



HOUSING CONNECT

MINUTES OF THE ELECTRONIC MEETING OF THE BOARD OF COMMISSIONERS

August 19, 2020

PRESENT (video):

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

STAFF PRESENT (video):

Janice Kimball – Chief Executive Officer
Andre Bartlome – Chief Finance Officer
Zach Bale – Chief Programs Officer
Mike Kienast – Chief Operations Officer
Jeremy Runia – Real Estate Development Director
Ilez Brady – Section 8 Housing Choice Voucher Director
Lori Pacheco – Public Housing Director
Dan Pincock – Executive Administrator

COMMENCE

At 11:32 a.m., Board Chair Jennifer Johnston welcomed the Board members and the Housing Connect management team in attendance to the Board meeting. Housing Connect Chief Executive Officer Janice Kimball introduced the newest member of the Housing Connect Management Team, Ilez Brady, who recently became the agency's Section 8 Housing Choice Voucher Director.

1. PUBLIC COMMENT

No members of the public were in attendance.

2. CONSENT AGENDA

For this month's Consent Agenda, the following items were included: Minutes of the Board meetings for both June and July; The Hub activity report; the Covewood remodel update; the 426 South project update; the Hunter Hollow activity report; Resident Services tenant survey results; Resolution #1011 (Admissions and Continued Occupancy Policy – ACOP – updates); Resolution #1014 (Public Housing/Section 8 write-offs – Public Housing write-off: \$19,107.80; Section 8 write-off: \$17,232.00; total write-off: \$36,339.80); the clean file review audit by the Utah Housing Corporation (UHC) for the Villa Charmant Apartments; and staff updates/changes. Commissioner White motioned to approve the Consent Agenda, and Commissioner Moffat seconded the motion, which passed with all Board members present (Chair Jennifer Johnston, Vice Chair Mark Johnston, Commissioners Bernal, Litvack, Moffat, Nguyen, and White) voting in favor, and the Consent Agenda was approved.

3. EXECUTIVE SESSION

At 11:35 a.m., Commissioner Nguyen motioned for the Board to enter into Executive Session to discuss some real estate matters and the CEO's evaluation and compensation. Commissioner White seconded the motion with all Board members present (Chair Jennifer Johnston, Vice Chair Mark Johnston, Commissioners Bernal, Litvack, Moffat, Nguyen, and White) voting in favor, and the Board entered into Executive Session. After the real estate issues were discussed, all Housing Connect staff were excused, and only the Board members (Chair Jennifer Johnston, Vice Chair Mark Johnston, Commissioners Bernal, Litvack, Moffat, Nguyen, and White) remained in order to discuss the CEO's evaluation and compensation.

At 12:39 p.m., Vice Chair Mark Johnston motioned for the Board to move out of Executive Session and back into regular (open) session, and Commissioner Litvack seconded the motion. All Board members present (Chair Jennifer Johnston, Vice Chair Mark Johnston, Commissioners Bernal, Litvack, Moffat, Nguyen, and White) voted affirmatively, and the Board returned to regular (open) session.

4. ACTION ITEMS

The Board approved three resolutions:

- Resolution #1012 (Housing Choice Voucher Payment Standards interim adjustment): The payment standard for 1-bedroom units will be adjusted from \$964 to \$1,012 in order to match the City Housing Authority's payment standard. CEO Janice Kimball explained that this is an interim adjustment for 1-bedroom units, as one of Housing Connect's partners (the Veterans' Administration - VA) asked that the payment standard for 1-bedroom units be adjusted so that the VA could house clients. The VA had indicated it was willing to approve Housing Connect's application for vouchers if Housing Connect was willing to increase the payment standard.

Chief Finance Officer Andre Bartlome added in September, management will go back to the Board for the regularly scheduled payment standard change. When deciding to change payment standards, he said that the trade-off is if the payment standard is raised, it is good for the tenants (as they will have more leverage to find a better place to live) but that the agency serves less families, and receives less administrative funding. He noted that Housing Connect leadership felt that making an interim adjustment for 1-bedroom units was beneficial (instead of waiting until next month), and CEO Janice Kimball said that the VA has had a difficult time leasing up (because the subsidy wasn't enough).

Commissioner Litvack motioned to approve the resolution, with Commissioner Moffat seconding. The motion passed with all Board members present (Chair Jennifer Johnston, Vice Chair Mark Johnston, Commissioners Bernal, Litvack, Moffat, Nguyen, and White) voting in favor, and Resolution #1012 was approved.

- Resolution #1013 (Public Housing Agency – PHA - Annual Plan): CEO Janice Kimball provided some background on the resolution. Housing Connect submitted its annual Public Housing Agency (PHA) Plan to HUD in April. Due to COVID-19, however, HUD extended the submission deadline to all housing agencies, which allowed changes to be made to Housing Connect's Plan. Those changes were: an additional preference for 25 Section 8 Housing Choice Vouchers to be used for homeless individuals which will be prioritized by the Coordinated Entry System; and a preference for elderly households at the County High Rise (New City Plaza), with the exception of ADA/504 units.

There was a motion to approve the resolution by Commissioner Nguyen. Commissioner White seconded the motion, which passed with all Board members present (Chair Jennifer Johnston, Vice Chair Mark Johnston, Commissioners Bernal, Litvack, Moffat, Nguyen, and White) voting in favor. Resolution 1013 was approved.

- Resolution #1015 (Emergency preference voucher 60-day extension): Housing Connect CEO Janice Kimball explained that the extension requested will allow Housing Connect to house the rest of the families identified in Rapid Rehousing and to give them the time they need to use the vouchers. Commissioner Bernal motioned to approve the resolution, and Commissioner Nguyen seconded the motion, which passed with all Board members present (Chair Jennifer Johnston, Vice Chair Mark Johnston, Commissioners Bernal, Litvack, Moffat, Nguyen, and White) voting in favor. Resolution 1015 was approved.

5. CEO's REPORT

Housing Connect CEO Janice Kimball reported on the following topics:

- The organization is moving forward with transitioning family housing to the Community Development Corporation of Utah (CDCU). She showed a message from one of the new home buyers (who had been a Housing Connect client). To date, six homes have sold, with three more being closed on this week. Housing Connect is getting ready to transfer the next tranche of homes.

- Housing Connect is holding pretty well in regards to COVID-19: There are no new staff infections, although three more families in some of the agency's smaller family sites have reportedly tested positive. Housing Connect is concerned with schools re-opening and will keep a close watch on that. Staff have been told that the agency will re-assess the overall situation at the end of September as to whether any changes need to be made.

In May, Housing Connect has received just under \$500,000 in short-term rent assistance from Salt Lake County. This assistance has provided housing to 194 families. The average per month assistance is \$855. This funding is set to wind down, and the organization is waiting to see if there will be additional funding from the County or the State. Utah Community Action (UCA) is providing rent assistance, and Housing Connect is here to support them, if there's a capacity issue, but Housing Connect feels like that is going well.

- Recently, the agency has had an opportunity to partner with Lightspark Foundation, which is part of the Flourish to Nourish initiative

and supports local restaurants, to provide meals to low-income households. Housing Connect is providing meals to 150 households five days a week partly through The Hub and our South Main family property and by rotating between some of the agency's larger congregate sites.

- In addition, Housing Connect has received two Award of Merit recognitions from national NAHRO: 1) website re-brand; and 2) Families BOND program, which serves families with children 0 to 5 years of age and works to provide them support. The organization has been encouraged to apply for the Award of Excellence.

- Lately, the agency has been looking at rent delinquencies. For non-Public Housing, the organization is owed \$54,000, \$34,000 of which can be attributed to COVID, so Housing Connect is referring people to community resources and working with them to arrange payment plans.

- HUD released a mobility demonstration Notice of Funding Availability (NOFA), using Section 8 vouchers and trying to help families lease up in areas of opportunity. Research has shown that there are better outcomes when children have access to better schools, jobs, and transportation. The agency is vetting this opportunity to see if it meets eligibility.

- Lastly, a lawsuit has been filed against Vecino/Bodhi (it's a slip-and-fall incident which occurred during construction) for which Housing Connect has been named in the suit. This has been turned over to Vecino's insurance company to address.

There was a discussion around the additional COVID funds and whether any of it is being used to expand inventory. CEO Janice Kimball explained that the funding received is specifically tied to Section 8 and Public Housing functions and that there really isn't an opportunity to acquire new properties or expand programs with this funding.

6. QUARTERLY DEPARTMENT REPORTS

Financials: CFO Andre Bartlome talked about the financials and reported that overall they are looking good. He acknowledged that the agency has a lot of money in the bank (over \$12 million from the sale of the scattered sites) and that the agency should end the year well. In answer to Vice Chair Mark Johnston's question about whether Housing Connect's positive financials are in part because of less spending (due to COVID), he explained that Housing Connect is not counting any funds received as part of the CARES Act as revenue (rather, it is counted as deferred revenue), but he felt that the organization has run its programs well in most areas, and COVID hasn't affected the current programs as much as expected in the beginning. He also pointed out that the audit will be next month with the audit report being presented to the Board in October or November.

Section 8, Eligibility/Wait List, Public Housing, and Tax Credit properties: There were no questions about this report.

Resident Services and Supportive Housing: There were no questions about this report.

CEO Janice Kimball told the Board that it is Housing Connect's goal to provide these reports on a quarterly basis.

Chair Jennifer Johnston requested for any information which are significantly below or above capacity that it would be helpful if those reporting would indicate plans to bring back to capacity or any adjustments that are being made.

7. RESIDENT ADVISORY BOARD (RAB) REPORT

Commissioner White provided the RAB report. The RAB members voted in the August meeting to amend the by-laws to allow for virtual (Zoom) meetings (as opposed to not meeting at all). She also had some questions and concerns about the chain of command and reporting resident issues to Housing Connect.

8. COMMISSIONERS INPUT

Vice Chair Mark Johnston who has been serving as the Board Vice Chair for a while suggested that the Board consider Commissioner Moffat for the Vice Chair position.

Commissioner Moffat said that he continues to see surprising numbers on land transactions – sales prices in locally in downtown Salt Lake City. Whatever thought, he said, of a housing slow down doesn't seem to be happening, but he added that Housing Connect is in a good position having some development underway, which will prove to be very good sites in the near future as prices continue to go up.

Chair Jennifer Johnston asked whether more potential office space is now converting to residential. Commissioner Moffat indicated it is but mentioned that the challenge for office space is that the leases are long-term and he is seeing a lot of sub-lease spaces on the market, but those leases don't "roll" for a couple of years. So, there's a rush to housing and industrial because those asset classes seem to be performing the most steadily. He said that out-of-state money is coming here and that is pricing a lot of local developers out, which

is why having sites under Housing Connect's control is a very good thing, and so is redevelopment.

Commissioner Bernal informed the Board that in August, NAHRO typically asks commissioners to send letters to Congress to support its priorities. He indicated that there is a template on the NAHRO website, which will send a message to the user's elected officials.

He also discussed the upcoming online Commissioners Fundamentals training. Chair Jennifer Johnston suggested to those who feel it might be easier to participate via Zoom that now would be a good time to sign up for the training. She asked Housing Connect Executive Administrator Dan Pincock to send out the links to the advocacy letter and the training.

Commissioners Litvack and Nguyen felt taking the training offline (recorded) would be more realistic for their circumstances, and Chair Jennifer Johnston suggested that Commissioner Bernal get in touch with NAHRO and share with them the interest in a recorded training.

Commissioner Litvack inquired about the impact to the community of the eviction moratorium, now that it has been lifted. Housing Connect CEO Janice Kimball replied that for Housing Connect, HUD still has a 30-day window before someone can be evicted but that she would try to look further into the issue and would let her know.

9. ACTION ITEMS (cont.)

At 1:22 p.m., Chair Jennifer Johnston excused all Housing Connect staff except for CFO Andre Bartlome and Executive Administrator Dan Pincock, in order to consider the CEO's compensation, which was discussed in Executive Session. The compensation as proposed would exceed what was originally budgeted for that line item (which was passed by the Board in June). CFO Andre Bartlome indicated his preference to leave the budget as it currently stands (and not to adjust it). The compensation would not put the agency in a deficit.

Commissioner Nguyen motioned to accept the CEO's compensation as discussed in Executive Session, and Commissioner White seconded it. All Board members present (Chair Jennifer Johnston, Vice Chair Mark Johnston, Commissioners Bernal, Litvack, Moffat, Nguyen, and White) voted in favor of the motion, and the CEO's compensation was approved.

Chair Jennifer Johnston confirmed that the compensation should be retroactive to July 1, and she tasked Executive Administrator Dan Pincock with ensuring that this discussion would be in the Board's calendar earlier in the budgeting process in future years so that it is approved along with the agency's overall fiscal year budget.

ADJOURN

At 1:29 p.m., Commissioner Litvack motioned to adjourn the meeting, and Commissioner Vice Chair Mark Johnston seconded the motion. The meeting was then adjourned.

The September Housing Connect Board meeting will be held on Wednesday, September 16.

Respectfully submitted,

Dan Pincock
Executive Administrator