



## HOUSING CONNECT

### MINUTES OF THE JUNE 2022 ELECTRONIC MEETING OF THE BOARD OF COMMISSIONERS

June 15, 2022

---

**PRESENT (virtual):**

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

**EXCUSED:**

Kat Johnson – Commissioner

**GUESTS/PUBLIC:**

Eric Novak (Praxis Consulting)

**STAFF PRESENT (virtual):**

Janice Kimball – Chief Executive Officer  
Andre Bartlome – Chief Financial Officer  
Mike Kienast – Chief Operating Officer  
Kirk Moorhead – Real Estate Development Director  
Ilez Brady – Housing Choice Voucher Section 8 Director  
Jarín Blackham – Information Technology Director  
Dan Pincock – Executive Administrator

---

**COMMENCE**

The Housing Connect June 2022 Board of Commissioners Meeting was held virtually on Wednesday, June 15, 2022, and commenced at 12:00 p.m. Chair Spencer Moffat facilitated the meeting.

**1. GUESTS/PUBLIC COMMENT**

Consultant Eric Novak participated in the meeting.

**2. NEW CITY PLAZA PROJECT UPDATE**

Consultant Eric Novak provided an update on the New City Plaza (NCP) project. He said that the project has received all authorizations from HUD to close. Approvals on the RAD and the FHA side have been received. CEO Janice Kimball expressed her thanks to Eric Novak for all of his work.

**3. CONSENT AGENDA**

The Consent Agenda consisted of only of staff changes/updates since the previous Board meeting. Commissioner Nguyen motioned for the Board to approve the Consent Agenda. Commissioner Leonelli seconded the motion, and all Board members present (Chair Moffat, Vice Chair Bernal, and Commissioners Leonelli, Litvack, Nguyen, and White) voted in favor of the motion. The Consent Agenda was approved.

**4. EXECUTIVE SESSION**

The Board determined that there were no items for executive session, and the meeting continued with the next agenda item.

## 5. ACTION ITEMS

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

- Resolution #1061: Approval of the FY2023 Housing Connect budget: CFO Andre Bartlome reviewed the proposed FY2023 Housing Connect budget. He went over the summary budget and pointed out that the budget looks good with a bottom line of \$357,781 net income. He also included 12 pages of budget detailing his written report but did not go over the data in the meeting. He also presented the revenue and expense graphs with breakdowns of each (both revenue and expenses totaled \$52 million each). Commissioner Bernal remarked that with the \$38 million in Housing Assistance Payments (HAP), Housing Connect is a contributor to the local economy and to the community. The Public Housing Capital Funds, previously estimated at \$1.3 million, came in at \$1.4 million, which is the highest amount the agency has ever received for those funds. The total increase for salaries and benefits ended up being \$938,120, and he showed the salary and benefits trending increase data. CEO Janice Kimball thanked Andre, his team, and the management team, for their work on the budget. She also thanked the Board for its support with the budget.

Commissioner Litvack motioned to approve the FY2023 Housing Connect budget (Resolution #1061), and Commissioner Leonelli seconded the motion with all Board members present (Chair Moffat, Vice Chair Bernal, and Commissioners Leonelli, Litvack, Nguyen, and White) voting in favor, and Resolution #1061 for the FY2023 Housing Connect budget was approved.

- Chelsea contract adjustment: CEO Janice Kimball gave the Board a brief background on the Chelsea contract and explained that funding was lined up for the project at the beginning but that Chelsea has had to apply for additional funds since then (it has submitted five additional applications). Janice Kimball was proposing, per Chelsea's request, that its pre-development fee be adjusted to \$300,000. Commissioner Nguyen motioned to accept the proposal to adjust the Chelsea contract, and Vice Chair Bernal seconded the motion. All Board members present (Chair Moffat, Vice Chair Bernal, and Commissioners Leonelli, Litvack, Nguyen, and White) supported the motion, and the Chelsea contract adjustment proposal was approved.

- Resolution #1062 - Sunset Gardens General Partner GP note: CEO Janice Kimball informed the Board that the agency is close to the timeframe where the Sunset Gardens project needs to close on the financing and that approximately \$21 million of the \$24 million needed has been secured. She asked the Board for permission for the agency to fill in the gap with a \$3 million note and that if additional funding is received (which is expected) the agency will be repaid the amount received up to \$3 million. She confirmed that the overage is due to construction costs. At the moment, Housing Connect does not have a final contract, but Real Estate Development Director Kirk Moorhead remarked that the agency does have a strong construction statement, but with the volatility in the labor market, prices are not set. Janice Kimball added that the driving force behind this is the placed-in-service deadline of December 31, 2023 for the tax credits. Kirk Moorhead commented that the State of Utah would then lose the \$9.6 million in LIHTC money, and the project would not be completed. Janice Kimball favored reallocating the Housing Choice Voucher Section 8 HAP excess through the Moving To Work (MTW) flexibilities (this is the agency's first choice) or using Public Housing sale proceed funds for the note.

Commissioner White motioned to approve the Resolution #1062 for the Sunset Gardens GP note. Commissioner Leonelli seconded the motion, and all Board members present (Chair Moffat, Vice Chair Bernal, and Commissioners Leonelli, Nguyen, and White; Commissioner Litvack needed to step away but indicated in a chat message her support of the resolution) voted affirmatively, and Resolution #1062 was approved.

- IRC refugee request letter: The International Rescue Committee (IRC) recently sent a letter to Housing Connect, requesting that the agency prioritize a portion of new development units for refugees. Housing Connect staff is recommending that the agency do this, which would be targeted at the property level. Commissioner Nguyen motioned to proactively include units for refugees in Housing Connect's new properties. Commissioner White seconded the motion. All Board members present (Chair Moffat, Vice Chair Bernal, and Commissioners Leonelli, Nguyen, and White) voted to support the motion.

- Resolution #1063 – Designation of CEO signature authority for the New City Plaza project: This resolution authorized Housing Connect Chief Operating Officer (COO) Mike Kienast to sign documents in the absence of CEO Janice Kimball, primarily focusing on the New City Plaza project finance closing. Commissioner White motioned to approve the resolution designating CEO signature authority to COO Mike Kienast in the absence of CEO Janice Kimball. Commissioner Nguyen seconded the motion, with all Board members present (Chair Moffat, Vice Chair Bernal, and Commissioners Leonelli, Nguyen, and White) voting in favor of the motion. Resolution #1063 was approved.

## 6. CEO's REPORT

CEO Janice Kimball briefly discussed the following items:

- Granger Apartments LIHTC application: Housing Connect has submitted an application for Low-Income Housing Tax Credits to renovate 24 units of Public Housing (Granger Apartments). The agency has applied for \$850,000 in tax credits. The agency is also applying for Section 18 Disposition in order to receive Tenant Protection Vouchers. Renderings of the improvements (should Housing Connect receive the tax credits) were shown to the Board.
- Housing Opportunities for Persons With AIDS (HOPWA) State contract: The agency was informed that the State needed to reallocate another housing authority's HOPWA funds and asked if Housing Connect would be willing to expand its contract, which the organization agreed to do, increasing its budget by an additional \$110,000.
- Services Coordinator at Valley Fair Village apartments: For the first time ever, Housing Connect will have a Services Coordinator at Valley Fair Village apartments. This came about because of the New City Plaza conversion. The ROSS grant and the HUD grant which paid for the Services Coordinator at the New City Plaza has been moved to Valley Fair Village, and the position is now being paid for by the operating budget of New City Plaza.
- Emergency Housing Vouchers (EHV): The Housing Choice Voucher Section 8 Director Ilez Brady and her team have done an excellent job of leasing up the vouchers. Housing Connect is 91% leased compared to a national average of 33% and a state average lease up of 74%.

## **7. FINANCIAL REPORT**

CFO Andre Bartolome provided the financial report to the Board. The agency has made \$306,000 more in revenue than expected but was \$487,000 under budget. Areas where Housing Connect has done well is owned units and in Public Housing. Central Office and Maintenance are areas of concern, as fee-for-service revenue has been less than expected, and there have been some capital items that weren't planned for. One area where the agency is doing well is Housing Choice Voucher admin revenue. Choice Property Solutions has made cash flow, and Housing Opportunities, Inc. (HOI) has also done well. The tax credit entities have done well, too. The revenues at Medina Place have not been as high as expected, though. Overall, Housing Connect is doing well financially.

## **8. COMMISSIONERS' INPUT**

Commissioner Nguyen informed the Board that the State Medicaid office is excited about the housing supports that will be offered related to the expanded 1115 waiver. The office has hired someone to work with her to ensure that providers feel comfortable working with Medicaid, learning to apply to be reimbursed by Medicaid, and to ensure that partners feel comfortable doing this. The office is hopeful that this will assuage some fears and hopes to roll this out earlier than originally planned.

Commissioner White said that the Resident Advisory Board (RAB) will meet in July and will do a tour of the properties. The RAB has a new member.

Commissioner Leonelli did not have any updates.

Commissioner Litvack reported that the County Council budget hearings went smoothly. Dina Blaes and her team are working hard to put together a program for the \$20 million for affordable housing. Catherine Fife is working with service providers on the MVP housing project (for the medically vulnerable and aging populations in the resource centers). The Legislature contributed around \$6 million towards paying off a loan that Salt Lake County gave to Shelter The Homeless. The County Council approved an additional \$1 million, so the debt that paid off the new homeless resource centers will be closing out the loan and the bond, taking a significant debt burden off of the homeless services entities and allows them to move forward on new projects (such as the MVP project).

Vice Chair Bernal said that NAHRO will have a (virtual) summer symposium, August 2-3, mainly talking about homelessness and the scarcity of housing. September 22-23, NAHRO plans to have an in-person conference in San Diego and encouraged Board members to look into that as information becomes available. He and Commissioner Nguyen had the opportunity to attend the recent PHADA conference, and there was good information there. Those Board members interested in attending the upcoming conferences should reach out to Dan Pincock.

## **9. OTHER**

CEO Janice Kimball pointed out the fundraiser event which Housing Connect held on June 2. Just under \$3,000 was raised.

She also informed the Board that the State monitored Housing Connect for its homeless service programs, and there were no findings.

**ADJOURN**

Leadership is excited to inform staff about the budget, and the Board is looking forward to hearing about the New City Plaza progress.

At 1:03 p.m., the meeting was adjourned without objection.

Respectfully submitted,

Dan Pincock  
Executive Administrator