



HOUSING CONNECT

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

May 18, 2022

PRESENT (virtual):

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

EXCUSED:

Spencer Moffat – Chair

GUESTS/PUBLIC:

Eric Novak (Praxis Consulting)
Josefa Martinez – tenant
Suzanne Bartlome – public

STAFF PRESENT (virtual):

Janice Kimball – Chief Executive Officer
Andre Bartlome – Chief Financial Officer
Mike Kienast – Chief Operating Officer
Kirk Moorhead – Real Estate Development Director
Paul Rooker – Human Resources Director
Marni Timmerman – Moving To Work Director
Ilez Brady – Housing Choice Voucher Section 8 Director
Jarin Blackham – Information Technology Director
Dan Pincock – Executive Administrator

COMMENCE

The Housing Connect May 2022 Board of Commissioners Meeting was held virtually on Wednesday, May 18, 2022, and commenced at 11:31 a.m. Commissioner Erin Litvack facilitated the meeting and welcomed everyone.

1. GUESTS/PUBLIC COMMENT

At the beginning of the meeting, consultant Eric Novak was the only guest, however Josefa Martinez, who attended on behalf of her sister who is a Housing Connect client, joined the meeting to get information about Moving To Work. Suzanne Bartlome (public) also attended the meeting.

2. NEW CITY PLAZA PROJECT UPDATE

Consultant Eric Novak indicated that the project is very close to closing on the financing and Housing Connect is waiting for HUD approval of the FHA loan. The Purchase and Sale Agreement has been signed, and the agency is waiting on the approval of the 179 tenant protection vouchers from HUD. Housing Connect plans to apply to the Private Activity Bond Board on May 25 for an additional \$2 million in bonds. The final construction contract is in final form with final pricing and numbers and exhibits. The project is permit-ready and is in a good position to close (hoping for a closing the week of June 6).

3. SUNSET GARDENS PROJECT UPDATE

Real Estate Development Director Kirk Moorhead updated the Board on the Sunset Gardens property. The construction pricing came back from the general pricing, and it was higher than the agency had wanted. Housing Connect is looking at a few options for making up the difference, such as value engineering, cost savings, and some additional fundraising (the agency currently has an application submitted to the Federal Home Loan of Dallas and is looking at some other resources through Salt Lake County). Housing Connect hopes to have the project closed by August, as the project needs to be placed in service with construction completed by the end of 2023. There

was a discussion on options for closing the funding gap (including bridge money, project basing the units, Housing Trust Fund money through Salt Lake County, UHC tax credits, funding from Midvale City, etc.).

4. CONSENT AGENDA

The Consent Agenda consisted of staff changes/updates since the previous Board meeting. Vice Chair Bernal motioned for the Board to approve the Consent Agenda. Commissioner Nguyen seconded the motion, and all Board members present (Vice Chair Bernal, and Commissioners Johnson, Leonelli, Litvack, Nguyen, and White) voted in favor of the motion. The Consent Agenda was approved. A question was raised about the maintenance positions. CEO Janice Kimball said that salaries have been adjusted and that management is proposing an adjustment in the budget. HR Director Paul Rooker added that Housing Connect has contacted a staffing agency which is new to the market at the recent Utah Apartment Association trade show which is offering a competitive rate and can help the organization bridge some of the gap on a temp-to-perm basis. In addition, three interviews are scheduled for the current week.

5. ACTION ITEMS

- Housing Connect Board Meeting minutes from the April 2022 Board meeting: There were no comments or questions regarding the minutes, and Commissioner White motioned to approve the minutes with Commissioner Johnston seconding the motion. All Board members present (Vice Chair Bernal, and Commissioners Johnson, Leonelli, Litvack, Nguyen, and White) supported the motion, and the April 2022 Board Meeting minutes were approved.

- Resolution #1060: Approval of the Moving To Work (MTW) Supplement: MTW Director Marni Timmerman remarked that the agency had gone through a robust process of presenting the waivers and the changes which Housing Connect would like to make to the public, and she provided some feedback on that and went through a summary review of MTW. She referred the Commissioners to the summary sheet in the Board book and gave a presentation to the Board which touched on the following information:

Summary of MTW Proposed Waivers
Stepped Rent Policy – Review
Impact Stepped Rent – Enrollment
Utility Allowance (UA) (definition)
Current Utility Allowance
Alternative Utility Allowance (Alt UA) – Apply to all Households
Shopping for a Unit
Alternative Utility Allowance – Impact
Alternative Utility Allowance – Impact HCV
RAB Approval with Recommendations
Public Comment
Public Comment Continued

After the presentation, Board members congratulated MTW Director Timmerman on the work that has been made. She confirmed that Housing Connect tries to connect tenants who struggle to pay utilities to programs that assist with this and mentioned the HEAT outreach event at one of the agency's properties so that clients can access those services. In response to guest Josefa Martinez's question regarding timeline, Director Timmerman said that, pending HUD approval, all MTW changes will take place at the same time that a tenant is scheduled for re-certification.

Commissioner White suggested additional meetings to keep those impacted educated and informed about upcoming steps.

Commissioner White motioned to approve Resolution #1060, and Commissioner Johnston seconded the motion, and all Board members present (Vice Chair Bernal, and Commissioners Johnson, Leonelli, Litvack, Nguyen, and White) voted in favor, and the Resolution #1060 for approval of the MTW Supplement was approved.

- Line of credit for Parkhill: CEO Janice Kimball explained that Housing Connect wants to support the Parkhill tenants by purchasing their mobile homes at the appraised value and to take the purchased mobile homes and removing them. Given the expected cost, Housing Connect was interested in getting a line of credit to do this and reached out to UBS Bank which provided a fair proposal. Housing Connect will need to get an appraisal and have a Phase 1 environmental study done.

Commissioner Nguyen motioned to approve pursuing a line of credit for Parkhill, and Commissioner White seconded the motion. All Board members present (Vice Chair Bernal, and Commissioners Johnson, Leonelli, Litvack, Nguyen, and White) voted in support of the motion, and the Housing Connect received approval for obtaining a line of credit for Parkhill.

- Benefits changes approval: CFO Andre Bartlome reviewed the proposed changes to the staff benefits. He first reviewed the FY23 budget timeline, including the upcoming dates. He summarized what took place in the finance committee meeting which was held on

Friday, May 13, with some of the Commissioners in attendance. He showed a summarized version of the overall budget.

He then focused on benefits. The current medical provider (PEHP) came in with a lower bid than last year, and the agency asked PEHP to offer a lower out-of-pocket maximum (which it did), and there ended up being a slight decrease in the quoted bid compared to last year. The agency is recommending to stay with PEHP as its medical provider. Housing Connect recommended changing its dental provider to Mutual of Omaha. With this change, there will be an increase in the orthodontic maximum, as well, the maximum payout for the individual. There will be no increased cost to staff for the change to Mutual of Omaha.

The agency is recommending a change to Equitable for the basic term and voluntary life benefit and to Unum for the Long-Term Disability plan. Housing Connect will stay with Opticare for its vision coverage. There will be a rate decrease for the Utah Retirement Systems for both Tier 1 and Tier 2 staff.

Housing Connect recommends changing the vacation leave accrual. Presently, new staff accrue vacation leave at the rate of 12 days per year for the first 7 years of employment. After 7 years, they earn vacation time at the rate of 18 days per year until the staff member has worked 15 years, at which point the accrual rate changes to 24 days. The recommendation is to change the accrual to 18 days for employees who have worked for 3 years and to 24 days for those who have worked 5 years or more. There is no recommendation to change the sick leave accrual.

CFO Bartolome reviewed the salary information, based on the cost of living increase and the recent salary survey (with Payscale) and sought direction from the Board for the final budget to be presented at the June Board meeting.

Commissioner Nguyen motioned for the Board to approve the recommended changes to the benefits package, and Commissioner White seconded the motion. All Board members present (Vice Chair Bernal, and Commissioners Johnson, Leonelli, Litvack, Nguyen, and White) voted in favor of the motion, and the changes to the benefits were approved. The Board also indicated its support for and was comfortable with the proposed salary increase for the next fiscal year (no formal action was needed, as the vote will be taken in the June Board meeting as it relates to the overall budget).

- Citizens West partnership: CEO Janice Kimball explained to the Board that Housing Connect has been working with the Giv Group at the Denver property, and the Giv Group approached the agency and has offered, as part of its organizational philosophy to build capacity for non-profits in the affordable housing arena, a minority ownership in its Citizens West project (50 units), as well as a commensurate percentage of the development fees and cash flow. This is dependent on approvals. CEO Kimball recommends accepting this partnership, and it appears that Giv Group will not be asking for project-based vouchers for this project.

Commissioner Leonelli motioned to proceed with the partnership pending legal review and jurisdictional approval, and Commissioner Nguyen seconded the motion. All Board members present (Vice Chair Bernal, and Commissioners Johnson, Leonelli, Litvack, Nguyen, and White) voted in favor of the motion, and approval to proceed with the Giv Group partnership was given.

6. EXECUTIVE SESSION

At 1:04 p.m., Commissioner Johnson motioned for the Board to enter Executive Session in order to discuss human resources issues. Commissioner White seconded the motion, and all commissioners present (Vice Chair Bernal, and Commissioners Johnson, Leonelli, Litvack, Nguyen, and White) voted in favor of the motion. The Board entered Executive Session.

At 1:45 p.m., Commissioner Johnson motioned for the Board to leave Executive Session. Vice Chair Bernal seconded the motion, and all commissioners present (Vice Chair Bernal, and Commissioners Johnson, Leonelli, Litvack, Nguyen, and White) voted to support the motion, and the Board left Executive Session and returned to open (regular) session.

7. QUARTERLY REPORTS

CEO Janice Kimball briefly discussed the financial, operations, and resident services reports stating that they were in line with where the agency expects them to be. She pointed out that Section 8 has started out the year with strong leasing.

8. COMMISSIONERS' INPUT

Commissioner White said that the Resident Advisory Board (RAB) is looking to recruit additional RAB members and will go on a tour of all the properties, and the meeting in July will consist of a property tour. The RAB would also like to learn how to lobby for affordable housing and would appreciate any help from the Board. CEO Kimball reminded Commissioner White that Steve Erickson (a local lobbyist for affordable housing) has a relationship with Utah NAHRO and would probably be willing to meet with the tenants about how to get involved. NAHRO also provides assistance. At the recent RAB meeting, the budget was reviewed, and MTW Director Marni Timmerman went over the MTW Supplement.

ADJOURN

At 1:55 p.m., the meeting was adjourned without objection.

Respectfully submitted,

Dan Pincock
Executive Administrator