

HOUSING AUTHORITY OF SALT LAKE CITY
(HASLC)

BOARD MEETING MINUTES

Housing Authority of Salt Lake City
1776 South West Temple
Monday, June 25, 2018
11:00 p.m. – 1:05 p.m.

The regular meeting of the Board of Commissioners of the Housing Authority of Salt Lake City was held from 11:00 a.m. – 1:05 p.m.

Board Members in Attendance

Palmer DePaulis, Chair
Dave Mansell, Vice Chair
Brenda Koga, Commissioner
David Litvack, Commissioner
Alfonsa Price, Commissioner
Les Sparks, Commissioner

Excused

Cindy Gust-Jenson, Commissioner

Staff in Attendance

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

Legal Counsel

Ryan Warburton, Gilmore & Bell

Chair DePaulis convened the regular meeting of the Housing Authority of Salt Lake City (HASLC) at 11:00 a.m.

Roll Call of the Board Members present.

PUBLIC COMMENT

Clifford Eccles is here about the Capitol Motel project. He has lived in the neighborhood for over 40 years. He believes there is a potential problem with the soil in the garage service area. Will they be notified as to the results of the testing of the soil samples?

No one contacted the homeowners prior to our purchase of the property and he is wondering why.

Barry Eccles has been in the neighborhood 32 years as owner of his house. Prior to that it was his parents' house. He said that this has been a very quiet neighborhood. He is very unhappy about the proposed Capitol Motel project. He has distributed flyers to the neighborhoods about the project. He objects to low income people moving into the proposed project and is concerned about his safety and his property.

Executive Director Nackerman responded that we have done Phase I environmental testing and there is a Phase II testing as well. These are public processes. Mr. Nackerman stressed that there has been communication with the neighborhood and will continue to keep the neighborhood informed.

NEW STAFF

Britnee Dabb, Deputy Director

New staff hired since last month's board meeting introduced themselves:

Callye Cleverly, Senior Analyst

Michael Deaton, Property Manager for 9th East Lofts

Hem Dulal, Section 8 Specialist (re-hire)

Jennifer Jimenez, TANF Housing Program Manager

Iman Aljenabi, Property Manager for Jackson School Apartments

MOTION FOR APPROVAL OF THE HASLC OPEN MEETING MINUTES OF MAY 21, 2018

The Executive Director has provided each Commissioner with a copy of the written minutes of the May 21, 2018 Open Meeting. The Commissioners acknowledged they had sufficient time to review these minutes.

Chair DePaulis called for a motion.

Motion

Commissioner Price moved to approve the HASLC Open Meeting Minutes of May 21, 2018. Commissioner Koga seconded the motion. The motion passed unanimously with Commissioners DePaulis, Koga, Litvack, Mansell, Price and Sparks voting in favor. There were no objections or abstentions.

UNFINISHED BUSINESS

REVIEW AND ACCEPT 2017 Financials and Audit Report.

Mark Short, Chief Financial Officer and Auditor

Mark distributed a draft of our Financial Statements and Independent Auditors' Report

Some of the numbers have changed since last month's board meeting. The cash flow has been updated and put into the schedule. The biggest transactions we have seen this year is the completion of the Taylor Gardens project and the 9th East Lofts. The performance is very favorable for last year.

HASLC has continued to exhibit strong financial performance and growth year after year by the responsible management of its resources and a continued emphasis of real estate developments in order to enhance its portfolio and create non-HUD revenues.

Commissioner Sparks requested more time to review the report.

We will hold over the acceptance of the 2017 financials and audit report to the next meeting.

NEW BUSINESS

A) APPROVE RESOLUTION #616-2018 approving the award of 95 Project Based Vouchers (PBV's) for the development of Pamela's Place Apartments to Ribbon, LLC, with the determination that the 2017 Utah Housing Corporation (UHC) tax credit allocation competition serves as the competition for the PBVs.

Executive Director and Deputy Executive Director

As you recall, we are poised to build another 100-unit Permanent Supportive Housing development project across the street from another property owned by HASLC, Sunrise Metro. We were successful in getting the tax credits and gathering the financing. It is subject to some HUD requirements such as Environmental Clearance, Subsidy Layering Review and Approval, and Execution of an acceptable AHAP agreement.

All Housing Authorities are allowed to take up to 20% of tenant based vouchers, meaning they were originally intended by HUD to be assigned to individuals. Long waiting lists exist for these tenant based vouchers and converting a portion to project based could make that wait slightly longer for some. We have only used about 8% of our project based capabilities so far.

Motion

Commissioner Litvack made a motion to approve Resolution #616-2018 approving all the necessary actions required to award and contract 95 PBV's to the Pamela's Place Apartments project subject to Environmental Clearance, Subsidy Layering Review and Approval, and Execution of an acceptable AHAP. Commissioner Sparks seconded. The motion passed unanimously with Commissioners DePaulis, Koga, Litvack, Mansell, Price and Sparks voting in favor. There were no objections or abstentions.

B) APPROVE RESOLUTION #617-2018 approving the award of 25 Project Based Vouchers (PBV's) for the development of First Step House Phase II Apartments.

Daniel Nackerman, Executive Director

HASLC has been working with the local non-profit First Step House for almost two years to help expand Permanent Supportive Housing particularly for the substance abuse rehabilitation population which they specialize in.

Last year their team which included a developer in Montana successfully gained funding under Utah's 9% tax credit allocation in order to build 75 new units for this population. As a part of their application HASLC preliminarily committed 25 units to be supported by Project-based Vouchers, subject to certain conditions.

This project fits well within our agency mission and goals for affordable housing targeting to lower incomes – and includes housing for the hard-to-house such as previously homeless, special needs persons and underserved populations.

HASLC and other Housing Authorities can convert approximately 20% of its regular vouchers to PBVs without needing any more funding. PBV's help stimulate new housing production as the subsidy stays with the unit instead of moving with the tenant.

Motion

Commissioner Sparks moved to approve Resolution #617-2018 awarding project-based vouchers for First Step House subject to Environmental Clearance, Subsidy Layering Review and Approval, and Execution of an acceptable AHAP. Commissioner Litvack seconded. The motion passed unanimously with Commissioners DePaulis, Koga, Litvack, Mansell, Price and Sparks voting in favor. There were no objections or abstentions.

C) APPROVE RESOLUTION #618-2018 ratifying tax credit application and related documents/actions taken for the funding and project formation of Book Cliffs Lodge.

Daniel Nackerman, Executive Director

UHC has a traditional 9% tax credit application round in October. Last October we applied for a couple of projects. Once again, they had "leftover" money. With the tax laws changes, it softened the market considerably. There were developers that had existing prior year tax credit projects and financing. When they actually went to sell the credits, they were short so UHC wisely put out a competition to back-fill some of those gaps. We scrambled to get Book Cliffs Lodge back into competition. We had a developer partner last year called Cardinal Development and the deal was if they weren't successful they were out of the deal. The Urban Indian Center who is our partner had worked with Blueline Development out of Montana – so some of these documents put Blueline in Cardinal's seat. If we don't get the tax credits, we'll apply again in October and be in much better shape.

In order to fulfill the policies and maintain the practices of the HASLC and HAME, the agreements and other required documents necessary to apply for these credits must be ratified by the board.

Motion

Commissioner Mansell moved to approve Resolution #618-2018 ratifying and approving submission of the tax credit application, execution of a Ground Lease Option and approval of all other actions taken in connection with the application for Book Cliffs Lodge. Commissioner Sparks seconded. The motion passed unanimously with Commissioners DePaulis, Koga, Litvack, Mansell, Price and Sparks voting in favor. There were no objections or abstentions.

D) REVIEW HUD-held reserves at HASLC

Kim Wilford, Deputy Executive Director

This item is for discussion only at this time.

Congress provides funding for the Housing Choice Voucher Program (Section 8) through an Annual Appropriations Act. The primary funds are for payments to landlords monthly for housing our residents.

HUD then allocates funds regularly to the Housing Authorities utilizing “cash management procedures” to prevent accumulation of Housing Authority held cash, or Restricted Net Position (RNP) funds.

Disbursements are funded based on estimated need rather than the amount the agency qualifies for so the Housing Authorities won't receive funds before they are actually needed. HUD held reserves is the difference between the amount the Housing Authority qualifies to receive but has not yet been funded. HUD held reserves remain obligated to the Housing Authority but undisbursed at the HUD level and become program reserves at the end of the calendar year.

HASLC HUD held reserves on December 31, 2017 were \$141,274. We are estimating a June ending balance of \$66,625.

HASLC RNP on December 31, 2017 was \$26,751 and we are estimating a June balance of \$236,720.

There was a motion to go into Closed Session.

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

CLOSED SESSION

There was a motion to go out of Closed Session and back into Open Session.

Commissioner Mansell made a motion to go out of Closed Session and back into Open Session. Commissioner Koga seconded. The motion passed unanimously with Commissioners DePaulis, Koga, Litvack, Mansell, Price and Sparks voting in favor. There were no objections or abstentions.

COMMUNICATIONS

EXECUTIVE DIRECTOR REPORT

Daniel Nackerman, Executive Director

- We did submit to the City RDA for development application of the Overniter Hotel at 1500 West North Temple with our new partner, Brinshore Development with two concepts – one at 200 units and another at 289 units. We labeled the project “SPARK” reflecting the impactful, regional impact of the designs.
- HUD sent a technical assistance team here working with staff for 2-3 days on general information sharing and doing a “mini” audit in the areas of Capital Funds Program and our procurement of things with Capital Funds.
- We did execute the loan with Zions Bank for Capitol Homes.
- We successfully and miraculously submitted a 9% Tax Credit Application for Book Cliffs Lodge to the Utah Housing Corporation with our partner Blueline Development.
- Our recent 7-8 month construction jobs training for the homeless project has ended with mixed results but many successes to build on. Approximately 1/3 of the participants are now steadily employed and living in conventional housing but another 1/3 dropped out with mixed results and the remaining 1/3 ended their participation with worst result possible – evictions and a return to the street. One of the units got trashed. The overall results and front line experience learned will lead staff to develop other larger proposals of this type for Board consideration.
- We had some controversy over our Book Cliffs Lodge site. The South West Temple residents rightfully complained of break ins by squatters and poor streetscape due to litter and vegetation. Staff took swift action and increased communication with neighbors, police, and local leaders. Systems are now fully in place to keep the site attractive until demolition.
- We were awarded \$1,173,605 in new Capital Fund funding – a significant increase from recent years reflecting the new federal budget.
- We were able to close out and execute the document with the Zwick project. The funding was forwarded by HASLC.
- Ryan’s office helped us with new, small construction contract templates that is going to save us money; to help us with a more professional approach with vendors; provide greater risk protection to HASLC; and provide greater cost efficiency.
- Our PHA Plan was approved by HUD on June 6, 2018. This is a once a year annual plan.
- We will cover eviction policies and practices at our next meeting per the Board’s request.
- A joint team effort costs us to double our laundry receipts. This is a result of new procedures.

- The Denver Street resident relocation is proceeding well and is under budget, under Kim's leadership.

OUTREACH REPORT

Britnee Dabb, Deputy Director

- HASLC was invited by Easter Seals-Goodwill with Utah Department of Workforce Services to a Seniors Job Fair event on May 30th. Several staff took turns manning the booth throughout the day to assist with questions relating to housing options, income requirements, and open positions with HASLC.
- Joe and Zac worked with the Permanent Supportive Housing Toolkit and gave well-received presentations to financial institutions and other community partners regarding the Book Cliffs project with the Urban Indian Center of Salt Lake and a newly forming partnership with the Asian Association of Utah.

There are many other items on the report which we encourage everyone to read.

MANAGEMENT SUMMARY REPORT

Britnee Dabb, Deputy Director

The Resource Management Summary Report provides insight to key areas of Human Resource progress, changes and initiatives.

Britnee gave some company statistics include number of employees, diversity, recruitment strategy and employment recruitment data and employee development. She highlighted some of the trainings that have been held for employees including a De-escalation training that was provided by Crisis Intervention Team (CIT).

Our Accounting staff attended training conducted by Affordable Housing Association of Certified Public Accountants (AHACPA). The AHACPA is a national association of CPAs and financial professionals providing HUD financial services, support and education for the affordable housing and HUD-approved lender communities.

BOARD CHAIR REPORT

Palmer DePaulis, Chair

There is a list of conferences available for board members. We update these as they become available to us.

Palmer and Dave Mansell will be meeting with Dan on his job evaluation.

We discussed briefly the dates for a board retreat which as of this board meeting will be October 11-13, 2018. We'll continue to confirm the dates with each board member. As of now, Commissioner Sparks is the only Commissioner unable to make these dates.

We are not planning on having a July meeting, unless something comes up.

RESIDENT ADVISORY BOARD REPORT

Alfonsa Price, Commissioner

The minutes of the RAB meeting were not available at the time of the board packet printing. The RAB meeting was held May 30th at City Plaza. Commissioner Price summarized some of the highlights of the meeting. The residents expressed several concerns with the properties in which they reside but that all issues were addressed.

The next RAB meeting will be held July 31st at Rendon Terrace.

Motion

Commissioner Sparks moved to adjourn the HASLC meeting and go into the HAME Meeting. Commissioner Litvack seconded. The motion passed unanimously with Commissioners DePaulis, Koga, Litvack, Mansell, Price and Sparks voting in favor. There were no objections or abstentions.

The Housing Authority Board Meeting adjourned at 12:52 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, June 25, 2018
12:52 p.m. – 1:05 p.m.

A meeting of the Board of Directors of the Housing Assistance Management Enterprise was held from 12:52 p.m. – 1:05 p.m.

Board Members in Attendance

Palmer DePaulis, Board Chair
Dave Mansell, Vice Chair
Brenda Koga, Board Member
David Litvack, Board Member
Alfonsa Price, Board Member

Excused

Philip Bernal, Board Member
Cindy Gust-Jenson, Board Member
Les Sparks, Board Member

Staff in Attendance

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

Legal Counsel in Attendance

Ryan Warburton, Gilmore & Bel

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

PUBLIC COMMENT

None

**MOTION FOR APPROVAL OF BOARD HAME MEETING MINUTES OF
May 21, 2018**

The Executive Director has provided each Board Member with a copy of the written HAME Open Meeting minutes of May 21, 2018 and the Board acknowledged they had sufficient time to review these minutes. Board Chair DePaulis called for a motion.

Motion

Board Member Litvack moved to approve the HAME Meeting Minutes of May 21, 2018. Board Member Mansell seconded the motion. The motion passed unanimously with Commissioners DePaulis, Koga, Litvack, Mansell, and Price voting in favor. There were no objections or abstentions.

NEW BUSINESS

A) APPROVE RESOLUTION #619-2018 ratifying tax credit application and related documents/actions for the Book Cliffs Lodge project.

Daniel Nackerman, President of HAME

This has a few more documents than the similar discussion we had in the HASLC meeting. For instance, we're asking to ratify and approve Kim Wilford as the signatory in the absence of the President. We need to get an authorizing resolution on file as to signing authority.

The agreements and other required documents necessary to apply for Tax Credit application for Book Cliffs Lodge must be ratified by the Board of Trustees. The documents and approvals include:

- 1) Ratify and approve Kim Wilford as signatory for President in his absence;
- 2) Ratify execution of a joint development with Blue Line Development, who replaced Cardinal;
- 3) Ratify execution and submission of the tax credit application;
- 4) Ratify the formation of Book Cliffs Manager, LLC;
- 5) Ratify Book Cliffs Manager, LLC execution of an Operating Agreement with Blueline

- 6) Ratifying formation of Book Cliffs Company, LLC
- 7) Ratify all other actions taken in connection with the submission of the tax credit application.

These are all outlined in the Resolution that Ryan and his team put together.

Motion

Board Member Mansell moved to approve Resolution #619-2018 ratifying and approving signatory for President; execution of a joint development agreement with Blueline Development; execution and submission of the tax credit application; formation of Book Cliffs Manager, LLC; Book Cliffs Manager LLC execution of an Operating Agreement; formation of Book Cliffs Company, LLC; and all other actions taken in connection with the submission of the tax credit application for Book Cliffs Lodge. Board Member Koga seconded. The motion passed unanimously with Board Members DePaulis, Koga, Litvack, Mansell, and Price voting in favor. There were no objections or abstentions.

B) EXECUTION OF A CONTRACT with GIV Communities as consultant developer for Pamela's Place (Ribbon Properties) project development of 100 units.

Daniel Nackerman, President, HAME

Dan outlined how we got this property through GIV, a small developer here in Salt Lake City. The RDA and the City HAND loaned GIV enough money to purchase this land. The land and the loan was later transferred to a new entity, Ribbon Properties, that is now controlled by HAME. An initial contract between GIV and HAME was executed on or about September 29, 2017.

However, all parties felt a full, open competition was warranted for the large project and therefore HAME issued a RFP for the selection of a full-service developer. GIV was chosen over another quality firm and the selection was awarded through approved Board action in March 2018. A final consultant contract has been formalized reflecting the services.

We are recommending to authorize the President to execute the full services agreement with GIV for a maximum amount of \$225,000 plus reimbursables and extras as agreed after construction in order to develop Pamela's Place apartments.

Motion

Board Member Mansell moved to Approve Developer Consultant Contract for Pamela's Place Tax Credit Development with Giv Communities. Board Member Koga seconded.

OPEN MEETING MINUTES

HAME


June 25, 2018

The motion passed unanimously with Board Members DePaulis, Litvack, Mansell, and Price voting in favor. There were no objections or abstentions.

Motion

Board Member Mansell moved to adjourn HAME. Board Member Litvack seconded. The motion passed unanimously with Board Members DePaulis, Koga, Litvack, Mansell and Price voting in favor. There were no objections or abstentions.

The HAME Meeting adjourned at 1:05 p.m.



Palmer DePaulis, Board Chair



Daniel Nackerman, Executive Director