



HOUSING CONNECT

MINUTES OF THE MARCH 2022 ELECTRONIC MEETING OF THE BOARD OF COMMISSIONERS

March 16, 2022

PRESENT (virtual):

Spencer Moffat – Chair
Phil Bernal – Vice Chair
Kat Johnson – Commissioner
Wendy Leonelli – Commissioner
Erin Litvack – Commissioner
Christine Nguyen – Commissioner
Gwen White – Commissioner

STAFF PRESENT (virtual):

Janice Kimball – Chief Executive Officer
Andre Bartlome – Chief Financial Officer
Zach Bale – Chief Program Officer
Mike Kienast – Chief Operating Officer
Kirk Moorhead – Real Estate Development Director
Dan Pincock – Executive Administrator

GUESTS (virtual):

Ralph Chamness – Salt Lake County District Attorney's Office
Eric Novak – Praxis Consulting Group, LLC

COMMENCE

The Housing Connect March 2022 Board of Commissioners Meeting was held virtually on Wednesday, March 16, 2022, and commenced at 11:40 a.m. Spencer Moffat welcomed everyone to the meeting. Ralph Chamness, from the Salt Lake County District Attorney's Office, and Eric Novak (consultant, Praxis Consulting Group) attended and participated in the meeting as guests.

1. GUESTS/PUBLIC COMMENT

Outside of the guests mentioned above, there were no members of the public in attendance.

2. OPEN MEETING LAW TRAINING

Ralph Chamness provided the Open Meeting Law training to the Board, which is required for Board members on an annual basis. He touched on a number of requirements for holding an open meeting, such as the need for a quorum, public notice, posting requirements, written minutes, closed session, electronic meetings, GRAMA (Government Records Access and Management Act) requests, penalties, and legislature changes. There were no questions, and he left the meeting at 11:55 a.m.

3. CONSENT AGENDA

There were three items in the Consent Agenda which needed Board approval:

- staff changes
- Sunset Gardens project update
- State hospital diversion (group home) update

Housing Connect CEO Janice Kimball pointed out that there are a number of new and open positions.

CEO Kimball informed the Board that the Sunset Gardens project is going quite well. Recently, Housing Connect met with the Midvale City Council and received initial approval of \$1.7 million in housing funds. The project is expected to close on the funding early this

summer. The construction will need to finish and occupancy will need to take place by the end of December 2023.

CEO Kimball said that Housing Connect will be providing some funding for group homes (briefly mentioned in the last Board meeting) through the agency's contract (Interlocal Agreement) with Salt Lake County to help the facilities to get up to code.

Commissioner Litvack motioned to approve the Consent Agenda, and Commissioner Nguyen seconded the motion. All commissioners present (Chair Moffat, Vice Chair Bernal, and Commissioners Johnson, Leonelli, Litvack, Nguyen, and White) supported the motion, voting affirmatively, and the Consent Agenda was approved.

4. NEW CITY PLAZA (NCP) UPDATE

Consultant Eric Novak provided the NCP update and noted that the project is back on a closing track. He said a draft contract and schedule for final review to the investor and lender has been provided and that a revised HUD package (for FHA and RAD) will be submitted in early April, allowing the closing to take place in mid-May. The project is still negotiating with Enterprise, and he said that there is a concern around Housing Connect's ability to provide financial guarantees. CEO Janice Kimball said that she has talked with legal counsel, and a statement is being worked on. Consultant Novak said that once the Significant Amendment and the Disposition resolutions are approved, Housing Connect will have all the materials it needs to submit to SAC (HUD's Special Application Center) for disposition approval. He answered some questions around pricing and schedule.

5. FINANCIAL REPORT

CFO Andre Bartlome reviewed Housing Connect's financial position and focused on concerns with tracking reserves. As the agency has become more complex and has acquired significant reserves due to the disposition of Public Housing scattered sites, Housing Connect will need to track the unrestricted and restricted funds more carefully. To address these concerns, Housing Connect will include detailed reserve information in the monthly financial report, will re-procure an auditor, and will explore using lines of credit.

6. ACTION ITEMS

The following action items were presented to the Board:

- the February 2022 Housing Connect Board Meeting minutes: There were no comments or questions on the minutes. Commissioner Nguyen motioned to approve the minutes, and Commissioner Litvack seconded the motion, with all commissioners present (Chair Moffat, Vice Chair Bernal, and Commissioners Johnson, Leonelli, Litvack, Nguyen, and White) voting to support the motion. The February 2022 Board Meeting minutes were approved.

- Resolution #1051 – Approval of the use of Public Housing disposition funds for RAD conversion and the redevelopment of Sunset Gardens: CEO Janice Kimball asked the Board to approve the use of \$2.1 million (from Public Housing disposition proceeds) to support the RAD conversion of 253 Public Housing units at Cyprus Park, Academy Park, Kearns, and the County High-Rise, as well as \$535,000 for the redevelopment of Sunset Gardens through Section 18. CFO Bartlome indicated that the actual resolution reflects all costs (including future pre-development costs). Sunset Gardens will be converted from 24 units to 89 units.

Commissioner Johnson motioned to approve the resolution. Commissioner White seconded the motion, and all commissioners present (Chair Moffat, Vice Chair Bernal, and Commissioners Johnson, Leonelli, Litvack, Nguyen, and White) voting in favor. Resolution #1051 was approved.

- Resolution #1052 – Approval of the use of Public Housing disposition proceeds for the purchase of Parkhill: It was explained to the Board that this resolution is for approval to use HUD disposition proceeds (instead of general funds) to purchase the Parkhill mobile home park property. It was pointed out that Housing Connect will propose to the Board at a future meeting to use a line of credit for the purpose of transitioning the residents and clearing of the mobile homes and that this resolution is only for the acquisition of the property.

Commissioner Litvack motioned to approve the use of Public Housing disposition proceeds to purchase Parkhill, while Commissioner White seconded the motion. All commissioners present (Chair Moffat, Vice Chair Bernal, and Commissioners Johnson, Leonelli, Litvack, Nguyen, and White) voting to support the motion, and Resolution #1052 was approved.

- Resolution #1053 – Approval of the New City Plaza Section 18 disposition: CEO Janice Kimball explained to the Board that this resolution is for the purpose of approving the conversion of the High Rise units from public housing to Section 8 RAD units. Housing Connect's intent is to acquire and manage the 299 units of the property. She clarified that Housing Connect needs this resolution in order to submit its application to HUD's Special Application Center for approval to convert Public Housing to Section 8.

Commissioner Litvack motioned to approve the New City Plaza Section 18 disposition (Resolution #1053), and Commissioner Nguyen

seconded the motion. All commissioners present (Chair Moffat, Vice Chair Bernal, and Commissioners Johnson, Leonelli, Litvack, Nguyen, and White) supported the motion, voting affirmatively, and the Resolution #1053 was approved.

- Resolution #1054 – Approval of the Significant Amendment to the Housing Connect 2021-22 PHA Plan: CEO Janice Kimball explained to the Board that because the change in ownership structure of the New City Plaza (NCP) was not identified and planned for as part of Housing Connect’s current PHA Plan, Housing Connect needs to do an amendment to the existing Public Housing Agency (PHA) Plan to include the activity of acquiring all of the vouchers for NCP and moving the Public Housing units to Section 8 vouchers.

Commissioner Nguyen motioned to approve Significant Amendment to the Housing Connect 2021-22 PHA Plan (Resolution #1054), and Commissioner Litvack seconded the motion, with all commissioners present (Chair Moffat, Vice Chair Bernal, and Commissioners Johnson, Leonelli, Litvack, Nguyen, and White) voting to support the motion. Resolution #1054 was approved.

- Resolution #1055 – Approval of the Housing Connect 2022-23 PHA Plan: CEO Janice Kimball said that this resolution is for approval of the 2022-23 Annual PHA Plan and that the goals presented in the Plan were reviewed at the retreat (earlier this year).

Commissioner Johnson motioned to approve this resolution (Resolution #1055) for the agency’s 2022-23 PHA Plan. Commissioner White seconded the motion, and all commissioners present (Chair Moffat, Vice Chair Bernal, and Commissioners Johnson, Leonelli, Litvack, Nguyen, and White) voted in favor. Resolution #1055 was approved.

- Resolution #1056: Approval of disposition proceeds: It was explained to the Board by CEO Kimball that this resolution identifies how the agency has proposed prioritizing the scattered sites proceeds. She went through what was originally approved by the Board on May 10, 2019 and then explained what Housing Connect is currently proposing through this resolution. Commissioner Leonelli suggested promoting through the media how the agency sold the scattered sites to help single families to buy homes. CEO Kimball said that this could also go to the city councils of the communities where the homes were sold.

Commissioner Leonelli motioned to approve this resolution (Resolution #1056) for the proposed use of the disposition proceeds, and Commissioner Litvack seconded the motion, with all commissioners present (Chair Moffat, Vice Chair Bernal, and Commissioners Johnson, Leonelli, Litvack, Nguyen, and White) voting favorably to support the motion. Resolution #1056 was approved.

7. EXECUTIVE SESSION

At 1:05 p.m., Commissioner Bernal motioned for the Board to enter Executive Session in order to discuss real estate and human resources issues. Commissioner Johnson seconded the motion, and all commissioners present (Chair Moffat, Vice Chair Bernal, and Commissioners Johnson, Leonelli, Litvack, Nguyen, and White) voted in favor of the motion. The Board entered Executive Session.

At 1:31 p.m., Commissioner Bernal motioned for the Board to leave Executive Session with Commissioner Litvack seconding the motion. All commissioners present (Chair Moffat, Vice Chair Bernal, and Commissioners Johnson, Leonelli, Litvack, Nguyen, and White) supported the motion, and the Board left Executive Session and returned to open (regular) session.

8. COMMISSIONERS’ INPUT

- Commissioner Nguyen shared the news of the approval of the 1115 waiver which includes supportive services for housing.

- Commissioner White confirmed that on March 11 the Resident Advisory Board (RAB) approved Housing Connect’s PHA Plan.

- Commissioner Litvack informed the Board that the Salt Lake County Council approved \$6 million for the Medically Vulnerable Population (MVP) housing program (this could be a resource for homelessness). She also said that a \$20 million ask was in front of the County Council for the Affordable Housing Trust Fund (related to the use of ARPA dollars). The final decision for that request should be made on April 5.

9. OTHER

Chair Moffat acknowledged the two thank you letters which Housing Connect recently received.

CEO Kimball said that Housing Connect was recognized by HUD for being one of the top agencies in the nation for successfully leasing up the Emergency Housing Vouchers. Housing Connect was one of five agencies across the country which had received more than 100 vouchers.

ADJOURN

At 1:36 p.m., the meeting was adjourned without objection.

Respectfully submitted,

Dan Pincock
Executive Administrator