



HOUSING DEVELOPMENT CORPORATION OF SALT LAKE CITY

**Meeting Location: 1776 S. West Temple, Salt Lake City,
Utah or Electronic Video or Phone Conference**

BOARD MEETING:

Monday, June 30, 2025

11:00 am – 2:00 pm

WEB OPTIONS:

<https://housingauthorityofsaltlakecity.my.webex.com/housingauthorityofsaltlakecity.my/j.php?MTID=madbfbf98632b8fe073069e17ae6ca6bc3>

OR

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

Meeting number: 2559 837 2698

Password: 1776

PHONE OPTION:

Dial 1-650-479-3208 Access Code: 2559 837 2698 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 Members

Mike Pazzi, Chair

***Bill Davis, Vice Chair
Phil Bernal, Board Member
Palmer DePaulis, Board Member
Darin Mano, Board Member***

***Tess Clark, Resident Board Member
Brenda Koga, Board Member
Fraser Nelson, Board Member
Dave Manell, Board Member****

*Excused absence

BOARD MEETING AGENDA

1. Roll Call
2. Public Comment – *each participant will be allowed 3 minutes for comment.*
3. Motion to Approve HDC Open Meeting Minutes of April 28, 2025 (attachment)- Board Chair/ 3 minutes *Page 1*
4. New Business
 - A) **AUTHORIZE WRITE-OFFS OF CERTAIN ACCOUNTS AND BAD DEBT THRU APRIL 2025.** (attachments) *Deputy Executive Director, Kim Wilford and CFO, Jennifer Nakao / 15 minutes.* *Page 9*
 - B) **CONSIDER AND ACCEPT FISCAL YEAR 2025 FINANCIAL STATEMENTS THROUGH APRIL.** (attachments) *Deputy Executive Director, Kim Wilford and CFO, Jennifer Nakao / 15 minutes.* *Page 10*

Reports

- A) **Key Performance Indicator Report, Property Mgt: Deputy Director, Zac Pau’u** *Page 12*
5. Unfinished Business (none)
6. Tentative Closed Session (none)

The Board will 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.

One or more Commissioners of (HAME/HDC) may participate via telephonic conference originated by the President and within the meanings accorded to Utah Law, the meeting may be an Electronic Meeting, and the Anchor Location shall be located at 1776 South West Temple, Salt Lake City, Utah. In compliance with the Americans with Disabilities Act, persons requesting special accommodations during the meeting should notify HAME/HDC not less than 24 hours prior to the meeting.
7. Adjournment

Housing Development Corporation of Salt Lake City

Report Provided by: Board Chair
Department: Commission

Item: Meeting Minutes of April 28, 2025

June 30, 2025

Housing Development
Corporation



BACKGROUND:

Review and revise/approve meeting minutes from Open Meeting of April 28, 2025.
(Attached)

RECOMMENDATION:

Approve the meeting minutes of April 28, 2025.

DRAFT

HOUSING DEVELOPMENT CORPORATION OF SALT LAKE CITY

Housing Authority of Salt Lake City
Salt Lake City, UT

Monday, April 28, 2025
11:45 a.m. – 11:54 a.m.

The meeting of the Board Members of the Housing Development Corporation of Salt Lake City was held on Monday April 28, 2025, from 11:45 a.m.- 11:54 a.m.

Board Members in Attendance

Michael Pazzi, Chair
Brenda Koga, Board Member
Palmer DePaulis, Board Member
Fraser Nelson, Board Member (via Webex)
Tess Clark, Resident Board Member
Phil Bernal, Board Member (via Webex)
Darin Mano, Board Member (via Webex)

Boad Members Excused

Bill Davis, Vice Chair

Staff in Attendance

Daniel Nackerman, Executive Director
Kim Wilford, Deputy Executive Director
Britnee Dabb, Deputy Director
Paul Edwards, Agency Attorney
Jennifer Nakao, Chief Financial Officer
Zac Pau'u, Deputy Director
Jackie Rojas, Section 8 Director
Vicci Jenkins, Deputy Director of Property Management
Kelly Walsh, Senior Housing Analyst (via Webex)
Angel Myers, Administrative Executive

Legal Counsel in Attendance

Clay Hardman, Gilmore & Bell

Chair Pazzi convened the regular meeting of the Housing Development Corporation of Salt Lake City (HDC)

Roll Call

Public Comment

None

MOTION TO APPROVE HDC OPEN MEETING MINUTES OF MARCH 31, 2025

Motion

Board member Koga made a motion to approve the **HDC Meeting Minutes of March 31, 2025**. Board member Clark seconded. The motion passed unanimously with Board Members, Pazzi, DePaulis, Mano, Bernal, Clark, Nelson, and Koga all voting in favor. There were no objections or abstentions.

New Business

A) CONSIDER AND ACCEPT FISCAL YEAR 2025 FINANCIAL STATEMENTS THROUGH FEBRUARY. (attachments) *Deputy Executive Director, Kim Wilford and CFO, Jennifer Nakao / 15 minutes.*

Dan: Commissioners, as you may know, Housing Development Corporation really only owns two properties, Riverside and Ben Albert. Through February, and Jennifer, by the way, creates these reports. I want to acknowledge Jennifer's great work.

Jennifer: With the team and Kristin.

Dan: And the properties are reporting a net residual income for the two months of \$56,686. This is a little bit below expectations for the first two months. There were a fair amount of unexpected, extraordinary maintenance costs, Ben Albert in particular, but we anticipate that to, kind of-, we've done a lot of work on Ben Albert over the last few years, most of it in reactive mode versus planned mode, but the building is getting kind of, gradually renovated as we do that. So, we don't anticipate too many future issues. So, we think the

overall income and expenses remain relatively on track with the budget and recommend reviewing and accepting the report. There's no vote required.

Mike: Great report, any questions?

Brenda: How old is Ben Albert?

Dan: We debated that at a couple of meetings. Vicci's going to find it right now.

Vicci: I want to say-, well, I don't want to say anything.

Tess: Didn't we talk about, like, there are a lot of main issues happening with the HVAC and (talking over each other)?

Dan: Yes. Boiler system. Elevator. The elevator, I believe, is under renovation now. Right now.

Zac: (talking over each other) modernization going on with the elevator right now. We replaced the boiler system. Some of the expenses you saw earlier are we had a main sewer line burst coming in.

Tess: Right. So, literally, your whole main issues are you've got your HVAC, you've got your main plumbing issues are going. I mean, you're redoing your basic necessities to your foundation and your building and you're redoing it.

Mike: Well, I thought it was built in the '70s.

Vicci: 1950.

Mike: 50? Wow. So, it's 70 years old.

Tess: Yes. So, more or less, the batter. You're redoing your batter. Your icing is fine, but your batter is old.

Dan: Yes. That's even older than me. You know, just for the record. No. I wish we would have planned ahead and done it in a more orderly fashion ten years ago or eight but we are definitely catching up fast and we have, you know, project reserves that have paid for a lot of these improvements. So, I think we're in good shape. The population there has changed a little bit, by chance, over the years too. We used to have a fair amount of, kind of, single

seniors there. There's a much more mix of single tenants there these days. A different management style.

Mike: Do we typically Kim have sticky funds for these projects?

Kim: We have replacement reserves on all.

M: Okay. (talking over each other) formula that we use?

Kim: It's typically 350 per unit and up.

Mike: Okay.

Dan: And then, some, the lenders have separate requirements. This would not be an example. Palmer's bible outlines all of that.

Tess: It's written in the bible.

Plamer: Yes. It's in the book.

Mike: Do you have any further questions, comments? Okay. Zac...

Motion

No motion is needed, only to consider and accept the report.

Reports

A) Key Performance Indicator Report, Property Mgmt.: Deputy Director

Zac: Commissioners, we close the month of March for HDC properties with an average occupancy of 94.1%. We just missed the 90% metric on the work order KPI at 89%. With ten work orders rolling over into April since then completed. We did have four move outs in these two properties, which dipped our occupancy below the 95% metric that we shoot for but we're working hard to get those backfilled. And we're not reporting an average

number of days vacant since there were no move ins yet. And we finished the month with a 2% delinquency rate.

Mike: Great report.

Palmer: Can I ask a question? Zac, has this building ever had a seismic study or anything?

Tess: Thank you for asking that. Yes. That's what I was worried about, the earthquakes on (audio distorts).

Zac: We do have an upcoming proper needs assessment coming along. So, I am sure they will be looking at the seismic.

Palmer: Okay. That might look at that. I don't know, is it a steel building? What kind of structure is it?

Zac: It's brick, isn't it?

Palmer: Is it?

Vicci: Yes.

Palmer: Really? Oh.

Vicci: Yes. We'll make sure that the seismic gets done. Like we're saying we have the property needs assessment that's coming through. We're doing that, and we definitely will make sure-,

Palmer: (talking over each other) good to know-,

Vicci: That that's on that.

Palmer: Yes. Like, going forward, this is a building that we really-,

Vicci: Yes. This is one of the buildings that we're looking to have a third party do a property needs assessment on, just because we've done some of the infrastructural stuff but, like, things like seismic, we do have-, what is it called? One annual-, every four years, the city does an inspection on the building, and they actually did that last year. So, we have, like, the small seismic things that are needed, as far as the straps on the water heaters. You know,

stuff like that. They don't have individual ones. So, it's passing codes but there's definitely some other things that we need to look at with (talking over each other).

Palmer: I just think maybe it ought to be something we should have on the back of our mind going forward, since the age of the building.

Vicci: Absolutely.

Dan: And it's the right time to do it with the upcoming physical needs assessments.

Palmer: Right. Yes.

Dan: We're doing those, kind of, across the board these days. You know, much more formal, long term needs assessments and some of it required by lenders. As an example, as we try to move the two public housing sites out, we need much more detailed physical needs. Is there a consultant onboard now?

Vicci: We have a consultant chosen for the two public housing properties. So, we can push those along. And then, we are, kind of, choosing between another two or three for the rest of the properties that are needed to have a vendor on and some of the smaller properties we're going to do in-house. Some of these larger and older properties we want to make sure and have someone professional.

Brenda: They're the oldest ones?

Dan: I guess that would be the oldest and I think the-,

Brenda: Ben Albert.

Vicci: Ben Albert is the oldest of the buildings.

Dan: Romney Plaza's late '70s, early '80s I think.

Kim: Early '80s. I think '78, '79. Because we were just looking at that. Ben Albert (talking over each other).

Dan: At least we know in an earthquake which direction Romney Plaza (talking over each other).

Vicci: 1983 (talking over each other 01.01.46).

Mike So, '83?

Vicci: '83. And we have several buildings that are '83.

Palmer: So, just Ben Albert is older than the-, so, those are '80s and none of them are '70s?

Vicci: There are some in the '70s. Well, it goes to '50s to '70s to '80s.

Palmer: Okay. '50s (audio distorts).

M: Okay, now we are going to go into Housing Authority.

Pazzi adjourned the HDC Meeting adjourned at 11:54 a.m.

Michael Pazzi, Chair

Daniel Nackerman, President, HAME

Housing Development Corporation
Staff Report

Housing Development
Corporation



Report Provided by: Deputy Executive Director, Kim Wilford and
CFO, Jennifer Nakao
Department: Finance

**Item: Account Reconciliation (Write-Offs)
Through July 2024**

June 30, 2025

BACKGROUND:

The Housing Development Corporation (HDC) conducted a reconciliation of our uncollected receivables or 'bad debt' for all past due accounts *through February of 2025*. HDC usually incurs this debt when a tenant or participant leaves one of the many HDC programs owing a balance. The debt may arise from excessive damage to a unit, unpaid rent, legal costs, or unreported income. There are also instances where a property owner is overpaid rental assistance payments and has not repaid the amount.

ANALYSIS:

This bad debt write-off includes debts owed to HDC through February 2025. 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. The charges related to the write-off are categorized below:

	Total
Rent	\$ 865.00
Maintenance	\$ 0.00
Legal	\$ 0.00
Other	\$ 100.00
Methamphetamine	\$ 0.00
Total	\$ 965.00

FINANCIAL IMPLICATIONS:

Staff are recommending a write-off amount of \$965.00. HDC procedure is to write off vacated balances over 90 days.

Note that we continue to take action to collect these losses regardless of the write-offs.

RECOMMENDATION:

A motion to approve the bad debt write-off amount of \$965.00 under the provision that collection attempts will continue internally and through NAR, our external debt recovery agency.

Housing Development Corporation
Staff Report

Report Provided by: CFO, Jennifer Nakao
Department: Finance

Item: Fiscal Year 2025 Financial Statements through April

June 30, 2025

Housing Development
Corporation



BACKGROUND AND METRICS:

This report covers **The Housing Development Corporation (HDC) property financial summary, comprised of two properties: Riverside (41 units) and Ben Albert (68 units).**

HDC properties reports net residual income of **\$192,060**, exceeding the year-to-date budgeted net profit of \$151,238 by \$40,822. Year to date revenues for all programs and properties total \$579,549, with expenses amounting to \$387,490.

Ben Albert experienced unexpected, extraordinary maintenance contract costs of \$48,271 for the replacement of a hot water tank, multiple water storage tanks and 20 feet of leaking pipes in the boiler room. The property does not anticipate additional expenses related to these repairs although these costs tend to fluctuate throughout the year.

ANALYSIS:

A summary of operating revenues and expenses through April FY25 financials are detailed out in the subsequent pages. **As a nonprofit, our overall income and expenses remain on track with budgetary estimates.**

The attached financial statements show the comparison to the 2025 budget approved by the Board in September 2024.

Operating costs exclude depreciation, amortization, and capital expenses.

RECOMMENDATION:

Review and accept report. No vote required.

HDC (.fs6000)

Ben Albert and Riverside Apartments

Budget Comparison

Period = April 2025

Book = Accrual ; Tree = qtr_bis1

	YTD Actual	YTD Budget	Variance	% Var	Annual
3399-9999 OPERATING INCOME	466,374	463,161	3,214	0.69	1,389,482
3499-9999 DONATIONS/INSURANCE PROCEEDS	58,524	0	58,524	N/A	0
3699-9999 OPERATING INCOME OTHER	54,651	45,980	8,671	18.86	137,940
3999-9999 TOTAL INCOME	579,549	509,141	70,409	13.83	1,527,422
4000-0000 EXPENSE					
4112-9999 ADMIN PAYROLL	95,706	126,322	30,616	24.24	378,967
4299-9999 ADMINISTRATIVE EXPENSE	59,995	58,858	-1,138	-1.93	176,573
4339-9999 UTILITIES	48,946	49,175	229	0.47	147,524
4419-9998 MAINT/OPER PAYROLL	53,912	31,449	-22,463	-71.43	94,347
4429-9998 MATERIALS-ORD MAINT	15,770	12,971	-2,799	-21.58	38,914
4440-9999 CONTRACT COSTS-ORD MAINT	36,106	51,513	15,407	29.91	154,539
4579-9999 OTHER GENERAL EXPENSE	18,164	19,707	1,543	7.83	59,120
4599-9998 OTHER GENERAL, PROP TAX	3,440	2,408	-1,032	-42.85	7,224
4610-9999 EXORD EXPENSES	55,450	5,500	-49,950	-908.19	16,500
7999-9999 TOTAL EXPENSES	387,490	357,903	-29,587	-8.27	1,073,708
8999-9999 NET PROFIT/LOSS	192,060	151,238	40,822	26.99	453,714

Explanations for variances of \$20,000 and 15% and anything deemed unusual.

1. The budget includes future hires and merit and COLA increases that have not been implemented yet. Merit increases are scheduled to take place in June 2025.
2. The maintenance payroll is higher than budgeted for multiple properties due to some allocation errors recently identified. The agency wide maintenance payroll is accurate, but the agency is working to remedy the allocation issue. Once resolved, the prior periods will be corrected and reviewed.
3. The increase is due to the unexpected replacement of a hot water tank, water storage tanks, and 20 feet of leaking pipe in the boiler room.

Housing Development Corporation
Staff Report

Report Provided by: Deputy Director Zac Pau'u
Department: Property Management

Item: Key Performance Indicators (KPIs)
May 2025

June 30, 2025

Housing Development
Corporation



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 the 109 units Housing Development Corporation (HDC) 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 the Housing Authority of Salt Lake City (HASLC) and Housing Assistance Management Enterprise (HAME). 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 at the close of May 2025

Metric: >95% for stabilized properties

Average Occupancy	May
HDC	89.4%

Move-ins	May
HDC	4

Move-outs	May
HDC	4

Evictions	May
HDC	0

KPI: Work order completion

Metric >90%

For the month of May 96% of work orders submitted in the reporting period were completed.

Total Work Orders	May
HDC	110

Unit Turns Completed	May
HDC	3

KPI: Average Number of Days Vacant for May 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. Since there were no move ins in the month of May there are no days vacant to report.

	May
HDC	14

KPI: Tenant Aged Receivables (TARs)

Metric: 4% of Potential Rent or less.

In the previous month, HDC had a rolling accounts receivable (AR) balance of \$2,332. We collected \$2,332 resulting in a 100% collection rate.

For the month of May, the total reoccurring charges for HDC-owned properties amounted to \$110,704 with a 2% delinquency rate. At the end of May, the combined amount owed for HDC owned properties was \$2,704.

Financial Impact:

Account Receivables Owed

“Payback Agreements” reduce current rental collections, so they prevent evictions and subsequent costs.

We continue our efforts to assist residents by pursuing financial relief through prevention funding which comes from federal Emergency Rental Assistance (ERA) and Community Reinvestment Act (CRA) awards.

Action Recommended:

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

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