



HOUSING CONNECT

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

April 20, 2022

PRESENT (virtual):

Spencer Moffat – Chair
Phil Bernal – Vice Chair
Kat Johnson – Commissioner
Erin Litvack – Commissioner
Gwen White – Commissioner

EXCUSED:

Wendy Leonelli – Commissioner
Christine Nguyen – 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

COMMENCE

The Housing Connect April 2022 Board of Commissioners Meeting was held virtually on Wednesday, April 20, 2022, and commenced at 11:50 a.m. Spencer Moffat welcomed everyone to the meeting.

1. GUESTS/PUBLIC COMMENT

There were no members of the public in attendance.

2. CONSENT AGENDA

There were two items in the Consent Agenda which the Board approved:

- Continuum of Care (CoC) funding renewal and monitoring response;
- staff update

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

3. ACTION ITEMS

The following action items were presented to the Board:

- the March 2022 Housing Connect Board Meeting minutes: It was pointed out that Commissioner Johnson who attended the meeting was not on list as having participated in the meeting and that her name needed to be added to the list of those who participated. Commissioner Johnson then motioned to approve the minutes with that correction, and Commissioner White seconded the motion, with all commissioners present (Chair Moffat, Vice Chair Bernal, and Commissioners Johnson, Litvack, and White) voting to support the motion. The March 2022 Board Meeting minutes were approved.

- Resolution #1057 – Approval of roofing bidder and contract for Valley Fair Village: CEO Janice Kimball informed the Board that this was

a comprehensive process, including an independent cost estimate. The bids after the estimate were a lot higher when they came in, and so Housing Connect re-bid the contract and accepted AMCO American Roofing's bid of \$419,266.

Commissioner Litvack motioned to approve the roofing bid and contract for Valley Fair Village, and Commissioner White seconded the motion. All commissioners present (Chair Moffat, Vice Chair Bernal, and Commissioners Johnson, Litvack, and White) supported the motion, voting affirmatively, and Resolution #1057 was approved.

CEO Kimball also mentioned that Housing Connect will also be re-paving the parking lots and installing window air conditioner units, as part of maintaining the property.

- Resolution #1058 – New City Plaza (NCP) closing: It was explained to the Board that this resolution is the Housing Connect version of the resolution approved during the Housing Opportunities, Inc. (HOI) Board meeting and that this resolution gives authority to CEO Janice Kimball to follow through on the closing of the loan to the NCP project, as well as to: secure financing; purchase the Housing Authority of Salt Lake City's interest in the development; lease the development to New City Plaza Partners I LLC; complete the RAD conversion; make a loan to the development in the amount of approximately \$16,500,000; ratify actions previously taken by Housing Connect and Housing Opportunities Inc.; take all further actions necessary to close the deal.

Commissioner Johnson motioned to approve the resolution to approve the NCP closing, while Commissioner Litvack seconded the motion. All commissioners present (Chair Moffat, Vice Chair Bernal, and Commissioners Johnson, Litvack, and White) voted to support the motion, and Resolution #1058 was approved.

- Resolution #1059 – NCP Kier Construction pre-submittal letter: Housing Connect is planning to ask Kier Construction to proceed with the purchase of supplies for the New City Plaza (NCP) project. The cost will be \$1.655 million. It was pointed out that this is one measure used to combat the rising construction costs and that Housing Connect is committing to purchase the materials. Chair Moffat further remarked that from a construction standpoint, this is a standard practice right now.

Vice Chair Bernal motioned to approve the pre-submittal letter (Resolution #1059), and Commissioner Litvack seconded the motion. All commissioners present (NCP Kier Construction pre-submittal letter) supported the motion, voting affirmatively, and Resolution #1059 was approved.

- Staff recommendation on owned units: CEO Janice Kimball thanked Housing Connect Chief Operating Officer (COO) Mike Kienast for the comprehensive review of the agency's owned units. There are 35 owned units which are filled with households at 50% AMI (average median income) or below. The majority of the units are voucher holders. Staff's recommendation is to retain all 35 owned units.

There was a motion by Commissioner Johnson approve the staff recommendation on the owned units, and Commissioner White seconded the motion, with all commissioners present (Chair Moffat, Vice Chair Bernal, and Commissioners Johnson, Litvack, and White) voting to support the motion. The recommendation was approved.

4. SUNSET GARDENS PROJECT UPDATE

Real Estate Development Director Kirk Moorhead indicated that Housing Connect is pushing for a mid-July closing and there should be some information on construction pricing by April 29. The agency is anticipating receiving a \$1.7 million commitment from Midvale City and \$900,000 from Salt Lake County HOME funds. Due diligence calls are being made to all funders in order to get the deal closed by the summer. This is important because there is a cut-off deadline for 9% LIHTC of December 31, 2023, to have the units completed and the certificates of occupancy approved.

5. FINANCIAL REPORT

CFO Andre Bartlome provided the financial report through February 28, 2022, and commented on the following things:

- Agency financials: Overall, Housing Connect is showing \$394,000 more in revenue than expenses. It has, however, lost money on the High Rise (but expects to show a profit when Accounts Receivables issues are resolved, closing the partnership with Salt Lake City Housing Authority). Central Office/Central Maintenance shows a loss (due to unexpected capital items at the main office and a decrease in fee-for-service work orders at the properties due to a shortage of central maintenance staff). There should be a significant increase in Development when Housing Connect closes on the High Rise and Hunter Hollow.

- Budget timeline: The budget timeline was presented and discussed. CFO Bartlome encouraged the Board to attend either (or both) the Finance Committee Meeting (scheduled for Friday, May 13, at 10:00 a.m.) and the May Housing Connect Board Meeting and to provide feedback and input on the budget information.

- Cash reserves: The agency has recently received money from the County, the State, and from HUD, and there have been gains in the financials (mostly from owned unit, properties, and the supportive housing program) which has had a positively impacted the reserves.

- LIHTC property status: CFO Bartlome showed the LIHTC property listing, as well as the 2021 cash flow. He discussed the current balance due to Housing Connect and the developers fee still owed to HOI and other owners. Vice Chair Bernal advised that it is important to look at the whole picture and to keep the mission of the agency in mind. CEO Kimball agreed on the importance of having a long-term understanding.

6. EXECUTIVE SESSION

At 12:42 p.m., Commissioner Litvack motioned for the Board to enter Executive Session in order to discuss real estate and human resources issues. Vice Chair Bernal seconded the motion, and all commissioners present (Chair Moffat, Vice Chair Bernal, and Commissioners Johnson, Litvack, and White) voted in favor of the motion. The Board entered Executive Session.

At 1:21 p.m., Commissioner Litvack motioned for the Board to leave Executive Session. Vice Chair Bernal seconded the motion, and all commissioners present (Chair Moffat, Vice Chair Bernal, and Commissioners Johnson, Litvack, and White) voted to support the motion, and the Board left Executive Session and returned to open (regular) session.

7. CEO'S REPORT

CEO Janice Kimball briefed the Board on the program changes for the Supportive Housing and Resident Services Department.

She also informed the Board of the recent tour of the Bodhi apartments with the co-chairs of the Utah Homeless Council (Gail Miller and F. Whitney Clayton). Affordable Housing Director Jeanette Hernandez and her team did a great job preparing the property for the visit.

In addition, she announced the news to the Board that the Promise Meadowbrook STEM Center is relocating to The Hub. The Center provides free afterschool programming for youth in grades K-12; and works closely with the Promise Family Engagement team to provide families and other adult residents with resources and programs.

8. COMMISSIONERS' INPUT

- Vice Chair Bernal showed the new edition of the (NAHRO) Commissioners Handbook.

- Commissioner White said that the Resident Advisory Board (RAB) did not have a meeting in April and that the next meeting would take place in May.

- Commissioner Litvack informed the rest of the Board that the County Council approved a \$20 million allocation of ARPA funds for affordable housing.

9. OTHER

Chair Moffat reminded the Board of the May Board meeting (Wednesday, May 18), as well as the Finance Committee Meeting (Friday, May 13).

ADJOURN

At 1:30 p.m., the meeting was adjourned without objection.

Respectfully submitted,

Dan Pincock
Executive Administrator