

**HOUSING AUTHORITY OF SALT LAKE CITY**  
**BOARD MEETING MINUTES**

Housing Authority of Salt Lake City  
1776 South West Temple  
Monday, August 28, 2017  
11:00 a.m. – 2:40 p.m.

A meeting of the Board of Commissioners of the Housing Authority of Salt Lake City was held from 11:00 a.m. – 2:40 p.m.

**Board Members in Attendance**

Palmer DePaulis, Board Chair  
Dave Mansell, Vice Chair  
Philip Bernal, Commissioner  
Cindy Gust-Jenson, Commissioner  
Alfonsa Price, Commissioner

**Excused**

David Litvack, Commissioner

**Staff in Attendance**

Daniel Nackerman, Executive Director  
Laryn Hill, Director of Property Management  
Britnee Dabb, Deputy Director  
Kim Wilford, Deputy Executive Director  
Joe Post, Director of Real Estate Development  
Zac Pau'u, Director of Homeless Programs  
Tyson Montoya, Controller  
Jackie Rojas, Director of Section 8  
Charlene Owen, Administrative Assistant

**Legal Counsel in Attendance**

Ryan Warburton, Gilmore & Bell

**Chair DePaulis convened the open meeting of the Housing Authority of Salt Lake City.**

**MOTION FOR APPROVAL OF THE HASLC OPEN MEETING MINUTES OF JUNE 26 2017 & THE SPECIAL MEETING MINUTES OF JULY 31, 2017**

The Executive Director has provided each Commissioner with a copy of the written minutes of the June 26, 2017 Open Meeting and the Special Meeting of July 31, 2017. The Commissioners acknowledged they had sufficient time to review these minutes. Chair DePaulis called for a motion.

**Motion**

Commissioner Mansell moved to approve the HASLC Open Meeting Minutes of June 26, 2017 and the Special Meeting Minutes of July 31, 2017. Commissioner Price seconded the motion. The motion passed unanimously with Commissioners Bernal, DePaulis, Gust-Jenson, Mansell and Price voting in favor. Commissioner Bernal abstained from the vote approving the June 26<sup>th</sup> minutes as he was not in attendance at the June 26<sup>th</sup> meeting.

**PUBLIC COMMENT**

None

**NEW BUSINESS**

*Daniel Nackerman, Executive Director*

**A) Adopt Resolution #519-2017** adding a new policy regarding Telecommuting to the 2017 Employee Handbook (Personnel Policies)

Dan reminded the Commissioners that we have policies as well as procedures in our Employee Handbook. This is a new policy that we want to add to the handbook.

Britnee Dabb has been working very hard for about a year on this policy. We felt it was important to modernize the workplace. We would grant telecommuting for staff only very specific and rare circumstances. We are pointing out that this is a privilege; it cannot be taken in the place of sick leave or any other kind of leave. We feel it is an important tool and customer service driven. There are some IT pieces to this; we are expecting people to have full access to their electronic equipment.

Commissioner Gust-Jensen stated that this is fairly standard practice these days.

**Motion**

Commissioner Gust-Jensen moved that we adopt Resolution #519-2017 adding a new policy regarding Telecommuting to the 2017 Employee Team Handbook. Vice Chair Mansell seconded. The motion passed unanimously with Commissioners Bernal, DePaulis, Gust-Jenson, Mansell and Price voting in favor.

**B) Motion to approve consolidation of applicant screening procedures to make practices more consistent, fair and practical.**

Dan said that he and Kim Wilford, Deputy Executive Director, have been working on this for quite some time. In detail we discussed with the Board at our February and March meetings, our criminal policies and our crime screening process in all of our programs. There are four elements involved in screening:

Credit Checks  
Landlord History/Landlord Checks (Background checks)  
Criminal Background Checks  
Employment and Income Verification

Credit checks are complicated and expensive. As most of our residents are low income we can assume credit history and scores are deficient or even non-existent and unless it involves major issues such as bankruptcy or large judgements, we feel a part of the mission of our programs is to help households out of financial trouble by applying affordable rent subsidy and thereby helping households meet basic obligations. A lot of families, once they get into subsidized housing, actually improve the financial condition of their household. There has been some inconsistency with credit checks from site to site, property to property, and program to program.

We are recommending discontinuing most credit checks and relying on self-certifications for bankruptcy, judgements and related that may occasionally trigger a credit check on a case-by-case basis. Let's rely on landlord history of credit checks; let's rely on judgements.

For rental history we are recommending quite the opposite. Past evictions, past court actions related to evictions and poor references from past landlords often indicate an applicant household will not be successful in our programs.

On income verification in Section 8, HUD requires us to look up people's income, and reporting of all potential clients' assets that can be computed to rent. Public Housing is similar. As we go forward, we're going to try to streamline this process. We think income verification should be streamlined but gathered at all our sites as well. This will also be for statistical purposes.

We're recommending some direction for some of these policies.

Commissioner Price asked about the Crime Policy committee. There was a committee formed that involved Chair DePaulis, Vice-Chair Mansell, Kim Wilford and others. The board had asked that we keep them updated, particularly as we refined the crime policies.

**Motion**

Chair DePaulis moved to approve consolidation of applicant screening procedures to make practices more consistent, fair and practical. Commissioner Gust-Jenson seconded. The motion passed unanimously with Commissioners Bernal, DePaulis, Gust-Jenson, Mansell and Price voting in favor. There were no objections or abstentions.

**C) Motion to Approve** execution of a development partnership agreement between HASLC/HAME and Cardinal Development LLC, for the joint venture development of Book Cliff Lodge, a planned 51-unit tax credit development.

Joe Post and Daniel Nackerman have been working on this. They have been assembling a new project in the Ballpark Neighborhood with the Urban Indian Center site. As we met with the Community Council, and as we got feedback from our Board; we had originally lined up this project to be 100% Permanent Supportive Housing which means needy residents live there with high service levels including high service spaces in the units. The state (Utah Housing Corp.) has once a year funding for 9% credits. We had heard that they were going to set aside a big chunk of that money for Permanent Supportive Housing but the project must include all PSH units. After outreach that included extensive discussions with the Commission, input from our partner's regarding community needs, and with the neighborhood council desires, it became obvious that a mixed income development was much more appropriate. We therefore changed the program and strategy to include high service need units but also those with higher incomes and less needs. The site is presently programmed for 51 units with over 50% of the units at medium and market income levels.

The staff thought it would be prudent to have a development partner who had an expertise in native housing funding and high service needs. We issued an RFP back in May. None of the 8 applicants met our deadline. A firm called Cardinal Capitol Management seemed to line up well; mostly because they had done some Native American Housing. They are very active in 11 states. It is in their strategic plan to work in Utah. We have attached a development agreement and will refine this document as we proceed. They call themselves a Social Housing Provider – they seem to know that side of the business.

We're recommending moving forward with recommending them as a partner.

**Motion**

Vice Chair Mansell moved to approve execution of a development partnership agreement between HASLC/HAME and Cardinal Development for the joint venture development of Book Cliffs Lodge, a planned 51 unit tax credit development. Commissioner Bernal seconded. The motion passed unanimously with Commissioners Bernal, DePaulis, Gust-Jenson, Mansell and Price voting in favor. There were no objections or abstentions.

**D) Motion to Accept 2017 2<sup>nd</sup> Quarter Financial Statements for the period of January 1 to June 30, 2017.**

We now divide the financial summary by the major programs:

Voucher Program. (primarily Section 8 programs) There are 2847 households in our voucher program. We are at 96% utilization. "Operating Income Other" is above budget due to HUD fraud recovery and FSS forfeitures. These items will reduce HAP grant funds at year-end. This program shows a net profit of \$84,160.

Public Housing. Incorporates some of the old HUD program where we own and operate 4 properties. There is total of 320 units. It is 97% occupied. We show a net loss of \$23,952. We projected a loss for the year.

Homeless Programs. These are large and small sites. They total 317 units; occupancy continues to remain unsatisfactory at two sites. There is a net operating loss of \$177,989. Occupancy continues to remain low at Valor House (73%) and Valor Apartments (75%). If these sites were full, we would be much closer to break even.

Authority Owned Properties. The budget comparison financial statement for all owned properties excludes Public Housing and Transitional/Homeless facilities but does include Tax Credit funded, HDC, HAME, and Jefferson Circle properties. There is a net profit of \$463,560.

HASLC continues to maintain a solid fiscal status for 2017 although we experienced budget cuts in Public Housing. We will continue to monitor expenses in Section 8 as we anticipate reductions in HUD administrative fees, and our Homeless portfolio continues to struggle due to high vacancies, which may be completely reprogrammed through negotiations with the VA so that these patterns cease.

A discussion ensued about the problems we have had working with the VA.

**Motion**

Commissioner Gust-Jenson made a motion to accept the second quarter financial statements with the proviso that staff will contact the congressional delegation to arrange a time to meet with available Board members to discuss the serious VA issue as to the vacancies in that program. Vice Chair Mansell seconded. The motion passed unanimously with Commissioners Bernal, DePaulis, Gust-Jenson, Mansell and Price voting in favor. There were no objections or abstentions.

**E) Information only.** Personnel procedures were distributed. These procedures are related to the Vacation Pay Out, “Y” Rate Pay (freeze in pay), Harassment, Discrimination and related Investigation Procedures and Telecommuting Procedures. These are basic in nature and continued to be refined periodically over time.

**F) Information only:** Report on potential unit size discrepancies and related marketing/customer service issues at the new 9<sup>th</sup> Street Lofts development. We went into great detail. We assembled a project team, the architect of record and ultimately Counsel; we did detailed research of drawings, plan approvals, financing approvals, marketing materials, and applicant contact records. There were no discrepancies relating to floor plan sizes discovered at any time during the entire development process. However, there may have been confusion by staff and an applicant as to the quick viewing of an alternate “as-built” unit after the original unit had already been selected. A detailed letter regarding this issue was issued to the most concerned applicant with apologies as to the unfortunate misunderstandings.

**G) Motion to Approve** a revolving loan or temporary funding account of \$75,000 for predevelopment and relocation work at the new Denver Apartments redevelopment.

The Denver apartment project was approved for funding by the state. You may recall the “new” owner will be an LLC consisting of Volunteers of America and HAME. This project converts 12 units of relatively middle income housing to 22 units of very low income housing for those with severe special needs. We have received official approval of tax credit funding, approval from HUD to “sell” the property, have started the initial relocation notices, are issuing RFP’s for architect and financing sources, and proceeding as a team consisting of VOA, HAME, GIV Development (consultant) and Salt Lake City’s Housing and Neighborhood Development (HAND).

At our first meeting, we all lined up to borrow funding through the Housing Trust Fund. The application was filled out on behalf of VOA, as the primary partner. Apparently that strategy changed. The HAND staff would like to wait to borrow that money. That means there is no cash to start this project. We were counting on the cash from the sale proceeds of the property to fund two things on our part: to fund the relocation and a loan to the project which was approved by the HAME Board. So we’re recommending a revolving loan or set-aside of \$75,000 from HASLC or HAME reserve funds for relocation, attorney fees and pre-development.

Vice Chair Mansell asked for more detail as to why HAND made this decision.

Executive Director Nackerman said we were notified that HAND (Housing and Neighborhood Development) would like to wait to borrow this money. They did send us a letter of intent and not a commitment of up to \$500,000 but they want to wait until they know exactly what the amount of the loan will be. A commitment will follow after the project has evidence of a tax credit allocation, a complete budget including all funding sources, completion of their due diligence and approval by the Housing Trust Fund Loan Committee, the Mayor and the City Council.

While we attempt to have the HAND loan go forward, we would like to have a back up plan.

Vice Chair Mansell said we should leave it the way it is.

Commissioner Bernal asked that HAND be notified of the Board's response and feelings.

**Motion**

Commissioner Gust-Jenson moved that we table this motion based on our previous experience with Salt Lake City and the City Council's direct request that the loan request come to them before the project proceeds. Commissioner Bernal seconded. The motion passed unanimously with Commissioners Bernal, DePaulis, Gust-Jenson, Mansell and Price voting in favor. There were no objections or abstentions.

**Motion**

Commissioner Mansell made a motion to go into Closed Session. Commissioner Bernal seconded. The motion passed unanimously with Commissioners Bernal, DePaulis, Gust-Jenson, Mansell and Price voting in favor. There were no objections or abstentions.

**Closed Session**

**Motion**

Vice Chair Mansell moved to go back into Open Session. Commissioner Bernal seconded. The motion passed unanimously with Commissioners Bernal, DePaulis, Gust-Jenson, Mansell and Price voting in favor. There were no objections or abstentions.

### **Presentation from Restore Utah**

Joe Post introduced Rich Beck and Jim Schulte of Restore Utah. We have been meeting with them and working on opportunities with them. They'd like to present to us today their business model.

Jim Schulte began the discussion by stating his appreciation for meeting with Dan, Joe and Tyson on several occasions. They originally began these discussions with the notion that they wanted to buy Canterbury and Cambridge. They soon learned that this wasn't an option. As we learned more about each other's organizations we found ways we could work together. They gave an overview of Restore Utah. They have projects throughout the valley.

They talked about the potential transaction of restoring Canterbury and Cambridge properties. They plan for this restoration to take 5-7 years. They do not plan to displace residents during the restoration of the property. They plan to work around natural "turnovers".

Vice Chair Mansell asked what is the advantage of having you restore the project as opposed to us restoring the project? They answered that it is an integrative process of construction and property management. It's important that those two things are linked closely together. They've done a number of these projects and have figured a way to manage through it.

Rich and Jim were dismissed and Joe Post handed out some materials regarding the proposal of this project.

A discussion ensued as to the proposal from Restore Utah. The Board is not interested in pursuing this opportunity.

### **Motion**

Commissioner Bernal made a motion to go into Closed Session. Vice Chair Mansell seconded. The motion passed unanimously with Commissioners Bernal, DePaulis, Gust-Jenson, Mansell and Price voting in favor. There were no objections or abstentions.

### **Motion**

Vice Chair Mansell made a motion to close the Closed Session and Reconvene the Open Session. Commissioner Bernal seconded. The motion passed unanimously with Commissioners Bernal, DePaulis, Gust-Jenson, Mansell and Price voting in favor. There were no objections or abstentions.



## OPEN SESSION

## COMMUNICATIONS

### EXECUTIVE DIRECTOR REPORT

*Daniel Nackerman*

- After many months of meetings and detailed analysis of finances, as well as Commission actions by each Housing Authority, the County Housing Authority has asked that we hold off on merging the joint management.
- We have made significant progress on Book Cliffs Lodge, Denver Apartments, and a potential project known as The Overnighter Motel – we get mixed direction but we are quietly proceeding.
- Station Center site is being delayed by the City/RDA due to reassignment of planned infrastructure funding.
- Our Finance Director, Robyn Cordova, accepted another position at the State. Her contributions to the success of the agency were voluminous. We have advertised nationally for a replacement and Kim Wilford has been named Acting Finance Director (along with her many other duties) in the interim.
- We're struggling with our HUD Appeal. We have composed a letter to HUD Secretary Carson which will be sent out this week. The overall score for Public Housing was deemed 80 of 100. We appealed on two levels and our appeal was denied. We are hoping our letter to the HUD Secretary will result in obtaining a higher score.
- On the Denver Relocation, Dan and another staff member went door-to-door to explain and deliver the relocation notice. It went very well. We've had meetings with 2-3 of the households. Kim and Laryn have been very involved.

### Motion

Vice Chair Mansell made a motion to adjourn the HASLC Meeting and go into HAME. Commissioner Bernal seconded. The motion passed unanimously with Commissioners Bernal, DePaulis, Gust-Jenson, Mansell and Price voting in favor. There were no objections or abstentions.

The HASLC Meeting adjourned at 2:20 p.m.

Convene HAME Meeting at 2:20 p.m.

OPEN MEETING MINUTES  
HASLC  
August 28, 2017

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Palmer DePaulis, Board Chair

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Daniel Nackerman, Executive Director

**HOUSING ASSISTANCE MANAGEMENT ENTERPRISE**  
**(HAME)**

**BOARD MEETING MINUTES**

Housing Authority of Salt Lake City  
1776 South West Temple  
Monday, August 28, 2017  
2:20 p.m. – 2:30 p.m.

A meeting of the Board of Commissioners of the Housing Assistance Management Enterprise was held from 2:20 p.m. – 2:30 p.m.

**Board Members in Attendance**

Palmer DePaulis, Board Chair  
Philip Bernal, Commissioner  
Cindy Gust-Jenson, Commissioner  
Dave Mansell, Vice Chair  
Philip Bernal, Commissioner  
Alfonsa Price, Commissioner

**Excused**

David Litvack, Commissioner

**Staff in Attendance**

Daniel Nackerman, Executive Director  
Laryn Hill, Director of Property Management  
Britnee Dabb, Deputy Director  
Kim Wilford, Deputy Executive Director  
Joe Post, Director of Real Estate Development  
Zac Pau'u, Director of Homeless Programs  
Tyson Montoya, Controller  
Charlene Owen, Administrative Assistant

**Legal Counsel in Attendance**

Ryan Warburton, Gilmore & Bell

**Chair DePaulis convened the meeting of the Housing Assistance Management Enterprise (HAME) of Salt Lake City.**

**MOTION FOR APPROVAL OF SPECIAL ELECTRONIC BOARD HAME MEETING MINUTES OF June 26, 2017**

The Executive Director has provided each Commissioner with a copy of the written minutes of the June 26, 2017 Special Electronic Meeting and the Commissioners acknowledged they had sufficient time to review these minutes. Chair DePaulis called for a motion.

**Motion**

Commissioner Price moved to approve the HAME Meeting Minutes of June 26, 2017. Vice Chair Mansell seconded the motion. The motion passed unanimously with Commissioners Bernal, DePaulis, Gust-Jenson, Mansell and Price voting in favor. There were no objections or abstentions.

**PUBLIC COMMENT**

None

**NEW BUSINESS**

**Approve Resolution #520-2017** approving execution of a development partnership agreement with LaBarge Industries, LLC for the financing and construction of 75 PSH units.

*Daniel Nackerman, Executive Director*

There is a site that was under formulation for development. Local Developer, Peter Corroon, was assembling this project with a partner named LaBarge Industries for development. They tied that site up and then Mr. Corroon found a job where he needs to pull away from this project. This planned project is for 75 units in the Central Transit area behind Rio Grande (400 South 600 West). Now that Mr. Corroon is out, his partner (LaBarge Industries) would like to work with us. They came to us trying to get project based vouchers. As the project based vouchers are key to the financing of a project like this, the new partnership will be required to compete openly and independently for an allocation of PBV's under a planned Request for Proposals to be issued by HASLC very soon.

OPEN MEETING MINUTES

HAME

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LaBarge is very experienced in managing hard-to-house populations. We are recommending partnering with LaBarge Industries. Dan has worked with them previously in California. Joe, Dan, and the architect have worked on various site plans.

**Motion**

Commissioner Price moved to approve Resolution #520-2017. Vice Chair Mansell seconded the motion. The motion passed unanimously with Commissioners Bernal, DePaulis, Gust-Jenson, Mansell and Price voting in favor. There were no objections or abstentions.

**Motion**

Vice Chair Mansell moved to adjourn the HAME meeting and go into the HDC Meeting. Commissioner Price seconded. The motion passed unanimously with Commissioners Bernal, DePaulis, Gust-Jenson, Mansell and Price voting in favor. There were no objections or abstentions.

The HAME Meeting adjourned at 2:30 p.m.

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Palmer DePaulis, Board Chair

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Daniel Nackerman, Executive Director

**HOUSING DEVELOPMENT CORPORATION**  
**BOARD MEETING MINUTES**

Housing Authority of Salt Lake City  
1776 South West Temple  
Monday, August 28, 2017  
2:30 p.m. – 2:40 p.m.

A meeting of the Board of Commissioners of the Housing Assistance Management Enterprise was held from 2:30 p.m. – 2:40 p.m.

**Board Members in Attendance**

Palmer DePaulis, Chair  
Philip Bernal, Commissioner  
Cindy Gust-Jenson, Commissioner  
Dave Mansell, Vice Chair  
Alfonsa Price, Commissioner

**Excused**

David Litvack, Commissioner

**Staff in Attendance**

Daniel Nackerman, Executive Director  
Laryn Hill, Director of Property Management  
Britnee Dabb, Deputy Director  
Kim Wilford, Deputy Executive Director  
Joe Post, Director of Real Estate Development  
Zac Pau'u, Director of Homeless Programs  
Tyson, Montoya, Controller  
Charlene Owen, Administrative Assistant

**Legal Counsel in Attendance**

Ryan Warburton, Gilmore & Bell

**Chair DePaulis convened the open meeting of the Housing Development Corporation (HDC)**

**Roll Call**

**Motion for Approval of HDC Open Meeting Minutes of June 26, 2017**

The Executive Director has provided each Commissioner with a copy of the written minutes of the June 26, 2017 HDC Open Meeting and the Commissioners acknowledged they had sufficient time to review these minutes. Chair DePaulis called for a motion.

**Motion**

Vice Chair Mansell moved to approve the HDC Open Meeting Minutes of June 26, 2017. Commissioner Gust-Jenson seconded the motion. The motion passed unanimously with Commissioners Bernal, DePaulis, Gust-Jenson, Mansell and Price voting in favor. There were no objections or abstentions.

**Public Comment**

None

**New Business**

**Approve sale and other consideration for 0.22 acres of land at the Ben Albert site with 5<sup>th</sup> East Partners, LLC.**

*Daniel Nackerman, Executive Director*

Our Ben Albert site at 139-140 South 500 East contains 68 small units with two surface parking lots – an upper and lower. The parking use and related assignments are somewhat underutilized and a group of local developers, 5<sup>th</sup> East Partners, LLC, are planning a new apartment site adjacent to our property and would like to purchase a portion of the parking lot land, build a new parking structure over it, and accommodate residents both during construction and going forward. This scenario was described in detail to the Commission at its June 2017 meeting wherein the Executive Director was instructed to finalize negotiations and bring back the terms and contract documents for consideration.

While the Ben Albert site contains approximately 61 parking spaces many of them are reserved for snow removal space, staff parking, and handicapped parking. 3-5 tenants also rent two spaces. Therefore, 10-12 spaces are presently unused.

We have negotiated with the developers as follows:

- \$19,000 purchase price thereby temporarily removing 28 spaces

## OPEN MEETING MINUTES

HDC

August 28, 2017

- Rebuilding 26 modern spaces in a secured, well lit, handicap accessible (elevator) parking structure for Ben Albert residents only; paid by buyer
- Stipends to 20 impacted residents of \$25.00 per month during construction for the inconvenience; paid by buyer
- Master lease of 20 spaces for those same impacted residents in the neighborhood during construction; paid by buyer
- Provide better fire access through a separate side yard easement (part of the deal but unrelated to parking).

We recommend consummation of this proposal due to the following:

- 1) Our residents and property will ultimately have similar number of spaces (59 vs. 61) but 28 of them will be modern, enclosed spaces
- 2) These new spaces will be secure, well lighted and convenient
- 3) The handicap accessibility of these new spaces will be an addition to the site (elevators are in the new structure)
- 4) The residents are being fully accommodated during construction
- 5) Fire access to Ben Albert will be improved by granting the side yard easement.

All of the above costs are the responsibility of the developer. The Authority (or HDC) will gain a net of \$19,000 in one time funding.

We are recommending that the Commission authorize the execution of the Purchase and Sale Agreement between the Housing Development Corporation of Salt Lake City and 5<sup>th</sup> East Partners, LLC for the purchase of 0.22 acres, granting of an easement, and all other conditions described above.

### **Motion**

Commissioner Gust-Jenson moved to approve the sale and other consideration for 0.22 acres of land at the Ben Albert Site with 5<sup>th</sup> East Partners, LLC. Vice Chair Mansell seconded. The motion passed unanimously with Commissioners DePaulis, Gust-Jenson, Mansell and Price voting in favor. Commissioner Bernal abstained from the vote.

### **Adjournment**

Vice Chair Mansell moved to adjourn the HDC Open Meeting. Commissioner Gust-Jenson seconded the motion. The motion passed unanimously with Commissioners Bernal, DePaulis, Gust-Jenson, Mansell and Price voting in favor. There were no objections or abstentions.

The HDC Meeting adjourned at 2:40.



OPEN MEETING MINUTES  
HDC  
August 28, 2017

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Palmer DePaulis, Board Chair

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Daniel Nackerman, Executive Director