

**TOWN OF ARRIBA  
BOARD OF TRUSTEES  
LEISURE PINES HEARING**

**Tuesday, February 26, 2013  
Arriba Town Hall, 711 Front Street, Arriba, CO 80804**

**Call to Order** Mayor Pro Tem Alex Flores called the meeting to order at 7:00 p.m. He asked the audience to introduce themselves.

**Public Audience** Jonathan Hart, Josie Hart, Harvey Duncum, Leroy King, Kay Willoughby, Rocye Borden, Ben Brent, Larry Kitzel, Tom Makechem, Marcella Flores, Jake Michal

**Leisure Pines Resolution** was discussed. Trustee Tibbets believed that the resolution had not been presented to the board at the last board meeting. Clerk Bell strongly disagreed with this.

Trustee McCue explained the resolution to the residents that were present. And the reasoning behind the resolution. Trustee McCue explained that Stan Kimble believed that the resolution should be presented first, and then an ordinance would be needed, and that these would be the proper steps to take to make an offer to settle the debt owed with the USDA, before an actual check could be written or The Board could accept an offer to settle. Trustee McCue gave a brief history of Leisure Pines (LP) and description of how it works. Trustee McCue stated that he had a commitment from HUD that they would enter into a new 20 yr assistant subsidy contract with the town, if the town did refinance LP. Trustee McCue acknowledged that if there were any current residents that wanted to leave the project at this time they would have a chance to get assistance from the HUD. Trustee McCue explained that LP owed \$202,000 to the USDA and that the Town would be making an offer to compromise, which the USDA would entertain a one time cash offer to close the debt and write off the long term note, an amount of \$5200 had been agreed upon at a prior meeting Trustee Tibbets voiced concern that the reason that LP was in this situation was because it wasn't making the money it needed to sustain itself. Trustee Tibbets voiced concern over the administration procedures of The Arriba Housing Authority. Trustee Schiffers voiced that she would like the public to know that the current water bill was passed due. Trustee Tibbets voiced concern because he had not been aware of this fact prior to any discussions of refinancing. Trustee Rush stated that he had been aware of the delinquent account in the past and that this was not a new issue. Josie Hart explained that when she worked for the Town that payments from LP were sporadic. Trustee Rush stated that LP's income was based on occupancy and that there have been years that the occupancy was low, which has made it difficult for them to make timely payments. Trustee Rush stated that it has not been a complete money losing project since 1981. LP has had years of up 80% occupancy. He stated that he believed that there could be potential to make money there. A discussion followed. Trustee

Tibbets voiced concern that he felt that most people here were on a waiting list for something better, and not long term residents. Trustee McCue named several different people that in fact had lived there up to 6 yrs. Trustee Tibbets voiced concern about the amount that would be offered to USDA. Trustee Andersen stated that he believed that \$5000 was not a big risk for the Town to take. Trustee Schiffers voiced concern about reselling LP if in fact it does become unprofitable and how long it could possibly take. A discussion followed. A letter had been illegally distributed to residents in town. This letter was found by several residents in their mailbox without postage and unsigned. Jon Hart stated that if in fact this letter had been written by a Board member, that member should turn in his resignation immediately. Trustee Tibbets admitted to being a part of several conversations that were noted in the letter but did deny writing the letter. This letter will be attached to the minutes and as such will become part of the minutes. Mayor Pro Tem Flores asked for the residents input on the resolution. Josie Hart stated that she thought it was a great resolution and a great idea due to the fact that it gave permission for representative to contact the USDA and then get an amount and go from there. Marcella Flores, Leroy King, Larry Kitzel, and Royce Borden were in favor of the resolution. Harvey Duncum questioned the reasoning behind a resolution but did show support for the resolution. A discussion followed. A discussion followed concerning what would happen to LP if the town did not refinance LP. Maria Root stated that it seemed like a lot of liability. Ben Brent stated that he was not in favor of refinancing. Jonathan Hart stated that he wasn't sure about refinancing but he would like to see LP survive. With there being no other comments to be made Mayor Pro Tem Flores called the Hearing of the Resolution to Refinance Leisure Pines to a close.

Submitted by:

---

Steffanie Bell Arriba Town Clerk

Accepted by the Board on:

---