

HOUSING CONNECT

MINUTES OF THE REGULAR BOARD MEETING

June 19, 2019

PRESENT:

Jennifer Johnston – Chair
Mark Johnston – Vice Chair (audio)
Phil Bernal – Commissioner (audio)
Spencer Moffat – Commissioner
Gwen White – Commissioner

STAFF PRESENT:

Janice Kimball – Chief Executive Officer
André Bartlomé – Chief Financial Officer
Jarin Blackham – IT Director
Jeremy Runia – Real Estate Development Director (audio)
Dan Pincock – Executive Administrator

EXCUSED:

Roderic Land – Commissioner
Erin Litvack – Commissioner

EXCUSED:

Zach Bale – Director of Operations

COMMENCE

At 11:39 a.m., Chair Jennifer Johnston commenced the June 2019 Housing Connect Board Meeting.

1. PUBLIC COMMENT

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

2. INTRODUCTION

CFO Andre Bartlome introduced Housing Connect's new IT Director, Jarin Blackham. Jarin has over 20 years of background in IT and was recently employed with Midvale City and the Unified Fire Department.

3. HIGHLIGHTS

Housing Connect CEO Janice Kimball related to the Board the recent visit to The Hub of Opportunity by Lt. Gov. Spencer Cox. She also informed the Board that the Lt. Governor is very supportive of the population which Columbus serves and will be personally involved with a fundraiser.

Janice Kimball also informed the Board that Bodhi was selected for an Award of Merit by NAHRO, which will be picked up at the July NAHRO conference (in San Antonio, Texas). NAHRO has forwarded on the Bodhi project to compete for an Award of Excellence.

4. CONSENT AGENDA

There was a brief discussion on Gateway to Housing, particularly as it concerns the tenants. There were two tenants who were evicted which Housing Connect does not believe will be transitioned (pending details of the eviction). At present, there are 108 clients, and Housing Connect expects that half will be able to transition. Housing Connect had a meeting with the State, and Gateway to Housing is being funded through October, and the State is looking at an effort to extend the funding through June (2020).

CEO Janice Kimball also informed the Board that Housing Connect has received just under \$730,000 in State funding for services in our homeless programs. It received a little under \$400,000 for contracting other homeless providers for case management (to over 240 households). She indicated there will be a net loss for case management, but the State is hoping to make up some of this deficit with Medicaid funding.

Commissioner Moffat motioned to approve the Consent Agenda, and Commissioner White seconded the motion, which passed, and the Consent Agenda, which consisted of the minutes from the Housing Connect May 15, 2019, Board Meeting, as well as May's Gateway to Housing report, was approved.

5. ACTION ITEMS

Resolution #968: Doing Business As Housing Connect

This resolution formalizes the filing and adoption of the Housing Authority of the County of Salt Lake to conduct business under the name of Housing Connect in conjunction with the rebrand authorized by the agency on March 21, 2019. Commissioner Moffat motioned to approve the resolution, and Commissioner White seconded the motion. The motion passed, and Resolution #968 was approved.

Resolution #969: Adoption of FY2020 Housing Connect Budget

As the Board was familiar with the proposed FY2020 Housing Connect budget (having reviewed it in detail at the May meeting), Chief Financial Officer Andre Bartlome pointed out some changes from last month's Board meeting: With the State funding that Housing Connect has been awarded, two positions are being created – a Quality Assurance position and a Clinical Services Coordinator; new training for these new positions and for staff who are changing positions has been added; the Hub of Opportunity's developer's fee was recalculated; the wage increase was adjusted to the new percentage; a \$20,000 surplus was transferred from Public Housing operating funds to the Capital Fund or the RAD transition. CEO Janice Kimball mentioned that Housing Connect has removed parking fees at Covewood, noting there is a trend in the private market to charge fees in addition to rent. CFO Andre Bartlome presented a balanced budget to the Board and provided graphs which showed \$39 million in revenues with \$39 million in expenses. A second graph showed budget growth since 2003 (from \$18 million then to \$39 million now). There was also a graph indicating net income/loss over the same period.

CEO Janice Kimball told the Board that Housing Connect is very close to expending everything that is projected and in reserves for the Section 8 Housing Choice Voucher program and that this is being done intentionally. HUD tends to put housing authorities in a shortfall category when this happens, which freezes leasing and prevents people from moving, and Housing Connect is coordinating with HUD. Currently, Housing Connect has applied for additional funding for special category set asides and the key variable that Housing Connect is watching which is on the rise is average cost per unit. Housing Connect expects to go over the projected budget by \$6,000 to \$50,000 (out of a \$20 million overall funding for Section 8), and it is watching this closely.

Commissioner Moffat moved to approve the budget resolution, and Commissioner White seconded. The motion passed, and Resolution #969 for the adoption of the FY2020 Housing Connect budget was approved.

6. CEO's REPORT

Housing Connect CEO Janice Kimball provided her report to the Board:

RAD/High Rise Meeting (May 22): Housing Connect held a RAD meeting on May 22 with the Salt Lake City Housing Authority, Housing Connect's consultants, and the agency's HUD representative to discuss the High Rise ownership, and it was decided that it would make sense for there to be one (joint) ownership of the property. Housing Connect is working on a partnership agreement for the City Housing Authority to review. CEO Janice Kimball added that the rehab costs will be minimal and a 4% bond for funding will be used. She also mentioned that the agency is receiving mixed signals from the City Housing Authority on submission of the application.

Meeting with West Valley City officials (June 6): Housing Connect met with West Valley City officials on June 6, noting that the meeting was positive. The officials did not seem to object to re-development of the Granger Apartments and were supportive of that. They were also open to re-visiting the Valley Fair Village apartments.

Light-to-moderate rehab projects: Housing Connect is working on its light-to-moderate rehab project (Union Park, Academy Park, and Erin Meadows properties). CEO Janice Kimball said that a 4% bond will be used for these properties, but the agency is still waiting for the RAD PNA report to come out. She said that moving forward will come down to two things: Whether the rehab needs match the money which will be used and whether the rents in the market will support the bonds. She added that Housing Connect is working these out and hopes for clarity in the future.

Disposition: Housing Connect has officially been awarded the tenant replacement vouchers. The awards are starting in August. The Tenant Relocation Services bids closed last week, and the agency received three applications, which are being reviewed, and it appears only one bidder is qualified. Tenant meetings are being held. Housing Connect is working with the Community Development Corporation of Utah (CDCU) on a draft agreement for homeownership.

Rebrand: The Housing Connect rebrand website is close to launching and is coming along well. The agency is hoping to have it completed by the end of July.

The Trump Administration's new mixed family rule: The Trump Administration is proposing a new mixed family rule, which will deny housing to households who have a non-eligible citizen. Housing Connect is opposing this. It is detrimental. The agency is working with NAHRO to push back on this. Chair Jennifer Johnston added that this will increase the administrative burden (to count everyone in the household).

Complaints: There have been two complaints which CEO Janice Kimball wanted to make the Board aware of. One is a client at Bodhi who has filed a complaint of disability and national origin. This client was issued an eviction notice for disturbing the peace. The other was a complaint of racial discrimination, centering around parking and a car which got towed.

Domestic violence situation: Recently, a past employee, residing at Bud Bailey Apartments, was issued and charged with aggravated assault, domestic violence in the presence of a minor, and child abuse.

7. EXECUTIVE SESSION

At 12:07 p.m., Commissioner Bernal 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 a potential real estate transaction.

At 12:46 p.m., the Board recessed in order for two other entities to hold their Board meetings; the Board then re-commenced the Housing Connect Executive Session at 12:52 p.m. to continue the property discussion.

At 12:55 p.m., Commissioner Moffat motioned to move out of Executive Session, and Commissioner White seconded. The motion passed, and the Board continued with the next agenda item.

8. RESIDENT ADVISORY BOARD (RAB) REPORT

Commissioner White indicated that the RAB did not hold a meeting in June.

9. COMMISSIONERS INPUT

Commissioner Bernal reported that NAHRO President Carl Richie and CEO Adrienne Todman were both in attendance at the Mountain Plains NAHRO conference in Billings, Montana, and that both seemed impressed with the people they met there.

10. STAFF TRAINING UPDATE

CEO Janice Kimball pointed out to the Board the information presented in the Board book on staff training for the first half of 2019. She said that a decision has been made to share information regarding staff training on a semi-annual basis, going forward.

11. OTHER

CEO Janice Kimball brought to the attention of the Board the following information:

- The Hub: Construction is very close to being on schedule, and Housing Connect feels good the contractors will meet the construction deadline. She added that there has not been a lot of movement so far on fundraising and that the agency is watching this closely.

- Westlake construction: Housing Connect met with the contractors for the Westlake construction. They were supposed to finish in May. Housing Connect has extended the deadline to the end of July and has received their commitment to complete the work. The contractors are very interested in doing the RAD energy upgrades.

- PHA Plan approval: Housing Connect received HUD's approval on the PHA Plan which was submitted in April.

CFO Andre Bartlome pointed out that there was a nice article on the kids' program which is ending. CEO Janice Kimball added that there is some money set aside in the disposition sales to do some service coordination.

ADJOURN

At 12:59 p.m., the meeting was adjourned. Chair Jennifer Johnston reminded the Board of the July meeting. CEO Janice Kimball informed the Board that there may be some items on development which the Board will need to go over at that meeting but that the agency wanted to use the July meeting as a time to set up the Housing Connect Fund Board and that there is an interest in setting this up differently than the agency's other entities, and more in line with other non-profit service boards. She has asked Zach Bale to take the lead on this. Chair Jennifer Johnston said that this would be discussed, as well as the CEO's compensation, and anything which Jeremy Runia may have to report back.

Respectfully submitted,

Dan Pincock
Executive Administrator