



HOUSING CONNECT

MINUTES OF THE NOVEMBER 20, 2024 REGULAR MEETING OF THE BOARD OF COMMISSIONERS

November 20, 2024

PRESENT:

Phil Bernal – Chair
Christine Nguyen – Vice Chair (virtual)
Mike Akerlow – Commissioner (virtual)
Kat Johnson – Commissioner (virtual)
Erin Litvack – Commissioner (virtual)
Jamie Ramos – Commissioner (virtual)

EXCUSED:

Wendy Leonelli – Commissioner

GUESTS:**STAFF PRESENT:**

Janice Kimball – Chief Executive Officer
Mike Kienast – Chief Asset Officer
Marni Timmerman – Chief Operating Officer
Jarín Blackham – Information Technology Director
Ilez Brady – Housing Choice Voucher/Section 8 Director
Lori Berry – Executive Administrator
Tom Biesinger – Comptroller
Kirk Moorhead – Real Estate Development Director

EXCUSED:

COMMENCE

The November 2024 Housing Connect Board of Commissioners Meeting was held on Wednesday, November 20, 2024, and commenced at 11:33 a.m. Vice Chair Phil Bernal facilitated the meeting. He asked for an introduction of all present at the meeting (in-person and online).

Vice Chair Phil Bernal welcomed Mike Akerlow as a new commissioner. Commissioner Akerlow was appointed by Mayor Wilson and confirmed by the Salt Lake County Council. Commissioner Johnson introduced herself; she has been on the Board for about two years and works at United Way. Commissioner Nguyen introduced herself; she worked with Medicaid Housing Services. Commissioner Ramos introduced herself and has been on the Board for about a month; she has previously served on the RAB.

CEO Kimball introduced her team: Jaren Blackham, IT Director; Paul Rooker, HR Director; Lori Berry, new Executive Administrator; Mike Kienast, Chief Asset Officer; Marni Timmerman, Chief Operations Officer; Tom Biesinger, Accounting; Ilez Brady, Director of Housing and HCV Program. We should also welcome Lori Berry. This is her second week and her first Board meeting.

GUESTS/PUBLIC COMMENT

- None

ACTION ITEMS

- Election of Officers:

Vice Chair Bernal stated on our agenda one of the first Action Items is the election of officers. Spencer Moffatt is in fact, no longer a member of the Board of Commissioners; Mike Akerlow took that slot. And so we have lost our chair. Commissioner Johnson asked if you are looking for us to nominate? Vice Chair Bernal replied yes. Commissioner Johnson nominated Vice Chair Bernal as the new Chair of the Board of Commissioners. Commissioner Nguyen seconded the motion. Vice Chair Bernal asked if there were any other nominations? Commissioner Akerlow moved to close the nominations. Commissioner Bernal asked for a show of hands, in favor of a new Chair, Phil Bernal. Commissioners Nguyen, Johnson, Akerlow, and Ramos voted in favor; none opposed. Phil Bernal is the new Chair of the Board of Commissioners.

Chair Bernal called for nominations for Vice Chair. Commissioner Johnson nominated Christine Nguyen for Vice-Chair. Commissioner Ramos seconded the motion. Chair Bernal called for any other nominations; and with a Chair prerogative, closed the nominations. Commissioner Bernal called for a vote for Vice Chair Nguyen. All in favor. Commissioners Nguyen, Johnson, Akerlow, and Ramos voted in favor; none opposed. Christine Nguyen is the new Vice-Chair.

- October HC Board of Commissioners Meeting Minutes 10.16.24:
 - There were no changes or comments. Vice Chair Nguyen moved to approve the minutes and Commissioner Ramos seconded the motion. All Board members present (Chair Bernal, Vice Chair Nguyen, and Commissioners Akerlow, Johnson, and Ramos) voted

in favor of accepting the minutes of the October 2024 Board. The October minutes are accepted.

Commissioner Litvack arrived (virtually) to the Board meeting at 11:40 am.

MONTHLY FINANCIAL REPORT/BUDGET UPDATE

- Chair Bernal turned the meeting over to Housing Connect Comptroller Tom Biesinger, thanking him and the rest of the staff for their work in putting together the budget.
 - Tom Biesinger presented the monthly financial report for the period ending August 31 and covered the various programs as well as the reserves.
 - Housing Connect is performing \$2M better than budget, the majority coming from Public Housing. In September, we collected the developer's fee for East72 and we were able to use those funds to help with NCP project, which as discussed in previous meetings is over budget.
 - CEO Kimball pointed out the key thing here is to talk about the projections for Section 8, which showed a potential shortfall of \$2M to \$3M. Our projections from HUD with rents looks to be problematic in that we have an obligation to lease up the project-based vouchers at NCP in Granger. But we're in what HUD calls a shortfall, and given we are obligated to lease up and given what they're projecting to pay us, there's the \$2M shortfall and we're going to monitor that with HUD and staff. That's the biggest challenge we face in the coming year in operations is being aware of that shortfall and then managing around it. We do have some flexibility with our moving to work status that may cover some of it. Unlike past years, when HUD usually makes us whole with the shortfall, they're indicating that will not be the case under this circumstance.
Commissioner Ramos asked, Is this going to continue until the end of 2025? And at that point does HUD reassess? CEO Kimball replied, yes. Congress sets the budget every year. We'll re-benchmark at that time. With the changes at the Congressional level and at the Presidential level, we really don't know where we stand. And so we're just managing this the best we can but given our obligations and given what we have, we're projected to be short. We'll have a better sense as we get into 2025 what that looks like.

REAL ESTATE DEVELOPMENT REPORT

- Presented by Real Estate Development Director Moorhead
- NCP
 - New City Plaza is moving along just fine; finally, we can see the end in sight. We anticipate being out of there by middle of February. We're currently about 95% complete. Construction is continuing on building B, and we're starting to punch out various aspects. We're starting to go back into Building A to do fire alarm work.
- East 72
 - We got some comments back with regards to our application for form 8609. We're in the process of responding. I believe I had listed here that we already resubmitted to Utah Housing Corporation. I think I was aspirational, but we anticipate getting back to them within a couple of days. It's currently in our auditor's court.
- Granger
 - This deal is also winding up. Here, we're going be out of there by certainly this time next month by middle of December. We anticipate being complete over there. Construction is finishing up, the units are being finalized as well as the site work. We had quite a bit of utility work that we decided to incorporate into the scope. And so that's being finished up right now.
We are projected to be about \$170,000 over budget. We anticipate receiving about \$338,000 in additional developer fees; we won't receive as much in developer's fees for this deal as we had hoped.
We didn't add about \$4M in acquisition costs for when we essentially sold the property to ourselves, and we are still going to come up ahead on Granger apartments. But we do have some cost overruns there.
- 44 North
 - We are working to get to close with our equity investor and our lenders. We're still waiting to receive the first set of comments from the City of Salt Lake for the Plan Review. Once we receive those comments, we will incorporate them into the drawings. We'll put it up to bid; and I'll remind you that for this particular deal, we selected two different general contractors based on qualifications. And they're going to bid the deal right now and we anticipate construction in February of 2025.
 - We had issues with people breaking into the houses to stay warm and a construction fence was put up around the site.
 - Question was asked, how many units? Development Director Moorhead replied 67 units of housing. And the site also had two single family unit houses, which were removed. And replaced with 67 units of permanent supportive housing.

Commissioner Akerlow was excused and left the Board meeting at 12:00 pm due to a prior commitment.

CLOSED MEETING

- At 12:15 p.m., a motion to go into a closed meeting for the purpose of discussing real estate and personnel was made by Commissioner Litvack and seconded by Vice Chair Nguyen and all Board members present (Chair Bernal, Vice Chair Nguyen and Commissioners Johnson, Litvack, and Ramos) voted in favor of the motion. CEO Kimball asked HR Director Rooker and Development Director Moorhead to stay for the beginning of the Closed Session.

- At 12:30 p.m., the motion was made by Commissioner Ramos to return to the Open meeting and seconded by Vice Chair Nguyen and all Board members present (Chair Bernal, Vice Chair Nguyen and Commissioners Johnson, Litvack, and Ramos, voted in favor of the motion to return to the Open Session portion of the meeting. Commissioner Litvack was excused to return to the conference she was attending.

COMMISSIONERS' INPUT

- CEO Kimball to give a copy of The Commissioner's Handbook to Jamie Ramos and Mike Akerlow. She also mentioned the Board of Commissioners on the National Committee is looking to revise the Handbook and also putting it on the web so it could be a reply on a monthly basis. We know changes are coming forward for the next four years.
- Chair Bernal recognized Commissioner Ramos, who has a report from the RAB. Commissioner Ramos reported on September 11, the RAB was dissolved and a new slate is needed. All members of the RAB had served their term, and according to the bylaws, need to either reapply or we need to recruit. Through Focus Groups and advertising, we have been able to interview seven (7) people and we have extended invitations to four (4) people who have HCV and to one new person from NCP. Due to the bylaws of the Resident Advisory Board (RAB), we have to have seven (7) to nine (9) or ten (10) members. We are still in the recruiting process. There will be a blast email going out so we can recruit and hopefully secure two (2) more positions at least. Executive Administrator Berry to follow-up with Commissioner Ramos on the RAB members already recruited. We're very impressed and going to be able to roll forward and make some big strides. We want to be able to make a difference and advocate and do what the RAB is meant to do.

OTHER

- **New Employees**
 - HR Director Rooker: We have 5 new employees; two who have changed positions; and five positions open.
- **Property List**
 - CEO Kimball called attention to the list of Properties in this month's Board book. It's a good list; you have location, unit types, and the audience served living there. We will have this included on an ongoing basis.
- **Property List on Interactive Map**
 - CEO Kimball stated I don't think we have it ready for this month, Jarin did hear your request to show the properties on an interactive map. And we will plan to have it up on the screen prior to the meeting.
- CEO Kimball also stated we have a single-family home that we will be bringing to the Board with a recommendation to sell. We kept this property because we had a man living there who has a mobility challenge and the house served his purpose. He has since moved into a care center and we are evaluating as we're trying not to own so many one-off properties. We would like to sell it and will recommend selling it at a discount so we can move somebody into the house who wouldn't otherwise be able to afford a single-family home. It's in South Salt Lake and needs quite a bit of work. The recommendation will be coming to the Board in December or January.
- **ADJOURN**
 - At 1:30 p.m., Chair Bernal asked for a motion to adjourn. Vice Chair Nguyen motioned to adjourn. and seconded by Commission Ramos and all Board members present (Chair Bernal, Vice Chair Nguyen and Commissioners Johnson and Ramos) voted in favor of the motion.
 - Board of Commissioners meeting Adjourned.

Respectfully submitted by Executive Administrator Lori Berry.