



## HOUSING CONNECT

### MINUTES OF THE DECEMBER 2023 REGULAR MEETING OF THE BOARD OF COMMISSIONERS

December 20, 2023

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**PRESENT:**

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

**EXCUSED:**

Spencer Moffat – Chair

**EXCUSED:**

Kristi Kearl – Housing Opportunities, Inc. (HOI) Trustee (virtual)

**STAFF PRESENT:**

Janice Kimball – Chief Executive Officer (virtual)  
Andre Bartlome – Chief Financial Officer (virtual)  
Mike Kienast – Chief Operations Officer (virtual)  
Marni Timmerman – Chief Administrative Officer (virtual)  
Kirk Moorhead – Real Estate Development Director (virtual)  
Jarin Blackham – Information Technology Director (virtual)  
Dan Pincock – Executive Administrator (virtual)

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**COMMENCE**

The Housing Connect December 2023 Board of Commissioners Meeting was held virtually on Wednesday, December 20, 2023, and commenced at 11:57 a.m. Vice Chair Phil Bernal facilitated and led the meeting.

**1. GUESTS/PUBLIC COMMENT**

Kristi Kearl, Housing Opportunities, Inc. (HOI) Board Trustee attended the meeting as a guest.

**2. CONSENT AGENDA**

The staff changes update was the only item on the Consent Agenda. Management and the HR team feel that the turnover rate has improved. Commissioner Litvack motioned for the Board to approve the Consent Agenda, and Commissioner Johnson seconded the motion with all Board members present (Vice Chair Bernal and Commissioners Johnson, Leonelli, Litvack, Nguyen, and White) voting affirmatively. The motion passed, and the Consent Agenda was approved.

**3. REAL ESTATE DEVELOPMENT UPDATE**

Real Estate Development Director Kirk Moorhead provided a real estate update to the Board.

- New City Plaza (NCP): The fire panels for Building A were approved, which means that there will be no more firewatch checks every hour. Units will hopefully be occupied in early January (following a quick by the Fire Marshal), at which point, construction on Building B (the former City Housing Authority building) can commence. Building C construction is proceeding. A supplemental bond application to the State of Utah has been submitted, and Housing Connect is still waiting on the funding application with Salt Lake City. In addition, Real Estate Development Director Moorhead and Real Estate Consultant Troy Hart held an initial meeting with Utah State Historic Preservation officials about historic tax credits for the property. Construction is roughly 50% complete, and the construction contingency has decreased significantly.

- East 72: Construction is proceeding. The elevator is complete. The switch gear has been installed, and the building is powered. Housing Connect is looking to receive the Temporary Certificate of Occupancy in the next week. Housing Connect has received additional fund raising to increase the construction contingency. Presently, there is sufficient contingency.

- Granger: Construction is proceeding. The finance closing date is scheduled for Thursday, December 21.

- 44 North: The 67-unit property was awarded Low-Income Housing Tax Credits, which were valued at \$13 million. Construction will start in 2024. A Request for Quote (RFQ) for architect is pending, once selected, the process will move forward to a place where Housing Connect can solicit a general contractor. There is an application of about \$2 million pending with the Olene Walker Housing Loan Fund.

#### 4. CLOSED MEETING

At 12:08 p.m., Commissioner Litvack motioned for the Board to enter Closed Meeting to discuss real estate and litigation issues. Commissioner White seconded the motion, and all Board members present (Vice Chair Bernal and Commissioners Johnson, Leonelli, Litvack, Nguyen, and White) voted in support, and the Board entered Closed Meeting to discuss real estate and possible litigation.

At 12:20 p.m., Commissioner Johnson made a motion for the Board to return to regular (open) session, with Commissioner White seconding the motion. All Board members present (Vice Chair Bernal and Commissioners Johnson, Leonelli, Litvack, Nguyen, and White) voted favorably, and the Board returned to regular session.

#### 5. ACTION ITEMS

The following items were discussed and voted on by the Board:

- Housing Connect Board of Commissioners Meeting minutes for November 15, 2023: Commissioner Nguyen motioned to accept the minutes, and Commissioner Litvack 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 Board Meeting minutes for November 15, 2023, were approved.

- Resolution #1094 (2024 Housing Connect budget): Chief Financial Officer Andre Bartlome presented the 2024 Housing Connect budget, and he started by showing the budgets for the two Low-Income Housing Tax Credits (LIHTC) entities (Frontier and Villa Charmant) which are associated with Housing Connect. He then presented the rest of the budget, the major details of which had already been discussed in the November Board meeting. There were some changes which he noted as follows:

- Software Request for Proposals (RFP) decision: Housing Connect has decided to stay with Emphasys but has given the vendor 9 months to fix essential items (which Housing Connect listed for Emphasys). \$275,000 in related expenses has been budgeted for that.
- Exercise equipment: \$20,000 has been added to the budget for new exercise equipment for employees. The equipment will be located at the main office.
- Additional software: Housing Connect has budgeted \$17,000 for MySidewalk software.
- Capital items: \$78,000 has been budgeted for capital items in owned-unit properties.

The bottom line has, therefore, changed with the addition of the above-mentioned items, and Housing Connect anticipates a \$452,000 cash inflow for 2024 (which includes a 2% staff increase, effective January 1).

CEO Kimball commented that the agency is seeing unusual increases in the per-unit costs for Section 8. This could lead to a budget shortfall for units. In the past, HUD has provided additional funding for these "unforeseeable circumstances."

Commissioner Johnson motioned to approve the resolution for the 2024 budget, and Commissioner White seconded. All Board members present (Vice Chair Bernal and Commissioners Johnson, Leonelli, Litvack, Nguyen, and White) voted in support of the motion, which passed, and Resolution #1094 (2024 Housing Connect budget) was approved.

- Resolution #1095 (Granger borrowing amounts changes): The following changes to the Granger borrowing amounts have been made and were approved by the Housing Opportunities, Inc. (HOI) Board at its December 2023 meeting:

The construction loan increased from \$9.5 million to \$10.2 million; the long-term/permanent financing loan changed from \$3.6 million to \$4.18 million; and the Housing Connect loan decreased from \$1.2 million to \$210,000. The long-term/permanent financing loan change was due to increased income, and the change in the Housing Connect loan was to reduce the long-term, first mortgage by increasing the amount of the deferred developers fee.

Commissioner Litvack motioned to approve the resolution, while Commissioner Nguyen seconded the motion, which passed with all Board members present (Vice Chair Bernal and Commissioners Johnson, Leonelli, Litvack, Nguyen, and White) voting affirmatively. Resolution #1095 (Granger borrowing amounts changes) was approved.

- Resolution #1096 (44 North signer designation): This resolution authorizes Chief Operating Officer Mike Kienast to sign documentation for the purchase of the 44 North property on behalf of CEO Kimball (while she is away from the office) and/or Housing Connect. Commissioner Litvack motioned to approve the resolution, and Commissioner Johnson seconded the motion. All Board members present (Vice Chair Bernal and Commissioners Johnson, Leonelli, Litvack, Nguyen, and White) voted in support of the motion, which passed, and Resolution #1096 (44 North signer designation) was approved.

## **6. MONTHLY FINANCIAL REPORT**

CFO Bartlome reviewed the monthly financial report for the 16-month period ending through October 2023. He noted that the financials are looking pretty good. He highlighted several programs and properties, as well as other entities, such as AHA, HOI, Choice Property Solutions, the Housing Connect Fund, Hub Nextwork, and the tax credit properties.

## **7. COMMISSIONERS INPUT**

Commissioners provided the following input:

- Vice Chair Bernal: There are a number of trainings and events coming up: Commissioners Corner (NAHRO) on January 25; Commissioners Fundamentals training (NAHRO) in February; Advocacy for Commissioner (NAHRO) in February; the PHADA national conference in January; the Washington legislators conference (NAHRO) in April; the Utah NAHRO conference in April; and the Mountain Plains conference (NAHRO) in Vail, Colorado, in May. He encouraged commissioners to attend Washington Conference and to take that opportunity to meet with the legislators about the work that everyone does on behalf of housing and why it is done.

- Commissioner White: She said that there was no Resident Advisory Board meeting held in December and did not have anything to report.

- Commissioner Johnson followed up on a funding issue which was discussed at the previous Board meeting. She was informed that the issue has been resolved.

## **8. OTHER**

Vice Chair Bernal reminded the Board about the January 17 Board retreat, which will be held at the Bud Bailey Apartments (Classroom C). CEO Kimball remarked that Housing Connect is working with the facilitator and will be doing a survey as well as some follow-up with individual members. Housing Connect has invited all of the Housing Connect Fund trustees and all of the HOI Board trustees to the retreat.

## **ADJOURN**

At 12:55 p.m., Commissioner Nguyen motioned for the meeting to be adjourned, and Commissioner Litvack 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 Board meeting was adjourned.

Respectfully submitted,

Dan Pincock  
Executive Administrator