

AGENDA

WESTMINSTER HOUSING AUTHORITY SPECIAL MEETING

MONDAY, NOVEMBER 24, 2014

AT 7:00 P.M.

- 1. Roll Call**
- 2. Minutes of Previous Meeting** (July 28, 2014)
- 3. Public Hearings and New Business**
 - A. Resolution No. 59 Adopting the 2015 Westminster Housing Authority Budget
- 4. Adjournment**

CITY OF WESTMINSTER, COLORADO
MINUTES OF THE WESTMINSTER HOUSING AUTHORITY
MONDAY, JULY 28, 2014, AT 7:59 P.M.

ROLL CALL

Present at roll call were Chairperson Herb Atchison, Vice Chairperson Faith Winter, and Board Members Bruce Baker, Bob Briggs, Alberto Garcia, Emma Pinter, and Anita Seitz. Also present were J. Brent McFall, Executive Director, Martin McCullough, Attorney, and Linda Yeager, Administrative Secretary.

MINUTES OF PRECEDING MEETING

Board Member Baker moved, seconded by Briggs, to approve the minutes of the meeting of February 24, 2014, as written and distributed. The motion carried unanimously.

RESOLUTION NO. 58 AUTHORIZING SUPPLEMENTAL APPROPRIATION TO 2014 BUDGET

Board Member Pinter moved, seconded by Seitz, to adopt Resolution No. 58 approving a supplemental appropriation to the 2014 Westminster Housing Authority Budget. Responding to questions from Board Member Baker, Mr. McFall reported that in planning for the future of this area, it was anticipated developers would annex to the City. Although a low-income project was not necessarily the focus, the conceptual plan designed would include a residential component. On roll call vote, the motion passed by a 6:1 margin with Board Member Baker voting no.

ADJOURNMENT

There being no further business to conduct, the meeting adjourned at 8:02 p.m.

Chairperson

ATTEST:

Administrative Secretary

WHA Agenda Item 3 A

Agenda Memorandum

Westminster Housing Authority Meeting
November 24, 2014



SUBJECT: Resolution No. 59 re 2015 Westminster Housing Authority Budget

Prepared By: Tony Chacon, Senior Projects Coordinator

Recommended Board Action

Adopt Resolution No. 59 approving the 2015 Westminster Housing Authority Budget.

Summary Statement

- The proposed 2015 Westminster Housing Authority (WHA) budget of \$15,000 provides funding to cover operational and maintenance costs relative to properties owned at 7287 Lowell Boulevard and 3630 W. 73rd Avenue, collectively known as the Vehicle Service Center that houses a community theater, and 3915 W. 73rd Avenue that is the Rodeo Market Community Art Center.
- The WHA generates no substantial rental revenues from any of the properties as the buildings are made available to the South Westminster Arts Group (SWAG) at \$10 per year to promote and support arts and culture as a component of the South Westminster revitalization efforts.
- The WHA has an estimated fund balance from previous years of \$102,788 that is available to use towards operations and maintenance.
- The proposed operating budget expenses for the WHA include \$1,500 for direct costs associated with gas, electric and water utilities, and \$13,500 in contractual services to cover maintenance, insurance, support to SWAG, and repairs and other miscellaneous expenses.

Expenditure Required: \$15,000

Source of Funds: Westminster Housing Authority estimated rent revenues and prior year excess revenues

Policy Issue

Does the Board of the WHA wish to support the activities of the Westminster Housing Authority by adopting the proposed 2015 budget?

Alternative

- Reduce the proposed 2015 Westminster Housing Authority Budget. This alternative is not recommended as Staff believes the proposed funding level is essential to fully cover the cost of operations and maintenance, while continuing to support the endeavors of SWAG by making the space available for its use.
- Do not adopt the proposed 2015 Westminster Housing Authority Budget. This is not recommended as some level of funding is needed to pay for utilities, insurance, general operations and maintenance to protect the integrity of the buildings' systems and grounds regardless of occupancy of the buildings. An approved budget is necessary to provide funding for these purposes.

Background Information

The Westminster Housing Authority (WHA) was initially created as a means of constructing and operating the Westminster Commons Senior Apartments at 76th Avenue at 3180 W. 76th Avenue. The senior apartments were sold by the WHA in 2012 to Volunteers of America. However, the WHA continues to provide support towards community development and affordable housing initiatives. The WHA owns three properties at 7287 Lowell Boulevard, and 3630 and 3915 W. 73rd Avenue. The property at 3915 W. 73rd Avenue is leased to the South Westminster Arts Group (SWAG) that provides arts and cultural programs for the South Westminster community. The other two properties are being held by the WHA to be used in conjunction with a mixed use redevelopment project incorporating housing. One of the buildings is being used temporarily as a community theater until such time as a redevelopment project proceeds. Given its ownership of these properties, the WHA incurs some expenses in supporting the community development endeavors and operating and maintaining its properties.

Staff is proposing a total 2015 budget of \$15,000. Of this amount, \$1,500 is requested to cover the cost of utilities, including gas, electric and water, for the Vehicle Service Center property. The City Department of Parks, Recreation and Libraries (PRL) is assuming the responsibility for watering and maintaining of the adjacent park area effective January 1, 2015, thereby allowing the 2015 WHA budget to be adjusted downward from 2014 accordingly. The budget also reflects a collective outlay of \$13,500 for contractual services of which \$5,500 is to cover property insurance, general maintenance and repairs to all the buildings, and other incidental costs. The remaining \$8,000 for contractual services is proposed to provide reimbursement to SWAG for utility costs associated with their lease and operation of the Rodeo Market Community Arts Center. As part of its South Westminster Strategic Revitalization Plan, the City initiated an effort to promote arts as a means of attracting new residents and businesses, which resulted in the creation of the South Westminster Arts Group (SWAG). In an effort to further this initiative, the WHA has regularly agreed to lease the premises to SWAG at a nominal fee (\$10.00/year) and cover the cost for utilities, until such time as SWAG can generate sufficient operating revenues to cover such costs and higher rent. Given SWAG has yet to generate sufficient revenue, WHA in return is not expected to see any revenue generation from SWAG's use of these properties in 2015.

It is estimated that the WHA will have an estimated 2014 ending cash balance of \$102,788 that is available to fund the 2015 budget. The 2015 budget would leave the WHA with a cash balance of \$87,798, not including \$508,977 in cash proceeds remaining from the sale of the Westminster Commons senior apartments, which have not as yet been appropriated. It is proposed that these funds would be appropriated at such time as they are needed to support an affordable housing project.

Approval of the 2015 WHA budget meets the Westminster City Council's goal of supporting "Vibrant and Inclusive Neighborhoods," whereby continued WHA investment in its properties and the South Westminster community work towards promoting other private investment into the neighborhood.

Respectfully submitted,

Stephen P. Smithers
Acting Executive Director

Attachments:

- Resolution
- 2015 WHA Proposed Budget

WESTMINSTER HOUSING AUTHORITY

RESOLUTION NO. **59**

INTRODUCED BY BOARD MEMBERS

SERIES OF 2014

**A RESOLUTION ADOPTING THE 2015 BUDGET FOR THE
WESTMINSTER HOUSING AUTHORITY**

WHEREAS, the Westminster Housing Authority is a political subdivision of the State of Colorado, duly organized, existing, and acting pursuant to Section 29-4-201 *et seq.* C.R.S. (the "Act"); and

WHEREAS, the Authority was created to carry out the purposes of a public housing authority pursuant to the Act; and

WHEREAS, the Westminster Housing Authority Board has not yet adopted a formal operating budget for fiscal year 2015 for the Authority; and

WHEREAS, the Westminster Housing Authority anticipates expenditures for various purposes relating to the goals of the Authority.

NOW, THEREFORE, be it resolved by the Board of Commissioners of the Westminster Housing Authority that the attached 2015 Westminster Housing Authority Budget is hereby approved and the amounts stated therein are hereby appropriated for the fiscal year 2015.

PASSED AND ADOPTED this 24th day of November, 2014.

ATTEST:

Chairperson

Authority Secretary

APPROVED AS TO LEGAL FORM:

Authority Attorney

WESTMINSTER HOUSING AUTHORITY
2015 Proposed Budget

	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Estimated</u>	<u>2015 Proposed</u>
Revenues				
Transfers from Commons	\$ 577	\$ -	\$ -	\$ -
Rental Income (Rodeo Market)	10	-	20	10
Interest	(2,635)	-	6,400	
Other			9,278	
<i>Total Operating Revenues</i>	<u>(2,048)</u>	<u>-</u>	<u>15,698</u>	<u>10</u>
Expenditures				
Administrative Fee		-	-	-
Utilities	1,555	3,000	3,000	1,500
Contractual	55,593	25,500	24,694	13,500
<i>Total Operating Activities</i>	<u>57,148</u>	<u>28,500</u>	<u>27,694</u>	<u>15,000</u>
Net Operating Surplus (Deficit)	<u>(59,196)</u>	<u>(28,500)</u>	<u>(11,996)</u>	<u>(14,990)</u>
Other Financing Sources (Uses)				
Debt Service:				
Interest expense		-		
Transfers In (out)	(2,200,000)			-
Capital Contributions	27,203			
<i>Total other financing sources (uses)</i>	<u>(2,172,797)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in cash balance	(2,231,993)	(28,500)	(11,996)	(14,990)
Cash balance beginning	2,868,399	95,420	623,761	102,788
Accrual and Balance Sheet Adjustments	<u>(12,645)</u>		<u>(508,977)</u> *	<u>-</u>
Cash balance ending	<u>\$ 623,761</u>	<u>\$ 66,920</u>	<u>\$ 102,788</u>	<u>\$ 87,798</u>

* The remaining portion of funds received from the sale of the Westminster Commons Senior Housing project in 2012 have not yet been appropriated. A portion of these funds was used to payoff the Brownfields loan and transferred to the Transit Oriented Development project. Staff continues to evaluate the potential use of these funds for eligible affordable housing and community-based projects. An adjustment was included for the year ending 2014 estimated balance to accurately reflect the amount of cash available at year end for future years.