



HOUSING CONNECT

MINUTES OF THE ELECTRONIC MEETING OF THE BOARD OF COMMISSIONERS

June 17, 2020

PRESENT (video):

Jennifer Johnston – Chair
Mark Johnston – Vice Chair
Phil Bernal – Commissioner
Erin Litvack – Commissioner
Christine Nguyen - Commissioner

EXCUSED:

Spencer Moffat – Commissioner
Gwen White – Commissioner

STAFF PRESENT (video):

Janice Kimball – Chief Executive Officer
Andre Bartlome – Chief Financial Officer
Zach Bale – Chief Programs Officer
Troy Hart – Real Estate Development Manager
Jarin Blackham – Information Technology Director
Mike Kienast – Chief Operations Officer
Jodi Parker – Section 8 Housing Choice Voucher Director
Paul Rooker – Human Resources Director
Jeremy Runia – Real Estate Development Director
Dan Pincock – Executive Administrator

COMMENCE

At 11:55 a.m., Board Chair Jennifer Johnston welcomed the Board members and the Housing Connect management team in attendance to the Board meeting.

Housing Connect CEO Janice Kimball informed the Board that Section 8 Housing Choice Voucher Director Jodi Parker has announced her retirement (effective July 16) and thanked her for her many years of service. The Board members thanked her, as well, and gave her their best wishes.

1. PUBLIC COMMENT

No members of the public were in attendance.

2. CONSENT AGENDA

The Board approved the Consent Agenda which consisted of the Board Meeting minutes from May's meeting; the Staff Training Summary (January through May); The Hub activity report; the Covewood remodel update; the 426 South project update; the Hunter Hollow activity report; and the staff updates/changes. Vice Chair Mark Johnston motioned to approve the Consent Agenda, and Commissioner Nguyen seconded the motion. All Board members present (Chair Jennifer Johnston, Vice Chair Mark Johnston, Commissioners Bernal, Litvack, and Nguyen) voted affirmatively, and the Consent Agenda was approved.

3. EXECUTIVE SESSION

At 11:58 a.m., Vice Chair Mark Johnston made a motion for the Board to enter into Executive Session to discuss some real estate matters. Commissioner Litvack seconded the motion with all Board members present (Chair Jennifer Johnston, Vice Chair Mark Johnston, Commissioners Bernal, Litvack, and Nguyen) voting in favor, and the Board entered into Executive Session.

At 12:10 p.m., Commissioner Bernal motioned for the Board to move out of Executive Session and back into regular (open) session, and Commissioner Nguyen seconded the motion. All Board members present (Chair Jennifer Johnston, Vice Chair Mark Johnston, Commissioners Bernal, Litvack, and Nguyen) voted affirmatively, and the Board returned to regular (open) session.

4. COVID-19 UPDATE

Housing Connect CEO Janice Kimball pointed out that the lobby had been partially opened recently but has since been closed. A staff member who worked in the Eligibility/customer service/front desk area, recently tested positive for the coronavirus, and staff in those areas are working remotely until their quarantine period is over. COO Mike Kienast explained that there is a sign on the front door which reads that the lobby is presently closed with instructions for clients on how to get in contact with staff for questions which they may have. There is also a Ring doorbell for clients to use to talk to a staff member. Janice Kimball then gave a brief status update of staff who have previously tested positive for COVID-19.

CFO Andre Bartlome discussed Housing Connect's finance aspect of COVID-19. For the Paycheck Protection Program (PPP), the organization has received almost \$1.5 million, which it has since paid back \$1.1 million, leaving \$350,000 to cover for programs and grants where the expenses are not funded by HUD. He mentioned that Housing Connect has also received \$319,000 for the Housing Choice Voucher program and \$264,000 for Public Housing, for a total of \$933,000 received in COVID-19 funding.

He confirmed that at least 60% of PPP funds are directly assigned to payroll and that the agency will apply for "forgiveness" in July. He reviewed year-to-date expenses (PPE, cleaning expenses, IT, salary, benefits, and overtime, and lost rent) and future anticipated expenses through the end of the calendar year. Through County (HOME) funding, Housing Connect has received some funding which is designated for paying rent for those who have been affected by COVID-19, and, so far, \$62,000 has been paid out. CEO Janice Kimball clarified that a lot of the COVID funding for salaries is designated for staff in Eligibility and housing, so it is for assisting people to get into housing and to be qualified, but the HUD funding is intended to accommodate extra expenses associated with operating in a COVID environment. She added that, at Jodi Parker's recommendation, the agency is giving a landlord incentive (\$100 - \$200) as a way to thank landlords for the creative things they have done to get people safely into housing and to build a better relationship with them.

Andre Bartlome pointed out that barrier removal expenses (such as security deposits or other things which prevent future tenants from getting into the program) have been included in the upcoming budget.

5. ACTION ITEMS

The Board moved to the Action Items section of the meeting.

- Resolution #1006 - Housing Connect budget: CFO Andre Bartlome called to the Board's attention some budget items which have been added since the Finance Committee meeting in early May:

a) COVID-19 (already discussed): The agency needed to estimate how much of the \$933,000 in COVID funds would be used between July and December of this year for revenues and expenses and that the agency had come up with an estimate;

b) \$100,000 for a landlord liaison position (to help those on the waiting list to connect with landlords) and for barrier removal funds: CEO Janice Kimball told the Board that a recent survey of potential and current tenants revealed that they had challenges getting into housing, some of which were application and other fees, while other challenges revolved around just being able to find an affordable apartment and that management felt this position was a good opportunity to address this need.

c) \$20,000 as a placeholder to get started with staff inclusion and diversity issues and training: CEO Janice Kimball said that this is a first step in getting some training and building the agency's level of competence. She said that, overall, staff diversity looks good and is similar to the County and the population which Housing Connect serves (and data shows that the agency is equitable with salaries across the board), but where the agency has some challenges is in leadership positions. She summarized that areas which the organization can look at include: i) internally – recruit and promote a diverse staff; ii) policies – how Housing Connect operates as an agency; and iii) how Housing Connect spends its funds in how it contracts with other entities. She added that delving into staff inclusion and diversity and then coming up with a plan going forward is one of her goals for the coming fiscal year.

d) \$50,000 for security costs for Valley Fair Village (in West Valley City): Andre Bartlome said this would be used to build a relationship with West Valley City, as well as to fill the need for safety at the property. Janice Kimball further explained that this is a contract with the West Valley City Police Department, as a lot of transients have been seen on the property, and there has been a lot more crime over the last year at those apartments.

CFO Andre Bartlome then shared graphs of budgeted revenues (\$46 million – up from \$40 million last year) and expenses (also \$46 million).

He then presented the summarized budget, reviewing the various revenues and expenses. This upcoming fiscal year, Housing Connect should make \$1.6 million, minus development revenues and Resident Services disposition funds, for a net profit of \$835,000. He pointed out for informational purposes (no action to be taken by the Board) that Choice Property Solutions, the agency's third-party property management entity, is projected to make a profit of just under \$10,000 in the upcoming fiscal year.

He provided the full Housing Connect budget and showed comparison numbers to last year as well as to actuals. He also presented a table with a history of average salary per employee and the benefit rates divided by salary.

Vice Chair Mark Johnston motioned to approve the resolution for the upcoming fiscal year Housing Connect budget, and Commissioner Nguyen seconded the motion, which passed with all Board members present (Chair Jennifer Johnston, Vice Chair Mark Johnston, Commissioners Bernal, Litvack, and Nguyen) voting in favor. Resolution #1006 (Housing Connect budget) was approved.

- Resolution #1007: Hunter Hollow Construction Manager/General Contractor contract. It was agreed that this resolution would be addressed after a contract has been received.

- Resolution #1008: Section 8 Housing Choice Voucher admin plan update. As the Board had already approved changes to the admin plan previously this year, Housing Connect Section 8 Housing Choice Voucher Director Jodi Parker explained that this resolution is for changes to the remaining chapters (7 - 16), which she said were mostly minor changes, although there were more significant changes related to domestic violence wording. Commissioner Litvack motioned to approve the changes, and Commissioner Bernal seconded. All Board members present (Chair Jennifer Johnston, Vice Chair Mark Johnston, Commissioners Bernal, Litvack, and Nguyen) voted in favor, and Resolution #1008 (Section 8 Housing Choice Voucher admin plan update) was approved. Chair Jennifer Johnston thanked Jodi Parker for her work on the admin plan and for her all of her service to the agency. She and the Board wished her well and congratulated her on her upcoming retirement.

- Resolution #1009: the issuance and sale of bonds for the re-financing of the current Villa Charmant debt obligation. Chair Jennifer Johnston recused herself from this action item because of her employer's (Zions Bank) involvement with the re-financing, and Vice Chair Mark Johnston led this action item. Housing Connect Chief Operating Officer (COO) Mike Kienast informed everyone that Housing Connect was requesting the Board's approval and authorization for the issuance and sale of \$2.468 million in multi-family housing bonds for the purpose of re-financing (at a lower interest rate) of the current Villa Charmant debt obligation to J.P. Morgan Chase and to provide additional resources for capital improvements to Villa Charmant, as well as acquisition of other affordable housing units in Salt Lake County. CFO Andre Barltome pointed out that the Board had previously approved in principle for the agency to re-finance, and this resolution provides the details, and, pending the Board's approval, the issuance of the bonds would take place on Friday, June 19. COO Mike Kienast further added that with the lower interest rate (3.53% versus 5.4%), the agency would have similar payments and be able to use the additional cash for the acquisition of more assets. Commissioner Litvack motioned to approve the resolution, and Commissioner Bernal seconded. Chair Jennifer Johnston abstained from the vote on this action, but the rest of the Board members present (Vice Chair Mark Johnston, Commissioners Bernal, Litvack, and Nguyen) voted in favor, and the motion to approve Resolution #1009 (Villa Charmant bonds) passed.

- Housing Connect Fund (HCF) Board nomination (Kareem Balance): Housing Connect Chief Programs Officer (CPO) Zach Bale said that this nomination was one of two people who are recipients of Housing Connect's assistance which the Fund is looking to put forward for the Board's approval. Kareem Balance is a participant in some of Housing Connect's programs. Commissioner Litvack motioned for the Board to approve the nomination of Kareem Balance to the HCF Board as a Trustee, and Commissioner Nguyen seconded. All Board members present (Chair Jennifer Johnston, Vice Chair Mark Johnston, Commissioners Bernal, Litvack, and Nguyen) voted in favor, and Kareem Balance was approved as a Housing Connect Fund Board Trustee.

6. HOUSING CONNECT FUND (HCF) REPORT

CEO Janice Kimball summarized Housing Connect Fund's Needs Assessment survey by highlighting two key findings, which she felt were very telling: 1) services needs (housing assistance, help with utilities, fees), which Housing Connect is allocating \$100,000 to address how it can impact these concerns, which she felt will be helpful; and 2) 46% of those surveyed indicated that they would like support accessing food, and she felt that with Zach Bale adding Gina Cornia (Utahns Against Hunger) to the Fund Board, she would be a good resource to help impact that need.

Commissioner Nguyen was pleased that the Housing Connect Fund is now an officially recognized 501c(3) (non-profit) organization and was enthusiastic about the Board Chair, Nick Fritz, and the interim Vice Chair, Sarah Canham. Zach Bale mentioned that next week there will be a Fund planning meeting focused on mapping out a 5-year plan which will then be brought to the full Fund Board with updates to the Housing Connect Board. Janice Kimball added that Housing Connect updates are given at the Fund Board meetings and making sure there are formal lines of reporting between entities will make for a strong partnership over time.

Commissioner Litvack asked further about the accessing food statistic, in trying to get a better sense of the finding. Zach Bale shared that the survey was conducted pre- and post-COVID outbreak, and so it captured both environments, and the question around food was rather basic, but it was learned that for some, it was a money issue, and for others, it was transportation, and for another group, it was due to perception concerns (not wanting to ask for assistance). Staff did outreach to respondents at Housing Connect's public housing, Housing Choice Voucher, and congregate sites (where services are not tied to them), and meals and food have been delivered in various ways (food bank delivery, assistance with transportation, Dask's Greek restaurant food donations, etc.), and the need, as far as can be

determined, has been met. Commissioner Litvack offered to connect Housing Connect leadership with the County's Adult and Aging Services staff to arrange for meal delivery through Meals-On-Wheels for those Housing Connect clients who qualify for it. Chair Jennifer Johnston encouraged management to be aware of the breakdown of the respondents and the survey details when reviewing the results.

7. COMMISSIONERS INPUT

Chair Jennifer Johnston sought the commissioners' input on how things looked from their perspectives. Commissioner Litvack said that the COVID crisis has accentuated the need to focus on housing as the solution for homelessness. Commissioner Bernal informed everyone that NAHRO (at the national level) is working as much as it can with various congressional delegations and with HUD on housing-related COVID issues. Commissioner Nguyen brought up the fact that testing sites were not open on Sunday, and there were shortened hours on Saturday. Vice Chair Mark Johnston was hopeful that the County and the City would be strategic in their use of COVID emergency funds.

8. OTHER

A July Board meeting will be held on Wednesday, July 15, in order to cover real estate-related items.

ADJOURN

The meeting was adjourned at 1:05 p.m.

Respectfully submitted,

Dan Pincock
Executive Administrator