHEREAS, Madison has substantial deferred capital improvement needs with no funding source to address them and a Section 18 Disposition Application provides the only viable means to provide a comprehensive rehabilitation while maintaining Madison as affordable housing; and

WHEREAS, one of the Authority’s goals is to preserve affordable housing in the City of Boulder, Colorado that is available to low and moderate income households, especially that portion of the Authority’s own housing portfolio that is available to those earning the lowest incomes served by public housing; and

WHEREAS, the Authority is proposing to complete the Section 18 Disposition, provide the existing tenants with tenant protection vouchers, finance the property rehabilitation with Private Activity Bonds (“PAB”) and Low Income Housing Tax Credits (“LIHTC”); and

WHEREAS, the Authority is committed to serving the same number and income range of low income households as those currently housed; and

WHEREAS, the Authority may propose to convey Madison on an interim basis to a related entity, the Authority ultimately expects to convey Madison to a limited partnership with private-sector investors where the Authority will be the General Partner managing the site and the Authority will have the right of first refusal to acquire the property at the end of the fifteen-year tax credit compliance period; and

WHEREAS, the Authority has successfully implemented this strategy of combining disposition of public housing, providing tenant protection vouchers, enhanced resident services, and substantial rehabilitation under a PAB/LIHTC financing model at the six Boulder Communities properties and Broadway East Community; and

WHEREAS, letters of support for the Disposition have been issued by the Madison residents, the City of Boulder, and the Authority's Resident Representative Council.

NOW THEREFORE, be it resolved by the Board of Commissioners of the Housing Authority of the City of Boulder, Colorado d/b/a Boulder Housing Partners, as follows:

That the Board of Commissioners approves the Disposition of Madison on the terms indicated in this resolution;

The Executive Director is hereby authorized to prepare and submit an application to HUD for the disposition of Madison and to do all things necessary to further said application through its review by HUD and to obtain HUD's approval; and

The Executive Director is hereby authorized to prepare and submit an application to HUD for tenant protection vouchers upon HUD's approval of the disposition application or at such other time as HUD permits, and to do all things necessary to further said application through its review by HUD and to obtain HUD's approval.

PASSED, ADOPTED AND APPROVED this __ day of February, 2018.

HOUSING AUTHORITY OF THE CITY
OF BOULDER, COLORADO d/b/a
BOULDER HOUSING PARTNERS

[SEAL]

Chair, Board of Commissioners
Housing Authority of the City of Boulder

ATTEST:

Executive Director



FINANCE

- **LIHTC Audit and Tax Return Update**
- **PERA Update**
- **December 2017 (Preliminary) Financial Report**

Year End 2017 LIHTC Audit and Tax Reporting

We are pleased to report that our year end process for the Tax Credit Partnerships has gone very well. As a reminder, we moved the audit and tax work from Comer Nowling to Plante Moran this year. While we are familiar with Plante Moran from our experience on the BHP audit, generating 9 audits reports and tax returns with a new CPA firm is a large task. There are a few adjustments in presentation that they identified that we will make this year. All reports will be reviewed and approved by the individual investor limited partner for each partnership. We are on schedule to have all the reports delivered in accordance with our deadlines.

PERA

It is important to note the effect of the PERA year-end entry on our income statement. PERA reported that Local Government Division trust fund Net Pension Liability increased from 2015 to 2016 (the current reporting period) from \$120M to \$245M. This resulted in an increase in our pension expense from \$657,455 for 2016 to \$1,351,849 in 2017. This is a non-cash expense for reporting purposes only. It is not a current liability for BHP that needs to be paid. Any change to the amount BHP pays for PERA must come through the legislator.

December 2017 Financial Summary – (Preliminary)

This year-end financial report is “preliminary” only in that we often find items that need to be reclassified as we go through the laborious process of reporting to HUD in their required format.

The following summarized financial statements show BHP and the Component Units (Tax Credit LLLPs) side by side. BHP owns only .01% interest in the Component Units and adding the two columns together is not an appropriate disclosure, however the report will provide you with a better understanding of the full scope of the real estate under BHP management.

BHP is the operating company that manages all of our programs. The BHP column below includes development, property management, maintenance, resident services, finance, administration, the Housing Choice Voucher program which includes 1144 vouchers and the BHP-owned portfolio of properties. The BHP-owned portfolio now includes Tantra Lakes, Vistoso and the Boulders (Cedar and Casey) and is made up of 732 units: 47 public housing units, 116 project based contract units and 569 workforce and market rate units.

The Component Units represents the property operations for the tax credit partnerships which currently include 581 units. Palo Park Communities, LLLP closed in February 2017 and is under construction. We expect to begin leasing units in March/April 2018. The limited partner interest in Vistoso was purchased by BHP on June 30, 2017 so that the YTD operating results through June are included in the Tax Credit column and the July forward results are included in the BHP column. The partnerships are expected to have a positive net operating income and an overall net loss each year after deducting debt and depreciation.

BHP and Component Units		
Statement of Activities		
Year to Date - December 31, 2017		
	BHP	Component Units (Tax Credit LLLPs)
REVENUE		
Operations Revenue	9,771,353	6,536,748
Fee Revenue	2,085,442	0
Grants and Subsidies	24,802,013	0
Other Revenue	3,608,178	164,456
Total Revenue	40,266,986	6,701,204
EXPENSES		
Salaries and Benefits	7,210,595	632,140
Property Costs	3,408,121	2,609,448
Operating Costs	12,665,601	734,146
Total Operating Expenses	23,284,317	3,975,734
Total Operating Income	16,982,670	2,725,470
Less: Non Operating Expenses		
Mortgage Interest	2,308,703	1,324,900
Depreciation	3,670,322	5,275,135
Cashflow Note Interest	0	1,504,048
Other Unrealized (Gain)/Loss	0	-
(Gain) Loss on Acq./Disp. of Assets	\$ (65,070)	0
TOTAL NET INCOME (LOSS)	\$ 11,068,715	\$ (5,378,613)

BHP and Component Units

Balance Sheet

December 31, 2017

	BHP	Component Units (Tax Credit LLLPs)
ASSETS		
Current Assets		
Unrestricted Cash and Cash Equivalents	7,393,233	1,123,545
Reserved Cash - Replacements and Other	2,302,114	-
Accounts Receivable	376,429	85,004
Accounts Receivable-Tax Credits	656,965	0
Notes Receivable – Current	178,258	0
Prepaid Expenses	246,428	212,901
Supplies-Inventory	3,741	0
Total Current Assets	11,157,169	1,421,450
Restricted Cash	2,026,053	3,607,613
Capital Assets	96,708,082	132,378,066
Other Assets		
Notes Receivable	57,242,187	0
Development Fees Receivable	3,027,530	0
Interest Receivable Notes	3,573,739	0
Partnership Investments	398,756	0
Net Amortized Costs	3,297,671	453,023
Total Other Assets	67,539,883	453,023
TOTAL ASSETS	\$ 177,431,188	\$ 137,860,153
LIABILITIES & EQUITY		
LIABILITIES		
Current Liabilities	6,504,950	2,383,505
Long-Term Liabilities		
Notes Payable	3,058,340	62,166,339
Accrued Interest Payable	39,446	3,573,739
Mortgages Payable	71,790,108	28,081,923
Bonds Payable	-	1,598,277
Net Pension Liability	9,533,111	-
Deferred Inflows	213,502	-
Total Long-Term Liabilities	84,634,507	95,420,278
TOTAL LIABILITIES	91,139,456	97,803,783
EQUITY	86,291,732	40,056,370
TOTAL LIABILITIES AND EQUITY	\$ 177,431,188	\$ 137,860,153

Boulder Housing Partners Results – YTD December 2017

December YTD results for Boulder Housing Partners are close to the revised budget with the significant variances explained on the attached financial statements. The major positive revenue variance relates to \$4M of unbudgeted grant funding from the City of Boulder for Mt. Calvary and Cedar/Casey acquisitions. The major variance in expense relates to \$1.3M unbudgeted non-cash expense for PERA.

Year to Date Results - December 31, 2017					
	Actual	Budget - Reforecast	Variance	%	
Revenue	\$ 40,266,986	\$ 34,612,161	\$ 5,654,825	16.3%	
Expenses	(29,263,341)	(27,780,771)	(1,482,570)	5.3%	
	11,003,645	6,831,390	4,172,255	61.1%	
Gain (Loss) on Acquisition	65,070	0	65,070	100.0%	
Total Net Income (Loss)	\$ 11,068,715	\$ 6,831,390	\$ 4,237,325	62.0%	

Occupancy statistics are included in the table below.

December-17							
	<u>Net Rental Income - YTD</u>	<u>Net Rental Income - Budget</u>	<u>Revised Budget Variance</u>	<u>Variance %</u>	<u>Physical Occ YTD</u>	<u>Physical Occ Budget</u>	<u>Occupancy Variance to Budget</u>
Public Housing (1)	\$656,214	\$548,263	\$107,951	19.69%	99.25%	97.00%	2.25%
PB Sec. 8 properties	\$1,341,661	\$1,321,105	\$20,556	1.56%	98.66%	97.00%	1.66%
Work Force	\$7,773,478	\$7,371,850	\$401,628	5.45%	96.00%	95.09%	0.91%
BHP portfolio combined	\$9,771,353	\$9,241,218	\$530,135	5.74%	96.65%	95.39%	1.26%

Note: Physical Occupancy is measured as of first of the month. Units may be occupied after the first of the month resulting in rental income greater than physical occupancy would suggest. Rents on occupied units may also be greater or less than budgeted resulting in additional variances.

(1) Public Housing rent is based on resident income. YTD includes \$15K of retro rent for two tenants that under reported income.

Financial Measures

The following three measures are indicators of financial stability. Goals are based on HUD standards for PHAs. All three met or exceeded our targets.

Financial Measure	Explanation	Goal	December-17
BHP Debt to Equity Ratio	Measures ratio of Actual Debt (Mortgages and Bonds Payable only) and Accrued Interest to Equity	Less than 1.5	0.9
BHP Quick Ratio - Unrestricted cash/current liabilities	Measure of how many times we can pay current liabilities with Cash on Hand or "liquidity"	Greater than 2.0	3.5
Months Expendable Net Assets Ratio (MENAR)	Measures adequacy of reserves	Greater than 4.0	6.1

Component Units (Tax Credit LLLPs) Results – YTD December 2017

The following is a Summary Income Statement for our Tax Credit Entities which are component units of BHP. BHP is subject to Government Accounting Standards Board (GASB) Statement 61 which requires component units to be reported on the audit statement. These Tax Credit Entities are related to BHP but do not meet the criteria for consolidation. Component units are reported in the audit combined together but not combined with the statements of BHP. The current component units are Boulder Communities, Broadway East, Broadway West, Holiday, High Mar, Lee Hill, Palo Park, Red Oak Park, and WestView. Vistoso operating results through June are included below. As of June 30, BHP acquired the limited partner interest and therefore operating results for July forward will be shown with BHP results. Year-to-date results for the operating partnerships are in line with budget.

Tax Credit Entities (Component Units) Summary Statement of Activities					
	Year to Date Results -	December 31, 2017			
		Actual	Budget	Variance	%
Operations Revenue		\$ 6,536,748	\$ 6,476,701	\$ 60,047	0.9%
Other Revenue		164,456	127,418	37,038	29.1%
Total Revenue		\$ 6,701,204	\$ 6,604,119	\$ 97,084	1.5%
Salaries and Benefits		\$ 632,140	\$ 647,744	\$ 15,604	2.4%
Property Costs		2,609,448	2,616,304	6,857	0.3%
Operating Expenses		734,146	757,203	23,057	3.0%
Total Operating Expenses		3,975,734	4,021,251	45,517	1.1%
Net Operating Income		2,725,470	2,582,868	\$ 142,601	5.5%
Depreciation and Amortization		5,275,135	4,925,612	(349,523)	-7.1%
Mortgage and Note Interest		2,828,947	2,986,857	157,910	5.3%
Gain Loss on Interest Rate Swap		0	0	0	100.0%
Total Net Income (Loss)		\$ (5,378,613)	\$ (5,329,601)	\$ (49,012)	0.9%

Note: these properties are expected to have a Net Loss resulting from depreciation and amortization.
They are cash flow positive yet provide the investor with expected tax losses.

The following table is a summary of the Balance Sheet for the Tax Credit Entities. BHP is the general partner and owns a .01% interest in these Entities. The significant changes are a result of (1) the funding of a note for \$12 million from BHP and the receipt of \$23 million in Limited Partner equity for Boulder Communities, all of which was used to pay developer fee and the construction loan and reserves, (2) new construction activity funded by the construction loan at Palo Park, and (3) the removal of the Vistoso Balance sheet upon acquisition by BHP.

Tax Credit Entities (Component Units) Summary Balance Sheet				
	December-17	December-16	Net Change	
Current Assets	\$ 5,029,063	\$ 3,963,111	\$ 1,065,952	A
Capital Assets	132,378,066	131,911,162	466,904	B
Other Assets	453,023	47,512	405,511	
Total Assets	\$ 137,860,153	\$ 135,921,785	\$ 1,938,368	
Current Liabilities	\$ 2,383,505	\$ 50,398,983	\$ (48,015,478)	C
Long Term Liabilities	95,420,278	64,190,113	31,230,165	D
Total Liabilities	97,803,783	114,589,096	(16,785,313)	
Total Equity	40,056,370	21,332,689	\$ 18,723,681	E
Total Liabilities and Equity	\$ 137,860,153	\$ 135,921,785	\$ 1,938,368	
A	Increase from Boulder Communities equity used to fund the operating reserve			
B	Palo Park asset addition offset by depreciation on all tax credit assets and removal of Vistoso			
C	Tax credit equity and note proceeds used down to pay construction loan and developer fee on Boulder Communities.			
D	BHP funded Note Payable at Boulder Communities and new notes at Palo Park			
E	Limited Partner Equity received for Boulder Communities. Funds used to pay developer fee and construction loan.			

This chart shows our YTD occupancy statistics for the operating partnerships.

December-17							
	<u>Net Rental Income - YTD</u>	<u>Net Rental Income - Budget</u>	<u>Budget Variance</u>	<u>Variance %</u>	<u>Physical Occ YTD</u>	<u>Physical Occ Budget</u>	<u>Occupancy Variance to Budget</u>
Tax Credits	\$6,536,748	\$6,476,701	\$60,047	0.93%	98.34%	97.00%	1.34%

Note: Physical Occupancy is measured as of first of the month. Units may be occupied after the first of the month resulting in rental income greater than physical occupancy would suggest. Rents on occupied units may also be greater or less than budgeted resulting in additional variances.

BHP
Statement of Activities
Year to Date - December 31, 2017

	YTD Actual	YTD Revised budget	Variance \$	% Var	Ref	Variance Explanation
REVENUE						
Operations Revenue						
Tenant Dwelling Rental	\$ 9,336,747	\$ 8,886,890	\$ 449,857	5%	A	Rental Income from Tantra exceeded budget by \$208K, Other positive variances from Vistosio, Cedar and Casey which were not included in the budget.
Non Dwelling Rental Income	64,732	46,353	18,379	40%		
HUD-Operating Subsidy	369,874	307,975	61,899	20%	B	Included additional funding for Asset Repositioning Fees for Kalmia and Walnut Place
HAP Project Based Assistance	0	0	0	0%		
Total Operations Revenue	9,771,353	9,241,218	530,135	6%		
Fee Revenue						
Property Mgmt & Asset Mgmt Fees	646,448	637,072	9,376	1%		
Development Fees	320,013	300,000	20,013	7%		
Mgmt Fees - Tax Credits & S8	677,948	645,199	32,749	5%		
Res Svc Income	441,033	458,253	(17,220)	-4%		
Total Fee Revenue	2,085,442	2,040,524	44,918	2%		
Grants and Subsidies						
HCV-HAP/Admin Revenue	11,111,030	9,956,248	1,154,783	12%	C	Included draw of MTW funds of \$984K for acquisition of Cedar/Casey
Non Federal Grants and Donations	103,077	48,133	54,944	114%	D	Included \$69K grant for battery Storage of Solar energy at 4800 Broadway
Non Federal Capital Grants and Donations	12,900,519	8,725,000	4,175,519	48%	E	Unbudgeted grants for Mt. Calvary and Cedar/Casey acquisitions
Federal Capital Grants	59,831	526,372	(466,541)	-89%	F	Draw on these MTW funds for Cedar/Casey delayed to 2018.
Federal Service Grants	627,556	622,401	5,156	1%		
Total Grants and Subsidies	24,802,013	19,878,153	4,923,860	25%		
Other Revenue						
Tenant Fees and Utility Reimbursements	312,036	202,828	109,208	54%	G	units at Bridgewalk \$16K, Other fees at market units \$41K, Utility billing at Tantra \$34K
Interest Income	1,517,029	1,494,441	22,588	2%		
Laundry Vending	62,680	71,760	(9,080)	-13%		
Maint Charges to Prop	1,592,352	1,662,079	(69,727)	-4%		
Miscellaneous Revenue	124,081	21,158	102,923	486%	H	Balance includes Fraud Recoveries of \$48K, payment for expenses at S'Park \$15K, Solar Rewards of \$8K, Insurance Dividend \$13K, Stock Donation \$24K.
Total Other Revenue	3,608,178	3,452,266	155,912	5%		
Total Revenue	40,266,986	34,612,161	5,654,825	16%		
EXPENSES						
Salaries and Benefits						
Salaries and Benefits	7,210,595	6,080,307	(1,130,288)	-19%	I	PERA non-cash entry to recognize unfunded liability of \$1.3M not included in budget. Excluding this entry which is not included in budget the variance was a positive \$221K.
Total Salaries and Benefits	7,210,595	6,080,307	(1,130,288)	-19%		
Property Costs						
Management Fees	276,280	252,174	(24,106)	-10%		
Maintenance Materials	293,974	282,900	(11,074)	-4%		
Contract Labor & Repairs	1,013,960	970,851	(43,108)	-4%		

BHP
Statement of Activities
Year to Date - December 31, 2017

	YTD Actual	YTD Revised budget	Variance \$	% Var	Ref	Variance Explanation
BHP Contract Labor	941,788	962,371	20,584	2%		
Extraordinary Expense	45,877	0	(45,877)	100%	J	Includes \$37K for repair of fire supression system at 4800 not covered by insurance and restoration of damaged unit at Tantra for \$8K.
Garbage and Trash Removal	161,441	157,885	(3,556)	-2%		
Water and Sewer	288,379	282,413	(5,966)	-2%		
Electricity	132,337	115,274	(17,063)	-15%		
Gas	125,471	132,358	6,887	5%		
Utility Billing	9,320	0	(9,320)	0%		
PILOT	22,409	19,189	(3,220)	-17%		
HOA Fees	96,886	65,041	(31,845)	-49%	K	Variance relates primarily to Vistoso which was not included in budget
Total Property Costs	3,408,121	3,240,456	(167,665)	-5%		
Operating Expenses						
Audit Fees	62,275	69,684	7,409	11%		
Bad Debt Expense - Tenants	56,552	14,757	(41,795)	-283%	L	Several significant write offs for damages units. Amounts are sent to collections.
Board Expense	17,558	10,000	(7,558)	-76%		
Consultants & Contract Labor	199,073	295,160	96,087	33%		
Depreciation & Amortization	3,670,322	3,513,261	(157,061)	-4%		
Dues and Fees	65,754	66,312	558	1%		
Expendable Equipment	173,285	210,451	37,166	18%		
Financing Costs	465,974	456,365	(9,609)	-2%		
HCV-HAP Expense	9,395,710	9,188,760	(206,950)	-2%		
Insurance Expense	327,246	303,719	(23,528)	-8%		
Interest Expense	9,427	595	(8,832)	-1484%		
Legal Expense	24,796	124,918	100,122	80%	M	Savings on external counsel. Expected to continue with hiring of gen. counsel
Mileage & Vehicle Expense	78,213	88,920	10,707	12%		
Miscellaneous - Expense	98,044	139,233	41,189	30%		
Mortgage Interest Expense	2,308,703	2,214,351	(94,352)	-4%		
Advertising/Marketing	18,013	53,161	35,148	66%		
Office Supplies	37,448	49,981	12,533	25%		
Other Administrative Expenses	36,211	21,002	(15,209)	-72%		
Phone Expense	82,619	92,541	9,922	11%		
Printing & Postage Expense	59,202	53,648	(5,554)	-10%		
Property Mgmt & Asset Mgmt Fees	646,448	637,080	(9,368)	-1%		
Resident Services Fees	107,676	107,676	0	0%		
Staff Training	113,966	164,818	50,851	31%		
Service Grant Expense	590,111	583,616	(6,495)	-1%		
Total Operating Costs	18,644,626	18,460,008	(184,617)	-1%		
Total Expenses	29,263,341	27,780,771	(1,482,570)	-5%		
Income before Gain on Acq./Disp. Of Assets	\$ 11,003,645	\$ 6,831,390	\$ 4,172,255	61%		
Gain (Loss) on Acq./Disp. of Assets	65,070	0	65,070	100%	N	Amount represents net gain on acquisition of Vistoso
TOTAL NET INCOME (LOSS)	\$ 11,068,715	\$ 6,831,390	\$ 4,237,325	62%		

Note: Explanations provided for positive variances >\$50,000 and 5% and for negative variances >\$25,000 and 5%

BHP
Balance Sheet
December 31, 2017 and December 31, 2016

	Actual December-17	Actual December-16	Net Change YTD	Ref Comments
ASSETS				
Current Assets				
Unrestricted Cash and Cash Equivalents	\$ 7,393,233	\$ 5,567,072	\$ 1,826,162	O Palo CDBG Note repaid to BHP \$1M, Boulder Communities Dev fee of \$1.2M
Reserved Cash - Replacements and Other	2,302,114	1,637,279	664,835	P \$400K funded to reserves at closing of Tantra Lakes for general replacement reserves and \$300K to complete sewer line separation
Accounts Receivable	376,429	409,546	(33,117)	
Accounts Receivable-Tax Credits	656,965	3,741,070	(3,084,104)	Q BHP received \$3.5M developer fee for Boulder Communities from equity installment of limited partner offset by reclass of \$489K from long term to short term receivable at year end.
Accounts Receivable - BHP Intercompany	0	74,115	(74,115)	
Notes Receivable – Current	178,258	240,539	(62,281)	
Prepaid Expenses	246,428	168,153	78,274	
Supplies-Inventory	3,741	5,035	(1,293)	
Total Current Assets	11,157,169	11,842,809	(685,640)	
Restricted Cash				
Restricted Cash - Other	1,552,442	13,438,699	(11,886,257)	R \$12M loan made to Boulder Communities offset by \$462K City restricted funds received for Habitat development costs at Palo.
Restricted Cash - Section 8	13,007	1	13,006	
Restricted Cash - Tenant Security Deposits	460,604	334,994	125,610	S Increase from Tantra, Vistoso and Cedar/Casey
Total Restricted Cash	2,026,053	13,773,694	(11,747,641)	
Capital Assets				
Construction in Progress	508,006	925,324	(417,319)	T Palo predevelopment costs reimbursed by partnership at closing and Tantra Lake costs capitalized at closing.
Furniture Fixtures and Equipment	830,693	554,270	276,423	U Includes computer software and hardware, maintenance vehicles and office furniture
Real Estate Assets-Land and Buildings	129,230,203	71,993,455	57,236,748	V Addition of Tantra Lakes, Mt. Calvary, Vistoso and Cedar/Casey
Less: Accum Depreciation Real Estate Assets	(33,860,820)	(30,255,380)	(3,605,439)	W Normal Activity
Total Capital Assets	96,708,082	43,217,669	53,490,413	
Other Assets				
Notes Receivable	57,242,187	43,743,126	13,499,061	X \$12M restricted cash used to fund new Boulder Communities loan and \$1.9M of new grant funds loaned to Palo at partnership closing offset by forgiveness of loans to Vistoso of \$340K at acquisition.
Development Fees Receivable	3,027,530	3,473,489	(445,960)	Y Payments from Tax Credit cash flow
Interest Receivable Notes	3,573,739	2,278,249	1,295,490	Z Normal Activity
Partnership Investments	398,756	399,111	(354)	
Net Amortized Costs	3,297,671	2,688,625	609,046	AA PERA Pension related balance
Total Other Assets	67,539,883	52,582,600	14,957,283	
TOTAL ASSETS	177,431,188	121,416,772	\$ 56,014,416	

BHP
Balance Sheet
December 31, 2017 and December 31, 2016

	Actual December-17	Actual December-16	Net Change YTD	Ref Comments
LIABILITIES & EQUITY				
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 750,427	\$ 212,245	\$ 538,182	BB Normal year end accruals including \$250K for roof replacement at Tantra.
Accrued Payroll	109,719	104,359	\$ 5,360	
Accrued Payroll Taxes and Benefits	122,387	6,197	\$ 116,190	CC Normal Activity
Accrued Compensated Absences	249,325	316,839	\$ (67,514)	
Accounts Payable BHP Intercompany	0	74,115	\$ (74,115)	
AP Tax Credits	0	0	\$ -	
Other Accrued Expenses	243,778	250,001	\$ (6,223)	
Deferred Revenue	0	0	\$ -	
Current Portion of Long Term Debt	4,543,007	877,697	\$ 3,665,310	DD New Loan amount for Bridgewalk and recognition of loan for Tantra Lakes and outstanding balance on LOC of \$3.2M
Current Port Bonds Payable	0	0	\$ -	
Prepaid Rent	25,012	32,813	\$ (7,801)	
Security Deposits	461,295	338,009	\$ 123,286	
Total Current Liabilities	6,504,950	2,212,275	4,292,675	
Total Current Liabilities CHECK	6,504,950	2,212,275		
Long-Term Liabilities				
Notes Payable	3,058,340	3,064,173	\$ (5,833)	
Accrued Interest Payable	39,446	63,224	\$ (23,778)	
Mortgages Payable	71,790,108	32,448,589	\$ 39,341,519	EE New Loan amount for Bridgewalk and recognition of loan for Tantra Lakes
Bonds Payable	-	0	\$ -	
Net Pension Liability	9,533,111	7,561,499	\$ 1,971,612	FF PERA unfunded liability
Deferred Inflows	213,502	843,995	\$ (630,493)	GG Remaining Balance represents funds received for Habitat held in escrow.
Total Long-Term Liabilities	84,634,507	43,981,480	40,653,026	
TOTAL LIABILITIES	91,139,456	46,193,755	44,945,701	
Total Liabilities CHECK	91,139,456	46,193,755		
EQUITY				
Total Equity	86,291,732	75,223,017	11,068,715	HH Variance = YTD Income (Loss)
TOTAL LIABILITIES AND EQUITY	\$ 177,431,188	\$ 121,416,772	\$ 56,014,416	

Note (1) : Explanations provided for balance sheet changes > \$100,000.

Note (2): BHP has a Line of Credit available for borrowing of up to \$8.1 Million.

BHP
Statement of Cash Flows
Year to Date - December 31, 2017

	For the month of December 31, 2017	Year to Date	Ref	Current Month Comments
Reconciliation of Net Income to Net Cash Provided (Used) by Operating Activities				
Net Income (Deficit)	\$ 444,345	\$ 11,068,715		
Adjustments to Reconcile Net Income to Net Cash Provided (Used) by Operating Activities				
Increase (Decrease) Accum. Depreciation	(275,806)	2,996,393		
(Increase) Decrease in Accounts Receivable	(496,319)	3,191,337	II	Cash received for Deferred Developer Fees
(Increase) Decrease in Prepaid Expenses	29,152	(78,274)		
Increase (Decrease) in Prepaid Rent and Security Deposits	(4,947)	115,485		
(Increase) Decrease in Supplies/Inventory	1,577	1,293		
(Increase) Decrease in Reserved Cash	25,025	(664,835)		
(Increase) Decrease in Restricted Cash	(4,829)	11,747,641	JJ	Cash paid to Boulder Communities in exchange for note receivable
Increase (Decrease) in Payables and Accrued Expenses	412,609	511,879		
Increase (Decrease) in Deferred Revenue	0	0		
Increase (Decrease) in Deferred Inflows	(3,110)	(630,493)		
Increase (Decrease) in Pension Liability	1,971,612	1,971,612	KK	Non- cash increase in PERA liability
Total Adjustments	1,654,965	19,162,038		
Net Cash Provided (Used) by Operating Activities	2,099,309	30,230,753		
Cash Flows from Investing Activities				
(Increase) Decrease in Construction in Progress	(63,514)	417,319		
(Increase) Decrease in Furniture Fixtures and Equipment	(106,061)	(276,423)		
(Increase) Decrease in Real Estate Assets	(582,388)	(57,236,748)	LL	Tantra Lakes
(Increase) Decrease in Notes and Interest Receivable	424,658	(14,285,956)	MM	Note from Boulder Communities and Palo Park
Net Cash Provided (Used) by Investing Activities	(327,305)	(71,381,809)		
Cash Flows from Financing Activities				
Increase (Decrease) in Current Portion of Long Term Debt	(3,024,731)	3,665,310		
Increase (Decrease) in Notes Payable	0	(5,833)		
Increase (Decrease) in Mortgages and Bonds Payable	(113,156)	39,317,741	NN	Tantra Lakes and Bridgewalk
Net Cash Provided (Used) by Financing Activities	(3,137,887)	42,977,218		
Net Increase (Decrease) in Cash and Cash Equivalents				
Net Increase (Decrease) in Cash and Cash Equivalents	(1,365,883)	1,826,162		
Unrestricted Cash and Cash Equivalents - Beginning	8,759,116	5,567,072		
Unrestricted Cash and Cash Equivalents - Ending	7,393,233	7,393,233		

BHP CASH Report

10 11 12
2017 2017 2017
October-17 November-17 December-17

<u>Unrestricted Cash Available for Operations</u>	Balance	Balance	Balance	Board Target	Surplus (Deficit)
BHP Operating Reserves	2,970,301	3,193,904	2,826,509	3,000,000	(173,491)
BHP Replacement Reserves	2,302,344	2,234,436	2,302,114	2,176,500	125,614
BHP Development Reserve	3,588,675	3,589,265	2,486,623	2,000,000	486,623
Total Unrestricted BHP Cash	8,861,319	9,017,604	7,615,246	7,176,500	438,746
	3,588,675				

Board Target
2 Months of operating expenses (including HAP) \$3,500 per Workforce Unit

<u>Unrestricted Cash - Restricted by Property/Program</u>	Balance	Balance	Balance	Board Target	Surplus (Deficit)
Project Based Operating Reserve	358,010	385,972	402,984	165,000	237,984
MTW Reserves ⁽¹⁾	1,332,958	1,683,255	1,677,117	0	1,677,117
Total Unrestricted Cash Restricted by Program	1,690,968	2,069,227	2,080,101	165,000	1,915,101
	0				

Board Target
2 Months of operating exp HUD expects to hold all reserves so target reduced to zero

⁽¹⁾ Note MTW target changed to \$0 in 2017 budget due to change in HUD Cash Management which requires excess funds to be held at HUD rather than PHA

<u>Replacement Reserved - Restricted by Bank or HUD</u>	Balance	Balance	Balance
Canyon Pointe	198,588	203,974	183,478
<u>Other Restricted Funds</u>			
Tantra Rehab Funds ⁽³⁾	1,100,888	1,098,023	1,094,332
Habitat Funds	236,597	216,611	213,502
S8/FSS Escrow	53,501	56,226	61,131
Section 8 NED NRA(HAP)	11,093	13,881	13,006
Total Restricted Cash Other	1,600,668	1,588,716	1,565,449

⁽²⁾ \$12M was held in escrow until February 1 payment to reduce Boulder Communities Construction loan to permanent loan balance

⁽³⁾ \$1.2M held for specific capital items at Tantra as required by bank. Work is underway.

Restricted Cash Tenant Security Deposits	432,500	432,509	460,604
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January 2017 - December 2017								
Property	Address	Units	PUPA EGI	PUPA OpEx	Reserves	PUPA NOI Net of Reserves	PUPA Debt	Adjusted DSCR
Arapahoe Court	951,953 Arapahoe	14	\$ 4,387	\$ (7,712)	\$ -	\$ (3,326)	\$ -	-
Madison	1130-1190 35th St.	33	\$ 7,611	\$ (9,098)	\$ -	\$ (1,487)	\$ -	-
Public Housing I Sub Total:		47	\$ 6,651	\$ (8,686)	\$ -	\$ (2,035)	\$ -	-
Canyon Pointe	700 Walnut	82	\$ 11,580	\$ (6,672)	\$ (745)	\$ 4,163	\$ 3,477	1.20
Glen Willow (2)	301-333 Pearl St.	34	\$ 12,168	\$ (9,086)	\$ (300)	\$ 2,783	\$ -	-
Project Based Sub Total:		116	\$ 11,753	\$ (7,379)	\$ (615)	\$ 3,759	\$ 3,477	1.20
Arapahoe East	4610 Arapahoe	11	\$ 11,876	\$ (7,889)	\$ (300)	\$ 3,687	\$ 1,676	2.20
Dakota Ridge	4900 10th St.	13	\$ 17,424	\$ (4,414)	\$ (300)	\$ 12,711	\$ 7,207	1.76
Sanitas Place	3640 Broadway	12	\$ 11,363	\$ (6,099)	\$ (300)	\$ 4,964	\$ 2,897	1.71
Twin Pines	1700 22nd St.	22	\$ 11,272	\$ (4,855)	\$ (300)	\$ 6,118	\$ 2,958	2.07
Combine Loan One Subtotal		58	\$ 12,785	\$ (5,589)	\$ (300)	\$ 6,896	\$ 3,654	1.89
101 Canyon	101-103 Canyon	6	\$ 26,987	\$ (8,213)	\$ (300)	\$ 18,474	\$ 7,265	2.54
Hayden Place	34th & Hayden Place	24	\$ 10,253	\$ (6,010)	\$ (300)	\$ 3,943	\$ 3,113	1.27
Whittier	1946 Walnut St.	10	\$ 11,637	\$ (6,742)	\$ (300)	\$ 4,595	\$ 2,491	1.84
Woodlands	2600 Block of Mapleton	35	\$ 12,821	\$ (8,014)	\$ (300)	\$ 4,507	\$ 4,804	0.94
Combine Loan Two Subtotal		75	\$ 12,975	\$ (7,219)	\$ (300)	\$ 5,456	\$ 4,151	1.31
Bridgewalk	602-698 Walden Circle	123	\$ 19,582	\$ (7,877)	\$ (550)	\$ 11,154	\$ 8,112	1.38
Foothills	4500 block of 7th/8th	74	\$ 14,184	\$ (6,781)	\$ (300)	\$ 7,103	\$ 4,717	1.51
Hayden Place 2 (3)	3480 Hayden Place	6	\$ 10,904	\$ (8,878)	\$ (300)	\$ 1,727	\$ 5,560	0.31
Tantra Lakes	807-999 Moorhead	185	\$ 20,457	\$ (9,135)	\$ (225)	\$ 10,985	\$ 7,753	1.42
Midtown (2)	837 20th St.	13	\$ 11,563	\$ (7,443)	\$ (300)	\$ 3,820	\$ -	-
Vistoso (4)	4500 Baseline	15	\$ 12,937	\$ (10,623)	\$ (150)	\$ 1,955	\$ -	-
Workforce Sub Total:		534	\$ 17,542	\$ (8,119)	\$ (336)	\$ 9,042	\$ 6,251	1.45
Portfolio Totals:		697	\$ 15,844	\$ (8,034)	\$ (360)	\$ 7,416	\$ 5,367	1.38

January 2017 - December 2017

Tax Credit Properties	Address	Units	PUPA EGI	PUPA OpEx	Reserves	PUPA NOI Net of Reserves	PUPA Debt	Adjusted DSCR
Broadway East	3160 Broadway	44	\$ 11,538	\$ (6,782)	\$ (330)	\$ 4,427	\$ 2,191.74	2.02
Broadway West	3120 Broadway	26	\$ 11,111	\$ (7,367)	\$ (330)	\$ 3,414	\$ 2,464	1.39
High Mar	4990 Moorhead Ave	59	\$ 11,356	\$ (6,373)	\$ (258)	\$ 4,726	\$ 4,008	1.18
Holiday	1500 Lee Hill	49	\$ 10,699	\$ (6,166)	\$ (200)	\$ 4,334	\$ 3,261	1.33
Lee Hill (5)	1175 Lee Hill	31	\$ 11,617	\$ (11,774)	\$ (375)	\$ (533)	\$ -	-
Red Oak Park	27th & Valmont	59	\$ 11,704	\$ (6,717)	\$ (338)	\$ 4,650	\$ 3,884	1.20
WestView	4600 Broadway	34	\$ 12,123	\$ (5,033)	\$ (300)	\$ 6,790	\$ 5,567	1.22
Tax Credit Properties excluding Boulder Communities		302	\$ 11,963	\$ (7,326)	\$ (317)	\$ 4,183	#REF!	-
Boulder Communities (5)	Various	279	\$ 11,353	\$ (6,378)	\$ (520)	\$ 4,455	\$ 2,963	1.50
Boulder Communities	Various	279	\$ 11,353	\$ (6,378)	\$ (520)	\$ 4,455	\$ 2,963	1.50
Tax Credit Sub Total:		581	\$ 11,396	\$ (6,678)	\$ (404)	\$ 4,314	\$ 3,101	1.39

Properties in Transition	Address
Orchard House (2)	1603 Orchard St.
Valmont/Wallace	2625 Valmont Rd.
Orchard Grove	Valmont and 34th
Palo Park	4525 Palo Parkway
Tantra Lakes	

Index of terms
PUPA - Per Unit Per Annum
EGI - Effective Gross Income = (Total Revenue - Grant Revenue)
Op Ex - Operating Expenses = (Total Expenses-Capital Expenses-Extraordinary Maintenance and Non-Op Ex)
NOI - Net Operating Income = (Net Income + Non OpEx)
DSCR - Debt Service Coverage Ratio = NOI/Debt
ADJUSTED - For Capital Grants, Capital Exp. and Extraordinary Maint.

NOTES: (1) DSCR is calculated after required reserve contributions. Portfolio totals include NOI from properties with no debt. All excess cash from properties is used in BHP operations.
(2) Glen Willow, Midtown and Orchard House are pledged as collateral for BHP Line of Credit
(3) Hayden Place 2 does not have DSC requirement given the small number of units. One vacant can have substantial affect on ratio
(4) Vistoso refinance closed in December. No payment yet required so DSCR calculation not applicable.
(5) Lee Hill does not have permanent debt so DSCR does not apply.

2017 Performance Benchmarks and Standards

Finance

		Goal/Benchmark	YTD - Dec	+/-	Comments
1	BHP Debt (and Accrued Interest) to Equity Ratio - Measures ratio of Actual Debt and Interest to Equity	< 1.5	0.95	+	
2	BHP Quick Ratio - Unrestricted cash/current liabilities(less sec deposits) (Measure of how many times we can pay current liabilities with Cash on Hand or "liquidity")	> 2.0	3.47	+	
3	Months Expendable Net Assets Ratio (MENAR) (measures adequacy of reserves)	> 4.0	6.13	+	
4	Portfolio Debt Service Coverage Ratio (measures capacity to cover debt)	> 1.25	1.38	+	
5	BHP Unrestricted Operating Reserves	\$3,000,000	2,826,509.00	-	Funds will be replaced from Tantra Restricted reserve for work completed
6	BHP Unrestricted Replacement Reserves	\$1,357,500	2,302,114.00	+	
7	BHP Development Reserve	\$1,500,000	2,486,623.00	+	

Section 8

1	Occupancy Rate HCV - 756 vouchers authorized	103% > x > 97%	101%	+
2	Occupancy Rate RAD - 135 vouchers authorized	> 97%	99%	+
3	Occupancy Rate NED - 181 vouchers authorized	> 97%	99%	+
4	Occupancy Rate Mainstream - 50 vouchers authorized	> 97%	99%	+
5	Occupancy Rate Housing First - 22 voucher authorized	100% > x > 95%	99%	+

Maintenance

1	Materials and Contracts' Budget Variance	+(-) < 3%	-4%	+
2	Average number of days to complete unit turns year to date	≤ 9 days	9	+
3	Average number of days to complete routine work orders year to date	≤ 2 days	1.0	+

Property Management

1	Net Tenant Rental Income - PH	> 100%	120%	+
2	Net Tenant Rental Income - PB	> 100%	102%	+
3	Net Tenant Rental Income - Affordable/Mkt.	> 100%	105%	+
4	Total Net Tenant Rental Income - BHP	> 100%	106%	+
5	Net Tenant Rental Income - Tax Credit	> 100%	101%	+
6	Occupancy Rate - PH 1	> 97%	99%	+
7	Occupancy Rate - PB	> 97%	99%	+
8	Occupancy Rate - Affordable/Mkt.	> 96%	96%	+
9	Total Occupancy Rate BHP	> 97%	97%	+
10	Occupancy Rate - Tax Credit units	> 97%	99%	+

Resident Services

1	Successful Move Outs - Seniors/PWDs at Res. Svc. Sites	> 80%	83%	+
2	Successful Move Outs - Families at Res. Svc. Sites	> 80%	88%	+
3	Avg. Late Fees per month - Seniors/PWDs at Res. Svc. Sites	< 15	7	+
4	Avg. Late Fees per month - Families at Res Svc. Sites	< 30	26	+



Collective Net Pension Liability FREQUENTLY ASKED QUESTIONS

1 WHAT IS THE COLLECTIVE NET PENSION LIABILITY?

The collective net pension liability is a measurement required by governmental accounting standards and is made up of the following two components:

- » The fiduciary net position—includes the fair value of investments held for the exclusive purpose of administering the pension fund.
- » The total pension liability—the amount of future benefit obligations earned by the PERA membership.

The difference between these two components is the collective net pension liability.

2 HOW MUCH DID THE COLLECTIVE NET PENSION LIABILITY INCREASE IN 2016 COMPARED TO 2015?

The collective net pension liability in 2016 compared to 2015 is presented below by Division Trust Fund:

<i>(Dollars in thousands)</i>	12/31/2015	12/31/2016
State Division Trust Fund	\$10,531,033	\$18,368,131
School Division Trust Fund	\$15,294,294	\$29,773,867
Local Government Division Trust Fund	\$1,101,581	\$1,350,341
Judicial Division Trust Fund	\$183,894	\$254,246
DPS Division Trust Fund	\$813,535	\$1,095,472
All Division Trust Funds	\$27,924,337	\$50,842,057

3 WHY THE LARGE INCREASE IN THE COLLECTIVE NET PENSION LIABILITIES FOR THE STATE AND SCHOOL DIVISION TRUST FUNDS IN 2016 COMPARED TO 2015?

The majority of the \$22.3 billion increase in the collective net pension liabilities for the State and School Division Trust Funds can be attributed to a provision of governmental accounting standards for pensions which require future benefit obligations to be measured at a lower discount rate when certain conditions exist. In 2015, the application of the required Governmental Accounting Standards Board (GASB) test resulted in the liabilities being measured using the assumed rate of return of 7.50 percent. In 2016, application of the required GASB test triggered the need to use a blend of two rates—the assumed investment rate of return of 7.25 percent and a municipal bond index rate of 3.86 percent. This resulted in the use of a blended discount rate of 5.26 percent, which then increased the collective net pension liabilities by approximately \$17.9 billion.

* 4 WHAT WERE THE OTHER CONTRIBUTING FACTORS TO THE INCREASE IN THE COLLECTIVE NET PENSION LIABILITIES FOR THE FIVE DIVISION TRUST FUNDS?

An experience study for the five Division Trust Funds was performed in 2016 to help assess whether actuarial assumptions needed to be changed. Based on the study, the PERA Board of Trustees (Board) adopted a number of revised demographic and economic actuarial assumptions in November 2016. Changes in

(Continued on next page)

Collective Net Pension Liability

FREQUENTLY ASKED QUESTIONS

two actuarial assumptions primarily contributed to the increase in the collective net pension liabilities for the five Division Trust Funds. First, the PERA Board decided to take a more conservative approach to the future of the market, and lowered the long-term return expectation to 7.25 from 7.5 percent. Additionally, the experience study showed that our members are now living longer—which means PERA is expected to pay benefits for a longer period of time. New mortality tables were adopted to reflect the increased longevity of PERA’s membership. The net pension liabilities increased by approximately \$3.4 billion due to all the revised actuarial assumptions adopted in November 2016.

5 WHY ARE THERE TWO NUMBERS TO REPORT PENSION LIABILITY?

Under GASB 67 and 68 reporting standards, pension plans like PERA need to separate actuarial funding and financial reporting. Under previous reporting standards, there was a close relationship between how governments fund pensions and how they account and report information. This revised guidance is a shift from a funding-based approach to an accounting-based approach. According to GASB, this shift improves the decision-usefulness of employer-level reported pension information and increases the transparency, consistency, and comparability of pension information across governments. Using the funding-based approach, PERA is reporting liabilities of \$32.2 billion for the five defined benefit pension trust funds compared to the collective net pension liabilities calculated for accounting and financial purposes of \$50.8 billion.

6 WHO IS IMPACTED BY GASB’S REQUIREMENT TO USE A BLENDED DISCOUNT RATE?

Employers participating in the State, School, and Judicial Division Trust Funds who are complying with GASB 68 are impacted by the use of a blended discount rate.

7 WHAT MAKES AN EMPLOYER’S PROPORTIONATE SHARE OF THE COLLECTIVE NET PENSION LIABILITY DIFFERENT THAN A TRADITIONAL LIABILITY?

The net pension liability is unlike any of the other liabilities reported on PERA-affiliated employers’ financial statements in that it is not immediately due, nor can it be paid off under any accelerated schedule. PERA contribution rates are set in statute. As a result, a PERA-affiliated employer would not be able to remit payment in excess of their statutory contribution amount for their share of the collective net pension liability in order to remove this liability from their financial statements.

8 WHAT ACTION IS PERA TAKING TO REDUCE THE COLLECTIVE NET PENSION LIABILITY?

The measurement of liabilities and funded status are a top concern for the PERA Board and management. PERA has embarked on a statewide outreach effort known as PERAtour to inform and listen to its members, retirees, employers, and taxpayers about PERA’s funded status and risk profile. This outreach provides ample opportunities to be a part of the conversation and discussion about guiding principles and potential changes. The PERA Board is scheduled to meet in September to discuss those changes with potential recommendations to the General Assembly in 2018.

ADDITIONAL INFORMATION

More information and analysis on the collective net pension liability can be found on pages 42–47 and 90–94 of PERA’s 2016 *Comprehensive Annual Financial Report*.

MEMO

To: Board/Committee
From: Jim Koczela- Finance
Date: February 14, 2018
Re: Cedar/ Casey Financing

Background

On November 6, 2017, Boulder Housing Partners acquired the Boulders which consists of 19 units located at 1240 Cedar and 2453 Broadway in Central Boulder. The acquisition was 100% purchased with a draw of \$6,203,017.69 on the BHP Line of Credit ("LOC") with First National Bank. At the time of closing, we had identified several different sources which would provide permanent financing to repay the LOC draw and allow for a deposit into a capital reserve for known capital needs of \$495,000. Those sources included the following:

FNB - Line of Credit			
Draw			
		Date	
Escrow Deposit	\$ 100,000.00	9/25/2017	
Closing Draw	\$ 6,103,017.69	11/6/2017	
Total Balance	\$ 6,203,017.69	Total LOC balance	
Escrow deposit for repairs	\$ 495,000.00	To be advanced by BHP 2/7/2018	
Total Uses	\$ 6,698,017.69		
Payments			
BHP Funds		Date	Notes
HUD Held HAP reserve est.	\$ (984,082.00)	Dec-17	Complete
BHP Held HAP reserve est.	\$ (139,865.00)	Dec-17	Complete
City of Boulder	\$ (800,000.00)	Dec-17	Complete
MTW 2018 CFP	\$ (524,712.00)	Jan-18	Complete
FirstBank Loan - Estimate	\$ (2,449,358.69)	Feb-18	
Worthy Cause	\$ (700,000.00)	Mar-18	
City of Boulder	\$ (550,000.00)	Oct-18	BHP will advance this amount from Dev Reserve in 2017
City of Boulder	\$ (550,000.00)	Oct-19	BHP will advance this amount from Dev Reserve in 2017
Total Sources	\$ (6,698,017.69)		

Each of the sources identified have been received except the following:

- City contributions of \$550,000 for each of 2018 and 2019. These amounts have been advanced from BHP's Development Reserve and will be reimbursed when these grants are funded.
- Worthy Cause grant of \$700,000 has been awarded and we are in the process of completing the paperwork for funding. This is expected to be funded in March 2018.
- The FirstBank loan which is scheduled to close on February 15, 2018

Analysis

The FirstBank loan will be bank qualified tax-exempt debt. BHP is authorized to issue up to \$10 million annually in qualified tax-exempt debt. The terms of the FirstBank loan are:

Amount - \$2,449,358
Interest Rate – 3.25%
Maturity – February 1, 2028 (ten years)
Amortization – 35 years

The resolution required to issue the loan includes an authorization to borrow the funds for the purpose of financing the project, authorization to incur the expenses necessary to issue the debt, a ratification of any actions taken to date related to the issuance, authorization for Jeremy or Jim to do all the things necessary or advisable to complete the transaction and an authorization to elect to have the debt treated as qualified Tax Exempt obligation.

Recommendation

We recommend approval of Resolution 2018-2 authorizing the issuance of tax exempt debt for permanent financing of Cedar/Casey property.

Action Requested

Approval of Resolution #2, Series 2018 authorizing the issuance of Tax exempt debt for permanent financing of the Cedar/Casey property.

**RESOLUTION NUMBER 2
SERIES 2018**

A RESOLUTION OF THE BOARD OF COMMISSIONERS (THE “BOARD”) OF THE HOUSING AUTHORITY OF THE CITY OF BOULDER, COLORADO, D/B/A BOULDER HOUSING PARTNERS, A COLORADO HOUSING AUTHORITY, (THE “AUTHORITY”) AUTHORIZING THE BORROWING OF MONEY IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$2,700,000 FOR THE PURPOSE OF FINANCING THE PROJECT (HEREINAFTER DEFINED); RATIFYING CERTAIN ACTIONS HERETOFORE TAKEN; APPROVING THE FORMS AND AUTHORIZING THE EXECUTION AND DELIVERY BY THE AUTHORITY OF THE TRANSACTION DOCUMENTS (HEREINAFTER DEFINED); AND AUTHORIZING OFFICIALS OF THE AUTHORITY TO DO ALL OTHER THINGS NECESSARY OR ADVISABLE TO COMPLETE THE TRANSACTIONS AUTHORIZED IN THIS RESOLUTION.

WHEREAS, the Authority is authorized by the “Housing Authorities Law,” Part 2, Article 4, Title 29 of Colorado Revised Statutes, as amended (the “Act”), and by the “Supplemental Public Securities Act,” Part 2, Article 57, Title 11, as amended (the “Public Securities Act”), to borrow money upon its bonds, notes, debentures or other evidences of indebtedness for the purposes specified in the Act and to secure the same by pledges of its revenues and mortgages upon property held or to be held by the Authority as provided in the Act;

WHEREAS, the Authority is the owner of certain real property located at 1240 Cedar Avenue, Boulder, Colorado 80304 and generally known as the Cedar and real property located at 2453 Broadway, Boulder, Colorado 80304 and generally known as the Casey (collectively, the “**Property**”);

WHEREAS, the Authority desires to obtain a loan from FirstBank, a Colorado banking corporation (the “**Lender**”), and Lender has agreed to make a tax-exempt and bank-qualified loan to the Authority in the amount not to exceed \$2,700,000 (the “**Loan**”) in order to refinance the costs of acquiring thirteen (13) multifamily housing units located at 1240 Cedar Avenue, Boulder, Colorado 80304 and six (6) multifamily housing units located at 2453 Broadway, Boulder, Colorado 80304 and to pay certain costs of issuance associated therewith (collectively, the “**Project**”), pursuant to the terms and provisions of that certain Loan Agreement (the “**Loan Agreement**”) by and between the Authority and the Lender. The Loan is or will be evidenced by a promissory note in the principal amount not to exceed \$2,700,000 made by the Authority in favor of Lender (the “**Note**”), and the Note is or will be secured by a Deed of Trust and Security Agreement granted by the Authority for the benefit of Lender, encumbering the property described therein (the “**DOT**,”). In connection with the Loan, the Authority will deliver a Tax Compliance Certificate setting forth certain representations, expectations and covenants of the Authority pertaining to the tax-exempt status of the Loan (the “**Tax Certificate**”, and together with the DOT, the Loan Agreement, the Note and such other documents Lender may require from the Authority in connection with the Loan, collectively, the “**Transaction Documents**”);

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF BOULDER, COLORADO, D/B/A BOULDER HOUSING PARTNERS, A COLORADO HOUSING AUTHORITY

that the Authority obtain the Loan, and that such borrowing is hereby authorized, adopted, ratified, confirmed and approved; and

FURTHER RESOLVED, that the Loan may be secured in whole or in part, without limitation, by liens on the property described in the DOT, including the Property; and

FURTHER RESOLVED, that the Authority elects to have the Loan so issued treated as a bank qualified obligation under Section 265 of the Internal Revenue Code of 1986, as amended; and

FURTHER RESOLVED, that the Note and the Loan evidenced thereby is being issued pursuant to the Act and the Public Securities Act, and the Authority hereby elects to apply all of the applicable provisions of the Public Securities Act to the Note and the Loan and to permit the Note and the Loan to contain a recital that such Loan has been issued pursuant to the Public Securities Act; such recital shall be conclusive evidence of the validity and the regularity of the issuance of the Note and the Loan; and

FURTHER RESOLVED, that either Jeremy Durham, Executive Director of the Authority, or James Koczela, Deputy Director of the Authority, (the “**Authorized Signatory**”), is authorized and delegated to negotiate, execute and deliver for and on behalf of the Authority the Transaction Documents and such other agreements, instruments or written obligations of the Authority as may be called for under or in connection with the Transaction Documents or required by the Lender, and all modifications, amendments, extensions, supplements, restatements, and renewals of any of the foregoing, and containing such terms and conditions as may be acceptable or agreeable to the Authority, and that the form, terms and provisions of the Transaction Documents, as negotiated by the Authorized Signatory, and with such changes therein as the Authorized Signatory executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof by the Authorized Signatory, are hereby authorized, adopted, ratified, confirmed and approved in all respects; and

FURTHER RESOLVED, that the transactions and actions required of the Authority under and in connection with the Transaction Documents are hereby authorized, adopted, ratified, confirmed and approved in all respects; and

FURTHER RESOLVED, that the Authorized Signatory is hereby authorized, for and on behalf of the Authority, to take such further action and to do all things that may appear in the Authorized Signatory’s discretion to be necessary in connection with renewals, extensions for any period, increases, rearrangements, retirements or compromises of the indebtedness, obligations and liabilities of the Authority to the Lender arising out of or related to the Transaction Documents or any other indebtedness, obligations and liabilities of the Authority owing to the Lender, as applicable, either directly or by assignment; and

FURTHER RESOLVED, that the Authorized Signatory, for and on behalf of the Authority, is authorized and empowered to do or cause to be done all such acts or things and to sign and deliver, or cause to be signed and delivered, all such documents, instruments and certificates (including, without limitation, any and all notices and certificates required or permitted to be given or made to the Lender under the terms of any of the instruments executed on behalf of the Authority in connection with any of the Transaction Documents, in the name and on behalf of the Authority, in its discretion, may deem necessary, advisable or appropriate to effectuate or carry out the purposes and intent of the foregoing resolutions and to perform the obligations of the Authority under all instruments executed on behalf of the Authority in connection with the Transaction Documents; and

FURTHER RESOLVED, that the execution by the Authorized Signatory for and on behalf of Authority, of any document authorized by the foregoing resolutions or any document executed in the accomplishment of any action or actions so authorized, is (or shall become upon delivery) the enforceable and binding act and obligation of the Authority, without the necessity of the signature, seal or attestation of any other person; and

FURTHER RESOLVED, that the Authority is hereby authorized to incur such expenses and to take such further actions as may be necessary to effectuate the purposes and intent of the foregoing resolutions; and

FURTHER RESOLVED, that any actions of the Authority which would have been authorized by these resolutions except that such acts were taken prior to the adoption of such resolutions are hereby ratified, confirmed, approved and adopted as the actions of the Authority; and

FURTHER RESOLVED, that these resolutions are intended to be and may be relied upon by any person or entity involved in the transactions contemplated hereby.

[Remainder of page intentionally blank]

PASSED, ADOPTED AND APPROVED this 14th day of February, 2018.

OF

THE HOUSING AUTHORITY OF THE CITY
BOULDER, A COLORADO HOUSING
AUTHORITY, D/B/A BOULDER
HOUSING PARTNERS

By _____
Karen Klerman
Chair, Board of Commissioners

Attested this 14th day of February, 2018 by:

By _____
Jeremy Durham
Secretary

MEMO

To: Board
From: Ruth Becker-General Counsel
Date: February 14, 2018
Re: By-laws Update

Background

Notice was provided to the Board by email on January 31, 2018, at least 7 days in advance of the meeting, as required to amend the Bylaws. The notice is attached.

The notice and proposed amendments are marked in red on the attachment. The proposed amendments move the date for the annual meeting and election of officers to April and provide some flexibility to accommodate the new meeting schedule. No change is recommended for the Resident Representative Council Reports, which must be included on each regular agenda.

An affirmative vote of 6 Commissioners is needed to amend the Bylaws.

Recommendation

The NPG committee reviewed the proposed amendment and recommended it for full consideration at the meeting.

Action Requested

Approval of the amendments to the Bylaws.

**Notice of Meeting
To
Consider Amendments to the Bylaws
of the Housing Authority of the City of Boulder, d/b/a Boulder Housing Partners
Wednesday, February 14, 2018 at 9:00 a.m.**

Pursuant to Article VI of the Bylaws of the Housing Authority of the City of Boulder, Colorado d/b/a Boulder Housing Partners (the "Bylaws"), notice is hereby given that at the regular meeting scheduled for February 14, 2018 at 9:00 a.m. the attached amendments to the Bylaws will be considered and a vote will be taken. The Bylaws will be amended only with the approval of at least six (6) members of the Boulder Housing Partners' Board of Commissioners. The proposed amendments are marked in red on the attached copy of the Bylaws.

BYLAWS OF THE HOUSING AUTHORITY OF

THE

CITY OF BOULDER, COLORADO

ARTICLE I THE
AUTHORITY

Section 1. NAME OF AUTHORITY

The Authority is the Housing Authority of the City of Boulder, Colorado. The Authority has elected to use a trade, or “doing business as” name, as Boulder Housing Partners, with the approval of the Directors.

Section 2. SEAL OF AUTHORITY

The seal of the Authority shall be and is in the form of a circle bearing the name of the Authority. Said seal’s impression is contained in the margin hereof.

Section 3. OFFICE OF AUTHORITY

The office of the Authority shall be at 4800 N. Broadway, in the City of Boulder, Colorado.

ARTICLE II
COMMISSIONERS

Section 1. APPOINTMENT AND TERMS

The nine commissioners, one being an official of the City, and one being elected by the qualified resident body of the Authority in accordance with applicable law, shall constitute the policy making or legislative authority of the Housing Authority. All of the affairs, property, and business of the Authority shall be vested in the said nine Commissioners who are appointed as provided by statute by the Mayor of the City of Boulder, Colorado. The term of a commissioner shall be five years. There shall be no limit on the number of terms that may be served by a commissioner. Commissioners shall hold office until their successors are properly appointed.

Section 2. BOARD VACANCIES

Any vacancy in the Board of Commissioners, however, caused, shall be filled by the Mayor with confirmation of the City Council, as provided by statute. The Commissioner appointed to fill a vacancy shall hold office for the un-expired term and until a successor has been appointed as provided by statute.

Section 3. REMOVAL OF COMMISSIONERS

A Commissioner may be removed by the Mayor following a recommendation adopted by majority vote of the Board of Commissioners present and voting at any meeting where such action is an announced item of business. Action for removal of a Commissioner must be in accordance with the standards and procedures established under applicable law.

ARTICLE III MEETINGS

Section 1. ANNUAL MEETING

The annual meeting of the Authority shall be held at such place so designated by the Authority ~~on the second Monday of September, in April and~~ each year.

Section 2. REGULAR MEETINGS

Regular meetings of the Authority shall generally be held each month at such place so designated by the Authority, on a schedule determined by the Chairperson and the Executive Director. ~~on the second Monday of each month in Boulder, Colorado.~~

Section 3. SPECIAL MEETINGS

A. Special meetings of the Board of Commissioners may be held at such place so designated by the Authority in Boulder, Colorado, at any time on call of the Chairperson, or the Secretary, or any three members of the Board of Commissioners, and may be held at any time and place. The Commissioners may waive notice to each of them by unanimous written consent of all the members of the Board of Commissioners, or with the presence and participation of all members of the Board of Commissioners. The record of any action recorded in minutes of any meeting and approved by the Board of Commissioners at a subsequent meeting shall be valid, and all actions so recorded shall be as valid and effectual.

B. In order to accommodate circumstances in which an agenda item has been discussed at a meeting, but additional information is necessary for a final decision of the Commissioners, the Commissioners may define two options and the additional information necessary for a Commissioner to select between the two options. Such information may be provided electronically after the meeting, and each Commissioner can confirm the preferable option by e-mail confirmation. The option receiving the most number of e-mail confirmations from Commissioners shall be the final decision of the Board of Commissioners. The process shall be included in the minutes for the following Board meeting.

Section 4. NOTICES OF MEETINGS TO THE PUBLIC

Notice to the public shall be provided as required by Colorado law. For posting requirements, postings of the meetings shall be in the lobby of Boulder Housing Partners at 4800 N. Broadway, Boulder, CO. Notices of meetings may also be posted on the website or any other place.

Section 5. NOTICES TO COMMISSIONERS

Notices of special meetings, except when held by unanimous consent or participation, shall be emailed by the secretary to each member of the Board of commissioners not less than five (5) calendar days before any such meeting, and the Notice shall include the purposes of such meeting. The presence of the person entitled to notice of a meeting shall in all events be considered a waiver of notice and failure to vote shall not defeat the effectiveness of such waiver.

Section 6. QUORUM

A quorum at any meeting shall consist of five (5) members of the Board of Commissioners. A majority of those in attendance, in the presence of a quorum, shall decide any question that may come before the meeting, except as might otherwise be provided herein, or as might otherwise be required by law

Section 7. ATTENDANCE BY TELEPHONE

Any Commissioner may attend a meeting by telephone under the following conditions:

A. There is a speaker phone operating at the business office of the Authority so that the Commissioner(s) attending by telephone can be heard by the public, staff and any Commissioners in attendance at the business office; and

B. Any Commissioner(s) attending by telephone can hear all other Commissioners in attendance at the meeting, whether by phone or in person.

Section 8. EXECUTIVE SESSIONS

Executive sessions may be held by the Commissioners as provided by Colorado law. The Commissioners may hold executive sessions by telephone without a speakerphone being available to the public only under the following circumstances:

A. The only matter on the agenda is an executive session; and

B. All Commissioners, staff and consultants necessary for the executive session can hear and speak to each other; and

C. The only action or votes that may be taken at the special meeting are to go into executive session for reason(s) allowed by Colorado law and the vote to close the executive session as allowed by Colorado law. No other action may be taken by the Board at any executive session held by telephone; and

D. There are minutes of the executive session for approval of the Commissioners at the next regular or special meeting of the Authority. The minutes shall include the date of the

meeting, the reason(s) and vote for the executive session, and the vote and any disclosures at the end of the executive session.

Section 9. ORDER OF BUSINESS

The order of business at any regular or special meeting of the Board of Commissioners, unless otherwise prescribed at any meeting by the Board of Commissioners, shall be established by the Executive Secretary in conjunction with the Chair of the Board. At a minimum, each regular agenda will include:

1. Review and Approval of Minutes
2. Resident Representative Council Report
3. Public Participation

Specific order of agenda items may vary from one meeting to the next so long as at least the above listed topics are included. The Authority may act by motion or resolution. The record of the vote on all motions and resolutions shall be included in the minutes of the meeting. All resolutions shall be in writing and executed copies maintained in an appropriate master file containing a record of the proceedings of the Authority.

Section 10. MINUTES OF MEETINGS

The record of any action recorded in minutes of any meeting and approved by the Board of Commissioners at a subsequent meeting shall be valid, and all actions so recorded shall be as valid and effectual.

Section 11. MANNER OF VOTING

The voting on all questions coming before the Authority shall be by oral vote, and the ayes and nays shall be entered upon the minutes of such meeting.

ARTICLE IV
OFFICERS

Section 1. OFFICERS

The officers of the Authority shall be a Chairperson, a Vice Chairperson, and a Secretary who shall be the Executive Director. The Chairperson and Vice Chairperson shall be Commissioners of the Authority. The Secretary shall not be a Commissioner of the Authority.

Section 2. CHAIRPERSON

The Chairperson shall preside at all meetings of the Authority. Except as otherwise authorized by resolution of the Authority, the Chairperson shall sign all deeds and contracts for buying or selling real property, provided however, the Executive Director may sign deeds and contracts for buying or selling real property as authorized by the Commissioners by resolution or as provided in these bylaws. At each meeting, the Chairperson shall submit such recommendations and information as s/he may consider proper concerning the business affairs and policies of the Authority.

Section 3. VICE-CHAIRPERSON

The Vice-Chairperson shall perform the duties of the Chairperson in the absence or incapacity of the Chairperson; and in case of the resignation or death of the Chairperson, the Vice-Chairperson shall perform such duties as are imposed on the Chairperson until such time as the Authority shall select a new Chairperson.

Section 4. SECRETARY

The Secretary shall be the Executive Director of the Authority, and as such, shall have general supervision over the administration of its business and affairs, subject to the direction of the Authority. The Secretary shall be charged with the management of the Housing Projects of the Authority, The Secretary shall keep the records of the Authority, shall be responsible for the minutes of the meetings of the Authority and for keeping a record on all votes, and shall keep a record of the proceedings and resolutions of the Authority in a master file to be kept for such purpose, and shall perform all duties incident to this office. The Secretary shall keep, in safe custody, the seal of the Authority and shall have power to affix such seal to all contracts and other instruments authorized to be executed by the Authority. The Secretary may sign all contracts of the Authority not required by these bylaws to be signed by the Chairperson, including without limitation, contracts for grants, loans, financing of projects, acquisitions of property, or otherwise necessary for the efficient functioning of the Authority; provided however, the Secretary may not sign any contract that is not consistent with the annual budget approved by the Board of Commissioners.

The Secretary shall have the care and custody of all funds of the Authority. The Secretary shall pay out monies under the direction of the Authority and shall keep regular books of account showing receipts and expenditures and shall render to the Authority at each ~~quarterly~~regular meeting, or more often when requested, an ~~and~~ account of transactions and also financial condition of the Authority.

Compensation of the Secretary, or a temporary appointee shall be determined by the Authority.

Section 5. ADDITIONAL DUTIES

The officers of the Authority shall perform such other duties and functions as may from time to time be required by the Authority or rules and regulations of the Authority.

Section 6. ELECTIONS AND APPOINTMENTS

The Chairperson and Vice Chairperson shall be elected at the annual meetings of the Authority from among the Commissioners of the Authority, and office shall be held until their successors are elected and qualify. The officers may serve for any number of terms, as determined by the Commissioners.

Section 7. OFFICER VACANCIES

Should the office of Chairperson or Vice Chairperson become vacant, the Authority shall elect a successor from its membership at the regular next meeting, and such election shall be for the un-expired term of said office. When the office of Secretary becomes vacant, the Authority shall appoint a successor, as aforesaid.

Section 8. ABSENCES AND LEAVES OF ABSENCE

Upon written request, the Board may grant a leave of absence of up to six months to one or more commissioners, provided, however, that such approval will not result in a loss of quorum. Each Commissioner may accumulate no more than six months leave in any five (5) year term.

Section 9. REMOVAL OF OFFICERS

Any officer may be removed at any time for neglect of duty or misconduct in office by a vote of the majority of the Board of Commissioners present and voting at any meeting of the Board of Commissioners called and held for that purpose; however, Notice of any motion to remove any officer shall be given to the officer no less than ten (10) days and no more than thirty (30) days prior to such meeting in writing.

Section 10. ADVISORY COMMITTEES

The Board of Commissioners may appoint such advisory committees as the Board determines appropriate. Such committees shall have the duties and responsibility set forth by the Board of Commissioners. The Advisory Committee shall not have any authority to make any final decisions which bind the Authority or approve any contracts, but shall serve in an advisory capacity to the Board. The appointees to such committees may be any combination of commissioners and individuals that are not commissioners of the Authority.

ARTICLE V
FINANCES

Section 1. MONIES

The monies of the Authority shall be deposited in the name of the Authority in such bank or banks or trust companies or with such agent or agencies as the Board of Commissioners shall designate. The Board of Commissioners shall designate by resolution the parties who are authorized to execute, collect, discount, negotiate, endorse and assign, in the name of the Authority, all checks, drafts, notes and all other paper, which are payable to this Authority, or in which this Authority has an interest, on behalf of the full Board those documents not requiring Board action prior to execution.

Section 2. FISCAL YEAR

The fiscal year shall be the calendar year.

ARTICLE VI
AMENDMENTS

The bylaws of the Authority shall be amended only with the approval of at least six (6) of the members of the Authority at any regular or special meeting, but no such amendment shall be adopted unless at least seven (7) days written Notice thereof has been previously given to all of the Commissioners. Such Notice shall include the proposed amendments to the bylaws to be considered at the meeting.

Adopted to be effective the 11th day of ~~February~~, 2018~~3~~.

SEAL ~~Karen Klerman~~Angela McCormick,
Chair Person

Jeremy Durham~~Betsey Martens~~, Executive Director