

El Paso County Housing Authority

Crystal LaTier, Executive Director

719-520-6484
Economic Development Department
Nine East Vermijo Avenue
Colorado Springs, CO 80903
www.ElPasoCo.com

Housing Authority Commissioners

Jack Beuse, Chair
Martie Stott, Vice Chair
Beth Diana
Steve Posey
Kevin Walker

EL PASO COUNTY HOUSING AUTHORITY

Meeting Minutes

June 22, 2023

I. CALL TO ORDER

The Board of Commissioners of the El Paso County Housing Authority (the "Authority") met on June 22, 2023, at 2:30 P.M., via a hybrid model including in-person (at 9 E. Vermijo Avenue) and the virtual Teams Meeting platform. **Martie Stott called the meeting to order at 2:30 P.M.**

II. ROLL CALL

The El Paso County Housing Authority Board of Commissioners **present** were:

- Marlene (Martie) Stott
- Beth Diana (virtual)
- Kevin Walker (virtual)
- Steve Posey (virtual)

The El Paso County Housing Authority Board of Commissioners **absent** were:

- Jack Beuse

Other persons present at the meeting were:

- Randi Davis – El Paso County Economic Development Department
- John H.T. Bales – Kutak Rock (virtual)

III. LAUNCHPAD HTF RESOLUTION

Mr. Bales provided an update on the Launchpad project where the EPCHA Board approved funding on June 14. After much discussion it has been decided the best way to protect EPCHA's second lien position in the project is to close with the other funding on June 28. Commissioner Stott added that a wire transfer of the funds would be necessary if EPCHA intends to take part in the closing on June 28.

- *Commissioner Walker moved to allow staff a one-time exception to transmit funds to the title company via wire transfer. Upon a second by Commissioner Posey, the motion passed unanimously.*

Commissioner Walker brought up the Land Use appeal rejected by the Colorado Springs Planning Commission on June 14, and asked if it was still possible for the opponents to appeal to the Colorado Springs City Council or District Court. He questioned if the EPCHA wants to close without knowing the outcome of any possible appeals. Mr. Bales reminded everyone that the appeal was unanimously rejected by the Planning Commission and that the primary lender of the project is comfortable moving forward with closing.

Commissioner Stott asked if an Escrow Agreement could be sent with the funds to the title company stating clear instructions that funds are only to be released after all appeal periods have passed. Commissioner Posey stated the first lien of \$12M from Merchant's Bank is probably going to be drawn down as needed during construction, adding that EPCHA funds will likely be used for predevelopment costs with a higher risk. Mr. Bales reminded everyone that HTF loans do not typically come with conditions on how they are to be used.

It was discussed how the funds should be held until the appeal periods have passed. Mr. Bales stated the title company might not be willing to hold the funds until the EPCHA conditions have been met. Commissioner Stott recommended EPCHA keeps the funds until the conditions have been met, but Commissioner Walker added that it would be difficult to request second lien position without releasing the funds.

Mr. Bales offered to explore the logistics of keeping the funds until after the appeals deadline has passed or escrowing the funds with the title company. Commissioner Posey said he would ask the city attorney about the appeal process and deadline. Commissioner Walker offered to talk with his contacts to see if the opponents are still considering an appeal, but cautioned the group that anyone can appeal, not just his contacts.

- *Commissioner Walker moved to approve the Launchpad Resolution and supporting loan documents with funds being held by EPCHA until staff/Board are certain the land use appeals process has expired. Upon a second by Commissioner Posey, the motion passed unanimously.*

The Board agreed to continue the Launchpad discussion, after everyone completes their agreed-upon research, on Monday, June 26th at 3:00 PM.

IV. ADJOURNMENT

The meeting was adjourned by Commissioner Stott at 3:00 P.M.

M. Stott

Martie Stott, Vice-Chair of El Paso County Housing Authority

Public notice for this meeting was posted online via the El Paso County Agenda Suite on June 19, 2023.