H.A.M.E.
Housing Assistance Management Enterprise

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

ANNUAL BOARD MEETING:

Monday, January 26, 2026
11:00 am – 2:00 pm

WEB OPTIONS:

https://housingauthorityofsaltlakecity.my.webex.com/housingauthorityofsaltlakecity.my/j.php?MTID=m206d108d7d696f290866b3da6570f4f0

OR

https://signin.webex.com/join Then enter
Meeting number: 2551 505 4557
Password: 1776

PHONE OPTION:

Dial 1-650-479-3208 Access Code: 2551 505 4557 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 Mansell, Board Member

One or more Board Members of HAME may participate via telephonic conference originated by the President 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.

BOARD MEETING AGENDA

1. Roll Call

2. Public Comment – *each participant will be allowed 3 minutes for comment.*

3. <u>Motion to Approve HAME Open Meeting Minutes of November 24, 2025, and Special Meeting Minutes of December 18, 2025.</u> (attachment) *Board Chair / 3 minutes.*

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4. Staff Recognition/ *President, Daniel Nackerman / 5 minutes*

5. Presentation of Funding: Family Self Sufficiency Participant/ *Deputy Director, Britnee Dabb and VP for Resident Support, Lauri Royall / 5 minutes*

6. Motion to Open Housing Authority Meeting for Annual Election of Officers / *Board Chair*

7. Motion to Confirm HAME Officers

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8. **AUTHORIZE THE PRESIDENT TO RATIFY A DEMOLITION CONTRACT WITH PENTALON CONSTRUCTION, INC.** for the Hazmat abatement, building demolition, electrical infrastructure relocation, soils remediation and basic site preparation at the Erma's at Fairmont senior housing development site. The Guaranteed Maximum cost is $733,512. *President, Daniel Nackerman, and Senior Development Director Siah Siabi / 15 minutes*

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9. **AUTHORIZE THE PRESIDENT TO RATIFY A GENERAL CONTRACTOR CONTRACT WITH WADMAN CORPORATION** for the construction of the Atkinson Stacks portion of the Sunrise Metro/Atkinson Stacks Permanent Supportive Housing project of 100 units. (218 total with Sunrise). The Guaranteed Maximum cost is $25,809,897. *President, Daniel Nackerman, and Senior Development Director, Siah Siabi / 15 minutes*

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10. **CONSIDER AND ACCEPT FISCAL YEAR 2025 FINANCIAL STATEMENTS THROUGH NOVEMBER.** (attachments) *Deputy Executive Director, Kim Wilford and CFO, Jennifer Nakao / 8 minutes.*

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11. **APPROVE PLAN REVIEW FEE FOR GROVE PHASE 2. (NEW CONSTRUCTION).** (attachments). *President, Daniel Nackerman/ 5 minutes* *Page 46*

12. **PRESENTATION OF THE REAL ESTATE DEVELOPMENT REPORT.** (attachments). *President, Daniel Nackerman/ 10 minutes.*

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<u>Reports</u>

A) **Key Performance Indicator Report, Property Mgmt.:** Zac Pau'u, Deputy Director
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B) **Presidents Report:** Daniel Nackerman, President

Verbal

7) <u>Tentative Closed Session</u>

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.

8) <u>Adjournment</u>

Housing Assistance Management Enterprise

Report Provided by: Board Chair
Department: Commission

Item: Meeting Minutes of October 27, 2025, and Special Meeting Minutes of December 18, 2025

January 26, 2026

BACKGROUND:

Review and revise/approve meeting minutes from Open Meeting of October 27, 2025, and Special Meeting Minutes of December 18,2025.
(Attached)

RECOMMENDATION:

Approve the meeting minutes of October 27, 2025, and Special Meeting Minutes of December 18,2025.

DRAFT

HOUSING ASSISTANCE MANAGEMENT ENTERPRISE
(HAME)
BOARD MEETING MINUTES
Housing Authority of Salt Lake City
Salt Lake City, UT
Monday, November 24, 2025
11:02 a.m. – 11:52 a.m.

Board Members in Attendance
Michael Pazzi, Chair
Bill Davis, Vice Chair
Tess Clark, Resident Board Member
Brenda Koga, Board Member
Darin Mano, Board Member
Palmer DePaulis, Board Member
Fraser Nelson, Board Member (via Webex)

Board Members Excused
Dave Mansell, Board Member
Phil Bernal, Board Member

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

Board Chair Pazzi convened the regular meeting of the Housing Assistance Management Enterprise (HAME) of Salt Lake City.

Roll Call of the Board Members present.

Public Comment
None

MOTION FOR THE APPROVAL OF THE HAME OPEN MEETING MINUTES OF OCTOBER 27, 2025.

The President of HAME has provided each Board Member with a copy of the written minutes of the October 27, 2025. The Board Members acknowledged they had sufficient time to review these minutes.

Board Chair Pazzi called for a motion.

Motion

Board Member DePaulis made a motion to **approve HAME Meeting Minutes of October 27, 2025.** Commissioner Clark seconded. The motion passed unanimously with Board Members, Pazzi, Davis, Mano, Clark, Nelson, DePaulis, and Koga all voting in favor. There were no objections or abstentions.

1. **ACCOUNT RECONCILIATION WRITE-OFFS (BAD DEBT) THROUGH JULY 2025.** (attachments) *Deputy Executive Director, Kim Wilford / 15 minutes.*

Dan: Page 31 are the write-offs for HAME through July 2025 and it's mostly some rent issues at 2 different sites. One is Pamela's, and one is Riverside. $8,932. We're recommending approving the bad debt write-off $8,932 with the provision that we continue to collect.

Mike: Do we have a motion to approve?

Motion

Commissioner Koga made a motion to **APPROVE ACCOUNT RECONCILIATION WRITE-OFFS (BAD DEBT) THROUGH JULY 2025.** Vice Chair Davis seconded. The motion passed unanimously with Board Members, Pazzi, Davis, Mano, Clark, Nelson, DePaulis, and Koga all voting in favor. There were no objections or abstentions.

2. **AUTHORIZE THE PRESIDENT TO EXECUTE INSRUANCE RENEWALS** with the HAI Group for insurance in the areas of liability, property, worker's compensation, automobile, etc... (attachments) *In House General Counsel, Paul Edwards/ 15 minutes*

Dan: On page 33 begins the annual insurance portion of our HAME agency. Quickly, Paul has done a tremendous job negotiating this with our insurance company and I'll quickly go through it and then we'll go back and see if you have any questions. Commercial liabilities increasing by 1.79%. The premium for HAME for this year is $87,845 and there is-, that includes, really, $1 million per occurrence and a $5 million excess or umbrella policy. The next section for HAME on page 34 is property insurance. We have $202 million in property insurance, just to put that in perspective. That increased by 13.96%. The fee is $435,000. We've done some nice little charts in there so you can see how some have gone up over the last 3 years.

Excess liability, which brings, kind of, the $1 million up to a $5 million excess, the liability portion is $2,133 which is actually a little less than the last couple of years. So, it's decreased by 10.42%. We're recommending the board authorize HAME's president to contract with HAI Group to renew HAME's insurance as outlined above with the discretion to make minor adjustments as necessary. We put some of the backup in the package for you. Then again, we love the company we're working with. They represent thousands of housing authorities or hundreds and hundreds and what we don't love is they give us the renewals, like in the middle of last week. Every year, they come in late November.

Paul: And then in our defense, that's with the application submitted in, like, August. So, it takes them a little over 3 months to turn these around even with relatively little change. It is what it is.

Dan: So, we're recommending authorizing us to renew.

Mike: We have a motion to approve.

Plamer: I have a question on that. How did we do on claims during the last year?

Paul: I don't have the full number but for HAME, we probably had 4 or 5. Typical claims are small fires, little kitchen fires, I'd say would be the most common.

Palmer: But nothing that would get into excess?

Paul: No, I don't think so. Although it is amazing to me a little kitchen fire will end up being $8,000 to repair, you know, which is not insurance company policy. You know, I mean, that's just, kind of, just the way things are but overall, I think every year, in fact, it's becoming more common with having low losses and things like that.

Mike: Is it like having them send you a thank you for your file?

Dan: You know, you say that, but they actually do give us a little chunk of money sometimes.

Mike: That would be more meaningful.

Dan: Yes, but in the industry, it's called loss history, standard form. And that's another reason our rates are staying low. So, it goes well beyond negotiation. The staff does such a good job in limiting our losses, you know, through risk management practices, that we end up paying-, it's noted in these reports how much less we pay than other housing authorities, especially over the last 2 or 3 years. When you guys go to conferences, you'll hear housing authorities totally freaking out about insurance costs ruining their budgets. So, loss history is a big part of it as well and a lot of staff contribute to staying on top of keeping properties safe or avoiding liabilities. You know, this is not just property, it's also treating people correctly so that we're not sued. We have very little lawsuits over our 10-year history. So, it's something to be very proud of.

Darin: Can I ask a separate question? I'm just looking through the premiums compared to the limits and what is commercial liability covering? Because that seems like a really high premium compared to a $2 million limit?

Paul: It's also in general liabilities. You know, (audio distorts) lawsuits against us. Part of that is coverage for if we do have (audio distorts) but will cover us for the lost rents, things like that.

Darin: I'm sure it's just that I don't understand this type of insurance organization, but I know that for my small company I had a $2 million limit and it was like, $800 instead of $85,000. So, there's something that I'm not understanding.

Paul: But keep in mind, this is spread over, what, 35 properties that have public access and things like that. So, the exposure is pretty high. If you'd like, I can send you a copy of the policy itself and you can see. It's, like, 80 pages long. There's lots of detail in there, (talking over each other).

Mike: Any problem sleeping, Darin?

Darin: I'm just wondering.

Dan: Yes, there's some pretty good detail.

Darin: If they're assessing our risk, at that high of an amount.

Dan: There's some really good detail on page 36. You know, $1 million each occurrence. General aggregate is $2 million. I don't know why. Oh, hired automobile is in there.

Darin: We don't need to get into that level of detail; that's just the one number.

Dan: Assault and battery is in there.

Tess: That's for the receptionists.

Dan: Well, Darin, we will also be getting into this in the housing authority meeting. We're going to maybe even suggest a higher limit than we've been quoted on. I'll give you an example. We had at one of my housing authorities, a limit of $10 million for liability, which sounds great. We had a child who was playing regularly with gasoline and burning things etc., with one of his friends. And what do you know? They started a fire and burnt themselves and ran away and as we got sued, it turned out that family had actually been evicted but was still living there. So, people would say, 'Why were the children playing at your site?' So, that went on to be a $12 million claim with possible even more claims. I would keep a sharp eye on excess liability at housing authorities because all it takes is, you know, 1 horrible lawsuit. There's some stories about pools at housing authorities. It's very important to keep really good coverage. On the other hand, opposing attorneys, not like his firm, they ran away. They find out your limits and that changes their claims. So, we are recommending the President be authorized to execute insurance renewals with the HAI Group for insurance in the areas of liability, property, worker's compensation, automobile, etc...

Mike: Okay, do I have a motion. On to the financial statements.

Motion

Commissioner Koga made a motion to **AUTHORIZE THE PRESIDENT TO EXECUTE INSRUANCE RENEWALS** with the HAI Group for insurance in the areas of liability, property, worker's compensation, automobile, etc... Vice Chair Davis seconded. The motion passed unanimously with Board Members, Pazzi, Davis, Mano, Clark, Nelson, DePaulis, and Koga all voting in favor. There were no objections or abstentions.

3. **CONSIDER AND ACCEPT FISCAL YEAR 2025 FINANCIAL STATEMENTS THROUGH SEPTEMBER.** (attachments) *Deputy Executive Director, Kim Wilford and CFO, Jennifer Nakao / 8 minutes.*

Dan: This is on page 42 for HAME. It covers 11 properties, which is 709 units. It also covers a fund managed by HAME. Overall, and this is through September, I want to remind the board of that. Solid financial position. Net income of $726,000 for 2025 through September. We're struggling a little bit in some of the areas, or at least less than we originally budgeted. They're all shown there. The homeless programs are particularly challenged. Some of that is Sunrise being relatively vacant. Also, meth, pest extermination, security. We had a particular pest issue, by the way, at Pamela's Place the last month. Not that that's impacting this report yet, but this stuff continues. So, still in solid financial condition. We're recommending reviewing, accepting the report, no vote required.

Mike: All in favor of accepting the report?

Motion

No motion needed, just consider and accept the report.

4. **PRESENTATION OF THE REAL ESTATE DEVELOPMENT REPORT.** (attachments). *President, Daniel Nackerman/ 10 minutes.*

Dan: Commissioners, this real estate development report comes under HAME because most of the projects are performed under HAME. It obviously involves the Housing Authority and HDC sometimes as well. I just thought I'd pass out, just as a cheat sheet and I don't know, Angel, could you go ahead and show that in a-, well, I guess at the end of this report. Just a cheat sheet of some of the renderings to keep your excitement level going. As you know, we're actively developing 10 projects, you could even say 11, that will increase our number of living units dramatically over the next couple of years. Significant progress on some. Timelines and costs are showing mixed results depending on the project.

On the cover, there's a brief analysis of each one. Sunrise Metro's under construction. We're barely getting to the financial closing. Clay, to my right, has been just unbelievably helpful in shepherding along the financial closing. When he brings his invoice, it'll be large enough that we'll have to have board approval but it's well worth the money. Atkinson's Stacks, almost starting construction which is, kind of, the backside now of Sunrise Metro. Since we last met, we made huge progress on Book Cliffs Lodge financial closing. Construction starts imminently in January.

Fraser: Can I ask just one question on that? Are we planning a ribbon cutting and things like that that we can involve the Urban Indian Centre and others in?

Dan: Yes, so, it'll probably be more like March, I would say. Just when the weather is a little better. So, we'll probably be under construction by the time we do the ribbon cutting. And we always have done ribbon cuttings on every project.

Fraser: I'd just like to make sure that we have members of the Urban Indian Centre there and maybe have some elders do a blessing or something to make it, you know, (talking over each other).

Dan: Yes, that's great.

Fraser: I'd be happy to help with, you know, organizing that but I'd like to do something along those lines.

Dan: That sounds great. Erma's at Fairmont, we've now got both fundings in place. 2 different lenders, in a way. That would be KeyBank and Goldman Sachs. Kind of forcing them to squash it into 1 project as much as possible. Again, Clay has been very helpful in those-, Northwest Pipeline, some really major turning points happening this week and next. In fact, even late this afternoon, we have a big meeting on the public benefits analysis and really, the structure of the whole deal of this city turning the property over to us.

The general contractor selection was made preliminarily last week and we-, I guess I can't talk about it in open session much but to say that again, all the contractors that proposed were very qualified and they were all scored very closely by a really super panel that included brilliant development people and we were considering a special meeting to award that contract in mid-December but the board chair told me to take a hike. No, it wasn't quite that bad. But we'll probably sign a contract that has a bailout and bring it to you in late January. Another reason I say that is that a $30 million project, you know, you may get lobbied by people that's enough of a price tag where people, contractors, you know, feel very comfortable lobbying.

Palmer: Really?

Dan: Yes, especially certain contractors that are involved in this particular bidding process. So, please refer them back to us. We've kept the process very formal. We've had Paul be the point at the end of the funnel for everything and that's really helped. The Grove Buildings, similar to the Pipeline that I just described as far as status. Mansell Manor, the architect selection phase is imminent, we're down to two-thirds and the re-zoning process has been slow but is ongoing. By the way, we're considering jumping into, on this very-, this is related to Mansell but not necessarily part of the re-zoning. On the site where we're sitting now, we're suddenly considering first-time homeowner condominiums.

Fraser: Good

Dan: Both UHC and the State and the City have all released some funding for first-time condominium owners. More on that, UHC, the State, has about $25-30 million to hand out in that regard. Very little treacherous because there hasn't been much condo development for reasons all over the country. Pharos is at a bit of a stalemate until funding grant arrival in January. We're hoping for $3 million from the Federal Home Loan Bank fund. And then Granary Junction, the schematic plans and preliminary financing underway. In the package, we have detail on each one of these projects. I'm prepared to answer any questions you might have. I will say one switch we've made since we met on both Pipeline and the Grove, especially the Grove, we've switched from a land lease strategy with the city to an outright purchase with the city. And that should make the project financing go faster and it should just be a much less complex way to-, do you want to comment on that at all?

Clay: Certainly. For low-income housing tax credit project, just to involve the ground lease is going to trip things up with all the lenders, tax credit investors. So, it simplifies things. So, kudos to staff to working this through with the city because we know their first preference was to keep that ownership there, if at all possible, but it just complicates things.

Dan: So, unless there's any questions. The renderings will be passed out. Could you scroll through those just for the people online, Angel? And by the way, most of these designs are further along than the renderings you'll see.

Tess: What about this courtyard rendering?

Dan: I should have brought that particular one, yes. We'll get it to you. This is Fairmont Heights. It was separated, it still is separated, into 2 phases but we're really trying to mesh those phases together as 1. But it was 2 different tax credit financings.

Mike: That shows us the 2, right? (TC 00:30:00).

Dan: Yes, that shows you the 2. Erma's at Fairmont.

Clay: The right side is the parking garage and the building on top?

Dan: Yes, and it does extend over to the left a little bit. And it's too bad, you know, keep in mind that in front of that is a beautiful park. Behind that is a giant shopping destination.

Tess: Sugar house movie theaters.

Dan: That's right. Movie theatres.

Tess: Sushi.

Bill: Sushi, you're making me hungry.

Dan: Can you scroll up? This is kind of, the backside of the Atkinson Stacks, which connects to the Sunrise Metro building. And again, Sunrise Metro is actually bringing units online over the next month or 2. They're finished already, some of the rehab.

Tess: Good.

Bill: I have a question, if we're almost done. You mentioned, like, at the start of this that we're looking at possibly some condo stuff, but you said (audio distorts) call, nobody's doing it nationwide or it's very hard to do. My understanding is that why developers build apartments as opposed to condos is primarily tax reasons. It's more profitable, you're in for the construction phase, you lease it up, there's institutional investors, you know, hounding you to buy it and you can cash out and make your profit all at once. Whereas condos it's a little bit more difficult because the units have to sell and then most places, I don't know if it is here, they have to offer a 30-year warranty on the building and so you're liable for it forever. Can you talk about that more specifically?

Dan: I'm clearly no expert but I have studied it and the first thing you'll hear from the financial community and developers is lawsuits. There's been, like, 30 or 40 years of lawsuit heavy issues with condos. Usually, construction defects and if you think about it, every one of them has a condominium association that is often not happy and brings suit. So, that stopped condominiums and they were hard to insure, even because of all the lawsuits. The other thing is they're very hard to finance. They're more like single family homes stacked up on top of each other.

So, the banks don't just hand you the whole financing for the entire project like they do on apartments. They kind of meter it out as you sell them, which lengthens the schedule and makes them much more difficult to sell. And then there's the typical, kind of, same thing with single family homes these days where, you know, some condominiums in some states can cost $1.5 million and they're just, kind of, a slowing of the market in both single-family home, high interest rates etc. But many people realize that's a first step to home ownership and to the American dream of having your biggest and best (audio distorts) of your lifetime by getting into the home ownership train. So, many people are thinking a condominium is a great first step because it's smaller and less expensive than a house. So, the state has, for 2 years, been pushing that idea and including funding a couple years ago now, that $30 million.

And I think you'll see a lot more nationwide effort to, you know, get-, just I saw a stat this week that the average first time home buyer is now 40 years old and that's an unusual statistic in the United States. People used to invest earlier in their lives. So, it's seen as a solution to home ownership. Secondly, this particular neighborhood, I'll include our commissioner, would love to see home ownership versus rental. There are some stereotypes, in my opinion, attached to that. On the other hand, homeowners do invest a little more in the neighborhood usually, even a condominium owner. They do, kind of, consider it more of a permanent place to, you know, meet their neighbor and again, this is just my opinion.

Fraser: If I can just add though, Dan, one of the reasons that the Ballpark Action Team and others are so adamant about having more home ownership is that only 16% of homes in the Ballpark are owned, which is far lower than the rest of the city. So, adding home ownership is going to be critical for the economic development of the area. I don't know, council member Mano, if you have anything to add to that but it was a really striking part of the Catalyst study and a big recommendation for the neighborhood.

Darin: Yes, it's been something that the community, beyond Ballpark Action Team, has been asking for, been pushing for a while. I'll emphasize what Dan said about liability claims for condos. That extends to architects involved in those as well but it's partially because of just the way that-, it's really the HOA that is-, and I don't think it's the HOA presidents, there's actually a couple what I would call predatory, sorry, Paul and Clay, law firms, that are operating in the region that will go target HOAs that they know are just about to reach the end of their statute of limitations and offer to represent them for free and then sue everybody involved.

So, if you're involved in condo development, you, sort of, assume you're going to get sued. My professional liability, if I did more than 15%, I couldn't be insured as an architect of my annual income coming from condo projects. So, there's a lot of difficulty there. The state has done some work on it, and they believe that they have changed state law so it's not as much of an issue in Utah. I don't know for sure if that's true but that's what, like, Steve Walter will say and things from that level. But insurance is regional, so, we're in the same insurance pool as, like, Arizona and Texas and whatnot. So, the problems that exist outside of the state affect insurance rates.

Mike: What is a primary reason for a lawsuit on a condo with HOA?

Dan: Water infiltration.

Darin: Water, sound. Yes, water's generally the most.

Paul: Construction defect generally is how they'll lead off (talking over each other).

Dan: Building envelope.

Darin: They're not actually any different than an apartment building but it's just that they're owned by individuals who have made a really big investment in their property and so, those defects will end up in a lawsuit much more likely.

Bill: When you say sound, is it like they didn't put insulation in the walls or?

Darin: Right. Minimum STC ratings between apartment units.

Dan: So, an exciting part, and I think the board will be involved this time with the development committee because we were, kind of, preliminarily planning on these particular land that you're sitting on, on considering town homes style. You know, 2 or 3 story or occasionally 4 story. I think we're going to try to spread towards condos because UHC has published the final condominium loan program and they're not allowing town homes to be part of it. So, that takes out an ownership piece for that $30 million and they're only allowing condos and not town homes. So, I think you did some planning and development a couple of years ago, strategic planning and gave us a list of what kind of projects to pursue and one of the items on that list is what we called low-hanging fruit. Meaning no matter what project, you're presuming, if there's some financing that arrives, pursue that. I'm simplifying it. Palmer was a big part of that.

Palmer: And Dave.

Dan: And Dave, yes. So, this seems like low-hanging fruit where there's going to be a lot of condominium funding arriving and we'd like to be at the early stage of that. By the way, we might even do that for Pharos if we can figure out a parking solution there. But we're excited that the board's development committee, you know, will literally be at the table as this process goes through.

Bill: Thank you. That was very informative. Because I get, sort of, frustrated with various groups and individuals that, kind of, go-, they demand that people build condos. And it's like private developers. I mean, if I were a developer and I'd demand that you do condos, 'Thank you for sharing. I'm going to build apartments.'

Palmer: Will we have a development meeting before the end of the year?

Bill: I, kind of, doubt it because I'm going to be gone from December 3rd to December 31st.

Palmer: Well, that limits it.

Bill: I was going to try because I thought I was leaving the 7th and then I was informed it was the 3rd. I was going to try and do one that week and then it, sort of-,

Mike: Regardless, this should be on it.

Bill: I had another question. Granary Junction, that's the fleet block, right?

Dan: Yes.

Bill: With the news that industry has bit the dust in all of that property, is that-, does that present us with any development opportunities going forward?

Dan: Well, for those of you that don't know, that's about a $102 million foreclosure primarily on the parking that was supposed to serve a lot of that area, along with some commercial street front on the ground floor of the parking. But no, I think those are, kind of, too big, I would say, of a scale for us. And too legally complex.

Bill: We don't want to step into a lawsuit.

Dan: Therefore, the timeframes end up being long as well.

Bill: What about the city deciding to sell, like, 3.3 acres? Sort of, in that same general area?

Dan: It's funny, we were chasing some of those lots 2 years ago and we, kind of, gave up. It was taking so long for the city to release those but we're keeping an eye on any kind of release of properties from any public entity.

Darin: There's an RFP coming up for Central Station, I think we call it, but north of Rio Grande for south between 5th and 6th West. So, there's an RFP coming out soon for that.

Dan: In fact, we jumped into one of those, you might recall, 4 or 5 years ago. We called it Aurora on 4th, and it just seemed like the infrastructure was way too far behind. The city had us tie up a $4 million site back there, but the infrastructure was so far behind, and the city was hopeful that we'd help pay for the infrastructure. So, that ends the development report. Again, very exciting times in the next few months.

Mike: Do we have any other reports?

Motion

No motion needed, just for informational purposes.

REPORTS

A) Key Performance Indicator Report, Property Mgmt.: Deputy Director, Zac Pau'u

Zac: Commissioners, we closed the month of October with an average occupancy of 95.5%. We completed 86% of the work orders submitted with the remaining 4%, or 36 reports rolling over to November. Our average days vacant was 21 and our delinquency rate was 5%. However, we do have 21 repayment agreements that, at the time of this report, were in 100% compliance.

Mike: Any other business on HAME?

Darin: Will we have a closed session?

Dan: No, we were considering it.

Fraser: Dan, I don't know if this is the right place to bring up the conversation I had with chief of police about Jefferson Schoolhouse or when you want to do that. I sent the board some information about the crime stats there.

Dan: Do I have those? Have I seen those?

Fraser: Yes, I sent a note last week, just asking how we could add that to the agenda.

Dan: Yes, to the agenda of this meeting?

Fraser: Yes.

Dan: I guess I didn't see that. I saw where I was invited to a community meeting.

Fraser: No, this was data about the amount of crime that's occurring and I had an attachment with the crime stats for Jefferson Schoolhouse.

Dan: Yes, I'm sorry. I didn't see that. Did any staff see that?

Darin: I haven't seen that.

Palmer: I saw the meeting notification.

Bill: I saw the meeting was on and then I saw Dan replied and said you'll be at the meeting.

Fraser: No, this was different. This was a meeting that a group of us had with the chief of police about-,

Dan: Am I not on that?

Fraser: Let me find it. I sent it to Britnee. Let me see. I'm sorry, let me find it and I'll-,

Dan: Well, I'm sorry I didn't. I'm sure we here would have known. But I'm sure it's okay to discuss it, isn't it?

Clay: Yes, if there's no resolution or action item we can have a discussion.

Fraser: Let me find it. Hang on one sec. Well, I can just update you, basically.

Palmer: Yes, just update us.

Fraser: We had a meeting, a group of us from the neighborhood had a meeting with the new Chief of Police. Well, he's not that new but the Chief of Police and then his whole team that serves the Ballpark area and they brought up the amount of calls that they get into Jefferson Schoolhouse. And it was categorized in the summer as a hotspot, meaning that they were getting so many calls that they had-, you know, that it raised to the level of really being problematic. We've seen a lot more drug dealing right in front of the building that carries over into Jefferson Park, and we've gotten from people living- who come into the park, complaints, particularly from families, about people living in the stairwells etc.

The crime stats, and I'll find them and send them to everybody, the crime stats went down in October but that was because of the amount of police presence in the building regularly as opposed to calls coming from residents in the building. Like, I think the height of the calls where there were 88 calls in 1 month to report crimes or report vagrancy or report drug dealing. There have also been quite a bit of problems in the northern part of the building. So, we're trying to figure out, like, it was pretty flat and then it just really peaked. I have the data for the last year. Was there a change in management? You know, what are your thoughts about it or what have you seen? Because it's been really problematic the last summer into fall.

Dan: We basically fired the property manager that used to manage that property. We fired them almost a year ago today. Well, I guess it was January 1st but that doesn't mean we're not responsible. And that doesn't surprise me, that crime has risen over the past summer. We have our own issues, you know, more evictions, more vacancy turnaround issues. So, this is a perfect time for us to work with the community and get on top of this. I wouldn't be surprised if the new manager is doing much better. It's a much better company.

Zac: And if I could really quickly, commissioner, we're seeing and experiencing the same thing. It's a big population of transient encampments and behaviors in that parking area right behind Jefferson School, where that subway is, off to the side where Publix is. We've paid $13,000 for a gate that has been destroyed. We've put in new gates; we've hired a security company that's doing regular patrols.

We're meeting with Detective Fowler as a community liaison to try and engage and figure out what we can do about this transient impact that is hitting both sites, Jefferson School 1 and Jefferson School 2. We're open to working with Publix or any other community member who wants to come to the table and help us identify more solutions because we're spending an astronomical amount of money on security, upgrading gates, fencing through the control, and lighting.

Dan: Crime prevention through environmental design. We charge everyone $20 for every acronym, especially if they say it fast.

Zac: If that were true, I would work for free.

Fraser: Well, it's a real issue. I mean, even this morning, there was open drug dealing on the West Temple side. And we've had some families, you know, just say that they're-, one of the issues is boarded up apartments that no-one's living in and people peel off the door and go in. It's just really been a crime hot spot.

Dan: We'll let Zac at the meeting too and anxious to really get involved because we've, sort of, been fighting it on our own and this will give us a chance to fight it with others helping us. I will say, you know, we all have to be careful of, sort of, boogeymen scapegoating. In other words, a homeless person in front of the property does something and all of a sudden, it's the property. I've seen that my entire career, but I'll be able to filter it through who are residents and who are not. Or who are resident guests.

Fraser: And who are not.

Dan: Resident guests are a big one too.

Fraser: Well, and I think the fact that Salt Lake PD categorized this as a problematic place and I don't know if you knew that or if-, but this monthly meeting that we're hosting, that a group of organizations, not just the Ballpark Action Team, are hosting, can help get to some of those issues a little bit more quickly. But 88 calls in a month was, I think, one of the highest rates of calls for a facility in the area. Normally it's, you know, the shelters but it really got tough.

Dan: Okay. Well, anxious to do that. Britnee is in New York on vacation, maybe that's why she didn't forward it. Is she the only staff member on that email?

Fraser: I thought I sent it to everybody. I don't, I sent it to the board and everyone.

Dan: I asked, is she the only staff member on the email? I understand-,

Fraser: No. Dan, you were.

Dan: I was?

Tess: I got all the stuff.

Dan: Okay. I'm not on the email.

Frasr: That's so weird. I'm sorry, I either screwed up or-,

Tess: I got it.

Fraser: Maybe it might be in your spam.

Dan: I'll check.

Fraser: Well, at any rate, I'm glad we're talking about it and I'm glad to know that it's on your radar. I just think it's difficult because we hear about, you know, 'We don't want any more housing authority-run buildings in the community because they can't take care of the ones they have,' is kind of, the narrative, I think.

Dan: I get it. Yes, I get it.

Paul: Just as a side note, to the extent (audio distorts) that we want to share with the whole board, just under what the meeting was, if you were to send those through staff not through each other, and then, we can disseminate them out to the board in a packet or whatever. That will keep us in a little bit better shape under Utah's open meeting laws. But we really shouldn't have communications with lots of board members where there's a form bouncing around outside of this.

Fraser: Okay, I apologize.

Paul: For everybody. I'm just saying that generally, for everybody.

Mike: No, but I think it's important to talk about it. I'm glad you brought it up. We're facing other issues on that same note.

Dan: We really are. You know, we can take very pragmatic steps because we deal with this at other properties sometimes.

Bill: I'm checking my spam folder. I didn't get it.

Fraser: This is so weird. I'm sorry. I will go through and see what I did wrong.

Board Chair Pazzi adjourned the HAME meeting at 11:52 a.m.

Mike Pazzi, Chair — Daniel Nackerman, President

DRAFT

HOUSING ASSISTANCE MANAGEMENT ENTERPRISE
(HAME)
SPECIAL BOARD MEETING MINUTES
Housing Assistance Management Enterprise
Salt Lake City, UT
Thursday, December 18, 2025
10:01 a.m. – 10:54 a.m.

The special meeting of the Board of Directors of the Housing Assistance Management Enterprise was held via Microsoft Teams on Thursday December 18, 2025, from 10:01 a.m. – 10:54 a.m.

Board Members in Attendance via Microsoft Teams
Michael Pazzi, Chair
Bill Davis, Vice Chair
Brenda Koga, Board Member
Darin Mano, Board Member
Fraser Nelson, Board Member
Tess Clark, Resident Board Member

Staff Excused
Palmer DePaulis, Board Member

Staff in Attendance via Microsoft Teams
Daniel Nackerman, Executive Director
Kim Wilford, Deputy Executive Director
Britnee Dabb, Deputy Director
Dan Judd, Development Manager
Siah Siabi, Development Manager
Angel Myers, Administrative Executive

Legal Counsel in Attendance via Microsoft Teams
Clay Hartman, Gilmore & Bell

Chair Pazzi convened the special meeting of the Housing Assistance Management Enterprise (HAME) of Salt Lake City.

Roll Call of the Board Members present.

1) **ADOPT RESOLUTION # 882-2025 AMENDING AND RESTATING BOARD RESOLUTION # 874-2025** in its entirety with respect to the project Sunrise Metro and Atkinson Stacks as shown. Key changes to the Omnibus Written Consent of now 68 items include the Construction Loan higher, the Permanent Loan higher, a Conversion Assurance Note added, and Conversion Assurance of Deed, Rents, and Security Agreement added. *President, Daniel Nackerman, Deputy Executive Director, Kim Wilford, and General Counsel, Claymore Hardman. / 10 minutes.*

Dan: The main reason we're calling this special meeting is we're closing the financing on 2 projects right about now and that is the Atkinson stacks Sunrise. And I mean all of the financing as well as the book cliffs project.

Fraser: Good

Dan: Clay, who's on, has been working really 10- or 12-hour days for a couple weeks as we all have. In fact, behind me this table with all those papers on it are just a few of the 118 documents we have executed in the last week. So, one of the first items that came up on this kind of long road on the HAME financing of Atkinson Stacks and Sunrise and a reminder that GIV is our turnkey developer. As the numbers changed over time, the overall number on the project has not changed very much, but the categories that fit into both the construction loan and the permanent loan and another way to think about the permanent loan is the mortgage. The amounts of us they became sort of catch all loans for things that. Were outside of them earlier in the project, which I'll explain in a minute.

So, what the main item is you guys approved a very complicated resolution in June of 2025. That had about 68 actions within an omnibus resolution, and now we're having to change at least two of those actions, if not a couple other minor additions to the total documents that we're signing. So, we went ahead in our board report that and I'm really sorry that you really just got it just to describe the project again. The developer, turnkey developer is GIV. We're not that thrilled that some of this came at the last minute, but they still have done a pretty, pretty good, solid, steady job of this project. A reminder that the sunrise portion is already under construction. That's 100 units renovation plus 18 new units sort of globed on to the building. A bad idea, but nonetheless we got through it.

And then 100 new units called Atkinson Stacks, all of these for the homeless community. When we're done, it'll be 218 total units, the resolution from June of 2025 that we're proposing to change today. These are some of the things they authorized, securing the financing, executing numerous documents, authorizing certain guarantees, et cetera, utilizing our vouchers, so. On this next one, Angel, some of the project elements that have changed in the last six months are that both the city and the county had loans on the. Sunrise property and both of them made us pay off the loans. That doesn't always happen. Sometimes they let them ride or sometimes they even forgive them

So, we're not that happy about that. And in the case of the county, they even had us pay retroactive interest on the loan. In other words, the interest had not been collected for 15 years and when they said you need to pay us back. They demanded the interest as well. So, I know that sounds whiny on my part, but it's just not. And I understand that the city departments want to kind of self-fund and keep their departments in better financial condition, but that was a change. That we hadn't anticipated. Kim, do you remember the loan amounts that we were paid roughly?

Kim: One was approximately $400,000 and the other $300,000.

Dan: Yeah, that's what I would have guessed, like $300,000 and $400,000 respectively. Another change was we have Sacred Circle on the ground floor of the new construction of the Atkinson building. We decided to bite the bullet and do the tenant improvement cost now as part of the construction, rather than treat it like a retail space that was opening later, you know, once the building was done. There's been some mounting construction interest cost just because it's taken so long to get here. There's been some modest change orders on the construction that are already on. We decided to kind of refund those so that contingency money remains full. This is an interesting one. It's taken us so long to launch this that the rents are now higher, which allows us to borrow more money.

Kim: Let me jump in Dan and correct the loan amounts, one was 5 and one was 7. I'm sorry.

Dan: Ok, oh 5 and 7, yeah.

Kim: Yes.

Dan: So, we're going to try to get some leverage on future projects out of them for. And then there was this always this state grant of 9,000,000 floating around to help pay for all this and we've kind of added it to the capital stack now as a note. Or a Now what I've got underlined there is the important thing. Even with this increased debt, some of the increased debt helps ensure that we have no cash or direct equity of our own going into this project. So, this project is 100% financed with no money on our part going into the project. So, we're quite proud of that.

So, some of the two big elements that have changed are shown in red here. There's still certain proceeds from Richmond. The construction loan is going from 21.3 million to 28 million. In fact, the rates have slightly approved to what I put on that and then the Freddie Mac KeyBank permanent loan or mortgage has gone from 11,000,006 to 17 million. The other, the other financial elements are still at play in there. So, this resolution sort of in order to do it easy we just amended and restated the entire resolution that you approved in June. Yet there's very few changes within that resolution.

If you Scroll down, there's shown in blue You know, obviously the resolution number changes the blue we kind of describe that we're reinstating everything in its entirety. Here's the two numbers that changed somewhat significantly the 21.3 going to 28 and the 11.6 going to 17. And it's either this one or the Housing Authority one, where there's two added documents, I believe at the end there's the dates changing. Here's the actual omnibus written consent that pulls all these pieces into one place, and that again is the same as your June, except for those two numbers changing. And here's all the various documents we've been signing the last couple weeks. And there's the two, there's the two new additions, 39 and 40. Let's stop there for a minute and maybe, Clay, you could explain what those are.

Clay: Yeah, happy to do that, Dan. So, these two documents relate to the permanent loan, which is not in place yet. It'll come online at conversion. So, we start with the construction loan from KeyBank and then Freddie Mac buys the loan, and it converts to the permanent loan. And so, these two documents. While you see a there's a note and a deed of trust, there's not actually money changing hands here. It's a 5% fee that Freddie Mac charges just to if the deal never converts, it never goes to perm then they have instead of actually charging a 5% fee up front, they just have you deliver this note. So, it's a conversion assurance note is where that nomenclature comes from, and it's secured by a deed of trust.

Dan: So let me try to put that in normal English. Clay is so smart. So, we have a construction loan, and it goes on and on for a year, whatever it takes. And then when it's ended, the mortgage comes only then comes into place similar like if you build a house with a construction loan, then you put the mortgage on when it's done and that that would be called a conversion when that mortgage goes on. And so, as Clay points out, there's a fee that is paid at that time. And then a part of that conversion assurance is it points out that there is a deed of trust that the rents and security agreement now go towards the permit. Minute mortgage. So those aren't monumental changes, but they do add change the number of documents that were. So, did you want to add anything else, Clay? I went through all this pretty fast.

Clay: No, I like the red line here. Makes everything that changed jumped out, but nothing more to add. We're just excited to get this one closed. I know it's been a long process and hopefully be off to the races soon here.

Dan: And it kind of makes it look like by increasing the construction loan and increasing the permanent loan total, it makes it look like we're way over budget. But what I'm trying to stress here is it's actually we're capturing some other costs. That were outside of these loans early in the process, although it does also cover some cost increases like those payment payments to the city and county. So, I guess that's just one of what I wanted to stress is this is more like a reorganization of where the money is coming from versus a bunch of cost overruns.

Although again, like the interest rates are rising because construction is taking so long on Sunrise. And then another main point is we're still borrowing all the money to do this project without putting any of our money in. I don't want to mislead you completely. We're pledging some of the land and the building on the existing Sunrise. As part of the financing. So, let's say we went bankrupt, the lenders could take some of the land and building away. So that, you know, that's an equity investment of ours. But otherwise, this is ostensibly 100% financing.

Mike: Well, do you have any guarantees behind that Dan, certainly during construction?

Dan: Yeah, there's some, that's a maximum guaranteed price on construction. There's liquidated damage for the contractor. There's guarantees that we have provided to the lenders. And again, so far things from what I was looking last night things from September 13th, 2024, till today are relatively unchanged as far as the dollars.

Mike: Well, except for the fact that the construction loan is going to go up measurably, if we go, can we go back to that? Can we go back to the increase from 21 to 28?

Dan: Yeah, let's go back up on the first page or two. Keep going up.

Mike: Yeah, right there. You know, it shows the construction going from 21, you know, which isn't casual to 28.

Dan: Yeah and then let's show the items that are in that spread.

Mike: Well, at the end of the day, all I would want to know is does it still pencil, you know?

Dan: Yes, absolutely.

Mike: Because those aren't casual increases.

Dan: I agree and again, so that, you know, the main things impacting that are those required payoffs to the city and the county, the fact that we inserted the tenant improvement cost for Sacred Circle now as opposed to funding them at the end of the project. So, we inserted them into the construction loan and that's a big number, 600 and some thousand as I recall Zachary, inside joke, but. The mounting interest costs on the construction aren't that substantial. The phase one that's under construction had some owner-directed orders, basically where let's say we were repairing the hardware in one unit and leaving the hardware in another.

We made a decision pretty quickly at the start of construction since this is the first time we're in the building in 17 years to replace all the hardware on the doors or to replace all the bathroom fixtures, whether they're working today or not. So that's kind of been tucked into the new construction loan. And I think it's mostly on the permanent side that the higher rents are allowing us to borrow more. There were caps before on how much we could borrow. So, it took me, Mike, two or three days to get much more comfortable with this. Because I had the same reaction you did as if as if it was, we're going over budget and all these items, but the overall cost for the project are not substantially higher we're at 53 million 547 in September and I don't know. Do you have today's Siah? Do you have today's number handy?

Siah: Yeah, I believe it was 64, but that previous one added that seller carry back now.

Dan: Yeah, so that's worth talking about. The state gave us a $9 million grant for the acquisition of Atkinson Stacks since we built across the street instead of acquiring Atkinson. Britnee convinced the state to still use the money on our project. They have not paid a penny yet of that 9 million. They decided on their own to be conservative and wait until construction was underway and then start metering out that 9 million as we spend it. In other words, reimburse us for construction, not hand us the grant. That was not good, but I guess they have the right to do that. So, we had to create a note to the project, we're lending the 9 million to the project and suddenly that hits within the budgets within the loan stack. So that's really one of the biggest differences in the numbers.

Darin: Hey, Dan.

Dan: Yes

Darin: Can you just sort of very high level give us an overview of what the Housing Authority or HAME are contributing overall to the project. My understanding is we have pledged as and I think those are the guarantees you're talking about right the land and the proportion of the other building as a as a performance guarantee, we have a seller note in there. Do we also have project-based vouchers or other sorts of subsidies?

Dan: Yeah, yeah, the seller. We also similar to the 9 million, we received a $1 million earmark from the federal government from actually from Congressman Owen.
Is it Owen or Owen's? He's, our friend.

Britnee: Owen.

Dan: So, we have to show that instead of making the lender try to get that out of the federal government, we're showing that as our loan to the project as well. The feds give us 1,000,000, we hand it to the project. So yeah, the project-based vouchers are extensive on this and that really helps finance the whole project. You know most.

Darin: And how much?

Dan: Most of the rents are guaranteed.

Darin: Right, right.

Dan: But no cash, no equity, no direct loan of Housing Authority funds. No general fund. We don't really have what you call general fund, but most cities.

Darin: And we didn't actually have to pay cash in order to acquire the land that was through the state grant.

Dan: No, we already kind of owned the land from years ago, from 16 years ago.

Darin: Got it. Ok great. Then my other question was and I, you know, I know that this conversation between the city and I didn't realize the county also has been going on. I've tried to stay a little bit out of that just not just to avoid conflict of interest things. But um, I'm curious about that it so, because obviously that will increase from what we projected was the cash flow in once the project stabilized, but we you said there we have increased rents that are covering that. Can you just sort of walk through what the change of what we originally projected annualized cash flow at the end to now and why the rents were able to be increased? Is it just because the annual AMI was recalculated or is there something else that I am missing?

Dan: Well, the actual payment standard on the vouchers that we pay has increased for the whole county. In other words, we pay landlords way more now than we did four years ago, did the original. And so that additional income allows you to borrow a higher mortgage.

Darin: That makes sense.

Dan: And then I forgot to tell you all the kind of the great sides of this. We still collect a significant developer fee and we still although we're sharing it obviously with GIV. And we also, we'll have significant cash flow for many years to come. We deferred $500,000 of the developer fee, meaning we left it in there for a while for the first few years just to basically please UHC to be honest, it's more of a placeholder, but we're going to collect a 4.1 million in developer fee very early in the first year or two of the project and about half of that goes to GIV, so, we'll make $2,000,000.

Another thing that I forgot to put in this board report is, as I told the board on Friday, we also suddenly have a new influx of a $3,000,000 grant for this project from the Federal Home Loan Bank, that was just a surprise to all of us. It used to be a $1 million cap you could apply for. The whole team decided early in the project not to apply because there was so much funding already available. Can you believe that? So, I said no, apply anyway. We can always say no. And they take a long time, these Federal Home Loan bank loans, so surprisingly last Friday we got noticed that we have $3,000,000 grant. So, what we're going to likely do with that is that 9,000,001 note that goes in for the sort of the land guarantee that Darin was speaking of, we're going to just pull 3 million of that back out and put it in our pocket within the first month or two of the project, I guess. Is that a good way to explain it, Clay?

Clay: That's the plan. That's right.

Darin: This is excellent. I appreciate all going into that and I really appreciate the team's work on the project and getting it to this point. I have heard that there I like I understand that it has not been easy for anyone on any side, whether it be us or GIV or anyone to get to this point. So, I really want to congratulate the team. I mentioned when we were before we started, I have like 1030. Are we going to have a quorum issue if I pop off or are we going to be good?

Dan: We still have a quorum.

Darin: OK. All right, well, I apologize that I have to jump off early, but this is excellent work and I want to congratulate the team on that and I'm really excited for this to close.

Dan: Well, thank you.

Kim: I think Tess has a question.

Tess: Dan, I have my hand raised.

Dan: Oh, I see that.

Tess: Yeah, I have a question. You brought up Sacred Circle, and I sort of missed what you were saying. What exactly is going on with them next door over? With Atkinson stacks, I mean, where are they with us financially and where are they in the whole hubbub aloo of the whole thing?

Dan: Yeah, the new at the new Sacred Circle at Atkinson will be quite a bit different than the one at Pamela's. It's good. They're going to have a pharmacy inside. They're going to have more psychiatric services inside the building, but on the financial side, we're basically paying for the offices and the medical clinic and all that and then they pay us back over a 20 year period in rent enough to cover that, that sounds like not a very good deal for us, except that they provide services to our residents that live there, which helps us reduce our property management costs. So especially when it comes to health, they're providing services to whatever residents need them, and that helps us have less on-site staffing of our own.

Tess: Alright

Dan: Are you happy with them at Pamela's?

Tess: We've got to talk about that. I brought it up before where we've literally had, if you can remember probably about four or five board meetings ago, I brought up about how we were having some of our residents literally went in there and they turned them away.

Dan: Oh, well, that's.

Tess: If you remember, we had a board meeting and I brought it up how they had gone in there and they said, well, you don't have insurance. They said something to them, and they turned them away and they said, well, we live here and. Yeah. And so, there were some issues. And so, I, you know, I think there's got to be a clear-cut thing brought in. I think we need to have some clarification on that.

Dan: Yeah, have you heard of that Zac?

Zac: I have not and there is a pretty clear requirements on Sacred Circle and I think it was actually I think I have it right here. Hold on one second. We had brought this back in October to the Commission on the service agreement and lease agreement and what that spelled out and that it spells out the requirement for services. So, if somebody's being turned away, that's the same thing over at Pamela's place is part of that lease. There's a requirement that they're providing services to the residents for their case management portion. So, I would love to hear more about that so I can enforce that service agreement.

Tess: Yeah, there is. I even brought it up with Brad, their director. This is when we had Rocky Cordray, who was one of their therapists there. He left because of issues there. He taught survival classes and he moved on because of issues there. So there, I mean, I think it was also a lack of the representation that was at the front desk. I think they get, you know, lack of training. So, I think sometimes it's people they don't know. They get a lot of people to come right off the street, and I think it sometimes scares them. I've seen some of the people that have walked in through that door.

Because we've been having a lot of, you know, throughout, you know, throughout the year you get people that you don't know come in. But yeah, you got to be very they got to be careful. But we've literally, I've had people come up to me. In fact, just the resident lives up above me. She went in there twice wanting, you know, care and they turned her away. And I brought that up. If you were to look back in the minutes months ago, it will, you'll see that I brought it up about the situation.

Dan: Well, let's. Do you mind if we meet with you right away and find out who that was? Because it's just not OK. And I don't, I don't remember that, but I in fact, even people that don't live there are allowed to have services whether they have insurance or not.

Tess: Yeah, sure. Yeah, I know. And it's just, it's just not, it's just not fair when somebody has an issue because they have, they have an insurance issue or something and the people at the front desk get, you know, they get frustrated because they don't know. I mean, if someone's not trained at the front desk, they don't know how to handle the situation. So, they say, well, I'm sorry, we can't help you and they shush them away and that's what happens.

Dan: I see. So, it's our own staff. It's our own staff, not Sacred Circle.

Tess: No, yeah, it's a no, it's a staff over a sacred circle. Yeah, it's a staff of sacred circle doing it.

Dan: Oh, OK. Well, do you mind, do you mind staying involved in that, and we'll trace it backwards to what exactly?

Tess: Yeah, I've talked to Brad already about it.

Dan: Thanks. So, we're recommending approval of Resolution 882-225, giving an amended and restated omnibus written consent on authorizing a powering directing HAME and its company President to take certain actions as shown for the Sunrise Metro Atkinson stacks financing and development.

Clay: And I apologize, I need to interject. We lost Palmer and Darin, so we are under a quorum now for HAME. We do have a quorum for the Housing Authority if we would like to put a pin in this one for a minute or maybe do we know where Palmer went? If he might be available to jump back on?

Dan: I actually didn't see Palmer on. Did anyone else see him on?

Britnee: I can try and call Palmer and see what happened. Yeah, he was.

Clay: OK, I saw him come on for a minute.

Dan: Ok, if we move to the Housing Authority, can we?

Clay: Yeah, yeah, we can.

Clay: What I would recommend, and we've done this and we've done this before. I know Ryan Warburton subscribes to this as well or subscribe now he's retired. But there is some standing in in the bylaws for HAME that if you have a majority of the Directors from the HASLC board that we can still take action. And so, if the board's comfortable making a motion and a vote here, I would suggest we do that and then maybe we can ratify it later. But I think we have, we have standing to move forward if that's ok with the board.

Fraser: Let's do it.

Mike: That's fine. Do I have a motion?

Brenda: I so move.

Mike: Second.

Tess: Second.

Mike: All in favor? Aye

Motion

Commissioner Kogo made a motion to **ADOPT RESOLUTION # 882-2025 AMENDING AND RESTATING BOARD RESOLUTION # 874-2025** in its entirety with respect to the project Sunrise Metro and Atkinson Stacks as shown. Board Member Clark seconded. The motion passed unanimously with Board Members, Pazzi, Davis, Mano, Clark, Nelson, and Koga all voting in favor. There were no objections or abstentions.

Board Chair Pazzi adjourned the HAME special meeting at 10:54 a.m.

Michael Pazzi, Board Chair

Daniel Nackerman, President

Housing Assistance Management Enterprise

Report Provided by: Board Chair
Department: Board of Directors

Item: Announce Annual Election of Officers

January 26, 2026

BACKGROUND:

Pursuant to the adopted Bylaws and amendments of the Housing Authority and HAME, the HASLC Board members shall elect Officers, Vice Chair and Chair respectively, at the Annual Meeting which is today. Note that the President of HAME is the Secretary per the Bylaws.

Excerpts for the guidance contained in the Bylaws is attached (Attachment A).

As the Officers of HASLC become the officers of HAME, a formal announcement id recommended at the HAME meeting.

ACTION RECOMMENDED:

Announce the election of the Chair and Vice Chair for 2026 completed by HASLC and therefore announce the new HAME Officers.

prospective interest. All disclosures of conflicts of interest shall be entered upon the minutes of the Nonprofit Corporation.

Section 3.14. Board Decisions. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board.

Section 3.15. Presumption of Assent. A Director of the Nonprofit Corporation who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his or her dissent shall be entered in the minutes of the meeting or unless the Director shall file his or her written dissent to the action with the president or the person acting as the secretary of the meeting before the adjournment thereof or shall forward the dissent by registered mail to the president of the Nonprofit Corporation immediately after the adjournment of the meeting. The right to dissent shall not apply to a Director who voted in favor of the action.

ARTICLE IV
NOTICES

Section 4.01. 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 Director, they shall not be construed to require personal notice. The 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 the officer or Director at his or her address as the same appears in books of the Nonprofit Corporation, and the effective time of the notice when the same shall be mailed shall be deemed to be two days after mailing the notice. If notice is given by telephone, the notice shall be effective on the date given but shall be confirmed in writing to the Director by fax or e-mail. Public notice shall also be given for each meeting of the Nonprofit Corporation as required by laws of the state of Utah.

Section 4.02. Waiver. A waiver of any notice in writing signed by a Director, whether before or after the time stated in said waiver for holding a meeting, or presence at any meeting, shall be deemed equivalent to a notice required to be given to any officer or Director.

ARTICLE V
OFFICERS

Section 5.01. Positions. The officers of the Nonprofit Corporation shall be a chairperson, a vice-chairperson, a president and other officers as may be deemed necessary by the Board.

Section 5.02. Election and Term of Office. The chairperson of the Nonprofit Corporation shall be the chairperson of the board of commissioners of the Authority. The vice-chairperson of the Nonprofit Corporation shall be the vice-chairperson of the board of commissioners of the Authority. The president of the Nonprofit Corporation shall be the Executive Director of the Authority. The chairperson, vice-chairperson and president shall be appointed to their offices at the Nonprofit Corporation at the time of their election or appointment to their respective office at the Authority and shall serve in such capacity at the Nonprofit Corporation as long as each person serves in the respective office at the Authority.

Section 5.03. Removal. Any officer or agent elected or appointed by the Board may be removed by the Board at any time with or without cause. The removal of any officer or agent shall be without prejudice to any written contract rights.

Section 5.04. Vacancies. A vacancy in any office elected or appointed by the Board because of death, resignation, removal, disqualification or otherwise, may be filled by appointment made by the Board for the unexpired portion of the term.

Section 5.05. Chairperson. The chairperson shall preside at all meetings of the Nonprofit Corporation. These meetings shall consist of the following: the organizational meeting, the annual meetings, the regular meetings, and special or emergency meetings. At each meeting, the chairperson or his or her designee may submit recommendations and information as they may consider proper concerning the business, affairs, and policies of the Nonprofit Corporation. The chairperson may sign individually, or along with the vice-chairperson or president or with any other officer of the Nonprofit Corporation so authorized by the Board, any deeds, mortgages, bonds, contracts, or other instruments that the Board has authorized for execution, except when the signing and execution thereof has been expressly delegated by the Board by resolution or these Bylaws to some other officer or agent of the Nonprofit Corporation or is required by law to be otherwise signed or executed. The chairperson may also make reports to the Board and generally perform all duties incident to the office of chairperson and other duties as may be prescribed by the Board. The chairperson shall receive no salary, but may be paid his or her expenses.

Section 5.06. Vice-Chairperson. The vice-chairperson of the Nonprofit Corporation shall perform the duties of the chairperson in the absence or incapacity of the chairperson; and in case of the resignation or death of the chairperson; the vice-chairperson shall perform the duties as are imposed on the chairperson until the new chairperson is duly elected or appointed to the Authority. The vice-chairperson shall also perform other duties as may be assigned by the chairperson or the Board. The vice-chairperson may sign individually, or along with the chairperson or president or with any other officer of the Nonprofit Corporation so authorized by the Board, any deeds, mortgages, bonds, contracts, or other instruments that the Board has authorized for execution, except when the signing and execution thereof has been expressly delegated by the Board by resolution or these Bylaws to some other officer or agent of the Nonprofit Corporation or is required by law to be otherwise signed or executed. The vice-chairperson shall receive no salary, but may be paid his or her expenses.

Section 5.07. President. The president shall be the principal executive officer of the Nonprofit Corporation. Subject to the control of the Board, the president shall supervise and direct generally all the business and affairs of the Nonprofit Corporation. The president may sign individually, or along with the chairperson or vice-chairperson or with any other officer of the Nonprofit Corporation so authorized by the Board, any deeds, mortgages, bonds, contracts, or other instruments that the Board has authorized for execution, except when the signing and execution thereof has been expressly delegated by the Board by resolution or these Bylaws to some other officer or agent of the Nonprofit Corporation or is required by law to be otherwise signed or executed. The president shall also make reports to the Board and generally perform all duties incident to the office of president and other duties as may be prescribed by the Board. The president, or his or her designee, shall have the following powers and duties:

(a) To keep or cause to be kept the minutes for the meetings of the Board in the book provided for that purpose;

(b) To see that all notices are duly given, in accordance with these Bylaws or as required by law;

(c) To be custodian of the corporate records and the seal of the Nonprofit Corporation;

(d) To see that the seal of the Nonprofit Corporation, if any, is affixed to all documents duly authorized for execution under seal-on behalf of the Nonprofit Corporation;

(e) To perform all administrative duties as may be assigned to the president by the Board;

(f) To be custodian and take charge of and be responsible for all funds and securities of the Nonprofit Corporation;

(g) To receive and give receipts for money due and paid to the Nonprofit Corporation from any source whatsoever;

(h) To deposit all monies paid to the Nonprofit Corporation in banks, trust companies, or other depositories as shall be selected in accordance with these Bylaws;

(i) To perform all financial duties as may be assigned to the president by the Board;

(j) To give a bond for faithful discharge of his or her duties when required to do so by the Board.

Section 5.08. Subordinate Officers. Other subordinate officers, including without limitation, a financial officer and secretary or secretaries, may be appointed by the Board, and shall exercise powers and perform duties as may be delegated to them by the resolutions appointing them, or by subsequent resolutions adopted by the Board.

Section 5.09. Absence or Disability of Officers. In the case of the absence or disability of any officer of the Nonprofit Corporation and of any person authorized to act in his or her place during his or her absence or disability, the Board may, by resolution, delegate the powers and duties of the officer, to any other officer, or to any Director, or to any other person whom it may select.

Section 5.10. Salaries. The salaries of all officers of the Nonprofit Corporation shall be fixed by the Board.

ARTICLE VI
CONTRACTS, LOANS, CHECKS, AND DEPOSITS

Section 6.01. Contracts. The Board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Nonprofit Corporation, and this authority may be general or confined to specific instances.

No contract or other transaction between the Nonprofit Corporation and any other corporation shall be permitted if a Director of the Nonprofit Corporation is interested in, or is a

Housing Assistance Management Enterprise (HAME) Staff Report

Report Provided by: Daniel Nackerman
Department: Executive

Item: Ratify award of a Demolition and Site Preparation Contract with Pentalon Construction, Inc. for 'Erma's at Fairmont' Apartment Development at a Guaranteed Maximum Price of $733,512.

January 26, 2026

H.A.M.E.
Housing Assistance Management Enterprise

BACKGROUND:
Pentalon Construction, Inc. (PTI) was competitively selected as the General Contractor for Erma's at Fairmont (110 units of new senior housing) through a Board action on January 27, 2025.
Though the General Contract is not quite ready for consideration of execution, HAME and its partner Lincoln Avenue Communities (LAC) thought it prudent to begin tearing down the existing office building on the site through a smaller portion of the overall contract. This will provide a head start for the overall schedule.
The parties therefore executed a construction contract on December 1, 2025, in order to begin. Staff is asking for ratification of that contract today since this is the first Board meeting available to do so.

CONTRACT SCOPE:
In order of magnitude:
Building hazmat removal
Contaminated soil removal and preparation
Building demolition
Electrical site infrastructure relocation
GC Costs
MAXIMUM TOTAL: $733,512

ANALYSIS:
LAC negotiated the price with PTI utilizing the preliminary conceptual estimates from all 6 proposers in late 2024, along with the completed scope of work from the Architect and Environmental consultant. Contract excerpts are attached.

RECOMMENDATION:
Ratify the December 1, 2025, action by the President of HAME, working with partner LAC, to execute a demolition and site preparation with Pentalon Construction, Inc. for the Erma's at Fairmont site in a maximum amount of $733,512.

Housing Assistance Management Enterprise
Staff Report

Report Provided by Daniel Nackerman, President

SUBJECT: **Ratify Execution of a Contract with Wadman Corporation for the Atkinson Stacks/Sunrise Phase II in a Guaranteed Maximum Price of $25,809,897**

January 26, 2026

H.A.M.E.
Housing Assistance Management Enterprise

(Note that an almost identical action may be considered at the HASLC meeting in case both HAME and HASLC are required to approve the contract)

BACKGROUND:
Sunrise Metro is an existing 100-unit property built over 16 years ago at 580 South and 500 West and is now under construction for redevelopment and 18 new units. A new adjacent project of 100 units to be built known as Atkinson Stacks is ready for construction as well. Full financing will be in place in a week or so. (Note again the developer of record is Giv Communities (GIV), a "turnkey" developer, with a new tax credit financing entity of HAME as the ultimate owner.)

Wadman Construction (Wadman Corporation), of Ogden, Utah has been a partner of GIV's on this project since the early stage of the project and has added valuable "value engineering" at every step such as advice on materials, construction techniques, and prudent cost control. Wadman has completed much of the Sunrise Metro project under a General Contractor contract at a maximum cost of $11,982,111 – approved by the Board last year. Note that several change orders to phase one have been approved by our Turn-Key Developer GIV totaling over $600,000, consisting primarily of owner directed changes for future durability and errors/omissions in the plans and specifications.

PHASE II CONTRACT:
The 100 new units known as Atkinson Stacks are ready to be constructed at a guaranteed maximum cost of $25,809,897. Contract (AIA 'A102' format) excerpts are attached. Payment and performance bonds are required, the contract includes detailed specificity, and both parties have spent much time in negotiation. Note there is a $4,000 per day liquidated damages payment to the owner clause if the construction is not substantially completed within the time prescribed.

Due to the delayed Special Meeting in December 2025 and the required closing of all financing in late December it was imperative to execute the Phase II contract before closing. This action today is therefore a ratification of that action – if ratification is not received staff will take measures to adjust the project accordingly and bring back the contract for approval very soon.

ANALYSIS:
Responsibility for the general contractor selection was delegated to GIV in an Application and Development Services Agreement approved by the HASLC Board and executed in 2023.

GIV met with several contractors and determined that given Wadman's experience at Pamela's Place; their pricing and availability relative to peers; GIV's past experience with the Wadman team committed to the project; and Wadman's agreement to provide preconstruction services without a fee, Wadman should be earmarked for the project.

Wadman has completed dozens of similar projects successfully, including the recent HASLC-partner projects SPARK Apartments and The Aster. Sunrise Metro construction is also going relatively well.

The Guaranteed Maximum Price is deemed reasonable based partly on the very open and competitive competition of sub-contractors and budget compliance from early estimates in the 2023 Tax Credit Application, the initial Architect Estimate in 2024, and the initial Lender Underwriting Estimate in 2024.

RECOMMENDATION:
Ratify the action of the HAME President, in executing a contract with Wadman Corporation for the Atkinson Stacks II portion of the Sunrise/Atkinson project with a Guaranteed Maximum Price of $25,809,897.

Housing Assistance Management Enterprise
Staff Report

Report Provided by: CFO, Jennifer Nakao

Department: Finance

Item: Fiscal Year 2025 Financial Statements through November

January 26, 2026

BACKGROUND AND METRICS:
This report covers 11 properties (709 units) under Housing Assistance Management Enterprise ("HAME") as well as the HAME Management Fund.

HAME is in a solid financial position overall, with year-to-date revenues for the consolidated HAME programs and properties totaling $8,435,983. Expenses to date stand at $7,755,758, resulting in **net residual income of $680,225.** This represents a decrease of $507,226 over the projected budget figure.

(Note that during 2025, select properties (Jefferson School I/II) transitioned to a new 3rd party property manager. There have been noticeable differences in budgeting and management styles that have affected the current budget-to-actual comparisons. We have noted these fluctuations in the financial statements included.)

- HAME's "Owned" properties generated a net residual income of **$1,238,359**, lower than projections by $564,820. Overall revenue was reduced due to lower-than-budgeted dwelling rents for JSA I/II due to lower rent increase limits allowed by UHC and interest income due to declining interest rates. Significant increases in utility expenses (water, sewer and electricity), insurance premiums, and bad debt expenses due to vacancies and evictions also contributed to the decrease.

- The HAME Management Fund is reporting a net deficit of ($17,325), which is **$67,255** above expectations. This variance is primarily due to interest income, developer fees, management fees and lease income partially off-set by increased payroll expenses as the development team has been built to manage the current and upcoming large projects (Atkinson Stacks, Fairmont, Book Cliffs and the Grove).

- The homeless properties under HAME reported a net residual loss of ($540,809), a $485,247 increase over the projected loss of $55,562. Operating income is below budget primarily due to the planned and ongoing redevelopment project at Sunrise causing approximately 50% vacancies. The vacancies also affect the management fee income that is tied directly to dwelling rents. Additionally, there were large expenditures for pest exterminations, landscaping, meth decontamination, heating, and security for both Sunrise Metro and Pamela's Place during the year.

Overall, the HAME properties are maintaining the year with a positive, but less than planned financial position primarily due to the project at Sunrise causing vacancies, lower rent structures at a few properties, increased operating expenses in key areas, and bad debt.

Overall expenses are within 6% of the budget with a 14% net decrease to total revenue.

Renovated units are coming back online now with additional units added throughout the year. Prior levels of net residual income are therefore expected.

The attached financial statements provide a comparison to the 2025 budget originally approved by the Board in November 2024, including two updates made later in 2025.

Operating costs exclude depreciation, amortization, and capital expenses.

ANALYSIS:
A summary of operating revenues and expenses through November FY25 financials are included in the subsequent pages.

RECOMMENDATION:
Review and accept report. No vote required.

HAME Owned Properties (hameownd)

Jefferson School I & II, Denver Street, HAME Multifamily (previously Public Housing) & Capitol Homes

Budget Comparison

Period = Nov 2025

Book = Accrual ; Tree = qtr_bis1

		YTD Actual	YTD Budget	Variance	% Var	Annual	
3000-0000	INCOME						
3190-0000	LEASE RENTAL & NONDWELLING RENTS	49,098.74	54,725.00	(5,626.26)	-10%	59,700.00	
3399-9999	OPERATING INCOME	4,988,422.51	5,245,750.40	(257,327.89)	-5%	5,722,637.00	1
3699-9999	OPERATING INCOME OTHER	362,616.35	430,329.35	(67,713.00)	-16%	469,450.00	2
3999-9999	TOTAL INCOME	5,400,137.60	5,730,804.75	(330,667.15)	-6%	6,251,787.00	
4000-0000	EXPENSE						
4112-9999	ADMIN PAYROLL	722,350.20	724,171.47	1,821.27	0%	790,005.00	
4299-9999	ADMINISTRATIVE EXPENSE	566,505.73	603,602.89	37,097.16	6%	658,476.00	
4339-9999	UTILITIES	589,773.72	444,236.10	(145,537.62)	-33%	484,621.00	3
4419-9998	MAINT/OPER PAYROLL	257,389.20	258,477.89	1,088.69	0%	281,976.00	
4429-9998	MATERIALS-ORD MAINT	123,638.58	109,173.35	(14,465.23)	-13%	119,098.12	
4440-9999	CONTRACT COSTS-ORD MAINT	426,004.87	437,651.39	11,646.52	3%	477,437.77	
4579-9999	OTHER GENERAL EXPENSE	280,546.08	196,221.85	(84,324.23)	-43%	214,060.00	4
4589-9999	INTEREST EXPENSE	879,516.86	869,182.49	(10,334.37)	-1%	948,199.00	
4599-9998	OTHER GENERAL, PROP TAX	130,036.39	138,124.25	8,087.86	6%	150,681.00	
4610-9999	EXORD EXPENSES	180,911.03	147,143.15	(33,767.88)	-23%	160,520.00	5
4969-9999	FEES/DONATIONS	5,105.92	-	(5,105.92)	-100%	-	
7999-9999	TOTAL EXPENSES	4,161,778.58	3,927,984.83	(233,793.75)	-6%	4,285,073.89	
8999-9999	NET PROFIT/LOSS	1,238,359.02	1,802,819.92	(564,460.90)	-31%	1,966,713.11	

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

1. Operating income decreased primarily due to dwelling rents at JSA I and JSA II. The prior third-party management company budgeted up to 9% increases but rents were capped at 5% by UHC. Additionally, vacancies at JSA II were higher than budgeted.

2. Other operating income is below budget primarily due to miscellaneous other income and late and maintenance charges. The budget included an increase for storage income that was disallowed as a LIHTC property. Additionally, late and maintenance charges were below the prior year and budgeted numbers.

3. Utilities were over budget for JSA I, JSA II, Capitol Homes and Pacific due to significant rate increases (water and sewer) and higher than expected usage during the summer months. Increases in water and sewer related charges were the primary issues with JSA I ($20k), JSA II ($25k), and Pacific ($36k). The remaining difference was attributed to Capitol Homes's increased electricity and water consumption.

4. Overall other general expenses are higher due to unexpected bad debt levels at JSA II and Capitol Homes. In general, bad debt expense is higher than expected due to higher than anticipated vacancies, evictions and delinquencies during 2025. The budget for JSA II was prepared by the prior third-party management company. There was also a tenant that had a larger bad debt at JSA II that has been recently been relocated. Insurance costs were also higher than budgeted for all properties.

5. Extraordinary expenses primarily exceeded the budget due to water and mold remediation at JSA II for two units. The property has filed for insurance reimbursement to help off-set the expenses.

HAME Homeless Properties (hamehome)

Sunrise Metro, Faultline & Pamela's Place

Budget Comparison

Period = Nov 2025

Book = Accrual ; Tree = qtr_bis1

		YTD Actual	YTD Budget	Variance	% Var	Annual	
3000-0000	INCOME						
3190-0000	LEASE RENTAL & NONDWELLING RENTS	1,632.28	-	1,632.28	100%	-	
3399-9999	OPERATING INCOME	2,040,040.11	2,225,347.63	(185,307.52)	-8%	2,427,652.00	1
3699-9999	OPERATING INCOME OTHER	35,678.37	63,228.99	(27,550.62)	-44%	68,977.00	2
3899-9999	GRANT/SUBSIDY INCOME	-	132,916.63	(132,916.63)	-100%	145,000.00	3
3999-9999	TOTAL INCOME	2,077,350.76	2,421,493.25	(344,142.49)	-14%	2,641,629.00	
4000-0000	EXPENSE						
4112-9999	ADMIN PAYROLL	1,127,792.18	1,119,005.25	8,786.93	1%	1,220,733.00	
4299-9999	ADMINISTRATIVE EXPENSE	237,318.80	264,980.65	(27,661.85)	-10%	289,070.00	4
4339-9999	UTILITIES	216,704.06	211,555.63	5,148.43	2%	230,788.00	
4419-9998	MAINT/OPER PAYROLL	209,221.29	196,054.87	13,166.42	7%	213,878.00	
4429-9998	MATERIALS-ORD MAINT	47,610.94	36,129.61	11,481.33	32%	39,414.00	
4440-9999	CONTRACT COSTS-ORD MAINT	513,506.90	442,969.89	70,537.01	16%	483,239.81	5
4579-9999	OTHER GENERAL EXPENSE	147,821.55	133,247.73	14,573.82	11%	145,361.00	
4589-9999	INTEREST EXPENSE	60,273.20	60,256.13	17.07	0%	65,734.00	
4599-9998	OTHER GENERAL, PROP TAX	32,725.65	6,439.51	26,286.14	408%	7,025.00	6
4610-9999	EXORD EXPENSES	21,527.25	6,416.63	15,110.62	235%	7,000.00	7
4969-9999	FEES/DONATIONS	3,658.40	-	3,658.40	100%	-	
7999-9999	TOTAL EXPENSES	2,618,160.22	2,477,055.90	141,104.32	6%	2,702,242.81	
8999-9999	NET PROFIT/LOSS	(540,809.46)	(55,562.65)	(485,246.81)	873%	(60,613.81)	

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

1. The decrease in operating income is primarily due to the transition of several Sunrise residents to allow for the renovation of Sunrise Metro. There is a high vacancy (approximately 50%) due to holding several units through resyndication. The decrease is expected through December. However, the construction on Sunrise Metro is expected to be completed in April 2026 and the new Atkinson Stacks project is underway as funding was completed in December.
2. Other operating income was lower than budget primarily due to a consistent reduction in maintenance charges related to move outs at all properties including meth decontaminations.
3. The budget includes a replacement grant for the prior Sunrise DWS-OHS grant that was not renewed.
4. Administrative expenses are lower than expected due to decreased management fees at Sunrise Metro associated with the higher vacancy rate during the renovation expected through April 2026.
5. Contract costs were higher than expected with approximately $50,000 in pest extermination and landscaping at Sunrise Metro and Pamela's Place and an additional $23,000 in heating related repairs at Pamela's Place.
6. Other general property taxes included fees from SLC Corp for permits related to the Atkinson Stacks development. In December, these charges were reversed leaving approximately $7,000 which is consistent with the budget.
7. This is attributable to emergency repairs at Pamela's Place for the elevator, safety panels, and HVAC systems.

Property = All HAME Combined (Management Fund, Homeless, Owned)

Budget Comparison

Period = Nov 2025

Book = Accrual ; Tree = qtr_bis1

		YTD Actual	YTD Budget	Variance	% Var	Annual	
3000-0000	INCOME						
3190-0000	LEASE RENTAL & NONDWELLING RENTS	66,170.80	54,725.00	11,445.80	21%	59,700.00	
3399-9999	OPERATING INCOME	7,068,462.62	7,471,098.03	(402,635.41)	-5%	8,150,289.00	1
3399-9999	DONATIONS/INSURANCE PROCEEDS	15,000.00	-	15,000.00	100%	-	
3699-9999	OPERATING INCOME OTHER	1,284,849.18	1,284,470.11	379.07	0%	1,401,240.00	
3899-9999	GRANT/SUBSIDY INCOME	1,500.00	132,916.63	(131,416.63)	-99%	145,000.00	2
3999-9999	TOTAL INCOME	8,435,982.60	8,943,209.77	(507,227.17)	-6%	9,756,229.00	
4000-0000	EXPENSE						
4112-9999	ADMIN PAYROLL	2,577,045.89	2,478,904.34	(98,141.55)	-4%	2,704,259.00	
4299-9999	ADMINISTRATIVE EXPENSE	940,920.97	1,005,734.18	64,813.21	6%	1,097,165.00	
4339-9999	UTILITIES	807,368.03	655,791.73	(151,576.30)	-23%	715,409.00	3
4419-9998	MAINT/OPER PAYROLL	466,610.49	454,532.76	(12,077.73)	-3%	495,854.00	
4429-9998	MATERIALS-ORD MAINT	171,370.87	145,302.96	(26,067.91)	-18%	158,512.12	4
4440-9999	CONTRACT COSTS-ORD MAINT	943,291.65	883,131.15	(60,160.50)	-7%	963,415.58	
4579-9999	OTHER GENERAL EXPENSE	437,536.79	337,627.95	(99,908.84)	-30%	368,321.00	5
4589-9999	INTEREST EXPENSE	1,022,614.78	1,012,217.25	(10,397.53)	-1%	1,104,237.00	
4599-9998	OTHER GENERAL, PROP TAX	168,757.94	144,563.76	(24,194.18)	-17%	157,706.00	
4610-9999	EXORD EXPENSES	202,438.28	153,559.78	(48,878.50)	-32%	167,520.00	6
4969-9999	FEES/DONATIONS	17,801.85	9,166.63	(8,635.22)	-94%	10,000.00	
7999-9999	TOTAL EXPENSES	7,755,757.54	7,280,532.49	(475,225.05)	-7%	7,942,398.70	
8999-9999	NET PROFIT/LOSS	680,225.06	1,662,677.28	(982,452.22)	-59%	1,813,830.30	

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

1. The decrease in operating income is primarily due to the transition of several Sunrise residents to allow for the renovation and new construction of Atkinson Stacks. There is a high vacancy due to holding several units through resyndication. Jefferson School I & II are below budget due to vacancies as well as being limited to a lower rent increase percentage than budgeted.

2. The budget includes a replacement grant for the prior Sunrise DWS-OHS grant that was not renewed.

3. Utilities were over budget for JSA I, JSA II, Capitol Homes and Pacific due to significant rate increases (water and sewer) and higher than expected usage during the summer months. Increases in water and sewer related charges were the primary issues with JSA I ($20k), JSA II ($25k), and Pacific ($36k). The remaining difference was attributed to Capitol Homes's increased electricity and water consumption.

4. Materials expenses were over budget due to higher than anticipated material costs and unplanned maintenance needs during the period.

5. Overall other general expenses are higher due to unexpected bad debt levels at JSA II and Capitol Homes. In general, bad debt expense is higher than expected due to higher than anticipated vacancies, evictions and delinquencies during 2025. The budget for JSA II was prepared by the prior third-party management company. There was also a tenant that had a larger bad debt at JSA II that has been recently been relocated. Insurance costs were also higher than budgeted for all properties.

6. Extraordinary expenses primarily exceeded the budget due to water and mold remediation at JSA II for two units. The property has filed for insurance reimbursement to help off-set the expenses.

Hame Management Fund ONLY (.250)

Budget Comparison

Period = Nov 2025

Book = Accrual ; Tree = qtr_bis1

		YTD Actual	YTD Budget	Variance	% Var	Annual	
3000-0000	INCOME						
3190-0000	LEASE RENTAL & NONDWELLING RENTS	15,439.78	-	15,439.78	100%	-	
3699-9999	OPERATING INCOME	926,554.46	790,911.77	135,642.69	17%	862,813.00	1
3499-9999	DONATIONS	15,000.00	-	15,000.00	100%	-	
3899-9999	GRANT/SUBSIDY INCOME	1,500.00	-	1,500.00	100%	-	
3999-9999	TOTAL INCOME	958,494.24	790,911.77	167,582.47	21%	862,813.00	
4000-0000	EXPENSE						
4112-9999	ADMIN PAYROLL	726,903.51	635,727.62	(91,175.89)	-14%	693,521.00	2
4299-9999	ADMINISTRATIVE EXPENSE	137,096.44	137,150.64	54.20	0%	149,619.00	
4339-9999	UTILITIES	890.25	-	(890.25)	-100%	-	
4429-9998	MATERIALS-ORD MAINT	121.35	-	(121.35)	-100%	-	
4440-9999	CONTRACT COSTS-ORD MAINT	3,779.88	2,509.87	(1,270.01)	-51%	2,738.00	
4579-9999	OTHER GENERAL EXPENSE	9,169.16	8,158.37	(1,010.79)	-12%	8,900.00	
4589-9999	INTEREST EXPENSE	82,824.72	82,778.63	(46.09)	0%	90,304.00	
4599-9998	OTHER GENERAL, PROP TAX	5,995.90	-	(5,995.90)	-100%	-	
4969-9999	FEES/DONATIONS	9,037.53	9,166.63	129.10	1%	10,000.00	
7999-9999	TOTAL EXPENSES	975,818.74	875,491.76	(100,326.98)	-11%	955,082.00	
8999-9999	NET PROFIT/LOSS	(17,324.50)	(84,579.99)	67,255.49	-80%	(92,269.00)	

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

1. This includes interest income, Stratford developer fees, management fees and lease income. $40,000 of the variance relates to lease income from a commercial tenant at Fairmont Heights and $114,000 relates to Stratford developer fees that were not previously budgeted.

2. Administrative payroll includes approximately $48,000 in severance. The remaining difference is due to additional costs associated with hiring experienced development team members to manage the upcoming projects with Irma's @ Fairmont, Atkinson Stacks and Book Cliffs Lodge in 2026 and future years.

Housing Assistance Management Enterprise

Report Provided by: Daniel Nackerman
Department: Executive

Item: Approve Plan Review Fee for Grove Phase 2

(New Construction)

January 26, 2026

H.A.M.E.
Housing Assistance Management Enterprise

BACKGROUND:
On December 17, 2025, KTGY (Architectural Firm) submitted the full construction documents for The Grove Phase 2 (New Construction) to the SLC Building Department for building permit review. The Grove Phase 2 is the new construction project, which is a 5-story mixed-use building that consists of 133 affordable residential units and ground level retail/commercial spaces.

PROGRESS:
The Pre-Screening Review has been approved by the SLC Building Department.

ACTION NEEDED:
HASLC Board approval to pay the $125,222.21 Plan Review Fee for Grove Phase 2 (New Construction). Once the fee is paid, then the SLC Building Department can begin reviewing the construction documents to receive building permit approval.

RECOMMENDATION:
Approve the payment of the $125,222.21 Plan Review Fee for Grove Phase 2 (New Construction) in order to obtain building permit approval.

SALT LAKE CITY CORPORATION
451 South State Street
Salt Lake City, UT 84111

BUILDING SERVICES
451 South State Street, Room 215
Salt Lake City, UT 84111
(801) 535-6000

KTGY GROUP INC.
NICHOLAS ELSTER
3660 BLAKE ST., STE. 500
DENVER, CO 80202

January 12, 2026

BLD2025-10366

Project Name: THE GROVE

Description		Fee Code	Qty	Amount
Plan Check Fee		BLDPER-CR20	1	$125,222.21
	12/12/2025	*Invoice 2027926 Total*		*$125,222.21*
		TOTAL INVOICE(S)		**$125,222.21**
		TOTAL PAYMENT(S) APPLIED		**$0.00**

The total payment(s) applied do not include surcharge

BLD2025-10366
Total Due: $125,222.21

Housing Assistance Management Enterprise
Staff Report

Report Provided by Daniel Nackerman, President

SUBJECT: Monthly Real Estate Development Report

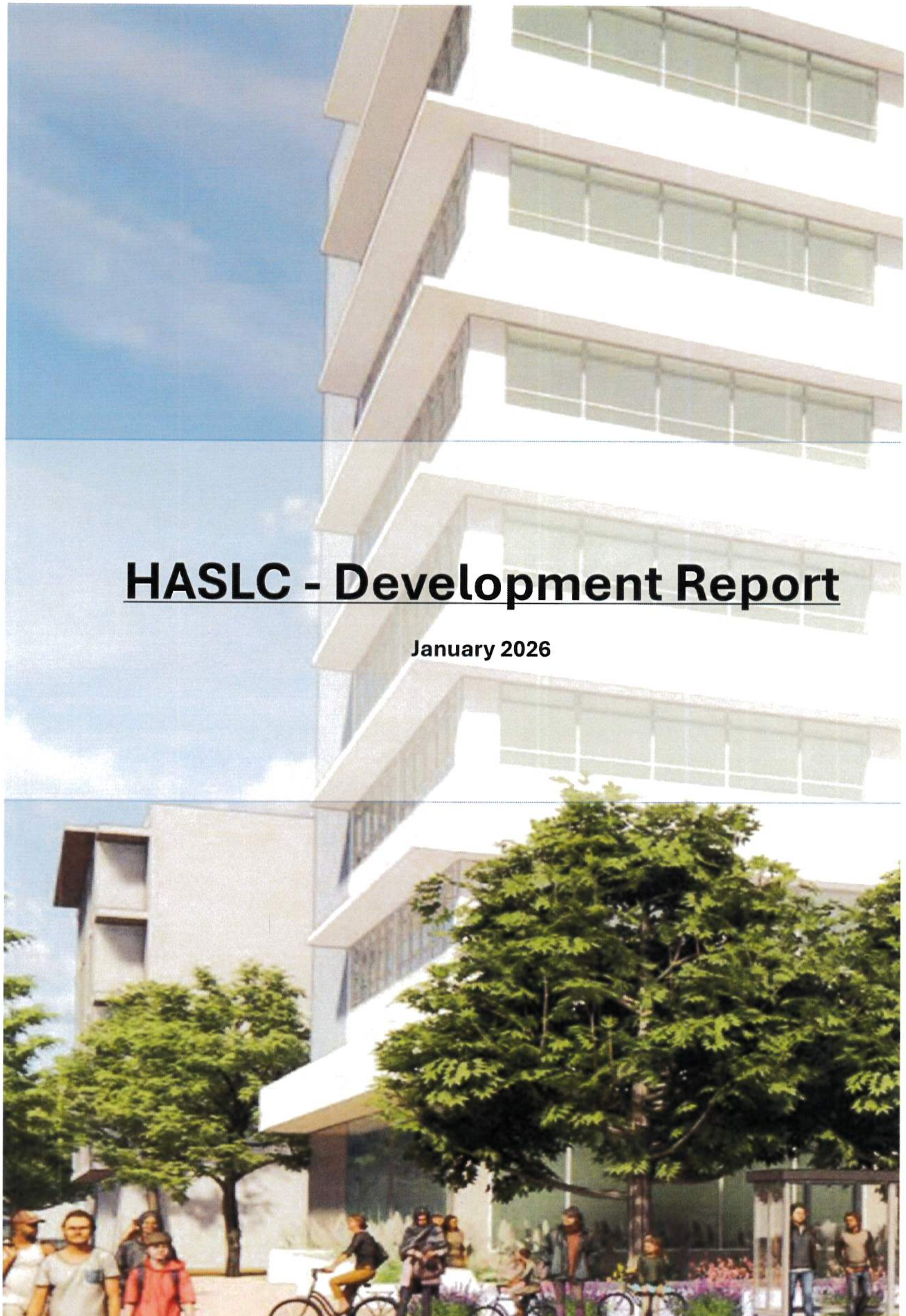
January 26, 2026

BACKGROUND:
HAME is the primary development entity as an instrumentality of the Housing Authority of Salt Lake City and as such most or all activities are reported herein.

December and January were watershed months in the history of HAME, HASLC and HDC as four (4) projects are under construction for a total of 383 units – with approximately that amount going under construction in 2027.

ANALYSIS:
Complex financings are behind each of these projects and significant funds and reimbursement were recently released to HASLC. A total of twelve (12-14) distinct projects are in the works.

RECOMMENDATION:
Please see detail attached for specific updates.



HASLC - Development Report

January 2026

NW Pipeline Building (Grove)

Location	
Address:	321 E 200 S, Salt Lake City
Acreage:	0.47

General Info	
Total Units:	63
Total Parking Stalls:	11
# of Stories:	9
AMI Rental Rate	≤60%

Unit Type	# Units	% of Total
Studio	0	0%
1/Live-work	0	0%
2/Live-work	0	0%
1-Bedroom	27	43%
2-Bedroom	30	48%
3-Bedroom	6	10%

Key Updates

1. The Public Benefit Analysis was submitted to the City Council on January 5, 2026. The City Council action date is set for March 24, 2026.
2. Building Plans have been submitted to the city for plan review and plan reivew fees have been paid.
3. General Contractor services for the NWP Building selected top two firms through RFP process.
4. Funding: 4% LIHTC application submission is anticipated for the February 2026 round.

Background

The campus has been named "The Grove". The current configuration includes a renovation of the historic Northwest Pipeline Building, two (2) new mixed-use apartment buildings and a parking garage. The Northwest Pipeline Building will include approximately 63 units. The New Construction portion will include approximately 133 units. Both projects include ground floor retail and public green space.
Financing is likely to include Historic Tax Credits, LIHTC, City & CRA funding, potential transportation funding, and other smaller sources. The overall partnership structure includes HAME at 60% ownership; Xylem Projects, LLC at 35%; and Common Grounds Institute at 5%.

Key Items of Note:
1. Hazardous materials abatement is required. Revised extent appears to be reduced from inital report.
2. Historical building status constrains building modifications.
3. Renovated office to residential building has substantive cost; historical tax credits assists financial feasibility.
4. Family size units included in unit mix.
5. Northwest Pipeline Building has financial feasibility burdens that need to be spread across the Grove campus.

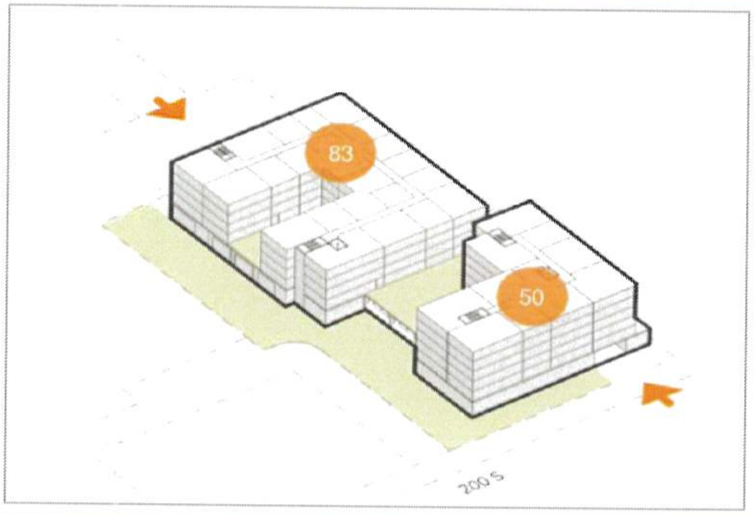
Schedule

Development Milestones	Expected Date	Completed Date	Total Variance
Closing/Site Transfer	03/24/26	-	-
Financing: Issuance of Bonds/Investor Commitment	07/31/26	-	-
Pre-closing Review (45-days prior to closing)	09/15/26	-	-
Building Permit Issuance	10/01/26	-	-
Groundbreaking (Construction Begins)	10/15/26	-	-
Occupancy Certificate (Last Bldg.)	04/05/28	-	-
Open House/Ribbon Cutting	08/15/28	-	-
90% Stabilization	08/15/28	-	-
Final Cost Certification	09/15/28	-	-

Budget

	Expected	Completed	Total Variance
Land Costs	$ 500,000	$ -	$ -
Hard Costs	$ 28,665,000	$ -	$ -
Soft Costs	$ 4,205,147	$ -	$ -
Financing Costs	$ 2,112,065	$ -	$ -
Reserves	$ 537,680	$ -	$ -
Developer Fee	$ 3,601,989	$ -	$ -
Totals	$ 39,621,881	$ -	$ -

New Construction Building (Grove)



Location	
Address:	321 E 200 S, Salt Lake City
Acreage:	1.57

General Info	
Total Units:	133
Total Parking Stalls:	86
# of Stories:	6
AMI Rental Rate	<60%

Unit Type	# Units	% of Total
1/Live-work	2	2%
2/Live-work	2	2%
1-Bedroom	58	44%
2-Bedroom	47	35%
3-Bedroom	20	15%
4-Bedroom	4	3%

Key Updates

1. The Public Benefit Analysis was submitted to the City Council on January 5, 2026. The City Council action date is set for March 24, 2026.
2. Construction Documents have been submitted to the city and plan check fees need to be paid.
3. Bonneville Builders are concluding their pre-construction service pricing and we are starting the RFP process for a GC.
4. Funding: 4% LIHTC application submission is anticipated for the February 2026 or May 2026 round dependent on site control.

Background

The campus has been named "The Grove". The current configuration includes a renovation of the historic Pipeline building, two (2) new mixed-use apartment buildings and a parking garage. The Northwest Pipeline building will include approximately 63 units. The New Construction portion will include approximately 133 units. Both projects include ground floor retail and public green space. Financing is likely to include Historic Tax Credits, LIHTC, City funding, potential transportation funding, and other smaller sources. The overall partnership structure includes HAME at 60% ownership; Xylem Projects, LLC at 35%; and Common Grounds Institute at 5%.

Key Items of Note:
1. Construction costs to be confirmed by Pre-construction Services thru 2026.
2. Retail solutions are being explored.
3. Majority Family Sized Units.
4. Final Design to be confirmed by The City's PBA & Development Agreement process.
5. Fast track design process to enable **February 2026** LIHTC funding round participation.
6. PBA & Ground Lease approval by Council is required prior to a February 2026 LIHTC submission.

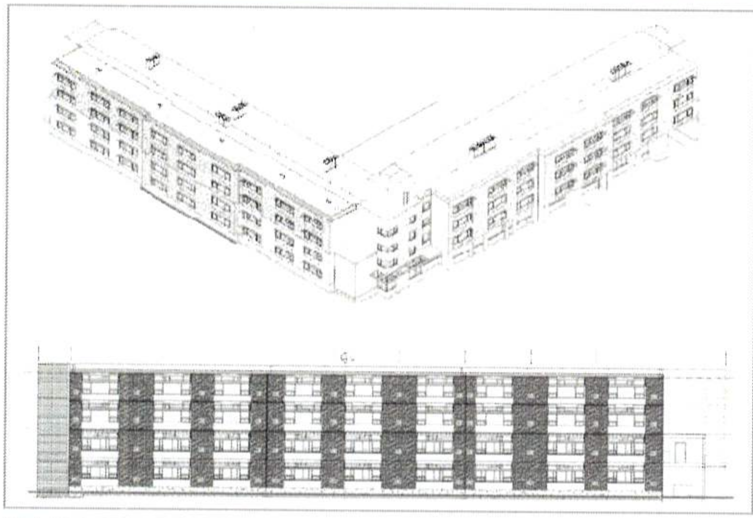
Schedule

Development Milestones	Expected Date	Completed Date	Total Variance
Closing/Site Transfer	03/24/26	-	-
Financing: Issuance of Bonds/Investor Commitment	07/31/25	-	-
Pre-closing Review (45-days prior to closing)	09/15/26	-	-
Building Permit Issuance	10/01/26	-	-
Groundbreaking (Construction Begins)	10/15/26	-	-
Occupancy Certificate (Last Bldg.)	08/17/28	-	-
Open House/Ribbon Cutting	03/04/29	-	-
90% Stabilization	03/04/29	-	-
Final Cost Certification	01/15/29	-	-

Budget

	Expected	Completed	Total Variance
Land Costs	$ 500,000	$ -	$ -
Hard Costs	$ 37,800,000	$ -	$ -
Soft Costs	$ 5,884,234	$ -	$ -
Financing Costs	$ 3,224,876	$ -	$ -
Reserves	$ 1,164,788	$ -	$ -
Developer Fee	$ 4,857,390	$ -	$ -
Totals	$ 53,431,288	$ -	$ -

Sunrise Metro



Location	
Address:	580 S 500 W, Salt Lake City
Acreage:	2.7

General Info	
Total Units:	Ex. 100-Units; Add 18-Units
Total Parking Stalls:	99
# of Stories:	4
AMI Rental Rate	<50%

Unit Type	# Units	% of Total
Studio	0	0%
1/Live-work	0	0%
2/Live-work	0	0%
1-Bedroom	118	100%
2-Bedroom	0	0%
3-Bedroom	0	0%

Key Updates

1. East building wing is approaching completion and entire remodel project is on track to finish in April 2026.
2. Little to no water damage due to dry winter for new 18 units.
3. Construction crews currently framing new 18 units and should be dried in before February.
4. Schedule: Phase 1 Remodel (finished in April)

Background

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 (with Atkinson Stacks), Sunrise Metro received a tax credit award in 2023 to fund the rehabilitation. The additional 18 new units that were originally designed as part of the building plan will now be added to the south wing. The entire building will receive substantial rehabilitation including upgrading systems, flooring, windows, and other aesthetic changes in order to bring the building up to date to allow many additional years of service.

Key Items of Note:
1. Funding is in place for Sunrise Metro Phase 1.
2. GIV development is our turnkey fee developer – without investment or much risk in the project.
3. The drawings and specifications are complete.
4. The budget is a consolidation of both Sunrise Metro & Atkinson Stacks per the LIHTC application.

Schedule

Development Milestones	Expected Date	Completed Date	Total Variance
Closing/Site Transfer	-	-	-
Financing: Issuance of Bonds/Investor Commitment	-	-	-
Pre-closing Review (45-days prior to closing)	09/01/25	-	-
Building Permit Issuance	05/21/25	05/21/25	-
Groundbreaking (Construction Begins)	07/09/25	07/09/25	-
Occupancy Certificate (Last Bldg.)	04/14/26	-	-
Open House/Ribbon Cutting	06/01/26	-	-
90% Stabilization	06/01/26	-	-
Final Cost Certification	08/15/27	-	-

Sunrise Metro & Atkinson Stacks Budget

	Expected	Completed	Total Variance
Land Costs	$ 13,100,000	$ -	$ -
Hard Costs	$ 40,167,837	$ -	$ -
Soft Costs	$ 2,724,533	$ -	$ -
Financing Costs	$ 2,642,890	$ -	$ -
Reserves	$ 1,649,694	$ -	$ -
Developer Fee	$ 4,100,813	$ -	$ -
Totals	$ 64,385,767	$ -	$ -

Atkinson Stacks

Location	
Address:	580 S 500 W, Salt Lake City
Acreage:	2.7

General Info	
Total Units:	100
Total Parking Stalls:	83
# of Stories:	6
AMI Rental Rate	<50%

Unit Type	# Units	% of Total
Studio	6	6%
1/Live-work	0	0%
2/Live-work	0	0%
1-Bedroom	94	94%
2-Bedroom	0	0%
3-Bedroom	0	0%

Key Updates

1. Permits have been issued.
2. Financing has closed in December 2025.
3. Construction crews are mobilizing to start work.
4. Schedule: Construction start is anticipated in January/February 2026.

Background

This project consists of 100 new construction units in a mid-rise configuration that utilizes some of the parking area of the current Sunrise Metro property.

The project will be 100% Permanent Supportive Housing ("PSH"). 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.

Key Items of Note:
1. Construction financing is anticipated to close Dec 2025.
2. GIV development is our turnkey fee developer.
3. The drawings and specifications are complete and nearing building permit issuance.
4. The budget is a consolidation of both Sunrise Metro & Atkinson Stacks per the LIHTC application.
5. The Sacred Circle lease agreement has been executed.

Schedule

Development Milestones	Expected Date	Completed Date	Total Variance
Closing/Site Transfer	-	-	-
Financing: Issuance of Bonds/Investor Commitment	-	-	-
Pre-closing Review (45-days prior to closing)	09/01/25	-	-
Building Permit Issuance	12/05/25	-	-
Groundbreaking (Construction Begins)	12/15/25	-	-
Occupancy Certificate (Last Bldg.)	10/15/27	-	-
Open House/Ribbon Cutting	11/01/27	-	-
90% Stabilization	11/01/27	-	-
Final Cost Certification	02/15/28	-	-

Sunrise Metro and Atkinson Stacks Budget

	Expected	Completed	Total Variance
Land Costs	$ 13,100,000	$ -	$ -
Hard Costs	$ 40,167,837	$ -	$ -
Soft Costs	$ 2,724,533	$ -	$ -
Financing Costs	$ 2,642,890	$ -	$ -
Reserves	$ 1,649,694	$ -	$ -
Developer Fee	$ 4,100,813	$ -	$ -
Totals	$ 64,385,767	$ -	$ -

Book Cliffs Lodge

Location	
Address:	1159 S W. Temple, Salt Lake City
Acreage:	0.8

General Info	
Total Units:	55
Total Parking Stalls:	24
# of Stories:	4
AMI Rental Rate	<40% - >80%

Unit Type	# Units	% of Total
Studio	0	0%
1/Live-work	0	0%
2/Live-work	0	0%
1-Bedroom	55	100%
2-Bedroom	0	0%
3-Bedroom	0	0%

Key Updates

1. HUD/JLL loan process for 221(d)4 closed in December.
2. Building permit has been issued.
3. Construction crews are starting to mobilize and are starting construction.
4. Will work continuously with HUD as they monitor the construction through the 221(d)4 process.

Background

A planned 55-unit site is fully assembled and permit ready. Book Cliffs Lodge land acquisition occurred in 2017 and permits were issued in January 2020. Procurement for a General Contractor (GC) is now complete, and the primary lender (HUD/JLL) is quickly completing the loan under a 221(d)4 process.

Key Items of Note:
1. Signed Dev/GC Agreement with Headwaters. Headwaters construction pricing to be confirmed at closing.
2. Project Architect is Method Studios based in Salt Lake City.
3. Adjacent to Baseball Stadium.
4. Book Cliffs Lodge received SLC-HDLP HOME & SLC-CRA soft funding awards of $4.74M.
5. Subsidized affordable housing with 9 units <40%, 20 units <60% (18 High HOME), 20 units <80% & 6 units >80% AMI Rental Rates. Up to 55 PBVs.

Schedule

Development Milestones	Expected Date	Completed Date	Total Variance
Closing/Site Transfer	06/01/17	06/01/17	-
Financing: HUD 221(d)4 - Firm Commitment	07/03/25	07/03/25	-
Pre-closing Review (45-days prior to closing)	10/15/25	10/15/25	-
Building Permit Issuance	09/01/25	08/29/25	-
Groundbreaking (Construction Begins)	01/02/26	01/02/06	-
Occupancy Certificate (Last Bldg.)	07/02/27	-	-
Open House/Ribbon Cutting	10/01/27	-	-
90% Stabilization	10/01/27	-	-
Final Cost Certification	N/A	-	-

Budget

	Expected	Completed	Total Variance
Land Costs	$ 2,314,379	$ -	$ -
Hard Costs	$ 12,782,638	$ -	$ -
Soft Costs	$ 1,452,198	$ -	$ -
Financing Costs	$ 878,523	$ -	$ -
Reserves	$ -	$ -	$ -
Developer Fee	$ -	$ -	$ -
Totals	$ 17,427,738	$ -	$ -

Erma's at Fairmont - Phase 1

Location	
Address:	2257 S 1100 E, Salt Lake City
Acreage:	0.81

General Info	
Total Units:	55
Total Parking Stalls:	59
# of Stories:	7
AMI Rental Rate	<60%

Unit Type	# Units	% of Total
Studio	0	0%
1/Live-work	0	0%
2/Live-work	0	0%
1-Bedroom	45	82%
2-Bedroom	10	18%
3-Bedroom	0	0%

Key Updates

1. Construction Documents were submitted to the city.
2. Debt and equity due diligence towards closing is in progress with Keybank (Lender) and Goldman Sachs (Investor).
3. Financial closing is anticipated for end of Q1 2026.
4. Abatement activities are complete. Building demolition will begin in early February 2026.

Background

110 new units for seniors will be delivered in one phase of construction. This significant regional project has been selected by the Utah Housing Corporation for 9% LIHTC funding in two succesive rounds following fiercely competitive rounds of applications. 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 the 110 units of affordable senior housing. "The City" has approved approximately $6,640,000 of very low interest financing towards the land purchase.

Key Items of Note:
1. Erma's at Fairmont Phase1 was awarded 9% tax credits.
2. Submitted for building permit in July 2025.
3. Recent Community Meeting; positive response

Schedule

Development Milestones	Expected Date	Completed Date	Total Variance
Closing/Site Transfer	02/28/25	02/28/25	-
Financing: Issuance of Bonds/Investor Commitment	07/31/25	07/31/25	-
Pre-closing Review (45-days prior to closing)	02/15/26	-	-
Building Permit Issuance	02/15/26	-	-
Groundbreaking (Construction Begins)	03/30/26	-	-
Occupancy Certificate (Last Bldg.)	08/27/27	-	-
Open House/Ribbon Cutting	11/15/27	-	-
90% Stabilization	11/15/27	-	-
Final Cost Certification	01/15/28	-	-

Budget

	Expected	Completed	Total Variance
Land Costs	$ 700,000	$ -	$ -
Hard Costs	$ 23,169,508	$ -	$ -
Soft Costs	$ 1,780,500	$ -	$ -
Financing Costs	$ 2,328,854	$ -	$ -
Reserves	$ 545,345	$ -	$ -
Developer Fee	$ 3,116,410	$ -	$ -
Totals	$ 31,640,617	$ -	$ -

Erma's at Fairmont - Phase 2

Location	
Address:	2257 S 1100 E, Salt Lake City
Acreage:	0.81

General Info	
Total Units:	55
Total Parking Stalls:	59
# of Stories:	7
AMI Rental Rate	<60%

Unit Type	# Units	% of Total
Studio	0	0%
1/Live-work	0	0%
2/Live-work	0	0%
1-Bedroom	45	82%
2-Bedroom	10	18%
3-Bedroom	0	0%

Key Updates

1. Construction Documents were submitted to the city.
2. Plans are in 2nd round of review comments.
3. Debt and equity due diligence towards closing is in progress with Keybank (Lender) and Goldman Sachs (Investor).
4. Financial closing is anticipated for end of Q1 2026.

Background

110 new units for seniors will be delivered in one phase of construction. This significant regional project has been selected by the Utah Housing Corporation for 9% LIHTC funding in two succesive rounds following fiercely competitive rounds of applications. 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 the 110 units of affordable senior housing. "The City" has approved approximately $6,640,000 of very low interest financing towards the land purchase.

Key Items of Note:
1. Erma's at Fairmont Phase 2 was awarded 9% tax credits.
2. Submitted for building permit in July 2025.
3. Recent Community Meeting; positive response

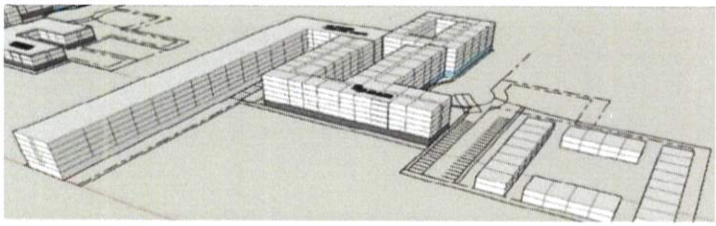
Schedule

Development Milestones	Expected Date	Completed Date	Total Variance
Closing/Site Transfer	02/28/25	02/28/25	-
Financing: Issuance of Bonds/Investor Commitment	07/31/25	07/31/25	-
Pre-closing Review (45-days prior to closing)	02/15/26	-	-
Building Permit Issuance	02/15/26	-	-
Groundbreaking (Construction Begins)	03/30/26	-	-
Occupancy Certificate (Last Bldg.)	08/27/27	-	-
Open House/Ribbon Cutting	11/15/27	-	-
90% Stabilization	11/15/27	-	-
Final Cost Certification	01/15/28	-	-

Budget

	Expected	Completed	Total Variance
Land Costs	$ 700,000	$ -	$ -
Hard Costs	$ 13,239,166	$ -	$ -
Soft Costs	$ 1,587,642	$ -	$ -
Financing Costs	$ 2,436,408	$ -	$ -
Reserves	$ 528,094	$ -	$ -
Developer Fee	$ 2,008,449	$ -	$ -
Totals	$ 20,499,759	$ -	$ -

Mansell Manor



Location	
Address:	1776 S W Temple St, Salt Lake City
Acreage:	5.5

General Info	
Total Units:	Est. 250-300
Total Parking Stalls:	.5 -.75 Ratio
# of Stories:	3-5
AMI Rental Rate	TBD

Unit Type	# Units	% of Total
Studio	TBD	-
1/Live-work	TBD	-
2/Live-work	TBD	-
1-Bedroom	TBD	-
2-Bedroom	TBD	-
3-Bedroom	TBD	-

Key Updates

1. Rezone Planning Commission Hearing is anticipated to be 1/28/26
2. The Architect & Engineering RFP has been announced as Think in the lead.
3. Design programming has begun to give Think direction on how to proceed.
4. Currently Strategizing the financial path forward with UHC, LIHTC and other pathways.
5. Lot consolidation plat map estimated to be completed in February 2026.

Background

HASLC owns all properties for Mansell Manor including the property to the South (Taylor Gardens & Taylor Springs). The western portion of properties is in the city for a rezone application and lot consolidation to achieve the density requested with unified setbacks to create more buildable area. The eastern lots will be consolidated to start on a series of townhomes or garden flats that can be constructed by-right.

Key Items of Note:
1. Budget and schedule is dependent on the community response to the lot consolidation and rezone application process.
2. The current range of density requested per rezone application is estimated to be 250-300 units.
3. The 1st phase is separate from this rezone process. A+E procurement is in process.
4. The new development projects are contingent on public housing exit activities.
5. Budget reflects initial pursuit items to date for lot consolidation application.

Schedule

Development Milestones	Expected Date	Completed Date	Total Variance
Closing/Site Transfer	-	-	-
Financing: Issuance of Bonds/Investor Commitment	-	-	-
Pre-closing Review (45-days prior to closing)	-	-	-
Building Permit Issuance	-	-	-
Groundbreaking (Construction Begins)	-	-	-
Occupancy Certificate (Last Bldg.)	-	-	-
Open House/Ribbon Cutting	-	-	-
90% Stabilization	-	-	-
Final Cost Certification	-	-	-

Budget

	Expected	Completed	Total Variance
Zoning/Pre-Dev	$ 78,500	$ -	$ -
-	$ -	$ -	$ -
-	$ -	$ -	$ -
-	$ -	$ -	$ -
-	$ -	$ -	$ -
-	$ -	$ -	$ -
Totals	$ 78,500	$ -	

Pharos

Location	
Address:	915 W 200 N, Salt Lake City
Acreage:	0.23

General Info	
Total Units:	35
Total Parking Stalls:	0
# of Stories:	5
AMI Rental Rate	<50%

Unit Type	# Units	% of Total
Studio	0	0%
1/Live-work	0	0%
2/Live-work	0	0%
1-Bedroom	35	100%
2-Bedroom	0	0%
3-Bedroom	0	0%

Key Updates

1. Currently assessing a revised financing strategy.
2. Budget: $10.5M

FA12COTTY

Background

Pharos is permit ready and has a finished construction document set at the City of Salt Lake. The project aims to house some of the hardest to house population in Salt Lake City. We will be applying for additional funding through a Federal Home Loan Bank (FHLB) grant.

Awards are made at the end of the calendar year, leaving some uncertainty in construction timing. Note also that Pharos received a low interest loan commitment from the City CRA for $880K.

Key Items of Note:
1. Schedule for construction start is contingent upon FHLB funding success and/or additional funding initiatives.

Schedule

Development Milestones	Expected Date	Completed Date	Total Variance
Closing/Site Transfer	05/03/23	05/03/23	-
Financing: Issuance of Bonds/Investor Commitment	-	-	-
Pre-closing Review (45-days prior to closing)	-	-	-
Building Permit Issuance	-	-	-
Groundbreaking (Construction Begins)	-	-	-
Occupancy Certificate (Last Bldg.)	-	-	-
Open House/Ribbon Cutting	-	-	-
90% Stabilization	-	-	-
Final Cost Certification	-	-	-

Budget

	Expected	Completed	Total Variance
Land Costs	$ 1,400,000	$ -	$ -
Hard Costs	$ 7,042,321	$ -	$ -
Soft Costs	$ 844,725	$ -	$ -
Financing Costs	$ 515,162	$ -	$ -
Reserves	$ 234,081	$ -	$ -
Deferred Developer Fee	$ 462,618	$ -	$ -
Totals	$ 10,498,907	$ -	$ -

Housing Assistance Management Enterprise
Staff Report

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

Item: **Key Performance Indicators (KPIs)**
December 2025

January 26, 2026

BACKGROUND:
The Property Management Department has developed Key Performance Indicators (KPIs) and associated metrics to monitor performance around essential activities. The tables below detail KPIs and metrics in focus for the 598 units and 4 associated commercial spaces owned by Housing Assistance Management Enterprise (HAME). They also provide other informational data points to help identify deficiencies and make appropriate corrections. Similar reports have been provided to break out units and commercial spaces owned and managed under the Housing Authority of Salt Lake City (HASLC) and Housing Development Corporation (HDC), as applicable. Units impacted by extraordinary circumstances such as methamphetamine remediation, flood, or fire that were previously excluded are identified as such in this report.

Stabilized commercial properties reflect normal, ongoing occupancy and operations rather than initial lease-up or transitional activity. The commercial spaces within the HAME portfolio reflect stabilized use consistent with this standard; HAME owns four commercial spaces, totaling approximately 2,364 square feet, located within residential properties.

Analysis:
KPI: Commercial Occupancy Stability
Metric: ≥90% stabilized occupancy

Commercial Occupancy	December
HAME	100%

KPI: Average Occupancy at the close of December 2025
Metric: >95% for stabilized properties

Average Occupancy	December
HAME	95

Move-ins	December
HAME	32

Move-outs	December
HAME	33

Evictions	December
HAME	6

KPI: Work order completion
Metric: >90%
For the month of December, 92% of work orders submitted were completed.

Total Work Orders	December
HAME	272

Unit Turns Completed	December
HAME	8

KPI: Average Number of Days Vacant for December 2025
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.

Days Vacant

	December
HAME	25

VA referral units' days Vacant
We had 0 move ins at our VA referral properties owned by HAME.

	December
HAME	0

KPI: Tenant Account Receivables (TARs)
Metric: 4% Potential Rent or less
In the prior month, HAME had $62,528 in rolling accounts receivable (AR). We collected $29,635 resulting in a 47% collection rate. Out of this, $15,440 remains unpaid for over 90 days. HAME currently has 17 repayment agreements in place, with a 100% compliance rate.

For the month of December, the total recurring charges for HAME-owned properties amounted to $644,267 with a 6% delinquency rate. At the end of December, the combined amount owed for HAME owned properties was $68,922.

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.

END OF BOARD PACKAGE