



COMMISSION MEETING AGENDA

**Meeting Location: 1776 S West Temple
Salt Lake City, Utah**

or Electronic Video or Phone Conference

REGULAR MEETING: Monday, March 25, 2024

11:00 am – 2:00 pm

WEB OPTIONS:

<https://housingauthorityofsaltlakecity.webex.com/housingauthorityofsaltlakecity/j.php?MTID=m36010b35044d20cc77ed68406d25add6>

OR

<https://signin.webex.com/join> Then enter

Meeting number: 2662 379 0435

Password: 1776

PHONE OPTION:

Dial 1-650-479-3208 Access Code: 2662 379 0435 Password: 1776

If you need assistance connecting to the meeting remotely call 801-608-3394 during the scheduled time. Please call 801-428-0600 for more information or to request a meeting recording

Board of Commission Members

Mike A. Pazzi, Commission Chair

Bill Davis, Commission Vice Chair

Brenda Koga, Commissioner

Palmer DePaulis, Commissioner

Amy J. Hawkins, Commissioner

Tess Clark, Resident Commissioner

Vacant, Commissioner

One or more Commissioners of HASLC may participate via electronic conference originated by the Executive Director and within the meanings accorded by Utah law, the Meeting may be an Electronic Meeting, and the Anchor Location shall be located at 1776 S. West Temple, Salt Lake City, Utah. In compliance with the Americans with Disabilities Act, persons requesting special accommodations during the meeting should notify HASLC not less than 24 hours prior to the meeting. If language assistance is needed, please call 801.428.0600.

**The Housing Authority of Salt Lake City is committed to our mission:
To provide affordable housing opportunities as a stable base for our community**

BOARD MEETING AGENDA

1. Roll Call
2. Public Comment (*each participant will be allowed 3 minutes for comment*)
3. Motion to Approve HASLC Meeting Minutes of the regular meeting of January 29, 2024, and Special meeting of February 21, 2024 (attached) -- *Board Chair / 3 minutes*
Page 1
4. **CONSIDER ASSIGNMENTS OF COMMISSION COMMITTEES** (attachments) *Board Chair, Mike Pazzi, / 12 minutes*
Page 42
5. **REPORT ON STRATFORD APARTMENTS PROJECT** and outline of documents for financial closing and the future steps for development. (attachments) *Executive Director, Daniel Nackerman; VP Real Estate Development, Jonathan Olson, / 18 minutes*
Page 44
6. **RESOULTION # 838-2024 STRATFORD APARTMENTS FINANCING.** (attachments) *Executive Director, Daniel Nackerman; VP Real Estate Development, Jonathan Olson / 10 minutes*
Page 46
7. **AUTHORIZE ADDITIONAL WRITE-OFFS OF CERTAIN ACCOUNTS AND BAD DEBT THRU OCTOBER 2023.** (attachments) *Deputy Executive Director, Kim Wilford; Finance Director, Joe Regan/ 20 minutes*
Page 50
8. **CONSIDER AND ACCEPT FINANCIAL REPORTS THROUGH JANUARY 2024.** (attachments) *Finance Director, Joe Reagan / 20 minutes*
Page 52
9. **QUARTERLY REPORT ON METHAMPHETAMINE CONTROL AND REMEDIATION.** (attachments) *Deputy Director, Zac Pau'u; Senior Housing Analyst, Kelly Walsh/ 20 minutes*
Page 59

Reports

- A) **Update on Development Activities (New Report): Executive Director, Danel Nackerman**
Page 61
- B) **Executive Director Update, Executive Director, Daniel Nackerman**
Page 63
- C) **Voucher Utilization Report: Section 8 Director, Jackie Rojas**
Page 64
- D) **Report on Community Partners: Deputy Director, Britnee Dabb**
Page 67
- E) **Low Income Housing Tax Credit Compliance, Deputy Director, Zac Pau'u**
Page 70
- F) **Key Performance Indicator Report: Deputy Director, Zac Pau'u**
Page 72
- G) **Upcoming Trainings and Conferences**
Page 74
- H) **Commission Schedule 2024**
Page 75

Closed Sessions

At any time, the Commission may consider a motion to enter into Closed Session. A closed meeting may be held for specific purposes including, but not limited to:

- a) Discuss Strategy with Respect to Purchase/Sale of Real Property
- b) Discuss the Character, Professional Competence, or Physical or Mental Health of an Individual
- c) Discuss Strategy with Respect to Pending or Reasonably Imminent Litigation

A closed meeting may also be held for attorney-client matters that are privileged pursuant to Utah Code § 78B-1-137, and for other lawful purposes that satisfy the pertinent requirements of the Utah Open and Public Meetings Act.

Typical Process:	Motion to enter. Vote to enter. If entering, certain individuals may be rightly excluded. After closed discussions motion and vote to end and resume open meeting Any announcements from closed session
------------------	---

1. Communications:
2. Other Business:
3. Adjournment

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Board Chair
Department: Commission



**Item: Meeting Minutes of January 29, 2024, and Special Meeting
Minutes of February 21, 2024**

March 25, 2024



BACKGROUND:

Review and revise/approve meeting minutes from Open Meeting of January 29, 2024, and Special Meeting of February 21, 2024.

(Attached)

RECOMMENDATION:

Approve the meeting minutes of January 29, 2024, and Special Meeting of February 21, 2024.

DRAFT

HOUSING AUTHORITY OF SALT LAKE CITY

(HASLC)

ANNUAL BOARD MEETING MINUTES

Housing Authority of Salt Lake City

Monday, January 29, 2024

11:04 a.m. – 2:15 p.m.

The Annual Meeting of the Board of Commissioners of the Housing Authority of Salt Lake City was held on Monday, January 29, 2024, from 11:04 a.m. – 2:15 p.m.

Board Members in Attendance

Michael Pazzi, Chair

Bill Davis, Vice Chair

Palmer DePaulis, Board Member

Brenda Koga, Board Member

Tess Clark, Resident Board Member

Cindy Gust-Jenson, Board Member (via WebEx)

Board Members Excused

Amy Hawkins, Board Member

Staff in Attendance

Daniel Nackerman, Executive Director

Kim Wilford, Deputy Executive Director

Britnee Dabb, Deputy Director

Paul Edwards, Agency Attorney

Joe Regan, Finance Director

Jonathan Olson, Vice President, Development

Zac Pau'u, Deputy Director

Jackie Rojas, Section 8 Director

Kelly Walsh, Senior Housing Analyst (via WebEx)

Angel Myers, Administrative Executive

Legal Counsel in Attendance

Clay Hartman, Gilmore & Bell

BOARD MEETING MINUTES
HASLC
JANUARY 29, 2024

Chair Pazzi convened the regular meeting of the Housing Authority of Salt Lake City (HASLC) at 11:04 a.m.

Roll Call of the Board Members present.

PUBLIC COMMENT

None

MOTION FOR APPROVAL OF THE HASLC COMMISSION MEETING MINUTES OF THE REGULAR MEETING OF NOVEMBER 27, 2023

The Executive Director has provided each Commissioner with a copy of the written minutes of the regular meeting of November 27, 2023. The Commissioners acknowledged they had sufficient time to review these minutes.

Board Chair Pazzi called for a motion.

Motion

Board vice Chair Davis made a motion to **APPROVE THE HASLC MEETING MINUTES of November 27, 2023**. Commissioner Koga seconded. The motion passed unanimously with Board Members DePaulis, Pazzi, Koga, Clark, Gust-Jenson, and Davis all voting in favor. There were no objections or abstentions.

NEW BUSINESS

A) ELECTION OF OFFICERS. (attachments). *Executive Director, Daniel Nackerman; Board Chair, Palmer DePaulis/ 10 minutes*

Palmer: Okay, so now, item four, election of officers. This is our annual meeting. Today we will be electing the new chair and new vice chair for the housing authority and as we do this we'll also go into HAME to-, when we get to HAME, we will then confirm the-, so, four of us automatically are members of HAME. And then Phil and Dave are the other two that are not on the housing authority, so we will have to have a motion in the annual meeting for the HAME to confirm Dave and Phil. So, the floor is open for motion for chair.

Mike: I was asked to be sensitive to Cindy. Because she has been vice chair twice, I think, and so I think that's where my nomination would start, with Cindy.

BOARD MEETING MINUTES
HASLC
JANUARY 29, 2024

Palmer: Okay, well let me-, or, Cindy, do you want to-, let me just say, I talked to Cindy before the meeting because I too wanted to make sure that she was aware of this and had her first choice of anything she wanted. So, Cindy, do you want to just say a word?

Cindy: I do, thank you, that's very, very nice of everyone. I, between my work and my trying to be helpful for my dad who's ailing, I don't feel like I could put the time and energy in that's necessary. So, I would be delighted to support and nominate Michael.

Mike: Okay, a double.

Palmer: Okay., we would need a second, is there a second? Okay, it's been moved and seconded. Any discussion? Mike, is that? Okay, this is a very traditional move to-,

Mike: You know, I think I've served on the board now for three years and thanks to Brenda Koga who introduced me to the board. You have a wonderful thing going here. You have an outstanding executive director, a wonderful staff, it makes so much of this just effortless, truly. And I've sat on a lot of boards in the city. So, when you find a great operator, when you find the dedication of some wonderful, wonderful people on the staff, it becomes magical actually. So, I would say I would love to serve as chair.

Palmer: Okay, good, alright, it's been moved and seconded, any other nominations? Any other clarifications, comments? Okay, all those in favor say, 'I.' Opposed? No, no one opposed, okay. The second item would be the election of the vice chair, and from my standpoint the only person that I know, and I've talked to you, Bill, about this, Bill is interested. So, I would put a motion in for the vice chair, for Bill. It's been moved and seconded. Bill, do you want to say anything?

Bill: I was going to say if nominated I will accept it, and elected I will serve.

Palmer: Okay, alright. Okay, all those in favor say, 'I.' Opposed? Okay. We have a new chair and vice chair. And as this it's a great opportunity, I have a little report to give when we go into the remarks in the housing authority, at the end of the housing authority, just to catch everyone up on what we've been doing and some things I wanted to highlight. So, I'm going to turn it over to Mike as the new chair to conduct-, or, actually take us back in to the HAME meeting, or take us in to the HAME meeting. And I'll just have some summary remarks at the end of that housing authority.

Mike: And I can still spend this day in my comfortable chair that I've enjoyed.

Palmer: You can stay there, or you can come right up here, whatever you prefer.

Mike: What does everybody else prefer?

BOARD MEETING MINUTES
HASLC
JANUARY 29, 2024

Tess: It's up to you.

Mike: Let's just stay put.

Dan: We did get a giant gabble for you. Mostly to keep the executive director from talking so much.

Paler: Let me-, do I need to make a motion to move into HAME then?

Brenda: Yes.

Palmer: So, Mike can continue? So, I would like to move that we pause the housing authority, leave the housing authority meeting, and move to our HAME agenda. And is there a second?

Mike: So, we are into the HAME-,

Palmer: Well, we have to vote. All those in favor say, 'I.' Opposed, okay. Now, Mike.

Motion

Board Vice Chair Pazzi made a motion to **APPROVE THE ELECTION OF OFFICERS**. Commissioner Clark seconded. The motion passed unanimously with Board Members DePaulis, Pazzi, Koga, Clark, Gust-Jenson, and Davis all voting in favor. There were no objections or abstentions.

B) AUTHORIZE AWARD OF CONTRACT FOR ARCHITECTURAL SERVICES as needed to Method Studios, MSR Design, and Archiplex Group not to exceed \$500,000 each and Dahlin Group, Line 29 Architecture, and Babcock Design not to exceed \$90,000 each. (attachments). *Executive Director, Daniel Nackerman; Deputy Executive Director, Kim Wilford / 10 minutes*

Mike: Housing authority, we've transferred HAME. Okay. We've heard all about the architectural services, but, Dan, would you like to expand any further? I'm begging you not to.

Dan: The item speaks for itself.

Mike: Bravo.

BOARD MEETING MINUTES
HASLC
JANUARY 29, 2024

Dan: Which item was it?

Palmer: Five.

Dan: Oh, yes. This was covered earlier and, since the funding will likely be some from HAME, some from the housing authority, we're recommending authorizing the award of contracts related to these as-needed services.

Mike: Thank you. Project update and execution of letter of understanding with development planning.

Motion

Vice Chair Davis made the motion to **AUTHORIZE AWARD OF CONTRACT FOR ARCHITECTURAL SERVICES as needed to Method Studios, MSR Design, and Archiplex Group not to exceed \$500,000 each and Dahlin Group, Line 29 Architecture, and Babcock Design not to exceed \$90,000 each.** Commissioner Koga seconded. The motion passed unanimously with Board Members DePaulis, Pazzi, Koga, Clark, and Davis all voting in favor. There were no objections or abstentions.

C) PROJECT UPDATE AND EXECUTION OF A LETTER OF UNDERSTANDING WITH DEVELOPMENT PARTNER. Fairmont Heights Apartments. (attachments)
Executive Director, Daniel Nackerman; VP Real Estate Development, Jonathan Olson / 10 minutes

Dan: Commissioners, we covered this earlier. We're recommending authorizing the execution of the letter of understanding, subject to a final legal review and any non-significant changes outlining our additional partnership terms with Lincoln Avenue Communities.

Motion

Board Member DePaulis made the motion to **AUTHORIZE THE EXECUTION OF A LETTER OF UNDERSTANDING WITH DEVELOPMENT PARTNER. Fairmont Heights Apartments.** Vice Chair Davis seconded. The motion passed unanimously with Board Members DePaulis, Pazzi, Koga, Gust-Jenson, and Clark all voting in favor. There were no objections or abstentions.

BOARD MEETING MINUTES
HASLC
JANUARY 29, 2024

D) SPECIAL REPORT: CHALLENGES IN VETERAN HOUSING INITIATIVES.

(attachments). *Deputy Director, Zac Pau'u/10 minutes*

Dan: Zac will run through this, but it is going to take a minute. We've worked with the VA over the years, and we are the leader in the state of Utah for housing previously homeless veterans. And the board asked us to come back with a special report on this. It was a couple of months ago now, but it's important to note that the struggle to fully utilize veterans' homeless housing nationwide has been just that, it's been a struggle for at least ten years, nationwide. And so, we often do better as a housing authority in occupancy levels than the rest of the nation and then the rest of Utah, but we still think it's just a horrible situation to have, you know, 15% to 20% of the units empty. Again, this is just my opinion, but sometimes empty just because HUD and the VA have such bureaucracies that a lot of, you know, the slow-moving parts often cause these vacancies. We've been working with our head office for years doing better and better. We do think it's time that we need to step up and work closer with our HUD region, but also pressure our HUD region even more to make sure that our occupancy levels rise.

Zac: Great job, Dan.

Dan: I don't know if you want to know specific details, and this item has no action at the end. We just thought it was important for the commission to know, and Palmer has helped lead us into this direction, and we just want the commission to know we are going to step up the involvement to make sure that the occupancy levels rise.

Cindy: Dan?

Dan: Yes.

Cindy: I'm sorry. Did you say the HUD officials? Because I was thinking that HUD didn't have jurisdiction with the VA.

Dan: Well, the VASH vouchers are, sort of, a joint venture between HUD and the VA.

Cindy: Okay. So, you have a hook there. Thanks.

Zac: Well, as Dan had mentioned, we are the largest provider of veteran-specific housing in the state of Utah, with 258 veteran-specific units and 278 VASH vouchers. Palmer and Dan have both been part of these ongoing discussions with VA leadership, emphasizing the persistent issue of utilization of our resources. And one of the ongoing struggles that they continue to present is their ability to recruit case management staff. It's important to note that, for your HUD-VASH vouchers, there's a dual requirement from the HUD side that we're paying the subsidy from the VA side, but we're also supplying the services. So, if they don't have the case management to provide the services, then they're not sending the referrals, so for us to fill the other side of that. As part of our efforts to overcome this challenge, we sent three staff to a HUD VASH

BOARD MEETING MINUTES
HASLC
JANUARY 29, 2024

boot camp that was organized by HUD and VA officials to, kind of, explore other opportunities, and we were able to come back with several ideas. One of the ones that we've really been trying to pursue is the idea of a designated service provider, or a DSP. We brought that to VA leadership and what that is the VA can appoint a service provider to provide services in lieu of them to overcome some of the obstacles that we talked about previously.

Palmer: In lieu of their own staff.

Zac: When we returned, we presented that to the VA leadership, and they were unaware that this was an option. The local VA leadership. This was presented by higher ranking officials when we were in Colorado with Jackie, myself and Bekke. And they had stated they were going to explore that as an option. We had an opportunity to meet with them just before this meeting, and what they had come back with was that it was going to take at least a year for them to do that. And I think some of that, there's a sense of job security, where you want to retain your own position, so you're a little hesitant to do something like that. But if you look at page 35, you can see some of the numbers that Dan was alluding to. At a certain point, getting these vulnerable veterans off the streets into housing, whether it be in our units or through our vouchers, is more important, and that's one of the things that we've been looking to overcome. Palmer and Dan, in their meeting, had made the generous offer to help with relocation fees, to help recruit some of the staff for the VA. This well-intentioned gesture was ultimately declined by VA leadership. In our last meeting, just before this, they had reported to staff that they were at 72% staffing with nine people in the process of onboarding, which can take up to six weeks, which put them at 90% staffing. So, we've explored a few other ideas that have been helpful. One of those is allowing veterans to utilize their HUD-VASH voucher in assisted living, which allows them to use the services from assisted living during that, and that's resulted in a total of eight additional veterans being housed from both Housing Connect and Housing Authority Salt Lake City, but the numbers that you're seeing on page 35 are as of December.

Dan: Zac, these two charts are, kind of, quite different from each other. Could you just briefly explain them?

Zac: Sure.

Dan: The first, as an example, is just VASH.

Zac: The first chart is from the site that Jackie pulls from, that covers the HUD-VASH utilization, statewide. So, on your left, you'll see these are the housing authorities that are issued HUD-VASH vouchers. There are a total of four HUD vouchers and then the total utilized, you can see we are UT004 and have 75.18% of our total voucher utilization for HUD-VASH. So, we have 278 vouchers and we've only leased 209 of those. Statewide, for all of these different housing authorities, there's a total of 702 vouchers, with 516 of them leased. If you scroll down just a little bit there, Angel, the second chart is properties that we own and units that are dedicated to veterans. I call out in this report that we previously had set aside units on self-

BOARD MEETING MINUTES
HASLC
JANUARY 29, 2024

imposed restrictions to aid in housing veterans. Since the challenges that we've faced with VA's referral, we have removed some of those if funding doesn't mandate that it be a veteran. And that's where you see an increase in occupancy in places like Fairmont and Cedar Crest. And then, you look at your big hitters, like Freedom Landing and Valor House, where you're sitting at 89% occupancy, or 72% occupancy at the close of December, and those are direct correlations between VA referral and VA staffing.

Dan: And just a note on that chart, Valor House, which you might recall we used to have much more control over, and we've transferred a lot of that control to a non-profit, First Step House, as well as rewriting our agreements with the VA to make sure it stays fuller. Is that a word?

Tess: Yes. It's a word.

Dan: You can see that they are still only 72% occupied, which is a tragedy. Now, that doesn't lose money like it used to. So, everybody's calling it a success because it used to lose money, but that's just not okay. And I know it's easy for me to say that, but we do know where all the bells and whistles are on this particular property. And that is our message for today, is that we're going to ramp up our involvement in making sure-, whatever it takes, including perhaps some of our own resources, to make sure that veterans are, you know-, HUD and VA would think it's a miracle if we ever get to, like, 95%, which is really what the market usually can be with people moving in and out.

Zac: And I speak pretty regularly to our partners at First Step House, and they have expressed their frustration and concerns regarding occupancy over at Valor House. In fact, I had a call with their number two just before this meeting and he reports that it's up to now 52 units occupied, but still not what they're shooting for. Another thing that they've been doing as substance abuse counselors and service providers is they've been reaching out to other facilities, saying, 'Hey, do you have any veterans?' Starting to do some of their own recruitment to put them into what they call a SUD program, substance use disorder. And then, getting their own referrals and processing are just not coming from VA the way that they should be.

Cindy: May I ask a question, Mike?

Mike: Yes. Always.

Cindy: Thanks. So, I hate to ever get in a situation where we're using our local money to subsidize the federal government system, and so that's a downside. I know that, in the past, you guys have had meetings with members of congress. When was the last time we did that, and is there any hope that that might be worth trying?

Britnee: We had conversations in September. We even met with the senate financial group and discussed this with them, specifically. There were going to be some possible changes to the VASH program taken to the senate and congress in November. Nothing happened. So, we were

BOARD MEETING MINUTES
HASLC
JANUARY 29, 2024

waiting to see, kind of, where that goes and if they can get the budget passed for this year, and then start those conversations back up.

Cindy: Okay. Because I'm thinking of it in terms not of getting a legislation change, but in the advocacy that congressmen and women can do for their constituents. And, I mean, my experience is, if someone in congress contacts a department in the federal administration about a problem, it does help a little bit. I don't know if it's worth doing that again.

Britnee: Oh, absolutely. I think these numbers also help us with that and the numbers aren't going to lie. They're here. So, it'll be definitely something to take to them now that we have these.

Zac: And I think consistently going back to the challenges we had with Valor House, the housing authority's done a great job of being a voice for the veterans and pushing forward on those things, and I don't know if that advocacy has, in turn, given some of the updates that I have here. But as I met with the VA, they have received an email from the undersecretary of the VA, that was sent out that day, making changes to the HUD-VASH program, allowing them to accept humanitarian veterans and wanted to see about us changing the language in our applications of whether or not you're a veteran, to, 'Have you ever served in the military?' So that way, they could then start surveying humanitarian veterans who have received less than an honorable discharge through the HUD-VASH voucher program. What this would allow for them to do is to receive the subsidy and case management. However, they would still not be eligible for VA healthcare.

Cindy: And there are also people in that category who may have served in just less than a certain amount of time. They don't count as veterans, but they have had military service.

Palmer: Yes. That's right.

Zac: This is also an avenue that we had pushed for an advocate for when we operated the grant redeem program, and that helped us with some of our occupancy issues there, and it's refreshing to see that it's carrying over to the VASH voucher program. Hopefully, that gives us some additional resource utilization.

Cindy: Yes. And you've done, all of you, a beautiful job. I just never underestimate the value of having a member of congress nag at an agency.

Palmer: We'll do that.

Cindy: So, let's do that often. Continue to do that often.

Dan: Just an aside, we happen to have a small lobbying firm, if you want to call it that, in DC, and one of the two principals was a graduate at the Naval Academy and has a lot of, kind of,

BOARD MEETING MINUTES
HASLC
JANUARY 29, 2024

special access to the military organizations in DC. And that's really how we got to the VA secretary five, six years ago, several times. But we'll do that, and we'll go on all fronts without being too aggressive, where we're making people mad and not work with us. That has happened. But the other thing is I would suggest we do a regular monthly report to the board. Not that we're looking for more of those, Mr. Chair, but until we can show that we can do better locally than the state and the rest of the country, we'll continue to report monthly to the board.

Mike: Well, I think it could just get better. This is going to sound probably wrong, but I'm not disappointed with the 75.18. I mean, that's still after, you know, Salt Lake City. I mean, everybody matters, but these people don't matter. I mean, even at 209, I still think we're carrying a bit of that weight. That's great.

Dan: Yes. Yes.

Mike: But we could do better.

Dan: Yes, and that means there are, you know, 20 vacant units per month times 365 days, and these numbers are small because Utah's fairly small, but those are truly desperate veterans often sleeping on the street.

Mike: And that's awful. That's awful.

Dan: Yes. I sometimes say, 'I'll just go find everyone with a cardboard sign, have them hop in the van and then find out that-,' 50% are not veterans'.

Mike: Yes. If only it were that simple.

Palmer: Mike, can I say something. Yes. I just want to say, Zac, you've included me on some of these meetings and I'd be happy-, if you're strategizing or whatever you're doing, I volunteer to continue helping with this issue as I think it's really critical. So, include me however it's appropriate.

Mike: Thank you, Palmer.

Motion

No motion needed.

BOARD MEETING MINUTES
HASLC
JANUARY 29, 2024

E) REPORT UPDATE MOU FOR COLLABORATIVE PARTNERSHIP IN HUMAN RIGHTS HOUSING INITITIVE. (attachments). *Deputy Director, Zac Pau'u/10 minutes*

Dan: Just quick background. Speaking of congress, congress awarded us \$328,886, earmark a couple of years ago. We've developed that into a program called Human Rights Housing to house victims of human trafficking, or survivors of human trafficking, which is the term used. We have had a very successful program, and we haven't had to spend any of that money, because we've found other sources so far. And it is a fairly quiet, confidential program because some of these victims are hiding from people, but we thought it'd be a good time to bring an update to the board. Secondly, to sign a new memorandum of understanding now that we probably will need some of the funding if I got that all right.

Zac: You did.

Dan: So, Zac.

Bill: I have a question.

Mike: Go ahead.

Bill: And I think that (audio distorts). Human trafficking and sex workers, are they the same thing?

Zac: Not always.

Bill: Okay, because I know there's probably overlap.

Zac: So, in human trafficking-, Dan and I actually had an opportunity to learn quite a bit about this from the Asian Association, but it's not always sex workers. Oftentimes, it's forced labor as well. So, you have people who are being trafficked and forced into indentured servitude or, in fact, passage into the United States, for example. There's a wide spectrum of human trafficking.

Dan: Restaurants, domestic workers.

Zac: Construction.

Dan: Construction.

Bill: Don't we have a special program set aside for sex workers trying to get out of that situation?

Dan: Well, that is this, and we don't know, kind of, the percentage. It's a pretty small program. A reminder to the board, we set aside some of our non-regulated units and then there were other sources of funds. We signed a master lease agreement with the Asian Association of Utah, so

BOARD MEETING MINUTES
HASLC
JANUARY 29, 2024

they're the ones that pay us the rent. And then, we have some house rules instead of a lease at each of these properties, so that people, you know, still live responsibly. But I guess it's pretty powerful when people have a relatively free place to live in order to get away from their situation, and then start to stabilize and get a job and go to school and, kind of, break away from the system that they were in.

Zac: We also learned, when we were going through this, that housing is one of the things that is held over these individuals' heads to keep them in forced indentured servitude, whether that's through working or sex work. But if you look at the analysis portion of this, this commission approved the master lease in 2020 and the analysis, kind of, encapsulates what we've been able to do over the past several years of working with the Asian Association, assisting 26 survivors of trafficking, addressing both sex and labor trafficking.

Bill: It was curious, because I was working with-, remember I talked to you about Aspen House? Offered to be on their board, and, you know, a bunch of stuff, and I just don't think they have their s*** together. They haven't even got a house yet. They need a house. It's in the name, but I just can't seem to-, I am tired of sending emails and not getting anything back.

Dan: It's designed around a 24-month program, although some stayed longer, and so far we've kept about 58% have gone on-, we have 13 months in our houses. There's ongoing support after people leave. By the way, there is supposedly, or statistically, a rise in this, instead of less as time goes on. In our area, 63% just in the last year or so, and they're getting more, and more. So, the need is still there in getting them housed.

Mike: 63% increase.

Dan: A little bit (audio distorts) here.

Bill: Is that because there's a 63% increase, or is it, like, better enforcement, or records and things?

Dan: Yes, again, it's, sort of, hard to get very specific, because so many people are hiding.

Zac: Yes, and so much of the information is-,

Mike: I can imagine how scared they would be. I mean, they would need rehab forever.

Bill: Yes.

Mike: I mean, I can't even imagine what that would do to you over a prolonged period of time.

Zac: The Asian Association does work with several law enforcement agencies, and what's called out in here is specifically information from the Asian Association. So, when they're calling out

BOARD MEETING MINUTES
HASLC
JANUARY 29, 2024

the 63% increase, or 118% rise in referrals, that's typically where the referrals are coming. The law enforcement agency has intervened, identified a problem, and then they bring that to the Asian Association.

Dan: So, there's a draft MOU in the project. Could you explain-, did I explain that correctly, Zac, we haven't spent the money before starting again?

Zac: Yes, sir, you did. The Asian Association operating off of grant funding to assist on this front. With the congressionally directed spending, or earmarked money, we have additional resources to aid on this front. That budget is lined out in the board report, in the MOU, which includes the ability to assist with rent, job training, or community college classes, transportation stipends, on-the-job training, day care support, and miscellaneous items that may come up, such as court fees or whatnot. And then work with our provider in the Asian Association, to distribute that fund.

Palmer: So, they've been spending their own funds up to-,

Zac: The Asian Association receives grant money to assist-,

Palmer: Okay, and then they pay us the rent?

Zac: They pay us the rent and then that money also pays for their case workers to assist them in their various challenges they face as victims of trafficking.

Plamer: So, if we access the money, is there a possibility they can expand this program?

Zac: Yes there is. Because the way that we specifically wrote the earmark wasn't that you had to use this money for our units. You can use that money for any units that you can identify out in the community, so it's called out public or private landlords.

Palmer: Okay, got it. Good.

Dan: And we did look for other entities to partner up with.

Zac: We did.

Dan: We weren't successful, I guess.

Zac: For example, we reached out to International Rescue Committee, and when we reached out to them, they referred us to the Asian Association, and that happened on two other occasions. That's your leading provider of human trafficking services in Salt Lake City.

Palmer: Well, they've done a great job, the Asian Association. I mean, they're good.

BOARD MEETING MINUTES
HASLC
JANUARY 29, 2024

Dan: I know their organization has gone through some changes, but we've been-, we're good with them on this.

Palmer: Who was their Executive Director who just recently retired?

Zac: Shu.

Dan: Shu.

Mike: God bless you.

Dan: So, with that, we are recommending authorization of the execution of the attached memorandum of understanding for the Human Rights Housing initiative, and I would add subject to a final legal review.

Motion

Commissioner DePaulis made the motion to **AUTHORIZE THE EXECUTION OF THE ATTACHED MOU FOR COLLABORATIVE PARTNERSHIP IN HUMAN RIGHTS HOUSING INITITIVE** Commissioner Davis seconded. The motion passed unanimously with Board Members DePaulis, Pazzi, Koga, Gust-Jenson, and Clark all voting in favor. There were no objections or abstentions.

F) 2023 ACCOMPLISHMENT POWERPOINT PRESENTATION. (attachment) *Executive Director, Daniel Nackerman/20 minutes*

Dan: These are the previous 2023, Romney improvements, another congressional earmark, launching of the crime prevention efforts. You may have forgotten about those. The clean audit from somebody national, very good inspection scores, solid budgets, etc. We did make a preliminary offer for land near the state fairgrounds that was ultimately successfully. And don't forget, we ended a very serious construction dispute with Kier Construction, and we also have three more properties that we issued to private property management companies. We formed an internal construction team. We ended the year very financially strong. We launched the alternate Atkinson Stacks project and managed to get that \$9 million moved over across the street. Major face lift was performed by Home Depot Foundation. This is one of the only setbacks, number sixteen. We had a couple of properties that had some significant physical and management defects which took a lot of our time, but we got back on top of those. We opened and closed our Section 8 waitlist, no easy task. And this is very important, number eighteen. There was a property where the private owners were leaving and almost creating a lot of homeless people. Total units, Kim?

BOARD MEETING MINUTES
HASLC
JANUARY 29, 2024

Kim: 68.

Dan: 68 units, maybe. Owned by the Priscus family, and we helped all those tenants relocate. A lot of them had bad credit scores or no credit, or credit on records, and we, under Britnee's guidance mainly, had staff help them with vouchers and find alternative housing. Thereby creating, you know, a better life for them, and no big increase in downtown homelessness. We did submit tax credit applications. We're doing ADA or Section 504 improvements at many sites. We did lease out some of our commercial spaces at some of our sites. We did receive \$2.4 million in new funding from Salt Lake City for the leftover ERAP money. We also responded to the city to submit development opportunity, and we're now shortlisted. We missed that in our other HAME meeting. We're now short-listed with four other developers for the Northwest Pipeline project, as well as significant land around that. There's a meeting this afternoon to keep that rolling. Xylem, out of New York, is our co-developer. We also successfully received almost \$30 million in new funding for the Atkinson Stack and Sunrise Metro. There are only 120 more of these, so we're moving pretty fast. When you've made a lot of accomplishments, it's hard to list them all. Some of this is not big to the board, but it is to us. We've launched paperless processes with our inspection systems. Stratford project is under construction, permanent supportive housing on 2nd and 2nd. Our vacancy make ready to occupancy continues to improve. We received another \$1.1 million from the county. We've really come a long way with our software systems. We've updated our main policies in Section 8 and waitlist to levels we've never had before. Our procurement systems are improving. I always tease Paul that our insurance systems are rock solid. He wants to know what that means.

Paul: I can rest easy?

Dan: It's rock solid. This is some of the new alternatives and streamlining we've done in our landlord MTW programs, inspections, self-certifications, etc. That is the full crime prevention study has been completed. Some of the partners in public, you can read these for yourself, but we've had a record amount of public agency funds come to us. The commission told us to focus more on the state and the county, and we did, and it worked. We've received more and more funding. We get visitors. This is not Cody council, it's city council. We get them. We get visitors, probably, that you don't even know of, sometimes. We have people come from all over the country to look at our stuff. We're working closely with the state homeless groups that are really advancing these days. These are some of the previous year highlights in real estate. Don't forget, we refinanced a couple of big projects, we launched many new ones, we assisted with projects like the Aster, etc. This, we thought we'd go into a little bit of Atkinson Stacks, since that's become a very real, funded project. Total development cost, \$32 million, wherein Giv is our,

BOARD MEETING MINUTES
HASLC
JANUARY 29, 2024

kind of, turn-key partner, as you may recollect, so they do most of the work and hand the building back to us. There's the layout. That is the existing Sunrise, and this is the new building, and then we're tacking on twenty more units, existing and connecting the two buildings. And these are very conceptual. The board has given us, about a year and a half ago, some very conceptual goals, and then we also have our own, as you might expect. Increasing our development, friendlier systems at all levels, more understandable, less bureaucracy, fewer acronyms, better customer service, especially at our points of interface, which are things like our front desks or our website. Resident involvement is definitely a goal. And then landlord incentives is, kind of, automatically a goal by us moving to work. Crime prevention, be ahead of that game. Streetscape and curb appeal, that's very important for pride of living there for our tenants. It's important for the community to have our properties look good from the outside. It helps people be proud to live there, as well. Energy savings and environment, we have a long way to go here and really need to pick that up, pick up the pace. Additional employee benefits and attraction, retention, we scratched the surface on that last year, and we never quite followed through with that, but we are doing very well these days with the retention, especially, but it's always hard to find new employees in this market. Yardi is our main software system. It's, sort of, the Microsoft of the housing authority industry, and we are really ramping up how much we use it and what the powers of it are that we need to take advantage of. And it sounds cliched, but communication both internally amongst us and externally, our focus, it always stays on the top for our conceptual goals. And then, this sounds not very wise, but we have sat on quite a few reserves and gathered reserves without spending them on physical improvements, so we want to step that up in this coming year too. And with that, we thank you all, and there is no special announcement for today. Yes, that's for the next meeting. Stay tuned.

Tess: Well, done.

Palmer: Good job.

Dan: I'm wearing earplugs.

Mike: Great, great, great job. No, even when you think about, as we go through the year, we had some great things that happened here. So, Bravo.

Motion

No Motion needed.

BOARD MEETING MINUTES
HASLC
JANUARY 29, 2024

G) CONSIDER AND ACCEPT FINANCIAL REPORTS THROUGH DECEMBER 2023.

Dan: Yes, this starts on page 41 of your package, and, to cut to the chase, in all of our programs of the housing authority, we have residual receipts of \$2,060,000 for the year. Each category is described below that. Our owned properties, the voucher program, which actually had a net residual income of \$671. Our public housing had a significant deficit, \$772. We projected only a deficit of \$565. We continue to have reserves to cover those, and our goal in the next year or two is to get that off our books in public housing. These types of deficits, again, even though we'll still own these, are redevelopment. The homeless programs had a small, negative net deficit, and it was smaller than we had projected at the beginning of the year. And the management fund also had a deficit, which is \$100,000 more than we had projected as a deficit. The details of each of those are attached, with the yellow showing negative and the green showing positive. And whenever Joe prepared these it's a great amount of work.

Joes: So, to answer Bill's question from earlier, \$990,000 (audio distorts).

Dan: What, this year?

Joe: \$1.2 (audio distorts)

Dan: It's, like, six. It's headed in the right-,

Kim: Financial statements are still pending year-end adjustments, minor investments, and audits. Any questions?

Mike: Any questions?

Motion

No Motion Needed, for information only.

BOARD MEETING MINUTES
HASLC
JANUARY 29, 2024

REPORTS

A) AUDIT COMMITTEE REPORT: VICE CHAIR

Michael Pazzi, Vice Chair

Dan: I might ask for the stack of audit mini reports, that you guys keep it a little bit brief.

Mike: I can keep it really, really brief, because Mike, your now-chairman, who should be called to oath, missed that meeting. God knows how that happened, so that's a good indication. Not that I'm complaining. But I missed the odd report. In brief, and this is where Brenda has a brief she shared with me, I mean, everything is on track. Brenda's really doing a nice job again this year. It's nice to work with somebody that's done it before and that knows what they're doing, suffice it to say. So, that's my audit report. Brevity is the soul of wit. Let's go.

B) KEY PERFORMANCE INDICATOR: PROPERTY MANAGEMENT

Zac Pau'u, Deputy Director

Zac: Commissioners, this is for the 553 units owned by housing authority. We ended December with, let's see, 93.6. We had four move-ins, six move-outs. Our average days vacant was 37. We had three falling under outlying circumstances for an average of 125 days vacant. All three of those were part of the VA issues that we reported on earlier with the referral imbalance. For the month of December, our total reoccurring charges for HASLC properties was \$398,000 with a 9% delinquencies.

Mike: Well, as you know, next to HDC, this is horrible. (Laughter) Thanks Zac. Okay, Jackie, take us through voucher land.

C) VOUCHER UTILIZATION REPORT: SECTION 8 DIRECTOR

Jackie Rojas, Director Section 8

Jackie: Alright. So, this is an update to our voucher leasing and budget utilization. I combined an update for the month of December along with a year-end summary of where we ended. So, the total number of units leased in December was 2,878, which is the highest number of utilized

BOARD MEETING MINUTES
HASLC
JANUARY 29, 2024

vouchers that we had for a month through the whole year. In total for 2023, we utilized 93.4% of our unit months available, and along with that, the budget expenditure for December was \$2.9 million, closer to \$3 million. And the cumulative budget expenditure for '23 was \$30,523,090. That is 100.3% of our 2023 budget authority, so we did go slightly over. That puts us at a shortfall of \$103,954. The shortfall may be covered by alternative HUD programs such as our public housing reserves or surplus admin fees, and that is due to our MTW fungibility. And we're continuously climbing in our leasing of our mainstream vouchers. It's still not as fast as we'd like to see, but we are up to 67 of the 121 vouchers. So, we have 67 leased and we have 26 mainstream vouchers that are out searching for housing. So, ending '23 in a good position and starting '24 right where we want to be at this point.

Dan: Yes, we've spent a lot of time on this, balancing both the number of units-, a reminder, we left a lot of units on the table, as far as unleased. But, on the other hand, we've spent over \$100,000, so we had no choice but to do that. So, this balancing act throughout the year, we report to the board wide variances in these throughout the year, but to end the year at \$103,954 is really quite an accomplishment. In other words, we've housed as many people as HUD allowed us to house, and we're going to have to use a little bit of our reserves. There's a person we pick up on a lot, because she runs the waiting list, and we say, 'Where are more people?' So, I want to especially congratulate Delia, I forgot her last name.

Britnee: Vasquez.

Dan: Vasquez, who gets pressure from us daily, weekly, and monthly, to get more tenants ready, so we ended up about where we've needed to be.

Moderator: Great, okay. Okay, Britnee? You've got all of these community partners.

D) REPORT ON COMMUNITY PARTNERS: DEPUTY DIRECTOR

Britnee Dabb, Deputy Director

Britnee: We did some good community outreach over the holidays with our different sites. As Dan mentioned, we're in Region 8 for HUD, so that Region 8 administrator came. She's located in Denver and came and brought some of her staff from Denver, as well as the staff here, to oversee the state of Utah. So, we're going to continue working closely with them on areas. We were invited to attend Zions Bank's housing forum to discuss some housing needs, along with the governor's goal of 35,000 new homes. So, we made some great contacts there as well. Dan also mentioned that we're making improvements with the RDR software system. We

BOARD MEETING MINUTES
HASLC
JANUARY 29, 2024

had an executive meeting with them, they came here from California to go over some things we're not utilizing all the ways, other areas we can streamline processes, and so we're looking forward to that. We are regularly invited to attend the Renter's Resource Fair with the city, that's been in different locations. Most recently, it was at the Marmalade Library. We attended the city's swearing in of officers and had a good meet and greet with them, already at that invite. And we also have been working diligently with a lot of different community partners. We're excited to get to know the new District 4 council person, and so we look forward to having some more on the next outreach as well.

Mike: So, what do you do? Do you start out at about 7.30 and go home at about 10?

Britnee: Yes, it depends on the day. If we get an email from (talking over each other).

Mike: It sounds like catchers catch all.

Britnee: It just depends, wherever we're needed, you know.

Mike: Great report. Okay, Zac, you're going to tell us about low-income housing tax credit compliance.

E) LOW INCOME HOUSING TAX CREDIT COMPLIANCE

Zac Pau'u, Deputy Director

Zac: Yes sir, the housing authority and HAME manage eleven properties funded through Section 42 or low-income housing tax credits. Acknowledging our past challenges, particularly with the certification of budget data online, certification online, financial data was one to stress the importance of reporting back and show where we're standing with those reports as we go through. Detailed below the background portion is the type of audits and reporting that we do audit each of the LIHTC components. For example, with tenant powers, the key components are, with tenant power audit, UHC will come out and they're looking at your tenant eligibility, income restrictions, rents, delimits, accurate record keeping, and these audits typically happen biannually. Your physical audit is overall compliance, exterior, interior, signs of wear, potential hazards, safety features, fire exits, emergency systems, and those typically happen biannually. The annual financial audit information, we have to submit annual owner certifications each year that include our audited financial reports, our audits for each property, and for the agency as a whole. And then, below that, you'll see the certification of online reporting, which includes your online tenant data, financial and budget data, and your annual owner certs. On page 61, you'll see a piece of a spreadsheet that we put together and we shared with the commission last meeting. It has multiple tabs and covers all of the different types of reporting that we have. And we have implemented this and put this on our SharePoint between finance and property management, to make sure that we're hitting all of the deadlines that are outlined here. So, values aren't there because the deadlines aren't here yet for some of these, for certification of online tenant data,

BOARD MEETING MINUTES
HASLC
JANUARY 29, 2024

that's due April 1st. And then, as we get the information and submit it, we'll enter that, and we'll be sharing that with the commission as we continue to report out on this.

Mike: It continues to astound me, the (audio distorts). I mean, it's so busy.

Zac: Yes.

Dan: It's a unique type of agency.

Mike: Yes, it's a unique environment, we're pretty detail oriented.

Zac: This is just one portion of the LIHTC example. Dan had brought up, introducing some of our new promotions, and they're currently out with the investors doing similar audits for Goldman Sachs at Pamela's Place, Gardens, and Rendon. So, that's where they are today, doing a file and risk inspection with the investments, in addition to what you received as well.

Mike: Okay, our charming yet energized Executive Director report. Yes, take your time.

F) EXECUTIVE DIRECTOR UPDATE: E.D.

Daniel Nackerman, Executive Director

Dan: I actually have something that will take your time. (audio distorts) We covered most of this in the HAME report and the report speaks for itself. I did want to emphasize Item 3, that we were shortlisted on this major project of Northwest Pipeline. There's a walk-through this Wednesday with the city, where we'll find out other three competitors. I did want to ask, for the next eight minutes, if we could go into closed session to discuss the character, potential competence, or physical or mental health of an individual, and that really just means my employment contract. And really just a brief, brief discussion in closed session.

Mike: So, do I hear a motion to move us into closed session? We are now in closed session.

CLOSED SESSION

G) CHAIR REPORT: BOARD CHAIR

Palmer DePaulis, Board Chair

Palmer: So, I have the last word. So, I told Mike I would do the Executive Directors Report, because I just wanted to make a couple of comments about this last year. Fundamentally, one of

BOARD MEETING MINUTES
HASLC
JANUARY 29, 2024

the things we were doing together as a board was developing a policy statement which if you recall, there were, I think, eleven or twelve items, and I'm not going to go through those, but one of them was to regularly study the areas that were not reaching out in for needs. Another was to participate and study and follow local and regional goals set by the City of Salt Lake and surrounding communities. We did a lot of interaction with our partners. All of (audio cuts) I think, has really produced some good results, and I think, overall, we move forward in the policy area, which I think gives a lot of direction (audio cuts out). So, one of the things I was just going to mention to the board, if you want to do this, I would volunteer and continue as an ad hoc, maybe chairing an ad hoc group of us, two or three of us, to quarterly come back to the board with keeping us on task. Just, you know, 'Do we need to reach out anywhere else? Are there any other policy changes we need to do?' You mentioned, or I think Britnee mentioned, some of the retention issues for the staff. That was included in this as well and we need to keep that on track. So, I was just going to volunteer to be chair of that, kind of, ad hoc committee, if that's acceptable to the board, just to keep this policy thing going and make recommendations back to all of you on what you could adopt in any one of your meetings.

Dan: Perhaps, having memorized the by-laws, you're allowed to appoint a committee of at least two, and no more than three, without a vote and without their-,

Brenda: Consent?

Dan: Consent.

Mike: The last part was nasty, nasty.

Dan: It really is.

Mike: I'm in complete favor of that, and whether it is on a formal basis or an informal basis, if you want to cast your net and decide, 'These are the people that I'd like on my committee.'

Palmer: Well, I'm open to anyone who wants to be part of that. It's quarterly. I was just going to do it quarterly.

Mike: We can open that up to the staff as well, right?

Palmer: Right.

BOARD MEETING MINUTES
HASLC
JANUARY 29, 2024

Mike: I like that, I like that a lot and that's very generous of you.

Brenda: I just want to say, I appreciate Palmer's leadership these last couple of years. He's taken us-,

Palmer: Thanks. Well, thanks.

Dan: Sorry to say we don't have a plaque or anything for you.

Palmer: That's okay. (talking over each other 02.49.11) I think a basket of fruit.

Tess: I gave you that pen.

Mike: Just one person gets a key, one person gets (talking over each other 02.49.18).

Brenda: My gosh.

Dan: Page 63 does outline some of Palmer's accomplishments.

Brenda: I'll give you a bucket of utensils (ph 02.49.28).

Tess: That's online.

Mike: Great job, Palmer. Great, great job. Well, you've done it forever for this city.

Tess: It's enjoyable.

Palmer: So, that's my report.

Mike: Big feet to fill, big shoes to fill.

Brenda: I take it we're adjourned.

Mike :We are adjourned.

BOARD MEETING MINUTES
HASLC
JANUARY 29, 2024

The HASLC Meeting adjourned at 2:15 p.m.

Michael Pazzi, Board Chair

Daniel Nackerman, Executive Director

DRAFT

DRAFT

HOUSING AUTHORITY OF SALT LAKE CITY **(HASLC)**

SPECIAL BOARD MEETING MINUTES

Housing Authority of Salt Lake City

Wednesday February 21, 2024

4:00 p.m. – 5:04 p.m.

The Annual Meeting of the Board of Commissioners of the Housing Authority of Salt Lake City was held on Wednesday, February 21, 2024, from 4:00 p.m. – 5:04 p.m.

Board Members in Attendance

Michael Pazzi, Chair

Bill Davis, Vice Chair

Palmer DePaulis, Board Member

Brenda Koga, Board Member

Tess Clark, Resident Board Member

Staff in Attendance

Daniel Nackerman, Executive Director

Kim Wilford, Deputy Executive Director

Britnee Dabb, Deputy Director

Paul Edwards, Agency Attorney

Jonathan Olson, Vice President, Development

Zac Pau'u, Deputy Director

Joe Regan, Finance Director

Angel Myers, Administrative Executive

Legal Counsel in Attendance

Clay Hartman, Gilmore & Bell

SPECIAL MEETING MINUTES
HASLC
FEBRUARY 21, 2024

Chair Pazzi convened the regular meeting of the Housing Authority of Salt Lake City (HASLC) at 4:00 p.m.

Roll Call of the Board Members present.

NEW BUSINESS

A) PROJECT UPDATE AND AUTHORIZATION TO NEGOTIATE. AUTHORIZE THE EXECUTION OF THE “LETTER OF AUTHORITY,” AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE WITH THE COUNTY ON A FINAL DEAL STRUCTURE UPON SUCCESSFULLY SECURING THE RFP. (attachments).

Vice President Real Estate Development, Jonathan Olson and Executive Director, Daniel Nackerman / 30 minutes

Dan: Yes, we first want to start by saying we sincerely appreciate everybody coming to this quickly planned meeting. This is a very important project for both the county of Salt Lake, as well as the city of Salt Lake. It's a 1.4-acre site. We've actually been working on it for several months, the project is-, we're going to go through some detail on the description of the project, but the county issued an RFP, a Request For Proposal for developers and it came out of the county aging and adult services department. Because they manage many things, but 1 of the things they manage is approximately 16 senior centers around the county and as you probably know those senior centers vary in size and activity, but they're usually open to people over 60 years old and have a wide variety of recreational services, social services, and educational classes etc. One of their older service center sites is located on the west side of Salt Lake City, we learned through this process that Westside is one word with a capital w. This particular site has outgrown the size of the building it exists and there's a fair amount of land on the site, basically parking that wasn't always utilized. What we're proposing is to be one of the primary responses to the county department to both replace the recreation center and add 65 new units for seniors. Kind of as part of the new structure. The overall cost for this is estimated at \$31 million. You'll see that the county has already earmarked and approved funding, as has the city funding of \$2 million. And we would like to structure the meeting and not take much of your time today by first going through the project quickly and then focusing a little more on the financials that you see in front of you, which have changed slightly. We've actually negotiated some better deals since yesterday and I also want to emphasize that this is the first step in a long process,

SPECIAL MEETING MINUTES
HASLC
FEBRUARY 21, 2024

meaning our interest in responding to their Request For Proposal, if we are approved to go forward will be before the board many times, for many decisions. Even though it'll look fairly well developed. With that we'd like to show you a quick PowerPoint of the project, feel free to interrupt, but we'd love to try to have the questions sort of grouped near the end of 1 of the 3 thumbnail presentations that we're making. So, Jonathan has been working very hard on this. We'll kind of jointly give you a quick overview, I think I already mentioned 65 units, 30%. They'll be very low-income seniors but go-ahead Jonathan.

Jonathan: Obviously collaboration with the county. So yes this building is planned to have a number of amenities, but the really high overarching design concept is the senior center along with 65 units of housing, they should both be separate, but live together nicely. And I think it provides a benefit to both aspects of the development to have the senior center co-located with the housing and the housing to be co-located with the senior center. So just to give you an idea, this is 868 West and 900 South, it's just a little bit north and west of the International Peace Gardens, if you're familiar with that. What you're seeing here on the screen is an aerial view of the current building, the current senior center, but the black top around it is all part of the site. So again, this is sort of just an outline of what is currently there. To the west there's a parking lot, to the north there's a parking lot and the senior center is on that Southside. There is currently an alleyway that connects the neighborhood right through the parking lot to the 900 West. And just a kind of a high-level view again of what you see around it, you can see the International Peace Gardens down on the bottom right, or bottom left portion. Right across the street is the 9-mile bike path and a small park. The park doesn't really have any amenities, it's just trees and shrubbery. And then there's an area where it's just kind of open space, but you can get a sense of the shape of the building that we're proposing as well as the way that it would fit on the site from that rendering.

Tess: Jonathan, are there any other buildings that are higher than 2 floors in that area?

Jonathan: Not directly adjacent, it's mostly residential in the direct neighborhood, but this proposal does fit within the current zoning.

Tess: Okay.

SPECIAL MEETING MINUTES
HASLC
FEBRUARY 21, 2024

Jonathan: So, this is something that would be negotiated specifically, the way that the offer, the county-it's currently the thought that we're going to do a 99-year lease on the land. And the county would receive an equity share in the overall project based on their allocation of \$5.6 million plus the land. And then we would do a 9% or a 4% LIHTC, we're currently modeling at the 9%. And 33 project based vouchers.

Dan: You missed the most important bit.

Jonathan: Yes Dan's favorite part, the \$1.9 million developer's fee. Here's a rendering of the-, would be the south west corner. And one of the concepts that the county asked for was a café model. A lot of their senior centers provide meals for the seniors at either low or no cost. They've tested this in other parts of the county with a café model, where people can come in from the outside and buy a sandwich, or you know, soups, or typical café kind of food. And they've asked us to integrate that model into this and so this would be the entrance to that portion of the project. And you can kind of see up above and set back the housing as it's been designed. Oh that 868, the number sign on the previous would also be a bike storage. This is actually the main entrance, it would be on the south west, or yes, south east side and this would be the main entrance for the senior center itself with a drop off for the seniors. You can see that there's stairs going up to a terrace that could be accessed directly from the apartments that are on that level. And we're trying to engage kind of the outside space as well which is one of the key components of the RFP. This is just a rendering of what the inside of the senior center might look like with a main corridor and on each side some of the activity spaces with a reception there on the right as well.

So, this is the housing elevation on the north side, and this would be the main entrance you can see down on the lower left. That would be the main entrance for the housing. And this is looking from the south to the north, so what you're seeing on the left there is that café entrance and on the right is where the main entrance to the senior center is and you can see those stairs going up. This is west, the Westside, so you can see the scale of the housing and the senior center. So, this is a parking schematic, there's 108 units proposed for parking. 50 of those would be dedicated to the senior center for parking, 50 for the housing and then 8 units that could be used for small commercial space and staff parking. So, this is kind of the proposed layout of the senior center. Again, you see that central corridor, the café on the lower left side and some of the spaces. There are wet and dry craft rooms, a multipurpose space that could be used as a conference room or for all kinds of things. There's an indoor pickleball court, which was something that they requested specifically. A fitness center with exercise equipment and also a yoga studio, as well as a billiards room. You also notice that kind of beige area in the middle, upper portion, that's outdoor

SPECIAL MEETING MINUTES
HASLC
FEBRUARY 21, 2024

space, that also would contain a pickleball court, maybe 2. The very top you'll notice are several apartments and a community room that would be only accessed from the housing portion. And then you can see there's a 4400 square foot commercial space. We envision something like, I don't know maybe a small clinic, or a small retail area, something like that. Just as a general sense of what the housing layout would look like, it's all studios and 1 bedrooms, they're fairly generously sized for studios and 1s. There is a terrace that could be accessed from the housing, or from the outside, community gardens, places to sit, things like that. So, Dan mentioned that construction costs have shifted, so they are slightly higher than what is presented here by about a \$1 million. But the sources are generally the same as what's proposed here, the tax credit contribution would be larger at about \$12 million, rather than the \$10.6 that's shown.

Dan: And if we could go Angel just to the draft RFP and really flip through it quickly just to show the board kind of where we are. This Request For Proposal response is due tomorrow at 1 pm, so we're making last-minute changes to it. And then we'd like to yes, so beginning, go ahead and just start to slowly scroll if you can. One of the reasons we're here today is this document, which we'll talk about in a minute. The county is asking for a fairly aggressive stance that we're serious about this project. Letter of interest, by the way Ben McAdams, who used to be the mayor of Salt Lake county is on our team, not necessarily as any substantial member, but as one of the leaders. And then our architect is a firm called MSR, that has an office in Ogden. That's the cover letter, some of the same renderings that you just observed, an executive summary. Sort of the organizational chart of the project. One of our key consultants on this and other projects is Lily Gray from Gray Impact Consulting, really great with running the numbers and used to be the number 2 person at the City Housing department.

Jonathan: These are all numbers of our design team.

Dan: We've described similar experience, the Housing Authority here has at least 5 senior projects as you probably know. We've shown just 1 of them here, Rendon Terrace. We've shown some of our newer projects, like 9th East Lofts and Capitol Homes. These are some other senior projects the architect has worked on, mostly in Minnesota.

Jonathan: They are a Minnesota based firm, but they have a local office as well.

Dan: This is 1 of the key documents there. The county's asking for a letter of authority that says the executive director can sign key documents. And that if the executive director's not available,

SPECIAL MEETING MINUTES
HASLC
FEBRUARY 21, 2024

the deputy executive director, Kim Wilford can sign. Let's spend a minute on this, this is closer to where we are today. That first line is the equity that you get from a tax credit, \$12.87 million and we think this will do really well in either the 9% or 4% rounds. Then there'll be a conventional loan of about \$7.56 million, you can think of that as the mortgage, it's a long-term loan. There's the \$5.6 million, I'm going down on the left side, just in that first column. \$5.6 million that the county is contributing, \$2 million, that's the Salt Lake Redevelopment Agency. The next \$2 million is the Olene Walker Housing Trust Fund and another type of Olene Walker fund, that's actually a loan, a low interest loan of \$2 million. Then the next line is a federal home loan bank affordable housing program grant of \$530,000. There will be a small utility rebate for total cost and again these numbers are changing a little bit every few hours, but the total cost at the last time this was run is \$30,767 million. Mike, especially Mike for your, that includes both the cost of the recreation building and the affordable units. On the far-right corner there, or that amounts to \$350,276 per unit for the actual apartments. Which again that is about what the market is right now for affordable units. On the uses, you can see the construction costs, the project soft costs, like some of the attorneys sitting at this table. The financing costs, fees, etc. Reserves that you have to fund up front and a developer fee of \$1,943,000 which would come just to us. So, that's a pretty good basic outline of the financial structure, and it's a long way of saying-, it more than breaks even, it doesn't require us to invest any of our money, and it looks like a good, healthy developer fee. Now, if you just go ahead and keep scrolling through the rest, there's just a little more of the detail of those hard and soft costs. By the way, we've already gotten a letter from 1 of our normal lenders that would love to finance every piece of this, that'd be JLL. They gave us a 61-page letter of interest. Let's go back to that slide for a second. No, just that little chart. Those are the income levels of who we would house and the bedroom sizes. So, as Jonathan mentioned, 14 studios, 51 1-bedrooms, and of those studios, there's 2 that are considered transitional, which is interesting. They'd be, like, somebody that needs a place to live for 6 months and then move on. Maybe a hard-to-house. But these are considered very low-targeted income levels, which are very welcomed these days. Go ahead, Angel. The contractor that's been working with us so far is a very reputable contractor named Bonneville. They would still be procured competitively. That's a 15-year projection instead of a 10-year projection. I will say, it only shows about 100 to 200,000 a year in cashflow. These properties aren't supposed to show much cashflow, that's why the IRS gives the investors the tax credits. Mike, or others, the debt service coverage ratio is shown there on the bottom, which is fairly sacrosanct to both UHC and investors.

SPECIAL MEETING MINUTES
HASLC
FEBRUARY 21, 2024

Jonathan: I think in the first year, we're 1.23 in the last run over the debt service coverage ratio, which-, anything above 1.2 is pretty good, generally.

Dan: We're showing some of our lenders that have supported us a description of the project. Actually, it's a total of 2.8 years from today until it's actually completely open and stabilized. Which is a fairly conservative schedule but the worst thing you can do is be overly aggressive in the beginning. Keep going, Angel. The architect has shown the color palette there that they're using, based on mountains and-. The zoning is okay. Actually, by combining the recreation building, we're actually increasing the capability of the zoning. You didn't know I knew that did you?

Jonathan: I didn't. A lot of these are just the same renderings that we went through previously. But the social impact piece is important to the county. They'd like us to make sure that we're doing outreach to the community, that the plan fits into the ethos of the community and that we're also filling that public benefit needs. I think this project definitely hits on all of the benchmarks that they're asking for, and probably this board generally recognizes the importance of senior housing and allowing people to age in place, especially when it's affordable, keeping people in, keep the neighborhoods that they've built their lives in, etc.

Dan: An organization on the west side, as you probably know. Brittany and I talked to Maria Garcia-, I know Phil knows her really well, and she so far really loves this concept and fully supports this as CEO of Neighbor Works, which is located in the same neighborhood. With that, I'll just reiterate what we are suggesting today, which is that the board approve our submittal to the county of Salt Lake City, and allow us to respond to the RFP, allow us to execute related RFP documents, allow us to negotiate with the county if selected, and allow us to execute other agreements with the county that are materially within the scope of the RFP response. I would add to that, not necessarily to the motion itself but-, that we won't be signing anything else or committing any major funding without coming back to the board. With that, I guess, I'll turn it back to the chair for any questions.

Mike: What does the ownership look like when we're done?

Jonathan: What we're proposing is that the housing authority would own it in a majority. We would give an equity share to the county based on the value of the land as supported by

SPECIAL MEETING MINUTES
HASLC
FEBRUARY 21, 2024

appraisal, and their \$5.6 million contribution. So, they would get an equity share as a part owner. The remainder would be the housing authority. Of course, as a 9% tax credit project, we also would have a syndicator investor, which technically would own the property during that first year compliant-, or first 15-year compliance period. They would exit at year 15 and then it would be owned wholly by the housing authority and the county.

Mike: Would our interesting be controlling?

Jonathan: Yes.

Dan: Yes, it may even be, like, 99%, 1% controlling as far as-, for the first 15 years. It's important to note, though, that the county would retain ownership of the land and be leasing it back to everybody at a very, very low cost.

Mike: That's a 100-year lease?

Jonathan: Correct.

Mike: Ok the other question I have; how long have they been sitting on this project? I mean what is the rush right now, I mean it seems we are in a rush situation right now to do our RFP, how long have they been looking at doing this?

Jonathan: The history is the county set aside the \$5.6 million to redo this aging building about a year and half ago. They were ready to proceed with just a rehabilitation of the building only. They pulled that back with the advice and recommendation of some of their consultants, including one of the people that's on our consulting team, Ben McAdams. They pulled that back with the thought that they might have a higher and better use for this property that been under-utilized, so much space that's not used, and they developed this idea of the cafe model along with adding housing to the site, and then they've recently released the RFP with those pieces in mind. It's a new model for them and it's something that they're a little bit unfamiliar with. Which, people who read the RFP will probably pick up on, I know Dan did when he read the RFP-, that there were some things that feel a little bit foreign. But I do think that their idea of utilizing this property for something that's more efficient and a higher, better use is a really positive step for the county. It possibly has larger implications for us and them working together in the future as well.

SPECIAL MEETING MINUTES
HASLC
FEBRUARY 21, 2024

Mike: How long do we have to respond to this?

Jonathan: The RFP was released-,

Dan: 15th December.

Jonathan: Yes.

Mike: So, are we a little late to the party, then?

Dan: No. Jonathan's been working on this since before the RFP came out, actually. Probably a couple months before. But, yes, the RFP came out 2 months ago and it's due now-, what's a fairly prescriptive RFP as far as the community-building size and that, kind of, thing. But it was very wide open on the residential front. You know, we do have some really special things, like, we bring project base vouchers to the table and other developers could not do that.

Jonathan: Part of the reason we had to have a special meeting rather than doing this under the normal schedule was that after talking to Gilmore Bell, they identified these 2 forms that we're approving today, hopefully, as a little bit more prescriptive than what we normally would see in an RFP. Again, that kind of leads back to maybe aging services doesn't do a lot of these. But because they're asking for us to bind the agency upfront, you know, with the submission of the RFP rather than during a typical negotiation period, we thought it was best to bring it to the board for your approval, just because of that unusual language.

Mike: Ok, I would open it up to the board and commissioners. What do you think, do you have any questions?

Brenda: I had a question about the funding portion. I think it was mentioned that the county had withdrawn like 3 1/2 million or something from the funding, from the initial funding?

M: Correct.

Jonathan: They had set aside some ERAP funding but-,

Dan: Emergency Rental Assistance Program.

SPECIAL MEETING MINUTES
HASLC
FEBRUARY 21, 2024

Jonathan: Sorry for the acronym, Brenda.

Dan: In fact, it's ERAP II, with a numeral 2.

Jonathan: Yes. They determined after they put that in the RFP that it probably wasn't feasible to meet the timelines of that funding source, and that's why they withdrew that portion.

Brenda: Is there a chance they could put money back in?

Jonathan: That's actually one of the things we mentioned in the RFP itself. They asked for any contingencies to the offer. We think that we can probably meet some of those funding requirements, particularly on demolition and maybe some of the preconstruction pieces. So, although we can't respond with that as part of our proposal because they withdrew it formally, we do intend to ask them if we can get some of that back. That would obviously change those numbers in a positive way.

Mike: Is that the right number? Is 3 million the right number?

Jonathan: 3.4.

Dan: \$3.4 million is what they withdrew. We did a few other things, like, in the recreation building there's what they call furniture fixtures and equipment, or FF&E. So, we took that out of the building and expect them to fund it themselves. We took out any other tenant improvements, if you will, from the budget. As an example, they want a coffee shop or restaurant at the ground floor, and we said, 'We're not going to provide the tenant improvements for that.' So, we still intend to be very aggressive. To put that in perspective, the recreation building is costing almost \$8 million total and, you know, they're contributing \$5.4 million plus the value of the land eventually.

Mike: Is there any FF&E for the units themselves?

Dan: Yes. They have everything, including appliances, etc.

Jonathan: We did perform an FF&E for the residential side. That's included in that 30 million number, yes.

SPECIAL MEETING MINUTES
HASLC
FEBRUARY 21, 2024

Mike: Any other questions commissioners?

Bill: What is the actual value of the land?

Jonathan: We don't know for sure because we haven't had a formal appraiser, but we did some calculations, and we think it's somewhere between 750,000 and about 1.2 million.

Bill: What is that per square foot?

Jonathan: I actually haven't calculated that.

Dan: We can do it now. But go ahead and keep the discussion going.

Bill: How big is the parcel?

Jonathan: 1.48 acres, almost an acre and a half.

Mike: It's about 61; 62,000 square feet.

Bill: Is that about \$100 per square foot?

Dan: No, it's more, like, \$30 a square foot.

Jonathan: Just as a comparison, we've looked at a number of properties recently that are more in, like, the \$90 a square foot range, although they aren't in the same location.

Bill: Yeah \$30 a square foot, it's pretty low.

Jonathan: Yes.

Plamer: Have you looked at other senior housing in this area? Is this an island of not having available aging in place housing?

Bill: No. There's a couple of other I think on 9th East if my memory pans out right.. (inaudible).

Palmer: I think it's an excellent site. I just wondered if there were other projects that would articulate with this one.

SPECIAL MEETING MINUTES
HASLC
FEBRUARY 21, 2024

Dan: I don't think we've reviewed that, really.

Jonathan: No, I mean, we did have a high-level discussion with a market analyst recently, Dan and I, not specifically about this site, but just more generally, the city and the county, at large, and I think one of the high-level takeaways was that anything that's below market is very desirable and tends to be leased up pretty quickly.

Palmer: I had a second question. I'm assuming, the housing part of this is going to be the bigger cost, correct?

Jonathan: Yes.

Palmer: I mean, as you're, kind of, playing this out. So, if it were just redeveloped as a recreational center, did you mention a number that that might cost? Without the housing.

Jonathan: We estimated that it was about \$8 million.

Palmer: About \$8 million?

Jonathan: Yes.

Palmer: So, proportionately, adding the housing, that gives you, pretty much, the ratio then between our cost going into the housing and what would it cost to just rehabilitate the senior center?

Jonathan: Yes.

Dan: Yes, and that \$8 million is our construction cost. Some of the total \$31 million includes a fair amount of soft costs.

Palmer: Okay, and the last question I have is on the parking. Since this redevelopment is going to be taking out a lot of that parking area, is parking adequate for both the housing and the senior center here?

Jonathan: So, we are replacing the vast majority of the current parking with 50 spaces allocated to the senior center and they generally have not had a full parking lot. So, we feel that that's more than adequate for that portion of it, and then, with the additional 58 spaces for the senior center,

SPECIAL MEETING MINUTES
HASLC
FEBRUARY 21, 2024

it's not quite 1-to-1, but it's a pretty generous parking allotment for a senior property. We generally would-,

Dan: Senior apartments.

Jonathan: Yes. We would usually do something probably more along the lines of a half stall per unit. So, this is well beyond that.

Palmer: Okay. Well, that's good. The last question I have has to do with how we look at this from a standpoint of neighborhood revitalization and so forth. Are there other projects that are planned in this area that would make this, you know, a desirable living area?

Dan: There is a fair amount of work along both pedestrian corridors and, kind of, restoration of small waterways in the neighborhood. There is also a fair amount of activity on first-time home-buyer homes that are going on in the neighborhood, partly in a response to, you know, gentrification fears. As an example, we're chasing 4 parcels in the neighborhood to do some first-time home-buyer homes, but Maria Garcia's organization is well underway to having some for-sale town homes to first-time homebuyers.

Plamer: I was just wondering if this just becomes, hopefully, a catalyst for more investment and more residential living space in place in the neighborhood.

Jonathan: I think it's likely to be, and that's how we're proposing it, and we've designed that thoughtfully. We've talked about it in the RFP as, sort of, a bookend to the 9th and 9th on the other side of the city, with the 9 Line Trail connecting, and we see, and I think the county sees as well, based on the RFP that they released, as, kind of, a community hub and an opportunity to really engage the broader neighborhood in a public-private scenario. You know, it'll draw people into the community center, but also, with that cafe model, and allows the seniors to, like, really integrate with that community in a really seamless way. So, I know that there is a lot of activity as far as, like, sale and it's hard to predict exactly what other development is happening, because a lot of that has slowed in the last 9 months or so, but I know that it is an area of focus for the county and the city as well. It's just part of the reason they're allocating, you know, fairly large amounts to the project.

Palmer: Okay, good, thanks.

SPECIAL MEETING MINUTES
HASLC
FEBRUARY 21, 2024

Brenda: Yes, I think there's some new construction that has gone on, single-family dwellings, that are pretty nice, from my understanding. So, I kind of like the concept of this project, especially the pickle ball courts.

Jonathan: Now, we're going to have to put a plaque up. Change Order Number 1.

Mike: Any other questions from any of you? I'm a little concerned because it seems like a rush job. And I go back to an old bromi, any fool can plan but it take a genius to go from crisis to crisis. I'm just wondering you know; I don't like it sometimes when I don't have sort of what I think is a full scope of my you know my ability to investigate all of my opportunities when I feel like I am on solid ground in terms of yes this is exactly what I want to do in terms of moving forward. Having said that, I like the concept a lot and I think it's tailor-made for success. How do you feel about that?

Jonathan: I think that's a fair comment. I will say, we don't have a full concept right now. I mean, I think what you're picking up on is that there are a lot of gaps in this, but this is an RFP, at this stage. You know, we haven't even won the opportunity to actually go forward with it. So, I think we've put an appropriate amount of work into, kind of, this concept and the pre-development, but it wouldn't make sense to go too far and spend too much money before we know that the county wants us onboard as the partner for it. So, I think that we've hit a nice balance of those concepts, and as Dan mentioned, like, this is very early going. There is a lot more development to this, both from the numbers perspective and also from the design perspective, before shovels ever hit dirt, or anything is finalized. So, if we are successful, this is something you'd see a lot more of.

Mike: Yes my senses are that you will, you will see more of this. I mean because eagain this displays a harmony I haven't seen in some other projects. So, with that, do you need a motion, Dan?

Dan: Yes.

Palmer: Well, I'd go ahead and make the motion to approve. This is a letter, or is this the approval of the proposed package to go into the county for whether they would choose us?

Jonathan: The 2 letters are requirements of the RFP, that bind the agency to be able to negotiate the final terms of the deal, as we've outlined, at least from a high-level.

SPECIAL MEETING MINUTES
HASLC
FEBRUARY 21, 2024

Dan: The motion would be authorize the President/Executive Director to, (1) respond to the Salt Lake County RFP for development of such project, (2) execute related RFP documents, (3) negotiate with the county, if selected, and (4) execute other agreements with the county materially within the scope of the RFP response. I'd actually read those earlier, but I do want to add that, and partially to the chair's question, that we won't do anything else substantially at all on this project without further board consideration and approval at further board meetings.

Palmer: Okay. Well, you know, I don't have the agenda with all that wording in front of me.

Dan: Okay, okay.

Palmer: So, I will just make the motion that corresponds to what was requested in the number 1 item on the agenda, for approval.

Dan: Before we adjourn and go to the HAME meeting with the exact same agenda, I just thought I'd ask the housing commissioners or, I'm sorry, I guess we're doing the opposite to the actual, but anyway, we don't have, really, anything substantial for the Monday board meeting, and we were going to take the temperature of the board, if they'd like to delay and not have the Monday board regular meeting. For one thing, our financial reports, we're, kind of, offsetting those by 30 days at the beginning of the year, and we really don't have any other action items for Monday's meeting. So, just take, kind of, an informal poll, if you'd like to take a break for 30 days.

Mike: What does the board think of that? I'm all in favor.

Brenda: Yes, if we don't have any substantial items.

Bill: Yes, I'd be in favor of deferring the regular meeting for 30 days. I mean, if there's not really anything substantial to talk about, other than this, which we just did.

Palmer: Yes. Maybe this is a legal question, do we have to have a certain number of meetings throughout the year?

Clay: No, you've scheduled it so we may need to provide notice of a cancellation.

SPECIAL MEETING MINUTES
HASLC
FEBRUARY 21, 2024

Plamer: Okay, I'm in favor of that then.

Mike: All in favor. Done, Dan.

The HASLC Meeting adjourned at 5:04 p.m.

Michael Pazzi, Board Chair

Daniel Nackerman, Executive Director

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Board Chair
Department: Commission



**Housing Authority
of
Salt Lake City**

Item: Assignments of Commission Committees

March 25, 2024

BACKGROUND:

Agency bylaws allow the Chair to designate or form one or more committees to further engage in specific portions of Authority business and report elements of its work and analysis back to the board.

ANALYSIS:

A committee must comprise of at least two (2) but no more than three (3) Commissioners. The committee should meet periodically as decided by the committee at the outset of its work. The committee should not have Commissioners in excess of a quorum of the Board. If a quorum of the Board decreases, the Chair must reduce the committee size within 30 days to be less than a quorum. No public notice is required for a committee meeting, and no committee has the authority to make formal decisions or take formal actions on behalf of the Authority.

Once the Chair assigns a committee at an Authority meeting, the committee should receive general input and recommended approach and scope of assignment from the Board if necessary. The designation of a committee doesn't require a vote of the Board. The Chair, in consultation with the Board, should recommend a start and end time for a committee to exist. For instance, the time period could begin immediately and conclude after six (6) months, or start in a future month and exist for two (2) years. The Chair can reasonably extend or curtail the time of a committee's existence as needed.

The committee's activities may include but are not limited to (i) presentations from Authority staff for specific subject-matter education and (ii) providing analysis and input to the Board regarding specific business elements, particular programs, special projects, unique issues, or other matters requiring further guidance, study, or understanding by the Board. The committee usually provides an informational analysis or a formal recommendation report to the Board either on a regular basis or at the end of a committee's existence, as applicable.

RECOMMENDATION:

Information only. Review and accept the report.

interest in writing to the Authority as soon as he or she has knowledge of the actual or prospective interest. All such disclosures of conflicts of interest shall be entered upon the minutes of the Authority. Upon disclosure of a conflict of interest, the Commissioner, officer, or employee may give his or her opinion on any proposed Authority action, but the Commissioner, officer, or employee may not participate in any discussions concerning any proposed Authority action and may not vote on any action proposed by the Authority in which such person has an interest.

Section 13. Committees The Chairperson may designate or form one or more committees to further engage in specific portions of Authority business and report elements of its work and analysis back to the Board. A committee shall consist of at least two (2), but no more than three (3) Commissioners who shall meet periodically as determined by the committee at the commencement of a committee's work. In no case shall the committee consist of Commissioners in excess of a quorum of the Board. If a quorum of the Board decreases the Chair shall reduce a committee size within 30 days to be less than a quorum. No public notice shall be required for a committee meeting and no committee is authorized to make formal decisions or take formal actions on behalf of the Authority.

After designation of a committee by the Chair at an Authority meeting, a committee shall receive general input and recommended approach and scope of assignment from the Board as necessary. A vote of the Board shall not be required for the designation of a committee. The Chair, in consultation with the Board, shall recommend a start and end time period for a committee to exist (e.g. such time period may include starting immediately and concluding after six (6) months; or starting in a future month and existing for two (2) years). The Chair may reasonably extend or contract the time of a committee's existence as necessary. Committee activities may include but are not limited to (i) presentations from Authority staff for specific subject-matter education and (ii) providing analysis and input to the Board regarding particular programs, specific business elements, unique issues, special projects or other matters requiring further guidance, study or understanding by the Board. A committee generally will provide an informational analysis or a formal recommendation report to the Board either on a regular basis or at the end of a committee's existence as applicable.

ARTICLE V

NOTICES

Section 1. Manner of Giving. Whenever provisions of the laws of the State of Utah or these Bylaws require notice to be given to any officer or Commissioner, they shall not be construed to require personal notice. Such notice may be given in writing, by telephone, by facsimile (fax), by electronic mail (e-mail), or by depositing the same in a post office or letter box in a prepaid sealed wrapper addressed to such officer or Commissioner at his or her address as the same appears in the books of the Authority, and the effective time of such notice when the same shall be mailed shall be deemed to be two days after mailing such notice. If notice is given by telephone, such notice shall be effective on the date given but shall be confirmed in writing to

Housing Authority of Salt Lake City

Staff Report

Report Provided by: Dan Nackerman/Jonathan Olson
Department: Executive

Item: REPORT ON STRATFORD APARTMENTS PROJECT

March 25, 2024



BACKGROUND:

HASLC and its non-profit instrumentalities have developed, purchased and sold apartment complexes over many years, usually as a stand-alone entity but more recently in partnerships with other entities such as Volunteers of America, Giv Development and Housing Connect.

In 2022 HASLC agreed to a 20% partnership interest in a First Step House project called the Stratford House near 2nd East and 2nd South. In return, HASLC has approved 46 PBVs for the project and has been participating in the planning of the development.

PROJECT DESCRIPTION:

Site: Located at 169 E. 200 S. The existing building will be fully rehabilitated and converted into Permanent Supportive Housing. Note: Commercial space at Ground level is not part of the project or considered in the rehabilitation.

Planned Housing: 46 efficiency units; The building served as an SRO many years ago and was converted into affordable efficiency units in the past. The proposed rehabilitation will further develop the project to update systems, refine aesthetics and layouts and preserve the units as Permanent Supportive Housing.

Project Status: First Step House has executed a Purchase and Sale agreement on the property and has secured 9% LIHTC and State HOME funding to complete the project. Planning, design and permitting is nearly completed. Financing is expected to close at the end of this month or early next month (April 2024). A single purpose entity, Stratford Apartments 169, LLLP has been formed on behalf of the Housing Authority. And a limited liability entity, Stratford Apartments SLP, LLP has been formed on behalf of the partnership. An additional development entity, Stratford Development, LLC has also been formed to develop the project.

Developer Fee: 40/40/20 split with HASLC receiving 20% of the developer fee estimated of approximately \$1,200,000.

PARTNERSHIP DESCRIPTION:

Pre-development and development work: First Step House and Blue Line Development

General Partner Ownership and Decision Making: 51/49 HASLC

Financing coordination: Joint but led by First Step House

Project Guarantor: Joint but mostly First Step House, with HASLC guarantees limited to amount of Developer fee.

Tax abatement entity/vehicle: First Step House or HAME or HASLC

Property Manager: HASLC or TBD

Owner after approximately 15-year tax period: First Step House with HAME or HASLC receiving 2nd right of refusal.

The Housing Authority will act as a Class B Limited Partner of the Partnership, a low income housing tax credit

entity which will introduce one or more tax credit investors as limited partners of the Partnership

ANALYSIS:

First Step House and Blue Line Group took the lead in the financing and formation of the project. In some instances, HASLCs interest was not addressed according to the original agreement. Some of the formation documents and the financing documents that are nearly completed or completed are now being modified and reviewed by HASLC Counsel to assure they are correctly represented. Additionally, at this stage of the development, a number of agreements related to financing will need to be approved by HASLC as a Limited Partner. The primary document that needs to be approved in advance of additional documents is the Amended and Restated Agreement of Limited Liability Limited Partnership of the Partnership. HASLC Counsel is also reviewing a formal Development Agreement that memorializes and formalizes our understanding of the original agreement to assure HASLC's interests are not overlooked in the future.

ACTION RECOMMENDED:

APROVE THE RESOLUTION AS FOLLOWS:

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF SALT LAKE CITY (THE "AUTHORITY") ACTING ON BEHALF OF ITSELF AND ON BEHALF OF STRATFORD APARTMENTS SLP, LLC (THE "COMPANY"), OF WHICH THE AUTHORITY IS THE SOLE MEMBER, APPROVING AND AUTHORIZING THE COMPANY TO ENTER INTO THE AMENDED AND RESTATED AGREEMENT OF LIMITED LIABILITY LIMITED PARTNERSHIP OF STRATFORD APARTMENTS 169, LLLP (THE "PARTNERSHIP"), WHICH HAS BEEN FORMED TO ACQUIRE, CONSTRUCT, REHABILITATE, FINANCE, OWN, LEASE, AND OPERATE A MULTIFAMILY APARTMENT COMPLEX INTENDED FOR RENTAL TO LOW- OR MODERATE-INCOME INDIVIDUALS TO BE LOCATED IN SALT LAKE CITY, UTAH TO BE KNOWN AS STRATFORD APARTMENTS (THE "PROJECT"), AND OTHER CONTRACTS TO BE EXECUTED AND DELIVERED BY THE AUTHORITY AND THE COMPANY IN RELATION TO THE PROJECT; RATIFYING ALL ACTIONS OF THE AUTHORITY AS THE SOLE MEMBER OF THE COMPANY, WHICH WILL BECOME THE CLASS B LIMITED PARTNER OF THE PARTNERSHIP, AND AS A MEMBER OF STRATFORD DEVELOPMENT, LLC (THE "DEVELOPER"), WHICH HAS BEEN FORMED TO DEVELOP THE PROJECT; AND RELATED MATTERS.

RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF SALT LAKE CITY
STRATFORD APARTMENTS
RESOLUTION # [838-2024]

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF SALT LAKE CITY (THE “**AUTHORITY**”) ACTING ON BEHALF OF ITSELF AND ON BEHALF OF STRATFORD APARTMENTS SLP, LLC (THE “**COMPANY**”), OF WHICH THE AUTHORITY IS THE SOLE MEMBER, APPROVING AND AUTHORIZING THE COMPANY TO ENTER INTO THE AMENDED AND RESTATED AGREEMENT OF LIMITED LIABILITY LIMITED PARTNERSHIP OF STRATFORD APARTMENTS 169, LLLP (THE “**PARTNERSHIP**”), WHICH HAS BEEN FORMED TO ACQUIRE, CONSTRUCT, REHABILITATE, FINANCE, OWN, LEASE, AND OPERATE A MULTIFAMILY APARTMENT COMPLEX INTENDED FOR RENTAL TO LOW- OR MODERATE-INCOME INDIVIDUALS TO BE LOCATED IN SALT LAKE CITY, UTAH TO BE KNOWN AS STRATFORD APARTMENTS (THE “**PROJECT**”), AND OTHER CONTRACTS TO BE EXECUTED AND DELIVERED BY THE AUTHORITY AND THE COMPANY IN RELATION TO THE PROJECT; RATIFYING ALL ACTIONS OF THE AUTHORITY AS THE SOLE MEMBER OF THE COMPANY, WHICH WILL BECOME THE CLASS B LIMITED PARTNER OF THE PARTNERSHIP, AND AS A MEMBER OF STRATFORD DEVELOPMENT, LLC (THE “**DEVELOPER**”), WHICH HAS BEEN FORMED TO DEVELOP THE PROJECT; TAKING OF ALL OTHER ACTIONS NECESSARY FOR THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, the Authority is a public body corporate and politic created pursuant to the provisions of Title 35A, Chapter 8, Part 4, Utah Code Annotated, as amended (the “*Act*”); and

WHEREAS, the Act authorizes the Authority to prepare, carry out, and operate projects and provide for the acquisition, construction, reconstruction, rehabilitation, improvement, extension, alteration or repair of any project within its area of operation; and

WHEREAS, the Authority has formed the Company, of which the Authority is the sole member; and

WHEREAS, the Company will act as the Class B Limited Partner of the Partnership, a low-income housing tax credit entity which will introduce one or more tax credit investors as limited partners of the Partnership, and which has acquired or will acquire and will construct, rehabilitate, finance, own, lease, and operate the Project; and

WHEREAS, Stratford Apartments GP, LLC, a Utah limited liability company (the “**General Partner**”), as general partner, the Company, as initial special limited partner, and First Step House, a Utah nonprofit corporation (“**First Step House**”), as initial limited partner, entered

into that Agreement of Limited Liability Limited Partnership of the Partnership, dated as of June 9, 2022 (the “*Original Partnership Agreement*”);

WHEREAS, the Company, the General Partner, Richman Western Regional III L.P., a Delaware limited partnership, as the STC Special Limited Partner, USA Institutional Stratford LLC, a Delaware limited liability company, as Investment Partnership, and The Richman Group Capital Corporation, a Delaware corporation, as Special Limited Partner, desire to enter into an Amended and Restated Agreement of Limited Liability Limited Partnership of the Partnership (the “*Amended and Restated LPA*”), in order to provide for, among other things, (i) the continuation of the Partnership; (ii) the further delineation and refinement of responsibilities between the partners of the Partnership with respect to the financing, development, lease-up, and operation of the Project; (iii) and the respective rights, obligations, and interests of the partners to each other and to the Partnership; and (vii) certain other matters; and

WHEREAS, First Step House, the Authority, and BlueLine Development, Inc., a Montana corporation (“*BlueLine*”), entered into that Operating Agreement of the Developer, dated as of June 9, 2022;

WHEREAS, in connection with the development of the Project, the Developer and the Partnership desire to enter into a Development Agreement;

WHEREAS, the Board of Commissioners of the Authority, on behalf of itself and as the sole member of the Company, desires to approve the execution and delivery of the Amended and Restated LPA, the Development Agreement, and other contracts to be executed and delivered by the Authority and the Company in relation to the Project, and all actions of the Authority in its individual capacity and as a member of the Company in connection with the Project to date;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF SALT LAKE CITY, AS FOLLOWS:

RESOLVED that the Authority and the Company are hereby authorized, empowered, and directed to enter into, execute, and deliver the Amended and Restated LPA, the Development Agreement, and any and all other documents required in connection with the formation of the Company, the formation of the Developer, and the development, ownership, construction, rehabilitation, financing, leasing, and operation of the Project as described herein; and it is further

RESOLVED that any previous actions taken by the Authority and the Company or any of their members, directors or officers, as applicable, in connection with the formation of the Company, the formation of the Developer, and the development, ownership, construction, rehabilitation, financing, leasing, and operation of the Project, or any other matter set forth in this Resolution including, but not limited to, the execution and delivery or furnishing of documents and materials by the Authority and the Company are hereby authorized, ratified and confirmed, and to the extent any such previous actions are contrary to this resolution, such prior actions are hereby repealed and replaced with the provisions hereof; and it is further

RESOLVED that the Authority and the Company are hereby authorized, empowered and directed to take such further steps and acts as may be necessary to effectuate the foregoing; and it is further

RESOLVED that the Authority's Executive Director or such Executive Director's designee is hereby authorized to execute, attest, seal and deliver all documents required in connection with the purposes set forth in this Resolution (the "*Documents*") in the form approved by the Authority's Executive Director or such Executive Director's designee and the Authority's legal counsel, provided the terms of the Documents are not inconsistent with the provisions of this Resolution and the rules and bylaws of the Authority; and it is further

RESOLVED that the Authority's Executive Director or such Executive Director's designee is hereby authorized and directed to execute and deliver all additional certificates, documents and other papers and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Resolution and the documents authorized and approved herein, and it is further

RESOLVED that if any provision of this resolution should be held invalid, the invalidity of such provision shall not affect the validity of any of the other provisions of this resolution.

PASSED AND APPROVED BY THE BOARD OF COMMISSIONERS OF THE
HOUSING AUTHORITY OF SALT LAKE CITY THIS 25TH DAY OF MARCH 25, 2024.

Board Chair

Executive Director

Approved as to form by:

Gilmore & Bell, P.C.

(Signature Page to Resolution – Stratford Apartments)

Housing Authority of Salt Lake City

Staff Report

Report Provided by: Deputy Executive Director, Kim Wilford and
Finance Director, Joe Regan
Department: Finance



Housing Authority
of
Salt Lake City

Item: Account Reconciliation (Write-Offs) Through October 2023

March 25, 2024

BACKGROUND:

The Housing Authority of Salt Lake City (HASLC) conducted a reconciliation of our uncollected receivables or 'bad debt' for all past due accounts *through October of 2023*. HASLC usually incurs this debt when a tenant or participant leaves a HASLC program owing a balance that may arise from excessive damage to a unit, unpaid rent, legal costs, or unreported income. There are also instances where a landlord is overpaid rental assistance payments often resulting from unreported tenant moves, tenant skips, or tenants that pass away.

ANALYSIS:

This bad debt write-off includes debts owed to the Housing Authority for the period through October 2023. Staff will request approval of write-offs in February, May, August, and November each year. An "Allowance for Bad Debt" is estimated annually and budgeted accordingly. Staff anticipated an increase this year and prepared a budget revision in October and do expect to end the year within this budget.

The charges related to the write off are categorized below:

	Total
Rent	\$34,296.34
Maintenance	\$3,085.00
Legal	\$2,190.00
Voucher Programs (Section 8)	\$9,866.00
Other	\$4,225.00
Methamphetamine	<u>\$2,919.00</u>
Total	\$56,581.34

FINANCIAL IMPLICATIONS:

Staff are recommending a write-off amount of \$56,581.34, which includes \$2,919.00 in Methamphetamine decontamination related debt write-offs in this report. HASLC procedure is to write off uncollected balances over 90 days. Note that we continue to take action to collect these balances due regardless of the write-offs.

RECOMMENDATION:

A motion to approve the bad debt write-off amount of \$56,581.34 under the provision that collection attempts will continue internally and through NAR, our external debt recovery agency.

BAD DEBT RECONCILIATION REPORT Q1 2024

Program / Property Number	Rent	Maint	Legal	Meth	Other	Stop Payment	\$8 Payback	Land Lord Over Payment	URP Overpayment	al/fraud	Total FY22 Q4
NON-PROFIT											
Project HAME 250-256	-	-	-	-	-	-	-	-	-	-	-
Project HAME 250-257	1,005.00	400.00	-	-	-	-	-	-	-	-	1,405.00
Project HAME 250-350 330 North	-	-	-	-	-	-	-	-	-	-	-
Project HAME 250-420 Pacific Ave/Heights	8,744.50	150.00	740.00	-	-	185.00	-	-	-	-	9,819.50
Project HAME 250-771 South	-	-	418.07	-	10,300.00	-	789.33	-	-	-	11,507.40
Project 276-3th East Lots	-	-	-	-	-	-	-	-	-	-	-
Project 450-1ad Rendon terrace	-	-	-	-	-	-	-	-	-	-	-
Project 600-501 -Riverside	-	-	-	-	-	-	-	-	-	-	-
Project 608 - Ben Albert	-	-	-	-	-	-	-	-	-	-	-
Project 609 -Cantebury	-	-	-	-	-	-	-	-	-	-	-
Non-Profit Total	9,749.50	966.07	740.00	10,300.00	974.33	-	-	-	-	-	22,731.90
PUBLIC HOUSING											
402-City Plaza	-	-	-	-	-	-	-	-	-	-	-
406-Phillips Plaza	490.00	76.00	630.00	2,919.00	-	-	-	-	-	-	4,115.00
415-Romney Plaza	-	-	-	-	-	-	-	-	-	-	-
Public Housing Total	490.00	76.00	630.00	2,919.00	-	-	-	-	-	-	4,115.00
HOMELESS / VETERAN PROGRAM											
251 Cedar Crest	5,473.17	5,683.42	980.00	6,486.00	115.00	-	-	-	-	-	-
260 Sunrise Metro	2,910.63	775.00	-	4,715.00	-	-	-	-	-	-	-
265 Pamela's Place	14,431.40	2,717.50	-	-	-	-	-	-	-	-	-
550-555 Duplex West Temple	10,842.67	-	-	-	-	-	-	-	-	-	-
556-553 Valor Apts	-	-	-	-	-	-	-	-	-	-	-
557 Freedom Landing	8,746.00	141.50	820.00	-	4,225.00	-	-	-	-	-	-
Homeless / Veteran Total	42,403.87	9,317.42	1,800.00	11,201.00	4,340.00	-	-	-	-	-	69,062.29
SECTION 8											
Grants	-	-	-	-	-	-	-	-	-	-	-
830 MDD Rehab	-	-	-	-	-	-	-	-	-	-	-
860 Section 8	-	-	-	-	-	-	-	-	-	-	-
\$8 Total	-	-	-	-	-	-	-	-	-	-	-
Land Lord Over Payments	-	-	-	-	-	-	-	-	-	-	-
Land Lord Over Payments total	-	-	-	-	-	-	-	-	-	-	-
Grand Totals											
corrected update 3/14/2024											
RENT	10,351.49	3,170.00	24,420.00	HAME	5,314.33	HASC	-	-	-	-	9,326.00
Maintenance	52,643.37	18,347.03	34,286.34	LEGAL	3,085.00	418.07	-	-	-	-	-
LEGAL	10,361.49	980.00	2,190.00	SECTION 8	538.00	538.00	-	-	-	-	-
SECTION 8	3,170.00	-	-	OTHER	5,314.33	300.00	4,225.00	789.33	-	-	-
OTHER	-	11,201.00	2,919.00	METH	24,420.00	-	10,300.00	-	-	-	-
METH	-	-	-	Landlord	9,328.00	9,328.00	-	-	-	-	-
Landlord	total	\$ 105,775.19	\$ 37,686.45	\$ 56,581.34	\$ 11,507.40	Cross>>	\$ 105,775.19	-	-	-	538.00

Housing Authority of Salt Lake City (HASLC)

Staff Report

Report Provided by: Joe Regan
Department: Finance



Item: Fiscal Year 2024 Financial Statements thru January

March 25, 2024



Housing Authority
of
Salt Lake City

BACKGROUND AND METRICS:

The “Consolidated” financial report shown individually herein, represents all properties and programs from all entities (HASLC, HAME and HDC), and shows a solid financial position through January, realizing **net residual receipts (income) of \$370,440** on year-to-date revenues for all programs/properties of **\$4,932,430** and expenses of **\$4,561,990**.

HASLC’s “Owned” properties realized a **net residual income of \$75,780** through January. The “Owned” properties are performing slightly below budget.

The “Voucher” programs (primarily Section 8) realized net **residual income of \$32,265**. This is made up of two funding and expense categories. One is Administrative Fees Earned and related administrative expenses, which are under budget. The other is Housing Assistance Payments (HAP), paid to landlords on behalf of voucher holders. The 2023 budget authority for HAP was exceeded by **\$103,954** (.03%) for which HUD has reimbursed most of in 2024 under the HUD shortfall initiative. The Moderate Rehab Program Housing Assistance Payment (HAP) costs are much lower due to private owners exiting the program.

Our “Public Housing” properties show a **net deficit of (\$51,614)**, that is more of a deficit than the projected of (\$34,862) and the agency will utilize existing program reserves to cover this budgeted deficit. The higher deficit is a combination of lower advance funding than budgeted and ‘extraordinary maintenance’ is also over due to tree trimming and mechanical repairs.

Our Housing Authority “Homeless” properties had a **net surplus of \$47,740**, which is more than the budgeted projections of \$20,284.

The HASLC “Management Fund” is at a **\$43 surplus**, where the adopted budget had anticipated a shortfall of (\$25,210).

Note that the attached financial statements to date show the comparison to the 2024 budget approved by the Board in September 2023. Note also that variances greater than 15% and \$20,000 are highlighted in green or yellow and notes are shown for the cause.

ANALYSIS:

A summary of operating revenues and expenses (budget vs. actual) for the period of January 1, 2024 through the end of January are shown above and the FY24 financials are detailed in the subsequent pages. As an entire agency, our overall income and expenses remain on track and better than anticipated (budgeted) in most areas – with an overall surplus to date of **\$370,440**.

RECOMMENDATION:

Review and accept report. No vote required.

Note: Operating costs exclude depreciation, amortization and capital expenses.

Budget Comparison

Period = Jan 2024

Book = Accrual ; Tree = qtr_bis1

		YTD Actual	YTD Budget	Variance	% Var	Annual
3000-00000	INCOME					
3190-00000	LEASE RENTAL & NONDWELLING RENTS	16,164.91	32,405.00	-16,240.09	-50.12	388,860.00
3399-99999	OPERATING INCOME	1,394,656.29	1,468,741.91	-74,085.62	-5.04	17,624,900.00
3699-99999	OPERATING INCOME OTHER	217,616.77	244,225.85	-26,609.08	-10.90	2,930,726.00
3899-99999	GRANT/SUBSIDY INCOME	3,303,992.24	2,813,974.67	490,017.57	17.41	33,767,692.00
3999-99999	TOTAL INCOME	4,932,430.21	4,559,347.43	373,082.78	8.18	54,712,178.00
4000-00000	EXPENSE					
4112-99999	ADMIN PAYROLL	541,166.57	688,480.14	147,313.57	21.40	8,261,799.00 1)
4299-99999	ADMINISTRATIVE EXPENSE	169,671.60	245,743.49	76,071.89	30.96	2,948,916.00
4339-99999	UTILITIES	159,200.34	156,742.76	-2,457.58	-1.57	1,880,903.00
4419-99998	MAINT/OPER PAYROLL	102,285.53	127,203.78	24,918.25	19.59	1,526,431.00
4429-99998	MATERIALS-ORD MAINT	42,464.14	54,176.69	11,712.55	21.62	650,117.00
4440-99999	CONTRACT COSTS-ORD MAINT	237,862.70	216,827.89	-21,034.81	-9.70	2,601,979.00
4579-99999	OTHER GENERAL EXPENSE	85,363.95	86,655.52	1,291.57	1.49	1,039,866.00
4589-99999	INTEREST EXPENSE	134,148.64	135,546.51	1,397.87	1.03	1,626,537.00
4599-99998	OTHER GENERAL, PRCP TAX	9,289.82	15,855.91	6,566.09	41.41	190,282.00
4610-99999	EXORD EXPENSES	32,669.19	15,217.31	-17,471.88	-114.82	182,600.00 2)
4629-99999	CASUALTY LOSSES	23,560.31	0.00	-23,560.31	N/A	0.00
4799-99999	HOUSING ASSIST PMTS	3,019,849.96	2,516,837.33	-503,012.63	-19.99	30,202,050.00
4969-99999	FEES/DONATIONS	4,437.00	1,014.16	-3,422.84	-337.50	12,170.00
7999-99999	TOTAL EXPENSES	4,561,989.75	4,260,301.49	-301,688.26	-7.08	51,123,660.00
8999-99999	NET PROFIT/LOSS	370,440.46	299,045.94	71,394.52	23.87	3,588,518.00

1) The budget includes COLA raises that have not taken place. This will level out later in the year. HASLC has some vacant positions.

2) HASLC - unanticipated HVAC replacements at Taylor Spings and Taylor Gardens.
HDC - Ben Albert needed plumbing repairs.

Public Housing - tree removal and & unexpected ceiling leak repair.

HASLC Owned Properties (haslcown)

Taylor Springs, 9th East, Canterbury, Cambridge Cove, Jefferson Circle, & Red House

Budget Comparison

Period = Jan 2024

Book = Accrual ; Tree = qtr_bis1

		YTD Actual	YTD Budget	Variance	% Var	Annual
3000-0000	INCOME					
3190-0000	LEASE RENTAL & NONDWELLING RENTS	4,775.17	5,025.17	-250.00	-4.97	60,302.00
3399-9999	OPERATING INCOME	310,755.15	335,507.83	-24,754.68	-7.38	4,026,103.00
3699-9999	OPERATING INCOME OTHER	24,591.09	20,570.17	4,020.92	19.55	246,843.00
3999-9999	TOTAL INCOME	340,119.41	361,103.17	-20,983.76	-5.81	4,333,248.00
4000-0000	EXPENSE					
4112-9999	ADMIN PAYROLL	41,567.91	50,548.49	8,980.58	17.77	606,602.00
4299-9999	ADMINISTRATIVE EXPENSE	28,731.25	38,701.74	9,970.49	25.76	464,425.00
4339-9999	UTILITIES	29,159.95	33,519.00	4,359.05	13.00	402,214.00
4419-9998	MAINT/OPER PAYROLL	14,396.03	19,935.92	5,539.89	27.79	239,223.00
4429-9998	MATERIALS-ORD MAINT	17,346.97	13,007.84	-4,339.13	-33.36	156,085.00
4440-9999	CONTRACT COSTS-ORD MAINT	82,852.18	51,234.77	-31,617.41	-61.71	614,836.00 1)
4579-9999	OTHER GENERAL EXPENSE	8,382.49	14,274.67	5,892.18	41.28	171,296.00
4589-9999	INTEREST EXPENSE	32,886.39	32,968.92	82.53	0.25	395,619.00
4599-9998	OTHER GENERAL, PROP TAX	3,834.64	3,854.75	20.11	0.52	46,247.00
4610-9999	EXORD EXPENSES	5,181.14	3,400.33	-1,780.81	-52.37	40,800.00
7999-9999	TOTAL EXPENSES	264,338.95	261,446.43	-2,892.52	-1.11	3,137,347.00
8999-9999	NET PROFIT/LOSS	75,780.46	99,656.74	-23,876.28	-23.96	1,195,901.00

1) High landscaping and snow removal costs. Snow removal - partially due to seasonal timing (will level out during the year) and also due to Jefferson Circle and 9th East not being included in the contract. High unit turn costs at Cambridge Cove.

Voucher Properties for Qtr Rpts (voucher)

Budget Comparison

Period = Jan 2024

Book = Accrual ; Tree = qtr_bis1

		PTD Actual	PTD Budget	Variance	% Var	Annual
3399-9999	OPERATING INCOME	0.00	70.75	-70.75	-100.00	849.00
3699-9999	OPERATING INCOME OTHER	1,636.50	1,475.92	160.58	10.88	17,717.00
3899-9999	GRANT/SUBSIDY INCOME	226,826.00	257,058.25	-30,232.25	-11.76	3,084,695.00
3999-9999	TOTAL INCOME	228,462.50	258,604.92	-30,142.42	-11.66	3,103,261.00
4000-0000	EXPENSE					
4112-9999	ADMIN PAYROLL	157,017.72	189,897.34	32,879.62	17.31	2,278,770.00
4299-9999	ADMINISTRATIVE EXPENSE	19,576.51	36,942.49	17,365.98	47.01	443,310.00
4429-9998	MATERIALS-ORD MAINT	0.00	560.50	560.50	100.00	6,732.00
4440-9999	CONTRACT COSTS-ORD MAINT	0.00	1,857.42	1,857.42	100.00	22,286.00
4579-9999	OTHER GENERAL EXPENSE	13,575.63	9,570.75	-4,004.88	-41.84	114,849.00
4599-9998	OTHER GENERAL, PROP TAX	240.32	840.08	599.76	71.39	10,089.00
4799-9999	HOUSING ASSIST PMTS	5,787.00	6,151.00	364.00	5.92	73,824.00
7999-9999	TOTAL EXPENSES	196,197.18	245,819.58	49,622.40	20.19	2,949,860.00
8999-9999	NET PROFIT/LOSS	32,265.32	12,785.34	19,479.98	152.36	153,401.00
3802-6000	GRANT/SUBSIDY INCOME (voucher)	2,748,924.00	2,510,686.33	30,128,235.00		
4799-9999	HOUSING ASSIST PMTS (voucher)	2,998,479.00	2,510,686.33	30,128,236.00		
	Under funded	(249,555.00)	0.00	0.00		

* Anticipating payment for shortage.

1) The budget includes COLA raises that have not taken place. This will level out later in the year.

Public Housing (.fs400)

Period = Jan 2024

Budget Comparison

Book = Accrual ; Tree = qtr_bis1

		YTD Actual	YTD Budget	Variance	% Var	Annual
3399-9999	OPERATING INCOME	56,139.00	57,586.67	-1,447.67	-2.51	691,040.00
3699-9999	OPERATING INCOME OTHER	7,864.80	10,339.83	-2,475.03	-23.94	124,078.00
3899-9999	GRANT/SUBSIDY INCOME	27,015.00	35,688.83	-8,673.83	-24.30	428,266.00
3999-9999	TOTAL INCOME	91,018.80	103,615.33	-12,596.53	-12.16	1,243,384.00
4000-0000	EXPENSE					
4112-9999	ADMIN PAYROLL	46,441.70	52,791.16	6,349.46	12.03	633,494.00
4299-9999	ADMINISTRATIVE EXPENSE	5,741.38	6,995.50	1,254.12	17.93	83,946.00
4339-9999	UTILITIES	25,639.20	20,675.51	-4,963.69	-24.01	248,106.00
4419-9998	MAINT/OPER PAYROLL	29,159.73	20,261.34	-8,898.39	-43.92	243,136.00
4429-9998	MATERIALS-ORD MAINT	960.66	3,799.00	2,838.34	74.71	45,588.00
4440-9999	CONTRACT COSTS-ORD MAINT	16,362.93	20,386.75	4,023.82	19.74	244,641.00
4579-9999	OTHER GENERAL EXPENSE	13,234.12	13,158.41	-75.71	-0.58	157,901.00
4599-9998	OTHER GENERAL, PROP TAX	0.11	410.33	410.22	99.97	4,924.00
4610-9999	EXORD EXPENSES	5,093.73	0.00	-5,093.73	N/A	0.00
7999-9999	TOTAL EXPENSES	142,633.56	138,478.00	-4,155.56	-3.00	1,661,736.00
8999-9999	NET PROFIT/LOSS	-51,614.76	-34,862.67	-16,752.09	-48.05	-418,352.00

HASLC Homeless Properties (haslhome)

Cedar Crest, Transitional, Valor Apartments, Freedom Landing & Valor House

Budget Comparison

Period = Jan 2024

Book = Accrual ; Tree = qtr_bis1

		YTD Actual	YTD Budget	Variance	% Var	Annual
3000-0000	INCOME					
3190-0000	LEASE RENTAL & NONDWELLING RENTS	11,088.00	11,088.00	0.00	0.00	133,056.00
3399-9999	OPERATING INCOME	144,431.13	156,502.42	-12,071.29	-7.71	1,873,029.00
3699-9999	OPERATING INCOME OTHER	329.48	5,152.51	-4,823.03	-93.61	61,830.00
3899-9999	GRANT/SUBSTDY INCOME	4,442.59	6,535.59	-2,093.00	-32.02	78,427.00
3999-9999	TOTAL INCOME	160,291.20	179,278.52	-18,987.32	-10.59	2,151,342.00
4000-0000	EXPENSE					
4112-9999	ADMIN PAYROLL	47,605.56	72,343.17	24,737.61	34.19	863,118.00 1)
4299-9999	ADMINISTRATIVE EXPENSE	11,243.37	14,845.61	3,602.24	24.26	173,147.00
4339-9999	UTILITIES	14,893.10	14,493.00	-400.10	-2.76	173,916.00
4419-9998	MAINT/OPER PAYROLL	11,285.81	17,012.50	5,726.69	33.66	204,150.00
4429-9998	MATERIALS-ORD MAINT	3,497.74	5,163.93	1,666.19	32.27	61,967.00
4440-9999	CONTRACT COSTS-ORD MAINT	13,137.18	22,951.23	9,814.05	42.76	275,415.00
4579-9999	OTHER GENERAL EXPENSE	10,888.84	10,096.43	-792.41	-7.85	121,157.00
4599-9998	OTHER GENERAL, PROP TAX	0.07	337.91	337.84	99.98	4,055.00
4610-9999	EXORD EXPENSES	0.00	1,749.99	1,749.99	100.00	21,000.00
7999-9999	TOTAL EXPENSES	112,551.67	158,993.77	46,442.10	29.21	1,907,925.00
8999-9999	NET PROFIT/LOSS	47,739.53	20,284.75	27,454.78	135.35	243,417.00

1)The budget includes COLA raises that have not taken place. This will level out later in the year. There is a vacant property manager position.

State Fund (.fs500) (Management Fund)**Budget Comparison**

Period = Jan 2024

Book = Accrual ; Tree = qtr_bis1

		YTD Actual	YTD Budget	Variance	% Var	Annual
3699-9999	OPERATING INCOME OTHER	55,539.60	56,717.08	-1,177.48	-2.08	680,605.00
3999-9999	TOTAL INCOME	55,539.60	56,717.08	-1,177.48	-2.08	680,605.00
4000-0000	EXPENSE					
4112-9999	ADMIN PAYROLL	35,255.01	50,129.42	14,874.41	29.67	601,553.00 1)
4299-9999	ADMINISTRATIVE EXPENSE	19,128.99	29,139.92	10,010.93	34.35	349,679.00
4339-9999	UTILITIES	94.70	0.00	-94.70	N/A	0.00
4419-9998	MAINT/OPER PAYROLL	0.05	0.00	-0.05	N/A	0.00
4429-9998	MATERIALS-ORD MAINT	0.00	202.83	202.83	100.00	2,434.00
4440-9999	CONTRACT COSTS-ORD MAINT	764.80	446.84	-317.96	-71.16	5,362.00
4579-9999	OTHER GENERAL EXPENSE	252.66	341.17	88.51	25.94	4,094.00
4599-9998	OTHER GENERAL, PROP TAX	0.04	1,666.67	1,666.63	100.00	20,000.00
7999-9999	TOTAL EXPENSES	55,496.25	81,926.85	26,430.60	32.26	983,122.00
8999-9999	NET PROFIT/LOSS	43.35	-25,209.77	25,253.12	100.17	-302,517.00

1) Budget included a rate increase and current salary levels have stayed the same.

Housing Authority of Salt Lake City

Staff Report

Report Prepared by: Zac Pau'u, Deputy Director and
Kelly Walsh, Senior Housing Analyst



**Subject: Methamphetamine Control and Remediation
Update and Analysis**

March 25, 2024



**Housing Authority
of
Salt Lake City**

BACKGROUND:

The Housing Authority of Salt Lake City (HASLC) and its affiliates have consistently faced financial and property management challenges stemming from methamphetamine use and resultant contamination in its owned units across its portfolio. In response to these challenges, HASLC staff is conducting quarterly analyses to provide insights into the issue and propose strategies to mitigate related financial losses and community disruptions.

ANALYSIS:

The process of control is complex and many elements such as screening of new residents, lease provisions, property management practices and legal/regulatory guides are being analyzed for changes soon. One element regarding control was the purchase of relatively unproven though state-of-the-art methamphetamine detectors. (More to come on this to come).

With regard to remediation and repair, it encompasses several phases, requiring close coordination among HASLC, service providers, external methamphetamine remediation contractors, and the Salt Lake County Health Department. Collaboration with third-party entities is key to minimizing the duration of vacancies. Past delays have been attributed to staffing constraints at Salt Lake County and the VA, uncooperative residents, and units with severe contamination or damage, all of which have a notable impact on the overall timeline.

Please refer to the chart below for a detailed breakdown of the average time frames associated with each phase. Over the past three-month period reported, there were eight methamphetamine remediations with a total cost of \$24,420.

Average timeframe from initial testing to new lease up (in days)

	Testing	Vendor Contacts SL County	SL County Placards Unit	Remediation	Final Report Sent to SL County	Unit Turn	Unit Lease Up	Average Total Days
Current Bad Debt Report (8/2023 – 10/2023)	4.38	4.4	11	1.25	10.4	24.5	18.7	102.83
Previous 6 Month Period	3.8	7.1	15.5	2.8	16.6	72.4	30.6	148.7

Through close collaboration with our staff, vendors, partners, and the Salt Lake County Health Department, we've implemented communication-focused processes, resulting in a notable decrease in unit vacancy duration. While progress has been made, there is still room for further improvement.

HASLC remains proactive in tackling methamphetamine contamination in our units. While progress has been steady, we're continuously refining our processes, strengthening collaboration with law enforcement, and exploring educational initiatives. While there's more work ahead, our commitment to minimizing the impact of methamphetamine contamination remains unwavering.

RECOMMENDATION:

This report is for informational purposes. HASLC staff will continue to update the board as we work to address this issue.

Housing Authority of Salt Lake City

Staff Report

Report Provided by: Dan Nackerman/Jonathan Olson
Department: Executive



Housing Authority
of
Salt Lake City

Item: New Report - Development Activity Summary

Date: March 25, 2024

BACKGROUND:

HASLC and HAME have been actively developing, purchasing and selling multi-family apartment complexes for many years. HASLC is also frequently approached by developers to partner on prospective projects which are carefully vetted to assure viability and to assess the project falls within HASLC's mission. The following is a summary of our pipeline of projects as it now stands.

UPDATES:

Fully Funded Projects:

Atkinson Stacks: This project consists of 98 new construction units in a high-rise configuration that utilizes some of the parking area of the current Sunrise Metro property. The project is fully funded with a combination of a \$9M State Office of Homeless Services (OHS) grant and Low Income Housing Tax Credit (LIHTC) funding approved in the 2023 round. The project will be 100% Permanent Supportive Housing and architecture, construction estimating and final financing are currently underway.

Sunrise Metro Renovation and Expansion: Sunrise Metro is currently out of its initial tax credit compliance period (15 years) and is in need of renovation and upgrades. In a dual application for LIHTC funding (combined with Atkinson Stacks), Sunrise Metro received a tax credit award in 2023 to fund the rehabilitation. Also, when Sunrise was originally designed, it had an option to add 18 units to the South side of the building, which we will now take advantage of to increase the number of units at Sunrise from 100 to 118. In addition to the new units, the entirety of the building will receive a substantial rehabilitation, upgrading systems, flooring, windows, and other aesthetics bringing the building up to date and allowing for many additional years of service.

Active Projects without full Funding:

Book Cliffs Lodge: Book Cliffs is fully assembled and permit ready. Permit fees have been paid. We are able to pick up permits once we select a general contractor. Procurement for a General Contractor (GC) has been completed, however we declined to execute with the GC because the funding is not complete. We are newly exploring a HUD 221(d) 4 loan, after repeated rounds of (% and 4% tax credit financing applications were unsuccessful, to take advantage of favorable Federal rates and we believe the project will be viable provided additional City funding has been allocated, along with a very recent Redevelopment Agency (RDA) award of a low interest \$750K loan.

Pharos Apartments: Pharos is also completely designed and close to permit ready. We currently have new financing strategies forming after the project was deemed unsuccessful for tax credit financing. One promising source is approximately \$1.5M that could potentially be potentially gained with a FHLB grant. FHLB applications are due in April and awards are made at the end of the calendar year, leaving some uncertainty in construction timing. Note also Pharos just received an a low interest loan from the RDA for \$880K.

Preliminary Projects:

Northwest Pipeline Building and Land: HASLC was successful in the Request for Qualifications (RFQ) portion a City-led process for the project and has moved on to the Request for Proposals (RFP) submittal which is due April 11. The current configuration includes a renovation of the historic Pipeline building, three (3) new buildings and a parking garage. This includes about about 265 units, 208 parking stalls, commercial/retail space and public green space. Financing is likely to include Historic Tax Credits, 4 and 9% LIHTC, City funding, and other smaller sources. Almost \$125,000 will be expended just on the preparation of professional, thorough submittal.

Sunday Anderson Senior Center: HASLC staff completed and submitted a proposal that included a full build of a new senior center along with 65 units of integrated senior housing. Although the RFP has closed, preliminary scoring showed our application as a close 2nd of 3 but we expect the RFP to be reissued due to a technical violation in the scoring. The new timing is yet to be known.

Fairmont Heights Apartments: HASLC has contributed \$100K in earnest money, in addition to \$275K from our partner Lincoln Avenue Capital, to execute the option to purchase land in “central” Sugarhouse for 110 units of affordable senior housing. The City is moving to award \$5,640,000 of very low interest financing towards the land purchase and another \$1,000,000 in a low interest loan from the RDA. This project will rely on 9% LIHTC applications in the coming June round and beyond.

First Time Homeownership: HASLC has been in discussions with local leaders on a proposal that would develop up to 34 units of manufactured housing for families on 4 separate parcels in the City. The City-owned parcels will be released for proposals soon. These units would be designed with the intent of providing entry homeownership opportunities to low-income families.

Mansell Manor: HASLC owns the property currently slated for this project. However, it requires a rezone and plan amendment to accomplish the density that is needed for our plan. Requests for a rezone were submitted in September 2023 to the City Zoning department and are currently under review. Zoning changes typically take 12-18 months.

Peripheral projects/partnerships:

Stratford House: This project, in partnership with First Step House, was awarded 9% tax credits last year. Planning is still underway for the renovation and is expected to begin after the financial closing which is scheduled for the end of this month. HASLC is providing 35 vouchers and is a 20% partner in the project. However, there is a need to revisit some partnership documentation due to oversights in the partnership structure. Once the financing is closed, construction/renovation can begin and is likely to take about 12 months.

Alliance House: HASLC has agreed to provide 16 vouchers to this project to assist this service provider in rebuilding new housing to replace the aging nine-units of housing that they currently maintain. This project is being funded privately but did recently receive a \$500K allocation from the RDA. Cowboy Partners, a major developer, is assisting Alliance House.

Early exploration projects:

We are being invited to partner on a few newly conceived developments and also asked often to just provide Project-based Vouchers (PBV's) for such sites. Our screening of these ventures includes us maintaining at least half of the “control – and in the case of PBV's only allocating if we are a major partner.

CONCLUSION:

After years of very few projects under construction, or for that matter fully financed, our development activity has increased and will continue to do so.

Housing Authority of Salt Lake City

Staff Report

Report Provided by: Daniel Nackerman 

Department: Executive

Subject: Executive Director Update

March 25, 2024



**Housing Authority
of
Salt Lake City**

Following is an outline for discussion of highlighted activities and milestones from the past month, as well as some emerging issues and projects:

- 1) HUD delivers shortfall funding in 2024 for minor 2023 budget overruns voucher program.
- 2) A new approach developed to improve leasing at VA assisted homeless housing sites we own.
- 3) Numerous HASLC support letters are being gathered for “shortlisted” major downtown project presently known as the Historic Northwest Pipeline Building and Site.
- 4) New starter home projects formulating.
- 5) A MTW initiative for housing service funding was disapproved by HUD in December and now re-approved in mid-March 2024.
- 6) Poor Tenant Accounts Receivables (TAR's) have become a national issue for most Housing Authorities.
- 7) New funding attained from Salt Lake City entities! \$880,000 for Pharos Apartments development (HOME funds); \$740,000 for Book Cliffs apartments development (HOME funds); \$3 mill in funding for the Book Cliffs project newly targeted by the City Housing Stabilization Department/City Council for Book Cliffs; and \$5.64 million in funding was formally targeted for Fairmont Heights Senior Housing development. An additional \$1.0 million was approved for Fairmont Heights Senior Housing through our development partner, Lincoln Community Development, in a separate action.
- 8) HASLC falsely targeted for delays in Stratford Apartments financing.
- 9) 2024 HUD budgets finally solidified.

Thank you for your attention to these important matters and thank you for your voluntary leadership in helping this agency stay innovative and effective.

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Jackie Rojas

Department: Section 8

DR



**Housing Authority
of
Salt Lake City**

Item: Voucher Leasing and Budget Utilization

March 25, 2024

BACKGROUND:

One of the largest and most important programs at almost every Housing Authority in the U.S. is the Section 8 Program which HUD has renamed the Housing Choice Voucher (HCV) program. There are several types of Voucher Programs at our agency, which includes Tenant-Based, Project-Based and programs targeted at assisting veterans, non-elderly disabled, youth aging out of foster care and families working towards reunification. Through these programs, HASLC houses approximately 7,000 persons and provides rental payments to roughly 1,000 private landlords each month.

FUNDING AND UTILIZATION:

The Voucher Program is tasked with very complex administration by HUD, including difficult funding and utilization formulas. Housing Authorities are awarded an annual "Budget Authority" - the maximum amount of funding to provide rental subsidy through the year for Housing Choice Vouchers. The "Budget Authority" is based on the previous year's expenditure plus an inflation factor. HA's are also awarded a certain number of vouchers as described below.

- The number of standard Housing Choice Vouchers allocated to HASLC, also known as Unit Months Available (UMA) is 3,047 per month in 2024. The annual maximum UMA that may be leased in 2024 is 36,564.
- The **estimated** 2024 Annual Budget Authority is \$31,396,814. This estimate comes from our most recent update conducted with HUD staff. The final Budget Authority is expected to be released in April 2024 or perhaps the very day of this Board meeting!

HUD expects each Housing Authority to maximize the number of units leased each year with the maximum utilization of the available budget. If these are not relatively balanced at the end of the year, there are negative impacts for the future of the program.

UPDATE SUMMARY:

The attached data demonstrates Leasing and Budget utilization through the month of February 2024.

- **LEASING:** The total number of units Leased in February 2024 is 2,887. Voucher utilization is 15.75% of the UMA – ideally it would be 16.67%.
- **BUDGET:** The February 2024 expenditure of Budget Authority is \$2,920,220. Cumulatively, this is 18.53% of the estimated 2024 Budget Authority. Based on the funding estimate, target utilization of funding is 16.67% so we are somewhat over budget.

HASLC received \$103,254. in shortfall funding for 2023. PHA staff are currently working with HUD Shortfall team to revise our final 2023 shortfall amount and believe we may receive additional shortfall funding.

MAINSTREAM VOUCHERS

Mainstream Vouchers are tenant-based vouchers that serve households with at least one non-elderly (18-61 years old) person **with a disability** that is transitioning out of institutional settings, at serious risk of institutionalization, are homeless, or at risk of becoming homeless. HASLC partners with the Utah Department of Health and Human Services to provide supportive services to Mainstream households. Funding and financial reporting for Mainstream Vouchers is separate from the regular tenant-based voucher program.

The Mainstream Voucher program is currently underutilized and has been for almost two years. Staff are prioritizing the leasing of these vouchers to fully utilize all available vouchers and funding, but new strategies are needed for full utilization as described below.

Our current leasing and utilization information for this special allocation of Mainstream Vouchers is as shown below:

- 74 Mainstream Vouchers are currently leased out of a possible 121.
- 21 of the remaining 47 Mainstream Vouchers have been issued to applicants and are searching for housing.
- We continue to process applicant households from the waitlist to determine program eligibility.

CONCLUSION:

Although we are waiting for HUD to release final funding amounts, we are starting 2024 in a positive position with leasing and budget utilization. Our current monthly budget utilization will result in us being over budget by the end of the year. We will continue to work with our HUD shortfall team to discuss possible actions to decrease our monthly expenditure or to capture any overages at the end of the year. We will continue to closely monitor our budget both internally and through regular reviews of our “Two-Year-Tool” with HUD staff.

The leasing of Mainstream Vouchers continues to be a very high priority. Landlord outreach staff provide housing search assistance and work closely with Mainstream participants and their supportive services providers.

ACTION: Accept report. No vote needed.

Section 8 Leasing and Budget Summary as of
February 29, 2024

MONTH	2022 Unit Months Available (UMA)	Actual Units Leased
JANUARY	3,047	2,873
FEBRUARY	3,047	2,887
MARCH	3,047	
APRIL	3,047	
MAY	3,047	
JUNE	3,047	
JULY	3,047	
AUGUST	3,047	
SEPTEMBER	3,047	
OCTOBER	3,047	
NOVEMBER	3,047	
DECEMBER	3,047	
	36,564	5,760

Reporting month target 16.67% 15.75%

MONTH	2023 Budget Authority	ACTUAL HAP EXPENSES
JANUARY	\$ 2,616,403	\$ 2,896,232
FEBRUARY	\$ 2,616,401	\$ 2,920,220
MARCH	\$ 2,616,401	
APRIL	\$ 2,616,401	
MAY	\$ 2,616,401	
JUNE	\$ 2,616,401	
JULY	\$ 2,616,401	
AUGUST	\$ 2,616,401	
SEPTEMBER	\$ 2,616,401	
OCTOBER	\$ 2,616,401	
NOVEMBER	\$ 2,616,401	
DECEMBER	\$ 2,616,401	
	31,396,814	\$ 5,816,452

Reporting month target 16.67% 18.53%

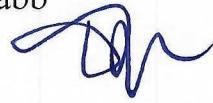
ESTIMATED 2024 HAP Funds Available \$31,396,814.00
2024 HAP Funds Expended \$5,816,452.00

YTD Target Utilization	YTD Actual Utilization of all Funding Available
16.67%	18.5%

Housing Authority of Salt Lake City

Staff Report

Report Provided by: Britnee Dabb
Department: Executive



Housing Authority
of
Salt Lake City

Item: Community Partners Report

March 25, 2024

HASLC understands the importance of engaged community partnerships to strengthen the broader community and be seen as the leader in affordable developments and programs. Various staff members work on ways to build and strengthen partnerships monthly. Below are staff efforts to either reach out to initiate or continue to foster partnerships with the organizations or individuals listed below:

- **Catholic Community Services' St. Vincent's Kitchen Academy** is a culinary training program designed to provide those impacted by employment barriers with the culinary and life skills needed to enter the food service industry. Staff attend the monthly luncheon, where the cohort caters a four-course luncheon to put their knowledge to the test.
- The **Executive Director of Alliance House** met with staff to discuss waitlists, assist with rental searches and applications for club members, and partner in future developments.
- A meeting was held between the staff of **Utah Housing Corporation** (UHC) and members of the public to discuss the Qualified Application Plan (QAP) of UHC. The QAP highlights the housing priorities of the state and establishes the guidelines for scoring tax credit applications and awarding credits.
- On Thursdays, the staff meets with the **Veteran Community Triage** team, which includes several community partners, such as **Veterans Affairs, Housing Connect, The Road Home, and First Step House**.
- HASLC Staff had a booth at the **Salt Lake County Provider Expo** to provide information about resources and support available to low- and moderate-income individuals and families. All Salt Lake County residents were invited to attend.
- Staff recently met with **Young Professionals Salt Lake City** to explore potential collaborations in the media regarding affordable housing options in Salt Lake. Young Professionals is a non-profit organization dedicated to creating opportunities for young professionals in Salt Lake City to connect, develop, and enhance the region through social, professional, and civic engagement.
- Staff met with the **Salt Lake County Office of Regional Development** to discuss opportunities related to The Environmental Protection Agency (EPA) remediation funding. Which included an overview of funding opportunities, detailed instructions for completing the application, and Community Development Block Grant (CDBG) Program compliance requirements.
- Staff attended the State of Utah **Energy Advisory Council's** annual meeting earlier this year. The council comprises representatives from various Utah organizations and agencies that advocate for low-income individuals in our state.

- Staff worked with the **Kem C. Gardner Policy Institute at the University of Utah**, an Ivory-Boyer Senior Fellow, James A. Wood, on several research areas, including housing, construction, and real estate.
- **Salt Lake City Corporation's Department of Economic Development**, Redevelopment Chief Operating Officer and team met with HASLC staff to discuss progress developments and how to serve Salt Lake City's goals better.
- To improve our community partnerships, our staff recently met with **NeighborWorks Salt Lake's** Executive Director and Construction Manager.
- In February, staff, along with other **Moving to Work** (MTW) agencies in the Landlord Incentives Cohort, shared best practices and learned how other agencies are implementing MTW flexibilities.
- Staff met with graduate students from **Brigham Young University** to provide information on affordable housing for a research paper while providing a contact for future questions and information.
- **Mayor Mendenhall's 2024 State of the City** address included affordable housing plans for Salt Lake City, including allocating more than \$38 million toward the development of new affordable housing units, the acquisition of existing ones, and the backing of future housing initiatives. This will increase the provision of affordable housing throughout the area.
- Staff met with **Utah Housing Corporation** to discuss improving future collaborations, Low-Income Tax Credits, and the state's housing priorities.
- Staff met with representatives of the **Utah Office of Homeless Services**, including **Utah Homeless Coordinator** Wayne Niederhauser, to discuss the developments and goals of our agency and the State.
- Staff attended a conference held by our human capital management (HCM) system, **Paylocity**, to learn about new enhancements coming to the system and ways to utilize the system to its fullest potential.
- Staff met the **Salt Lake County Coordinated Entry Team** to discuss streamlining processes applicable to various programs and their waitlists to serve our community needs better.
- The **Utah Retirement Systems (URS)** Employer Session to discuss 2024-2025 contributions, regulations, and requirements for the fiscal URS year.
- The HR Generalist met with a representative from Paylocity to explore enhancements and how they could benefit HASLC's effectiveness and efficiency.
- After receiving the Emergency Rental Assistance Program funding, staff met with Salt Lake County's Housing & Community Development Operations Manager to discuss the grant expectations.
- Every Tuesday, staff attends the Community Triage Group (CTG), where various agencies meeting to discuss housing prioritization for families, singles, youth, and veterans.
- Earlier this year, a presentation was held to discuss Circles Salt Lake and HASLC staff and explore potential partnership opportunities. Circles Salt Lake is an initiative by the non-profit organization Poverty Reduction Services, which aims to reduce poverty by helping people achieve upward mobility and self-sufficiency.

- Earlier this year, a presentation was held to discuss NeighborWorks Salt Lake and HASLC staff and explore potential partnership opportunities. NeighborWorks builds on the strengths of neighborhoods, creating opportunities through housing, resident leadership, and youth and economic development.
- Staff met with **Volunteers of America** leadership and case manager teams on a bi-weekly scheduled Housing Location meeting. Discussions will be held on building a better streamline between the agencies to offer multiple support to clients/customers/applicants and develop a better partnership between the agencies.
- A cross-functional team of HASLC staff meets weekly with our software provider, **Yardi**, to implement Rent Café for our voucher and public housing programs. Rent Café will allow us to complete processes, such as recertifications for residents electronically, moving us closer to a paperless agency while increasing customer satisfaction.
- Housing funding and project opportunities were discussed with the **Salt Lake City Corporation Department of Community & Neighborhoods** and staff over several meetings.
- Staff met with **Brinshore Development** and **EMG Property Management** leadership on leasing project-based vouchers at Aster Apartments.
- Staff met with **Salt Lake City Public Utilities** to coordinate infrastructure improvements related to Book Cliffs development.
- Weekly meetings occur with **Giv Group** and HASLC staff to discuss the development of Atkinson Stacks and the rehabilitation of Sunrise Apartments.
- HASLC Staff met with **Xylem Development** to discuss potential collaborations.
- Our staff met with **AffordableHousing.com** to discuss waitlists, potential integration with/updates to the HASLC website, and best practices moving forward.
- Staff met with **Salt Lake City Planning Department** officials to discuss Book Cliffs permitting.
- Staff worked with HUD's **Office of Davis-Bacon and Labor Standards Region VII** representative to ensure agency compliance and answer project-specific questions related to ongoing projects.
- Staff met with officials from the **Salt Lake City Corporation Planning Department**, the head of the **Salt Lake City Corporation Building Department**, and city inspectors to discuss new project development.
- Staff meet with **The Road Home/Men's Resource Center** team weekly to discuss applications, waitlist, and housing questions.
- Staff met with the **Workforce Services Division of Child and Family Services (DCFS)** to discuss potential applicants and participants who may no longer qualify for the Family Unification Program. Discussions include waiting list applicants, withdrawals/rejections, and new DCFS Case Managers.
- Staff met regularly with **Blueline Group** and **First Step House** to work on developing the Stratford House Apartments.

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Deputy Executive Director, Kim Wilford, and
Deputy Director; Zac Pau'u

Department: Executive



Item: Low Income Housing Tax Credit Compliance

March 25, 2024



Background:

The Housing Authority of Salt Lake City manages 11 properties funded through Section 42 of the Internal Revenue Code, also known as the Low-Income Housing Tax Credit (LIHTC) program, totaling 840 units, with upcoming developments in process. Recognizing past reporting deadlines missed, particularly in Certification Online Budget Data and Certification Online Financial Data, ongoing reporting to the board is now emphasized to address and document delays and improved timelines.

Utah Housing Corporation (UHC), the state's Housing Finance Agency, interprets the IRS regulatory code, distributing an annual compliance manual and conducting a variety of audits at each site based on that interpretation. The following descriptions will outline updates in the audit processes at Capitol Homes, Taylor Springs and Taylor Gardens file audits as well as an upcoming audit at Sunrise Metro. The other LIHTC properties have not been audited/reviewed as of yet in 2024.

Audit Process Updates:

Capitol Homes:

The file audit process was conducted at Capitol Homes on November 9, 2023, to ensure compliance with LIHTC program regulations. This comprehensive examination encompassed tenant eligibility, income restrictions, rent and fee limits, and accurate record-keeping. A full findings report was received on December 20, 2023. Consistent with our commitment to delivering timely and transparent responses to audit findings to uphold program integrity and objectives, the audit responses were submitted 53 days prior to the due date of March 19, 2024. It is currently awaiting closeout by Utah Housing Corporation, marking a significant milestone in ensuring compliance with all requirements.

Taylor Springs and Taylor Gardens:

The file audit process was conducted at Taylor Springs and Taylor Gardens on October 17, 2023, to ensure compliance with LIHTC program regulations. This comprehensive examination encompassed tenant eligibility, income restrictions, rent and fee limits, and accurate record-keeping. A full findings report was received on November 27, 2023. Consistent with our commitment to delivering timely and transparent responses to audit findings to uphold program integrity and objectives, the audit responses were submitted 1 day prior to the due date of February 23, 2024. It is currently awaiting closeout by Utah Housing Corporation, signifying a significant milestone in ensuring compliance with all requirements.

Rendon Terrace, Sunrise Metro, Jefferson School I & Jefferson School II:

On February 20 and February 15 respectively, we received notification from UHC regarding upcoming file audits scheduled at Rendon Terrace on March 5, 2024, Sunrise Metro on March 1, 2024, Jefferson School I, and Jefferson School II on March 5, 2024. Additionally, UHC will conduct a physical audit at Sunrise Metro on March 13, 2024. The audits will involve at least 20% of all files of tenants initially certified or recertified during the calendar year 2023. Attached to the notification was the property data form, which must be completed and uploaded to the ShareBase system by the specified deadline. On the inspection day, the selected units for review will be communicated. Alongside the property data form, the following documentation must be uploaded by February 29, 2024, through the provided ShareBase link: a copy of the current rent roll and the rent roll as of December 31, 2023; requested files for current tenants occupying any low-income unit; files for tenants who occupied a low-income unit at any time during 2023; files on all set-aside units; and a copy of the 2023 utility allowance schedule. Upon receiving the file selection from the auditor, there will be a 2-business-day window to upload the files.

Coordination:

On February 14, 2024, UHC distributed the Annual Owner Certification report instructions for the program year 2023. The Director of Property Management and Director of Finance, along with third-party property management, are actively coordinating efforts to ensure the timely submission of complete and accurate data.

Analysis:

The recent file audits at Capitol Homes, Taylor Springs, and Taylor Gardens underscore our dedication to program compliance. While Capitol Homes demonstrates commendable proactivity, these audits highlight the need for enhancing overall response times, particularly at Taylor Springs and Taylor Gardens.

Action Recommended:

This report serves as an update for information purposes; no action is needed currently.

Housing Authority of Salt Lake City
Staff Report

Report Provided by: Deputy Director Zac Pau'u

Department: Property Management

Item: Key Performance Indicators (KPIs)
February 2024

✓

March 25, 2024



**Housing Authority
of
Salt Lake City**

Background:

The Property Management Department has developed Key Performance Indicators (KPIs) and associated metrics to monitor performance around essential activities. The below tables detail KPIs and metrics in focus for 553 units Housing Authority Owned properties. They also provide other informational data points to help identify deficiencies and make appropriate corrections. Similar reports have been provided to break out units owned and managed under Housing Assistance Management Enterprise (HAME) and Housing Development Corporation (HDC). Units impacted by extraordinary circumstances such as methamphetamine remediation, flood, or fire that were previously excluded are identified as such in this report. Units impacted by outlying circumstances such as excessive extermination, excessive damage, or death are identified in this report as outliers.

Analysis:

KPI: Average Occupancy for February 2024

Metric: >95% for stabilized properties

Average Occupancy	February
HASLC	94.2

Move-ins	February
HASLC	14

Move-outs	February
HASLC	14

Evictions	February
HASLC	2

Work Orders Completed	February
HASLC	475

Unit Turns Completed	February
HASLC	16

KPI: Average Number of Days Vacant for February 2024

Metric: Average 20 days or less

The days vacant are calculated at move-in, calculating the average number of days from move-out to move-in. We had five move ins which fell under outlying circumstances at Valor House Valor Apartments and Freedom Landing with an average of 98 days vacant and part of the continuing VA occupancy recovery.

Days Vacant

	February
HASLC	31

KPI: Tenant Account Receivables (TARs)

Metric: 4% of Potential Rent or less.

In the previous month, HASLC had a rolling accounts receivable (AR) balance of \$72,683. We collected \$26,007 resulting in a 36% collection rate. Of this total, \$21,593 remains outstanding for more than 90 days. HASLC currently has 11 repayment agreements in effect, with a 100% compliance rate up to last month.

For the month of February, the total recurring charges for HASLC-owned properties amounted to \$424,249 with an 10% delinquency rate. At the close of February, the combined total owed for HASLC properties was \$81,865.

Financial Impact:

Account Receivables Owed

Although “payback agreements” reduce current rental collections, they are preventing evictions and subsequent expenses. We continue our dedicated efforts to assist financially impacted residents of COVID-19 in maintaining their housing. By aggressively pursuing emergency financial relief, we have successfully decreased the total owed amount to HASLC by \$665,619. As the Emergency Rental Assistance Program has concluded, we actively seek board-approved repayment agreements and provide tenants with information on available supplementary resources. In our continued dedication to assisting financially impacted residents amid the COVID-19 pandemic, forthcoming ERA awards from both Salt Lake City and Salt Lake County will significantly contribute to reducing overall Account Receivables.

Action Recommended:

This report is for information, as an update – no action is needed.

Housing Authority of Salt Lake City

Staff Report

Report Provided by: Angel Myers
Department: Commission



Item: Upcoming Conferences and Trainings

March 25, 2024



Housing Authority
of
Salt Lake City

CONFERENCES and TRAINING:

Industry trainings and related conferences are available for HASLC Commissioners. Some of the upcoming conferences and training are listed below. Please reach out to Angel at amyers@haslcutah.org to register or to ask any questions.

Rental Housing Association of Utah

- April 23rd, 2024, Sandy, UT 2024 Fair Housing Conference and Tradeshow

Council of Large Public Housing Authorities (CLPHA) (In-Person & Virtual)

- May 9-10, 2024, Washington, D.C. 2024 *Housing is* SUMMIT

Public Housing Authorities Directors Association (PHADA)

- June 2-5, 2024, New Orleans, LA 2024 Annual Convention & Exhibition
- September 8-10, 2024, Washington, D.C. 2024 Legislative Forum

National Association of Housing and Redevelopment Officials (NAHRO)

- April 8-10, 2024, Washington, D.C. 2024 Washington Conference

National Leased Housing and National Housing and Redevelopment Association

- June 25-27, 2024, Washington, D.C. 2024 Annual Meeting
- October 29-30, 2024, Washington, D.C. 2024 Fall Seminar

Office of the State Auditor

- Continuing trainings can be found online at <https://training.auditor.utah.gov>



HOUSING AUTHORITY OF SALT LAKE CITY

Meeting Location: 1776 So. West Temple, Salt Lake City, Utah

11:00 a.m. – 2:00 p.m.

Please call 801-428-0600 for more information

The Housing Authority of Salt Lake City is committed to our Mission:

To provide affordable housing opportunities for our community

2024 Scheduled Board Meeting Dates

Monday, January 29, 2024

Monday, February 26, 2024

Monday, March 25, 2024

Monday, April 29, 2024

Monday, May 20, 2024

Monday, June 24, 2024

Monday, July 29, 2024 (*may be cancelled)

Monday, August 26, 2024

Monday, September 30, 2024

Monday, October 28, 2024

Monday, November 25, 2024

Monday, December 30, 2024 (*may be cancelled)

*No meetings will be held in July and December unless necessary.

E N D O F P A C K A G E