



Olene Walker Housing Loan Fund

Quarterly Board Meeting

July 2, 2024 – 9:00 am

This meeting was held at the

Olene Walker Administration Building

140 East 300 South – Room 211A & B

Salt Lake City, Utah

It was also accessible by Zoom

Audio Recording of this meeting

<https://www.utah.gov/pmn/files/1146999.mp3>

Materials for this meeting are available:

<https://www.utah.gov/pmn/sitemap/notice/924473.html>

Meeting Minutes

Members Present and Representation:

Beth Holbrook - Transit-Oriented Development
Jed Nilson - Home builders
Marty Henrie - Mortgage Lender
Mike Glenn - Rural
David Snow - Mortgage Lender
Jason Wheeler - Housing Advocacy
Tyler Jensen – Manufactured Housing
Steven Bond – Home Builders (Multifamily)
Kaitlin Myers – Housing Advocacy

Excused/ Absent:

Kip Paul - Real Estate
Mayor Logan Monson - Local Government
John Lindsay - Rental Housing
Mayor Dawn Ramsey - Local Government

Staff Present:

Amanda McPeck - DWS Counsel
Angie Asmus - HCD OWHLF
Becky Yorgason DWS IA
Carver Black - DWS Finance
Christina Oliver - HCD Director
Claire Harrison - HCD PAB
Dan Murphy - HCD OWHLF
Daniel Herbert-Voss - HCD OWHLF
Elliott Lawrence - DWS - Counsel
Janell Quiroz - HCD Administration
Jennifer Domenici - HCD Assistant Director
Jennifer Edwards - HCD Assistant Director
Katy Halterman - HCD - OWHLF
Kaylee Beck - DWS Finance
McKenna Marchant- HCD PAB
Ryan Wilson - OHS Prgm Mngr
Sarah Nielson – DWS PIO
Sophie Norvell – DWS Contract/Grant Analyst

Tricia Davis - OHS Director

Interested Parties and

Guests:

Amanda Dillon
Anna Sullivan
Alan Oviatt
Bill Strait
Bob
Carol Hollowell
Chris Parker
Chris Sherwood
Chris Zarek
David Potter
Emilie Hauser
Erin Montgomery
George Houser
Glorie Hansen

Hooper Knowlton
Ivan Carroll
Jacob Williams
James Sweeney
Janice Kimball
Jeanie Willson
Jeff Quigle
Jeff Ryan
Jenna Webb
Jesse
Jessica Miller
Justin Nielson
Kara Cunningham
Karen McCandless
Kate Werrett, RDA
Kena Mathews

Kirk Moorhead
Kristen Mitchell - Youth
Futures
Lukas Ridd
Martha Larsen
Mary Street
Natasha Pfeiffer
NNHC - Josh Runhaar
Rebekah Pectol- Switchpoint
Steve LeBlanc
Suzanne Stout
Thomash
Troy Hart
Utah Housing Coalition

I. Welcome

a. Chairwoman Beth Holbrook called meeting to order and welcomed participants at 9:01 am

Beth Holbrook

II. Public Comment

a. Chairwoman Beth Holbrook invited the public to make any comments. There were no public comments made in the room, online through the zoom call or submitted prior to the meeting.

III. ACTION ITEMS:

Item 1: Approval of Minutes

Beth Holbrook

Quarterly Meeting - April 11, 2024

Electronic Meeting - April 16, 2024

Motion to approve the minutes of April 11, 2024 and April 16, 2024 was made by board member Mike Glen and 2nd from board member Steven Bond. This was a vote of affirmation and was passed unanimously in the affirmative.

Item 2: Financial Report & FY25 Budget

Kaylee Beck

- Carver Black shared an overview of the financial report, highlighting totals from each of the funds and revenue streams. He also reviewed the changes made by the legislature this past session.
- Christina Oliver discussed the critical nature of Single Family Funds and the Single Self-Help Project and how to redistribute the funds to better utilize them. She explained USDA 502 loans that currently serve a specific demographic are not going to be available in the robust program that we're used to and there needs to be a strategy to help the demographic that had historically been able to utilize that loan. The discussion will be around a grant program and a change to the federal allocation. There will be updates in the October meeting.

- Ryan Wilson of the Office of Homeless Service discussed the request for an allocation of the \$125,000 TBRA (Tenant Based Rental Assistance). This allocation has been in effect for several years and the ask is to continue the allocation this year.

Motion to approve allocation of \$125,000 in transitional rental assistance to the office of Homeless Services made by board member Marty Henrie and seconded by board member Jason Wheeler. That motion was passed with a roll call vote with affirmative votes from Chairwoman Beth Holbrook, board member Jed Nilson, board member Marty Henrie, board member Mike Glenn, board member David Snow, board member Jason Wheeler, board member Tyler Jensen, board member Steven Bond, and board member Kaitlin Myers. There were no dissenting votes. Board members Kip Paul, Mayor Logan Monson, John Lindsay and Mayor Dawn Ramsey were absent.

- NNHC's Josh Runhaar and Suzanne Stout presented the Home Choice Program. Josh Runhaar reported on its utilization over the last few years and explained its purpose and application.

Motion to approve the allocation of \$1M to Neighborhood Nonprofit Housing Corporation for the HomeChoice program was made by board member Jason Wheeler and seconded by board member Mike Glenn. That motion was passed with a roll call vote with affirmative votes from Chairwoman Beth Holbrook, board member Jed Nilson, board member Marty Henrie, board member Mike Glenn, board member David Snow, board member Jason Wheeler, board member Tyler Jensen, board member Steven Bond, and board member Kaitlin Myers. There were no dissenting votes. Board members Kip Paul, Mayor Logan Monson, John Lindsay and Mayor Dawn Ramsey were absent.

Item 3: Utah Housing Preservation Fund - Update

Lukas Ridd

- Lukas Ridd gave an overview of the Preservation fund focussing on the changes made in the last legislative session.

Item 4: Staffing - Update

Dan Murphy

- Dan Murphy explained that for efficiency purposes he would continue to be the project manager over the Multi-family rung of the OWHLF and that Kayte Halterman would be the project manager over the Single-family rung of the fund. Kayte Halterman will also be over the environmental reviews. Dan Murphy introduced Clair Harrison as well, who will assist mainly on the PAB but from there will handle legislative appropriations.

Item 5: Predevelopment Grant policy - Update

Dan Murphy

- Dan Murphy summarized the updates being proposed in the Predevelopment Grant Policy, namely clarified language for eligibility criteria, including adding language that the presiding local government must document support for a Housing Project. Clarified language for priority criteria for competing funding. Clarified language for eligible uses of grant funds, including adding language that grant funds must be expended within 18 months of OWHLF award date. And a streamlined application process that aligned with the OWHLF application dates.

Motion to approve the Policy was made by board member Marty Henrie and seconded by board member Steven Bond. That motion was passed with a roll call vote with affirmative votes from Chairwoman Beth Holbrook, board member Jed Nilson, board member Marty Henrie, board member Mike Glenn, board member David Snow, board member Jason Wheeler, board member Tyler Jensen, board member Steven Bond, and board member Kaitlin Myers. There were no dissenting votes. Board members Kip Paul, Mayor Logan Monson, John Lindsay and Mayor Dawn Ramsey were absent.

Item 6: Buy America, Build America Act (BABA) policy

Jennifer Domenici

- Jennifer Domenici reviewed the new Federal regulations around BABA and how it will apply to applicants and entitlements. She covered the processes that will be affected. This policy will affect any project that receives any amount or type of federal funds. The policy is being brought to the board to add to the board's policy as it will be applicable by federal regulation as of August 23, 2024.

Motion to approve the Policy was made by board member Marty Henrie and seconded by board member Jason Wheeler. That motion was passed with a roll call vote with affirmative votes from Chairwoman Beth Holbrook, board member Jed Nilson, board member Marty Henrie, board member Mike Glenn, board member David Snow, board member Jason Wheeler, board member Tyler Jensen, board member Steven Bond, and board member Kaitlin Myers. There were no dissenting votes. Board members Kip Paul, Mayor Logan Monson, John Lindsay and Mayor Dawn Ramsey were absent.

IV. NEW BUSINESS:

Item 1: New Multifamily Projects (listed by statute priority and then score [highest to lowest])

Homeless Projects (Statute Priority - Homelessness):

1. The Point at Fairpark (SLC) - Switchpoint

Dan Murphy

Acquisition/Rehabilitation

Score: 270 out of 500

Representing the project in the meeting was Carol Hollowell

- Dan Murphy summarized the project and gave a staff recommendation. The project is the continuing rehabilitation of a former hotel building originally constructed in 1978 into a homeless residential and servicing facility, with 62 studio units, including the addition of a community room with case management offices and a library at the rear. The property was purchased in June 2022 by Switchpoint to serve as a deeply-affordable and Permanent Supportive Housing facility with on-site services and is close to bus stops, UTA TRAX, services, employment, and recreation areas.

Project is intended to serve homeless seniors and veterans 62 years of age or older living on very fixed incomes, but survivors of domestic violence, substance abuse disorders, mental illness, and reentry from incarceration will also be served. Switchpoint is the primary service provider, giving each resident access to case management and wrap-around services. Some tenants receive housing vouchers from HASLC, Housing Connect, or the Utah Community Action Program, and Brighton Home Health provides onsite health care with a physician weekly and a CNA on site 40 hours per week.

The project is eligible for the \$800,000 of HOME and \$1,000,000 of HTF funds requested with 10 units at or below 30% AMI, and all remaining units at 35-40% AMI. The project was in two phases, and funding and expenditures for both are combined and listed here. Phase I was the acquisition and renovation of the building, which has been largely completed; Phase II is the rehabilitation and updating of the building.

- Staff recommendation is to fund \$1,800,000 for 40 years at 0% as a fully-amortizing loan from HOME funds instead of \$1M from HOME and \$800,000 from HTF funds. Lien positions: 1) Alta Bank equity line of credit; 2) OWHLF loan. Funding contingent on all other funding sources as listed in Application, and completion of the HUD ERR process.

Source of funding determined at discretion of HCD/OWHLF staff as needed, and subject to funding availability. OWHLF deed restrictions to show a total of 10 HOME-assisted units for 40 years minimum. Energy Star/HERS standards waived due to continuing rehabilitation processes in 1978-era building not requiring a full rehabilitation.

- Carol Hollowell spoke a little more about the project and fielded any Board questions.

Motion to fund this project as recommended by staff was made by board member Mike Glen and seconded by board member Marty Henrie. That motion was passed with a roll call vote with affirmative votes from Chairwoman Beth Holbrook, board member Jed Nilson, board member Marty Henrie, board member Mike Glenn, board member David Snow, board member Tyler Jensen, board member Steven Bond, and board member Kaitlin Myers. There were no dissenting votes. Board member Jason Wheeler was recused from voting. Board members Kip Paul, Mayor Logan Monson, John Lindsay and Mayor Dawn Ramsey were absent.

2. Hart (Provo) - Community Action Services

Dan Murphy

Acquisition/Rehabilitation

Score: 204 out of 500

Representing the project in the meeting was Kena Mathews, Karen McCandless and Mary Street

- Dan Murphy summarized the project and gave a staff recommendation. This project is the acquisition and minor rehabilitation of two buildings containing 10 units – 4 1BR and 6 2BR, all affordable – in two 2-story buildings originally constructed in 1963 and 1994 on a 0.46-acre lot in an area of northwest Provo with numerous other rental properties nearby. Project is intended to serve as housing for homeless individuals and families.

Property is currently occupied, but Community Action Services and Food Bank has provided relocation notices to all tenants on May 16, 2024 notifying them of the potential displacement. Sources of funding other than the OWHLF request will be grants solicited from the LDS Church, Office of Homeless Services, as well as a small amount of CAS agency funding. This would be the first project funded by OWHLF for CAS in Provo.

The project is eligible for the funding requested. With all units set at 30% AMI, the project is also eligible for HTF funding. OWHLF would be the only debt on the project as structured. Splitting the funding between HOME and HTF would have no effect on the DCR and cash flow since the loan terms in both scenarios would be the same.

Minor rehabilitation work will be performed by the Provo City Housing Authority maintenance staff, and the project will also receive 10 Section 8 vouchers from PCHA as part of the funding package.

- Staff recommendation is to fund \$1,000,000 from HOME funds and \$710,050 from HTF funds, both as fully-amortizing loans for 30 years at 0%. Lien positions: 1) OWHLF HOME loan; 2) OWHLF HTF loan. No other hard debt on property. Funding contingent on all other funding sources as listed in Application, and completion of the HUD ERR process. Source of funding determined by HCD/OWHLF staff as needed, and subject to funding availability. OWHLF deed restrictions to show a total of 5 HOME-assisted and 4 HTF-assisted units restricted for 30 years minimum. Energy Star/HERS standards waived due to the "light" nature of the building rehabilitation.

- Kena Mathews, Karen McCandless and Mary Street spoke a little more about the project and fielded any Board questions.

Motion to approve the project's funding per staff's recommendation and with a charge to continue pursuing additional funding opportunities and municipal funding sources was made by board member Steven Bond and seconded by board member Marty Henrie. That motion was passed with a roll call vote with affirmative votes from Chairwoman Beth Holbrook, board member Jed Nilson, board member Marty Henrie, board member Mike Glenn, board member David Snow, board member Jason Wheeler, board member Tyler Jensen, board member Steven Bond, and board member Kaitlin Myers. There were no dissenting votes. Board members Kip Paul, Mayor Logan Monson, John Lindsay and Mayor Dawn Ramsey were absent.

Acquisition/Rehabilitation Projects (Statute Priority – Acquisition/Rehabilitation):

1. New City Plaza (SLC) - Housing Connect - Additional OW Funds Dan Murphy

Acquisition/Rehabilitation

Score: 354 out of 500

Representing the project in the meeting was Troy Hart and Janice Kimball

- Dan Murphy summarized the project and gave a staff recommendation. This project is the acquisition and rehabilitation of 299 units – 298 1BR, 1 2BR, all affordable – in two buildings. One is a 7-story tower with 150 units, and one is a 16-story tower with 149 units. Buildings are currently owned by Housing Connect and were originally constructed in 1974 as HUD Public Housing facilities as a partnership. The property will become a Section 8 project-based rental assistance development (RAD Section 8) and will continue to serve elderly 62 and older.

Zoning is presently RMF-75 High Density Multifamily Residential with no conditional use permit required. Project received PAB bonding of \$34 million on January 15, 2020 and 4% Federal LIHTC, and three supplementary PAB allocations of \$1.1 million, \$2 million and \$5.5 million on April 14, 2021, July 13, 2022 and January 10, 2024, respectively. Project was also awarded OWHLF LIH funds of \$1,000,000 at the July 16, 2020 meeting and is returning to request additional OWHLF funding due to cost overruns.

The project is eligible for up to \$1 million in HOME funds and \$500,000 in HTF funds with 3 units at 30% AMI. Total costs have increased from over \$71 million when approved in July 2020 to just over \$89 million with this application. Hard construction costs have increased from \$17.7 million to \$42.9 million due to issues such as asbestos removal, additional equipment needs, lead-based paint abatement, and general increases in construction costs, resulting in two additional PAB allocations, and this new request to OWHLF for additional funding.

The DCR and cash flow are high due to the nature of all debt subordinate to the first mortgage being surplus cash flow or deferred. OWHLF loan #WHE1888 was changed from a fully-amortizing to a surplus cash flow loan at the OWHLF meeting held on January 20, 2022.

- Staff recommendation:

Fund additional HOME funds of \$1,000,000 for 40 years at 1.5% as a surplus cash flow loan, and additional HTF funds of \$500,000 for 40 years at 0% as a deferred loan. Lien

positions: 1) AGM HUD FHA loan; 2) OWHLF HOME loan (shared second); 3) OWHLF #WHE1888 (shared second); 4) OWHLF HTF loan (shared second); 5) HC seller note; 6) HC Gap/HRC loan. Funding contingent on all other funding sources as listed in the Application, completion of the HUD ERR process, and rehabilitation to Energy Star/minimum HERS standards. Source of funding determined at discretion of HCD/OWHLF staff as needed, and subject to funding availability. OWHLF deed restrictions to show 6 HOME-assisted units, 7 LIH-assisted units, and 3 HTF-assisted units restricted for 40 years minimum.

- Janice Kimball and Troy Hart addressed questions and added detail about the project as well as the Housing Connect organization.

Motion to approve the project's funding per staff's recommendation with stated contingencies was made by board member Jason Wheeler and seconded by board member Mike Glen. That motion was passed with a roll call vote with affirmative votes from Chairwoman Beth Holbrook, board member Jed Nilson, board member Marty Henrie, board member Mike Glenn, board member David Snow, board member Jason Wheeler, board member Tyler Jensen, board member Steven Bond, and board member Kaitlin Myers. There were no dissenting votes. Board members Kip Paul, Mayor Logan Monson, John Lindsay and Mayor Dawn Ramsey were absent.

2. Interstate Group Home (Cedar City) - Access Foundation
Dan Murphy
Acquisition Only

Score: 328 out of 500

Representing the project in the meeting was Alan Oviott

- Dan Murphy summarized the project and gave a staff recommendation. Project is a former single-family 3BR 2BA 1,346-sq-ft home originally constructed in 1984. This will serve as a recovery facility and residence for women struggling with substance use disorders and will be state licensed for up to 8 occupants.

Zoning is currently R-1 Single Family Residential, but an accommodation agreement has been approved by Cedar City for the licensed-group-home arrangement with state licensing. A \$380,000 grant has been applied for from the Federal Home Loan Bank of Des Moines on May 1, 2024. The home would be operated similarly to other Access Foundation homes with shared common area and individual sleeping spaces set up in the bedrooms. If approved, this will be the eighth sober-living-type facility funded by the OWHLF.

Project is eligible for the \$115,670 requested of state LIH funding. The OWHLF loan would be the only debt on the property. No rehabilitation or construction is needed.

As structured, with only rental income and replacement reserve set at \$5,920 as in original application, DCR drops below the 1.15 minimum in year 2 and continues to drop. If set at \$300 per OW requirements, DCR stays above the 1.15 minimum for the 15-year proforma period.

- Staff recommendation:

Fund \$115,670 in state LIH funds as a fully-amortizing loan at 0.50% for 30 years. Lien positions: 1) OWHLF LIH loan. No other hard debt on property. Funding contingent on all other funding sources as listed in Application. Source of funding determined at discretion of HCD/OWHLF staff as needed, and subject to funding availability. Energy Star/minimum HERS standards waived due

to acquisition-only nature of project. Replacement reserve to be set at \$300. OWHLF deed restriction to show a total of 4 LIH-assisted units for 30 years minimum.

- Alan Oviott discussed the project and fielded questions about the project.

2 motions occurred in relation to this project because it was determined by the board after the original motion was concluded that a \$300 replacement reserve was insufficient. The policy of the board is a minimum of \$300/unit but this project and the next project are not operating complete units as understood by the board and so in the situation of a single dwelling with shared baths and kitchens but private bedrooms that a minimum of \$125 per bedroom was more reasonable than \$300 for the total dwelling or \$300 per bedroom. The second motion listed adds this change to the project. The developer's representative Alan Oviatt was present and participated in the discussion and agreed to the changes for both the Interstate Group Home and Brick House Group Home projects.

Motion to approve the project's funding per staff's recommendation with stated contingencies was made by board member Marty Henrie and seconded by board member David Snow. That motion was passed with a roll call vote with affirmative votes from Chairwoman Beth Holbrook, board member Jed Nilson, board member Marty Henrie, board member Mike Glenn, board member David Snow, board member Jason Wheeler, board member Tyler Jensen, board member Steven Bond, and board member Kaitlin Myers. There were no dissenting votes. Board members Kip Paul, Mayor Logan Monson, John Lindsay and Mayor Dawn Ramsey were absent.

Motion to adjust project's replacement reserve to \$125/ bedroom annually per staff's recommendation (with all other conditions and contingencies as previously approved in place) was made by board member Mike Glen and seconded by board member Steven Bond. That motion was passed with a roll call vote with affirmative votes from Chairwoman Beth Holbrook, board member Jed Nilson, board member Marty Henrie, board member Mike Glenn, board member David Snow, board member Jason Wheeler, board member Tyler Jensen, board member Steven Bond, and board member Kaitlin Myers. There were no dissenting votes. Board members Kip Paul, Mayor Logan Monson, John Lindsay and Mayor Dawn Ramsey were absent.

Zoning is presently R-1 Single Family Residential, but an accommodation agreement has been approved by St George City for the licensed-group-home arrangement with state licensing. Property will remain as a women's sober-living home, needing only minor repairs and interior cleaning that has been completed. The primary funding partner would be a grant from the Federal Home Loan Bank of Des Moines. Property is a 7BR, 4BA - 2,500 square-foot home that would be configured and licensed for up to 10 residents. If approved, this would be the ninth sober-living-type facility funded by the OWHLF.

Project is eligible for the \$199,000 requested of state LIH funding, and the OWHLF loan would be the only debt on the property with the other source of funding a FHLB grant, which was

submitted on May 1. Only minor rehabilitation is required, and property is generally in good condition.

Due to its proposed use as a special-needs group home, state LIH funds are requested as it is very difficult to finance such facilities with HUD funding. As structured with only rental income listed and replacement reserve set at \$5,920 in original application, the DCR drops below the 1.15 minimum in year 2 and continues to drop. If set at \$300 per OW requirements, DCR stays above 1.15 minimum for the 15-year proforma period.

- Staff recommendation:

Fund \$199,000 in state LIH funds as a fully-amortizing loan at 0% for 30 years. Lien positions: 1 OWHLF LIH loan. No other hard debt on property. Funding contingent on all other funding sources as listed in Application. Source of funding determined at discretion of HCD/OWHLF staff as needed, and subject to funding availability. Energy Star/minimum HERS standards waived due to light-rehabilitation only nature of project. Replacement reserve to be set at \$300. OWHLF deed restriction to show a total of 4 LIH-assisted units for 30 years minimum.

- Alan Oviott discussed the project and fielded questions about the project.

Motion to approve the project's funding per staff's recommendation with stated contingencies and a change from a \$300 contingency reserve to a \$125 per room (total of \$1250 annual) was made by board member Jason Wheeler and seconded by board member Marty Henrie. That motion was passed with a roll call vote with affirmative votes from Chairwoman Beth Holbrook, board member Jed Nilson, board member Marty Henrie, board member Mike Glenn, board member David Snow, board member Jason Wheeler, board member Tyler Jensen, board member Steven Bond, and board member Kaitlin Myers. There were no dissenting votes. Board members Kip Paul, Mayor Logan Monson, John Lindsay and Mayor Dawn Ramsey were absent.

New Construction Projects – Other Multifamily Projects [Ranked by Score]:

1. 2nd South (SLC) - Hermes Affordable Dan Murphy
Score: 325 out of 500
Representing the project in the meeting was Jeff Ryan
 - Dan Murphy summarized the project and gave a staff recommendation. This project is the new construction of 105 units – 36 studio, 37 one-bedroom, 15 two-bedroom, and 16 three-bedroom units, with 104 affordable and an on-site manager's unit – on four parcels totaling 0.63 acres that currently contains single family homes to be demolished and replaced with a single six-story podium-style building.

Zoning is presently TSA-UN-T Transit Station Area – Urban Neighborhood - Transition, for which multifamily residential is a permitted use without a conditional use permit. There will be a total of 52 indoor parking spaces on the first two levels, and the project features a wide range of units from studios to 3BR for individuals and families.

Project was awarded \$20M in tax-exempt bond cap and \$1,659,390 in 4% LIHTC at the January 2024 PAB meeting and will apply for \$600,000 in 2025 Utah state LIHTC from UHC later this year. Project has also applied for a loan from the SLC RDA of up to \$3M, which will be from HOME funds. Project applied for OW funding for the April 14, 2024 OW meeting but was not funded then due to the lack of available funding. Since then, the AMI structure has been altered with a lower overall AMI.

With 16 units set at 30% AMI, the project is eligible for the full \$2M in HTF funding requested. SLC RDA loan is also proposed as a surplus cash flow loan, so DCR and cash flow are both relatively high. If the OW loan was issued as a fully amortizing loan, the DCR is 1.185, and cash flow is \$1,364.40/unit.

- Staff recommendation:

Fund \$2,000,000 in HTF funds as a surplus cash flow loan for 40 years at 0%. Loan will have a minimum \$1,000 annual payment. Lien positions: 1) CA Bank & Trust; 2) Salt Lake City loan; 3) OWHLF HTF loan; 4) CIC loan. Funding contingent on all other funding sources as listed in Application, completion of the HUD ERR process, and construction to Energy Star/minimum HERS standards. Sources of funding determined at discretion of HCD/OWHLF staff as needed, and subject to funding availability. OWHLF deed restriction to show 10 HTF-assisted units for 40 years minimum.

- Jeff Ryan discussed the project and fielded questions about the project.

Motion to approve the project's funding per staff's recommendation with stated contingencies was made by board member Marty Henrie and seconded by board member Steven Bond. That motion was passed with a roll call vote with affirmative votes from Chairwoman Beth Holbrook, board member Jed Nilson, board member Marty Henrie, board member Mike Glenn, board member David Snow, board member Jason Wheeler, board member Tyler Jensen, board member Steven Bond, and board member Kaitlin Myers. There were no dissenting votes. Board members Kip Paul, Mayor Logan Monson, John Lindsay and Mayor Dawn Ramsey were absent.

2. Citizens West II (SLC) - GIV Group - Change Funding Source

Dan Murphy

Score: 322 out of 500

Representing the project in the meeting was Chris Parker

- Dan Murphy summarized the project and gave a staff recommendation. This project is the new construction of 50 units – 24 studio, 19 three-bedroom, and 7 four-bedroom units, all affordable – on one parcel totaling 0.406 acres that construction has commenced on a single five-story multifamily building. Project will have 8 Type A fully-accessible units.

Zoning is presently TSA-UN-T Transit Station Area – Urban Neighborhood - Transition, for which multifamily residential is a permitted use without a conditional use permit. There will be a total of 50 parking spaces in the surrounding area, and the overall three-phase project features a wide range of units from studios to 4BR for individuals and families.

Project was awarded \$1.7M of 9% Federal LIHTC from UHC for the June 2022 round, and originally applied to OWHLF for \$1M of HOME funds, which were awarded at the October 2022 meeting as a fully-amortizing loan for 40 years at 1.5%. Project is returning to OWHLF to request a change in funding source; developer was forced to begin construction prior to the completion of the ERR and HUD AUGF approval to avoid losing their 2023 LIHTC allocation, so the project is no longer eligible for the HOME funds previously awarded.

The same loan terms are proposed as was originally awarded – 40-year amortization at 1.5% as a fully-amortizing loan – with a reduction in the amount requested from \$1M to \$584,800 due to the SLC RDA loan procured for the project, and their first mortgage through UHC. Total costs at October 2022 were \$21,737,651, so the total project cost increase is 1.4%

- Staff recommendation:

Change source of funds from HOME to state LIH, reducing the amount of the loan from \$1M to \$584,800. Terms to remain as originally approved - 40 years at 1.5% as a fully-amortizing loan. Lien positions: 1) UHC first mortgage; 2) SLC RDA second mortgage; 3)OWHLF loan. Funding contingent on all other funding sources as listed in Application, and construction to Energy Star/minimum HERS standards. Source of funding determined at discretion of HCD/OWHLF staff as needed, and subject to funding availability. OWHLF loan deed restriction to show 3 LIH-assisted units restricted for 40 years minimum.

- Chris Parker discussed the project and fielded questions about the project.

Motion to approve the project's funding per staff's recommendation with stated contingencies was made by board member Jason Wheeler and seconded by board member Mike Glen. That motion was passed with a roll call vote with affirmative votes from Chairwoman Beth Holbrook, board member Jed Nilson, board member Marty Henrie, board member Mike Glenn, board member David Snow, board member Jason Wheeler, board member Tyler Jensen, and board member Steven Bond. There were no dissenting votes. Board members Kip Paul, Mayor Logan Monson, John Lindsay, Kaitlin Myers and Mayor Dawn Ramsey were absent.

3. Citizens West III (SLC) - GIV Group - Change Funding Source Dan Murphy

Score: 320 out of 500
 Representing the project in the meeting was Chris Parker

- Dan Murphy summarized the project and gave a staff recommendation. This project is the new construction of 30 units – 21 studio, 6 three-bedroom, and 3 four-bedroom units, all affordable – on a single five-story multifamily building. Project will have 7 Type A fully-accessible units.

Zoning is presently TSA-UN-T Transit Station Area – Urban Neighborhood - Transition, for which multifamily residential is a permitted use without a conditional use permit. There will be a total of 26 parking spaces in the surrounding area, and the overall three-phase project features a wide range of units from studios to 4BR for individuals and families.

Project was awarded \$1M of 9% Federal LIHTC from UHC for the June 2022 round, and originally applied to OWHLF for \$710,000 of HOME funds, which were awarded at the October 2022 meeting as a fully-amortizing loan for 40 years at 1.5%. Project is returning to OWHLF to request a change in funding source; developer was forced to begin construction prior to the completion of the ERR and HUD AUGF approval to avoid losing their 2023 LIHTC allocation, so the project is no longer eligible for the \$710,000 in HOME funds previously awarded.

The same loan terms are proposed as was originally awarded – 40-year amortization at 1.5% as a fully-amortizing loan – with a reduction in the amount requested from \$710,000 to \$415,200. Total costs at October 2022 were just under \$12.5M, so the total project cost increase is 9.2%

- Staff recommendation:

Change source of funds from HOME to state LIH, reducing the amount of the loan from \$710,000 to \$415,200. Terms to remain as originally approved - 40 years at 1.5% as a fully-amortizing loan. Lien positions: 1) UHC first mortgage; 2) SLC RDA second mortgage; 3) OWHLF loan. Funding contingent on all other funding sources as listed in Application, and construction to Energy

Star/minimum HERS standards. Source of funding determined at discretion of HCD/OWHLF staff as needed, and subject to funding availability. OWHLF deed restriction to show 2 LIH-assisted units restricted for 40 years minimum.

- Chris Parker discussed the project and fielded questions about the project.

Motion to approve the project's funding per staff's recommendation with stated contingencies was made by board member Marty Henrie and seconded by board member David Snow. That motion was passed with a roll call vote with affirmative votes from Chairwoman Beth Holbrook, board member Jed Nilson, board member Marty Henrie, board member Mike Glenn, board member David Snow, board member Jason Wheeler, board member Tyler Jensen, and board member Steven Bond. There were no dissenting votes. Board members Kip Paul, Mayor Logan Monson, John Lindsay, Kaitlin Myers and Mayor Dawn Ramsey were absent.

4. Bumper House (SLC) - SMH Builders

Dan Murphy

Score: 270 out of 500

Representing the project in the meeting was George Houser and Jacob Williams

- This project will be going before the PAB board on July 10th.
- Dan Murphy summarized the project and gave a staff recommendation. Project is the new construction of 222 units – 66 studio, 12 1BR, 120 2BR, and 24 3BR units, all affordable. There will be 109 indoor parking spaces and amenities on the first two levels, a landscaped garden on level 3, and the top five stories will be all residential.

Zoning is currently CG-General Commercial, for which multifamily residential is a permitted use with no conditional use permit required, and no density limit. This is SMH Construction's first PAB bonding and OWHLF request in Utah; they have had significant previous experience in California. The project was awarded \$31M in tax-exempt bond cap and around \$2,5M of Federal 4% LIHTC at the January 10, 2024 PAB meeting.

Project is also requesting \$530,000 in state LIHTC from Utah Housing Corporation in an application submitted for the June 2024 round; in order to qualify for those state credits, 24 units are to be set at 40% AMI. No units are set at or below 30% AMI to qualify for the HTF funding requested but is eligible for the \$2M of HOME funding requested.

The OWHLF loan is requested as a surplus cash flow loan; if it were fully-amortizing, the DCR would be 1.113, and cash flow would be \$1,135.17 per unit. Developer has obtained deeds for all three parcels, and land has been cleared and environmental remediation documented on the site and submitted to the Utah Department of Environmental Quality-Division of Environmental Response and Remediation under the Utah Voluntary Cleanup Program and has been completed by excavation and removal of 3,000 tons of contaminated soil removed by ET Technologies by August 2, 2023 at a cost of about \$723,000

- Staff recommendation:

Fund \$2,000,000 in HOME funds as a surplus cash flow loan for 40 years at 3% as requested. Lien positions: 1) Key Bank first mortgage; 2) OWHLF HOME loan; 3) Deferred land note. Funding contingent on all other funding sources as listed in the Application, completion of the HUD ERR process, and construction to Energy Star/minimum HERS standards. Sources of funding

determined at discretion of HCD/OWHLF staff as needed, and subject to funding availability. OWHLF deed restriction to show 9 HOME-assisted units restricted for 30 years minimum.

- Christina Oliver and McKenna Marchant spoke about the difference between the current project proposal and the project's original proposal and the pending application going before the Private Activity Bond Board on Jul 10, 2024. The PAB was explained.
- George Houser and Jacob Williams added details and answered questions about this project. The Board had questions about the changes, timeframe and recommended additional funding sources.

Motion to hold off on making a decision on this project until after the PAB had ruled and to discuss the project again in October was made by board member Jason Wheeler. That motion was discussed with the developers and board members but not seconded or voted upon.

A substitute motion to approve the project's funding per staff's recommendation with a change to say that the deed restriction is to show 9 HOME-assisted units restricted for 40 years minimum not 30 years, to match the loan length and with stated contingencies and with the caveat that the approval is pending PAB approval and that the funds for this project would be de-obligated immediately if they do not secure PAB approval at the July 10, 2024 board meeting was made by board member Steven Bond and seconded by board member Jed Nilson. That motion was passed with a roll call vote with affirmative votes from Chairwoman Beth Holbrook, board member Jed Nilson, board member Marty Henrie, board member Mike Glenn, board member David Snow, board member Jason Wheeler, board member Tyler Jensen, and board member Steven Bond. There were no dissenting votes. Board members Kip Paul, Mayor Logan Monson, John Lindsay, Kaitlin Myers and Mayor Dawn Ramsey were absent.

5. Valley West (Gunnison) - Rio West Properties

Dan Murphy

Score: 255 out of 500

Representing the project in the meeting was Troy Hart and Martha Larsen

- Dan Murphy summarized the project and gave a staff recommendation. This project is new construction of 20 units – 8 2BR, 12 3BR, all affordable – in three 2-story buildings on vacant land immediately adjacent to the Foxwood Apartments, a 23-unit USDA-RD 515 property owned by the same developer, which recently completed an acquisition/rehabilitation with OWHLF and RD funding. Project is located in the northwest section of Gunnison.

Zoning is presently R-4-7500 Multifamily Residential, for which multifamily residential is an approved use with a conditional use permit, which has been approved by Gunnison City. Project was awarded \$707,658 in 9% Federal LIHTC from UHC in July 2023 and is returning to OWHLF to fill the remaining funding gap.

Project is eligible for up to \$1M of HOME funds and \$550,000 of HTF funds. Per-unit and square-foot costs are extremely high due to the rural-area location and high construction costs currently in the Utah market. This project was originally first brought before the OW Board at the April 2022 meeting but was canceled in 2023 due to the developer's inability to sell rural-area LIHTC at that time.

This is the second OW project and first LIHTC project proposed in Gunnison. Even with OW loans requested as cash flow/deferred, and vacancy set at the standard rate of 7%, the DCR is 1.058

and cash flow is \$240.68/unit – both below the OW limits. If both loans were deferred, the DCR is 1.071 and cash flow is \$290.68/unit – still below OW limits. However, if vacancy is set at the market study rate of 2%, the DCR is 1.195, CF \$803.36/unit.

- Staff recommendation:

Fund \$1,550,000 of HOME funds for 40 years at 1.5% as a surplus cash flow loan instead of \$1M of HOME and \$550,000 of HTF funds, based on limited funding, as a deferred loan. Lien positions: 1) Rocky Mountain CRC first mortgage; 2) shared OWHLF HOME and HTF loans; 3) Seller's land note. Funding contingent on all other funding sources as listed in Application, completion of the HUD ERR process, and construction to Energy Star/minimum HERS standards. Source of funding determined at discretion of HCD/OWHLF staff as needed, and subject to funding availability. OWHLF deed restrictions to show 6 HOME-assisted units restricted for 40 years minimum.

- Troy Hart and Martha Larsen discussed the project and answered questions about the community and how the figures were calculated (vacancy rates, value engineering, LIHTC effects). They also spoke about timing on credits, applications processes and approvals for additional funds. Troy Hart expressed concerns about delays in funding holding up the closing and advocated for the board to approve the request at the current meeting. He said he would be willing to relinquish any overages once the tax credits came through and also do a pre closing process to move the project along quickly.

Motion to table the request until the applicant has a good understanding of the tax credits awarded and revises application to reflect more accurate funding sources and with a possible electronic meeting if applicant is ready before the next October meeting was made by board member Mike Glen and second by Jason Wheeler. Additional discussion continued regarding the motion. This motion did not lead to a vote but after discussion a substitute motion was made.

- Troy Hart expressed concerns about delays in funding holding up the closing and advocated for the board to approve the request at the current meeting. He said he would be willing to relinquish any overages once the tax credits came through and also do a pre closing process to move the project along quickly.

Christina Oliver, Director of Housing and Community Development for the State of Utah asked for clarification on whether the application was correct if additional funding had not been accounted for and if the requested amount would change if the tax credits were approved in September and Troy Hart answered the amount requested would not change if the tax credits were awarded. Additional discussion between the board, applicant, and staff regarding how the changing in credits would affect the scoring and calculations of the project.

Amanda McPeck, legal counsel for the board, expressed concerns about the board making a decision on assumptions, without having accurate up to date information.

Christina Oliver pointed out that since the developer would need to revise their application once the tax credits were awarded, they would have to open up a new application process at that time to allow for competition for the available funds. The board discussed the precedent and ramifications of such an action.

The developers asked if they could step away for an offline discussion and regroup and return toward the end of the meeting, the board decided that in the interest of time and the fact that they had 7 projects still to review on the agenda that they would not allow the developers to step away and return during the current meeting.

A substitute motion to deny the project based on insufficient and inaccurate disclosures was made by Chairwoman Beth Holbrook and seconded by board member Steven Bond. That motion was passed with a roll call vote with affirmative votes from Chairwoman Beth Holbrook, board member Jed Nilson, board member Marty Henrie, board member Mike Glenn, board member David Snow, board member Jason Wheeler, board member Tyler Jensen, and board member Steven Bond. There were no dissenting votes. Board members Kip Paul, Mayor Logan Monson, John Lindsay, Kaitlin Myers and Mayor Dawn Ramsey were absent.

The developers were encouraged to reapply with an accurate application.

6. Liberty Corner (SLC) - Cowboy - Additional OW Funds

Dan Murphy

Score: 247 out of 500

Representing the project in the meeting was Troy Hart and Martha Larsen

- Dan Murphy summarized the project and gave a staff recommendation. This project is the new construction of 200 units – 96 2BR, 80 3BR, and 24 4BR, all affordable – in a single 7-story podium-style building with structured parking on the first two levels. Project will be constructed on five parcels totaling 2.21 acres, containing commercial business that have previously been purchased by the LLC and will be demolished. Property within walking distance of the UTA Ballpark TRAX station and is located on the 300 West shopping corridor.

Zoning is presently CG-General Commercial, for which multifamily residential is a permitted use without a conditional use permit. Project returned their previous PAB bond allocation and re-applied for the April 3, 2024 meeting and was awarded \$60.7M in tax-exempt bonding cap and 4% LIHTC. Project was also previously awarded \$2M in HTF funding at the July 17, 2023 OWHLF meeting, but due to continued cost increases the developer is returning for additional funding.

Project is eligible for the requested additional funding. The developer is requesting state LIH funds due to HOME funding awarded from UCNS and Salt Lake City, which results in 8 HOME-assisted units. Any additional funding above \$939,550 from OWHLF will create a total of 12 HOME-assisted units, requiring Davis-Bacon compliance and monitoring, so the funds requested are split between HOME and state LIH to avoid that threshold. Developer is also applying for 2025 state LIHTC from UHC during the July 2024 funding round.

Developer is also requesting that the HTF loan #HTF2021 be changed from surplus cash flow to a deferred loan; new funds are also requested as surplus cash flow. Fannie Mae first mortgage will be interest-only through the construction and stabilization periods (3 years total). This project remains as the most expensive project ever funded by OWHLF, both by total per-unit cost and total square-footage cost.

- Staff recommendation:

Fund additional HOME funds loan of \$939,550 for 40 years at 3.0%, and fund state LIH funds loan of \$60,450 for 40 years at 3.0% as surplus cash flow loans, with minimum \$1,000 annual payments. Lien positions: 1) HUD Fannie Mae first mortgage; 2) UCNS HOME funds loan; 3) OWHLF HOME funds loan (shared 3rd); OWHLF LIH funds loan (shared 3rd); OWHLF HTF funds loan #HTF2021 (shared 3rd); 4) SLC RDA loan; 5) Salt Lake County HOME loan; 6) Salt Lake County HTF loan. Funding contingent on all other funding sources as listed in Application, completion of the HUD ERR process, and construction to Energy Star/minimum HERS standards. Source of funding determined at discretion of HCD/OWHLF staff as needed, and subject to funding availability. New OWHLF loan deed restrictions to show 3 HOME-assisted and 1 LIH-assisted unit restricted for 40 years minimum.

- Chris Zarek corrected the numbers from the summary Dan Murphy delivered as the project was maxed out on Home Funds and could only accept LIH funds. He also clarified that the loan prioritization changes were unnecessary. He then discussed with the board the need for additional funds and the reason for the high costs.

Motion to allocate \$200,000 of LIH funds to this project was made by board member Jason Wheeler and seconded by board member Mike Glen. That motion was passed with a roll call vote with affirmative votes from Chairwoman Beth Holbrook, board member Jed Nilson, board member Mike Glenn, board member David Snow, board member Jason Wheeler, board member Tyler Jensen, and board member Steven Bond. There were no dissenting votes. Board member Marty Henrie was recused. Board members Kip Paul, Mayor Logan Monson, John Lindsay, Kaitlin Myers and Mayor Dawn Ramsey were absent.

A second motion was made on the Liberty Corner project to address the remainder of the application request. The motion was that the HTF loan be changed from a surplus cash flow to a deferred loan and that the deferred loan will be for 40 years at 3%. And the \$200,000 LIH Funds loan that was just authorized will be listed at 40 years and 3% as a surplus cash flow loan with a minimum of \$1000 annual payments. The deed restrictions will be in place for 40 years. The lien positions as recommended by staff Lien positions: 1) HUD Fannie Mae first mortgage; 2) UCNS HOME funds loan; 3) OWHLF HOME funds loan (shared 3rd); OWHLF LIH funds loan (shared 3rd); OWHLF HTF funds loan #HTF2021 (shared 3rd); 4) SLC RDA loan; 5) Salt Lake County HOME loan; 6) Salt Lake County HTF loan Funding contingent on all other funding sources as listed in Application, completion of the HUD ERR process, and construction to Energy Star/minimum HERS standards. Source of funding determined at discretion of HCD/OWHLF staff as needed, and subject to funding availability. New OWHLF loan deed restrictions to show 3 HOME-assisted and 1 LIH-assisted unit restricted for 40 years minimum. The motion was made by Chairwoman Holbrook and seconded by Jason Wheeler. That motion was passed with a roll call vote with affirmative votes from Chairwoman Beth Holbrook, board member Jed Nilson, board member David Snow, board member Jason Wheeler, board member Tyler Jensen, and board member Steven Bond. With a dissenting vote from board member Mike Glenn. Board member Marty Henrie was recused. Board members Kip Paul, Mayor Logan Monson, John Lindsay, Kaitlin Myers and Mayor Dawn Ramsey were absent.

Due to meeting length and timing the remaining 3 projects all from Alta Bay Capital were not covered at this board meeting an additional electronic meeting was scheduled to complete the review of these 3 projects on July 30, 2024 the minutes for that meeting will be found on the Public Notice Website page for the Olene Walker Housing and Loan Fund under the entry for that date.

7. Alta Fairpark (SLC) - Alta Bay Capital
Score: 195 out of 500
8. Promontory Point (SLC) - Alta Bay Capital
Score: 182 out of 500

Dan Murphy

Dan Murphy

9. Alta North Station (SLC) - Alta Bay Capital
Score: 180 out of 500

Dan Murphy

Item 2: Existing/Returning Multifamily Projects [No Additional Funding]

1. Ridgeview (Moab) - Four Corners BH - Loan Forgiveness Dan Murphy

Representing the project in the meeting was Jeanie Wilson, Kara Cunningham and Justin Nielson

- Dan Murphy summarized the project and presented the staff recommendation. This project was originally constructed in 1994 as a rental housing facility for chronically mentally ill clients in 4 1BR and 2-2BR units in three two-plex buildings in a U-shape around a central courtyard. Project was awarded \$29,593 in 1994 Federal 9% LIHTC in October 1993 from UHC, and applied for and was first approved for the OWHLF HOME funds of \$206,508 at the December 4, 1992 OW meeting. Loan was to be set up as a surplus cash flow loan when funded in 1994, but quarterly payments of \$1,219.40 were established in 2000 to begin on April 1, 2001 and have been made regularly on this project since that time.

This loan matured on July 1, 2024, although no expiration date is stated in the Trust Deed Note. Four Corners Community Behavioural Health is requesting that the balance of this loan be forgiven so that they can use those financial resources in constructing additional client and employee housing in the Moab/Grand County area.

Original construction cost from original cost certification from 1994. Current balance of the OWHLF loan as of July 1 is \$93,042.83. As the loan has matured, further action is required in the form of a loan payoff or extension/loan revision by the OWHLF board.

If the loan was converted to a fully-amortizing loan for 10 years, the property has sufficient cash flow and debt service to cover it and pay it off with a DCR of 1.473 and cash flow of \$733.69/unit.

- Staff recommendation:

To not grant the request for loan forgiveness and rather convert the remaining balance of loan from a surplus cash flow to a fully-amortizing loan for 10 years at 0% to enable faster payoff.

Motion to approve the staff's recommendation was made by board member Jason Wheeler and seconded by board member Steven Bond. That motion was passed with a roll call vote with affirmative votes from Chairwoman Beth Holbrook, board member Jed Nilson, board member Marty Henrie, board member Mike Glenn, board member David Snow, board member Jason Wheeler, board member Tyler Jensen, and board member Steven Bond. There were no dissenting votes. Board members Kip Paul, Mayor Logan Monson, John Lindsay, Kaitlin Myers and Mayor Dawn Ramsey were absent.

2. The Willows (Moab) - Four Corners BH - Sale/Loan Forgiveness Dan Murphy

Representing the project in the meeting was Jeanie Wilson, Kara Cunningham and Justin Nielson

- Dan Murphy summarized the project and presented the staff recommendation. This project was originally purchased in 2002 as a foreclosed single-family home converted to a group-living home for up to eight chronically mentally ill clients of FCCBH, using OWHLF funds, State Homeless Coordination Committed funding, and Continuum of Care funding for the acquisition and minor rehabilitation of the facility. It has been operating as a group home ever since.

The OW loan was issued as a 40-year deferred loan with repayment required only upon change of use or sale. FCCBH is requesting that the Board forgive this loan so that they can sell the home and use the

sales proceeds to construct the new facility that will be larger and more capable of serving disabled clients in Price.

Original acquisition/rehabilitation cost information from the original application submitted from 2002. Current balance of the OW loan as of July 1 is \$201,385. No payments have been made to date on the loan due to its deferred nature. Project rental income and operating expense calculated as an average of the past five years of reporting to OWHLF staff.

- Staff recommendation:

Allow Four Corners Community Behavioral Health to sell the home and repay the loan in full. Rather than using the proceeds of the sale to go towards a new facility, staff recommends that Four Corners Community Behavioral Health would need to apply at a future board meeting to request additional funding.

- Jeanie Wilson, Kara Cunningham and Justin Nielson explained more about what they want to do with this project and then discussed with the board their request. The Board expressed concerns about setting a precedent of transferring loans to other projects, taking funds from an old application to use in a way other than originally awarded. The recommendation is for the developer to repay the loan with the sale of the project and apply for new funds for the new project.

Motion to approve the staff's recommendation was made by board member Martie Henry and seconded by board member Steven Bond. That motion was passed with a roll call vote with affirmative votes from Chairwoman Beth Holbrook, board member Jed Nilson, board member Marty Henrie, board member Mike Glenn, board member David Snow, board member Jason Wheeler, board member Tyler Jensen, and board member Steven Bond. There were no dissenting votes. Board members Kip Paul, Mayor Logan Monson, John Lindsay, Kaitlin Myers and Mayor Dawn Ramsey were absent.

3. Aspen Cove (Moab) - Four Corners BH - Employee Housing Dan Murphy

Representing the project in the meeting was Jeanie Wilson, Kara Cunningham and Justin Nielson

- Dan Murphy summarized the project and presented the staff recommendation. This project was the new construction of 10 units – 8 1BR, 2 2BR, all affordable – in a single two-story L-shaped building on vacant land adjacent to FCCBH’s The Willows Group Home facility. Aspen Cove was intended to provide housing for chronically mentally ill clients. Project was awarded \$240,000 in CDBG funds, a \$20,000 grant from the Office of Homeless Services, and was approved for the \$271,300 in state LIH funds at the April 26, 2012 OW meeting.

The OW loan was set up as a surplus cash flow loan with a minimum \$1,000 annual payment, which has been made regularly. Due to an extreme shortage of affordable housing in the Moab area, FCCBH is requesting that up to six of the 10 units be used for employee housing due to the difficulty of employing and retaining employees in the area.

Current balance of the OW loan as of July 1 is \$262,944. Project rental income and operating expense data calculated as an average from the past five years of reporting to OWHLF staff with an average AMI of 25%. If the loan was converted to a fully-amortizing loan, the project has sufficient cash flow and debt service to cover it – DCR 2.228, cash flow of \$1,110.31/unit.

OWHLF deed restriction for property states "Borrower agrees that the project will have a total of FOUR (4) LIH-assisted units on a floating basis, which will consist of THREE (3) one-bedroom units and ONE (1) two-bedroom unit. In addition, borrower agrees that all units are set aside for chronically mentally ill/disabled individuals".

- Staff recommendation:

To not grant the request for change of use. Rather, change terms of loan from surplus cash flow at 0% to fully-amortizing for the remainder of the term. No other changes.

Motion to leave their loan the same as it is in their best interest to do so was made by board member Martie Henry and seconded by board member Jason Wheeler. That motion was passed with a roll call vote with affirmative votes from Chairwoman Beth Holbrook, board member Jed Nilson, board member Marty Henrie, board member Mike Glenn, board member David Snow, board member Jason Wheeler, board member Tyler Jensen, and board member Steven Bond. There were no dissenting votes. Board members Kip Paul, Mayor Logan Monson, John Lindsay, Kaitlin Myers and Mayor Dawn Ramsey were absent.

Item 3: Reports (Please review prior to meeting – Staff will answer questions)

1. Single Family Default List	Katye Halterman
2. Multifamily Quarterly Progress Report	Daniel Herbert-Voss
3. Single Family Report	Katye Halterman
4. Energy Star Report	Daniel Herbert-Voss
5. Monitoring Report Update	Steve Fox
6. Home Choice Quarterly Report	Josh Runhaar
7. Cash Flow Loan Status Report	Daniel Herbert-Voss
8. TOD Report	Dan Adams
9. Utah Housing Preservation Fund	Lukas Ridd
10. Landlord Incentive Program	Katye Halterman

V. Next Quarterly Board Meeting: October 10, 2024

An additional electronic meeting to complete Action Item IV/New Business/New Construction Projects – Other Multifamily Projects/#7 Alta Fairpark (SLC) - Alta Bay Capital, #8 Promontory Point (SLC) - Alta Bay Capital and #9 Alta North Station (SLC) - Alta Bay Capital was scheduled for July 30, 2024 at 3pm via Zoom

Adjourn: Motion to Adjourn was made by Chairwoman Holbrook with a unanimous vote of affirmation.

Meeting Adjourned at 2:08 pm.

Minutes certified correct by Janell Quiroz

Minutes approved on