

HOUSING CONNECT

MINUTES OF THE REGULAR BOARD MEETING

May 15, 2019

PRESENT:

Jennifer Johnston – Chair
Mark Johnston – Vice Chair
Phil Bernal – Commissioner
Erin Litvack – Commissioner
Spencer Moffat – Commissioner
Gwen White – Commissioner

STAFF PRESENT:

Janice Kimball – Chief Executive Officer
André Bartlomé – Chief Financial Officer
Zach Bale – Director of Operations
Krysta Niemczyk – Grants and Resource Development Director
Russell Opatz – Resident Services Director
Jeremy Runia – Real Estate Development Director
Dan Pincock – Executive Administrator

EXCUSED:

Roderic Land – Commissioner

COMMENCE

The May 15, 2019, regular meeting of the Housing Connect Board of Commissioners took place with Chair Jennifer Johnston welcoming everyone and calling the meeting to order at 11:37 a.m.

1. PUBLIC COMMENT

There were no members of the public in attendance at the meeting.

2. HIGHLIGHTS

Housing Connect CEO Janice Kimball pointed out that April's visit by HUD Region VIII Administrator Ms. Evelyn Lim was very successful and so another HUD representative from out of state (Mr. Timothy Smith, Assistant Deputy Secretary of Field Management and Policy) came out on May 14 and made the same tour as Ms. Lim.

3. CONSENT AGENDA

The Board approved the Consent Agenda which included the April 2019 Board Meeting minutes, the grants report, the April Gateway to Housing report, the utility allowance changes, the FSS and HOPWA policy changes, and the staff listing update. Commissioner Moffat motioned to approve, and Commissioner White seconded. The motion passed, and the Consent Agenda was approved.

4. ACTION ITEMS**Resolution #967: Moving To Work (MTW) submission of Letter of Interest**

CEO Janice Kimball explained that Housing Connect has an opportunity with the Moving To Work (MTW) initiative to look at rent reform. MTW gives PHAs some flexibility with the regulations. Three proposed rent models were discussed: Tiered rent (income-based), which Housing Connect is leaning towards doing, and two stepped rent options (5% and 3%), with hardship waivers for all models. She provided some details and data on the different models and answered questions.

She also explained that while rent models for the initiative are available now for agencies to submit Letters of Interest, there are two other cohorts of Moving To Work which will be available in the future: work requirements and landlord incentives. When asked, she explained that some of the benefits to the agency are that Housing Connect would be allowed flexibility with regulations. Additionally, the largest benefit would be fungibility between Public Housing Operating and Capital Funds, and Section 8 Housing Assistance Payments (HAP) and Administrative funding. It could also be used to stabilize housing, have the money to take care of the units, and still maintain service at 30% AMI. Vice Chair Mark Johnston motioned to proceed to submit a Letter of Interest to HUD for at least the first option (tiered rent), with flexibility to include all options. Commissioner Bernal seconded, and the motion passed.

(at 12:02 p.m., the Board recessed in order for another entity to hold its Board meeting; the Board then re-commenced at 12:12 p.m.)

5. BUDGET DISCUSSION

CFO Andre Bartlome led the budget discussion at the Board meeting. He provided similar information to that which was presented at the May 3 Finance Committee meeting, which three Board members attended, and reviewed the budget timeline. He showed a summarized sheet of where the budget is currently at. Two areas where Housing Connect is losing money are Central Office/Maintenance (\$156K) and Public Housing (\$73K). Owned units and Covewood are making money, as is the Housing Choice Voucher program. Continuum of Care (CoC) is basically breaking even. It was noted that Other Vouchers (17 or 18 different funds) are making money, but changes in salary allocations will cause them to break even by the end of June. Other Resident Services are breaking even. The total Housing Connect budget is making \$19,000. Housing Connect, however, will not get much from developers fees in the next fiscal year (and Real Estate Development Director Jeremy Runia elaborated on how the developers fees are paid out in milestones). Other entities will all be basically breaking even, too.

Chair Jennifer Johnston asked about the operating reserves, noting the recent downward trend. CFO Andre Bartlome explained that a good reserve target Housing Connect would be a 2-month operating reserve), and it is lower right now because of funds used for The Hub construction.

Commissioner Bernal asked about the use of the disposition funds. CEO Janice Kimball replied that Housing Connect told HUD that the disposition funds would be designated for certain programs and for (new) development.

Andre Bartlome then discussed HUD funding. All HUD funding sources increased in 2019 (Public Housing Operating, Public Housing Capital Fund, Section HAP, and Section 8 Admin). He further elaborated on the capital fund, explaining how it is used, noting that the approach in using the funds among housing authorities has changed to use funds sooner rather than later. He showed a list of prioritized capital needs.

6. EXECUTIVE SESSION

At 12:31 p.m., Commissioner Litvack made a motion for the Board to enter into Executive Session, with Commissioner Moffat seconding. The motion passed, and the Board entered into Executive Session to discuss staff compensation and several real estate issues.

At 1:24 p.m., Commissioner Litvack motioned to exit Executive Session, and Vice Chair Mark Johnston seconded. The motion was approved, and the Board exited the Executive Session.

7. CEO'S REPORT

CEO Janice Kimball mentioned that RAD is moving along nicely. Mike Andrews has been selected as the HUD consultant. He is planning to visit on May 22, and the primary focus at that time will be working with the (Salt Lake) City Housing Authority on how to move forward with the High Rise property. EJP Consulting will also come out for that meeting. Janice Kimball was pleased to inform the Board that the disposition application has been approved by HUD and that Housing Connect is moving forward on that. An application for tenant replacement vouchers has now been submitted. Housing Connect will re-bid the contract for services for tenant relocation. She provided further clarification on the RAD and the disposition, and answered some other questions about her report.

8. MONITORING REPORTS/HOUSING CONNECT QUARTERLY FINANCIALS

Chair Jennifer Johnston pointed out the monitoring reports and the Housing Connect quarterly financials. There were no questions.

9. RESIDENT ADVISORY BOARD (RAB) REPORT

Commissioner White was asked to report to the Board on the recent activities of the RAB. She told the Board that CEO Janice Kimball attended the recent RAB meeting held at Bud Bailey Apartments, where she discussed RAB responsibilities and then gave an update on the Rental Assistance Demonstration (RAD) project. Commissioner White also talked about a particular RAB member who was having some housing issues which appear to be discrimination-related and in violation of source of income. As a result, the RAB has decided to visit and call as many properties as they can to determine who is following the law concerning this situation. The RAB also voted to get business cards for themselves, which are needed for when they are out doing official RAB business. She said she would update the Board at the next meeting regarding how the visits go.

10. COMMISSIONERS INPUT

Commissioner Bernal briefly brought up the training for commissioners which NAHRO is offering (Commissioner Fundamentals and ethics training). CEO Janice Kimball will send some information about the training which Commissioner Litvack could take to her assistant.

11. OTHER

Chair Jennifer Johnston brought the Covewood and Hub updates/reports to the Commissioners' attention.

ADJOURN

The meeting then adjourned at 1:36 p.m.

Respectfully submitted,

Dan Pincock
Executive Administrator