



HOUSING CONNECT

MINUTES OF THE NOVEMBER 2022 REGULAR MEETING OF THE BOARD OF COMMISSIONERS

November 16, 2022

PRESENT:

Spencer Moffat – Chair
Phil Bernal – Vice Chair
Kat Johnson – Commissioner
Christine Nguyen – Commissioner
Gwen White – Commissioner (virtual)

EXCUSED:

Wendy Leonelli – Commissioner
Erin Litvack – Commissioner

GUESTS:

Mike Akerlow (CEO, Community Development Corporation of Utah - CDCU)
Todd Reeder (COO, CDCU)
Troy Hart – Real Estate Development Consultant
Kristi Kearl (Housing Opportunities, Inc. – HOI – Trustee)

STAFF PRESENT:

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

COMMENCE

The November 2022 Housing Connect Board of Commissioners meeting was held on Wednesday, November 16. It commenced at 12:05 p.m. Housing Connect Board Chair Spencer Moffat welcomed everyone to the meeting.

1. GUESTS/PUBLIC COMMENT

There was no public comment; however, there were two guests, Mike Akerlow (CEO, Community Development Corporation of Utah - CDCU) and Todd Reeder (COO, CDCU) who made a presentation to the Board regarding a proposal for a new development for elderly persons.

Kristi Kearl (Housing Opportunities, Inc. trustee) attended the meeting as a guest.

2. PRESENTATION

The presentation was a request for project-based vouchers (there were two proposals) for the Morrissey property in Millcreek, 64 units of low-income housing for seniors, age 62 years and older. Partners for the property would also include First Step House and Volunteers of America, Utah. Mike Akerlow indicated flexibility and willingness to have conversations about partnerships and management of the property. Commissioners asked clarifying questions on the details of the two proposals. It was agreed that the Board will discuss this request further and directed CEO Janice Kimball to respond to the request.

3. REAL ESTATE DEVELOPMENT UPDATES

New City Plaza (NCP): Housing Connect Real Estate Development Director Kirk Moorhead remarked that things are moving forward. The

demolition for Phase 1 construction has been completed, and things are being put back together. Draw 4 payment has been completed and Draw 5 is in process. Owner/architect and change order calls take place every week. Construction completion is at 10.65%, and there is about \$2.3 million in construction contingency.

Sunset Gardens (East 72): The financing deal closed on Monday, October 31. Reimbursements for pre-development costs have been received. Draw 2 is being worked on. The demolition has been completed, as is the excavation for the footings and the foundation.

Granger: The Physical Needs Assessment for the Section 18 disposition application has been done. There was an architect/owner kickoff meeting recently. Requests for Proposals (RFPs) for the equity investor and lenders have been issued. Jonathan Considine, an intern with focus on Granger, has been brought on board to assist for the next 6 months.

4. EXECUTIVE SESSION

At 12:27 p.m., Commissioner Nguyen motioned for the Board to enter Executive Session to discuss real estate and human resources issues, and Commissioner Bernal seconded the motion with all Board members present (Chair Moffat, Vice Chair Bernal, and Commissioners Johnson, Nguyen, and White) supported the motion, and the Board entered Executive Session.

At 12:52 p.m., Commissioner Bernal motioned for the Board to return to regular (open) session from Executive Session. Commissioner Johnson seconded the motion. All Board members present voted in favor of the motion, and the Board returned to regular session.

5. ACTION ITEMS

October 2022 Board Meeting minutes: There were no comments or questions regarding the minutes to the meeting. Commissioner Johnson motioned to accept the minutes, and Commissioner Nguyen seconded the motion. All Board members present voted to support the motion, and the minutes were approved.

Resolution #1073 (New City Plaza Bond): It was pointed out that this was the same resolution which was passed in the Housing Opportunities, Inc. (HOI) Board meeting earlier to add \$2 million in additional private equity bonds for New City Plaza. Commissioner Nguyen motioned to accept the resolution, and Commissioner Johnson provided the second to the motion, with all Board members present voting in favor of the motion. The Resolution #1073 was approved.

Resolution #1074 (Housing Connect calendar year budgets): Housing Connect Chief Finance Officer (CFO) Andre Bartlome explained that the calendar year budgets are for the two properties which are 100% owned by Housing Connect. Frontier is projected to lose \$4,600, while Villa Charmant is expected to have a \$114,000 cash flow. CFO Bartlome presented the assumptions which were the same as those in the HOI budget. Chief Operations Officer (COO) Mike Kienast then presented the property management and maintenance tech proposed bonus structure (to be paid on a quarterly basis), which were based on the following 4 metrics: occupancy, long-day vacancy, delinquency, and controllable operating expenses. COO Kienast also said that included in the bonus incentive adds only 1% to the operating budget, which has been budgeted at \$75 per unit annually. CFO Bartlome recommended doing the same for employees who are operating under a fiscal year budget, as well, starting in January 2023. COO Kienast added that the bonus structure allows Housing Connect to be competitive and is more in line with the industry standard. CFO Bartlome commented that Housing Connect estimates that the available bonuses will be achieved 70% of the time. Commissioner Johnson motioned to approve the calendar year budget resolution (which includes the bonus structure), and Vice Chair Bernal seconded the motion with all Board members present voting affirmatively. Resolution #1074 (calendar-year budgets) was approved.

Holiday bonus: Commissioner Nguyen motioned to approve the holiday bonus of \$250 per staff, as discussed in the Executive Session. This bonus will be paid out to staff with the second salary deposit in December. Commissioner White seconded the motion, and all Board members present voted affirmatively. The motion passed, and the bonus was approved.

6. QUARTERLY REPORTS

Financial: CFO Bartlome deferred to the written report and informed the Board that the Accounting Department is working on a new format for the report.

Operations: According to COO Mike Kienast, the operations report metrics closely mirrored the previous quarter, although there are a few more vacancies than the agency wanted to see on RAD and Public Housing. On the Housing Choice Voucher (HCV) side, CEO Janice Kimball explained to the Board that the agency is leasing up at around 91%-92% and is looking to increase that percentage.

Programs: The Programs Department is focusing on utilization of the Homeless Assistance Resource Program (HARP) and will be holding some orientation training this week and next week.

Supportive Housing Specialist Jan Evanoff will be retiring at the end of November after 14 years. The department is currently looking for a replacement.

Refugee Employment Supportive Housing (RESH): There have been talks with officials at the Refugee Services Office, and there will be a meeting tomorrow (November 17) to push referrals for the program. In addition, two of the key refugee services organizations will transition to new Executive Directors, which could be impacting referrals.

The Family Self-Sufficiency (FSS) program is working hard to get 100% enrollment by the end of November. They need 10 more households to sign up.

7. COMMISSIONERS' INPUT

Commissioner White enjoyed seeing Commissioners Johnson and Nguyen and HOI Trustee Kristi Kearl at the Resident Advisory Board (RAB) meeting on November 9 and being enlightened by their visit. CEO Janice Kimball and Real Estate Development Consultant Troy Hart also attended and reported on the Granger apartments. The RAB was pleased that the Moving To Work (MTW) activities have been approved.

Vice Chair Bernal reminded the Board about the upcoming annual PHADA conference in January. CEO Janice Kimball said that there is budgeted money for commissioners to attend the conference.

Commissioners Johnson and Nguyen both mentioned how much they enjoyed attending the RAB meeting.

8. OTHER

CEO Janice Kimball highlighted to the Board that the agency received formal approval from HUD to participate in MTW activities.

She also thanked Commissioner Nguyen for filling in at the Sunset Gardens (East 72) groundbreaking ceremony.

ADJOURN

At 1:25 p.m., Commissioner Nguyen motioned to adjourn the Board Meeting, and Commissioner Johnson seconded the motion. The meeting was then adjourned without objection.

Respectfully submitted,

Dan Pincock
Executive Administrator