

UTAH HOUSING CORPORATION
Minutes of Special Board Meeting
March 21, 2024

PARTICIPANTS

UHC Trustees in Person:

UHC Trustees via Teleconference

Patricia Sheffield, Chair
Darryle Rude, Trustee
Kirt Slauch, Designee-Trustee
Steve Waldrip, Designee-Trustee
Lori Fleming, Trustee
Jonathan Hardy, Trustee

UHC Trustee—Excused

Annette Lowder, Vice Chair
Jessica Norie, Trustee
Rob Allphin, Trustee

Guests in Person:

Ryan Warburton, Gilmore & Bell
Jacob Carlton, Gilmore & Bell
Clay Hardman, Gilmore & Bell
Haley Holloway, Gilmore & Bell

Guests Via Teleconference:

Jodi Bangerter, Gilmore & Bell

UHC Staff in Person:

David Damschen, President and CEO
Jonathan Hanks, Senior Vice President and COO
Cleon Butterfield, Senior Vice President and CFO
Andrew Nestlehut, Senior Vice President and CFO
Rhonda Pregeant, Executive Assistant/Records Officer
Valerie Terry, Internal Audit Director
Claudia O’Grady, VP of Multifamily Finance & Development
Ariane Gibson, VP Financial Services/Controller

UHC Staff via Teleconference:

UHC Staff—Excused

Trustees of Utah Housing Corporation (UHC or Utah Housing) and UHC staff met for the Special Meeting on Thursday, March 21, 2024, at 9:00 AM MDT with attendance in person and via teleconference. In accordance with Utah’s Open and Public Meetings Act (OPMA), the meeting was an electronic meeting and the anchor location was Utah Housing Corporation’s offices located at 2479 S Lake Park Blvd, West Valley City, UT.

Patricia Sheffield, Board Chair, called the meeting to order and welcomed everyone. The Chair recognized Steve Waldrip, Designee for the executive director of the Utah Department of Workforce Services. The Chair then asked Mr. Damschen to confirm compliance with the Open and Public Meetings Act (OPMA).

Mr. Damschen reported that Notice and Agenda of the Monthly Meeting and material addressing agenda items had been distributed to Trustees and posted on the Utah Public Notice website in advance of the meeting in compliance with the OPMA.

The Chair then determined for the record that a quorum of Trustees was present, as follows:

Patricia Sheffield, Chair
Darryle Rude, Trustee
Steve Waldrip, Designee-Trustee
Lori Fleming, Trustee
Jonathan Hardy, Trustee

The Chair excused the following trustees:

Annette Lowder, Vice Chair
Kirt Slaugh, Designee-Trustee **Note—Joined meeting late
Jessica Norie, Trustee
Rob Allphin, Trustee

The Chair called for the first agenda item.

1. Approval of the Minutes of the February 1, 2024 Monthly Meeting

The Trustees had been provided with a copy of the written minutes of the February 1, 2024 Monthly Meeting in their board packets. The Trustees acknowledged they had sufficient time to review these minutes. Ms. Sheffield asked for any discussion on the minutes as presented.

Following any further discussion, the Chair called for a motion.

**MOTION: TO APPROVE THE WRITTEN MINUTES OF THE
MONTHLY MEETING OF FEBRUARY 1, 2024**

Made by: Darryle Rude
Seconded by: Lori Fleming

Ms. Sheffield called for a vote on the motion:

**Voted in Favor of the
Motion:**

Darryle Rude
Steve Waldrip
Jonathan Hardy
Lori Fleming
Patricia Sheffield

**Voted Against the
Motion:**

Abstained From Voting:

The Chair called for the next agenda item.

2. Approval of the Minutes of the February 12, 2024 Special Meeting

The Trustees had been provided with a copy of the written minutes of the February 12, 2024 Special Meeting in their board packets. The Trustees acknowledged they had sufficient time to review these minutes. Ms. Sheffield asked for any discussion on the minutes as presented.

Following any further discussion, the Chair called for a motion.

MOTION: TO APPROVE THE WRITTEN MINUTES OF THE SPECIAL MEETING OF FEBRUARY 12, 2024

Made by: Lori Fleming
Seconded by: Jonathan Hardy

Ms. Sheffield called for a vote on the motion:

Voted in Favor of the Motion:	Voted Against the Motion:	Abstained From Voting:
Darryle Rude Steve Waldrip Jonathan Hardy Lori Fleming Patricia Sheffield		

The Chair called for the next agenda item.

3. Disclosure of Trustees' Interests

Ms. Sheffield stated that the consolidated list of the disclosures of interests on file for each Trustee are contained in the board packet, and subject to any changes, will be attached to the minutes of this meeting.

Mrs. Pregeant asked each Trustee to affirm that their respective disclosures of interest on file were current. Each Trustee was called on and they responded as follows:

Kirt Slaugh	Yes	Acknowledged later in meeting
Darryle Rude	Yes	
Steve Waldrip	Yes	
Jonathan Hardy	Yes	
Lori Fleming	Yes	
Patricia Sheffield	Yes	

The following is a consolidated list of the disclosures of interest on file for each Trustee:

Name of Trustee	Nature of Interest or Potential Interest
Patricia Sheffield <i>(chair)</i>	Presently retired from any employment and has no interests in any transactions with the Corporation.
Annette Lowder <i>(vice chair)</i>	Presently serving as Chief Operations Officer (COO) of Intercap Lending, Inc., a mortgage lender doing business in the state of Utah. Intercap Lending may originate mortgage loans for sale to the Corporation under its programs.
Jonathan Hardy	Presently serves as a consultant on affordable housing projects for BCG Holdings and its related real estate entities. This may include the application and management of projects that may seek and obtain low income housing tax credits and tax exempt bond financing from the Corporation. Current projects allocated include Victory Heights and Silos Affordable.
Jessica Norie	Presently serving as President of Artspace, a nonprofit which creates affordable live and work space to revitalize and promote stable, vibrant and safe communities. Artspace may be involved in the use of low income housing tax credits and tax exempt bond financing for affordable housing, and may manage housing or develop housing under the Corporation's programs.
Rob Allphin	Presently serving as an Executive Vice President of Momentum Loans, a mortgage lender doing business in the state of Utah. Momentum Loans may originate mortgage loans for sale to the Corporation under the Corporation's program.
Lori Fleming	Presently serving as an Associate Broker with Golden Spike Realty. Golden Spike Realty may be involved in real estate transactions that use mortgage loans under the Corporation's programs, and may serve as a marketing agent for various properties owned by the Corporation.
Darryle Rude <i>(ex-officio)</i>	Presently serving as the Commissioner of Financial Institutions for the State of Utah and has no interests in any transactions with the Corporation.
Kirt Slaugh <i>(designee of ex-officio)</i>	Presently serving as the Chief Deputy Treasurer for the State of Utah and has no interests in any transactions with the Corporation.
Steve Waldrip <i>(designee of ex-officio)</i>	Presently serving as the Senior Advisor on Housing Strategy and Innovation for Utah Governor Spencer Cox, and has no interests in any transactions with the Corporation.

The Chair called for the next agenda item.

4. Resolution 2024-10, Approval of Internal Audit Department's 2024 Audit Plan

ADOPTION OF RESOLUTION 2024-10 WILL PROVIDE THE INTERNAL AUDIT DEPARTMENT AT UHC WITH THE TOOLS REQUIRED TO COMPLETE AUDIT ENGAGEMENTS APPROPRIATELY AND TO OPTIMALLY UTILIZE RESOURCES. INTERNAL AUDIT WILL HELP UHC MEET ITS OBJECTIVES BY BRINGING A SYSTEMATIC, DISCIPLINED APPROACH TO EVALUATE AND IMPROVE THE EFFECTIVENESS OF RISK MANAGEMENT, CONTROL, AND GOVERNANCE PROCESSES.

Mr. Rude stated that the 2024 Audit Plan is consistent to what has been planned in the past. Ms. Terry gave some context of the Audit Plan, by stating that there are 37 total audits scheduled, with 17 of those being regular deep process reviews, and then 20 SOC reviews. This week, the Audit Department completed the External Quality Assessment (EQA) prescribed as best practice by the Institute of Internal Auditors, to be completed every 5 years. The assessment was completed this past week and UHC received the highest rating of “Generally Conforms.”

Ms. Sheffield asked if there were any comments or discussion from the Board, and following brief discussion asked for a motion to adopt the Resolution.

Motion: APPROVE RESOLUTION 2024-10, APPROVAL OF INTERNAL AUDIT DEPARTMENT 2024 AUDIT PLAN.

Made by: Darryle Rude
Seconded by: Jonathan Hardy

Ms. Sheffield called for a vote on the motion:

Voted in Favor of the Motion:	Voted Against the Motion:	Abstained From Voting:
Darryle Rude Steve Waldrip Jonathan Hardy Lori Fleming Patricia Sheffield		

Ms. Sheffield acknowledged that Trustee Kirt Slaugh has joined the meeting. She asked Ms. Pregeant to confirm Mr. Slaugh’s Disclosure of Interest.

The Chair called for the next agenda item.

5. Resolution 2024-11, Authorizing the purchase of Unity Place Apartments

A RESOLUTION OF UTAH HOUSING CORPORATION AUTHORIZING THE ACQUISITION OF UNITY PLACE APARTMENTS.

Mr. Damschen stated that this type of transaction is unprecedented in UHC’s history, but it is necessary to keep the project affordable and to prevent losing the project’s LURA in foreclosure. UHC intends to resell the project as soon as possible, and recoup all of the costs UHC will incur through acquisition, management, and any other improvements that are involved. Ms. O’Grady stated that this is a 17 year old project with 22 units (2 & 3 bedroom). UHC hopes to close on this purchase next week (March 25-29).

Ms. Sheffield asked if there were any comments or discussion from the Board, and following brief discussion asked for a motion to adopt the Resolution.

Motion: AUTHORIZING THE PURCHASE OF UNITY PLACE APARTMENTS.

Made by: Jonathan Hardy
Seconded by: Lori Fleming

Ms. Sheffield called for a vote on the motion:

Voted in Favor of the Motion:

Kirt Slauch
Darryle Rude
Steve Waldrip
Jonathan Hardy
Lori Fleming
Patricia Sheffield

Voted Against the Motion:

Abstained From Voting:

The Chair called for the next agenda item.

Reports and Non-Action Items

- **Operating Reports:** Summary memos from Mr. Butterfield and Mr. Hanks were included in the Board Packet in relation to the operating reports.
- **Upcoming Events:**
 - The next scheduled special meeting is April 26, 2024, at 8:00am at the Hyatt Centric in Park City.

The Chair announced that the meeting was adjourned with a motion from Lori Fleming.