



Cedar City Housing Authority  
Board of Commissioners  
**Board Meeting**  
Thursday, November 9<sup>th</sup>, 2023  
364 South 100 East  
12:00 noon

The Cedar City Housing Authority Board of Commissioners held a board meeting on Thursday, November 9<sup>th</sup>, 2023, in their office at Mountain View Suites located at 364 South 100 East, at 12:00 noon. Those in attendance were Chairperson Margaret Miller, Commissioners Georgia Beth Thompson, Janeen Rasmusson, Larry Pendleton and Cal Robinson. Also, in attendance were Executive Director, Heidi Miller and attorney, Jim Jensen.

Opening

The opening was given by Jim Jensen.

Minutes

Minutes of the meeting held July 13<sup>th</sup>, 2023 were reviewed. A motion was made by Commissioner Thompson to approve the minutes, the motion was seconded by Commissioner Pendleton, then voted and passed unanimously.

Client Spotlight

Commissioner Rasmusson expressed that she was very impressed with the maintenance man, Wes Peterson. Commissioner Rasmusson informed the Board that Wes has been remodeling the home next door. She had seen all the work that he put into the house. She said that he did everything, from landscaping to painting to moving trash, he even replaced toilets and cleaned when everything was finished. Mrs. Miller agreed that Wes is the hardest working maintenance person the Housing Authority has ever had. He cares not only about the apartments and buildings and the grounds, but he even repairs broken appliances. The Housing Authority saves a lot of time and money because Wes is willing to do such a variety of maintenance tasks.

Last Meeting Follow up

*Emergency Housing Voucher - HUD review*

Mrs. Miller reported that the Housing Authority had endured a painful HUD review of the 15 Emergency Housing Vouchers. Staff had worked hours scanning and emailing client and financial information. The HUD review is now officially complete. The Housing Authority did have 1 finding and 1 recommendation. Both of these issues were easily resolved. The finding was to correct the term listed on vouchers. Some of the 15 issued vouchers were not in

compliance with Emergency Housing policy. Those vouchers should have been issued for 120 days, but some were printed with the default of 90 days. No clients were terminated due to the incorrect date, so the policy was followed but the voucher was printed incorrectly. The recommendation involved expenses that HUD felt were coded incorrectly. HUD recommended moving \$350 from the Emergency Voucher “service fees” to the Emergency Voucher “administrative fees.” Mrs. Miller said the amount was so minimal that it was changed during the review and HUD found this satisfactory. Mrs. Miller informed the Board that HUD is no longer issuing Emergency Vouchers for homeless persons. Once the existing 15 clients using these vouchers go off of the program, these vouchers will not be reissued. Commissioner Thompson inquired about the difference in these vouchers from regular vouchers. The major difference in these vouchers is that all clients had to be referred from a homeless provider, and much of the screening criteria, such as criminal history, was not considered.

#### SEMAP – HUD review

Mrs. Miller explained that SEMAP is an acronym for Section 8 Management Assessment Program. This is an internal review of the Section 8 program and how the Housing Authority is managing it. It is completed by using a HUD issued checklist. Staff randomly pick participant files and then follow the checklist and verify that things on the checklist are being done correctly. Items reviewed include calculations for income, rent, utilities, forms and timelines. This SEMAP internal review is completed and submitted to HUD every other year. The Housing Authority had made an error and failed to submit during COVID. One year was waived and because the Housing Authority only submits every other year they did not submit the following year. This was a staff misunderstanding and SEMAP did not get submitted when it should have been submitted. As a result of the non-compliance, a HUD team came to the office and performed their own SEMAP review.

A team from HUD came to the office 2 weeks ago and completed their own SEMAP review. Mrs. Miller reported that all-in-all the review went well, but that one item had been found. Mrs. Miller said this good performance is entirely because of the great job being done by Shawnell. She keeps up on regulations as well as managing every aspect of nearly 300 Section 8 vouchers. The HUD team was very impressed with Shawnell’s understanding of all aspects of the Section 8 program. The team did find a single mistake. The Cedar City Housing Authority had failed to calculate the utility allowance for SRO (single room occupancy) vouchers. SRO is when a voucher holder rents only one bedroom in a home or apartment. In the world of Housing Authorities, SRO’s are not very common. Due to the number of group homes and services available to Iron County, the Cedar City Housing Authority has an abnormally high number of SRO vouchers. The utility allowance for SRO is 75% of the studio utility allowance. During the review, it was discovered that this amount was incorrect. Upon further research, it was discovered that a software upgrade in September of 2021 changed this calculation. Prior to the upgrade Shawnell would manually calculate and enter the utility allowance. Because the software had never done this previously Shawnell continued to calculate it at 75%. In essence, the utility allowance was being incorrectly calculated at 75% of the 75%. This caused the participants to overpay rent. The amount of overpayment ranged from \$7 - \$20 per participant. For the 76 participants the total difference is just over \$11,000 for 1 year. For both years, the difference is nearly \$25,000. HUD requires this rent overpayment be reimbursed to participants.

Mrs. Miller said she had received the official notification from HUD. She will draft a response with a proposal on how the Housing Authority will be reimbursing participants. Mrs. Miller informed the Board that reimbursements would be paid from unused Section 8 administrative fees. These funds are held by HUD and total almost \$300,000. Mrs. Miller said that she will keep the Board updated as she works with HUD to make sure the participants are reimbursed. Mrs. Miller apologized to the Board for the error and said she was sorry it was such a costly mistake. The Board said that they were supportive of Mrs. Miller and the staff and that it's human to make mistakes so to get this resolved and move forward.

#### Community Development Block Grant (CDBG)

Mrs. Miller informed the Board that she had been looking to purchase for housing with CDBG funding. Mrs. Miller explained that most of the CDBG staff at the State level had retired. It seems like new staff are much slower to process things. Mrs. Miller said that a townhome had been listed in the Cedar Park townhome subdivision, and as soon as the environmental review was approved, she would like to move forward with the CDBG purchase process. Commissioner Robinson made a motion to approve the offer of \$255,000 or the appraised value. The motion was seconded by Commissioner Thompson, then voted and passed unanimously.

Mrs. Miller informed the Board that she would like to purchase additional housing with the remainder of the CDBG funding. There will be \$85,000 remaining in CDBG funding. The amount of match funding currently approved in the budget is \$85,000. Based on current market trends, the cost of housing will most likely be around the \$255,000. Mrs. Miller requested that the Board approve an additional \$100,000 to purchase a second unit to utilize the remaining CDBG funds. A review of the Housing Authority bank accounts, cash on hand, and annual income was performed. After a short discussion, Commissioner Pendleton made a motion to amend the 2023 budget by increasing the CDBG match funding from \$85,000 to \$185,000. The motion was seconded by Commissioner Robinson, then voted and passed unanimously.

#### Other Business

Commissioner Thompson made a motion to move a portion of the savings held at Mountain American Credit Union to another financial institution in order to be compliant with Federal Deposit Insurance. The motion was seconded by Commissioner Robinson, voted and passed unanimously.

Mrs. Miller informed the Board that the Housing Authority had been approached about partnering with a developer on a Tax Credit project. At this point, the Housing Authority did not need to approve or contribute anything. Mrs. Miller said she will update the Board if the application is awarded tax credits.

Adjourn

With no other business, a motion to adjourn was made by Commissioner Thompson and seconded by Commissioner Pendleton, then voted and passed unanimously.

IN WITNESS THEREOF, the minutes of the above meeting were approved and signed by the following Commissioners on the \_\_\_\_ day of \_\_\_\_\_, 2023.

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Chairperson Margaret Miller

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Commissioner Georgia Beth Thompson

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Commissioner Cal Robinson

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Commissioner Janeen Rasmusson

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Commissioner Larry Pendleton