

HOUSING AUTHORITY OF SALT LAKE CITY
BOARD MEETING MINUTES

Housing Authority of Salt Lake City
1776 South West Temple
Monday, November 27, 2017
11:05 a.m. – 2:05 p.m.

A meeting of the Board of Commissioners of the Housing Authority of Salt Lake City was held from 11:00 a.m. – 2:05 p.m.

Board Members in Attendance

Palmer DePaulis, Board Chair
Dave Mansell, Vice Chair
Philip Bernal, Commissioner
David Litvack, Commissioner
Alfonsa Price, Commissioner

Guests

Brenda Koga, New Commissioner
Les Sparks, New Commissioner

Excused

Cindy Gust-Jenson, Commissioner

Staff in Attendance

Daniel Nackerman, Executive Director
Britnee Dabb, Deputy Director
Kim Wilford, Deputy Executive Director
Laryn Hill, Director of Property Management
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 Authority of Salt Lake City.

He introduced our two new Commissioners:

**Brenda Koga
Les Sparks**

The two new Commissioners introduced themselves and gave us a brief bio:

Commissioner Koga has 17 years with the Granite School District. She worked in special education. She is retired but active in community service and charitable organizations. She has served on the City Library Board and worked with different civic groups, including The Road Home.

Commissioner Sparks has been president of a firm helping hundreds of housing agencies in financial matters since 2001. He holds a Bachelors and Master's Degree from Utah State University. He is a CPA. He worked with Ernst & Young. He is trained in HUD financials.

Everyone around the table introduced themselves.

MOTION FOR APPROVAL OF THE HASLC OPEN MEETING MINUTES OF OCTOBER 30, 2017

The Executive Director has provided each Commissioner with a copy of the written minutes of the October 30, 2017 Open Meeting. 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 October 30, 2017. Commissioner Price seconded the motion. The motion passed unanimously with Commissioners Bernal, DePaulis, Litvack, Mansell and Price voting in favor.

Our attorney, Ryan Warburton, spoke about the status of our board members. Because of the recent appointment right before this meeting and because of the Thanksgiving holiday, we are unable to get clarification as to who the new board members replace. We will take the position today that the votes from existing board members are binding. We will consider the two new Commissioners votes as Provisional.

PUBLIC COMMENT

None

NEW BUSINESS

Daniel Nackerman, Executive Director

A) Adopt Resolution #531-2017 authorizing the selection of Key Bank Community Development Lending for real estate loans related to acquisition of properties of land through HASLC or its instrumentalities.

We have needs from time to time for short term financial contributions, usually to purchase land or buildings. We have in the past gone into our reserves for those needs but we think it more prudent to occasionally use short-term loans while gathering the complex financing it takes to add new housing before permanent financing replaces such.

A recent example of this scenario is the possible acquisition of the Capitol Motel site on south State Street wherein the acquisition was lined up five months ago yet expected city funding support through Redevelopment Agency funding (our Housing Trust funding) has been untimely or unlikely. As a back-up, HAME (our affiliate) issued a Request for Proposal for short term acquisition funding in October 2017. Note that HAME and HASLC perform competitive procurements on any substantial financial transactions or purchases. Three firms responded to the RFP – Enterprise, Zions Public Finance, and Key Bank. These applications were carefully scored by senior finance staff and Key Bank Community Development Lending with a score of 89/100. Zions finished at 82/100 and Enterprise at 75/100. We're recommending adopting Resolution #531-2017 approving the Selection of Key Bank Community Lending for short term real estate financing. It is also recommended that Zions Bank could be the secondary lending institution.

A discussion ensued regarding the terms of the loan. Commissioner Mansell raised a concern regarding the term stating a 2% exit fee unless the next loan is Key Bank. The resolution will be re-written to delete the 2% exit fee and also to reflect Zions Bank as the secondary lender.

Motion

Commissioner Mansell moved to adopt Resolution #531-2017 authorizing the selection of Key Bank Community Development Lending for real estate loans related to the acquisition of properties subject to the deletion of the 2% exit fee stated in their terms and to name Zions Bank as a secondary lender. Commissioner Bernal seconded. The motion

passed unanimously with Commissioners Bernal, DePaulis, Litvack, Mansell and Price voting in favor. There were no objections or abstentions.

B) Adopt Resolution #532-2017 authorizing execution of a Voluntary Compliance Agreement (VCA) and Companion Conciliation Agreement with the U.S. Department of Housing and Urban Development outlining improvements to be made resulting from a 2015 Veterans Administration (VA) decision to ban companion animals from the VA property known as Valor House.

The Housing Authority manages a portion of the leased property at Valor House, a transitional 72-unit property serving the chronically homeless on the VA campus in Salt Lake City. In mid-2015 VA staff and eventually the VA police demanded that a tenant at the property who was a homeless veteran being housed by us remove his companion animal (dog) from the property as the campus did not allow pets or companion animals.

On October 25, 2015 the tenant and HUD filed a discrimination complaint against HASLC and two of its employees. The complaint claimed that HASLC could have moved the tenant to another property that allowed service or companion animals. HASLC countered that the Valor House program was unique (this resident would not have been funded at other sites) and that HASLC also advocated for the dog to remain. HASLC also demanded that discriminatory claims should be directed at the VA.

HUD did cut off our funding; they disallowed the tenant to participate in the Grant Per Diem program that funded rent and services and the police attempted to remove the dog.

HUD and the Executive Director negotiated through 2016 to find compromise and we have attached a draft of the Voluntary Compliance Agreement in the board packet. The outline of this draft agreement is as follows:

HASLC continues to deny claims

VA is brought into the agreement language as to their role

HASLC agrees to improve specific policies, practices and training related to Fair Housing, Section 504/ADA, and related over a two year period

IF HASLC does not make such improvements within two years HUD can withdraw financial support

HASLC agrees to remove any negative records regarding tenant

HASLC agrees to waive any balances and collections regarding tenant

HASLC agrees to pay tenant \$6,500

We recommend approving Resolution #532-2017 authorizing final negotiations and execution of the Voluntary Compliance Agreement and Reconciliation Agreement with HUD.

Motion

Commissioner Mansell made a motion to adopt Resolution #532-2017 authorizing execution of a Voluntary Compliance Agreement (VOA) with HUD. Commissioner Litvack seconded. Commissioner Litvack seconded. The motion passed unanimously with Commissioners Bernal, DePaulis, Litvack, Mansell and Price voting in favor. There were no objections or abstentions.

C) Adopt Resolution #533-2017 approving Payment Standards for Federal Fiscal Year 2017/18 guiding rent structures within the Housing Choice Voucher Program (Section 8) Once a year, HUD sets new Fair Market Rents (FMR) which are used by Housing Authorities as a baseline to develop “payment standards” in the Housing Choice Voucher Program. Once a year Housing Authorities are required to analyze what the grants are they paid to private landlords. These are called payment standards. It is determined by unit size.

Last year (2017) we did raise rents moderately in response to the rising rental market. This board approved those payment standards. As rents go up, HUD doesn't necessarily give you more money so if you don't raise your rents enough, landlords will leave the programs. We're recommending again a substantial increase to the payment standards based on bedroom size, with the exception of freezing the studio rate at 2017 levels.

Motion

Commissioner Litvack made a motion to adopt Resolution #533-2017 approving Payment Standards for Federal Fiscal year 2017/18 guiding rent structures within the Housing Choice Voucher Program (Section 8). Commissioner Mansell seconded. The motion passed unanimously with Commissioners Bernal, DePaulis, Litvack, Mansell and Price voting in favor. There were no objections or abstentions.

Motion

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

Motion

Commissioner Litvack moved to go out of Closed Session and re-convene the HASLC Meeting. Commissioner Bernal seconded. The motion passed unanimously with Commissioners Bernal, DePaulis, Litvack, Mansell and Price voting in favor. There were no objections or abstentions.

D) Adopt Resolution #534-2017 authorizing changes to the Administrative Plan of the Housing Choice Voucher program regarding assignment of Project-Based Vouchers.

Daniel Nackerman, Executive Director

Housing Authorities are allowed to set aside 20% of their total authorized tenant-based vouchers to project based. Tenant based vouchers are held by residents and can travel with them from unit to unit while project based vouchers stick with the unit. They are a key piece to developing properties and adding to the portfolio.

We're recommending some minor changes to the Administrative Plan which governs all of Section 8. When our own projects were involved in project based we had a third party decide whether we should get those Project Based vouchers. Our old policy involved the County Housing Authority as the third party. We are suggesting changes to have a more generic definition of a third party and to outline an intent to use the Project Based Vouchers where HASLC is a partner or owner.

The other is to insert a sentence "It is the policy of HASLC to utilize PBV's on properties owned by HASLC or its affiliates/instrumentalities to the maximum extent allowable". Our rating criteria will likely favor the ownership or control of us on properties to be developed or to be purchased.

These two changes are significant and it steers the funding back into our agency which we can re-use for housing.

Motion

Commissioner Mansell moved to adopt Resolution #534-2017 authorizing changes to the Administrative Plan of the Housing Choice Voucher Program regarding assignment of Project Based Vouchers. Commissioner Price seconded. The motion passed unanimously with Commissioners Bernal, DePaulis, Litvack, Mansell and Price voting in favor. There were no objections or abstentions.

E) Approve 2018 Commission Meeting Dates.

The HASLC Commission Meeting dates are always set on the last Monday of the month. Dates are subject to change and sometimes special meetings are called.

Motion

Commissioner Price moved to approve the 2018 Commission Meeting Dates. Commissioner Bernal seconded. The motion passed unanimously with Commissioners Bernal, DePaulis, Litvack, Mansell and Price voting in favor. There were no objections or abstentions.

COMMUNICATIONS

EXECUTIVE DIRECTOR REPORT

Daniel Nackerman, Executive Director

Dan highlighted three items from his report:

The National Designation of ConnectHome

As the selected leader for the region, HASLC continues to coordinate increased web and technology access to low-income households. We've had some limited success in getting hardware into low-income households where they can purchase computers for \$20.00. In partnership with the HUD Director in Salt Lake City we are modifying our approach from just equipment and technology to planning, coordination, fundraising and implementation. We also partner with the Library and the County Housing Authority.

The Denver Relocation Project

That project is going well. We're frustrated at not having a source of funding for relocation. We're looking at alternative approaches to funding. HASLC will write a letter to the partnership stating that HAME will likely lend the funding at the same time the City of Salt Lake (through the HAND Department) funds its preliminarily committed loan. This should expedite the alternative funding for relocation from HAME – to be paid back within months from sales proceeds.

Upgraded Phone System at Homeless Housing Site

The 109 unit Freedom Landing community has an outdated phone system that fails regularly and causes risk to the residents and to HASLC as the owner/operator. We are able to replace that system at a cost of \$34,981.25.

OPEN MEETING MINUTES
HASLC
November 27, 2017

Motion

Vice Chair Mansell moved to adjourn the Housing Authority Meeting. Commissioner Price seconded. The motion passed unanimously with Commissioners Bernal, DePaulis, Litvack, Mansell and Price voting in favor. There were no objections or abstentions.

The HASLC Meeting adjourned at 2:05 p.m.

Palmer DePaulis, Board Chair

Daniel Nackerman, Executive Director

HOUSING ASSISTANCE MANAGEMENT ENTERPRISE
(HAME)

BOARD MEETING MINUTES
Housing Authority of Salt Lake City
1776 South West Temple
Monday, November 27, 2017
2:06 p.m. – 2:08 p.m.

A meeting of the Board of Commissioners of the Housing Assistance Management Enterprise was held from 2:06 p.m. – 2:08 p.m.

Board Members in Attendance

Palmer DePaulis, Board Chair
Dave Mansell, Vice Chair
Philip Bernal, Commissioner
David Litvack, Commissioner
Alfonsa Price, Commissioner

Guest

Brenda Koga, New Board Member

Excused

Cindy Gust-Jenson, Commissioner

Staff in Attendance

Daniel Nackerman, Executive Director
Britnee Dabb, Deputy Director
Kim Wilford, Deputy Executive Director
Laryn Hill, Director of Property Management
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 BOARD HAME MEETING MINUTES OF October 30, 2017

The Executive Director has provided each Commissioner with a copy of the written minutes of the October 30, 2017 HAME Meeting and the Commissioners acknowledged they had sufficient time to review these minutes. Chair DePaulis called for a motion.

Motion

Commissioner Bernal moved to approve the HAME Meeting Minutes of October 30, 2017. Commissioner Mansell seconded the motion. The motion passed unanimously with Commissioners Bernal, DePaulis, Litvack, Mansell and Price voting in favor. There were no objections or abstentions.

PUBLIC COMMENT

None

NEW BUSINESS

Daniel Nackerman, Executive Director

A) Approve the selection of Key Bank with the modifications made in the HASLC meeting for real estate loans related to acquisition of properties or land through HASLC instrumentalities.

Motion

Commissioner Mansell moved to approve the selection of Key Bank with the modifications made in the HASLC meeting for real estate loans related to the acquisition of properties or land through HASLC instrumentalities. Commissioner Bernal seconded. The motion passed unanimously with Commissioners Bernal, DePaulis, Litvack, Mansell and Price voting in favor. There were no objections or abstentions.

OPEN MEETING MINUTES
HAME
November 27, 2017

Motion

Commissioner Mansell moved to adjourn the HAME meeting and convene the HDC meeting. Commissioner Price seconded. The motion passed unanimously with Commissioners Bernal, DePaulis, Litvack, Mansell and Price voting in favor. There were no objections or abstentions.

The HAME Meeting adjourned at 2:08 p.m.

Palmer DePaulis, Board Chair

Daniel Nackerman, Executive Director

HOUSING DEVELOPMENT CORPORATION
BOARD MEETING MINUTES

Housing Authority of Salt Lake City

1776 South West Temple

Monday, November 27, 2017

2:08 p.m. – 2:10 p.m.

A meeting of the Board of Commissioners of the Housing Assistance Management Enterprise was held from 2:08 p.m. – 2:10 p.m.

Board Members in Attendance

Palmer DePaulis, Chair

Dave Mansell, Vice Chair

Philip Bernal, Commissioner

David Litvack, Commissioner

Alfonsa Price, Commissioner

Excused

Cindy Gust-Jenson, Commissioner

Guest

Brenda Koga, New Board Member

Staff in Attendance

Daniel Nackerman, Executive Director

Laryn Hill, Director of Property Management

Britnee Dabb, Deputy 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 October 30 , 2017

The Executive Director has provided each Commissioner with a copy of the written minutes of the October 30, 2017 HDC Open 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 HDC Open Meeting Minutes of October 30, 2017. Commissioner Bernal seconded the motion. The motion passed unanimously with Commissioners Bernal, DePaulis, Litvack, Mansell and Price voting in favor. There were no objections or abstentions.

Public Comment

None

New Business

None

Adjournment

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

The HDC Meeting adjourned at 2:10 p.m.