

SAN MIGUEL REGIONAL HOUSING AUTHORITY

Annual Report 2006



San Miguel Regional Housing Authority (SMRHA) Mission

To help supply and preserve affordable housing to meet the needs of individuals seeking rental and ownership opportunities in San Miguel County.

Goals:

- To manage Shandoka, a 134 unit apartment complex, efficiently and cost effectively on behalf of the Town of Telluride.
- To administer the Section 8 Housing Program for the region.
- To administer the deed restriction programs for San Miguel County and the Town of Telluride in the capacities outlined in the Intergovernmental Agreement.
- Provide the public with regional housing information and conduct education and outreach in the communities.
- Manage housing lotteries as contracted.
- Promote housing assistance programs like the Mortgage Credit Certificate Program and the Down Payment and Closing Cost Program.
- Complete regional monitoring of deed restricted properties as requested.

Programs Administered by SMRHA:

- Outreach and Education
- Deed Restriction Programs
 - San Miguel County
 - Town of Telluride
- Mendota Lottery
- Homebuyers Assistance Programs
 - Down Payment and Closing Cost Assistance Program
 - Mortgage Credit Certificate Program
- Section 8 Housing Assistance Program

Shandoka

- Maintenance Report
- Transition to Town of Telluride

Outreach and Education

Summary of Activities

Education and outreach for SMRHA was conducted electronically via the web-site and Email. We also conducted education and outreach by phone, and in person at the office, or during public meetings. The staff enhanced the web-site features throughout the year by adding new links on the home page and updating materials for the public.

- *Affordable Housing Classifieds*: a free, interactive listing service;
- *Process Guide for Deed-Restricted Transactions*: a resource for Sellers, Buyers and their Realtors, with links to documents referenced in the Guide;
- Continuously improved our *Summary of Qualification Guidelines* by adding new guidelines as they applied, for example, the guidelines applicable to the Mendota units;
- Assisted Mountain Village Housing Authority by providing input on their Affordable Housing Restriction adopted in summer 2006;
- Presented, *Understanding the County R-1 Deed Restriction*, to attorneys and realtors at the Telluride Inn of Court in September 2006, in conjunction with the Assistant County Attorney.

Deed Restriction Programs

Summary of Activities

- Handled deed-restriction inquiries from the public, realtors, title companies, and lenders;
- Qualified people to purchase;
- Completed exception requests and agreements;
- Prepared closing documents;
- Monitored fee collections;
- Qualified people to rent/occupy and reviewed lease terms;
- Provided on-going assistance to owners and occupants to remain in compliance regarding resale, refinance, leaves of absence, rental procedures, etc.;
- Created a new Deed Restriction upon request by Town Planning, inspected the unit, and established the property file;
- Updated the deed-restricted housing inventory throughout the year.

Qualification Applications Processed	COUNTY	TOWN	TOWN EDU
To Purchase			
Approved	27	24	
Withdrawn	6		
Returned	0	1	
Total Applications Qualified to Purchase	33*	25	
To Rent/Occupy	4	11	2
Total Qualification Applications Processed	37	113	2

*Only 20 County and 19 Town properties were involved

Deed-Restricted Transactions	COUNTY R-1	COUNTY Price-capped*	TOWN*	Mendota	TOWN EDU
Number of properties sold	13	1	4	14	0
Average sale price in 2006	\$417,361	\$177,268	\$187,367		
Average sale price in 2005	\$332,291	\$148,040	\$195,658		
Change in average sale price amount	\$85,070	\$29,228	(\$8,291)		
Change in average sale price (percent)	25.6%	19.7%	(4.4%)		
Exception Applications Handled					
Residential property ownership	8	1			
Employment/Residency	2				
Co-borrower/Unconventional loan			1		
Total	10	1	1		

*Price-capped with income limits

San Miguel County

- The Deed Restriction Administration Fee (1%) generated revenue in the amount of **\$56,030** from 14 residential property sales.
- **10 of the 14** County property purchases required exceptions to the Deed Restriction, all were conditionally granted.
- 16 County Notices of Intent to Sell were submitted and 8 of these properties sold.
- 5 Deed Restricted properties sold for which no Notice of Intent to Sell was submitted.
- The 8 other properties are still being marketed as of the end of 2006.
- 6 complaints of potential violations of the Deed Restriction were received. SMRHA requested verification from those 6 owners, 5 responses were received, 2 draft Notice of Violation letters were prepared for County Attorney's Office, and 1 Notice of Violation issued by the County was filed.
- **Project Developer Applications:** One conditional purchase was approved and an application is expected in 2007.

Town of Telluride

- 1 Notice of Intent to Sell was submitted.
- The 1% Deed Restriction Administration Fee generated revenue in the amount of \$7,495 from 4 property sales.
- The only THA Subcommittee approved exceptions were for Mendota properties, listed below.
- 1 exception for extension of a leave of absence was approved.
- 2 complaints of possible violations were received regarding property ownership, net worth, and occupancy. One owner was not in violation, but the other owner will not be reviewed until 2007 as part of an audit list.

Mendota Lottery – Town Deed-Restricted Units

SMRHA worked under contract with the Town of Telluride to provide specific services associated with the units for the Mendota Lottery.

- Lottery process and instruments were designed and managed;
- All public inquiries were fielded by SMRHA;
- All submitted applications were checked for completeness, and qualifying;

Mendota Lottery-Cont'd

- 3 applicants requested exceptions and were heard by the THA subcommittee; 2 were granted, the other denied.

Lottery Applications Collected	Number of Households Qualified	Deed-Restrictions Created	Applicants that Dropped Out	People Qualified to Replace Drop-outs
77	17	14	3	3

Home Buyers Assistance Programs

County Down Payment & Closing Costs Assistance Program

- Although there were several inquiries about this program, there were no new DP&CC loans approved in 2006:
 - 1 application was received and withdrawn.
 - 10 loans were paid off or forgiven.*

Year Approved	Loans Paid Off	Payoff Amounts Rec'd		Loans Forgiven/Interest		Outstanding Principal
		Principal	Int/Apprec*			
2001 loans*	1	\$5,000.00	\$83.42	5	\$1410.91	
2002 loans						\$5,000.00
2003 loans	2	\$15,500.00	\$2367.14			\$24,350.00
2004 loans	2	\$18,000.00	\$1536.00			\$40,000.00
2005 loans						\$50,000.00
Total	5	\$38,500.00	\$3,986.56	5	\$1410.91	\$119,350.00

*DP&CC loans in 2001 were unique in that, if all interest payments were made on time for a period of 5 years, the principal of the loan would be forgiven. DP&CC loans after 2001, on the other hand, could be paid off at 5% per year, if paid within 3 years, or at a rate tied to appreciation of the property.

Mortgage Credit Certificate Program

- Awarded 8.6 million for the San Miguel Region to be utilized within 3 years. The program will not begin until 2007.

DEED-RESTRICTED PROPERTY INVENTORY

	Current # of Restricted Units Built		Current # of Restricted Units Approved	
	Owner Occ.	Rental		
TOWN of TELLURIDE				
Owned by Government Entity	Owner Occ.	Rental		
Town of Telluride (1 Block 24, 1 Mendota)	2			
School District (1 Mendota)	1			
Shandoka (Phase I-III)		109		
Telluride Affordable Housing Guidelines (AHU)	Owner Occ.	Rental		
Owner-occupied (various locations)	12			
Telluride Family Housing/Block 24	6			
Wilkin Court	13			
AHU Town Rentals* (various locations)		17		
Creekside (under private management)		26		
Town Developed or Financed Projects	Owner Occ.	Rental		
Mendota	14			
Lot 48A				18
Deed Restricted/Price-capped – other	Owner Occ.	Rental		
Fino	2			
Cribs (Popcorn Alley)	3			
Telluride Medical Center	2			
Employee Dwelling Units (EDU)	Owner Occ.	Rental		
Shandoka (Phase IV)		25		
Various Locations (as of 2003)	9	22		
SubTotal	64	199		
Total	263			18
SAN MIGUEL COUNTY				
			# Units Approved	Preliminary Approval
County R-1 Deed Restriction	Owner Occ.	Rental		
Aldasoro PUD	11		13	
Accessory Dwelling Units (ADU) – various locations		48		
San Bernardo PUD	22		24	
San Bernardo PUD Employee Apartments			8	
Lawson Hill PUD (incl. RioVistas, Two Rivers & other Ilium units of all types)	179*		294	34
Affordable Housing Covenant Guidelines	Owner Occ.	Rental		
Rio Vistas II	4	6		
Rio Vistas II (Industrial)	5			
Total – County	275			373

*In 2007 SMRHA will complete a break out of the units for Lawson Hill.

DEED-RESTRICTED PROPERTY INVENTORY Cont'd

	Current # of Restricted Units Built		Current # of Restricted Units Approved	
			# Units Approved	Preliminary Approval
MOUNTAIN VILLAGE				
Affordable Housing Restriction 2006-07	Owner Occ.	Rental		
LOT 20			1	
LOT 73/76R			1	
LOT 122/123R			2	
LOT 161CR			7	
LOT SS165ABR			3	
Coyote Court Deed Restriction	Owner Occ.	Rental		
Coyote Court	10			
Employee Housing Restriction 1997-05	Owner Occ.**	Rental		
Big Billies		149		
Telluride Apartments		30		
Village Court Apartments		222		
Boulders	22			
La Chamonix	1			
Fairway Four	24			
Franz Klammer	6			
Mountain Village Firehouse		3		
Northstar	3			
Parker Ridge	21			
Pennington	1			
Prospect Creek	14			
Prospect Plaza	7			
See Forever	3			
Spring Creek	14			
Stonegate			1	
Timber View	8			
La Tramontana	2			
Tristant	1			
LOT 38			2	
50/51			8	
LOT 126R/152R			22	
LOT 165, Unit 23				2
Subtotal	137	404	47	2
Total – Mountain Village	541		49	
REGIONAL TOTAL	1,079 REG. TOTAL		440	

* Town Rental Units in some cases may be sold to an owner-occupant.

**Under this Mountain Village Deed Restriction Owned units can be: owner occupied, rented to a qualified employee, or vacant.

Section 8 Housing Assistance Program

Summary of Program Activity

- In 2006, there were 55 Vouchers, but 1 was not added until October.
- In January 2006, 51 Vouchers were in use and 3 were open. 49 Vouchers were being administered, and 2 Portability's were open, and therefore the vouchers were unusable by this office. (A 'Portability' is when someone on a voucher moves and the voucher moves with them to their new location. The new region then receives the administration payment, and if the region does not give that family a voucher from their region, then our voucher stays with the family and we can not issue the voucher to another family.)
- During the year, 12 Families left the program. One was a Portability that was absorbed by the receiving Housing Authority.
- 22 families were processed for the 12 openings that were filled. The 10 families that were processed, but never made it on the program, qualified, but then for a number of reasons did not enter the program.
- In December 2006, 50 Vouchers were in use. 49 Vouchers were being administered, and 1 Portability was still out. Five Vouchers were open and families on the waitlist were being processed for placement with the program.
- 35 Annual Recertification's were processed.
- 30 Interim Recertification's were processed due to some change in the family size or income.
- 47 inspections were completed and approximately 15 re-inspections were performed due to the units not meeting HUD standards.
- An average of 10 application packets and 2 Homeownership packets were distributed per month. Application Packets also get handed out at the front desk, and are downloadable from our web page.
- The Annual Contractors Meeting and a Homeownership Class was attended in Denver.
- Monthly Lease Status Reports and HAP Requests were prepared and submitted to CDOH.
- All Information, Forms, Rules & Regulations were checked, updated, printed, put in use during the year.
- All phone calls, emails, faxes, walk-ins were handled in a timely manner. There have been no customer service complaints.

Program Issues During 2006

- In 2006, the FMR (Fair Market Rent), which sets the monthly allowances for Families, was very low and made 2006 an incredibly hard year to place new families onto the program. (See chart on following pages)
- An anonymous letter of complaint was sent to SMRHA, the Town of Telluride and HUD regarding a Section 8 family allegedly not in compliance. HUD requested CDOH follow up on the matter and the state audited the file. The case was dismissed because there was no evidence to support the accusations.
- Another letter of complaint was sent to SMRHA and the San Miguel Board of County Commissioners regarding a family not in compliance. There was no information provided that could be substantiated by the Program Manager and the household in question keeps their file current with SMRHA. Inspections have not produced any violations and this complaint seemed to be the result of a personal dispute between neighbors.

San Miguel County Housing Information

Housing Needs of Families in San Miguel County based on Placements in 2006					
Family Type	Overall	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm
Income <= 30% of AMI	87%	13.5%	28.5%	25%	20%
Income >30% but <=50% of AMI	13%	0%	6.5%	6.5%	0%
Income >50% but <80% of AMI	0%	0%	0%	0%	0%
Elderly	5%				
Families with Disabilities	23.5%				
Race/Ethnicity White	*89.5%				
Race/Ethnicity Hispanic	*3.5%				
Race/Ethnicity African American	*2.8%				
Race/Ethnicity Other	*4.2%				
	*percentages are based on individuals not family				
Locations of families	Telluride	Placerville	Norwood	Ophir	Other
	43.3%	1.7%	40%	1.7%	13.3%

Fair Market Rent (FMR) at 110% for San Miguel County (FMR is made up of rent plus utilities) Changes over the past 8 years					
Voucher Size	0 Bdrm Voucher	1 Bdrm Voucher	2 Bdrm Voucher	3 Bdrm Voucher	4 Bdrm Voucher
Effective Date:					
11/10/1999	\$778	\$1,125	\$1,236	\$1,544	\$1,993
09/25/2000	\$785	\$1,135	\$1,247	\$1,558	\$2,011
08/31/2001	\$811	\$1,174	\$1,290	\$1,610	\$2,079
10/03/2002	\$837	\$1,210	\$1,330	\$1,661	\$2,145
10/14/2003	\$847	\$1,223	\$1,345	\$1,680	\$2,169
10/01/2004	\$700	\$839	\$1,072	\$1,564	\$1,610
10/01/2005	\$722	\$866	\$1,107	\$1,614	\$1,664
10/01/2006	\$746	\$897	\$1,146	\$1,670	\$1,721

San Miguel County Housing Information

Income Limits for San Miguel County Changes over the past 8 years									
Household Size		1	2	3	4	5	6	7	8
1999	30%	\$13,650	\$15,600	\$17,500	\$19,450	\$21,050	\$22,600	\$24,150	\$25,700
	50%	\$22,700	\$25,950	\$29,200	\$32,450	\$35,050	\$37,650	\$40,250	\$42,850
2000	30%	\$13,750	\$15,700	\$17,700	\$19,650	\$21,200	\$22,800	\$24,350	\$25,950
	50%	\$22,950	\$26,200	\$29,500	\$32,750	\$35,350	\$38,000	\$40,600	\$43,250
2001	30%	\$13,900	\$15,850	\$17,850	\$19,850	\$21,400	\$23,000	\$24,600	\$26,200
	50%	\$23,150	\$26,450	\$29,750	\$33,050	\$35,700	\$38,350	\$41,000	\$43,650
2002	30%	\$14,350	\$16,400	\$18,450	\$20,500	\$22,150	\$23,800	\$25,450	\$27,100
	50%	\$23,950	\$27,350	\$30,800	\$34,200	\$36,950	\$39,650	\$42,400	\$45,150
2003	30%	\$14,800	\$16,900	\$19,050	\$21,150	\$22,850	\$24,550	\$26,250	\$27,900
	50%	\$24,700	\$28,200	\$31,750	\$35,250	\$38,050	\$40,900	\$43,700	\$46,550
2004	30%	\$14,950	\$17,100	\$19,250	\$21,400	\$23,100	\$24,800	\$26,500	\$28,250
	50%	\$24,950	\$28,500	\$32,100	\$35,650	\$38,500	\$41,350	\$44,200	\$47,050
2005	30%	\$14,950	\$17,100	\$19,250	\$21,400	\$23,100	\$24,800	\$26,500	\$28,250
	50%	\$24,950	\$28,500	\$32,100	\$35,650	\$38,500	\$41,350	\$44,200	\$47,050
2006	30%	\$15,000	\$17,100	\$19,250	\$21,400	\$23,100	\$24,800	\$26,550	\$28,250
	50%	\$24,950	\$28,500	\$32,100	\$35,650	\$38,500	\$41,350	\$44,200	\$47,050

SHANDOKA MAINTENANCE RECAP
January 1, 2006 thru December 31, 2006

<u>MONTH</u>	<u>WORK ORDERS</u>	<u>UNIT TURNS</u>	<u>MAN HOURS</u>
January	68	2	131
February	78	4	190
March	48	1	35
April	72	6	232.50
May	79	6	225.50
June	78	3	155
July	71	4	216.25
August	67	7	248.25
September	62	4	102.25
October	37	1	31
November	54	1	33.25
December	60	2	36.5
	774	41	1636.50

Yearly Averages

Work Orders	64.50	per month
Unit Turns	3.42	per month
Man Hours	39.91	per unit
KN Energy Calls	0.92	per month
Masters Security Calls	1.17	per month
Controlled Hydronics	2.25	per month

Seven-Year Unit Turn History

1999	47
2000	45
2001	61
2002	54
2003	48
2004	6
2005	65
2006	41
Average per year	52.63

With 134 units at Shandoka, the above represents a 30.6 % per year average turn over rate.

MAINTENANCE OF SHANDOKA

Carpet and Vinyl Replacements 2006

Carpet replacements (entire unit): **14**

(A20, B13, B34, B35, B37, C23, D11, E22, E23, E25, E37, F15, F23, F26)

Alarm System

In December 2006 the installation of new programmable alarm system panels and units for Buildings A-E began. It was not completed by January 1, as planned, but will be completed in early 2007. **All costs are included in the 2006 Budget**

Hot Water Heaters/Meters

Hot Water Heater Replacements: **2**
(A10, A12)

Painting

Exterior Painting History

In 1998, Shandoka Buildings C, D & E, (Phase II) were completely repainted to include staining the decks, walkways, railings and stairways. Also, during 1998, four TFH units were repainted. In June of 1999, the remaining three TFH Units were repainted. During the summer of 1999, Shandoka Building F, (Phase III) and the preschool were repainted. All decks, walkways, railings and stairways of all Shandoka Buildings, (Phases I, II, and III) were stained. During 2000, Buildings A & B, (Phase I) were completely repainted to include staining the decks, walkways, railings and stairways. Also, the decks, walkways, railings and stairways of Building F, (Phase III) were stained. In 2004, 2005, and 2006 no buildings were completely painted, only touch up's where needed.

Interior Painting

The interior of all units were painted, as needed, at move out.

Roof Replacement

History

During 2001, Shandoka Building A & B (Phase I) roofs were completely replaced with metal roofing. During 2002, Shandoka Buildings C, D, and E (Phase II) roofs were completely replaced with metal roofing.

Cabinets & Countertops

History

All cabinets & countertops were replaced in Phase I (34 Units) in 2004.

2006: **3 Units**

(A31, B21, E22)

Laundry Rooms

History

3 Washers and 1 Dryer were replaced in 2004.

1 Washer was replaced in 2005.

1 Washer was replaced in 2006.

Snow Related Maintenance 2006

Replaced Snowblower

Snow sheds built over gas meters, in buildings A and E

EVICTIONS

In 2006 there were 5 apartments evicted. All were evicted for failure to pay rent, and were taken to court for eviction. Four required a police standby because the tenants had left their belongings in the apartment. Shandoka lost \$14,431 in Bad Debt Loss for evictions and tenants not paying, however, this cost was lower than the \$25,000 projected for Bad Debt Loss.

WAITLIST (* Is not accurate for the year due to change in staff in early 2006)

As of May: 67 on wait list

- 26 were placed in an apartment

- 23 were kicked off the list. (Those kicked off the list either had the wrong contact information or were no longer interested.)

- 20 tenants put in a request to transfer,

- 15 were transferred

- 5 changed their minds.

The tenant transfers and new move-ins reflect a count for all of 2006.

Shandoka Transfer

January Transfer	Town of Telluride	SMRHA	Shared	TBD
Office Furniture	No cost, too old			
Computer (Liz)	ToT will purchase			IT will price & SMRHA will deduct from rent
Computer (Katie)	ToT will purchase			ToT will price & SMRHA will deduct from rent
Printer (Katie)	No cost, too old			
Copier/Fax contract			Will share cost 50/50 however, actual faxes will be split out on phone bill	
Copier Paper			Each party will contribute 40 reams at a time	
Postage			Split cost 50/50	
Supplies (office)	Will supply for Shandoka	Will supply for SMRHA		
Phone lines			Will split costs. 1/3 for office phones. Long distance service 50/50, plus actual calls	
Internet			1/3 charged to Shandoka. Maintenance does not have Internet at this time.	
Office Coverage			SMRHA will continue to help with coverage for errands/lunch and other short term help. Long term coverage is town's responsibility.	
Taking Payments for Rent		Will continue to help with this.		
SMRHA Rent			Will be a shared cost. SMRHA has 3 offices and then common space.	
Utilities			Included in rent	
Office Cleaning		TBD, need a cost from town		
Restroom Supplies/Trash	Supply for office	Supply for office		
Front Desk as 1st Point of Contact	Will continue			
On-Call maintenance staff 12/29-01/01	Will pick up cost for staff beginning at 5:30pm Friday, 12/29/06			
Culligan Water			Shared 1/3 Shandoka-2/3 SMRHA	